FACTORS THAT AFFECT EMPLOYEE MOTIVATION IN
AUDIT FIRMS IN NAIROBI: A CASE OF M.G.N NJUNGÉ &
CO

BY
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UNITED STATES INTERNATIONAL UNIVERSITY

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BY
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A Research Report Submitted to the Chandaria School of Business in Partial Fulfillment of the Requirement for the Degree of Masters in Business Administration (MBA)

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STUDENT’S DECLARATION

I, the undersigned, declare that this is my original work and has not been submitted to any other college, institution or university other than the United States International University-Africa in Nairobi for the award of academic credit.

Signed: ________________________ Date: _____________________
Rose Muchoki (ID: 637973)

This research proposal has been prepared and presented for examination subject to my approval as the appointed University supervisor.

Signed: ________________________ Date: _____________________
Dr. Teresia Linge

Signed: ________________________ Date: _____________________
Dean, Chandaria School of Business
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ABSTRACT

The general objective of the study was to determine the factors that affect employee motivation in the Audit firms in Kenya. The study was guided by the following research objectives; to determine intrinsic factors that affect employee motivation at MGN Njungé & Co, to determine extrinsic factors that affect employee motivation at MGN Njungé & Co, and to determine job design factors that affects employee motivation at MGN Njungé & Co.

Descriptive research design was used in this study. The target population was 250 at MGN Njungé & Co in Nairobi. Stratified random sampling was used to select a sample size of 75 respondents. Structured questionnaires were used to collect primary data. Data was analyzed using Statistical Package for Social Sciences (SPSS) software. Results were coded according to different variables and descriptive statistics such as frequencies, percentages, means and standard deviations for ease of interpretation. Tables, figures and charts were used for analysis and interpretation of data.

The findings on intrinsic factors that affect employee motivation revealed that respondents agreed that training motivates employees to perform extra hard, workplace recognition has motivated employees to work harder, the company recognizes and acknowledges employees work and job satisfaction influences employee motivation in the organization. However, there was a disagreement on working conditions having influenced employee motivation, the organization offers career development opportunities and career development has made employees improve performance.

The findings on extrinsic factors that affect employee motivation revealed that respondents agreed that the organization offers employee medical insurance. However, there was a disagreement on that the organization offers employee’s security benefits, promotion is done based on merit, promotion has influenced employee’s level of motivation, and fringe benefits offered by the organization have influenced employee performance. It was also revealed that employees disagreed that the organization offers retirement or pension plans.

The findings based on job design factors that affect employee motivation revealed that there was a disagreement on that job enrichment has enabled employees acquire more skills and knowledge, job enrichment has made employees improve their performance and productivity, job enlargement is based on employees duties and responsibilities, job enlargement in the organization influences employee motivation, job design used in the
organization integrates employees personal needs and those of the company, job enrichment motivates employees, job rotation influences employees commitment in the organization and job rotation in the organization increases employees level of motivation.

In conclusion, training, recognition, employee acknowledgement and job satisfaction has motivated employees to work harder, and create a good working environment that will help employees increase their performance. The organization offers employees medical insurance package, the organization does not offer employees job security, promotion is not done based on merits. Through this, employees are less motivated and satisfied with their job. Job enrichment, job enlargement and job rotation has enabled employees acquire more skills and knowledge, influences employee motivation and employees commitment hence, increase their performance and productivity. Employee’s personal needs and those of the company are incorporated in the job design.

This study recommends that a comparable study ought to be done in other organization and find out other factors that might affect employee motivation. In addition more research should also be done on effects of job enrichment, job enlargement and job rotation on employee motivation.
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Besides my advisor, I would like to thank the USIU-Africa library staff for their assistance for the length of my research, Professor Lewa for his guiding hand and my colleagues at the office for allowing me extra time out of normal office hours to work on my project.
DEDICATION

I dedicate this project to my dear mother, the late Charity Njoki Githaiga, for her unconditional love and to my husband Francis Njoroge Munge, for the moral and the financial support.
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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Study
Motivation is crucial for management and the organization as it has a great impact on employee job performance and responsibilities. Herzberg (1959) defined employee motivation as performing a work related action because you want to. Certo (2016) states that motivation is the process of giving employees incentives that causes them to act in a desired ways. In addition, according to Nelson (2013) motivation is the process of arousing and sustaining goal-directed behavior. Shah and Shah (2010) define motivation as the process of inspiring people to work; individually or in groups and produce best results. Motivation is the psychological forces that determine the direction of a person’s behavior in an organization, a person’s level of effort and a person’s level of persistence (Jones and George, 2015).

Motivation has been a major problem with organizations, institutions and their employees in time past. Motivation places human resource into action. It is through motivation that the human resources can be employed to the fullest. Motivation increases level of competence of personnel and leads to accomplishment of organizational objectives and thereby building relationship among workers (Ampofo, 2011). Levy (2013) asserts that organizations are facing a challenge keeping employees motivated. Nowadays, organizations are under pressure trying to identify and implement programs that will be effective and that will help employees increase their productivity (Deci, 2013).

Jobber and Lee, (2014) states that employee motivation affects productivity and a poorly motivated employee is costly to the organization in terms of lower productivity and performance, excessive staff turnover, increased expenses, frequent absenteeism and a negative effect on employee morale. Ogbogu (2017) stated that motivation is used in an organization to enhance employee job performance. Furthermore, an organization should have a range of motivation techniques that they can use to meet the needs of its employees as changes are taking place in the work environment.
Gilbert, Horsman, and Kelloway (2016) states that employee motivation can be grouped into intrinsic and extrinsic motivation. McCullagh (2005) defines intrinsic motivation as an individuals’ need to feel competency and pride in something while extrinsic motivation is the performance of an activity in order to attain some separate outcome.

According to Barber, Dunham and Formisano (1992), reward management system is used in an organization to attract, capture, retain and motivate employees with high potential and thus increase organizational performance. Malik, Ghafoor and Nasee (2011), employee reward can be positive or negative. The more positive the reward the more likely the employee will be highly motivated whereas, the more negative the reward the less likely the employee will be motivated to work harder. According to McKenzie-Mohr (2014), motivating people to work is not as difficult as it sounds in audit firms, people want to work hard and have a good time, give their best and be recognized for it. They want to work for companies that understand that and give room to do it. Kuo (2013) noted that a successful organization must combine the strengths and motivations of internal employees and respond to external changes and demands promptly to show the organization’s value.

With extrinsic motivation there exist a significant interaction between job stress, flex time, and country of residence (Mahiswaran, Sugumaran, Ganibay, Radziah and Noor, 2016). Leaders know that at the heart of every productive and successful business lies a thriving organizational culture and hardworking people collaborate passionately to produce great results (Aarabi, 2013). Adair (2004), posit that 50% of motivation comes from within the individual and the other 50% from their surrounding environment. Additionally, the act of motivating somebody can either be a result of conscious or unconscious effort, thus managers need to be aware that at all times whenever they interact with their workers, and they have the capacity to influence their actions and behavior.

Panagiotakopoulos (2013) asserts that factors affecting staff motivation at a period where the financial rewards are kept to the least stimulates employee performance. In an organization, management personnel’s responsibility is to motivate their employees to work as per the expectation and to enhance performance of the organization. Stratheford (2012) posit that in an organization, employees are involved in almost every aspect of the organization therefore, an organization needs to have effective motivation systems in place to thus, increase employees productive.
According to a research done by McPheat (2011), companies need to understand how people feel motivated so that they can be able to encourage them to perform at their peak while at work. Managers should also be able to understand their employees and what motivates them to perform well at work. Managers should also identify reasons that result in low employee motivation this is because it will make a difference in the impact of the selected motivator and the success of its application (McPheat, 2011). Employees are usually demotivated due to lack of required capabilities for the job, inequitable opportunities at work, lack of challenging aspects in the job, lack of appreciation at work, lack of good working relations with other colleagues, personal problems, wrong work attitudes and wrong job fit (McPheat, 2011).

Maslow (1943) suggests that human needs can be classified into five categories and that these categories can be arranged based on hierarchy of importance. These include; physiological, security, belonging, esteem and self-actualization needs. Vroom (1964) suggests that people are motivated by how much they want something and how likely they think they are to get it. Motivation leads to efforts and when efforts are combined with employee’s ability and environmental factors it led to increase employee performance. Herzberg suggested that there are factors in a job, which causes satisfaction. These factors are referred to as intrinsic factors (motivators) and other factor he refers to as dissatisfiers (hygiene factors). If organizations are able to meet the motivational factors, they are able to increase employee’s performance (Ajang, 2001).

According to Kalim, Farooq and Muahmmad(2010), employee’s motivation is very important this is because employees expect good working conditions, fair pay, fair treatment and being involved in decision making. Thomson (2006) states that extrinsic motivation such as money can highly motivate employees thus improve services delivery in both public and private sectors. Herzberg (1968) argues that, money is not a motivator, it is a hygiene factor.

Therefore motivation is a very essential issue that can be used to increase employee’s morale in an organization. Without motivation employees cannot deliver the required outputs (Adams, 2002).
Azar and Shafiqhi, (2013) states that employee performance is influenced by motivation. If employees are motivated then they will work harder and increase their performance in the organization. Donkoh (2016) conducted a research on motivation and job performance among teachers in La-Nkwantanang Madina Education Directorate. Findings revealed that there was a significant relationship between job performance and teacher motivation. It was recommended that for La-Nkwantanang Madina Education to increase its performance it needs to, the study recommended among increase teachers’ salaries, provide accommodation and offer rewards based on performance.

Samira (2012) conducted a study on employees work motivation and its effect on their performance and business productivity. Findings revealed that there was a positive relationship between motivation and employee performance. Forso (2012) investigated impact of motivation on the productivity of employees at GT bank Ghana. The study revealed that employee motivational processes in GT Bank have undergone tremendous change since the organization was established. MGN Njungé & Co is an organization helping competitive enterprises accelerate and sustain growth, market leadership and profitability. MGN Njungé & Co is focused on providing innovative strategies and superior execution so that clients achieve dominant positions in their core markets and have a commitment to pragmatic problem-solving, modelled in best practices and rooted in real-world experience.

MGN Njungé & Co long term vision is to be the partner of choice in East Africa on finance management solutions including but not limited to audit, through sustained research, consultancy and training. The core values that underlie that vision include integrity, honesty, respect to clients and colleagues, passion for excellence, objectivity, teamwork, and equity. MGN Njungé & Co has carried out assignments in Kenya, Uganda, Tanzania, South Sudan, Rwanda, Djibouti, Ethiopia, Germany and Somaliland. The organization has representative offices in Uganda, Tanzania and Rwanda and the long term intentions are to have a presence in the entire Eastern Africa.

1.2 Statement of the Problem

Cole and Kelly (2011) assert that through motivation, employees are able to increase their performance hence, achieve organizational goals and objectives.
Seyed and Rasoul (2014) conducted a research on factors affecting employee motivation. The study revealed that there is a significant relationship between social needs, job interest, self-efficacy, satisfaction, communication skills, job promotion, power, physiological needs, wages, and job motivation. Abzari and Sadri (2011) researched on factors affecting employee motivation in Isfahan Electricity Distribution Company. Golzadeh (2010) researched on factors affecting employee job motivation in organizations.

Wanjihia (2016) conducted a research on factors affecting employee motivation at the work place. It was recommended that the organizations should revisit their reward system, reward employees with other non-monetary rewards and changes the current way of doing this to an appropriate employee recognition system or program that can. Kamau (2012) researched on factors affecting employee motivation in public sector. Findings revealed that policies and strategies used by the department of immigration are inadequate and that the currently introduced performance contracting was good and motivated several employees.


It was revealed that there was a positive relationship between perceived level of job design and perceived degree of employees' performance in the bank. A lot of research done on factors affecting employee motivation has only looked at intrinsic and extrinsic factors but very few have looked at how job design factors can influence employee motivation. This study therefore, tends to fill the gap and look at also how job design can influence employee motivation.
1.3 General Research Objective

The general objective of this study is to determine the factors that affect employee motivation in the Audit firms in Kenya.

1.4 Specific Research Objectives

1.4.1 To determine intrinsic factors that affect employee motivation at MGN Njungé & Co.

1.4.2 To determine extrinsic factors that affect employee motivation at MGN Njungé & Co.

1.4.3 To determine job design factors that affects employee motivation at MGN Njungé & Co.

1.5 Significance of the Study

1.5.1 MGN Njungé & Co

The organization will use findings and recommendations of this study to come up with strategies that they can use to motivate employees, hence, increase performance and become competitive. Suggestions and recommendations from the study would also provide more information on how to address any issues related to employee motivation.

1.5.2 Researchers

Researchers will use findings and recommendations from this study as their reference point. They will be able to research further and find other factors that might affect employee’s motivation in other organizations.

1.5.3 HR Practitioners

Findings from this study would benefit human resource managers. It will give them an insight on factors that affect employee motivation and give them a guide on how to effectively handle employee motivation.
1.6 Scope of the Study
The target population of the study was 250 employees who work at MGN Njungé & Co in Nairobi. The limitation of the study was time spent to distribute questionnaires was limited and some respondents unwilling to respond and return the questionnaires. The researcher ensured that respondents were given enough time to answer the questionnaire and ask questions regarding the questionnaire hence, motivate them to answer and return the questionnaire once they are done. The study was carried out from January to April 2018.

1.7 Definition of Terms
1.7.1 Motivation
Motivation is a psychological force that determines the direction of a person’s behavior in an organization, a person’s level of effort, and a person’s level of persistence in the face of obstacles (George and Jones, 2012).

1.7.2 Intrinsic Rewards
Intrinsic rewards are intangible rewards or psychological rewards which one receives from the job itself (Ayesha, 2014).

1.7.3 Extrinsic Rewards
Extrinsic rewards are the tangible rewards which one gets from the employer. External rewards can be in terms of salary/pay, incentives, bonuses, stock options, promotions, job security and flex-time (Ayesha, 2014).

1.7.4 Job Design
Job design is the process of changing the content and processes of a job to increase employee’s satisfaction, motivation and productivity (Knapp and Mujtaba, 2010).
1.8 Chapter Summary

This chapter has discussed background of the problem, statement of the problem, research objectives, significant of the study, scope of the study and definition of terms. Chapter two covered literature review based on research objectives. Chapter three highlighted research methodology that was used in the study.

Chapter four examined findings based on data collected for the filed whereas; chapter five provided conclusion and recommendation of the study.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction
This section provides literature review as per the research objectives; to determine intrinsic factors that affect employee motivation, to determine extrinsic factors that affect employee motivation and to determine job design factors that affect employee motivation.

2.2 Intrinsic Factors and Employee Motivation
Intrinsic rewards are intangible rewards or psychological rewards like appreciation meeting the new challenges, positive and caring attitude from employer, and job rotation after attaining the goal (Hafiza, Shah, Zaman and Jamsheed, 2011). Aacha (2010) conducted a research on motivation and the performance of primary school teachers in Uganda. It was revealed that there was a positive significant relationship between intrinsic motivation and performance of teachers. It was also revealed that increased recognition, job satisfaction, career development are examples of intrinsic rewards that motivate employee. According to Njambi (2014), intrinsic factors that influence employee motivation includes; employee achievements, salary structure work itself, responsibility and advancement, recognition and the level to which the employees feel appreciated, and employee perception of their jobs. In addition, through motivation, an organization is able to increase employee’s performance. Tymon Stumpf and Doh (2010) conducted a research on exploring talent management in India: the neglected role of intrinsic rewards. Findings revealed that intrinsic rewards and job satisfaction are positively correlated.

2.2.1 Employee Recognition
Roshan (2005) researched on the relationship between rewards, recognition and motivation at an insurance company in the Western Cape. Study sampled 185 respondents. Questionnaires were used to collect data. It was indicated that there is a positive relationship between rewards, recognition and motivation. Kimiru (2012) researched on motivation and satisfaction as functions of perceptions of reward at Kenya Revenue Authority. Target population was 2800 employees at KRA. Multistage sampling was used to select sample size of 280 employees.
Questionnaires were used to collect primary data. It was revealed that there was a significant positive relationship between work motivation, promotion and recognition.

Danish (2010) states that when rewards and recognition are properly implemented, a good working atmosphere is provided that motivates employees to achieve high performance. Lewis (2013) noted that praise and recognition are effective ways of motivating employee behavior in the organization. This is because they are considered as the most important rewards. Aktar, Sachu and Ali (2012) argued that non-monetary rewards which are represented by recognition, learning opportunities, challenging work and career advancement, are effective tools used by organizations to motivate employees thus, increase their performance. Baskar (2013) conducted a study on the impact of rewards and recognition on employee motivation. Findings revealed that there is a direct and positive relationship between rewards and recognition and job satisfaction and motivation.

According to Caligiuri, Lepak and Bonache (2010), employees are likely to be motivated to improve their performance with non-monetary rewards such as employee recognition. Recognition is the acknowledgement, appreciation, or approval of the positive accomplishments or behaviors of an individual or team. In addition, psychological or intangible rewards (intrinsic) such as recognition and appreciation plays an important role in motivating employees and raising their performance. Relevantly, employee’s commitment is based on appreciation and rewards (Andrew and Kent, 2007). Lewis (2013) posits that praise and recognition are effective ways of motivating employee behavior in the organization. This is because they are considered the most important rewards.

Kililu (2008) conducted a research on employee motivation at Kenya Polytechnic. Findings revealed that employees were more motivated by recognition received from supervisor, physical working environment, training and seminars, salary, promotion and advancement opportunity and pension plans. Roberts (2005) investigated the relationship between rewards, recognition and motivation at an insurance company in the Western Cape. It was established that there was a positive relationship between rewards, recognition and motivation. Khan, Farooq and Khan (2010) conducted a comparative analysis of the factors determining motivational level of employees working in commercial banks in Kohat, Khyber Pukhtunkhwa. It was revealed that there was positive relationship between recognition and employee motivation.
Workplace recognition motivates employees, provides a sense of accomplishment and makes employees feel valued for their work. It also boosts employee engagement, increases productivity and loyalty to the company, leading to higher retention (Annemarie and Nate, 2016). Danish and Usman (2010) stated that for employees to be committed, an organization should recognize their work effort hence motivating them to be more productive and feel appreciated. Mason (2001) noted that employees who get recognized tend to have higher self-esteem, more confidence, more willingness to take on new challenges and more eagerness to be innovative. Numerous studies show recognition and praise contribute more to job satisfaction than financial incentives. Regularly delivering sincere and genuine compliments is a strong extrinsic motivational method (Vanpoucke, Quintens and Van-Engelshoven, 2016).

2.2.2 Job Satisfaction

Job satisfaction is a psychological concept that refers to job related attitudes and characteristics such as pay and reward, policies, leadership behaviors, management styles and co-workers (Darney-Baah, 2010). Armstrong (2010) job satisfaction is the attitudes and feelings people have about their work. In addition, positive and favorable attitudes towards the job indicate job satisfaction while negative and unfavorable attitudes towards the job indicate job dissatisfaction. Cole and Kelly (2011) job satisfaction is “an attitude or internal state which is associated with the working environment and working experiences” (p. 232).

Nyakundi (2012) conducted a research on factors affecting teacher motivation in public secondary schools in Thika West District. Descriptive research design was used. Target population was principals and teachers of public secondary schools in Thika West District. Random sampling was used to select teachers while purposive sampling technique was used to select the principals. Findings revealed that job satisfaction influences employee motivation. Kimiru (2012) researched on motivation and satisfaction as functions of perceptions of reward at Kenya Revenue Authority. Findings revealed that there was a significant positive relationship between work motivation and working conditions. Rizwan (2010) conducted a research on impact of reward and recognition on job satisfaction and motivation. It was revealed that there was a positive relationship between motivation and job satisfaction r=0.34, p < 0.01.
Waithaka (2013) noted that employees who are not satisfied cannot perform their job optimally. Through motivation, an organization motivates and encourages employees to perform their tasks effectively and efficiently and hence achieve organizational goals. In addition, in her study Waithaka (2013) on influence of employee motivation on job satisfaction it was revealed that financial incentives motivates employee more followed by job satisfaction, staff promotion based on merit then leadership style.

Bakhtawar (2016) investigated the impact of motivation on job satisfaction in NGOs in Karachi. Findings revealed that there was a positive relationship between employee motivation and job satisfaction. Ramona, Nurmalal and Sadikin (2017) researched on effect of job satisfaction and motivation towards employee’s performance in XYZ Shipping Company. Findings revealed that there was a positive relationship between employee motivation and job satisfaction. Ishfaq, Muhammad, Naveed, Imran Zeeshan and Ahmad (2010) employee motivation plays a significant role in increasing employee job satisfaction. Additionally, employees who are stratified are able to increase performance of an organization.

2.2.3 Career Development

Education and training increase employees’ job skills, and their perception towards efficiency and effectiveness in carrying their operations.

In addition it also causes employees to exhibit higher feelings of satisfaction, motivation and consequently increase in production (Mutsotso and Wanyama, 2010). According to Greenhaus, Callanan and Godshalk (2010), career development is a continuous process of work life. Career development benefits not only the individual employee, but also the organization. Kakui and Gachunga (2016) conducted a research on effects of career development on employee performance in the public sector. Total population 200 employees who work at National Cereals & Produce Board head office in Nairobi. Stratified random sampling was done to select a sample of 100 respondents. Findings revealed that job training influences employee performance. It increases employee’s skills and knowledge, competencies, job specification, and motivation.
Mwanje (2010) conducted a research on career development and staff motivation in the banking industry. It was revealed that career advancement had a significant effect on motivation. Organizations can offer career development opportunities such as; staff orientation, on-job training short courses, professional courses, post graduate degrees or diplomas. In addition, organizations should see employee career development as an investment and not a cost. Through, career development an organization is able to increase employee’s performance and motivation. (Pareek and Rao, 2012). Navern, Quraisha and Anis (2015) conducted a research on the relationship between career development and staff motivation in the South African Petroleum Sector. Findings revealed that career development influences staff motivation.

Cole (2011) asserts that through training and development an organization is able to increase employee morale, confidence, motivation, lower production cost, increase employees sense of work place security hence, reduce turnover rate, manage change and provide employees with skills and knowledge. Tuğçe (2016) researched on impact of training and development programs on motivation of employees in banking sector. It was established that training and development programs influences employee motivation. Naong (2014) conducted a research on impact of skills-development training on lower-level employee’s motivation and job satisfaction. It was revealed that employees who received more training were more motivated than those who received less training or no training at all.

Mumbi and Makori (2015) conducted a research on influence of employee’s motivation on organizational performance in government ministries in Kenya. It was revealed that there was a positive and significant relationship between employee training and organizational performance r = 851, p<0.001. It was also revealed that the organization did not properly plan and manage career programs for employees who work indifferent job categories. Rida and Faiza (2014) investigated the impact of training on employee performance in Banking Sector in Karachi. Findings revealed that training has a positive impact on employee performance. Ahmed (2015) conducted a research on perceived relationship between career development and employee commitment and engagement at Nairobi City County Government. Findings revealed that career development practices such as; career planning, coaching, counseling and mentoring affects employee motivation, commitment and engagement.
It was concluded that the County government has a policy that governs career development and have put in place coaching practices that they can used to develop their employees.

2.3 Extrinsic Factors and Employee Motivation
Markova and Ford (2011) extrinsic rewards are financial or tangible rewards commonly known as compensation. Examples of extrinsic rewards includes; pay, bonuses, promotion, and interpersonal rewards. Jamsheed and Zaman (2011) noted that an organization should have an effective reward system that they can use to retain skilled and talented employees. In addition, reward should also be related to employee performance and productivity. According to Armstrong (2010), hygiene factors are example of extrinsic factors. They are used to describe work conditions rather than the work itself. Alam, (2013) investigated the impact of employee recognition as a factor that predicts their contribution. The result shows a correlation between monetary reward and employee contribution. Zaman (2011) examined the relationship between extrinsic rewards, intrinsic rewards and motivation among employees of three non-profit organizations in Pakistan. The study used 127 samples and the results show that extrinsic rewards correlate directly with employee motivation while intrinsic reward does not make any significant impact on employee motivation. Hafiza et al (2011) conducted a research on relationship between rewards and employee's. It was revealed that there exist a direct relationship between extrinsic rewards and motivation of employees.

2.3.1 Compensation
According to DeNisi and Griffins (2008) compensation is a set of rewards that organizations provide to employees in return for their willingness to perform various jobs and tasks within the organization. Compensation systems are an integral part of the relationships organizations establish with their employees. If employees are no well compensated and motivated, they will not be able to contribute positively in the organization (Khalid, Rehman and Ilyas, 2014). Compensation is part of human resource practice which is also known as employee remuneration (Maimunah, 2014). Adeoye, Elegunde, Tijani and Oyedele, (2012) asserts that effective management of compensation can become a means to attract, retain, develop employees hence, increase employees efficiency, effectiveness, and enable an organization achieve a competitive advantage.
Mwangi (2014) conducted a research on the effect of compensation on employee motivation. The study concluded that Chloride Exide was lacking a proper compensation plan. The study recommended that a proper system of compensation plan should be developed, the compensation plan should have all the fundamentals of a good compensation plan and the organization should also communicate key information regarding staff and compensation. Masea (2016) conducted a research on influence of compensation practices on performance of employees in the saving and credit institutions in Nairobi City County. It was revealed that SACCOs have used various forms of employee compensation programs such as; direct remuneration and indirect payment for services rendered by the employee through commission, allowances and bonus, insurances schemes for health, dental, life, disability and vision and retirement benefits.

Rijalu, Shimelis and Reta (2014) researched on the effect of compensation on employee’s motivation in Jimma University academic staff. Total population was 1337 academic staff of Jimma University. Stratified sampling was used. The study sampled 230 respondents. Findings revealed that there was a positive relationship between compensation and employee work motivation. Muhamad, Syafiie and Rahayu (2014) investigated effect of compensation on, organizational commitment and employee performance. Findings revealed that compensation cannot directly improve employee performance, but it can increase employee motivation and strengthen organizational commitment. Ghazanfar, Shuai, Muhammad and Mohsin (2011) conducted a study of relationship between satisfaction with compensation and work motivation. The study revealed that employee satisfaction with compensation has a strong and significant effect on work motivation. Flexible pay is not a motivation factor and benefits do not have a significant impact on work motivation.

The study revealed that compensation and motivation influences employee performance positively and compensation had a positive impact on employee motivation.

2.3.2 Job Promotion

According to Gupta (2017) promotion refers to advancement of an employee to a higher post carrying greater responsibilities, higher status and better salary. It is the upward movement of an employee in the organization’s hierarchy, to another job commanding greater higher authority, higher status and better working conditions. Promotion is the process where employees move upward in the hierarchy of the organization. Employees are able to get higher compensation package and salary (Lazear, 2000). Promotions are used to reward employees for better performance and to motivate them. Gibbons, (1997) asserts that promotion is one of the most efficient ways to keep employees motivated by offering them opportunities along their careers, giving them more responsibilities or even more authority.

According to Khan et al (2010) conducted a comparative analysis of the factors determining motivational level of employees working in commercial banks in Kohat, Khyber Pukhtunkhwa. Findings revealed that payment, promotion, recognition and benefits influences employee level of motivation. Okan, Safakli and Mustafa, (2012) researched on universality of factors motivating employees in banking sector of Northern Cyprus. Their study revealed that the most important factors motivating employees are equitable wage and promotion, extended health benefits and working environment. Financial incentives and rewards influence employee commitment and motivation hence; organizations should develop financial incentive strategies such as promotion, bonus, profit sharing or gain sharing and employees stock ownership (Saba 2011). Saharuddin (2016) conducted the effect of promotion and compensation toward working productivity through job satisfaction and working motivation of employees In the Department of Water And Mineral Resources Energy North Aceh District. It was revealed that promotion and compensation have significant and positive impact on job satisfaction, morale and work productivity.

Peter (2014) researched on impact of promotion to employee’s performance at Dar Es Salaam City Council. It was revealed that promotion influences employee performance and motivation.
Gupta (2017) asserts that promotion of employees form lower level to upper level creates a feeling of content among employee, increases job satisfaction, motivates employees, reduce labor turnover and stimulate self-development. According to Rupia, Garashi, Ogodo and Odhiambo (2012) promotion by merit is used by many organizations to motivate their employees to increase their performance. Robbins (2007) asserts that promotion create an opportunity for personal growth, increase level of responsibility and social standing. Naveed, Usman and Bushra (2011) organizations that provides employees with factors of promotion such as; facilities, ability and skills, will be able to motivate employees and increase job satisfaction.

Abdullah and Muhammad, (2012) job security, promotion, fairness, remuneration and good working environment increases employees' satisfaction, motivation and organizational commitment. Wan, Sulaiman, and Omar (2012) asserts that employees that perceived promotion decisions as fair are more likely to be committed to the organization, motivated, experience career satisfaction, perform better and hence reduce employee’s intention to leave the organization. According to Mathenge (2011), compensation plays an important role in employee motivation and fair promotion as well as employee development practices plays an important role in ensuring effectiveness and efficiency in Kenyan organizations. Wachira and Kamau (2014) conducted a research on an inquiry into job satisfaction habits among private secondary school teachers in Kenya. Findings revealed that promotion, remuneration and leadership style affect job satisfaction and employee motivation

2.3.3 Fringe Benefit

Fringe benefits such as; retirement or pension plans, medical insurance, education reimbursement and time off are offered to employees by organizations to attract retain and motivate qualified employees (Kamau, 2013). According to Masi and Cooke (2010), benefits are items such as pension, sickness payments and company cars are sometimes known as fringe benefits. Employee benefits are any form of compensation other than direct wages paid to employees. It constitutes a major part of almost any individual’s financial and economic security (Stajkovic and Luthans, 2007).

Payam, Akram, Majid, and Seyed (2013) researched the relationship between rewards and employee performance. Findings revealed that there was a direct relationship between employee performance and fringe benefits.
Ndungu (2017) conducted a research on the effects of rewards and recognition on employee performance in public educational institutions. Target population was employees at Kenyatta University main campus, Nairobi. Stratified random sampling and purposive random sampling were used to select a sample of 360 employees. Primary data was collected using questionnaires. It was revealed that salaries; fringe benefits and job security are weak in Kenyatta University thus causing employee dissatisfaction.

Zaliha and Kamaruzaman (2008) conducted a research on the influence of employee benefits towards organizational commitment. It was revealed that there was a positive relationship between fringe benefits and organizational commitment. Kamau (2013) conducted a research on fringe benefits effects on employee productivity in the public sector. Findings revealed that security benefits such as meal, transport and house allowances contributed positively to employee productivity. The study recommends that public sector should continue providing its employees with security benefits, health protection benefits, review its current retirement package. Through this public sectors will be able to increase employee motivation and productivity.

Shafiq and Naseem (2011) states that poorly designed reward system and poor compensation in organization reduces employee motivation and performance. However, use of fringe benefits, work-life balance, healthcare insurance, pension, and bonus influences employee motivation and performance. Buguza (2013) conducted a research on Impact of employee motivation on job performance in Tanzania banking sector. Findings revealed that salary increment, promotion and recognition influences employee motivation. It was recommended that organization should offer a housing loan scheme to its employees. Barongo (2013) researched on the role of financial incentives on employees’ motivation in financial institutions in Tanzania. It was revealed that employees are more motivated by salary, staff loan, car loan and house allowance. Lotta (2012) states that motivated employees are more productive, more efficient and more willing to work towards organizational goals than the employees who are experiencing low levels of motivation.
2.4 Job Design Factors and Employee Motivation

Morgeson and Humphrey (2008) noted that job design is concerned with employees work activities, duties, and task employees require to perform their duties and how those tasks and duties are structured and scheduled.

Job design is the process of changing the content and processes of a job to increase employee’s satisfaction, motivation and productivity (Knapp and Mujtaba, 2010). Aswathappa (2006) states that job design can be in the form of; job rotation, job enlargement, and job enrichment. Mensa-Bonsu (2012) researched on the effect of job design on employee motivation and job performance. Findings revealed that job design has a positive influence on motivation and job performance. Ngugi (2014) conducted a research on the effects of job design on employee’s performance. It was revealed that there was a positive relationship between perceived level of job design and perceived degree of employees' performance in the bank. Tuma (2015) investigated the effect of job design on employee satisfaction levels in private universities in Kenya. Findings revealed that job design positively affects employee satisfaction and motivation. It was recommended that the organization should conduct routine job rotation.

2.4.1 Job Rotation

Job rotation is used by organizations to increase employee’s motivation, increase productivity, job satisfaction and organizational performance.

Through job rotation an organization is able to provide employees with new opportunities, skills and knowledge that they can use to achieve their goals (Delpas, Raiisi, Begdely and Shahabi, 2010). Ojwang’ (2014) job changes are the alteration and modification of activities, schedules, assignments, structure, remuneration and other human resource management process. Job changes take place in the form of; job mobility, transfer of services, job enlargement, job enrichment, job rotation and retirement. Faegri, Dyba and Dingsoyr (2010) assets that job rotation enables employees to increase their problem solving skills and increase employee’s efficiency.

Ojwang’ (2014) conducted a research on job changes and employee commitment among employees of Postal Corporation of Kenya-Homabay County. Findings revealed that there was a weak correlation between job changes and employee commitment to the organization. Adequate guidance is required by employees before job changes are implemented.
It was recommended that Postal Corporation of Kenya should train first line supervisors to improve on employee participation in implementing job changes. Mutinda (2014) investigated perceived relationship between learning and development practices and employee performance at Kenya Airways Ltd. It was revealed that employees at KQ were moved through a schedule of assignments to give them a wide exposure to the entire operations and that knowledge employees acquired during job rotation and transfers increased employee productivity.

Ortega (2001) stated that firms use job rotation and it has proved to be a better learning and motivation force for the employees. Kurtulus (2010) researched the effects of job rotation practices on motivation. It was revealed that job rotation have a positive effect on motivation. However, a study done by Faizan, Muhammad and Sarfraz (2012) on impact of job rotation on employee motivation, commitment and job involvement in banking sector of Pakistan revealed that when employees are rotated to different jobs across various departments, they become less motivated. Marangu (2014) researched on employee performance improvement strategies among Faith-Based Humanitarian Organizations in Kenya. The study recommended that Faith-Based Humanitarian Organizations can improve employee’s performance by giving good salaries and monetary rewards, adopting flexible working hours, having job rotations, delegating authorities, giving prompt performance feedback after performance appraisals and emphasizing on the on-job coaching and mentoring.

Murad and Amani (2015) conducted a research on the influence of job rotation practices on employee motivation. It was revealed that there was a positive relationship between job rotation and employee motivation. Plowman (2012) stated that job rotation enables employees to gain more insights into the processes of a company, and to reduce boredom and increase job satisfaction through job variation. It also reduces job burn-out, apathy, and fatigue, hence increasing which ultimately employee satisfaction and motivation.

2.4.2 Job Enlargement

Job enlargement is defined as "assigning workers additional same level activities, thus increasing the number of activities they perform" (Dessler, 2005, p.138). Job enlargement is the increase of employee’s duties and responsibilities at work Beardwell and Claydon, 2004).
Ali (2015) states that job enlargement can improve employees' abilities and skills and provide them with the chance to communicate and learn from others. In addition, job enlargement can also increase flexibility and decrease routine of work.

Mohsin and Muhammad (2011) investigated impact of job enlargement on employees’ job satisfaction, motivation and organizational commitment. Findings revealed that public sectors in Pakistan use job enlargement practices that are negatively associated with motivation, job satisfaction and organizational commitment. Gichuki (2017) conducted a research on effect of job enlargement on employee performance at the Rift Valley Railways (K) Ltd. The study recommended that the organization should develop training and development programs to nurture employee knowledge and skills on how job enlargement can be aligned into employee duties and responsibilities hence increase employees understanding of organizational processes and procedures. Sushil (2014) researched role of job enrichment and job enlargement in work life balance. Findings revealed that job enrichment and job enlargement influences employee motivation. In addition it increases employee’s commitment effectiveness and efficiency.

Abdifitah, Abdulkadir, Asho (2015) investigated the contribution of job increase on employees’ motivation and satisfaction, it was found that well managed and designed, job enlargement causes employees to feel interested and as a result motivated and satisfied. It was revealed that through enlargement employees are able to increase their skills and ability. Durai (2010) noted that job enlargement it used in organizations to stimulate employee’s interest at work and increase job attraction by offering them various tasks.

### 2.4.3 Job Enrichment

Job enrichment is a non-financial technique used by organizations to motivate its employees. It is an outgrowth of Herzberg’s’ two factor theory of motivation. Herzberg stresses that the factors which truly motivate the workers are ‘growth’ factors, or those that give workers a sense of personal accomplishment through their work challenge. In addition, in order to motivate employees the job itself must provide opportunities for achievement, recognition, responsibility, advancement and growth. Job enrichment provides employees with opportunity for achievement, recognition, responsibility and personal growth. It provides employees freedom and responsibility to carry out and complete their task (Gupta, 2005).
Job enrichment is a technique that gives employees the freedom on how they can perform their duties. In addition, organizations that use job enrichment are able to increase employee performance and productivity, increase motivation, reduce turnover rate and reduce absences (Njambi, 2014).

Saleem, Shaheen and Saleem (2012) states that an organization is able to enhance employee performance by increasing their satisfaction level and satisfaction level can be increased by enriching and enlarging employee’s job in the organization. Job enrichment, according to Leach and Wall (2004) is a design of jobs that increases the volume of employees’ autonomy, control, skill varieties and responsibility which invariably helps to reduce rigidity, tediousness, lack of creativity and employees dissatisfaction. Vijay and Indradevi (2015) conducted a study on job enrichment and individual performance among faculties with special reference to a private. Findings revealed that employee performance and motivation is influenced by job enrichment. Iravane, Aslan and Mehdi (2015) examined the relationship between job enrichment performances. Findings revealed that there was no significant relationship between job performance and job enrichment.

2.5 Chapter Summary
This chapter has discussed literature review based on the following research objectives; to determine intrinsic factors that affect employee motivation, to determine extrinsic factors that affect employee motivation and to determine job design factors that affect employee motivation. Chapter three covered research methodology that will be used in the study.
CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction
This chapter also looked at the research design, the population and sampling design (sampling frame, technique and size), the data collection methods, what research procedures used, and finally a summary.

3.2 Research Design
Cooper and Schindler (2014) states that research design is a plan and structure of investigation used to get answers to research questions. The study used a descriptive research design. Descriptive research design is a study design used for defining, predicting and examining the associative relationship of study variables and consequently help in providing useful accurate information to answer the questions based on what, where, when, how and who (Saunders, Lewis and Thornhill, 2012). The purpose of using descriptive surveys was to collect detailed and factual information that describe an existing phenomenon. According to Patton (2000), descriptive survey is used by researchers to investigate variables under study without manipulating them and report various aspects that define competency. The study used quantitative research to acquire more knowledge and understanding of the results obtained. Dependent variable was employee motivation and the independent variables were intrinsic factors, extrinsic factors and job design.

3.3 Population and Sampling Design
3.3.1 Population
Any set of individuals or objects having some common observable characteristics. Population is used to reference the group of people, events, or things of concern that will be studied (Saunders et al, 2012). The target population of the study comprised of approximate of 250 employees, at MGN Njungé & Co in Nairobi.
Table 3.1. Population

<table>
<thead>
<tr>
<th>Employment Level</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top Management</td>
<td>10</td>
<td>4</td>
</tr>
<tr>
<td>Operational Managers</td>
<td>43</td>
<td>17</td>
</tr>
<tr>
<td>Technical Employees</td>
<td>197</td>
<td>79</td>
</tr>
<tr>
<td>Total</td>
<td>250</td>
<td>100</td>
</tr>
</tbody>
</table>


3.3.2 Sampling Design

In this section, the research was given a detailed description of the sampling frame, sampling technique and the actual sample size to be provided. Sampling design includes the sampling frame, sampling technique and the actual sample size in a research (Cooper and Schindler, 2012). There are various means of obtaining data including getting data from a whole population, or a section which should be a representation of the entire population (Organisation for Economic Co-operation and Development (OECD), 2013).

3.3.2.1 Sampling Frame

A sampling frame, which is a list of elements from which the sample is actually drawn and its purpose is to provide an outline of the particular members and where they will be selected from (Cunanan and Cruz, 2014). Sample frame consisted of employees who work at top management, operational managers and technical employees. The sample frame was obtained from the HR department in the organization.

3.3.2.2 Sampling Technique

According to Jankowicz (2002), sampling is the process of choosing a number of people to provide data from which conclusion will be drawn. The study used stratified sampling technique. Babbie and Rubin (2010) states that stratified sampling is the process of providing an estimate of the overall population that will be used in the study. Stratified sample ensures representation of individuals across the entire population. Saunders et al., (2012) states that stratified sampling is the process of dividing the whole population into a stratum.
3.3.2.3 Sample Size

Sample size determination is the act of choosing the number of observations or replicates to include in a statistical sample (Saunders et al, 2012). Mugenda and Mugenda (2013) reckon that a sample of 30% of the accessible population as being sufficient. The sample size was 75 audit staff.

**Table 3.2: Sample Size Distribution**

<table>
<thead>
<tr>
<th>Employment Level</th>
<th>Population</th>
<th>Percentage</th>
<th>Sample Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top Management</td>
<td>10</td>
<td>30</td>
<td>3</td>
</tr>
<tr>
<td>Operational Managers</td>
<td>43</td>
<td>30</td>
<td>13</td>
</tr>
<tr>
<td>Technical Employees</td>
<td>197</td>
<td>30</td>
<td>59</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>250</strong></td>
<td><strong>30</strong></td>
<td><strong>75</strong></td>
</tr>
</tbody>
</table>

Source: MGN Njungé & Co HR Department

3.4 Data Collection Methods

Huang, Chiu and Liu (2013) states that the descriptive statistics such as frequencies, percentages and graphs should be used for the analysis of the research questions while a hypothesis testing was done with Spearman Rank Correlation Coefficient. Statistical Package for Social Sciences computer software was used to run the analyses. The data collection instrument used was structured questionnaire because structured questionnaires are extremely flexible and can be used to gather information concerning almost any topic, from a larger or small number of people.

The questionnaires were divided into four sections. Section A addressed demographic information regarding the respondents such as gender, age, academic qualification, years in the organization, marital status, department in the organization, section B focused on determine intrinsic factors that affect employee motivation; section C captured information on intrinsic factors that affect employee motivation and Section D captured information on job design factors and employee motivation. In addition, 5 points modified Likert scale was used where; 5= Strongly Agree, 4= Agree, 3= neutral, 2= Disagree and 1= Strongly Disagree.
3.5 Research Procedures
Permission to conduct the study was requested and hopefully granted by the Senior Management. The researcher personally administer the questionnaires with the assistance of across the level senior personnel and the completed questionnaires were be collected by the research support groups/ departments. Throughout the study every effort was made to maintain high ethical standards. Anonymity and confidentiality was protected at all times with a thorough explanation in the form of a covering letter provided to all participants, detailing the purpose of the study. Data analysis and interpretation was done using the interactive model of quantitative data analysis (Miles and Huberman 1994), which first involved sorting or sifting through the data and sequences.

3.6 Data Analysis Method
According to Hyndman (2008), data analysis is the process of converting answers on a questionnaire into a form that it can be manipulated to produce figures. After all the questionnaires have been returned, it is important that the mass of data collected should then be reduced to a format suitable for analysis. Pearson correlation and regression analysis was conducted to identify the relationship between variables under study. SPSS program was used to analyze data. Data was coded according to different variables and descriptive statistics frequencies, percentages, means and standard deviations for ease of interpretation. Tables, figures and chart were used for analysis and interpretation of data.

3.7 Chapter Summary
This chapter has discussed research methodology that was used in the study. It has discussed population, sampling design, sample technique that was used, sample size, data collection methods, research procedures, and the data analysis methods used in. Chapter four covered results and findings. Chapter Five covered discussion, conclusion and recommendation.
CHAPTER FOUR

4.0 RESULTS AND FINDINGS

4.1 Introduction
This chapter presents the findings and interpretations based on data analysis of the study done. Additionally, it also presents results on demography such as; age, gender, marital status, years in the organization, level of education, department in the organization and years worked in the auditing profession. The chapter also presented findings based on research objective.

4.1.1 Response Rate
A total of 75 questionnaires and a total of 61 were filled and returned giving a response rate of 81%. This is shown in Table 4.1.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Filled and returned</td>
<td>61</td>
<td>81</td>
</tr>
<tr>
<td>Non-response</td>
<td>14</td>
<td>19</td>
</tr>
<tr>
<td>Total</td>
<td>75</td>
<td>100</td>
</tr>
</tbody>
</table>

4.2 Demographic Information
This section has analysed data based on demographic factors. This include age, gender, marital status, years in the organization, level of education, department in the organization and years worked in the auditing profession.

4.2.1 Gender of Respondents
To investigate gender of the respondent’s findings revealed that 56% of respondents are male and 44% are female as shown in Figure 4.1.
Figure 4.1: Gender Respondents

4.2.2 Age Respondents

To investigate the age of the respondent’s it was revealed that age group 31-35 years were the majority with 22 respondents accounting for 36% of the population; followed by age group 25 and below with 15 respondents accounting for 25% of the total population, above 40 years had 10 respondents accounting for 16% of the population, 26-30 years had 7 respondents accounting for 12% of the population, 36-39 years had 5 respondents representing 8% of the total population and 2 respondents did not respond representing 3% of the total population as shown in Figure 4.2.

Figure 4.2: Age Respondents
4.2.3 Marital Status

To investigate marital status 31 respondents were married this represents for 51% of the population; 27 respondents were single representing 44% of the population, 2 respondents were divorced representing 3% of the population and 1 respondent was widowed representing 2% of the population as shown in Figure 4.3.

![Figure 4.3: Marital Status](image)

4.2.4 Years in the Organization

To establish the duration the respondents have worked in the organization, the findings revealed 38% of the respondents have been in the organization for 2-5 years, 33% of the respondents have been in the organization for 6-10 years, 25% of the respondents have been in the organization for less than 1 year and 5% of the respondents have been in the organization for more than 11 years as shown in Figure 4.4.
Figure 4.4: Years in the Organization

4.2.5 Highest Level of Education

To investigate respondent’s level of education it was revealed that 44% of respondents have a degree certificate, 26% have a diploma certificate, 23% have masters decree, 5% have certificate course and 2% are PhD holders as shown in Figure 4.5.

Figure 4.5: Highest Level of Education
4.2.4 Department in the Organization

To analyse department respondents work for in the organization findings revealed that 46% of respondents were in the finance department, 20% were in the production department this represents, 18% were in other departments, 16% were in the marketing department as shown in Figure 4.6.

![Figure 4.6: Department in the Organization](image)

4.2.5 Years in the Auditing Profession

With regards to service in the audit firm profession, it was established that 41% of respondents have been in the auditing profession for 2-5 years, 23% for less than two years, 18% for 6-10 years, 10% for 11-15 years and 8% for over 15 years as shown in Figure 4.7.

![Figure 4.7: Years in the Auditing Profession](image)
4.2.6 Job Motivation

The results on if respondents feel motivated to do their job revealed that 88% of respondents were not motivated to do their job whereas, 12% of respondents agreed that they were motivated to do their job. The results are shown in Table 4.2.

4.2: Job Motivation

<table>
<thead>
<tr>
<th>Variable</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>7</td>
<td>12</td>
</tr>
<tr>
<td>No</td>
<td>54</td>
<td>88</td>
</tr>
<tr>
<td>Total</td>
<td>61</td>
<td>100</td>
</tr>
</tbody>
</table>

4.2.7 Job Satisfaction

The results on if respondents are satisfied with their job findings revealed that 75% of respondents are not satisfied, 18% are satisfied and 7% did not respond. The results are shown in Table 4.3.

Table 4.3: Job Satisfaction

<table>
<thead>
<tr>
<th>Variable</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>11</td>
<td>18</td>
</tr>
<tr>
<td>No</td>
<td>46</td>
<td>75</td>
</tr>
<tr>
<td>Missing</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td>Total</td>
<td>61</td>
<td>100</td>
</tr>
</tbody>
</table>

4.2.7.1 Lack of Job Satisfaction

It was revealed that 3% of respondents were not satisfied with their job due to low salary and another 3% was because they need enrichment. It was also revealed that 2% of respondents were not satisfied with their job due to inadequate remuneration structure and 92% did not respond as shown in Figure 4.8.
4.2.8 Willingness to Stay in Current Job

The study sought to determine if employees are willing to stay in their current job. The results showed that 74% respondents were not satisfied with their current job, 21% of the respondents were satisfied with their job and 5% did not respond as shown in Table 4.4.

Table 4.4: Willing to Stay in Current Job

<table>
<thead>
<tr>
<th>Variable</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>13</td>
<td>21</td>
</tr>
<tr>
<td>No</td>
<td>45</td>
<td>74</td>
</tr>
<tr>
<td>Missing</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>61</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.3 Intrinsic Factors and Employee Motivation

The first objective was to determine intrinsic factors that affect employee motivation. Respondents were required to answer seven questions. They were expected to rate their opinion with the highest being strongly agree (5) and the least being strongly disagree (1). The results are presented in the following narrative.
4.3.1 Descriptive Statistics

The respondent’s opinion on training motivates employees to perform extra hard had the highest mean of 4.23 and standard deviation of 0.739. Workplace recognition has motivated employees to work harder in the organization had a mean of 4.08 and standard deviation of 0.802. The company recognizes and acknowledges employees work had a mean of 4.07 and standard deviation of 0.946. Additionally, Job satisfaction influences employee motivation in the organization had a mean of 4.02 and standard deviation of 1.008, working conditions in the organization has influenced employee motivation had a mean of 3.98 and standard deviation of 0.922, the organization offers career development opportunities had a mean of 3.95 standard deviation of 0.805 and career development has made employees improve their performance had a mean of 3.89 and standard deviation of 0.896 as shown in Table 4.5.

Table 4.5: Descriptive Statistics of Intrinsic Factors

<table>
<thead>
<tr>
<th>VARIABLE</th>
<th>MEAN</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job satisfaction influences my motivation in my organization</td>
<td>4.02</td>
<td>1.008</td>
</tr>
<tr>
<td>Working conditions in my organization have influenced my motivation.</td>
<td>3.98</td>
<td>.922</td>
</tr>
<tr>
<td>Workplace recognition has motivated me to work harder in my organization</td>
<td>4.08</td>
<td>.802</td>
</tr>
<tr>
<td>My company recognizes and acknowledges my work</td>
<td>4.07</td>
<td>.946</td>
</tr>
<tr>
<td>Training in my organisation motivates me to perform extra hard</td>
<td>4.23</td>
<td>.739</td>
</tr>
<tr>
<td>My organization offers career development opportunities</td>
<td>3.95</td>
<td>.805</td>
</tr>
<tr>
<td>Career development has made me improve my performance</td>
<td>3.89</td>
<td>.896</td>
</tr>
</tbody>
</table>

4.3.2 Correlation between Intrinsic Reward and Employee Motivation

A Pearson correlation analysis was done to establish the relationship between the intrinsic reward and employee motivation, result established that there was a positive but insignificant relationship between intrinsic reward and employee motivation r=0.221, p>0.087 as shown in Table 4.6.
Table 4.6: Correlation between Intrinsic Reward and Employee Motivation

<table>
<thead>
<tr>
<th></th>
<th>employee motivation</th>
<th>intrinsic</th>
</tr>
</thead>
<tbody>
<tr>
<td>employee motivation</td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.087</td>
</tr>
<tr>
<td>intrinsic</td>
<td>Pearson Correlation</td>
<td>0.221</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.087</td>
</tr>
</tbody>
</table>

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

4.4 Extrinsic Factors and Employee Motivation

The second objective was to determine extrinsic factors that affect employee motivation. Respondents were required to answer seven questions. They were expected to rate their opinion with the highest being strongly agree (5) and the least being strongly disagree (1). The results are presented in the following narrative.

4.4.1 Descriptive Statistics

The respondent’s opinion on the organization offers medical insurance had the highest mean of 4.08 and standard deviation of 0.971. This was followed by promotion is done based on merit had a mean of 3.89 and standard deviation of 0.798 and promotion has influenced employees level of motivation had a mean of 3.67 and standard deviation of 0.978. In addition, the organization offers employee’s security benefits had a mean of 3.53 and standard deviation of 1.112, compensation influences employee motivation had a mean of 3.52 and standard deviation of 1.058, fringe benefits offered has influenced performance had a mean of 3.34 and standard deviation of 1.209. However, employees disagreed that the organization offers retirement or pension plans had a mean of 2.36 and standard deviation of 1.550 as shown in Table 4.7.
Table 4.7: Descriptive Statistics of Extrinsic Factors

<table>
<thead>
<tr>
<th>VARIABLE</th>
<th>MEAN</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>My organization offers retirement or pension plans.</td>
<td>2.36</td>
<td>1.550</td>
</tr>
<tr>
<td>Medical insurance is offered in my organization.</td>
<td>4.08</td>
<td>.971</td>
</tr>
<tr>
<td>Fringe benefits offered by my organization have influenced my performance</td>
<td>3.34</td>
<td>1.209</td>
</tr>
<tr>
<td>My organization offers employee’s security benefits</td>
<td>3.53</td>
<td>1.112</td>
</tr>
<tr>
<td>Promotion in my organization has influenced my level of motivation</td>
<td>3.67</td>
<td>.978</td>
</tr>
<tr>
<td>In my organization, promotion is done based on merit</td>
<td>3.89</td>
<td>.798</td>
</tr>
<tr>
<td>Compensation influences employee motivation in my organization</td>
<td>3.52</td>
<td>1.058</td>
</tr>
</tbody>
</table>

4.4.2 Correlation between Extrinsic Reward and Employee Motivation

A Pearson correlation analysis was done to establish the relationship between the extrinsic reward and employee motivation, result established that there was a positive but insignificant relationship between extrinsic reward and employee motivation r=0.094, p>0.473 as shown in Table 4.8.

Table 4.8: Correlation between Extrinsic Reward and Employee Motivation

<table>
<thead>
<tr>
<th>Employee motivation</th>
<th>Pearson Correlation</th>
<th>Employee motivation</th>
<th>Extrinsic</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td></td>
<td>.094</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.473</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extrinsic</td>
<td>.094</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.473</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

4.5 Job Design Factors and Employee Motivation

The third objective was to determine job design factors that affect employee motivation. Respondents were required to answer eight questions. They were expected to rate their opinion with the highest being strongly agree (5) and the least being strongly disagree (1). The results are presented in the following narrative.
4.5.1 Descriptive Statistics

The respondent’s opinion on the organization job enrichment has enabled employees acquire more skills and knowledge had a mean of 3.84 and standard deviation of 0.879, job enrichment has made employees improve their performance and productivity had a mean of 3.82 standard deviation of 0.866 and job enlargement is based on employees duties and responsibilities had a mean of 3.77, standard deviation of 0.864. Additionally, job enlargement influences employee motivation had a mean of 3.75 and standard deviation of 0.895, job design used in the organization integrates employee’s personal needs and those of the company had a mean of 3.57 and standard deviation of 0.921, job enrichment motivates employees had a mean of 3.51 and standard deviation of 0.994, job rotation influences employee commitment in the organization had a mean of 3.49, and standard deviation 1.027 and job rotation increases employees level of motivation had a mean of 3.41 and standard deviation of 0.990 as shown in Table 4.9.

Table 4.9: Descriptive Statistics of Extrinsic Factors

<table>
<thead>
<tr>
<th>VARIABLE</th>
<th>MEAN</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job rotation in my organization increases my level of motivation.</td>
<td>3.41</td>
<td>.990</td>
</tr>
<tr>
<td>Job rotation influences my commitment to my organization.</td>
<td>3.49</td>
<td>1.027</td>
</tr>
<tr>
<td>Job enlargement in my organization influences employee motivation</td>
<td>3.75</td>
<td>.895</td>
</tr>
<tr>
<td>Job enrichment has made me improve my performance and productivity</td>
<td>3.82</td>
<td>.866</td>
</tr>
<tr>
<td>Job enrichment has enabled me acquire more skills and knowledge</td>
<td>3.84</td>
<td>.879</td>
</tr>
<tr>
<td>The job design used in my organization integrates my personal needs and those of the company</td>
<td>3.57</td>
<td>.921</td>
</tr>
<tr>
<td>In my organization, job enlargement is based on my duties and responsibilities.</td>
<td>3.77</td>
<td>.864</td>
</tr>
<tr>
<td>Job enrichment in my organization motivates me</td>
<td>3.51</td>
<td>.994</td>
</tr>
</tbody>
</table>
4.5.2 Correlation between Job Design Factors and Employee Motivation

A Pearson correlation analysis was done to establish the relationship between the job design and employee motivation, result established that there was a positive and significant relationship between job design and employee motivation $r=0.292$, $p<0.023$. Therefore, an increase in job design leads to an increase in employee motivation as shown in Table 4.10.

Table 4.10: Correlation between Job Design Factors and Employee Motivation

<table>
<thead>
<tr>
<th>Employee motivation</th>
<th>Pearson Correlation</th>
<th>Job design</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sig. (2-tailed)</td>
<td>.292*</td>
<td>.023</td>
</tr>
</tbody>
</table>

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

4.6. Regression Analysis of Factors that Affects Employee Motivation

The study was set to analyse factors that affects employee motivation. Regression analysis was done to determine factors that predict employee motivation.

4.6.3.1 Model Summary

The results established that the $R^2$ was 0.124 which indicates that 12% of employee motivation is determined by intrinsic, extrinsic and job design as shown in Table 4.11.

Table 4.11: Model summary of Employee Motivation and Other Variables

<table>
<thead>
<tr>
<th>Model</th>
<th>$R$</th>
<th>$R^2$</th>
<th>Adjusted $R^2$</th>
<th>Std. Error of the Estimate</th>
<th>Change Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>R Square Change</td>
</tr>
<tr>
<td>1</td>
<td>.352*</td>
<td>.124</td>
<td>.078</td>
<td>1.24783</td>
<td>.124</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant) Intrinsic, Extrinsic and Job design
4.6.3.2 ANOVA

An ANOVA analysis was done between intrinsic, extrinsic and job design on employee motivation and at 95% confidence level, the F value=2.693, P<0.055) therefore it was established that intrinsic, extrinsic and job design has a significant effect on employee motivation as shown in Table 4.12.

Table 4.12: Factors that Affects Employee Motivation

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>12.580</td>
<td>3</td>
<td>4.193</td>
<td>2.693</td>
<td>.055b</td>
</tr>
<tr>
<td>Residual</td>
<td>88.753</td>
<td>57</td>
<td>1.557</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>101.333</td>
<td>60</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Motivation

b. Predictors: (Constant), Intrinsic, Extrinsic and Job design

4.6.3.3 Coefficients of Factors that Affects Employee Motivation

The findings in Table 4.13 indicates that there only job design had a positive and significant effect on employee performance (β=0.656, p<0.034) whereas intrinsic reward (β =0.449, p>0.165) had a positive and insignificant effect on employee motivation whereas, extrinsic reward β =-0.481, p>0.183) had a negative and insignificant effect on employee motivation.
Table 4.13: Coefficients of Factors that Affects Employee Motivation

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1 (Constant) Employee Motivation</td>
<td>1.808</td>
<td>1.149</td>
<td>1.573</td>
<td>.121</td>
</tr>
<tr>
<td></td>
<td>Intrinsic reward</td>
<td>.449</td>
<td>.319</td>
<td>.222</td>
</tr>
<tr>
<td></td>
<td>Extrinsic reward</td>
<td>-.481</td>
<td>.357</td>
<td>-.235</td>
</tr>
<tr>
<td></td>
<td>Job design</td>
<td>.656</td>
<td>.302</td>
<td>.333</td>
</tr>
</tbody>
</table>

4.7 Chapter Summary

This chapter has discussed results and findings based on results collected from the field. It has also discussed results based on intrinsic factors that affect employee motivation, extrinsic factors that affect employee motivation and job design factors that affect employee motivation. Chapter five covered findings, conclusions and recommendations.
CHAPTER FIVE

5.0 DISCUSSION, CONCLUSION AND RECOMMENDATION

5.1 Introduction

This chapter discusses findings of the study. Results are presented in a summary. Findings will be discussed based on research objectives which sought to establish how intrinsic, extrinsic and job design affects employee motivation.

5.2 Summary of the Findings

The general objective of the study is to determine the factors that affect employee motivation in the Audit firms in Kenya. The study was guided by the following research objectives; to determine intrinsic factors that affect employee motivation at MGN Njungé & Co, to determine extrinsic factors that affect employee motivation at MGN Njungé & Co, and to determine job design factors that affects employee motivation at MGN Njungé & Co.

Descriptive research design was used in this study. The target population was 250 at MGN Njungé & Co in Nairobi. Stratified random sampling was used to select a sample size of 75 respondents. Structured questionnaires were used to collect primary data. Data was analyzed using Statistical Package for Social Sciences (SPSS) software. Results were coded according to different variables and descriptive statistics such as frequencies, percentages, means and standard deviations for ease of interpretation. Tables, figures and chart were used for analysis and interpretation of data.

The findings on intrinsic factors that affect employee motivation revealed that respondents agreed that training motivates employees to perform extra hard, workplace recognition has motivated employees to work harder, the company recognizes and acknowledges employees work and job satisfaction influences employee motivation in the organization. However, there was a disagreement on that working conditions has influenced employee motivation, the organization offers career development opportunities and career development has made employees improve performance.
The findings on extrinsic factors that affect employee motivation it was revealed that respondents agreed that the organization offers employee medical insurance. However, there was a disagreement on the organization offers employee’s security benefits, promotion is done based on merit, promotion has influenced employee’s level of motivation, and fringe benefits offered by the organization have influenced employee performance. It was also revealed that employees disagreed that the organization offers retirement or pension plans.

The findings based on job design factors that affect employee motivation it was revealed that there was a disagreement on job enrichment has enabled employees acquire more skills and knowledge, job enrichment has made employees improve their performance and productivity, job enlargement is based on employees duties and responsibilities, job enlargement in the organization has influences employee motivation, job design used in the organization integrates employees personal needs and those of the company, job enrichment motivates employees, job rotation influences employees commitment in the organization and job rotation in the increases employees level of motivation.

5.3 Discussion

5.3.1 Intrinsic Factors and Employee Motivation

The findings in this study revealed that training motivates employees to perform extra hard. This is in line with Mutsotso and Wanyama (2010) who indicated that education and training increase employees’ job skills, and their perception towards efficiency and effectiveness in carrying their operations. In addition it also causes employees to exhibit higher feelings of satisfaction, motivation and consequently increase in production. In addition, Cole (2011) also asserts that through training and development an organization is able to increase employee morale, confidence, motivation, lower production cost, increase employees sense of work place security hence, reduce turnover rate, manage change and provide employees with skills and knowledge

Other findings showed that respondents agreed that workplace recognition has motivated employees to work harder. In support to this statement findings based on a study done by Roshan (2005) and Baskar (2013) revealed that there was a positive relationship between rewards, recognition, job satisfaction and motivation.
Danish and Usman (2010) states that when rewards and recognition are properly implemented, a good working atmosphere is provided that motivates employees to achieve high performance. Lewis, (2013) noted that praise and recognition are effective ways of motivating employee behavior in the organization. This is because they are considered as the most important rewards.

Findings in this study indicated that the company recognizes and acknowledges employees work. Similar to this statement Danish and Usman (2010) stated that for employees to be committed, an organization should recognize their work effort hence motivating them to be more productive and feel appreciated. Mason (2001) noted that employees who get recognized tend to have higher self-esteem, more confidence, more willingness to take on new challenges and more eagerness to be innovative. Numerous studies show recognition and praise contribute more to job satisfaction than financial incentives. Regularly delivering sincere and genuine compliments is a strong extrinsic motivational method (Vanpoucke et al, 2016).

It was revealed that job satisfaction influences employee motivation in the organization. According to studies done by Nyakundi (2012), Rizwan (2010) Kimiru (2012) findings revealed that job satisfaction influences employee motivation. Ishfaq, et al (2010) employee motivation plays a significant role in increasing employee job satisfaction. Additionally, employees who are stratified are able to increase performance of an organization.

The findings in this study indicated that majority of the respondents disagreed with the statement that the organization offers career development opportunities and career development has made employees improve performance. In contrast according to a study done by Mumbi and Makori (2015) It was revealed that there was a positive and significant relationship between employee training and organizational performance. According to Mwanje (2010) organizations can offer career development opportunities such as; staff orientation, on-job training short courses, professional courses, post graduate degrees or diplomas. In addition, organizations should see employee career development as an investment and not a cost. Through, career development an organization is able to increase employee’s performance and motivation. (Pareek and Rao, 2012)
The study also revealed that respondents disagreed with the statement that working conditions has influenced employee motivation. In contrast to a study done by Kiilu (2008) on employee motivation at Kenya Polytechnic. Findings revealed that employees were more motivated by recognition received from supervisor, physical working environment, training and seminars, salary, promotion and advancement opportunity and pension plans.

5.3.2 Extrinsic Factors and Employee Motivation

Findings in this study indicated that the organization offers employee medical insurance. Similar to this according to Kamau (2013) Fringe benefits such as; retirement or pension plans, medical insurance, education reimbursement and time off are offered to employees by organizations to attract retain and motivate qualified employees. In his study it was also recommended that public sector should continue providing its employees with security benefits, health protection benefits, review its current retirement package.

Other findings indicated that majority of the respondents disagreed with the statement promotion is done based on merit, promotion has influenced employee’s level of motivation. In contrast according to a study done by Khan, et al (2010), Okan et al (2012) and Peter (2014) findings revealed that payment, promotion, recognition and benefits influences employee level of motivation. Waithaka (2013) on influence of employee motivation on job satisfaction it was revealed that financial incentives motivates employee more followed by job satisfaction, staff promotion based on merit then leadership style. Rupia et al (2012) promotion by merit is used by many organizations to motivate their employees to increase their performance.

The findings revealed that majority of the respondents disagreed with the statement fringe benefits offered by the organization have influenced employee performance and organization offers employee’s security benefits. In line with this statement according to a study done by Ndungu (2017) on the effects of rewards and recognition on employee performance in public educational institutions.

It was revealed that salaries; fringe benefits and job security are weak in Kenyatta University thus causing employee dissatisfaction. However, in contrast according to a research done by Payam et al (2013) on the relationship between rewards and employee performance.
Findings revealed that there was a direct relationship between employee performance and fringe benefits.

It was also revealed that employees disagreed that the organization offers retirement or pension plans. In contrast according to a study done by Shafiq and Naseem (2011) states that use of fringe benefits, work-life balance, healthcare insurance, pension, and bonus influences employee motivation and performance. In addition, according to a study done by Masea (2016) it was revealed that SACCOs have used various forms of employee compensation programs such as; direct remuneration and indirect payment for services rendered by the employee through commission, allowances and bonus, insurances schemes for health, dental, life, disability and vision and retirement benefits.

5.3.3 Job Design Factors and Employee Motivation

The findings in this study revealed that majority of the respondents disagreed with the statement job enrichment has enabled employees acquire more skills and knowledge, and job enrichment has made employees improve their performance and productivity. This is in contrast with Ali (2015) states that job enlargement can improve employees' abilities and skills and provide them with the chance to communicate and learn from others. In addition, job enlargement can also increase flexibility and decrease routine of work. Sushil (2014) researched role of job enrichment and job enlargement in work life balance. Findings revealed that job enrichment and job enlargement influences employee motivation. In addition it increases employee’s commitment effectiveness and efficiency. Gichuki (2017) well managed and designed, job enlargement causes employees to feel interested and as a result motivated and satisfied.

Other findings indicated that respondents disagreed with the statement job enrichment motivates employees. In contrast according to Njambi (2014), organizations that use job enrichment are able to increase employee performance and productivity, increase motivation, reduce turnover rate and reduce absences.

Vijay and Indradevi (2015) conducted a study on job enrichment and individual performance among faculties with special reference to a private. Findings revealed that employee performance and motivation is influenced by job enrichment.
The findings in this study showed that respondents disagreed with the statement job rotation influences employees commitment in the organization and job rotation in the increases employees’ level of motivation. In support to this statement findings based on a study done by Ojwang’ (2014) on job changes and employee commitment among employees of Postal Corporation of Kenya-Homabay County. Findings revealed that there was a weak correlation between job changes and employee commitment to the organization. However in contrast according to Deplas et al (2010) Job rotation is used by organizations to increase employee’s motivation, increase productivity, job satisfaction and organizational performance. Through job rotation an organization is able to provide employees with new opportunities, skills and knowledge that they can use to achieve their goals.

5.4 Conclusions

5.4.1 Intrinsic Factors and Employee Motivation

Based on the findings it can be concluded that employee motivation is influenced by training, recognition, employee acknowledgement, and good working environment. In addition, M G N Njungé & CO offers career development opportunities that will enable employees learn new skill and knowledge that they can use. Through this, employees will be able to increase their performance.

5.4.2 Extrinsic Factors and Employee Motivation

This study concluded that M G N Njungé & CO offers employee’s medical insurance package. However, M G N Njungé & CO does not offer employees job security, promotion is not done based on merits, fringe benefits offered does not influence employee performance, compensation dose influence motivation. This shows that the organization does not have a reward structure that it can use to offer employees benefits that will motivate them to become more productive.

5.4.3 Job Design and Employee Motivation

It was inconclusive that use of job enrichment, job enlargement and job rotation has enabled employees acquire more skills and knowledge, influences employee motivation and employees commitment, hence, increase their performance and productivity. Employee’s personal needs and those of the company are incorporated in the job design.
5.5 Recommendations

5.5.1 Recommendation for Improvement

5.5.1.1 Intrinsic Factors and Employee Motivation

It is recommended that M.G.N NJUNGÉ & CO should offer career development opportunities such as on-job training, short courses, coaching, counseling and mentoring. Through this, the organization will be able to increase employee’s skills, job satisfaction, motivation and performance.

5.5.1.2 Extrinsic Factors and Employee Motivation

It is concluded that the organization does not offer its employees retirement or pension plan, promotion should be done based on merits, offer employees security benefits. Therefore it is recommended that the organization should have an effective reward system that they can use to retain skilled and talented employees hence, increase their motivation.

5.5.1.3 Job Design and Employee Motivation

The study recommends that the organization should use job design activities such as; job enrichment, job enlargement and job rotation. The organization should align job design strategies with employee’s duties and responsibilities hence, increase employees understanding of organizational processes and procedures.

5.5.2 Recommendations for Further Studies

A comparable study ought to be done in other organization and find out other factors that might affect employee’s motivation. In addition more research should also be done on effects of job enrichment, job enlargement and job rotation on employee motivation.
REFERENCES


APPENDIX I: LETTER

CELLPHONE NO.: 0722-460736  
P.O BOX 9592-00100

EMAIL:shikumuchoki@gmail.com  
NAIROBI, KENYA

Dear Respondent,

RE: RESEARCH QUESTIONNAIRE

I am a graduate student at United States International University pursuing a Masters degree in Business Administration. My concentration is Human Resource. I am conducting a research on the intrinsic and extrinsic factors affecting employee motivation at MGN Njungé & Co an audit firm in Nairobi, Kenya.

The findings will provide the industry players with information on the prevailing factors of motivation and will include the challenges as well as give suggestions on the strategies which are being used to enhance the employee performance into the general organizations’s competitive strategy. This will assist in making sound decisions as to how to effectively incorporate all the factors of motivation as much as possible.

This is an academic research and confidentiality will strictly be adhered to. Your name will not appear anywhere in the report. Kindly spare 15 minutes to complete the questionnaire attached.

Yours Faithfully

Muchoki Rose
APPENDIX II: QUESTIONNAIRE

FACTORS THAT AFFECTS EMPLOYEE MOTIVATION IN AUDIT FIRMS: A CASE OF M G N NJUNGÉ & CO

Section A: Demography

Please tick the most appropriate answer (√/x)

1. Gender: Male □ Female □

2. Age
   25 and below □ 31-35yrs □ Above 40yrs □
   26-30yrs □ 36-39yrs □

3. Marital status:
   Married □ Widowed □
   Single □ Divorced □

4. Number of years worked in the organization
   Less than one year □ 2-5 years □ 6-10 years □ above 11 years □

5. Which is your highest education level?
   Certificate □ Diploma □ Degree □ Masters □ PhD □

6. Which department of the organization do you work in?
   Marketing □ Finance □ Production □
   If other please indicate ____________________________

7. How long have you been in the auditing profession?
   Less than two years □ 2-5 years □
   6-10 years □ 11-15 yrs □
   Over 15 years □

8. I feel motivated to do my job in my organisation
   Yes □ No □
If no please indicate reason

9. I am satisfied with my job

   Yes  ☐   No  ☐

If no please indicate reason

10. I am willing to stay in my current job

   Yes  ☐   No  ☐

If no please indicate reason

SECTION B: Intrinsic Factors and Employee Motivation

Please indicate your opinion as per the level of disagreement or agreement with the outline statement using 1 to 5 scale guideline. 5= Strongly Agree 2- Agree, 3= Neutral, 4 =Disagree, 1= Strongly Disagree

<table>
<thead>
<tr>
<th></th>
<th>Intrinsic Factors</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Job satisfaction influences my motivation in my organization</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Working conditions in my organization have influenced my motivation.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Workplace recognition has motivated me to work harder in my organization</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>My company recognizes and acknowledges my work</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Training in my organisation motivates me to perform extra hard</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>My organization offers career development opportunities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Career development has made me improve my performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
SECTION C: Extrinsic Factors and Employee Motivation

Please indicate your opinion as per the level of disagreement or agreement with the outline statement using 1 to 5 scale guideline. 5= Strongly Agree 2- Agree, 3= Neutral, 4 =Disagree, 1= Strongly Disagree

<table>
<thead>
<tr>
<th>Extrinsic Factors</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 My organization offers retirement or pension plans.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Medical insurance is offered in my organization.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Fringe benefits offered by my organization have influenced my performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 My organization offers employee’s security benefits.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 Promotion in my organization has influenced my level of motivation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 In my organization, promotion is done based on merit</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7 Compensation influences employee motivation in my organization</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
SECTION D: Job Design  and Employee Motivation

Please indicate your opinion as per the level of disagreement or agreement with the outline statement using 1 to 5 scale guideline. 5= Strongly Agree 2- Agree, 3= Neutral, 4 =Disagree, 1= Strongly Disagree

<table>
<thead>
<tr>
<th></th>
<th>Job Design</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Job rotation in my organization increases my level of motivation.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Job rotation influences my commitment to my organization.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Job enlargement in my organization influences employee motivation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Job enrichment has made me improve my performance and productivity</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Job enrichment has enabled me acquire more skills and knowledge</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>The job design used in my organization integrates my personal needs and those of the company</td>
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<td>7</td>
<td>In my organization, job enlargement is based on my duties and responsibilities</td>
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<tr>
<td>8</td>
<td>Job enrichment in my organization motivates me.</td>
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</tbody>
</table>