

# Effect of Incentives to Employee Performance in Private Sectors in Rwanda a Case Study of Spedag Interfreight Rwanda Ltd

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## Abstract

This research examined the effect of incentives to employee performance in private sectors in Rwanda, a case of SPEDAG Interfreight Rwanda Ltd. This research achieved the following objectives: To analyze practices of motivation factors at SPEDAG Interfreight Rwanda Ltd; To explore the employees' performance at SPEDAG Interfreight Rwanda Ltd and To establish the relationship between incentives factors and employee performance in private sectors. The research also compared two variables which are independent and dependent variables. This study was designed as a case of SPEDAG Interfreight Rwanda Ltd using survey method; a case study was described as "examining the effect of incentives to employee performance in private sectors in Rwanda" assuming that the researcher acquired knowledge regarding the subject under review from in-depth exploration of the study. Qualitative analysis was used to carefully observe the whole situation. All the respondents from the population of SPEDAG Interfreight Rwanda Ltd responded to research questionnaires. The researcher used questionnaires to collect data, as far as this study was concerned, the population comprised employees of SPEDAG Interfreight Rwanda Ltd in different departments targeting 430 employees to describe target population of a study as the point of focus from which a generalization was made regarding the research findings. Thus, a sample size of 81 employees as respondents were considered from total population of 430 people. Researcher used primary and secondary data to get all information needed in this study, the quantitative data was analyzed using descriptive and inferential statistics after running the data collected through the Statistical Package for Social Sciences. Based on the results from chapter four, the study concluded there is significant impact of motivation factors on employee performance at Spedag Interfreight Rwanda Ltd. From the result obtained, the study shows that compensation has an impact on employee performance at Spedag Interfreight Rwanda Ltd. Also working condition has made employees to work hard with timeliness of employees at Spedag Interfreight Rwanda Ltd that emphasizes on providing good services to its esteemed customers. It is further concluded that the practice of training and development has an impact on creativity and innovation of employees at Spedag Interfreight Rwanda Ltd. The study further concluded that there is impact of recognition to employees that has caused the consistency and initiatives of employees at Spedag Interfreight Rwanda Ltd leading to better performance. Because of these packages, high level of employees' loyalty in the company is observed. Employees are delighted to customer as a result the incentives provided. Inner satisfaction is also observed which produces some morale for the core employees out of their best in terms of service delivery. The study also concluded that management of Spedag Interfreight Rwanda Ltd usually facilitates the employees learning through training and development so that employees modified behavior contributes to the attainment of company goals and objectives. Employees should be motivated with meritorious promotions, job rotation and job enrichment to increase on the level of their productivity and encouraged to be innovative. Management staff should be trained to develop sharper skills so that they are in position to drive the rest of the team to a higher level. Training and development of employees must not be down play. At Spedag Interfreight Rwanda Ltd, the period for extrinsic motivational for too long serving staff should not be over estimated to encourage new staff on meritorious benefits

Keywords: **Incentives, employee performance and private sectors**

## 1. Introduction

Globally in private sectors incentives of employees customers and institutions outcome. Excellent is the best source of delivering good services to their services provided and offered by employees can

create a positive perception and everlasting image in the eyes of institutions customers. The motivation of a private sectors's employee plays a major role in achieving high level of outcome as well as satisfaction among its customers (Petcharak, 2017). In United States of America, over the past quarter-century, a lot of companies have spent a lot of money and time on employee motivation by creating an advantage over their competitors. In this regard, motivation of workers helped organizations to utilize employee skills efficiently for the success for better performance. Unmotivated employees affect negatively organization and employee performance (Aryee, Walulmwa, Seidu, & otaye, 2016). In 2013, United States of America organizations spent approximately \$720 million dollars to improve employee motivation, employee commitment to the organization and job satisfaction (Gerst, 2016). In their study of 2016 on employee motivation in United States of America, BI WORLDWIDE's surveys found that 75% of employees are happy with their current job and more connected to their work in banking sector due to strong motivation factors provided to staff. Thus engaged employees are more loyal to the company, cool to create new products, more focused on customers, more careful with company resources, more innovative and they speak well of the company. Numerous studies have demonstrated that, in these areas where employees can make a difference, motivation is connected to higher level of employee performance (BI WORLDWIDE, 2016).

African countries like Ghana has factors that stimulate the desire and energy in people to be continually interested and committed to their job and other responsibilities and to make an effort to attain the company' goals and objectives. Every employee or worker has his or her own set of motivations and personal incentives that push him or her to work hard or not. Some are motivated by recognition whilst others are motivated by cash incentives. Anything the frame of representative inspiration, the key to advance that inspiration as a boss is based on gets it and motivating forces (McCoy, 2016). Workers ought to be persuaded to actualize their potential and there are a few ways of empowering them and engaging them to do so. These incorporate the part of compensate frameworks in propelling workers concurring to their needs for getting outward or outside inspiration and by giving them openings connected to their inborn or inside inspiration needs. In our region like in Kenya, it agrees that modern business demands higher performance and more

efficiency, than in previous times. According to report released by the government of Kenya in 2016 on a survey conducted by the Ministry of Industrialization and the Trade, it was noted that public corporation and private companies are having challenges of getting lower output, lower level of employee retention and high turnover. The survey revealed that production has dropped of 30%. As key cause of those challenges, they survey reported the lack of motivation of employees (GoK, 2016).

In this turbulent business environment, there is need for high performing employees who are essential for the growth and survival of the organization (Pratheepkanth, 2015). It is believed that high performing employees can increase their innovation, high customer satisfaction, profitability, low employee turnover, positive work attitudes, individual health, extra-role behaviors and performance (Khan, Farooq and Ullah, 2017). This indicates that high motivated employees who are contented with their work experience are a good formula for organization success. This is because motivated employees want to stay with a company, contribute to the workforce stability and performance.

The principle incentive for employees' performance is compensation. Compensation is a form of pay benefits received by the employee from the employer and diversified in financial and non-financial benefits (Sakovska, 2017). The compensation typically include salaries, wages, bonuses, pension schemes, health insurance, allocated cars, loans, subsidized meals, profit sharing, share options and much more (Pitts, 2015). There are various things to think about before making decisions about what kind of payment system is most appropriate in boosting employees' motivation and performance in an organization. In an organization, Human Resource managers should select well best compensation package based on what kind of objectives they are intended to achieve (Pratheepkanth, 2011).

In Rwanda, employee motivation is one of the key points emphasized by the employment laws, regulations and policies used by human resource managers to boost employee satisfaction and performance in public and private institutions. In this perspective, organizations do their best to employ people who have the ability to motivate others with whom they work together including subordinates, peers, and superiors; people who work harder towards the accomplishment of goals assigned to them. If organizations can motivate employees to

become effective problem solvers and to meet or exceed customer expectations, then the organizational goals and objectives can be realized, (Havard press, 2014).

Worker motivation is essential since there is a direct relationship between motivation and productivity. Only through motivation, can managers help their employees generate the excellent performance that enables companies or organizations to boost profitability and survive even thrive during tough times. Increased motivation creates the conditions for a more effective workforce, as far as work motivation is an interactive process between employee performance and organization productivity.

In recent years Human Resource has become a central part of a considerable number of organizations where one of their main duties is to motivate employees for better performance (Sharma, 2016). Bratton and Gold (2016), consider the Human Resource Management as a strategic approach by which managers bridge employment relations and individual's capabilities. This is achieved by emphasizing competitive advantage and it can be done through best programs, practices and policies (Bratton and Gold, 2016).

This research has purpose of knowing the effect of incentives to employee performance in private sectors with references of the SPEDAG Interfreight Rwanda Ltd. In order to address this title a number of different areas was looked at. These being some of the following; the background of motivation, theories on motivation, the relationship between incentives and employee performance, types of motivation factors, importance of motivation and variables related to employee performance. As mentioned above, this study is therefore aim to analyze the incentives factors and their impact on employee performance at SPEDAG Interfreight Rwanda Ltd.

Researchers have studied employee motivation with biases by concluding that salary and wages were always the primary motivational factor among employees regardless, the work industry, the working conditions, the size of the company and the environment staff are working in (TsangWong,

2016). In fact, effective employee motivation has long been an important and difficult duty for organization management. Success in this endeavor is becoming more challenging for organization as far as employee motivation is a complex process as individuals are different and diverse in terms of needs and satisfaction (Kreitner and Kinicki, 2014). Concerning staff management, the same report noted a progressively high instability and turnover of staff in all levels in private sectors in Rwanda caused by the lack of staff motivation which led to poor employee's and employer's performance. The bad management was also characterized by the lack of willingness of managers and staff to comply with regulations and professional rules (Houghton, 2014). It is important to note that in 2015, many private companies closed their doors after embezzlement of companies funds. This failure was due to mismanagement of companies by managers, lack of experience of staff in charge of human resources, staff who were demotivated due to low salaries, job insecurity, lack of integrity. Many organizations and private sectors do not consider employees motivation as associated with regular review of an *employee's job performance* where private sector has neglected to offer fair compensation to the employees, poor working conditions, lack of training and development and lack of employee's recognition that leads to the poor performance of employees. Therefore all elements shown above when they are well provided they become source of employee's creativity and innovation, timeliness and productivity of employee's and profitability of the private sector that is why this study was therefore aim to find out effect of incentives to employee performance in private sectors with reference of SPEDAG Interfreight Rwanda Ltd as case study.

The objectives of the paper are:

- i. To evaluate the effect of compensation on employee commitment at SPEDAG Interfreight Rwanda Ltd;
- ii. To examine the effect of working conditions on timeliness of employees at SPEDAG Interfreight Rwanda Ltd;
- iii. To access the effect of training and development on creativity and innovation of employees at SPEDAG Interfreight Rwanda Ltd;
- iv. To find out the effect of recognition on consistency and initiatives of employees at SPEDAG Interfreight Rwanda Ltd.

## 2. Review of Literature

Compensation is a set of valuable things given to employees in exchange for their labor. Usually compensation refers to money which is given to employees on basis of hourly wage or a salary. In addition to pay some organizations offer benefits, stock options, profit sharing, commissions, allowances, and other rewards as part of compensation. Compensation is considered as a powerful tool for reinforcing organizational values and for creating desirable changes in personal behavior and the work culture (Armstrong, 2015).

There are three theories of compensation that are used by Human Resources professionals when developing compensation plans including behavior reinforcement theory, equity theory and agency theory. The behavior reinforcement theory postulates that a behavior which has a rewarding experience is likely to be repeated. The implication for remuneration is that high employee performance is followed by a monetary reward will make future employee performance more likely by the same token, high performance not followed by a reward will lead to a recurrence in the future. According to equity theory, there should be equity and uniformity in the pay structure of an employee's remuneration. Adam's equity theory says that an employee who perceives inequity in his or her reward seeks to restore equity. While the agency theory attempts to use pay in order to get the different interests of people involved with the company to become one in the same. It focus on divergent interests and goals of organization's stakeholders and the way that employees remuneration can be used to align these interests and goals. Thus, the agency theory says that the principal must choose a contracting scheme that helps to align interests of the agents with the principal's own interests (Milkovich, Newman & Gerhart 2014).

Proper compensation strategy is associated with different benefits for employees including job satisfaction, staff commitment, staff motivation, morale increase, drive of employee performance, lower absenteeism, lower turnover, increase of staff self-determination, employee loyalty and employee engagement. The aim of compensation system is to set a clear and understandable principles for how much, to whom, and for what to pay, so that the employee are motivated to improve their performance, achieve the set targets, and at the same time receive fair compensation corresponding

to the labor market and organization capabilities. It requires the organization to link salary and benefits with employee contribution to the organization activities, to recognize staff effort outcomes, to reward properly the employee achievements with proportional rewards and to ensure regular feedback on staff achievements (Akter, & Moazzam (2016).

It is important to note that wages and salary pay constitute the main part of the organization compensation and benefit scheme. Pay and salary refers to the amount of money provided to workers for the accomplishment of organization goals (Koch, 2018). Kreitner and Kinicki (2017) suggests that the effectiveness of pay as a motivator depends on a number of circumstances, including the value and needs of individuals and their preference for different types of financial or non-financial rewards. Armstrong and Murlis (2016) further commented that pay is important to people because it is instrumental in satisfying a number of their most pressing needs. Khan, Farooq & Ullah (2016) added that fair pay help to make a good saving, to constitute a good wealth, to realize self-esteem and self-consideration. Armstrong and Murlis (2016) noted that pay in itself has no intrinsic meaning and acquires significant motivating power only when it comes to symbolize intangible goals. Rajapaksa and Rothstein (2017) analyzed why employees performed poorly in their jobs and results showed that 35% of respondents noted that their pay was not fair in their current position and recommended that the employer must concentrate more effort on the regular update and fairness of payroll system for better performance (Rajapaksa and Rothstein, 2016). Work condition refers to the working environment and aspects of an employee's terms and conditions of employment. It covers organization of the work, work activities, inclusion in training curriculum, skills, and employability, health and safety, wellbeing, working time and work-life balance. It is considered to be one of the critical roles that endear the organization to employees (Ramlall, 2016). When external attractions such as higher pay in other organizations arise, leaders have the obligation to create a work condition for employees that will enable them to resist such factors. In addition, there a set of elements also considered as part of working conditions including sanitarities, infrastructures, open communication etc. (Samuel and Chipunza, 2016). Organizations are recommended to eliminate barriers to good working condition that can go

against employee motivation thus hindering their performance. Ramlall (2017) supported that good working conditions and similar factors provide more scope to a manager's role in motivating employees to enhance their performance other than compensation.

According to Khan (2016), training and development are considered as planned process aiming to modify attitudes knowledge and skills behavior through learning experience to achieve effective performance for a given activity or range of activities. Training involves to provide the employees with the knowledge and skills needed to a particular current job or task while development is preparing employees for future work responsibilities, increasing capacities and help them to perform their current job. In order to meet current and future work challenge of the business trainings and development focus on knowledge, skills and attitude necessary to achieve business goals and objectives. Training and development benefit both employee and employer as far as they help the company to gain and retain best talents and to increase job satisfaction and morale for employee (Raymond, 2019).

Training and development are influenced by organization change in structure related to technology, educational level, diverse work force, competitive pressure, by the level of top management support, by commitments from all managers levels, by technology advancement, by organization complexity and by learning principles (Sharon, 2017). Training and development remain a continuous process as far as skills, knowledge and quality require regular update and improvement. In fact, training and development have many steps including to determine the need of training and development, to establish specific objectives and goals which need to be achieved, to select the method of training and development, to conduct and implement the program for employees, to perform impact assessment of training and development.

Recognition award are mostly names bonus programs which correspond usually to rewards provided to individuals for their accomplishment of particular tasks (Mullin, 2016). Bonuses are frequently used in sales organizations to encourage salespersons to increase revenues or higher profits. They can also be used, however, to recognize group accomplishments. Reward are generally used as instrument of stimulation of employee enthusiasm in the positive way to build up work turnout and also to

help to meet the organizational goal and objectives. They help also to raise the employee awareness and constitute an added value to the employee work based on to their roles and positions in the organization. Recognition bonus has to types including financial recognition and non-financial recognition the employee recognition can be intrinsic reward like appreciation, job rotation etc. or extrinsic such as bonuses, change in grade salary, horizontal or vertical promotions etc. (Pratheepkanthp, 2017).

In many companies, recognition and rewards are regular and contribute to a workplace culture of respect and appreciation for employees and work well done, and thereby reinforce employee commitment to the firm (Wager, 2016).

Timeline is a list of planned events arranged in the order they will happen starting with the earliest event and moving forward through time by defining the starting and the ending points. A timeline provides the busy team members with a time frame for completing responsibilities that they can schedule into their day-to-day duties. The timeline is an important tool that coordinate all aspects of events by allowing all parties involved in it to meet deadlines. Without details included in the timeline, it would be extremely hard to keep an event or actions in track (Grafton, Rosenberg, & Daniel 2010).

To have a truly effective performance management that support employee performance, development and success, it is needed to involve everyone through assignment of responsibility, timeline and deadline. Work responsibility is very important in workplace as far as it shows staff professionalism and can advance on career, help to build professionalism and show company leadership that staff is valuable to the organization. Work responsibilities refer to a clear definition and understanding of job role, function and responsibilities among individual and teams in the workplace (Lockwood, 2013). Tetrick and Buffardi (2006) explained that employee performance may be affected by the individual difference between the propensity for work involvement and job commitment. Higher levels of involvement may negatively affect employees' job performance. Tetrick and Buffardi (2006) showed that emotional labor could bring affect the employee job performance.

### **McClelland's Achievement theory**

David McClelland was an American psychologist who developed his theory of needs or achievement theory of motivation by revolving three aspects namely achievement, power and affiliation. He developed his theory around 1960s by pointing out that regardless our age, sex, race or culture, all of us possess these needs and are driven by them. David McClelland in his achievement theory proposed that the specific individual needs are attained over time and are formed by each individual's life experience. An important behavior that aligns with this theory is that high-performing people avoid high-risk and low-risk areas and focus on moderate risks to be successful.

The need of achievement drive a person to work and even in struggle for the objectives that he/she wants to achieve. An important behavior that aligns with this theory is that people who have high achievement need are people who always work to excel by particularly by avoiding low reward low-risk situation and difficult to achieve high-risk situation. High achiever people find initiative clever ways to achieve goals and consider their achievements as a better reward. They have a solid want of setting up troublesome goals and finish them and they are work result situated and continuously appreciate input on their work. Whereas the require of control could be a crave inside individual to hold control and

### **3. Materials and Methods**

The descriptive research design was used in this study as a way to facilitate a researcher to have a mixture of both qualitative and quantitative approaches. This is considered as a way to investigate how it was utilized to depict characteristics of a wonder to be examined Kumar (2011). The analyst was portrayed the circumstance or preparing detail. Thus, this study was used descriptive research design.

The total target masses was considered and expected to give out the information related to the objectives of the explore think approximately was based on participations of differing individuals in SPEDAG Interfreight Rwanda Ltd who was composed of 430 employees in different departments and 81 respondents as sample size. As all population was sample size; therefore, be made of number the staff and employees of SPEDAG Interfreight Rwanda Ltd respondents who was involved in interaction with researcher. Data collected was analyzed using descriptive statistics

specialist over another individual and impact and alter their choices in understanding with his claim needs or wants. They ought to improve their self-esteem and notoriety drive these individuals and they want their sees and concepts to be acknowledged over others. Most of time they are solid pioneers and have continuously want to control and impact others. They are continuously propelled by competitions and they appreciate winning contentions and are self-disciplined and anticipate the same from the peers and groups. The require of connection is the encourage of an individual to have interpersonal and social relationship with others or a set of specific gathers of individuals. The person spurred by this require are like investing their time in socializing and keeping up connections by being cherished and acknowledged. They tend to follow to standards of the culture within the workplace and regularly don't alter the standard of the working environment for fear of dismissal and they lean toward working viably based on intuitive (Digger, 2015).

This theory will be applied on this research because it will be used by management team of any organization including my case study to identify and organize every team member amongst their needs. It allows also management team to know staff attributes in order to manage well their expectations and running teams smoothly for better staff performance.

because the data obtained in this study was quantitative. According to (Quang and Hong, 2009), quantitative data are observations measured on a numerical scale. Results collect also entered into the statistical analysis. This analysis indicated variations of the response in the sample, response to the various questions and variations among different groups. Presentation of the results and findings were in terms of tables and graphs. Qualitative analysis techniques were used. The Qualitative analysis techniques were complemented with some statistics that was mainly obtained from the secondary data that was obtained through documentary analysis from the case study organization.

#### 4. Results

##### 4.1 Incentives provided to staff at company of case study

**Table 1: Shows the incentives provided to staff at company of case study**

Indicators		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
<i>Staff are happy with current salary structure of the company of case study</i>	<i>Frequency</i>	0	0	10	31	40	81
	<i>Percentage</i>	0%	0%	12.3%	38.2%	49.3%	100%
<i>Transport allowance and other cash benefits are enough to cover daily related company of case study expenses</i>	<i>Frequency</i>	0	3	20	40	18	81
	<i>Percentage</i>	0%	3.7%	24.6%	49.3%	22.2%	100%
<i>Benefit in kind like house and car loans granted to staff are original of power at the company of case study</i>	<i>Frequency</i>	0	2	19	40	20	81
	<i>Percentage</i>	0%	2.4%	23.4%	49.3%	24.6%	100%
<i>There is a correlation between staff salary and job description at the company of case study</i>	<i>Frequency</i>	0	1	5	30	45	81
	<i>Percentage</i>	0%	1.2%	6.1%	37%	55.5%	100%
<i>Salary and benefit impact positively employee commitment at work at the company of case study</i>	<i>Frequency</i>	1	3	5	35	37	81
	<i>Percentage</i>	1.2%	3.7%	6.1%	43.2%	45.6%	100%

**Source: Primary Data (2022)**

**Table 2: Mean and Standard Deviation of motivation factors provided to staff at company of case study**

Indicators	Frequency	
	Mean	SD
<i>Staff are happy with current salary structure of the company of case study</i>	4.67	0.543
<i>Transport allowance and other cash benefits are enough to cover daily related company of case study expenses</i>	4.43	0.725
<i>Benefit in kind like house and car loans granted to staff are original of power at the company of case study</i>	4.21	0.966
<i>There is a correlation between staff salary and job description at the company of case study</i>	4.28	0.872
<i>Salary and benefit impact positively employee commitment at work at the company of case study</i>	4.52	0.680

Values are mean scores on a 5- point scale (1=strongly disagree, 5=strongly agree); N=81

#### Source: Primary data (2022)

The percentages in table 1 for each indicator shows the percentage of respondents who responded to the statements from the questionnaire, while the frequency corresponds to the number of respondents for each statement as well. This applies that there are incentives provided to staff at company of case study.

Table 1 shows the extent the primary beneficiaries participated in initial meetings with the incentives provided to staff at company of case study. None of the respondents disagreed nor strongly disagreed to the fact of incentives provided to staff at company of case study. The neutral responses comprised of 10 (12.3%), 30(38.2%) respondents agreed to the fact that the incentives provided to staff at company of case study while 40(49.3) strongly agreed that the incentives provided to staff at company of case study, with a mean of 4.67 and standard deviation of 0.543 as shown in table 1. It was found that the incentives provided to staff at company of case study.

Table 1 further depicts that 3(3.7%) of the respondents each disagreed and were neutral to the fact that the transport allowance and other cash benefits are enough to cover daily related company of case study expenses. 20 (24.6%) are neutral, 40(49.3%) agreed while 18(22.2%) strongly agreed, with a strong mean and standard deviation of 4.43 and 0.725 respectively. This also means that the purpose and objectives are well assimilated by the transport allowance and other cash benefits are enough to cover daily related company of case study expenses, still with heterogeneous responses.

From table 1, 2(2.4%) of the respondents disagree to the benefit in kind like house and car loans granted to staff are original of power at the company of case study, 19 (23.4%) are neutral, 40(49.3%) of the respondents each agreed and 20 (24.6%) strongly agreed as shown in table 5.8 with a strong mean of 3.97 and standard deviation of 1.039 from table 2, showing that they all have heterogeneous responses or varying perceptions and there is a very significant level of assessment by the benefit in kind like house and car loans granted to staff are original of power at the company of case study. This implies that there are opportunities to express variables for benefit in kind like house and car loans granted to staff are original of power at the company of case study.

Furthermore, none of the respondents strongly disagreed that there is a correlation between staff salary and job description at the company of case study, while 1(1.2%) disagree that there is a correlation between staff salary and job description at the company of case study. 5(6.1%) are neutral to this, 30(37%) agree and 45(55.5%) strongly agreed that there is a correlation between staff salary and job description at the company of case study, with a mean of 4.28 and standard deviation of 0.872 which shows that there is a correlation between staff salary and job description at the company of case study and 1(1.2%) of the respondents each strongly disagreed and 3 (3.7%) respondents are disagreed that the salary and benefit impact positively employee commitment at work at the company of case study, 5 (6.1%) are neutral, 35(43.2%) agree that the salary and benefit impact positively employee commitment at work at the company of case study while 37(45.6%) strongly agreed and with a strong mean



of 4.52 and standard deviation of 0.680. This means that the salary and benefit impact positively employee commitment at work at the company of case study. This facilitated employees that the salary

and benefit impact positively employee commitment at work at the company of case study.

#### 4.2 The effect of working conditions on employees performance of company of case study

**Table 3: The effect of working conditions on employee’s performance of company of case study**

Indicators		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Health and safety actions taken by the company have positive impact of staff health.	Frequency Percentage	0 0%	6 7.4%	0 0%	40 49.3%	35 43.2%	81 100%
There is a regular workplace safety checkup and update at the company of case study.	Frequency Percentage	0 0%	5 6.1%	5 6.1%	30 37%	41 50.6%	81 100%
Working infrastructures help staff to perform well their duties at the company of case study.	Frequency Percentage	0 0%	2 2.4%	10 12.3%	30 37%	39 48.1%	81 100%
Medical services are well covered at the company of case study.	Frequency Percentage	1 1.2%	2 2.4%	3 3.7%	43 53%	32 39.5%	81 100%
The profit sharing done through the payment of performance bonus is consistent at the company of case study	Frequency Percentage	1 1.2%	3 3.7%	14 17.2%	38 46.9%	25 30.8%	81 100%

Source: Primary data (2022)

**Table 4.: Mean and Standard Deviation on working conditions on employee’s performance at company of case study**

Indicators	Mean	SD
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<i>Health and safety actions taken by the company have positive impact of staff health.</i>	4.71	0.526	
<i>There is a regular workplace safety checkup and update at the company of case study.</i>	4.54	0.696	
<i>Working infrastructures help staff to perform well their duties at the company of case study</i>	3.77	1.264	
<i>Medical services are well covered at the company of case study</i>	3.78	1.166	
<i>The profit sharing done through the payment of performance bonus is consistent at the company of case study</i>	3.90	1.162	
<i>Average on working conditions on employee's performance at company of case study</i>	4.07	0.989	

Values are mean scores on a 5- point scale (1=strongly disagree, 5=strongly agree); N=81

**Source: Primary data (2022)**

Going by table 4, none of the respondents strongly disagreed or were neutral working conditions on employee's performance at company of case study, 6(7.4%) of the respondents disagree, 40(49.3%) agree while 35(43.2%) strongly agreed that working conditions at company of case study increase employee's performance. The mean and standard deviation from table 4 is 4.71 and 0.526 respectively showing that the responses are heterogeneous and strong. This goes further to show that the respondents are adequately trained.

From table 4.8, none of the respondents strongly disagreed with the statement, but 5(6.1%) disagreed, 5(6.1%) is neutral with the statement, 30(37%) agreed that working conditions at company of case study increase employee's performance while 41(50.6%) strongly agreed with a strong mean of 4.54 and standard deviation of 0.696 as seen from table 5. This also means that a greater percentage of the respondents were adequately and sufficiently working conditions at company of case study increase employee's performance.

None of the respondents strongly disagreed on working infrastructures help staff to perform well their duties at the company of case study. Out of the 35 respondents, from table 5, 2(2.4%) are disagreed with the statement, 10(12.3%) are neutral with the statement, 30(37%) agreed to this and 39(48.1%) strongly agreed with a strong mean of 3.68 and

standard deviation of 1.105 which implies that a small percentage of the respondents don't receive these working infrastructures help staff to perform well their duties at the company of case study. This implies that working infrastructures help staff to perform well their duties at the company of case study.

So from table 4, 1(1.2%) of the total of 81 responses showed that they strongly disagreed that medical services are well covered at the company of case study. Also 2(2.4%) disagreed and are also 3 (3.7%) are neutral to this, while 43(53%) agreed and 32(39.2%) strongly agreed that medical services are well covered at the company of case study, with the mean responses of 3.78 and standard deviation of 1.116.

Table 4 reveals this number of profit sharing done through the payment of performance bonus is consistent at the company of case study by showing that 1(1.2%) strongly disagreed, 3(3.7%) disagreed, 14(17.2%) were neutral, 38(46.9%) agreed while 25(30.8%) strongly agreed to the profit sharing done through the payment of performance bonus is consistent at the company of case study as shown by the mean of 3.90 and standard deviation of 1.162 from table 5.

**4.3 Training at company of case study**

Indicators	Strongly disagreed	Disagree	Neutral	Agree	Strongly agree	Total

The knowledge transfer is well done at the company of case study.	Frequency Percentage	0 0%	0 0%	0 0%	40 49.3%	41 50.6%	81 100%
The induction program is consistent and successful at the company of case study.	Frequency Percentage	0 0%	1 1.2%	1 1.2%	34 41.9%	45 55.5%	81 100%
The coaching and mentorship programs are well supported at the company of case study.	Frequency Percentage	0 0%	0 0%	12 14.8%	30 37%	39 48.1%	81 100%
The training plan and curriculum are well managed at the company of case study	Frequency Percentage	1 1.2%	2 2.4%	3 3.7%	43 53%	32 39.5%	81 100%
Staff training impact positively staff innovation and creativity at the company of case study	Frequency Percentage	1 1.2%	3 3.7%	14 17.2%	38 46.9%	25 30.8%	81 100%

Source: Primary data (2022)

**Table 6: Mean and Standard Deviation on training at company of case study**

Indicators	Frequency	
	Mean	SD
The knowledge transfer is well done at the company of case study.	4.41	0.815
The induction program is consistent and successful at the company of case study	4.26	0.958
The coaching and mentorship programs are well supported at the company of case study	4.01	1.040
The training plan and curriculum are well managed at the company of case study	4.08	0.166
Staff training impact positively staff innovation and creativity at the company of case study	4.10	1.167
<b>Average on training at company of case study</b>	<b>4.23</b>	<b>0.937</b>

Values are mean scores on a 5- point scale (1=strongly disagree, 5=strongly agree); N=81

The findings shows that the 81 respondents, table 4.10 shows that 41(50.6%) strongly agreed and 40(49.3%) agreed that the knowledge transfer is well done at the company of case study. None were neutral nor strongly disagreed to this fact and disagreed to an increase with the statement. Most of the respondents witnessed an increase in the knowledge transfer is well done at the company of case study. The strong mean and standard deviation of 4.41 and 0.815 respectively, implies that the knowledge transfer is well done at the company of case study.

Most of the respondents also confirmed that the induction program is consistent and successful at the company of case study as it can be seen from table 4.10 where 34 (41.9%) agreed and 45(55.5%) strongly agreed that the induction program is consistent and successful at the company of case study Coaching and mentorship programs are well supported at the company of case study 39(48.1%) are strong agreed and agree 30(37%) all show that

#### 4.4. Recognition at company of case study

some of the respondents are neutral on 12 (14.8%) respectively. The strong mean, 4.26, further shows that most of the respondents were in line with the fact that there are trainings at company of case study. Also, 32(39.5%) strongly agreed and 43(53%) agreed that they are the training plan and curriculum are well managed at the company of case study. The total number of respondents, 3(3.7%) were neutral to this, 2(2.4%) disagreed and 1(1.2%) strongly disagreed, with a response mean of 4.01 and standard deviation of 1.040. This shows that the respondents are all in line to this statement. Staff training impact positively staff innovation and creativity at the company of case study, 25(30.8%) strongly agreed and 38(46.9%) agreed that they are staff training impact positively staff innovation and creativity at the company of case study. The total number of respondents, 14(17.2%) were neutral to this, 3(3.7%) disagreed and 1(1.2%) strongly disagreed, with a response mean of 4.10 and standard deviation of 1.167.

**Table 7: Correlations between project planning and sustainability of education projects**

Indicators		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
<i>Work contribution and accomplishment are well recognized at the company of case study</i>	<i>Frequency</i> <i>Percentage</i>	<i>0</i> <i>0%</i>	<i>0</i> <i>0%</i>	<i>4</i> <i>4.9%</i>	<i>35</i> <i>43.2%</i>	<i>42</i> <i>50.6%</i>	<i>81</i> <i>100%</i>
<i>Employees of the year awards are fairly distributed at the company of case study</i>	<i>Frequency</i> <i>Percentage</i>	<i>0</i> <i>0%</i>	<i>3</i> <i>3.7%</i>	<i>10</i> <i>12.3%</i>	<i>40</i> <i>49.3%</i>	<i>28</i> <i>34.5%</i>	<i>81</i> <i>100%</i>
<i>Staff family are somehow involved in day to day activities of the company of case study</i>	<i>Frequency</i> <i>Percentage</i>	<i>0</i> <i>0%</i>	<i>2</i> <i>2.4%</i>	<i>14</i> <i>17.2%</i>	<i>40</i> <i>49.3%</i>	<i>25</i> <i>30.8%</i>	<i>81</i> <i>100%</i>

<i>Staff recognition impact positively the respect of timeline and staff satisfaction at the company of case study</i>	<i>Frequency</i>	<i>1</i>	<i>3</i>	<i>5</i>	<i>35</i>	<i>37</i>	<i>81</i>
	<i>Percentage</i>	<i>1.2%</i>	<i>3.7%</i>	<i>6.1%</i>	<i>43.2%</i>	<i>45.6%</i>	<i>100%</i>

Source: Primary data (2022)

**Table 8: Mean and Standard Deviation on recognition at company of case study**

Indicators	Frequency	
	Mean	SD
<i>Work contribution and accomplishment are well recognized at the company of case study</i>	4.26	0.855
<i>Employees of the year awards are fairly distributed at the company of case study</i>	4.22	0.039
<i>Staff family are somehow involved in day to day activities of the company of case study</i>	4.01	0.126
<i>Staff recognition impact positively the respect of timeline and staff satisfaction at the company of case study</i>	3.90	0.062
<b>Average on recognition at company of case study</b>	4.07	0.989

Values are mean scores on a 5- point scale (1=strongly disagree, 5=strongly agree); N=81

Source: Primary data (2022)

**Table 9: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.975 <sup>a</sup>	.951	.942	2.041
a. Predictors: (Constant), Compensation, working conditions, training and development and recognition				

The output's Table 9 shows the model summary and overall fit statistics. Here below there are corresponding values and interpretations.

- R-value speaks to the relationship between the subordinate and free variable. A esteem more prominent than 0.4 is taken for advance examination. In this case, the esteem is .975, which is good.

- R-square appears the whole variation for the subordinate variable that can be clarified by the autonomous factors. A esteem more noteworthy than 0.5 appears that the demonstrate is compelling sufficient to decide the relationship. In this case, the esteem is 0.951, which is good.

- Adjusted R-square appears the generalization of the comes about i.e. the variety of the test comes about from the populace in different relapse. It is required to have a difference between R-square and Balanced R-square least. In this case, the esteem is 0.975, which isn't distant off from 0.951, so it is good.

**Table 10: ANOVA<sup>a</sup>**

Model	Sum of Squares	Df	Mean Square	F	Sig.
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1	Regression	2335.927	6	467.185	112.140	.000 <sup>b</sup>
	Residual	120.816	75	4.166		
	Total	2456.743	81			

a. Dependent Variable: Employee commitment

b. Predictors: (Constant), Compensation, working conditions, training and development and recognition

The Table 10 is the F-test, the linear regression's F-test has the null hypothesis that there is no linear relationship between the 5 variables (in other words  $R^2=0$ ). Elements of this table relevant for interpreting the results are:

- P-value/ Sig value: Generally, 95% confidence interval or 5% level of the significance level is chosen for the study. Thus the p-value should be less than 0.05. In the above table, it is .000. Therefore, the result is significant.

These results estimate that as the p-value of the ANOVA table is below the tolerable significance level, thus there is a possibility of rejecting the null hypothesis in further analysis.

**Table 11: Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-11.276	7.362		-1.532	.136
	Compensation	.358	.152	.244	2.361	.025
	working conditions	.390	.154	.434	2.531	.017
	Training and development	.492	.118	.484	4.152	.000
	Recognition	-.073	.102	-.081	-.710	.483

a. Dependent Variable: Employee commitment at Spedag Interfreight Rwanda

Independent Variable	Sig value	Hypothesis Testing Result at 95% confidence interval	Interpretation
Compensation	.025	Null Hypothesis rejected (0.25 < 0.05)	The significant change in employee commitment at Spedag Interfreight Rwanda due to the Level of compensation.
Working conditions	.017	Null Hypothesis rejected (0.017 < 0.05)	The significant change in employee commitment at Spedag Interfreight Rwanda rate due to the working conditions
Training and development	.000	Null Hypothesis Rejected (0.000 < 0.05)	The significant change in employee commitment at Spedag Interfreight Rwanda rate due to the level of training and development

Recognition	.48 3	Null Hypothesis not Rejected (0.483 > 0.05)	No significant change in employee commitment at Spedag Interfreight Rwanda rate due to the level of recognition. This is because the Sig. value is 0.05, which is more than the acceptable limit of 0.05.

## 5. Discussion

The results from Table 8 indicated that incentives has a positive and significant effect on employee performance by SPEDAG Interfreight Rwanda ( $\beta_1 = 0.376$ ;  $t = 3.514$ ;  $p\text{-value} < 0.05$ ). This means that 1% change in incentives leads to an increase of 0.376% change in employee performance by SPEDAG Interfreight Rwanda. The results again indicated that there is a positive and significant effect of incentives on employee performance by SPEDAG Interfreight Rwanda ( $\beta_2 = 0.243$ ;  $t = 2.383$ ;  $p\text{-value} < 0.05$ ). This means that 1% change in employee performance; it leads to at least 0.243% increase change in employee performance by SPEDAG Interfreight Rwanda.

## 6. Conclusion

From the result obtained the study concluded that people use institutions services to save their gain because they believe it is a secured place for keeping their money. The study also shows that compensation has an impact on employee performance at company of case study. Working conditions has made employees to work hard with timeliness of employees at company of case study that emphasize in providing good services to its esteemed customers.

It is further concluded that the presence of training and development has an impact on creativity and innovation of employees at company of case study.

The study further concluded that there is impact of recognition to employees that has caused the consistency and initiatives of employees at company of case study leads bank to perform well. Because of these packages high level of employees' loyalty in the bank is observed. Employees are delighted to customer as a result level of employee turnover is high. Inner satisfaction is also observed which produces some moral for the core employees out their best in terms of service delivery. The study also concluded that management of company of case study usually facilitates the employees learning through training and development so that employees modified behavior contributes to the attainment of TPB goals and objectives.

The results again indicated that incentives has positive and significant effect on employee performance by SPEDAG Interfreight Rwanda ( $\beta_3 = 0.267$ ;  $t = 3.178$ ;  $p\text{-value} < 0.05$ ). This means that 1% change in incentives leads to at least 0.267% change in employee performance by SPEDAG Interfreight Rwanda. Findings revealed that incentives has positive and significant effect on employee performance ( $\beta_4 = 0.491$ ;  $t = 3.719$ ;  $p\text{-value} < 0.05$ ). This means that 1% change in incentives leads to at least increase of 0.491% in employee performance by SPEDAG Interfreight Rwanda.

Moreover the study concluded that management of company of case study should be fair and careful when measuring employee performance because in many organizations employee performance is measured by supervisory ratings, and these ratings are highly subjective.

## 7. Recommendations

Based on the findings of this study, this research report recommends that since there is significant impact of motivation factors on employee performance in this institutions, the following recommendations were made:

There should be more recruitment to replace old experience staff in the bank to ensure continuity since most of the employees have spent more than five years in the service. The clerical employees should be motivated with meritorious promotions, job rotation and job enrichment to reduce boredom and challenged to be innovative. Management staff should be trained to develop sharper skills so that employees can be up to the task when given the opportunity. Training and development of employees must not be down play. The period for extrinsic motivational to long serving staff could be reviewed down or reduced so that meritorious staff with lesser period of service may also benefit from it. This can help to maintain some staff from leaving company of case study.

Directorates and management should approve of new motivational packages which influence performance at the company of case study. The new employee on clerical schedule can be given car loan and enhanced salaries to motivate him/her to stay longer. Furthermore, the innovations of employees must be accepted and articulated in order to enhance

### Acknowledgments

I wish to acknowledge **Prof. Satyendra Narayan Singh**

for her contribution to this work from the beginning up to its completion. I also wish to extend my

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motivation and for that matter performance. Besides this, the few Branches which are not in conducive environment must be put into best modern standard and managers must ensure that employees take delight in serving customers all the time with improved strategies.

acknowledgement to the University of Kigali, **SPEDAG Interfreight Rwanda Ltd** for their support and collaboration during the data collection



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