Original Paper

Working Conditions and Employee Motivation in Micro Enterprises in Mukono

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Abstract

Employees in organizations are always contented when they feel their immediate environment is in tandem with their obligations. The rapid growth of the enterprises in Uganda is entirely dependent on the relevant working conditions and motivation of employees. The article aimed to explore the relationship between working conditions and employee motivation of microenterprises in Mukono district in Uganda. The health and safety of employees as a motivator at the workplace guided this study. Both qualitative and quantitative methods of data collection; the survey, interviews and desk review were used. Findings showed that good work conditions and good employee motivation can increase employee job satisfaction and employee organizational commitment. Workers may be satisfied by their jobs, but they are not motivated to stay doing the same role because they may not have the same benefits as others. Individuals with higher pre-training motivation based on their willingness to attend training have greater learning outcomes as compared to individuals having lower pre-training motivation. For organizations to accomplish their goals, there is need for health and safety awareness for every individual employee at each induction.

Keywords

Micro Enterprises; employee motivation; working conditions

1. Introduction

The article focused on finding out the effect of working conditions on employee motivation in micro enterprises in Mukono district. Globally, motivation is considered as a desire to achieve a goal, combined with energy to work towards it. This highly influences the working conditions that govern an
organization along with behavioral procedures, policies, rules, culture, resources, work relationships, work location, all of which influence employees to do their work. Good working conditions entail making work environment attractive, comfortable, satisfactory and motivating to employees so as to give employees a sense of pride and purpose in what they do (Forastieri, 1999).

McGuire (2003) states that monetary incentives and all other financial resources need to be offered to employees. These include; professional training programmes and support, housing, food and transport with non-monetary incentives including professional status in the community, promotion and recognition among others is believed that such motivation directly influences employee motivation positively.

Motivation refers to the outcome from any economic activity among employees’ that drives them to achieve set targets, doing work as expected and ensure profitability of the company. However, “motivation” is the behavioral aspect that defines the way in which organizations, teams and individuals’ drive is boosted to get work done (Anka, Jamil, & Shaikh, 2012).

Motivation can be good or bad. However, good motivation involves being punctual at work, cooperating with co-workers, management, in overcoming problems, having control over emotions, commitment and being regular at work among others; while no motivation leads to late arrivals at work place, leaving early, lack of commitment, absenteeism, too much complaint, unwillingness to accept the delegated duties and having no control over emotions, hence strikes (Anka, Jamil, & Shaikh, 2012).

Measuring working conditions and employee motivation in micro enterprises has been discussed for several decades that by the mid-1980s, motivation had moved from the academic circles to government bodies worldwide. Many public sector organizations then adopted motivation management systems with the aim of motivating staff who eventually become efficient and effective as well as maintaining quality output and services. The leading countries in the provision of education worldwide including United Kingdom and United States of America, among others, have used traditional approaches to ensure employee performance (Satyawadi & Ghosh, 2012).

In Ugandan, the consideration of motivation theories suggests that it is inappropriate to rely on only one theory. A manager or boss should be in position to evaluate the relevance of the theories and identify which one may be used to apply to a work situation. Two key assumptions in relation to motivation were reviewed. One assumption is that it is difficult to motivate people and the other is that motivated people perform better. These assumptions can be misleading when designing appropriate motivation strategies (Hunter, Cushenbery, & Friedrich 2012).

According to Uganda’s Ministry of Finance, planning and economic development report (2018), there are various micro enterprises in Mukono municipality. These include multimedia, financial services, tourism, real estate, transport, education, agro processing industries, fish farming, Sacco’s and many others. These micro enterprises have an unsafe and unhealthy work environment which is characterized by poorly designed workstations; unsuitable furniture; lack of ventilation; inappropriate lighting; excessive noise and insufficient safety measures in fire emergencies. Although Mukono’s micro
enterprises have resorted to using alternative motivation practices to influence, enhance and motivate employees, there has been a notable dissatisfaction, demotivation and poor performance among employees. This has got to the extent of employees not reporting on time and completing activities as per given schedule. If these issues are not solved, they are assumed to bring about ultimate job de-satisfaction as stated by (Godard, 2001). The study therefore aims at finding solutions and ways through which incentives can be consistent to ensure motivation of employees in selected micro enterprises.

The purpose of the study was to find out the relationship between working conditions and employee motivation of microenterprises in Mukono district. The following were the specific objectives of the study.

1. To find out the relationship between health and safety on motivation of employees in selected microenterprises.
2. To ascertain the relationship of employee benefits on motivation of employees in selected microenterprises.
3. To find out the effect of organisational culture on motivation of employees in selected microenterprises.
4. To examine the relationship between health and safety, employee benefits and organisational culture and motivation among employees of selected microenterprises in Mukono.

2. Methods
The study used a cross-sectional research design that included both qualitative and quantitative approaches of data collection. The data was collected from 10 selected Micro enterprises in Mukono district where 150 respondents were purposively selected. One director, 1 top management staff, 3 middle management staff, 4 supervisors and 6 administrative staff were identified giving a response rate of 76%. Using the statistical table of Morgan and Krejcie (1970), 145 respondents took part in the study and the respondents included top management officers and employees from different micro-enterprises. Simple random sampling was also used to select employees of the micro-enterprises. Both primary and secondary data were used to collect data for the study. Data was collected through the Survey for employees, interviews for the Human resources officers or top management of the micro-enterprises and document review from reports, published and unpublished research, journals, electronic journals, websites and databases to gain more information on the study problem.

For quantitative data, descriptive analyses of frequencies, percentages, means and standard deviations were used. Relationships and variations among variables were determined by using cross tabulations, regressions and one sample T-tests. Cross tabulation comparing rows and columns were used. Regression at a significance level of 5% (2-tailed) was used supplemented with linear regression because we were testing two variables. One sample T-test at 95% confidence interval was used (Test Value = 0) to rank different variables. The higher the T-value, the higher the rank.

Qualitative data was categorized under themes and analysed manually by matching content with
themes of interest for the study. These themes were got from the responses of respondents who participated in interviews. SPSS (statistical package for social scientists) was used.

3. Results

3.1 Respondents Background Information

Out of the 145 respondents who took part in the study, 77 (53.2%) were male and 68 (46.8%) female. At least (34.5%) of the respondents had working experience of less than 2 years, followed by those of 4 - 6 years (24.5%), then those of above 6 years (22.7%). The lowest number of individuals had working experience of 2 - 4 years (18.2%).

Most respondents who agreed that they felt motivated at their work place were individuals whose experience was “2 - 4 years” with 84%, followed by individuals whose experience is “above 6 years” with 75%, then individuals whose experience is “4 - 6 years” with 60% and 58% from individuals with a working experience “less than 2 years”.

3.2 The Relationship between Health and Safety towards Motivation of Employees in Selected Microenterprises

a) Bivariate analysis for research objective one

The study found that relationship between health and safety towards motivation of employees in selected microenterprises was conducted using a Pearson rank correlation and summary statistics as below.

Table 1. Correlations, between Health and Safety towards Motivation of Employees in Selected Microenterprises

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Health and Safety</th>
<th>Motivation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health and Safety</td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>106</td>
</tr>
<tr>
<td>Motivation</td>
<td>Pearson Correlation</td>
<td>.729**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>102</td>
</tr>
</tbody>
</table>

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

Source: Primary Data- Researcher (2019)

The Pearson correlation coefficient between safety and health of working environment and a feeling of motivation at work is 0.729. The strength of this correlation is high, since it is above 0.5. The correlation significance is at 0.01 (99%).
This implied that the researcher was 99% confident that there was a strong positive relationship between health and safety towards motivation of employees in selected microenterprises.

b) Testing the significance:

Table 2. Chi-Square Tests, between Health and Safety towards Motivation of Employees in Selected Microenterprises

<table>
<thead>
<tr>
<th>Chi-Square Tests</th>
<th>Value</th>
<th>Df</th>
<th>Asymptotic Significance (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>98.848a</td>
<td>16</td>
<td>.000</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>90.720</td>
<td>16</td>
<td>.000</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>53.684</td>
<td>1</td>
<td>.000</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>102</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 19 cells (76.0%) have expected count less than 5. The minimum expected count is .24.

Sample size (n) = 102

Source: Primary Data- Researcher (2019)

From the table above, the chi-square analysis between safety and health of working environment and a feeling of motivation at work reported a P value of 0.000 which was less than 0.05 (5%) level of significance which reported that there was significance in the relationship between health and safety towards motivation of employees in selected microenterprises.

It was concluded that there was significantly a strong positive relationship between health and safety towards motivation of employees in selected microenterprises. This was agreed upon by the respondents who took part in the interviews. They felt motivated to work because they felt that the workplace ensures safety measures were taken into consideration.

In response to Hypothesis Test One and from the above results:

The null hypothesis (Ho: There is no relationship between health and safety and motivation of employees in selected microenterprises) as earlier postulated was rejected, and concluded that there is a significant relationship between health and safety and motivation of employees in selected microenterprises, hence the alternative hypothesis was upheld.

3.3 The Relationship of Employee Benefits on Motivation of Employees in Selected Microenterprises

a) Bivariate analysis for research objective two:

The relationship of employee benefits towards motivation of employees in selected microenterprises was conducted using a Pearson rank correlation and summary statistics was as below:
Table 3. Correlations; between Employee Benefits and Motivation of Employees in Selected Microenterprises

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Employee Benefits</th>
<th>Motivation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Employee Benefits</strong></td>
<td><strong>Pearson Correlation</strong></td>
<td>1</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.693**</td>
</tr>
<tr>
<td>N</td>
<td>105</td>
<td>101</td>
</tr>
<tr>
<td><strong>Motivation</strong></td>
<td><strong>Pearson Correlation</strong></td>
<td>.693**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>101</td>
<td>106</td>
</tr>
</tbody>
</table>

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

*Source: Primary Data- Researcher (2019)*

The Pearson correlation coefficient between employee benefits and motivation of employees in selected microenterprises is; 0.693**. The strength of this correlation is high/strong, since it is above 0.5. The correlation significance is at 0.01 (99%). This implied that the research, basing on a 99% confidence, conclude that there was a high/strong positive relationship between employee benefits and motivation of employees in selected microenterprises.

b) Testing the significance:

Table 4. Chi-Square Tests; between Employee Benefits and Motivation of Employees in Selected Microenterprises

<table>
<thead>
<tr>
<th>Chi-Square Tests</th>
<th>Value</th>
<th>df</th>
<th>Asymptotic Significance (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>77.581*</td>
<td>16</td>
<td>.000</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>82.563</td>
<td>16</td>
<td>.000</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>47.977</td>
<td>1</td>
<td>.000</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>101</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 20 cells (80.0%) have expected count less than 5. The minimum expected count is .18.

Sample size (n) = 101

*Source: Primary Data- Researcher (2019)*

From the table above, the chi-square test analysis between employee benefits and motivation of employees in selected microenterprises reported a P value of 0.000 which was less than 0.05 (5%) level of significance which reported that there is a significant relationship between employee benefits and
motivation of employees in selected microenterprises. There is significant and strong positive relationship between employee benefits and motivation of employees in selected microenterprises.

In response to the Hypothesis Test Two and from the above results:

The null hypothesis (HO: There is no relationship between employee benefits and motivation of employees in selected microenterprises) as earlier postulated was rejected, and concluded that there was a significant relationship between employee benefits and motivation of employees in selected microenterprises, hence the alternative hypothesis was upheld.

3.4 The Effect of Organizational Culture on Motivation of Employees in Selected Microenterprises

a) Bivariate analysis for research objective three.

The relationship between organizational culture and motivation of employees in selected microenterprises was conducted using a Pearson rank correlation test and summary statistics was as below:

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Organizational Culture</th>
<th>Motivation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Culture</td>
<td>Pearson Correlation</td>
<td>.599**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>106</td>
<td>102</td>
</tr>
<tr>
<td>Motivation</td>
<td>Pearson Correlation</td>
<td>.599**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>102</td>
<td>106</td>
</tr>
</tbody>
</table>

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

Source: Primary Data- Researcher (2019)

The Pearson correlation coefficient between organizational culture and motivation of employees in selected microenterprises; .599**. The strength of this relationship was high/strong since it is above 0.5. This implied that the research, basing on a 99% confidence, concluded that there was a high/strong positive relationship between organizational culture and motivation of employees in selected microenterprises.

b) Testing the significance:
Table 1 Chi-Square Tests; on the Relationship between Organizational Culture and Motivation of Employees in Selected Microenterprises

<table>
<thead>
<tr>
<th>Chi-Square Tests</th>
<th>Value</th>
<th>df</th>
<th>Asymptotic Significance (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>58.843$^a$</td>
<td>12</td>
<td>.000</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>56.807</td>
<td>12</td>
<td>.000</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>36.265</td>
<td>1</td>
<td>.000</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>102</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 14 cells (70.0%) have expected count less than 5. The minimum expected count is .41.
Sample size (n) = 102

Source: Primary Data- Researcher (2019)

From the table above, the chi-square test analysis between organizational culture and motivation of employees in selected microenterprises reported a P value of 0.000 which was less than 0.05 (5%) level of significance hence that there was a significant relationship between organizational culture and motivation of employees in selected microenterprises.

There was a significant and strong positive relationship between organizational culture and motivation of employees in selected microenterprises.

In response to the Hypothesis Test Three and from the above results:

The null hypothesis (HO: There is no relationship between organizational culture and motivation of employees in selected microenterprises) as earlier postulated was rejected, and it was concluded that there was a significant relationship between organizational culture and motivation of employees in selected microenterprises, hence the alternative hypothesis was upheld.

3.5 The Relationship between Health and Safety, Employee Benefits and Organizational Culture and Motivation among Employees of Selected Microenterprises in Mukono

The objective entails finding out the how motivation amongst employees depends on a combination of: Health and Safety, Employee Benefits and Organizational Culture as independent factors.

Dependent factor:
Motivation, was measured by the level of agreement on whether respondents felt motivated at their workplace

Independent factors:

i. Health and Safety was measured by the level of agreement on whether respondents felt that their working environment is safe and healthy.

ii. Employee Benefits was measured by the level of agreement on whether respondents felt satisfied with the benefits given by their organization.
iii. Organizational Culture was measured by the level of agreement on whether respondents felt that there was a commendable culture in their organization.

**Multivariate Analysis for research objective four:**

Establishing the relationship between dependent factor and the independent factors as indicated above in microenterprises in Mukono district was conducted using a multivariate linear regression analysis and the summary statistics were as below:

**Table 7. Regression Analysis for Motivation as a Factor of Health and Safety, Employee Benefits, and Organizational Culture**

<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)</td>
<td>-1.686</td>
<td>.340</td>
<td>-4.953</td>
<td>.000</td>
</tr>
<tr>
<td>Health and Safety</td>
<td>.470</td>
<td>.067</td>
<td>.420</td>
<td>7.058</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>.439</td>
<td>.067</td>
<td>.385</td>
<td>6.587</td>
</tr>
<tr>
<td>Organizational Culture</td>
<td>.545</td>
<td>.086</td>
<td>.345</td>
<td>6.378</td>
</tr>
</tbody>
</table>

R = .877<sup>a</sup>

R<sup>2</sup> = .769

R<sup>2</sup>-represents the coefficient of determination.

Source: Primary Data- Researcher (2019)

Equation 1 Motivation as a function of health and safety, employee benefits, and organizational culture

Motivation as a function of health and safety, employee benefits, and organizational culture

Equation 2 Regression analysis on Motivation as a function of Health and safety, employee benefits and organizational culture in Micro Enterprises

Motivation = 0.470 (Health and Safety) + 0.439 (Employee Benefits) + 0.545 (Organizational Culture) -1.686 + ε.

Source: Primary Data- Researcher (2019)

From the above regression, the coefficient of correlation ‘R’ which was 0.887 (*) implied that there was a positive relationship between health and safety, employee benefits and organizational culture and
motivation among employees of selected microenterprises in Mukono. The strength of this relationship is high/strong, since it was above 0.5.

An overall p-value (sig.) which reported as 0.000 (b) was less than 0.05 hence, it was concluded that there was a significant relationship between health and safety, employee benefits and organizational culture and motivation among employees of selected microenterprises in Mukono.

The coefficient of determination R-square (R²) reported a 0.769 value, which implied that a combination of; health and safety, employee benefits and organizational culture explained 76.9% of the motivation in selected microenterprises in Mukono.

It was therefore concluded that there was a relationship between health and safety, employee benefits and organizational culture and motivation among employees of selected microenterprises in Mukono.

In response to the Hypothesis Test four:

The null hypothesis (HO: There is no relationship between health and safety, employee benefits and organizational culture and motivation among employees of selected microenterprises in Mukono) as earlier postulated was rejected, and it was concluded that there was a significant relationship between health and safety, employee benefits and organizational culture and motivation among employees of selected microenterprises in Mukono, hence the alternative hypothesis was upheld.

Moderating factors as an interaction of the relationship between, Health and safety, Employee Benefits and organizational culture towards Motivation in microenterprises

This subsection measure how moderating factors affect the strength of the relation between the predictor and independent variable.

The moderating factors studied were;

i. The level of agreement towards leaders being competent and able to produce quality work.
ii. The level of towards the support received from leaders/superiors

The coefficient of correlation ‘R’ which was 0.905 (a) implied that there was a stronger positive relationship between health and safety, employee benefits and organizational culture and motivation among employees of selected microenterprises in Mukono, if the moderating factors were put in place.

The above conclusion arose from the contrast between; the relationship between health and safety, employee benefits and organizational culture and motivation among employees of selected microenterprises in Mukono without moderate factors and the relationship with the moderating factors. It was revealed that the moderating factors improved motivation by 2.8%

4. Discussion of Results

4.1 Health and Safety Influences Motivation of Employees in Microenterprises

The respondents were asked a variety of questions and the findings indicated that Health and Safety influences motivation of employees in microenterprises. The null hypothesis earlier postulated was rejected and alternative hypothesis upheld.

Findings revealed that good work environment and good work conditions can increase employee job
satisfaction and an employee organizational commitment. Jung and Kim (2012), the work conditions can include the organization being able to provide proper work wear, safe gear depending on the department one is working in and provision of the right tools and equipment. So, the employees will try to give their best which can increase the employee work performance. Most of the employees were given all the necessary tools and equipment on my job as at the same majority of the very employees believe that their working environment is safe and healthy. There was no doubt about the positive relationship between health and safety and motivation the findings are consistent with Cheng et al. (2013) that that there were evidence of moderating effects of age on the associations between psychosocial work conditions and health.

4.2 Employee Benefits Influence Motivation of Employees in Microenterprises

The respondents were asked a variety of questions and the findings indicated that Employee Benefits influence motivation of employees in microenterprises. The null hypothesis earlier postulated was rejected and alternative hypothesis upheld.

Findings revealed workers may be satisfied by their jobs, but they are not motivated to stay doing the same role they are currently performing because they may not have the same benefits as others Igalens and Roussel (1999). The more an employee is given benefits the more he/she is motivated to do their work. This is portrayed in the strong positive relationship between employee benefit and motivation in micro-enterprises in Mukono, there is no doubt about that. This is also confirmed and consistent with (Petrescu & Simon, 2008). Where it is portrayed that a balanced incentive program introduced in an organization is likely to motivate employees and as a result lead to improved performance and motivation. Both monetary and non-monetary incentives can be used in this case.

4.3 Organizational Culture Influences Motivation of Employees in Microenterprises

The respondents were asked a variety of questions and the findings indicated that Organizational Culture influences motivation of employees in microenterprises.

Findings revealed basing on Baldwin et al. (1991) indicate that individuals with higher pre-training motivation based on their willingness to attend training have greater learning outcomes as compared to individuals having lower pre-training motivation. This stresses that the organizational culture of training results into a greater level of innovation than a lower training rate.

5. Conclusions

5.1 Health and Safety Influences Motivation of Employees in Microenterprises

The significant and strong positive relationship between health and safety with motivation of employees in microenterprises indicates that; the more an employee is availed favorable work environment, the more motivated they get and hence improve on their efficiency and productivity.

5.2 Employee Benefits Influence Motivation of Employees in Microenterprises

The significant and strong positive relationship between employee benefits and motivation of employees in microenterprises practically implies that an improvement/increment in an employee’s
fringe benefits also improves the chances of motivation of the very employees hence maximize their efficiency.

5.3 Organizational Culture Influences Motivation of Employees in Microenterprises
The significant and strong positive relationship between Organizational Culture and motivation of employees in microenterprises practically implies that when an organization observes and maintains its own culture, a greater way for motivation is created and this helps the organization perform its goals and tasks.

References


