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## A Study on the Impact of Financial Incentives and Work Environment on Employee Motivation To Work: A Case Study of Employees of Paradise Estate Management Company

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### Abstract

The study aims to investigate the impact of financial incentives and workplace environment on employee work motivation. Individually, the study examines the impact of work allowances, employee wages, organisational culture, and internal communication on employee motivation to work in an organisation. The research employed a survey research design. The population of the study focused on the employees of Paradise Estate Management Company. A total of 79 respondents were selected from a pool of 120 employees in the organisation. The questionnaires were administered and distributed to respondents through Google Form. Multiple regression analysis was adopted to test the different hypotheses. The findings indicate that employee motivation is influenced by various factors within the work environment. These include internal communication and organisational culture, as well as financial incentives such as employee wages and work allowances.

**Keywords:** Financial incentives, Non-financial incentives, Employee motivation, Workplace environment

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## 1.0 Introduction

Over the years, organisations have invested heavily in meeting their organisational goals, satisfying the consumers and, most importantly, meeting and measuring up with competitors in different business niches. To meet the organisational goals, employee motivation must be considered at all times. In today's business climate, employees have become the greatest asset to any organisation.

Weerasinghe (2017) stated that employee motivation is the drive, rigour, and enthusiasm which push employees to meet their individual work goals, team goals, and organisational goals. Motivation of any kind pushes individuals to increase their work performance or productivity. Agbenyegah (2019) argued that motivation strengthens and helps give employees a positive push when carrying out their job functions. In today's business climate, employee motivation is taken seriously because demotivated employees will slack in their work functions and overall productivity.

Al-Belushi and Khan (2017) further stated that to meet its organisational goals and vision, employees must perform their job functions at optimal levels. Optimal performance can only be achieved when employees are fully motivated. Also, an employee's motivation can only be met when the employee's needs are met. Some of the factors necessary to impact employee motivation are financial incentives and workplace environment. Incentives are external temptations or variables that make people act a certain way. Based on the context of this study, it is what makes people work harder or increase their work zeal.

Agbenyegah (2019) stated that a financial incentive is any incentive with a financial undertone. It is one of the most important motivators for employee performance and increase in productivity. In a study by Muller-Hyndick (2020), 50 per cent of Britons are motivated by financial incentives compared to other incentives. Some major forms of financial incentives include merit pay, bonuses, wages and salaries, and compensations. A study by Cainarca, Delfino, and Ponta (2019) showed that monetary incentives such as bonuses and fair salaries help to boost work performance, and it is an important vehicle to make employees work with increased zeal.

The workplace environment is the total physical, social, and behavioural components found in the workplace. Duru and Shimawua (2017) stated that the workplace environment consists of an organisation's physical, behavioural, social, and organisational structures. The workplace environment includes organisational culture, internal/external communication, physical structures such as office lighting, restrooms, office space, security, and ventilation. Al-Omari and Okasheh (2017) argued that a decent workplace environment is a condition where individuals can do their jobs in an ideal, secure, healthy, and comfortable way. A workplace environment can be either toxic or conducive. In their study, the authors found that factors such as noise, office furniture, ventilation, and light are the major workplace conditions that demotivate employees.

In this study, the effect of financial incentives and the work environment have been studied in relation to employee motivation. The problem associated with this study focuses on the impact of both financial incentives and work environment on employee work motivation in a real estate firm in Lagos State, Nigeria. The study focuses on the effect of the four factors: work allowances, employee wages, organisational culture, and internal communication on employee motivation. Two factors (work allowance and employee wages) are associated with financial incentives, while the other two (organisational culture and internal communication) are associated with work environment. The main objective of this study is to investigate the impact of financial incentives and workplace environment on employee work motivation. Other objectives include;

- i. To study the impact of work allowance on employee motivation to work
- ii. To investigate the impact of employee wages on employee motivation to work
- iii. To investigate the influence of organisational culture on employee motivation to work
- iv. To investigate the impact of internal communication on employee motivation to work

## **2.0 Literature Review and Hypotheses Development**

### **2.1 Employee Motivation**

The process of motivating employees and keeping them motivated over time is an important element in ensuring the success and productivity of an organisation. Govender and Parumasur (2020) defined motivation as a force that arouses the energy that helps drive an individual's behaviour. Teszi (2022) argued that this drive also helps divert the individual to choose the right behaviour focused on attaining the set goals. The author stated that motivation helps sustain the individual's behaviour until the individual needs his or her set goals. Barreto, Vasconcelos, and Dos Santos (2018) further defined motivation as the act of motivating, which means initiating a process that leads to a conscious and voluntary action. The authors further implied that motivation is born from the need to meet a need, providing certain satisfaction levels.

Motivation is an internal force that is also personal and intimate and depends on a specific individual (Barreto et al., 2018). Weerasinghe (2017) defined the concept of motivation as what an employee is enthusiastic about and the forward drive to meet the expected goals or objectives. Furthermore, the author opined that motivation is the mental force that helps in choosing the type of behaviour, level of effort, and diligence that the work put into a work assignment despite the many hindrances and difficulties associated with the work. Sukanta, Vuesti, and Kepramaveni (2018) argued that motivation focuses on the drive that helps direct one's activities. The authors further delineated motivation as encompassing the initiation, sustenance, direction, and cessation of behaviour, along with the subjective reactions that manifest within the organisation during its progression.

In an organisational context, motivation becomes the management team's responsibility, tasked with cultivating and offering an environment conducive to the right employee behaviour. This can be achieved by providing suitable incentives to enhance the employees' performance and productivity. Sukanta et al. (2018) emphasised that organisations must identify and understand the factors that drive subordinate motivation, ultimately leading to enhanced work performance. Numerous studies have consistently

highlighted the pivotal role of adequate employee motivation as a catalyst for improved service provision and the cultivation of a positive work environment.

Govender and Parumasur (2010), Teszi (2022), and Pratama and Hermina (2022) stated that employees' motivation to work comprises three sub-dimensions and they include:

- i. Economic rewards or extrinsic rewards
- ii. Intrinsic satisfaction
- iii. Social relationships

### **2.1.1 Economic Rewards or Extrinsic Rewards**

Govender and Parumasur (2010) opined that economic rewards include pay, benefits, national goods, and security. It represents the instrumental orientation which will push the employee to work. Agbenyegah (2019) defined extrinsic rewards as those not directly associated with the job, encompassing elements such as pay, salary, and work environment conditions. The study under consideration primarily concentrates on two key aspects within this dimension: financial incentives and the work environment. Govender and Parumasur (2020) contended that money holds significant motivational power due to its symbolic and instrumental value. However, caution is warranted, as studies conducted by various researchers have suggested that using money solely as a means of recognising employees for their commendable work may convey an unintended message. When emphasis is put on monetary rewards, it drives personal gains and reduces the need for teamwork (Agbenyegah, 2019). Other studies implied that financial rewards show employees what kind of behaviour is valued in the organisation. Achie and Kurah (2016) found out that extrinsic reward helps the organisation to hold onto good employees and also helps in the reduction of organisational turmoil. The authors further stated that extrinsic rewards can also be seen as gifts, promotions, and other tangible rewards. Extrinsic rewards or economic rewards focus on the performance and activities of the employee, which is carried out to attain certain levels of outcomes.

Govender and Parumasur (2010) and Agbonyegah (2019) stated that using monetary rewards produces temporary motivation and compliance, meaning that money or a pay raise motivates employees as long as another pay raise or increase is forthcoming. Temporary compliance can be defined as the short-sighted values instigating an employee's motivation. Govender and Parumasur (2020) wrote that once an increase is received in payment, employees are motivated for a short period until there is a decline in motivation. The decline will continue until another round of pay increase.

### **2.1.2 Intrinsic Satisfaction or Reward**

Govender and Parumasur (2010) stated that intrinsic satisfaction refers to the employees' interest in the job, assignment, or work objectives. It also includes the nature of the work and the personal or professional growth and development that the employee gets from the job or assignment. Intrinsic factors also focus on individual motivation work.

Achie and Karah (2016) wrote that intrinsic rewards refer to rewards that are not intangible and are non-financial. This includes the job itself, tasks, training possibilities associated with a work assignment or job description, and the challenges associated with the job. Agbenyegah (2019) argued that using praise and work recognition is the most important and efficient rewards technique employees want to hear. It shows that employees want to feel they contribute adequately to organisational productivity and performance. According to Barreto, Vasconcelos, and Dos Santos (2018), acknowledgement of one's work, especially when expressed publicly or in the presence of colleagues, sends positive signals to other employees about the type of behaviour valued and preferred by the management. Agbenyegah (2016) further suggested that, when contrasted with tangible or financial rewards, intrinsic rewards play a pivotal role in influencing the choices of goal-driven employees, determining their preference for a particular firm over others. The use of attractive rewards and the opportunity to grow as a worker is one of the reasons some organisations stand out.

### **2.1.3 Social Relationships**

Govender and Parumasur (2020) stated that social relationships are the social interactions in which an employee engages himself or herself within the work environment. These social relationships include friendships, teamwork, status, socialisation, dependency, and the desire for affiliation. This sub-diversion focuses on the relationship orientation to work. This dimension relies on the feelings, attitudes, and perceptions of everyone within the organisation with whom the employee directly or indirectly interacts.

Agbenyegah (2016) opined that most organisations use a total reward approach to improve employee motivation. Total reward is the combination of extrinsic and intrinsic rewards, which are put together as a total reward that employees receive for motivation. The author opined that the concept behind total reward is that "there is more to rewarding people than throwing money at them".

## **2.2 Financial Incentives (work allowances and employee wages) and Employee Motivation**

Achie and Kurah (2016) stated that financial incentives are any monetary reward that influences work productivity and helps motivate employees towards work. The author posited that financial incentives can be manipulated to affect employee motivation and the overall decision-making process. Sometimes, financial incentives come from the customer who requests a service. Weerasinghe (2017) argued that financial incentives have only one goal which is to motivate people to extend the performance of exercises. The author further implied that financial incentives motivate workers to achieve short-term work goals. Achie and Kurah (2016), in agreeing with the proposition of Agbenyegah (2016), stated that workers will have decreased motivation and work productivity as well as performance once the incentive strengths (financial incentive) are stopped or taken away. Sukanta, Yuesti, and Kepramareni (2018) implied that financial incentives are any incentives given to employees in the form of money. The authors opined that financial incentives are in two forms;

- i. Incentives are in the form of physical money such as work bonuses, commissions, profit sharing, and deferred commissions.

- ii. Incentives in the form of social security such as medical insurance and free medical treatment, official housing, official transportation and education for children.

Burhanudin (2016) found that financial incentives have a significant effect on employee motivation. The author asked the question of the motivation of the employee if the monetary and social security financial incentives are halted. Even though financial incentives have a significant relationship with employee motivation, their effect can be temporal depending on the individual involved. Barreto, Vasconcelos, and Dos Santos (2018) argued that employees could be motivated to work since they expect a financial reward after a period, be it daily, weekly or monthly. In this case, money equals motivation, while motivation equals work.

### **2.3 Work Environment (organisational culture and internal communication) and Employee Motivation**

Waktola (2019) stated that the work environment is the sum of all the relationships within and around employees and the work environment in which the employees work. Al-Omari and Okasheh (2017) defined work environment as anything that can be found around the employee and can affect and impact the employee's performance and motivation to work. The authors further implied that the work environment consists of both external and internal conditions that can either negatively or positively affect the performance and motivation of employees towards the assigned job. The author defined a good work environment as a condition whereby individuals can do their jobs in an ideal, secure, healthy, and comfortable way. In defining the work environment, Raziq and Raheela (2015) stated that the work environment can be subdivided into two broad dimensions: work and context.

The author opined that the work dimension of the work environment includes tasks associated with the job, such as training, job-related activities, and the sense of achievement gotten from the job. On the other hand, the context dimension of work environment focuses on the physical and social working conditions of the organisation.



Waktola (2019) differentiated the working environment into three sub-environments, including the technical environment, human environment, and organisational environment.

Firstly, in the technical environment, the author opined that the sub-environment focuses on the tools, equipment, and technological infrastructures present in the organisation and used by the employees. The technical environment comprises structures focused on assisting the employee in carrying out tasks effectively. The technical environment can include elements such as computers, printers, internet connections (Wi-Fi), and other work gadgets. Secondly, the human environment includes work peers, other employees the employee works directly with, teams, and groups, issues based on interaction, the leadership and organisation management. Waktola (2019) stated that the human environment is fundamental in terms of maximum productivity. The human environment focuses on informal interactions in the workplace, which creates the opportunity to exchange ideas, share knowledge, and grow. Thirdly, the organisational environment includes the organisational systems, organisational culture, practices, values, and procedures employed in the organisation. The management has control over every aspect of an organisation, including the first two environments.

Waktola (2019) emphasised that a supportive working environment should establish conditions aimed at fostering effective work performance and, notably, motivating employees to excel. Such an environment should stimulate employees to harness their diverse competencies, knowledge, technical know-how, and skills to their fullest potential. Al-Omari and Okasheh (2017) also opined that an ideal work environment must be secure, healthy, and comfortable. Many studies have differentiated work environments into toxic and conducive ones based on the following ideal work characteristics. Raziq and Raheela (2015) argued that the work environment includes employee safety, removal of any form of hazard, job security, relationships with co-workers, recognition of good performance, effective internal communication, and employee participation in the decision-making process. Nguyen and Ha (2023) defined internal communication as the process of aligning employees to company strategy by systematically informing, influencing, motivating, and engaging people at all levels of the company through the one-way and two-way channels—digital and physical—that are

most relevant to each employee. The authors found that effective internal communication in any organisation leads to increased work output.

## **2.4 Theoretical Framework**

In this study, two important theories associated with employee motivation are considered. The theories were selected based on their relationship with the research question and objectives of the study. The theories include;

- i. Herzberg's Two-Factor Theory
- ii. Maslow's Hierarchy of Needs

### **2.4.1 Herzberg's Two-Factor Theory**

The theory is commonly known as Herzberg's Two-Factor Theory, named after its proposer, Frederick Herzberg, in 1959. The theory centers around two overarching factors: motivators and hygiene (Bevins, 2018). Bevins (2018) opined that the theory is called motivator and hygiene theory. The theory's premise states that two important groups of work factors affect motivation. Sanjeev and Surya (2016) wrote that the first group of factors are called satisfiers or motivators while the other group of factors are called dissatisfiers or hygiene factors. The presence of the satisfiers or motivators leads to positive motivation to carry out a work function, while the absence of the hygiene factors leads to demotivation. Sarjeev and Surya (2016) asserted that the theory posits that both hygiene factors and motivation factors influence motivation. Sanjeev and Surya (2016) opined that motivators are evaluated on a range that can be seen from neutral to highly satisfied, while hygiene factors are assessed on a range from neutral to highly dissatisfied. Motivating factors are meant to motivate employees to improve performance while hygiene factors focus on maintaining or improving performance.

### **2.4.2 Maslow's Hierarchy of Need**

The theory of human needs, also known as the hierarchy of needs, was proposed by Abraham Maslow in 1943. The theory opined that humans must satisfy lower-level needs before progressing to meet higher-level growth needs.

Shahrawat and Shahrawat (2017) opined that Maslow believed that needs are important and universal in nature. He divided the needs of humans into a five-step staircase for human achievement. The needs include;

- i. Physiological needs
- ii. Safety needs
- iii. Belonging needs
- iv. Esteem needs
- v. Self-actualisation needs

The needs are arranged in a pyramid from the least need, physiological needs, to the highest need, self-actualisation needs. According to Shahrawat and Shahrawat (2017), Maslow's hierarchy of needs theory posits that various needs are inherent and universal. Maslow believed that individuals cannot be motivated across the different levels of the hierarchy simultaneously; instead, only one need is deemed significant at any given time. The five needs are differentiated into two groups;

- i. Lower-order needs: Physiological, safety, and social needs
- ii. Higher-order needs: Esteem and self-actualising needs

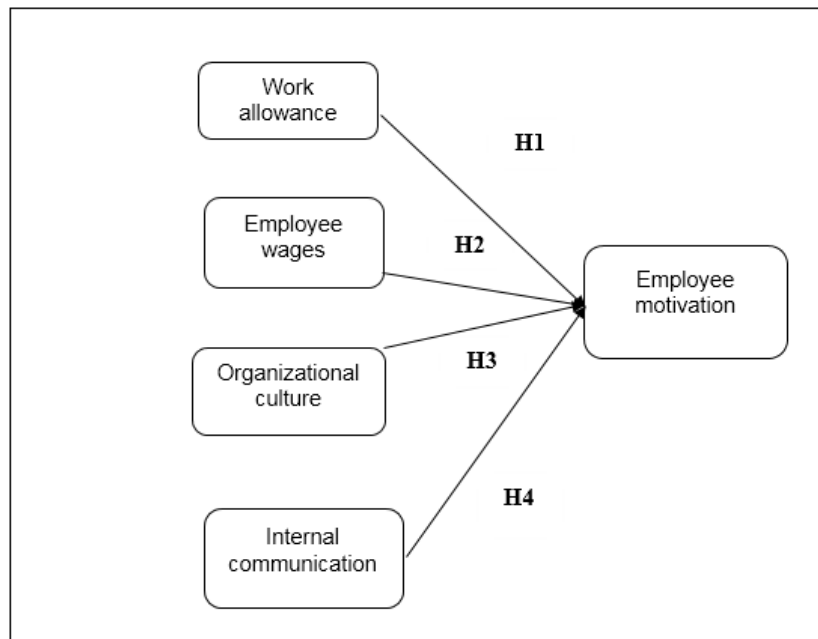
Maslow opined that only after fulfilling the lower-order needs can an individual move on to the higher-order needs. In an organisational condition, the highest is the level of development, which can be seen professionally and personally, work autonomy, and taking up challenging job roles.

## **2.5 Conceptual Framework**

Based on the two theories that have been considered in the theoretical framework, this study has four independent variables, namely:

- i. Work allowance
- ii. Employee wages
- iii. Organisational culture
- iv. Internal communication

The first two variables are based on financial incentives to work, while the third and fourth variables are based on the work environment. The dependent variable is employee motivation.



**Figure 1: Proposed conceptual framework**

### 2.5.1 Hypotheses Development

The hypotheses stated are based on the conceptual framework, which aims to show the relationship between the dependent and independent variables. The hypotheses in the study are as follows:

- H1: There is a positive significant relationship between work allowance and employee motivation.

H2: There is a positive significant relationship between employee wages and employee motivation.

H3: There is a positive significant relationship between organisational culture and employee motivation.

H4: There is a positive significant relationship between internal communication and employee motivation.

### **3.0 Methodology**

The study employed a survey research design. Owens (2002) opined that a survey research design was employed to gather certain information that was not available from other sources. Survey research design is a quantitative research procedure in which investigators administer a survey to a sample or the entire population to describe the population's attitudes, opinions, behaviours, or characteristics. The population of this study focuses on the employees of Paradise Estate Management Company. Paradise Estate Management Company is a real estate company located in the heart of Lagos State, Nigeria. The participants of the study were selected from various departments and units of the real estate firm. Paradise Estate was one of the most competitive real estate firms in Lagos, offering the best and most affordable properties for both high-income and medium-income earners.

The company employs more than 200 staff, comprising security agents, property agents, plumbers, electrical engineers, architects, surveyors, cleaners, civil engineers, and other forms of labour. The organisation was selected because it offers the opportunity to investigate employee motivation from the place of work environment and financial incentives. The company also employed various forms of financial packages and rewards to boost employee morale in getting new buyers, which usually comes with substantial commissions. The organisation has recently seen increased employee turnover rates and numerous complaints because of unfair work conditions, wages, and other forms of financial incentives, especially commissions.

The study used simple random sampling method, a probability sampling method in quantitative research where individuals are chosen entirely by chance. The sampling technique was adopted because each member of the population has an equal chance of being selected for the study, and it reduces any chance of participant bias during the data collection process. In the sampling method, participants are chosen from a more extensive set and selected by chance. According to Sekaran (2016), the recommended sample size would be 79. In this study, data was collected with the use of a questionnaire. The questionnaire was administered using a Google Form and contained six sections. The first section focuses on the demographic characteristics of the respondents, which include age, gender, employment status, and income. Then, the following sections focus on the variables, including employee motivation, work allowance, employee wages, organisational culture, and internal communication. A five-point Likert scale was used in the questionnaire, ranging from strongly disagree to strongly agree. The questionnaire was adapted from Williams (2010) and Barreto, Vasconcelos, and Santo (2018). The data was analysed using the SPSS statistical tool. A Cronbach Alpha reliability test was employed to test the internal reliability of the data. Descriptive statistics and frequency distribution were carried out on the demographic distribution. ANOVA test was used to check the relationships between the dependent and independent variables, while multiple regression analysis was used to test the different hypotheses.

## **4.0 Results and Discussion**

### **4.1 Frequency Distribution**

Table 1 shows the respondents' profile of the study. Based on the table, 54 respondents were male, which accounted for 68.4%, while 25 were female, which accounted for 31.6% of the sample. Regarding age distribution, 29 respondents (36.7%) are between the age of 32-38 years, while only 2 respondents (2.5%) are in the age range of 18-24 which is the lowest category among all. For the income distribution of the respondents in the study, 27 respondents (34.2%) earn between N200,000 and N250,000, whereas only one respondent (1.3%) earns N250,000 and above. In terms of respondents' educational levels, 42 individuals hold Bachelor's degrees (53.2%), with only 4

participants possessing Doctorate degrees (5.1%), representing the lowest category among all educational levels. Regarding nationality, most respondents (92.4%) were Nigerians, while a small proportion of 7.6% comprised foreigners working in the organisation.

**Table 1: Demographic profile**

Characteristics	Category	Frequency	Percentage (%)
Gender distribution	Male	54	68.4
	Female	25	31.6
Age distribution	18 – 24 years	2	2.5
	25 – 31 years	23	29.1
	32 – 38 years	29	36.7
	39 – 45 years	18	22.8
	46 years upward	7	8.9
Income distribution	Below N50,000	19	24.1
	N50,000 – N100,000	15	19.0
	N100,000 – N150,000	13	16.8
	N150,000 – N200,000	4	5.1
	N200,000 – N250,000	27	34.2
	N250,000 and above	1	1.3
Distribution of educational levels	Secondary school certificate	6	7.6
	Bachelor's degree	42	53.2
	Postgraduate diploma	8	10.1
	Masters	19	24.1
	Doctorate	4	5.1
Distribution of nationality	Nigeria	73	92.4
	Others	6	7.6

#### 4.2 Cronbach's Alpha Reliability Test

Based on Table 2, which shows Cronbach's Alpha reliability test, employee motivation has a Cronbach's Alpha of 0.853, and the data is highly reliable. The high reliability extends to organisational culture and internal communication with alpha means of 0.910 and 0.901, respectively. The Cronbach's Alpha for work allowance and employee wages is 0.771 and 0.721, respectively, indicating good reliability. The reliability of the different scales is based on the study by Taber (2018) that provided the different ranges of scale reliability from excellent (0.90 and above), good (from 0.80 to 0.89), acceptable (0.70 to 0.79), questionable (0.60 to 0.69), poor (0.50 to 0.59) and unacceptable (below 0.50).

**Table 2: Cronbach's reliability test**

Variables	Cronbach's Alpha	Number of Items
Employee motivation (EM)	0.853	5
Work allowance (WA)	0.771	5
Employee wages (EW)	0.721	5
Organisational culture (OC)	0.910	5
Internal communication (IC)	0.901	5

### 4.3 Multiple Linear Regression Analysis

$$y = \beta_0 + \beta_1 X_1 + \dots + \beta_n X_n + \varepsilon$$

Y = dependent variable

X = Independent variable

$\beta$  = Parameter

$\varepsilon$  = Error

The study has one dependent variable and four independent variables. The dependent variable is employee motivation (EM), while the independent variables include work



allowance (WA), employee wages (EW), organisational culture (OC), and internal communication (IC).

**Table 3: Multiple Regression Analysis**

Model		Unstandardised coefficient		Standardised coefficient	T	Sig	90% confidence interval for B	
		B	Std Error	Beta			Lower bound	Upper bound
1	<b>Constant</b>	1.701	0.393		4.331	0.030	0.918	2.484
	<b>Mean WA</b>	0.236	0.108	0.264	2.186	0.032	0.021	0.452
	<b>Mean EW</b>	0.324	0.123	0.338	2.642	0.010	0.080	0.569
	<b>Mean OC</b>	0.283	0.178	0.279	1.589	0.007	-0.072	0.632
	<b>Mean IC</b>	0.284	0.175	0.270	1.628	0.008	-0.064	0.633

\*R value = 0.578,  $R^2 = 0.334$ ,  $F(4,79) = 66.000$ ,  $P = 0.000$

Table 3 shows that work allowances have a positive and significant relationship with employee motivation, with B value of 0.236 and p-value (Sig) of 0.032 ( $< 0.05$ ). Based on the results, hypothesis 1 was accepted. Table 3 also showed that employee wages have a positive and significant relationship with employee motivation with B value of 0.324 and p-value (Sig) of 0.010 ( $< 0.05$ ). Thus, hypothesis 2 was accepted. The table also showed that organisational culture has a positive and significant relationship with employee motivation with B value of 0.283 and p-value (Sig) of 0.007 ( $< 0.05$ ). Based on the result, hypothesis 3 was accepted. The table showed that internal communication has a positive and significant relationship with employee motivation with B value of 0.284 and p-value (Sig) of 0.008 ( $< 0.05$ ). Therefore, hypothesis 4 was accepted.

Based on the above results, employee wages have the highest impact on employee motivation, followed by organisational culture, internal communication and work allowances.

## **5.0 Discussion**

The results of the study show that work allowances, employee wages, organisational culture, and internal communication positively impact employee motivation in the organisation. This is supported by Pratama and Hermina (2022), which showed that investing in allowances for employees demonstrates a commitment to the workforce's overall well-being, resulting in increased productivity, motivation, and long-term success for both workers and the organisation. Another study conducted by Terzi (2022) unveiled that implementing an efficient employee allowances structure, provided promptly, increases the likelihood of motivating employees to work, especially in short-term situations. This motivation is triggered by external variables influencing the work environment.

Andry (2018) investigated the impact of salary and wage increases on the motivation of employees. The result showed that employees who are paid fairly are more likely to be motivated to do their best work. Fair wage payment based on the amount of work done and equity in how payment is given help increase the motivation of employees. Iskanto (2023) found out that culture plays an important role in employee motivation because of its impact on the employee experience. Employees are more inclined to sustain motivation within a positive work culture that nurtures and values their contributions, fosters growth and well-being, and establishes a trusting, psychologically safe environment. Nguyen and Ha (2023) also invested in the role of effective internal communication in boosting employee motivation. Effective internal communication helps to create a sense of unity among employees by allowing them to share their ideas, opinions, and experiences. In other words, effective communication processes within the organisation lead to improved employee motivation. This is attributed to the provision of essential information, facilitating easier and better collaboration among employees, thereby enhancing overall work performance.

**Table 4: Summary of the results**

<b>Hypotheses</b>	<b>Sig Value (p&lt;0.05)</b>	<b>Results</b>
H1: There is a positive significant relationship between work allowance and employee motivation.	0.032	Accepted
H2: There is a positive significant relationship between employee wages and employee motivation.	0.010	Accepted
H3: There is a positive significant relationship between organisational culture and employee motivation.	0.007	Accepted
H4: There is a positive significant relationship between internal communication and employee motivation.	0.008	Accepted

## **6.0 Implications of Findings**

### **6.1 Practical Implications**

The results of the study show that all the financial incentives and work environmental factors are crucial factors in boosting employee motivation. When these factors are carried out effectively and organisational strategies are adopted to boost their impact, the employees are more likely to be motivated, and their performance and overall productivity will increase. Managers and human resource management staff must consider these factors when developing reward systems for employees and focus on developing a work environment that is focused on the needs of employees. Financial incentives must also be applied and used by taking equity into consideration at all times. Furthermore, effective internal communication must be considered and used with effective communication channels and strategies.

## **6.2 Theoretical Implications**

The study used two theories of motivation as its theoretical framework, including Herzberg's Two-Factor Theory and Maslow's Hierarchy of Needs. Herzberg's two-factor theory focuses on two broad factors: motivators (satisfiers) and hygiene factors (dissatisfiers). The presence of the satisfiers or motivators leads to positive motivation to carry out a work function while the absence of the hygiene factors leads to demotivation. Maslow believed that needs are important and universal in nature. Maslow divided the needs of humans into a five-step staircase for human achievement, including physiological needs, safety needs, belonging needs, esteem needs, and self-actualisation needs. Based on the research outcome, Herzberg's point of view that hygiene factors do not bring motivation can be disputed because organisational culture and wages were found to bring about employee motivation. Furthermore, Maslow theory of motivation provided the most important explanation of the role of these factors in boosting employee motivation. The factors considered can be seen in the different needs of Maslow's Pyramid. The result attested to the fact that every employee is motivated at different levels and based on the needs of the employee at a given point in time.

## **7.0 Conclusion**

The study aimed to investigate the impact of financial incentives and workplace environment on employee work motivation. Individually, the study focused on investigating the impact of work allowances, employee wages, organisational culture, and internal communication on employee motivation to work in an organisation. Based on the results, using multiple regression analysis, the study found that employee motivation can be affected by factors in the work environment, including internal communication and organisational culture. Financial incentive factors, which include employee wages and work allowances, also impact employee motivation. Based on the result, employee wages had the highest impact on employee motivation.

The study's findings are subject to various limitations that warrant consideration in interpreting results. Firstly, the sample size employed in the study comprised only 79

employees within a specific organisation. This limited sample size may impede the generalizability of research outcomes to a broader context. Additionally, the research exclusively employed a quantitative research approach, emphasising numerical data while neglecting non-numerical aspects. This methodological choice restricts the exploration of subjective experiences and personal insights from respondents, thereby limiting the comprehensiveness of the study. Furthermore, the utilisation of online data collection introduces the risk of inadequate responses due to the absence of direct observation, potentially impacting the overall quality of outcomes.

In light of these research outcomes and limitations, several recommendations are proposed. Firstly, employers are advised to prioritise Human Resources, recognising it as a critical organisational asset. Organisations are encouraged to establish a comprehensive framework for equitable wages and work allowances, incorporating both financial and non-financial incentives to enhance employee motivation. Ensuring a safe, healthy, and inclusive work environment that avoids biases is crucial. Moreover, organisations should implement an effective internal communication system utilising appropriate technology. To address the limitations associated with sample size and research approach, future studies are recommended to employ a larger and more diverse sample size, possibly spanning multiple organisations. Additionally, adopting a mixed-method research approach that combines qualitative and quantitative methods is proposed to enhance the depth and richness of data collection for more robust conclusions.

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