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Employee Motivation and Financial Performance of Manufacturing Firms: A Case of Nestle Nigeria PLC

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Abstract

This study explores the impact of employee motivation on the financial performance of Nestlé Nigeria Plc, with a specific focus on key financial motivation variables: salaries, wages, and allowances, training and development costs, as well as other personnel expenses. The primary aim is to determine the extent to which these motivational factors influence the organization's overall performance. Return on assets serves as a proxy for financial performance. The research employs a causal research approach and relies on a ten-year dataset (2012-2022) derived from the company's financial statements. The study utilizes the Pearson correlation coefficient to assess the relationships among variables and employs regression analysis to evaluate the effects of financial motivation factors on financial performance. The findings indicate that salaries, wages, allowances, training and development, as well as personnel expenses (including insurance, transport subsidy, and housing subsidy), significantly impact organizational performance. One noteworthy recommendation arising from this study is that companies should establish and maintain competitive compensation plans that align with market standards and accurately reflect employees' capabilities and contributions. Regular wage level assessments and adjustments are crucial. The study's insights have practical implications for Nestlé Nigeria Plc's human resource management and organizational strategy, emphasizing the importance of targeted motivation strategies. These insights provide actionable recommendations for enhancing employee performance, fostering a motivated workforce, and contributing to the realization of Nestlé Nigeria Plc's operational goals and objectives.

Keywords:
Employee motivation, Financial performance, Salaries, wages, Allowances, Training, development, Return on asset.

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Background to the Study

Employees are recognized throughout a wide range of industries as one of the most important assets of corporate businesses (Jalaini, Alimat, Latiff & Fadzil, 2013; Milne, 2007). As a result, ensuring employee motivation has become a contemporary commercial and organizational concern (Hatice, 2012). Motivation refers to the incitement or incentive to carry out an action. Employees of a firm can be motivated to achieve both their own personal goals and the organization's overall objectives (Shanks, 2007). Therefore, if employee satisfaction is to be sustained and employee engagement improved, motivation is very crucial. There are numerous techniques to motivate staff. They include salary and wages, bonuses, training and development, staff costs, performance feedback, training and development, and housing and transportation subsidies (Armstrong, 2006). Ensuring employee motivation has the capacity to improve perception of the company and guarantee organizational performance. The effectiveness with which an organization can position itself on the business market by utilizing some informational, financial and human resources is referred to as financial performance (Ali & Ahmed, 2012; Mishra & Mohanty, 2014). Latham (2012) claim that businesses with employee benefit plans that are immediately implemented reduce employee turnover. According to Mahalawat and Sharma (2018), organizations that plan their employee perks and immediately implement them would see improved staff retention and, as a result, improved financial performance.

Literature has revealed that employees are becoming aware of the role of motivation in aiding performance (Almatrooshi, Singh & Farouk, 2016). A demotivated workforce exhibits indicators such as bad working conditions, declining job standards, and decreasing productivity that results in subpar performance (Moideenkutty, Al-Lamki & Murthy 2011). In Nigeria, employee motivation has not been given enough attention in many organisations. This has caused many public and private enterprises, particularly the manufacturing sector, which ought to be the main engine of a developing nation like Nigeria, to perform poorly and inefficiently. Studies in this field have concentrated more on examining the connection between employee performance and motivation, particularly from the perspective of the employees (Githinji, 2014; Lin, 2007; Muogbo, 2013; Pandey, 2019). Literature on the effect of motivation on organisational performance is sparse and largely subjective, usually from the viewpoint of the employees. This study departs from existing literature by deploying a more objective approach, relying on secondary data from Nestle Nigeria PLC to investigate the effects of motivation on organisational performance.

Nestle Nigerian PLC is one of the largest producers of food and drink in Africa. For more than 57 years, Nestlé has offered consumers in Nigeria healthy, premium food items. The business employs more than 2,300 direct workers and produces and markets a number of well-known brands, including Maggi, Milo, Golden Morn, Nescafé, and Nestlé Pure Life (Nestle, 2023). The company is a manufacturer and serves as a good reference for other companies in Nigeria's manufacturing industry. This research is invaluable because it objectively unveils the influence motivation has on the financial performance of manufacturing firms by providing subsequent direction for policy formulation purposes. Motivation in the study is proxied with expenses on salaries wages and allowances; training and development, as well as other personnel expenses (insurance, transport subsidy and housing subsidy). This is justified by the rendition in the company's financial statement. Return on Asset will be used as a proxy for company performance.

Research Objectives

The specific objectives outlined for the study include to;

i. Determine the effects of salaries, wages and allowances on organizational performance.
ii. Examine the effects of expenses on training and development on organizational performance.
iii. Ascertain the effects of other personnel expenses on organizational performance such as insurance.

Literature Review

Employee motivation

Employee motivation is recognized as a crucial factor for the long-term success of an organization and is a key component of human resource management. The definition of motivation has been discussed by various authors over the years. Sarma (2008), defines motivation as an individual's readiness to accept challenging goals, take responsibility, be engaged in their work, and experience career satisfaction. Other definitions highlight motivation as a psychological mechanism that gives direction and purpose to behaviour (Kreitner, 1995; Latham, 2012), a propensity to act purposefully to fulfil unmet requirements or an innate drive to address unmet needs (Higgins, 1994).

Based on these arguments, it is safe to conclude that motivation is an innate passion and drive to complete tasks, which can be utilized to influence employee behaviour and activities towards a positive vision or objective. Several techniques can be employed to motivate employees, such as providing training opportunities, improving physical surroundings and working conditions, offering career advancement prospects, providing attractive employment perks, maintaining work-life balance, ensuring good income and offering suitable locations (Peters et al., 2010; Sonawane, 2008; Al-Hoorie & Ali, 2018; Gayton, 2018). This study specifically focuses on motivational strategies related to salaries, wages, allowances, and expenses on training and development and other personnel expenses.

Salaries, Wages, and Allowances

Salaries, wages, and allowances are vital components of a compensation strategy in organizations. Salaries refer to a fixed sum of money or remuneration provided by a company to an employee in exchange for their work (Sarma, 2008). Wages, on the other hand, are compensation based on the quantity of work completed and the number of hours invested. Giving employees regular allowances assists them in meeting their financial needs. Allowance refers to giving someone money on a regular basis to help them pay for the things they need. Employees are more invested in the task being done when their remuneration plan is effective, which increases their sense of satisfaction when the business succeeds. The effectiveness of a remuneration plan significantly influences employees' investment in their tasks and contributes to their overall job satisfaction.

Expenses on Training and Development

Training and development initiatives aim to enhance employees' capacity to perform by improving their skills, knowledge, and attitudes (Shah & Gopal, 2012). In a rapidly changing business environment, training and development are crucial for organizations to adapt to evolving customer preferences and achieve high performance. These initiatives also contribute to raising employee morale, increasing productivity, reducing wastage, minimizing employee turnover, and reducing the need for monitoring.

Personnel Expenses

Personnel expenses encompass all costs related to employees and their associated payments, including salaries, bonuses, overtime or weekend pay, social security contributions, commissions, perks, allowances, pensions, leaves, reimbursements, and insurance. This study considers staff costs associated with housing, insurance, and transportation subsidies.

Financial Performance of Manufacturing Firms

Financial performance is a subjective measure of how well a firm can use assets from its primary mode of business and generate revenues. The term is also used as a general measure of a firm's overall financial health over a given period (Contu, 2022). These firms, firmly anchored in the symbiotic interplay between mechanized infrastructure and human labour, navigate a complex landscape riddled with challenges that are as daunting as they are inescapable. Foremost among these challenges is the relentless onslaught of market competition - an environment where survival hinges on outmanoeuvring rivals in a perpetual race for consumer attention and market share.

Both academic research and business analysis now frequently use Return on Assets (ROA) as an indicator of an organization's financial performance. ROA quantifies the relationship between a company's profitability and its asset base, providing insights into how effectively the organization is utilizing its resources to generate earnings. ROA is a financial measure that indicates how effectively an organization utilizes its assets to generate income (Mishra & Mohanty, 2014). For manufacturing firms, profitability is crucial for sustainability and growth, making ROA a relevant performance measure. ROA offers a simple calculation method that allows managers to track and compare performance over time, enhancing its practical applicability. Moreover, the widespread adoption of ROA as a performance measure facilitates meaningful comparisons between manufacturing firms and other organizations in the same sector (Nurluviyana & Sudarma, 2020; Parveen, 2019).

Supporting evidence from scholarly studies emphasizes the significance of ROA as a measure of organizational performance. Yulistiana (2009), found a positive association between ROA and the financial performance of manufacturing firms. Similarly, recent research by Leon (2022), confirms the widespread recognition and utilization of ROA by manufacturing firms for evaluating their financial performance in comparison to industry benchmarks.

Theoretical Review

The expectancy theory, originally proposed by Victor Vroom in 1964, provides valuable insights into the relationship between employee motivation and organizational performance. The theory suggests that employees are motivated when they believe their efforts will lead to desired outcomes and value those outcomes (Vroom, 1964). For example, an employee who has high expectations of performing well, believes their performance will result in a promotion (high instrumentality), and values the promotion as a valuable outcome (high valence) will be strongly motivated to excel in their tasks (Chopra, 2019). This theory is applicable to the current study as it suggests that organizations can inspire employees by providing tasks, they believe they can successfully complete (high expectancy). It also emphasizes the importance of associating performance with desired outcomes, such as job advancement, salary increases, or other rewards (high instrumentality). Furthermore, organizations can enhance employee motivation by ensuring that the desired goals are genuinely beneficial to the employees (high valence).

Empirical Review

Several empirical studies have explored the relationship between employee motivation and organizational performance. For instance, Kuranchie-Menash and Amponsah-Tawiah (2016) found that employee job satisfaction is influenced by both intrinsic and extrinsic rewards, and job performance is positively related to job satisfaction. Manjunatha and Manohar (2015), discovered that both monetary and non-monetary benefits have a favourable impact on employee work performance. Aryan and Singh (2015), investigated the effect of motivation on employee work performance in the Indian banking industry, highlighting a strong correlation between employee performance and financial rewards, particularly salaries. In order to ascertain the relationship between worker motivation and job performance, Tampu (2015) conducted a study in Romania, which revealed that motivation is still essential for job performance. Ahamed and Mohamad (2015), explored the association between motivation and job performance among federal government administrators in Somalia, identifying intrinsic and extrinsic motivators. A substantial association was found between public service motivation and job performance in Mustapha and Mahmood's (2013) study of the relationship between job performance and public service motivation in Malaysia.

The empirical review suggests that findings from previous studies on the relationship between motivation and organizational performance are mixed. Moreover, different forms of motivation have been investigated in previous studies. The current study adds to the body of knowledge and debate by concentrating on the financial aspects of motivation to either confirm or refute earlier findings.

Methodology

This study adopts the causal research design to examine the effect of motivation on organisational performance using Nestle PLC as reference. The study relies on purposive sampling in choosing the company under investigation. The justifications for using a purposive strategy are predicated on the idea that, given the goals and objectives of the study, certain types of people may have distinctive and significant opinions about the theories and problems under consideration, necessitating the inclusion of the sample of those individuals (Mason, 2002; Robinson, 2014). Manufacturing firms in Nigeria share the same context and culture and as such, it is believed the company will serve as a topical reference for other manufacturing firms. It is essential to note that case study research often prioritizes depth over breadth, and the goal is not to generalize findings to a larger population statistically.

The study relies solely on secondary data. A clear benefit of using secondary data is that much of the background work needed has already been carried out, such as literature reviews or case studies (Ghauri and Gronhaug, 2005). Secondary data generally has a pre-established degree of validity and reliability which need not be re-examined by the researcher who is re-using such data (Robinson, 2014). Data used for the study include salaries, wages and allowances, expenses on training and development as well as other personnel expenses. Organisational performance will also be proxied by the organisation's return on asset. All these were sourced from the company's financial statements for a period of 10 years (2012 to 2022). The choice of this period is premised on the researcher's believe that a 10-year period can provide a substantial number of data points, which can enhance the statistical power and reliability of the analysis.

Using the Pearson correlation coefficient, the relationship between the study variables was first analysed. The data was then analysed using multiple linear regression to see how motivation affected organizational performance at Nestle Nigeria Plc. Multiple linear regression is a statistical method for predicting the result of a response variable by using a number of explanatory variables (Field, 2005). The objective is to forecast the values of a dependent variable. The data are analysed using SPSS, which stands for Statistical Package for Social Sciences.

The model for the study is given as;

$$Y = \alpha + \beta 1X1+\beta 2X2+\beta 3X3+€$$

Where;

Y = Organisational performance, which is measured by Return on assets (ROA), that is, the percentage of net profit in relation to the total assets.

α = The intercept of the regression model, representing the value of the dependent variable when there is no impact of the independent variable,

β1 to β3 =	Regression coefficients,
X1 =	Total value of salaries, wages and allowances
X2 =	Total value of expenses on training and development
X3 =	Total value of other personnel expenses
€	Is the error term, representing the variation in the dependent variable that the regression model cannot explain.

Results

The outcome of the investigation is presented in this section. Using the Pearson correlation coefficient, the relationship between the study variables was first analysed. The matrix of correlation coefficients between the study's variables is displayed in the following table.

Correlation

Table 1: Correlation matrix

		Return on assets	**Salaries, wages and allowances**	**Training and development**	**Other personnel expenses**
Returns on assets	Pearson Correlation	1.000	.466**	.237	.583**
	Sig. (2-tailed)		.001	.097	.000
	N	50	50	50	50
Salaries, wages and allowances	Pearson Correlation	.466**	1.000	.749**	.759**
	Sig. (2-tailed)	.001		.000	.000
	N	50	50	50	50
Training and development	Pearson Correlation	.237	.749**	1.000	.538**
	Sig. (2-tailed)	.097	.000		.000
	N	50	50	50	50
Other personnel expenses	Pearson Correlation	.583**	759*	.538**	1.000
	Sig. (2-tailed)	.000	.000	.000	
	N	50	50	50	50

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

Salaries, wages, and allowances are favourably correlated with return on assets. This implies that organizational performance increases as a corporation prioritizes salaries, wages, and allowances. Return on assets and organization spending on training and development are favourably correlated. The organization experiences an increase in its return on asset, which leads to a firm experiencing an improvement in financial performance, as it invests in training and development. The return on assets, as well as other staff costs have a positive relationship as well. Housing, subsidized, insurance, and transportation costs all increase as a result of this, which affects return on assets and consequently financial performance. Salary, wages and allowances, in addition to training and development, have a very significant correlation. Overall, there is no evidence of multicollinearity in the correlation coefficients of the research variables.

Regression Analysis

The return on assets of the company was regressed against motivation variables, salaries, wages, allowances, training and development expenses as well as other personnel expenses. The following table summarizes the regression model obtained.

Table 2: Regression Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate
.602[a]	.363	.321	2.03145

a. Predictors: (Constant) Salaries, wages and allowances, training and development expenses, other personnel expenses

The results show that there is a strong and positive link between the organization's return on assets, expenses on salaries, wages, and allowances, expenses for training and development, and other personnel expenses, as the Multiple R is currently 0.602. The R Square is 0.363, indicating that the variation in the applied motivation variables was responsible for around 36.30 percent of the variation in the organization's return on assets over the research period. The significant amount of variance in the dependent variable that the regression model can account for points to the importance of motivation for Nestle Nigeria PLC's organizational success. The regression model's relevance was examined. The outcomes of the test for model significance are presented in the following table.

Table 3: Model Significance

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	107.965	3	35.988	8.721	.000a
	Residual	189.832	46	4.127		
	Total	297.796	49			

a. Predictors: (Constant). Expenses on salaries, wages and allowances, expenses on training and development, other personnel expenses.
b. Dependent Variable: Return on assets.

There is a substantial association between the research variables, according to the regression model's significance test. The test statistic F's significance value is 0.00, indicating the variables' high predictive power. The test statistic's significance value is also significantly below 0.05. As a result, financial performance is significantly predicted by the independent variables of the study, including expenses for salaries, wages, and allowances, spending for training and development, and other personnel expenses. The significance of the regression model's coefficients was also examined, and the findings are shown in the following table.

Table 4: Regression Coefficients

Model		Unstandardised Coefficients		Standardised Coefficients	T	Sig
		B	Std. Error	Beta		
1	(Constant)	-10.914	4.384		-2.490	.016
	Salaries, wages and allowances	0.577	0.275	0.232	1.007	0.719
	Expenses on training and development	0.558	0.129	-.219	-1.230	.225
	Other personnel expenses	1.288	445	525	2.896	.006

a. Dependent Variable: Return on assets.

According to the findings, the regression model's intercept is -10.914. According to this, if motivation is absent and the value of its assets is held constant at zero, it will generate a return on assets of -10.914 percent. The motivation components employed in this study are therefore strong predictors of financial performance. The cost of salaries, wages, and allowances has a coefficient of 0.577. This suggests that an increase in this variable will result in a 0.577 rise in return on assets. This coefficient significantly predicts the dependent variable, according to the significance test. The return on assets increases by 0.558 when the cost of training and development is increased by one unit, assuming all other independent variables remain constant (coefficient of this variable is 0.558). Given that this coefficient is substantial, it implies that the independent variable is significantly predicted. The coefficient of staff costs is 1.288, indicating that an increase in a unit causes an increase in the return on asset of 1.288.

Discussion of Findings

From the findings, salaries, wages and allowances have a significant effect on organizational performance. This finding provide answer to the first research question and objective which seeks to determine the effects of salaries wages and allowances on organizational performance. This finding aligns with the study of Aryan and Singh (2015), which studied the effect of motivation on employee work performance. The study found that there is a strong correlation between employee performance and financial rewards, particularly salaries. It also aligns with the study of Kuranchie-Menash and Amponsah-Tawiah (2016), who found renumeration and job satisfaction to have a strong relationship. This suggests that compensation is important in motivating and keeping employees, which impacts organizational performance as a whole. This finding further supports the expectation theory of Vroom (1964), which asserts that employers can motivate workers by linking performance to desired outcomes like career progression, pay raises, or other benefits (high instrumentality). A competitive wage and a range of benefits can encourage employees to give their best work. Employees are more likely to be interested, productive, and dedicated to their work when they believe that their efforts are adequately rewarded (Oboreh & Arukaroha, 2021). This enhanced drive can result in better productivity and job satisfaction. Fair and competitive pay can lead to higher levels of work satisfaction and better staff morale. This results in a happier workplace and a more unified staff, which can improve company performance as a whole. In order to achieve long-term success and competitiveness in today's dynamic business climate, strategic compensation planning and a focus on employee well-being are essential.

The finding also revealed that training and development have a significant effect on organisational performance. This finding answers the second objective and research question which sought to determine the effects of training and development on organisational performance. This finding corroborates the study of Manjunatha and Manohar's (2015), which found that monotonous benefits and non-monotony advantages have a favourable impact on employee work performance. Organizational performance is significantly impacted by training and development, which are essential elements of human resource management. Numerous advantages can be attained by both personnel and the business as a whole through a well-planned and carried out training program (Mishra & Mohanty, 2014). Employees benefit from training and development programs that help them learn new skills and information. Continuous learning improves an employee's capacities, making them more successful and efficient in their responsibilities, whether it is through the development of technical job-related skills or soft skills like leadership and communication (Mustapha & Mahmood, 2013). People are more likely to stick with a company that supports their growth. Additionally, attracting top people seeking career growth might be facilitated by a reputation for providing good training opportunities.

Training and development significantly boost employee skills, engagement, and satisfaction, which has a positive impact on organizational performance. Organizations that place a high priority on learning and development develop workers who are more capable, creative, and motivated, which improves overall performance and creates a lasting competitive edge (Ali & Ahmed, 2012). Clearer performance expectations and more objective performance evaluations can result from effective training and development (Tampu, 2015). Proper training increases the likelihood that employees will achieve or surpass performance targets. Ultimately, organizations can gauge the success of training initiatives through evaluations of performance, assessments, and feedback. This aids in pinpointing problem areas and modifying upcoming training programs.

Offering growth chances and career development routes aids in keeping valuable staff members and building a talent pipeline for upcoming leadership roles.

Finally, findings of the study revealed that other personnel expenses (insurance, transport subsidy and housing subsidy) significantly impact organisational performance. The finding answers the third research question and objective which sought to ascertain the effects of other personnel expense on organisational performance. This validates a study by Kuranchie-Menash and Amponsah-Tawiah (2016) that discovered that intrinsic and extrinsic rewards have an impact on employees. It is also in tandem with the expectancy theory of Vroom (1964), which contends that businesses can inspire staff by associating performance with desired results like job advancement, salary increases, or other rewards. This finding highlights the importance of providing additional benefits and support to employees beyond their regular salaries and wages.

The fact that a business provides benefits like insurance, transportation subsidies, and housing subsidies shows that it is concerned about the welfare of its employees. These extra benefits increase worker happiness and foster a positive work atmosphere, which boosts engagement and productivity. Organizations that provide comprehensive benefits packages are more likely to stand out and be more enticing to potential employees in a competitive employment market (Sarma, 2008). By doing so, employees may have less stress and distraction from personal matters and be better able to concentrate on their work. Subsidies for housing and transportation can greatly enhance the quality of life for workers. While a housing subsidy can assist make home more accessible, particularly in places with high living costs, a transportation allowance can help reduce commuting costs. Improvements in work-life balance and overall job satisfaction may result from this (Peters et al., 2010). Organizations can lessen the financial burdens on workers and thereby reduce absenteeism and turnover by offering additional benefits. Employee loyalty is higher in an environment where their needs are met and they receive helpful support. Focus and commitment to their task are more prevalent in employees who feel safe and supported (Gayton, 2018). This may result in increased job performance, which eventually benefits the overall effectiveness of the organization.

In conclusion, firms can enhance employee well-being, talent acquisition, and talent retention by offering insurance, transportation subsidies, and housing subsidies. This will strengthen employee loyalty and ultimately contribute to the success of the organization as a whole. However, to optimize their beneficial impact on employee satisfaction and performance, benefit packages must be carefully designed and communicated.

Conclusion

This study was carried out to investigate the effects of motivation on organizational performance in Nestle Nigeria PLC. Motivation was demystified to imply salaries, wages and allowances, training and development costs as well as other personnel expenses (insurance, transport subsidy and housing subsidy) while organisational performance was proxied with the firm's return on assets. Objectives were formulated to provide focus and direction for the study. The first objective sought to investigate the effects of salaries, wages and allowances on organizational performance. The second objective sought to determine the effects of training and development expenses on organizational performance why the third objective sought to investigate the effects of other personnel costs on organizational performance. Regression analysis was employed to provide answers to these objectives for a ten-year period (2012 to 2022).

Findings from the first objective revealed that salaries, wages and allowances have a significant effect on organizational performance. The significant influence that salaries, wages, and allowances have on organizational performance is highlighted by this finding. The study highlights the link between fair remuneration and superior performance results while recognising the importance of financial incentives. This evidence is consistent with the idea that an organization's overall performance is favourably impacted by a well-designed and competitive compensation system. Understanding the importance of fair compensation and benefits is essential to encouraging employee motivation, fulfilment and engagement, which in turn helps to increase productivity and achieve corporate objectives.

Findings from the second objective revealed that expenses on training and development have a significant effect on organisational performance. The significant effect that spending on training and development efforts has on organizational performance is highlighted by this research outcome. Organizations may improve employee capacities, job happiness, and engagement overall by fostering a talented and knowledgeable workforce. As a result, productivity, innovation, and competitiveness all increase. As a result, it is critical to view training and development as a strategic investment that immediately aids in establishing long-term success and upholding a dominant position in the market.

Findings from the third objective revealed that other personnel expenses (insurance, transport subsidy and housing subsidy) have a significant effect on organisational performance. The results of this study highlight the significant effects on organizational performance of various human costs, including insurance, transportation subsidies, and housing subsidies. The overwhelming weight of the evidence suggests that allocating funds to pay for employee insurance, housing subsidies, and transportation subsidies considerably improves organizational performance. These advantages help foster a productive workplace, enhance employee wellbeing, and boost job satisfaction. Such assistance raises employee morale, eases financial pressure, and encourages loyalty and dedication. Organizations that invest in these people costs are likely to benefit in the long run from increased productivity, decreased attrition, and a competitive advantage in luring and keeping top talent.

Recommendations

Based on the findings of the study, the recommendations of the study are three pronged, in line with the objectives. The following recommendations are hereby advanced for organisations to implement in order to leverage on the significant effects of salaries, wages and allowances.

i. Competitive Compensation Structures: Companies should create and maintain pay plans that are competitive. To ensure that they are in line with market norms and accurately reflect the abilities and contributions of employees, they should examine and change wage levels on a regular basis (Wiley, 2007).
ii. Transparent Compensation Communication: Businesses should communicate their compensation plans and structures with more transparency. Be sure to explain the process through which salaries, wages, and allowances are decided upon so that workers are aware of the connection between their efforts and incentives.
iii. Customized Benefits Packages: Benefits packages should be customized by businesses to meet the various needs of employees. Taking into account the local cost of living and specific circumstances, this may also include allowances for transportation, housing, and insurance.

The following recommendations are advanced for organizations to implement in order to leverage on the significant effects of training and development.

i. Tailored Training Programs: Companies should create training programs that are tailored to the unique requirements of various teams and departments. Customized instruction can fill up any skill gaps and instantly boost performance.
ii. Performance-Based Training Plans: Companies should create training programs that are connected to performance objectives. Employees may receive access to advanced training or development opportunities as a reward for reaching certain milestones.
iii. Cross-Functional Training: Businesses should support cross-functional training to foster cooperation and a deeper comprehension of the organization.

The following recommendations are hereby advanced for organizations to implement in order to leverage on the significant effects of other personnel costs (insurance, transport and housing).

i. Benchmarking and Market Analysis: Companies should evaluate insurance, transportation, and housing perks against industry norms and regional market trends to determine how competitive they are.
ii. Insurance and Wellness Programs: Firms should offer a selection of insurance choices, such as health, life, and disability insurance. It is also important to implement wellness initiatives that motivate staff to maintain a healthy lifestyle and lower medical expenses.
iii. Transportation Subsidies: Companies should provide offer public transportation subsidies. Employees' difficulties with commuting may be lessened, and their work-life balance may improve.

iv. Housing Support: Firms should offer housing subsidies or allowances to workers who may need to relocate for the job. Financial stress might be lessened, and overall job satisfaction can rise as a result.

By implementing these policy recommendations, organizations can effectively leverage the significant impact of motivation on organizational performance. Putting an emphasis on an employee's wellbeing and quality of life can increase job satisfaction, boost retention rates, and create a positive work environment, all of which can help to improve overall performance.

Limitations and implications for future Research

The study relied solely on data from Nestle Nigeria PLC which might limit the generalizability of the findings. Nevertheless, most manufacturing firms in Nigeria share the same context and culture, thus making the findings of this study applicable to several other manufacturing firms. Furthermore, the study relied on three motivation variables as depicted in the objectives of the study. Further studies can explore a multi organisational research to further improve on the findings of this study. Other variables not accounted for in the study, such as leadership style, organizational culture, or external market conditions can be factored in in future research, as they could potentially influence the relationship between motivation and organizational performance. By addressing these limitations and pursuing the implications for future research, a more comprehensive and nuanced understanding of the effects of motivation on organizational performance can be achieved, with broader implications for management practices and theory.

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