

# Impact Of Motivation on Employee Performance in The Hospitality Industry

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## Abstract

*The main objective of the study was to investigate the impact of motivation on employee performance in the hospitality enterprises in Kosovo. For that purpose, the paper uses primary data obtained through a survey of 130 employees in several hospitality enterprises in Kosovo. The survey questionnaire consisted of 4 close-ended questions. The data were analysed using regression model statistical tools. First, cross-tabular analyses were performed where each motivation tool was crossed with the employee performance and the coefficient of determination and the correlation coefficient were calculated in order to determine the individual impact of each motivation tool on employee performance. This research argues that each motivation tool affects the increase of employee performance in the hospitality industry in Kosovo. The strongest motivational tool for employees in the hospitality enterprises in Kosovo is the salary, followed by the opportunities for advancement and working conditions. Then, multiple linear regression was calculated in order to determine the overall cumulative impact of all motivation tools (motivational package) on employee performance. This research argues that there is a very strong direct relationship between the whole motivational package and employee performance in the hospitality industry in Kosovo.*

**Keywords:** employee performance, motivation, motivation tool, motivational package, hospitality industry, Kosovo.

## Introduction

Employees are the most important resource for achieving goals of each organization and its success. To perform well, employees must have motivation. Only motivated employees will achieve good performance and will contribute for achieving the goals of the organization and its success. If employees are not motivated, then their performance is low, and thus the organization will not operate successfully. Therefore, one of the key activities of the managers of each organization is to motivate employees by using different motivational tools and techniques.

### 1. Motivation

Motivation and performance are two significant factors regarding organizational success and achievement (Bryman, A., 2015). Motivation is a core competency of leadership and it is considered as one of the most imperative matters in all the organizations. The motivation of employees is the most challenging and standout characteristics a manager should process (Bryman A., 2015).

It therefore serves as the basic tool at the workplace for managers so as to ensure suitable alignment of aims, values and purpose especially among employees in any organization. Motivation should be viewed as a continuous and dynamic process of activating and building the workforce of an organization. The employees are the most important resource for any organization.

The growth of any employment depends on how motivated the employees are and how long they stay with the organization (Vroom, 1985).

As a result, it is important for managers to first identify and comprehend precisely for their employees motivational needs after which they will take the most appropriate approaches to align their aims and values so as to improve performance hence increased chances of success. The employee motivation refers to a procedure where organizations i.e. managers inspire their employees with the shape of bonus, rewards, increment, etc. to achieve organizational goal. According to Re'em (2011) motivation is coined from the Latin word "motus", a form of the verb "movere" which means to move, influence, affect, and excite. Various authors propose different definitions as pertains to motivation.

Ebrahimi, and Watchel, (1995) state that in a system sense, motivation consists of three interacting and interdependent elements, i.e., needs, drives, and incentives.

Luthans (1998) defines motivation as a process that starts with a physiological deficiency or need that activates a behaviour or a drive that is aimed at a goal incentive.

Graham and Bennett (1998) state that motivation consist of all the drives forces and influence, conscious or unconscious that causes the employees to want to achieve certain aims.

According to Armstrong (1988), motivation is about what makes people act or behave in certain ways and take whatever steps required to ensure that they get satisfied.

Koontz et al. (1990) opined that motivation of employees is an important inner control tool and should be satisfied in order to attain advantages such as increased employee commitment,

increased productivity and efficiency.

Dobre (2013) notes that different employees will be motivated by different things and it is therefore important for managers to understand what really motivates employees.

Motivation can be intrinsic or extrinsic. Intrinsic motivation originates from within the individual and causes the individual to feel stimulated internally (Re'em, 2011). However, sometimes people act because external factors have influenced them or prompted them to act in a certain way, and this is referred to as extrinsic motivation (Ryan & Deci, 2000). When we refer to someone being motivated, we imply that the individual is trying hard to perpetrate a certain task. Managers use many different motivational techniques to motivate their employees and increase performance. Some of them are: salary, working conditions, opportunities for improvement, awards, job design, praise and recognition, etc.

However, motivation alone is not enough to complete that task with the utmost efficiency. The ability to have the skill and knowledge to perform that task is also of paramount importance. Sometimes it becomes the determinant of effectiveness.

## 2. Performance

Employee performance is a multicomponent concept. It involves quality and quantity of output, presence at work, accommodative and helpful nature and timeliness of output.

According to Mathis & Jackson (2009), performance is associated with quantity of output, quality of output, timeliness of output, presence/ attendance on the job, efficiency of the work completed [and] effectiveness of work completed".

Bayram (2006) defines performance as "the extent a task is achieved".

Koontz et al. (1990) state that employee performance refers to the efficiency and effectiveness of employees in achieving organizational goals and objectives.

The employee performance, according to Patibandla and Chandra (1998), can be defined as the total effort of an individual to reach the objectives and targets set by an organization.

Performance is an extremely important aspect that relates to the organizational outcomes and success. Employees' performance is the job-related activities expected of workers and how well those activities are executed. Performance must be directed towards organizational goals that are relevant to the job or role assigned to the workers. If employee do their job well and produce desirable behaviours and results, it will help the organization to achieve its goals and objectives successfully. In organizational settings, employees' performance is the accumulate result of the skills, efforts and abilities of all the employees contributed in organizational improved productivity leading towards its goal achievement.

According to Whetten and Cameron (1998) individual performance is the product of ability multiplied by motivation.

Motivation direct and positive influences performance i.e. higher motivation will lead to better performance and improvements in performance will increase motivation due to resulting sense of achievement. The performance level also depends on the personal abilities of individuals. Performance incorporates the resulting outcomes of the performed actions of employees based on their expertise and skills.

## 3. Research methodology

This paper uses primary data obtained through a survey of 130 employees in several enterprises of the hospitality industry in Kosovo. The survey questionnaire consisted of 4 close-ended questions. For the analysis of the first question was used five - point Likert scale (strongly agree – strongly disagree), and for

the other three questions the descriptive statistics such as frequencies, percentage, valid percentage and cumulative percentage. The data sourced were analyzed using regression model statistical tools. Regression is the most appropriate tool because it enables the establishment of the relationship between two or more variables. Regression analysis is a statistical tool used to determine the probable change in the dependent variable for the given amount of change in independent variable. The coefficient of determination explains the level of variance in the dependent variable caused or explained by its relationship with the independent variable.

First, cross-tabular analyses were performed where each motivation tool (the results from the first question) was crossed with the employee performance (the results from the third question) and the coefficient of determination and the correlation coefficient were calculated in order to determine the individual impact of each predictor on employee performance (direction and strength of the relationship between the independent variables and the dependent variable). Independent variables in this study are the different motivation tools in the surveyed companies in Kosovo, and the dependent variable are the employee performance in the analyzed hospitality enterprises in Kosovo.

Correlation analysis in research is a statistical method used to measure the strength of the linear relationship between two variables and compute their association. A high correlation points to a strong relationship between the two variables, while a low correlation means that the variables are weakly related. It is used to discover if there is a relationship between variables, and how strong that relationship may be. The correlation coefficient measures the "degree of relationship" i.e. the strength and direction of the relationship between variables, whereas the regression analysis studies the "nature of relationship" between the variables i.e. clearly indicates the cause-and-effect relationship between the variables.

- The value of the correlation coefficient ranges between -1 and +1.
- The value of -1 means a perfect downhill (negative) linear relationship between the variables.
- The value of -0.50 to -1 means a strong downhill (negative) linear relationship.
- The value of -0.30 to -0.50 means a moderate (medium) downhill (negative) relationship
- The value of -0.10 to -0.30 means weak (small) downhill (negative) linear relationship
- The value of the correlation coefficient of 0 indicates no relationship between the variables being compared.
- The value of +0.10 to +0.30 means a weak (small) uphill (positive) linear relationship.
- The value of +0.30 to +0.50 means moderate (medium) uphill (positive) relationship.
- The value of +0.50 to +1 means strong uphill (positive) linear relationship.
- The value of +1 means perfect uphill (positive) linear relationship.

Then, multiple linear regression was calculated in order to determine the overall cumulative impact of all motivation tools on employee performance (shown through the correlation matrix and the table of the overall multi linear regression analysis). Based on that, certain conclusions were drawn.

## 4. Results and interpretations

The hospitality enterprises in Kosovo use a variety of motivational tools to improve employee performance. Some of them are: salary, working conditions, opportunities for improvement, awards, job design and praise and recognition. Respondents in this study should have responded which of the

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above motivational tools are used by managers in the hospitality enterprises in which they work to improve employee performance. For each offered motivation tool, respondents had to choose the most appropriate answer according to the Likert scale: strongly disagree, disagree, neutrally, agree and strongly agree. Table 1 shows that hospitality enterprises in Kosovo mostly use the salary as a motivational tool to improve employee

performance (69.23% of respondents strongly agree), followed by praise and recognition (65.38% of respondents strongly agree), working conditions (61.54% strongly agree), opportunities for improvement (53.85% strongly agree), job design (38.46 % strongly agree) and awards (34.62 % strongly agree).

| Motivation tool           | Strongly disagree |       | Disagree |       | Neutral |       | Agree |       | Strongly agree |       | Total |     |
|---------------------------|-------------------|-------|----------|-------|---------|-------|-------|-------|----------------|-------|-------|-----|
|                           | N                 | %     | N        | %     | N       | %     | N     | %     | n              | %     | n     | %   |
| Salary                    | 0                 | 0     | 0        | 0     | 20      | 15.38 | 20    | 15.38 | 90             | 69.23 | 130   | 100 |
| Working conditions        | 0                 | 0     | 0        | 0     | 10      | 7.69  | 40    | 30.77 | 80             | 61.54 | 130   | 100 |
| Opportunities for improve | 0                 | 0     | 10       | 7.69  | 20      | 15.38 | 30    | 23.08 | 70             | 53.85 | 130   | 100 |
| Awards                    | 20                | 15.38 | 25       | 19.23 | 10      | 7.69  | 30    | 23.08 | 45             | 34.62 | 130   | 100 |
| Job design                | 15                | 11.54 | 35       | 26.92 | 5       | 3.85  | 25    | 19.23 | 50             | 38.46 | 130   | 100 |
| Praise and recognition    | 0                 | 0     | 0        | 0     | 5       | 3.85  | 40    | 30.77 | 85             | 65.38 | 130   | 100 |

Table 1: Indicate which of these motivation tools are used in your organization

Source: Authors' Survey

Respondents were asked which of the offered motivational tools most affect them and stimulate them to increase their performance. The answers are as follows: the strongest motivational tool for employees is still the salary (76.92% of the respondents chose this motivational tool), followed by the opportunities for advancement (15.38%) and working conditions

(7.69 %).

The awards, job design and praise and recognition as motivational tools were not chosen by any of the respondents. This shows that employees do not consider these three tools as motivational means. (Table 2)

| Motivation tool               | Frequency | Percent | Valid percent | Cumulative percent |
|-------------------------------|-----------|---------|---------------|--------------------|
| Salary                        | 100       | 76.92   | 76.92         | 76.92              |
| Working conditions            | 10        | 7.69    | 7.69          | 84.61              |
| Opportunities for improvement | 20        | 15.38   | 15.38         | 100.00             |
| Awards                        | 0         | 0       | 0             |                    |
| Job design                    | 0         | 0       | 0             |                    |
| Praise and recognition        | 0         | 0       | 0             |                    |
| Total                         | 130       | 100.00  | 100.00        |                    |

Table 2: Indicate which of the following motivation tools influence your performance

Source: Authors' Survey

Even 92.31% of the respondents answered that motivational tools affect the increase of employee performance, and only

7.69% of the respondents do not have an answer to this question. (Table 3)

|           | Frequency | Percent | Valid percent | Cumulative percent |
|-----------|-----------|---------|---------------|--------------------|
| Yes       | 120       | 92.31   | 92.31         | 92.31              |
| No        | 0         | 0       | 0             | 0                  |
| No answer | 10        | 7.69    | 7.69          | 100.00             |
| Total     | 130       | 100.00  | 100.00        |                    |

Table 3: Whether the motivation tools affect your performance?

Source: Authors' Survey

The degree of impact of motivational tools on employees is huge, 69.23% of respondents said that the motivational package extremely affects their performance, and 23.08% answered that it has a great impact. Only 3.85% of the respondents think that the motivation package has little effect on their performance or

have a neutral position on this issue (3.85%). (Table 4)

Therefore, managers in the hospitality enterprises in Kosovo should take this fact into account and take measures to introduce a number of motivation tools in order to stimulate employees to increase their performances.

| Motivation tool       | Frequency | Percent | Valid percent | Cumulative percent |
|-----------------------|-----------|---------|---------------|--------------------|
| Extremely influenced  | 90        | 69.23   | 69.23         | 69.23              |
| Very influenced       | 30        | 23.08   | 23.08         | 92.31              |
| Slightly influenced   | 5         | 3.85    | 3.85          | 96.16              |
| Neutral               | 5         | 3.85    | 3.85          | 100.00             |
| Not at all influenced | 0         | 0       | 0             |                    |
| Total                 | 130       | 100.00  | 100.00        |                    |

Table 4: To what extent do motivation package influence your performance?

Source: Authors' Survey

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In order to determine the impact of each individual motivational tool on employee performance, simple linear regression analysis and correlation analysis were performed and the correlation coefficient and the coefficient of determination were calculated.

When the impact of the salary on the performance of the employees is analyzed, then as a result of the performed calculations the following results are obtained:

Coefficient of determination  $R^2 = 0.805$

Coefficient of correlation  $r = 0.897203$

Overall regression: right-tailed,  $F(1,128) = 528.32$

$p < 0.001$ , Since  $p\text{-value} < \alpha (0.05)$ , we reject the  $H_0$ .

The slope  $\beta = 0.8936$

Regression line equation is  $\hat{Y} = 0.5213 + 0.8936X$

Coefficient of determination ( $R^2$ ) equals 0.805 which means that 80.5% of the variability of  $Y$  (employee performance) is explained by  $X$  (salary). Coefficient of correlation ( $r$ ) equals 0.897203 which means that there is a very strong direct relationship between  $X$  (salary) and  $Y$  (employee performance). This implies that the increase in salary will also increase employee performance. If the salary is increased by 1, then the performance of the employees will increase by 0.8936.

Also the relationship between working conditions and performance is positive.

Coefficient of determination  $R^2 = 0.795$

Coefficient of correlation  $r = 0.8916$

Overall regression: right-tailed,  $F(1,128) = 496.3446$

$p < 0.001$ , Since  $p\text{-value} < \alpha (0.05)$ , we reject the  $H_0$ .

The slope  $\beta = 1.0441$

Regression line equation is  $\hat{Y} = -0.1618 + 1.0441X$

Coefficient of determination (0.795) shows that 79.5% of the variability of employee performance is explained by working conditions. The coefficient of correlation is 0.8916 which means that there is a very strong direct relationship between working conditions and employee performance. This means that if the working conditions of the employees are improved, the performance of the employees will also increase. If the working conditions increase by 1, then the employee performance will increase by 1.0441.

Improving the opportunities for improvement will also lead to increased employee performance. Correlation and regression analysis give the following results:

Coefficient of determination  $R^2 = 0.7745$

Coefficient of correlation  $r = 0.8801$

Overall regression: right-tailed,  $F(1,128) = 439.75$

$p < 0.001$ , Since  $p\text{-value} < \alpha (0.05)$ , we reject the  $H_0$ .

The slope  $\beta = 0.6719$

Regression line equation is  $\hat{Y} = 1.7344 + 0.6719X$

$R$  Square ( $R^2$ ) equals 0.7745. It means that 77.5% of the variability of employee performances is explained by

opportunities for improvement. The coefficient of correlation ( $r$ ) equals 0.8801 which means that there is a very strong direct relationship between opportunities for improvement and employee performances. Increase of the opportunities for improvement by 1, will lead to an increase in their performance by 0.6719.

The introduction of awards by company managers will also lead to increased employee performance. There is a strong direct relationship between introduction of awards and employee performance (coefficient of correlation equals 0.783). Coefficient of determination equals 0.6131 which means that 61.31% of the variability of employee performance is explained by awards. The introduction of awards will lead to increased employee performance by 0.39.

Coefficient of determination  $R^2 = 0.6131$

Coefficient of correlation  $r = 0.783$

Overall regression: right-tailed,  $F(1,128) = 202.84$

$p < 0.001$ , Since  $p\text{-value} < \alpha (0.05)$ , we reject the  $H_0$ .

The slope  $\beta = 0.39$

Regression line equation is  $\hat{Y} = 3.2479 + 0.3883X$

Job design predicted employee performance, i.e.

Coefficient of determination  $R^2 = 0.5811$

Coefficient of correlation  $r = 0.7623$

Overall regression: right-tailed,  $F(1,128) = 177.58$

$p < 0.001$ , Since  $p\text{-value} < \alpha (0.05)$ , we reject the  $H_0$ .

The slope  $\beta = 0.38$

Regression line equation is  $\hat{Y} = 3.2697 + 0.3776X$

A correlation coefficient of 0.7623 indicates that there is a strong direct relationship between job design and employee performance. The coefficient of determination is 0.5811 which means that 58.11% of the variability of employee performance is explained by job design. Job design leads to an increase in employee performance by 0.38.

Also, there is a very strong almost ideal direct relationship between praise and recognition and employee performance. Praise and recognition will increase employee performance by 1.2. Even 81.59% of the variability in employee performance is explained by praise and recognition.

Coefficient of determination  $R^2 = 0.8159$

Coefficient of correlation  $r = 0.9033$

Overall regression: right-tailed,  $F(1,128) = 567.17$

$p < 0.001$ , Since  $p\text{-value} < \alpha (0.05)$ , we reject the  $H_0$ .

The slope  $\beta = 1.2$

Regression line equation is  $\hat{Y} = -0.9528 + 1.1981X$

In order to determine the common cumulative impact of all motivational tools on the performance of employees in hospitality enterprises in Kosovo, multiple linear regression analysis and multiple correlation analysis were performed. The multiple correlation analysis is shown through the correlation matrix in Table 5.

|    | Y        | X1       | X2       | X3       | X4       | X5       | X6       |
|----|----------|----------|----------|----------|----------|----------|----------|
| Y  | 1.000000 | 0.897203 | 0.891619 | 0.880084 | 0.783011 | 0.762317 | 0.903257 |
| X1 | 0.897203 | 1.000000 | 0.850532 | 0.888797 | 0.863298 | 0.809535 | 0.864227 |
| X2 | 0.891619 | 0.850532 | 1.000000 | 0.920358 | 0.893582 | 0.911363 | 0.907829 |
| X3 | 0.880084 | 0.888797 | 0.920358 | 1.000000 | 0.909338 | 0.902357 | 0.868744 |
| X4 | 0.783011 | 0.863298 | 0.893582 | 0.909338 | 1.000000 | 0.974647 | 0.881677 |
| X5 | 0.762317 | 0.809535 | 0.911363 | 0.902357 | 0.974647 | 1.000000 | 0.852620 |
| X6 | 0.903257 | 0.864227 | 0.907829 | 0.868744 | 0.881677 | 0.852620 | 1.000000 |

Table 5: Correlation matrix  
Source: Authors' calculations

Symbols in the table above stands for:

Y – Performance

X1 – Salary

X2 – Working conditions

X3 - Opportunities for improvement

X4 – Awards

X5 – Job design

X6 - Praise and recognition

The results of the multiple linear regression (of entire model) are shown in Table 6.



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| Source     | DF  | Sum of square | Mean square | F Statistic | P value |
|------------|-----|---------------|-------------|-------------|---------|
| Regression | 5   | 66.641393     | 13.328279   | 324.736592  | 0.00000 |
| Residual   | 124 | 5.089376      | 0.0410434   |             |         |
| Total      | 129 | 71.730769     | 0.556052    |             |         |

Table 6: Regression analysis  
Source: Authors' calculations

R square (R<sup>2</sup>) equals 0.929049. It means that the predictors (Xi,) i.e. all motivation tools explain 92.9% of the variance of Y (employee performance). Adjusted R square equals 0.926188. The coefficient of multiple correlation (r) equals 0.963872 indicates that there is a strong direct relationship between all motivation tools and employee performance. Overall regression: right-tailed, F(5,124) = 324.736592, p-value = 0.00000. Since p-value < α (0.05), we reject the H<sub>0</sub>. The Y-intercept (b): two-tailed, T =

8.059230, p-value = 5.47562e-13. Hence b is significantly different from zero. The priori power (the power of entire model) is strong: 0.9397. The power to prove each predictor's significance is always lower than the power of the entire model.

The coefficients and standardized coefficients of each variable in entire model are shown in the Table 7. There is a high multi collinearity (inter correlations among the predictors Xi) VIF.

|    | Coeff.     | SE        | t-stat    | Lower t 0.025(123) | upper t 0.975(123) | Stand Coeff. | P value      | VIF       |
|----|------------|-----------|-----------|--------------------|--------------------|--------------|--------------|-----------|
| B  | -2.096929  | 0.260826  | -8.039571 | -2.613218          | -1.58064           | 0.00000      | 6.33271e-13  |           |
| X1 | 0.431945   | 0.0640766 | 6.741068  | 0.305109           | 0.558780           | 0.433678     | 5.42145e-10  | 7.183447  |
| X2 | 0.396356   | 0.102877  | 3.852709  | 0.192717           | 0.599990           | 0.338466     | 0.000186987  | 13.395316 |
| X3 | 0.245359   | 0.0590678 | 4.153850  | 0.128438           | 0.362280           | 0.321394     | 0.0000606603 | 10.390308 |
| X4 | -0.273847  | 0.0720345 | -3.801614 | -0.416435          | -0.131256          | -0.55264     | 0.000225050  | 36.627947 |
| X5 | -0.0266062 | 0.0700386 | -0.379879 | -0.165243          | 0.112031           | -0.0537094   | 0.704690     | 34.694815 |
| X6 | 0.62952    | 0.0899227 | 7.002143  | 0.451655           | 0.807648           | 0.474694     | 1.44497e-10  | 7.976664  |

Table 7: Coefficient Table Iteration 1 (Adjusted R-squared = 0.926)  
Source: Authors' calculations

Since p-value of the 5th variable (job design) is greater than 0.05 (i.e. it is 0.704690) it can be concluded that this variable is not significant as predictor for the model and should be excluded from it. In this case, the coefficients and the standardized

coefficients of the model containing the other 5 predictors (salary, working conditions, opportunities for improvement, awards, and praise and recognition) are shown in Table 8.

|    | Coeff.   | SE        | t-stat    | Lower t 0.025(124) | upper t 0.975(124) | Stand Coeff. | P value      | VIF       |
|----|----------|-----------|-----------|--------------------|--------------------|--------------|--------------|-----------|
| B  | 2.093628 | 0.259780  | -8.059230 | -2.607806          | -1.579451          | 0.00000      | 5.47592e-13  |           |
| X1 | 0.442482 | 0.057612  | 7.687168  | 0.328553           | 0.556412           | 0.444258     | 3.97704e-12  | 5.837150  |
| X2 | 0.375955 | 0.0874448 | 4.299341  | 0.202877           | 0.549033           | 0.321045     | 0.0000343356 | 9.745201  |
| X3 | 0.242900 | 0.0585093 | 4.151485  | 0.127094           | 0.358707           | 0.318173     | 0.0000609334 | 10.265577 |
| X4 | 0.298256 | 0.0324523 | -9.190586 | -0.362488          | -0.234024          | -0.601488    | 8.88178e-16  | 7.485668  |
| X6 | 0.639037 | 0.0861634 | 7.416572  | 0.468496           | 0.809579           | 0.481770     | 1.65032e-11  | 7.374547  |

Table 8: Coefficient Table Iteration 2 (adjusted R-squared = 0.926)  
Source: Authors' calculations

Therefore the multiple linear regression equation for the whole model is as follows:

$$Y = b + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_6 X_6$$

Y – employee performance

b (constant) = -2.093628

$\beta_1, \beta_2, \beta_3, \beta_4, \beta_6$  are coefficients

$\beta_1 = 0.442482$

$\beta_2 = 0.375955$

$\beta_3 = 0.242900$

$\beta_4 = -0.298256$

$\beta_6 = 0.639037$

X<sub>1</sub>, X<sub>2</sub>, X<sub>3</sub>, X<sub>4</sub>, X<sub>6</sub> are predictors

X<sub>1</sub> – Salary

X<sub>2</sub> – Working conditions

X<sub>3</sub> – Opportunities for improvement

X<sub>4</sub> – Awards

X<sub>6</sub> – Praise and recognition

Therefore, the multiple linear regression equation for entire model is as follows:

$$Y = -2.093628 + 0.442482 X_1 + 0.375955 X_2 + 0.242900 X_3$$

$$- 0.298256 X_4 + 0.639037 X_6$$

## 5. Discussion

The hospitality enterprises in Kosovo use a variety of motivational tools to improve employee performance. Some of them are: salary, working conditions, opportunities for improvement, awards, job design and praise and recognition. The mostly used motivation tool of the hospitality enterprises in Kosovo is the salary (69.23% of respondents strongly agree), followed by praise and recognition (65.38% of respondents strongly agree), working conditions (61.54% strongly agree), opportunities for improvement (53.85% strongly agree), job design (38.46 % strongly agree) and awards (34.62 % strongly agree). The strongest motivational tool for employees in the hospitality enterprises in Kosovo is still the salary (76.92% of the respondents chose this motivational tool), followed by the opportunities for advancement (15.38%) and working conditions (7.69 %). The awards, job design and praise and recognition as

motivation tools were not chosen by any of the respondents. This shows that employees in the hospitality enterprises in Kosovo do not consider these three tools as motivational means. Even 92.31% of the respondents answered that motivational tools affect the increase of employee performance, and only 7.69% of the respondents do not have an answer to this question. The degree of impact of motivational tools on employees is huge, 69.23% of respondents said that the motivational package extremely affects their performance, and 23.08% answered that it has a great impact. Only 3.85% of the respondents think that the motivation package has little effect on their performance or have a neutral position on this issue (3.85%).

In determining the impact of each individual motivational tool on employee performance using simple linear regression analysis and correlation analysis, it was concluded that there is a very strong direct relationship between each individual motivational tool and the performance of employees in hospitality enterprises in Kosovo.

In determining the common cumulative impact of all motivational tools (motivational package) on the performance of employees in catering companies in Kosovo using multiple linear regression analysis and multiple correlation analysis, it was concluded that there is a very strong direct relationship between the whole motivational package and employee performance. The coefficient of determination ( $R^2$ ) equals 0.929049 which means that the motivation package explains 92.9% of the variance of employee performance. The multiple correlation coefficient  $r$  is equal to 0.963872. Since the  $p$  value of the 5th variable (work design) is greater than 0.05 (i.e. it is 0.704690), it can be concluded that this variable is not significant as a predictor for the model and should be excluded from it.

## Conclusions

The hospitality enterprises in Kosovo use a variety of motivational tools to improve employee performance. Some of them are: salary, working conditions, opportunities for improvement, awards, job design and praise and recognition. The mostly used motivation tool of the hospitality enterprises in Kosovo is the salary, followed by praise and recognition, working conditions, opportunities for improvement, job design and awards. The strongest motivational tool for employees in the hospitality enterprises in Kosovo is still the salary, followed by the opportunities for advancement and working conditions. The awards, job design and praise and recognition as motivation tools were not chosen by any of the respondents. This shows that employees in the hospitality enterprises in Kosovo do not consider these three tools as motivational means. Based on the conducted research, it can be concluded that there is a very strong direct relationship between each individual motivation tool and the performance of the employees in the hospitality enterprises in Kosovo, as well as between the whole motivation package and the performance of the employees. Therefore, managers in the hospitality enterprises in Kosovo should take this fact into account and take measures to introduce a number of motivation tools in order to stimulate employees to increase their performances.

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