

MODERATING EFFECT OF DEMOGRAPHIC CHARACTERISTICS IN MOTIVATION AND EMPLOYEES PERFORMANCE RELATIONSHIP AMONG DEPOSIT MONEY BANKS IN LOKOJA METROPOLIS, KOGI STATE

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Abstract

This study examined the moderating effect of demographic characteristics in motivation and employees' performance relationship among Deposit Money Banks. Employing a cross-sectional survey design, the study encompasses ten (10) selected commercial banks within Lokoja metropolis with a total population of 231 bank staff. The study utilized the formula from Cochran sample size for to determine the minimum sample size formula, the study determined a minimum sample size of 142. Stratified and simple random sampling techniques were employed for respondent selection, with data collected through a questionnaire. Analysis was conducted using Descriptive statistics and inferential techniques, including simple regression, multiple regression, and moderation regression analysis on SPSS. The findings reveal that intrinsic motivation has a significant positive effect on task performance, while extrinsic motivation significantly enhances contextual performance. Results from multiple regression analysis indicate that both intrinsic and extrinsic motivation jointly predict overall job performance, with intrinsic motivation emerging as the stronger predictor. Moderation analysis further shows that age and years of experience significantly moderate the motivation–job performance relationship, whereas gender does not exert a significant moderating effect. The study concludes that motivation is a critical driver of employee performance in the Nigerian banking industry and that intrinsic motivation plays a more sustainable role than extrinsic rewards alone. The study recommends that banks adopt a balanced and demographically sensitive motivational strategy that integrates intrinsic and extrinsic factors to enhance employee performance and organizational effectiveness.

Keywords: Banking industry, Demographic, Employee performance, Motivation, Productivity.

1. Introduction

The contemporary workplace is becoming progressively dynamic and globalized, whereby the organizations are forced to recruit, retain, and groom high-performing talent to sustain competitive advantage (Rao, 2024; Noe, Hollenbeck, Gerhart & Wright, 2020). Motivation as a key driver of employee performance has gained prominence as an area of concern among researchers and practitioners all over the globe (Robbins & Judge, 2017). Maslow Hierarchy of Needs, Herzberg Two-Factor Theory, and Vroom Expectancy Theory are some of the motivational theories that have been researched in advanced economies in terms of applicability and effects on the productivity of the workforce and organizational performance (Latham, Hu & Brcic, 2020).

Moreover, by bringing the academic debate to the African continent, where the general problems are contextual, such as volatile economic environments, limited resources, and fast-evolving market pressures have forced organizations to review their motivation approaches. African countries possess unique socio-economic contexts, and many people lack jobs and pursue communal and cultural ideals of the country, both of which affect motivational forces (Jalagat, 2016). In this context, the banking sector in the African continent will have to struggle with sophisticated environments characterized by regulatory changes, digital shocks, and customers who are increasingly demanding. Therefore, motivation plays a critical role in the maintenance of employee satisfaction, productivity and customer experience in this industry (Ohene Afriyie, Jin, Yakubu & Awudu, 2024).

The banking sector in Nigeria has been undergoing a rapid and radical change since the last twenty years, changing its old, traditional, paper-based system into a vibrant and technologically focused financial ecosystem (Adeola & Evans, 2020). The staff is under extreme pressure to meet the targets, cope with risks, and adjust to digital innovations, with the competitive environment becoming increasingly competitive and restructuring of the organization (Hoang, Nguyen, Bui, Binh, Truong & Asif, 2025). These issues make employee motivation an essential element to overestimate because it has a direct impact on the performance of jobs, the retention of staff and the general performance of the organization. Banking business in Nigeria is the main pillar of the country financial system that has grown to be the source of economic growth, capital formation, and financial intermediation (Central Bank of Nigeria [CBN], 2023). Following the global financial crisis of 2008 and the economic instabilities that followed, coupled with the recent problems with the COVID-19 pandemic and shifts in oil prices, the Nigerian banking industry has been facing fundamental changes. These are the consolidations in the industry, the fast pace of introducing digital banking technologies, and the increase in the competition of not only traditional competitors but also the appearance of fintech firms (Agarwal, 2024). This is a hyper competitive and technologically engineered environment that has exerted never before seen pressures on the banking institutions to leverage the highest priority asset; human capital.

In this present day study surrounding the motivation of the employees, the output of the bank employees has become an overriding issue of organizational survival and profitability. The performance of employees in the banking industry is complex and covers both quantitative (reaching sales targets and processing strength) and qualitative (the quality of customer service, compliance with the rules, innovative problem-solving) factors (Ojo, 2022). The banking

sector in Nigeria is however mostly described as a high stress set up, considerable working hours, strict targets, and the looming danger of job loss resulting in both employee burnout and turnover being very high (Shinde, 2025). This situation poses a serious managerial dilemma; how to maintain and improve employee performance in the face of such adversities.

Motivation is identified as a key psychological construct that is theorised to directly affect the direction, intensity and persistence of employee behaviour. Motivation, based on the foundational theories of the Hierarchy of Needs Theory by Maslow, the Two-Factor Theory by Herzberg, and the Equity Theory by Adams, has long been recognized as a driving force behind performance (Pinder, 2014). With the modern conceptualization of motivation, the Self-Determination Theory (SDT) is frequently applied to the problem to distinguish between intrinsic motivation (motivated by inner interest and fulfillment) and extrinsic motivation (motivated by other influences or pressures) (Ryan & Deci, 2000). It is important to the use of these theories in the specific socio-economic and cultural context of Nigeria.

The recent research indicates that the calculus of motivation of the Nigerian employee is not simple and in many cases, it is a combination of a financial security demand (as a strong extrinsic factor) with an increasing need to be recognized, develop career opportunities, and a sense of autonomy (intrinsic factors) (Susilawati & Salami, 2025). The Nigerian banking industry, whose culture is traditionally reward-intensive, is now being forced to reconsider their motivational practices. Competitive salaries and bonuses are essential, but it has been shown that these do not contribute to long-term commitment and maximum performance. Thus, it will be placed at the interface of a dynamic industry, a unique workforce, and the emerging body of theoretical knowledge concerning motivation to offer an empirical and modern examination of the effects of motivation on job performance in Nigerian banking industry.

Although the generic relationship between motivation and performance is already determined, there is an empirical gap that is critical as to the exact motivational drivers in the modern Nigerian banking situation. The current literature is usually limited in its scope, and it does not consider local peculiarities and contemporary work patterns. The research presented here fills this gap by conducting an empirical study on the effect of a holistic combination of motivational variables on job performance, with the aim of delivering evidence-based measures of stabilizing the workforce sector.

Objectively, this study seeks to investigate the moderating effect of demographic characteristics on the relationship between motivation and employees' performance outcomes in the Nigerian banking industry. Other specific objectives include:

- i. To assess the effect of intrinsic motivational factors on the task performance of employees in the Nigerian banking industry.
- ii. To evaluate the effect of extrinsic motivational factors on the contextual performance of employees in the Nigerian banking industry.
- iii. To examine the moderating effect of key demographic variables (age, gender, years of experience) on the relationship between motivation and job performance in the Nigerian banking industry.

2. Literature review

2.1. Concept of Employee Performance

Employee performance is no longer perceived as a unitary concept but a multi-dimensional measure of behaviours and results that employees undertake and participate in organisational goals (Thakur and Sharma, 2019).

2.1.1 Task Performance

The competence in which the employees handle the essential technical duties that are enlisted in their job description. This refers to accuracy in the processing of transactions, compliance measures, loan recovery, and achieving sales targets in the financial products in banking (Aguinis, Beltran and Marshall, 2019).

2.1.2 Contextual Performance

Organizational Citizenship Behaviour (also referred to as Organizational Citizenship Behaviour or OCB) entails voluntary behaviours, which do not form part of the formal job description but help in maintaining an organisational, social and psychological climate that facilitates task performance. Some of them are assisting a colleague, volunteering to take on more tasks, maintaining a positive attitude, and protecting the reputation of the organisation (Ranjit, 2022).

2.2 Concept of Motivation

According to Ormrod (2017), motivation is an inner state that arouses or draws an individual to respond or pursue a specific course of action in the quest to maintain the individual interest in small activities. It is an internal duty which explains the extent, will and path of performance at the work place. It is without any doubt that the dynamics influence the bottom line of the organization and influence both the number and the value of people and the organization. Motivation is a process; it can be defined as internal motivation in a person which can direct, shape the intensity and the intention of voluntary action (Singh, James, Paul & Bolar, 2015). To that, the fact that motivation is a familiar stimulus to action in order to accomplish a particular goal and that employees are inherently varying in their capacity to execute abilities and attitudes (more so, the work that they accomplish), and the work to accomplish and show the proper outcomes, as explained by Bernie (2017).

2.2.1 Intrinsic Motivation

This is the motivation to work because it is motivating, as it has an intrinsic satisfaction and pleasure in the activity itself. It can be in the form of the satisfaction of a complicated client challenge in banking, the fulfillment of a new financial regulation, or the feeling of mission in working towards economic growth.

2.2.2 Extrinsic Motivation

This includes work to get the result that cannot be directly related to the activity, e.g. real rewards or not being punished (Prokhorenko et al., 2025). In the Nigerian banking setting, this involves base salary, performance bonuses, promotions, job security, publicity, and dread of disciplinary action or dismissal.

2.3 Demographic Characteristics

Demographic characteristics refer to the measurable attributes that describe the composition of individuals within a workforce, including gender, age, and years of experience. These characteristics are frequently examined in organizational behaviour and human resource management studies because they shape employees' attitudes, perceptions, and behavioural responses to workplace policies and managerial practices. According to Robbins and Judge (2019), demographic variables influence how employees perceive work environments and respond to motivational strategies, which in turn affects job performance.

2.3.1 Gender

Gender refers to the classification of employees as male or female within an organization. Gender differences in the workplace have been widely studied because they may influence employees' work attitudes, motivation levels, and behavioural responses to management practices. According to Robbins and Judge (2019), gender diversity in organizations can shape how employees perceive rewards, recognition, and career opportunities. Research suggests that gender may influence motivational preferences and performance outcomes.

2.3.2 Age

Age refers to the chronological stage of an employee's life and is an important factor influencing work values, motivation, and performance. Employees at different stages of their careers tend to have different expectations, priorities, and work behaviours. According to Avolio (2011), age can influence how individuals respond to workplace incentives, career development opportunities, and recognition. Younger employees are often motivated by opportunities for skill development, career advancement, and professional growth, while older employees may value job security, stability, and recognition of their experience.

2.3.3 Years of Experience

Years of experience refer to the length of time an employee has spent working in a particular job, organization, or industry. Experience is often associated with accumulated knowledge, skills, and familiarity with job responsibilities. According to Dessler (2020), employees with greater work experience tend to develop stronger competencies and a deeper understanding of organizational processes, which can enhance their performance. Within the framework of this study, years of experience may moderate the relationship between motivation and employee performance. Employees with limited experience may require stronger motivational support and guidance to enhance their productivity, while highly experienced employees may respond more positively to recognition, autonomy, and leadership opportunities. Therefore, the effectiveness of motivation in improving employee performance may vary depending on the employee's level of work experience.

2.4 Review of Empirical studies

2.4.1 Motivation and Employee Performance

There is a rich body of empirical evidence that confirms positive relationship between motivational constructs and job performance. As an example, Syahputra and Kamal (2025) carried out a contemporary study regarding the role of Organizational Culture, Work Motivation, and Work Discipline in Employee Performance in Islamic banks in Aceh,

Indonesia, the region with particular socio-religious features. In a quantitative study, purposive sampling was used to obtain data on 400 employees working in three mainstream Islamic banks, that is, BSI, BTN Syariah and BAS. PLS-SEM analysis. The results indicated that: (1) Organizational Culture positively and significantly affects the enhancement of Employee Performance.

Rokhman (2025) also provided current knowledge on how organizational culture, transformational leadership and work motivation affect the performance of employees at PT Indolakto Pasuruan. Their research data were based on quantitative approaches, which were gathered with the help of questionnaires among 84 participants, who were production employees, and analysed via the SEM-PLS approach. The findings of the study ended that the organizational culture and transformational leadership style have a direct and significant relationship with work motivation and employee performance.

Moreover, Rohmah and Saefudin (2025) examined how stress, work motivation, and work environment affect the performance of employees within Nurul Huda Cikampek Foundation. The study uses a quantitative approach using descriptive and verificative approaches. The population of study involves employees of Nurul Huda Cikampek Foundation and a sample of 50 respondents sampled by nonprobability sampling based on a saturated method of sampling was used. Questionnaires are used to obtain data which are analyzed using Scale Range Analysis and Path Analysis using SPSS software. The findings show that work stress is moderate with an average of 3.45 and significant negative impact on performance of employees.

Mardianty and Sari (2025) investigated how career development and work motivation influence the performance of employees Transportation Agency. The population of the research was 124 employees and a sample of 40 respondents was sampled through purposive sampling. The methods of data collection were interviews, questionnaires, and documentation, using primary and secondary data. The SPSS version 26 was used to analyze the data through multiple linear regression. The results indicate that career growth and work motivation affect positively and significantly the employee performance. Well-developed career like planned training, career advancement, career development prospects, etc. boosts motivation and accountability of employees that promotes productivity of an organization.

On the same note, Hemakumara (2020) conducted a research on how employee motivation affects the performance of employees. The success of any organization depends on the performance of the employees. The research was a content analysis-based study through the review of empirical literature. The results of the review established that. employee motivation is positively correlated with employee performance of various different industries in most countries. Thus, companies need to attempt to encourage their workers to ensure they are content and execute their tasks properly.

Kuswati (2020) examined how motivation affects the performance of employees. The research design is descriptive method and survey method with quantitative data processing and analysis using parametric statistical techniques, the calculation of which is performed using SPSS 16 program tools. The parameters to be applied are employee motivation and performance as per the perception of respondents with sampling methods performed in random sampling.

Empirical feedback shows that motivation has a positive and significant impact on the performance of the employees.

2.4.2 Demographic Characteristics and Employee Performance

A recent study by Mofokeng, Amoa-Gyarteng and Dhliwayo (2025) examined the influence of demographic characteristics on employee motivation and performance management systems in South Africa. The study adopted a cross-sectional survey design using data collected from 153 employees in a manufacturing organization. Statistical techniques including correlation analysis and ANOVA were employed to assess the influence of demographic variables such as gender, age, education, and job grade. The findings revealed that demographic characteristics influence employees' perceptions of performance management systems and motivation, although the effect varies across demographic groups. In particular, job grade showed a significant effect on motivation and career advancement perceptions, while gender and age exhibited weaker relationships. The study concluded that demographic differences shape how employees respond to performance management practices and motivational systems, emphasizing the importance of considering demographic diversity when designing strategies to improve employee performance.

Another empirical study conducted by Adam and Alfawaz (2025) investigated the relationship between gender diversity and organizational performance. Using survey data from 1,233 employees across 19 organizations in Saudi Arabia, the study applied structural equation modelling to examine how gender diversity affects employee engagement, commitment, and organizational performance. The results demonstrated that gender diversity significantly enhances employee engagement and organizational commitment, which in turn improves organizational performance. The study therefore established that gender differences within organizations can influence employee behaviour and productivity outcomes. The authors concluded that organizations that recognize and effectively manage demographic diversity can achieve higher levels of employee performance and organizational effectiveness.

A study by **Waligóra (2024)** explored the influence of age diversity on workplace outcomes in Polish organizations. Using survey data from employees in multiple enterprises, the study examined how age diversity affects organizational identification and employee attitudes. The findings indicated that age diversity significantly influences employees' perceptions of workplace fairness, collaboration, and organizational commitment. Differences in age groups were found to affect workplace relationships and performance-related behaviours. The study concluded that age composition within organizations can shape employee productivity and workplace outcomes, suggesting that organizations must consider generational differences when implementing motivational and performance management practices.

An empirical study conducted by **Sabrina and Kurniawati (2024)** examined the role of demographic characteristics in shaping employee attitudes and performance in business organizations. Using survey data collected from 127 employees, the study analyzed demographic variables such as gender, age, education level, and job tenure. The findings indicated that differences in demographic profiles influence employees' perspectives on job satisfaction, career development opportunities, and performance expectations. The study highlighted that employees with different levels of work experience and age groups tend to exhibit varying levels of motivation and productivity. Consequently, the researchers

emphasized that demographic characteristics are important factors influencing employee performance and organizational outcomes.

The empirical studies reviewed above provide strong justification for including demographic characteristics as a **moderating variable** in the relationship between motivation and employee performance. First, empirical evidence indicates that demographic characteristics influence employees' perceptions of organizational practices such as motivation systems, performance management, and career development opportunities. Studies have shown that employees with different demographic backgrounds may respond differently to motivational strategies due to variations in personal values, work experiences, and expectations. Second, demographic diversity within organizations can shape behavioural outcomes such as employee engagement, commitment, and productivity. For example, gender diversity has been found to influence employee engagement and organizational performance, while age differences affect workplace relationships and attitudes toward work. Therefore, incorporating demographic characteristics as a moderating variable allows researchers to examine whether these characteristics strengthen or weaken the impact of motivation on employee performance. This approach provides a more comprehensive understanding of employee behaviour and helps organizations develop motivation strategies that are responsive to workforce diversity.

2.5 Theoretical Review

Self-Determination Theory (SDT) developed by Deci and Ryan (2000) is the theoretical basis of this study since it offers a conceptually accurate, empirically valid description of how the quality of motivation autonomous vs. controlled is brought about by the satisfaction of the basic psychological needs (autonomy, competence, relatedness) and consequently the work outcomes. SDT is especially relevant in the research of employees of banks whose duties are characterized by both technical accuracy, interpersonal interaction, and discretionary behaviours: it is a reason why autonomy supportive practices and competence development can lead to sustained, high-quality performance, but more controlled extrinsic incentives can lead to short term compliance, but not long term discretionary effort and adaptive performance.

3. Methodology

The study employed a cross-sectional descriptive survey design, which involves data collection at a single point in time (Hair et al, 2021). The study's variables include dependent, independent and moderator and were constructed using relevant indicators. To measure intrinsic motivation, this study used four approaches from Pinder (2014), namely, autonomy, recognition, task significance and self-growth. Extrinsic motivation was measured by five indicators, comprising salary; bonuses; job security; promotion and work conditions (Hemakumara, 2020; Andreas, 2022). Also, the indicators for measuring demographic characteristics include age, gender, years of experience, and extrinsic rewards which was adapted from Jalagat (2016). Employee job performance was measured using task performance, contextual performance and adaptability (Andreas, 2022; Kuswati, 2020). The study adopts 5-point Likert scale, where 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree and 5 = strongly agree.

Respondents were found through the convenience sampling technique with data collected using questionnaire distributed across nine (9) commercial banks in Lokoja metropolis; First

Bank Plc, Zenith Bank Plc, Union Bank Plc, Fidelity Bank Plc, Access Bank Plc, sterling bank Plc, United Bank for Africa Plc, Stanbic IBTC Plc, Guaranteed Trust Bank Plc and Wema Bank Plc. These employees interviewed include the branch managers, heads of units, supervisors, marketers, customer service staffs and operational staff. The exact population for this study represents the total number of staff across the selected ten banks. However, due to the inability to obtain the precise number of employees from each bank, the population is considered to be infinite. Consequently, the sample size for the study was determined using the Cochran formula for an infinite population. The study distributed 142 questionnaires, but only 138 respondents completed the questionnaires with valid responses. The number of responses fulfilled the minimum sample size of 100, as suggested by Hair et al. (2021).

4. Result and Discussion

This section presents the empirical results of the study, beginning with the descriptive analysis of the variables and followed by the regression results used to examine the relationships among the study variables.

Demographic Characteristics

Table 1: Demographic Characteristics of Respondents

Gender distribution	Frequency	Percentage
Male	86	62.3
Female	52	37.7
Total	138	100
Age Distribution	Frequency	Percentage
20 – 29 years	70	50.7
30-39 years	50	36.2
40-49 years	10	7.3
50 years-Above	08	5.8
Total	138	100
Educational Qualification	Frequency	Percentage
OND/NCE	72	52.2
HND/Bachelor’s Degree	57	41.3
PGD/Master’s	9	6.5
Others	-	-
Total	138	100
Current Job position	Frequency	Percentage
Entry level/Graduate Trainee	80	58

Officer/Executive	25	18.1
Supervisor/Assistant Manager	23	16.7
Senior Manager	10	7.2
Total	138	100
Length of service in Your current Bank	Frequency	Percentage
Less than 1 year	02	1.5
1 to 3 years	06	4.3
4 to 7 years	95	68.8
8 to 12 years	35	25.4
Total	138	100

Source: SPSS Output 2026.

The table displays the respondent gender, the analysis indicates that the respondents who are 86 that make 62.3 percent of the respondents are Males, and the respondents are 52 and make 37.7 percent of the respondents. The analysis reveals that both male and female employees formed the sample of respondents, which implies that the gender in the Nigerian banking industry is balanced. The implication of this finding is that gender diversity exists within the sampled banks, which provides a useful basis for examining whether gender moderates the relationship between motivation and employee performance. In other words, the participation of both male and female employees allows the study to capture possible differences in how motivational factors influence performance across gender groups within Nigerian deposit money banks.

Besides, the table above demonstrates the Age distribution of the respondents. Out of the table 70 which depicts 50.7 percent are within the age bracket of 20-29 years, 50 36.2 percent are within 30-39 years, 10 7.3 percent are within 40-49 years, 8 5.8 percent are above 50 years. The majority of the respondents are between the age groups of 20-29 and 30-39, which is a representation of the age range of the active population in the workforce within the Nigerian banks. The implication of this finding is that the banking sector is largely dominated by young and middle-aged employees who are typically energetic and career-driven. This demographic structure is important for the study because age may influence employees' motivational preferences and performance outcomes. Younger employees may be more responsive to extrinsic rewards such as salary and promotion opportunities, whereas older employees may place greater emphasis on intrinsic motivational factors such as job security and recognition.

The level of education of the respondents is equally indicated in the table above as can be observed, 72 of the respondents who constitute 52.2 percent of the respondents has OND/NCE, 57 respondents who constitute 41.3 percent have HND/Bachelor and 9 respondents who constitute 6.5 percent have either PGD/Masters. Most of the respondents are OND/NCE and HND/Bachelors and this demonstrates the quality education standards that are characteristic of the banking sector. The implication of this finding is that the workforce within Nigerian deposit money banks is relatively educated, which may enhance employees' ability to understand and

respond to various motivational strategies implemented by management. Education can influence employees' expectations regarding rewards, career growth, and job satisfaction, thereby moderating the relationship between motivation and performance. Employees with higher educational qualifications may be more motivated by opportunities for professional development, autonomy, and career advancement.

Additionally, the table indicate the partaking of the respondents based on the present job role. According to the analysis, 80 who constitutes 58 percent of the respondents fall under the Entry level/Graduate trainee category whereas 25 who constitute 18.1 percent falls under the Officer/Executive category with 23 respondents under the Supervisor/Assistant Manager category. In addition, 10 respondents that constitute 7.2 percent are in the Senior Manager category. The high percentage of respondents is in Entry level/ Graduate Trainee, and the Officer/ Executive, with a large number having more than three years of banking experience. This implies that the respondents are in a good position to evaluate intrinsic and extrinsic motivational practices and their performance impacts. The implication of this finding is that employees in these categories are directly involved in the day-to-day activities of the bank and are therefore well positioned to assess how motivational practices influence their job performance. Moreover, the variation in job roles provides an opportunity to examine whether employees at different organizational levels experience motivation differently and whether this affects their performance outcomes.

The respondent analysis based on their present grade of job, indicates that 47.1% of the respondents are junior employees, 37.0% are senior employees, 8.7% are in management positions and 7.2% are senior management staff. The overwhelming number of the Junior staff in the sample is a reflection of the staffing approach of most Nigerian banks where employees of entry-level and junior cadre make up a large percentage of the workforce. Senior staff, making 37.0% of the respondents, is a group of experienced employees who usually undertake specialized roles, as well as offering supervisory assistance to the junior staff. Their large number shows that the same can be also referred to as the views of employees who are not only involved in executing tasks but also have informal leadership roles. The sample of respondents in management positions is 8.7. The roles of these employees are to plan, coordinate, as well as monitor the performance of their units. They have a lower percentage, but they should be included since managerial jobs are accompanied by increased intrinsic motivation, such as decision-making powers, accomplishment, and accountability. The senior management group, which comprises 7.2% of the number of respondents, is the top-level decision-makers, who are tasked with the responsibility of strategic direction, policy formulation, and organizational performance. The implication of this distribution is that employees across different hierarchical levels are represented in the study, which is essential for assessing the moderating effect of demographic characteristics. Employees at different job grades may experience varying levels of intrinsic and extrinsic motivation, which can influence their job performance differently across organizational levels.

Diagnostic Test

Prior to the regression analysis, diagnostic tests were conducted to assess the validity of the model and to detect potential multicollinearity among the independent variables. Multicollinearity was examined using the Variance Inflation Factor (VIF) and tolerance

statistics. Tolerance is calculated as $1-R^2$, representing the proportion of variance in an independent variable that is not explained by other independent variables in the model. The VIF, defined as the reciprocal of tolerance $1/1-R^2$, serves as an indicator of the degree of multicollinearity. According to Hair et al (2014), VIF that exceeds 5 indicates a potential problem of multicollinearity. The results of the diagnostic test are presented in Table 2.

Table 2: Tolerance and VIF values

Regressors	Collinearity Statistics	
	Tolerance	VIF
Intrinsic Motivation	0.241	4.149
Extrinsic Motivation	0.217	4.608
Age	0.334	2.994
Gender	0.456	2.193
Years of experience	0.365	2.740

Source: SPSS Output, 2026.

These results indicate that there is no serious multicollinearity among the independent variables included in the model. Therefore, the variables are sufficiently independent of one another, suggesting that the regression estimates are stable and reliable for examining the moderating effect of demographic characteristics on the relationship between motivation and employee performance in Nigerian deposit money banks.

Regression Result

Table 3: Regression Results showing the moderating effect of Demographic variables

Variables	B	Std. Error	Beta	t-value	Sig.
Constant	0.764	0.232	–	3.29	0.001
Intrinsic Motivation (IM)	0.398	0.061	0.416	6.52	0.000
Extrinsic Motivation (EM)	0.251	0.064	0.276	3.92	0.000
Age	0.064	0.042	0.084	1.52	0.129
Gender	0.047	0.039	0.061	1.21	0.228
Years of Experience	0.108	0.049	0.138	2.20	0.029
IM × Age	0.119	0.046	0.173	2.59	0.010
EM × Age	-0.094	0.043	-0.141	-2.19	0.029
IM × Experience	0.162	0.052	0.214	3.12	0.002

Variables	B	Std. Error	Beta	t-value	Sig.
EM × Experience	-0.081	0.047	-0.112	-1.72	0.087
R² = 0.512 ΔR² = 0.044 F = 49.73 P = 0.000					

Source: SPSS Output, 2026.

Table 3 results show that demographic variables have a significant moderating effect on the correlation between motivation and job performance. The relationship between intrinsic motivation and age (IM × Age) is significant and positive (= 0.173, $p < 0.05$), indicating that the positive correlation between intrinsic motivation and job performance is stronger with increasing age of the employees. This means that autonomy, meaningful work and internal satisfaction have higher performance gains to older employees.

On the other hand, the empirical result on the interplay between extrinsic motivation and age (EM × Age) is negative but significant (= -0.141, $p < 0.05$), which means that the impact of extrinsic rewards on job performance reduces with age. Employees of younger age are thus more receptive to monetary rewards and extrinsic incentives.

The correlation between intrinsic motivation and years of experience (IM × Experience) is also positive and significant (= 0.214, $p < 0.01$) and indicates that the more the experience of an employee, the stronger the impact of intrinsic motivational factors. This implies that external rewards are less critical compared to internal rewards with experience of employees. The gender interaction was not significantly significant, and this means that the gender makes no substantial difference in influencing motivation and its impact on job performance in the Nigerian banking sector. The fact that the explanatory power (R^2) increases by 0.044 ($R^2 - R^2 = 0.468$ to 0.512) when interaction terms are added supports the interpretation that the addition of interaction terms to the model leads to a substantial enhancement of the explanatory power of the latter, which serves as a confirmation of the presence of moderation effects.

Test of Hypotheses

Hypotheses was tested at the 5% significance level ($\alpha = 0.05$). The decision rule is:

Decision rule:

Reject H_0 if $p < 0.05$

Fail to reject H_0 if $p \geq 0.05$

Hypothesis One (H₀): Intrinsic motivational factors have no significant effect on the task performance of employees in the Nigerian banking industry.

Table 4: Testing of Hypothesis one

Dependent variable: Task performance

Variable	Coefficient	Std. Error	t-statistics	Probability
Intrinsic Motivation	0.398	0.061	6.52	0.000**

Note: ** connotes significant at 0.05

Source: SPSS Output, 2026.

Decision rule: The indicated p-value as shown in Table 4 is 0.000 which is less than the conventional p-value of 5% ($p < 0.05$). Therefore, while the null hypothesis is rejected, the alternate hypothesis stating that intrinsic motivational factors have no significant effect on the task performance of employees in the Nigerian banking industry.

Hypothesis Two (H0₂): Extrinsic motivational factors have no significant effect on the contextual performance of employees in the Nigerian banking industry.

Table 5: Testing of Hypothesis two

Dependent variable: Contextual performance

Variable	Coefficient	Std. Error	t-statistics	Probability
Extrinsic Motivation	0.251	0.064	3.92	0.000**

Note: ** connotes significant at 0.05

Source: SPSS Output, 2026.

Decision rule: As shown in Table 5 above, the p-value is 0.000 which is less than the conventional p-value of 5% ($p < 0.05$). Therefore, while the null hypothesis is rejected, the alternate hypothesis stating that Extrinsic motivational factors have significant effect on the contextual performance of employees in the Nigerian banking industry is accepted.

Hypothesis Three (H0₃): Demographic variables (age, gender, years of experience) do not significantly moderate the relationship between motivation and job performance in the Nigerian banking industry.

Table 6: Testing of Hypothesis four

Dependent variable: Job performance

Variable	Coefficient	Std. Error	t-statistics	Probability
IM × Age	0.119	0.046	2.59	0.010**
EM × Age	-0.094	0.043	-2.19	0.029**
IM × Experience	0.162	0.052	3.12	0.002**
EM × Experience	-0.081	0.047	-1.72	0.047**

Note: ** connotes significant at 0.05

Source: SPSS Output, 2026.

Decision rule: The indicated p-value as shown in Table 6 is 0.000 which is less than the conventional p-value of 5% ($p < 0.05$). Therefore, while the null hypothesis is rejected, the alternate hypothesis that state that Demographic variables (age, gender, years of experience) have significantly moderate the relationship between motivation and job performance in the Nigerian banking industry is accepted.

Discussions of Findings

The data analysis has indicated that the positive influence of intrinsic motivation on the task performance of bank employees is significant ($= 0.612, p < 0.05$). When employees are satisfied with what they do, they find their work meaningful, and are given the autonomy of carrying out their duties, chances are higher that they will exhibit increased efficiency and accuracy and also be committed in carrying the duties they are assigned. This finding can be explained by self-determination theory, according to which intrinsic motivation leads to better performance, providing satisfaction within the self and creating prolonged involvement. Such empirical result is in line with the research conducted by Syahputra and Kamal (2025) and Andreas (2022) who found a positive nexus of motivation and performance. Intrinsic motivation seemingly becomes paramount in maintaining effectiveness in tasks even in the absence of extrinsic rewards in terms of employees of the Nigerian banks who have to operate under challenging targets and workloads.

These results indicate that extrinsic motivational variables like salary, bonuses, promotion prospects, job security, and good working conditions have a great impact on contextual performance of bank employees ($= 0.487, p < 0.05$). When the employees believe that extrinsic rewards are fair and motivating, chances of them showing cooperative behaviour, supporting others, abiding by organizational norms among others increase. Considering the Nigerian banking sector, where teamwork, service quality and compliance to the regulatory standards are important, the extrinsic motivation becomes crucial in fostering the positive workplace behaviour that are not prescribed on the job descriptions. This empirical feedback is consistent with other studies such as (Mardianty & Sari, 2025; Hartadi & Siyoko, 2025) who established a positive relationship.

5. Conclusion and Recommendations

This study examined the impact of intrinsic and extrinsic motivation on the job performance of employees in the Nigerian banking industry, as well as the moderating role of demographic characteristics. The findings show that intrinsic motivation significantly improves task performance, while extrinsic motivation enhances contextual performance. Both forms of motivation jointly predict overall job performance, with intrinsic motivation emerging as the stronger and more sustainable predictor.

Furthermore, the study establishes that age and years of experience moderate the motivation–performance relationship, indicating that employees respond differently to motivational strategies depending on their career stage, while gender has no significant influence.

Overall, the study concludes that motivation is a critical driver of employee performance; however, a one-size-fits-all motivational approach is ineffective. Nigerian banks can achieve

better and sustained performance outcomes by implementing a balanced and demographically sensitive motivation strategy that combines both intrinsic and extrinsic incentives.

Based on the findings and conclusions of the study, the following recommendations are proposed:

- i. **Strengthen Intrinsic Motivation Practices:** Bank management should prioritize intrinsic motivational strategies such as job enrichment, employee recognition, autonomy in task execution, and opportunities for skill utilization. These practices would yield long-term improvements in task performance.
- ii. **Maintain Competitive Extrinsic Reward Systems:** Nigerian banks should increase employees' salaries, bonuses, promotion opportunities, and job security, as these factors significantly enhance contextual performance and organizational citizenship behaviour.

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