Gordon Institute
of Business Science
University of Pretoria

A demographic analysis of employee reward preferences: A post-Covid-19 overview

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A research project submitted to the Gordon Institute of Business Science, University of Pretoria, in partial fulfilment of the requirements for the degree of Master of Business Administration

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Abstract

Orientation: Firms globally and in South Africa have been struggling to attract and retain employees since the outbreak of the COVID-19 pandemic, with resignations and pronounced skills shortages challenging talent management strategies more than ever. While researchers have attempted to keep abreast of employees' total reward preferences due to the impact of rewards on attraction, engagement, and retention, the research outcomes have been inconsistent regarding individual effects, particularly demographics, on reward preferences and how these influence employee attraction and retention, particularly in a post-pandemic world.

Research purpose: The primary aim of the research was to explore the relationship between employee demographics and reward preferences in South Africa, focusing on the impact of the COVID-19 pandemic on employee attraction and retention.

Motivation for the study: In the global war for talent, understanding the nuanced reward preferences of employees with different demographic distinctions enables organisations to tailor reward preferences to maximise employee attraction and retention, which provide firms with a competitive advantage, ultimately impacting organisational performance.

Research design, approach, and method: The research was a cross-sectional, quantitative, empirical, descripto-explanatory study of reward preferences of employees in a South African fast-moving consumer goods (FMCG) organisation. A self-administered online survey was disseminated to 321 potential respondents, and a final research sample of 182 respondents was obtained. The responses were inferentially analysed using factor analyses, tests for differences (t-test, analysis of variance, Kruskal-Wallis) and a two-step cluster analysis. The results were compared with a similar study, that of Fobian and Maloa (2020), conducted pre-COVID-19.

Main findings: The study confirmed differences in reward preferences between demographic groups and isolated the most prominent demographic variables, including seniority, tenure, and generation. The study confirms the importance of financial compensation for attraction and retention but highlights that firms need to differentiate themselves through non-monetary rewards. The importance of development post-pandemic is prominent and provides insight into employees' potential search for purpose in this work context.

Practical implications: Understanding the influence of demographic variables on reward preferences enables organisations to tailor reward strategies to maximise attraction and retention in a skills-scarce context. Organisations can use the preferences identified in this study to redesign their reward strategies accordingly.

Contribution: The research enhances the existing body of knowledge regarding reward preferences and talent management, especially post-pandemic. The identification of a potential shift in preferences and the differences between

demographic groups enables organisations to tailor their reward strategies in order to improve attraction and retention.

Keywords

reward preferences; attraction; retention; total rewards; demographics; remuneration; COVID-19

Declaration

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

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List of Abbreviations

ANOVA	analysis of variance
BIC	Bayesian information criterion
CA	Cronbach's alpha
CAO	chief administrative officer
CCA	complete-case analysis
COVID-19	Coronavirus disease
CSR	corporate social responsibility
EFA	exporatory factor analysis
FMCG	fast-moving consumer goods
H	hypothesis
H0	null hypothesis
HR	human resources
HRM	human resources management
IBM	International Business Machines (Corporation)
IT	information technology
KMO	Kaiser-Meyer-Olkin
MAR	missing at random
MCAR	missing completely at random
MNAR	missing not at random
MIT	Massachusetts Institute of Technology
PCA	principal component analysis
POPI Act	Protection of Personal Information Act No. 4 of 2013
RQ	research question
SPSS	Statistical Package for the Social Sciences
UK	United Kingdom
UNIANOVA	univariate analysis of variance
USA	United States of America
VUCA	volatility, uncertainty, complexity, and ambiguity
WFH	work-from-home
XLS	Excel spreadsheet

Chapter 1: Introduction

1.1 Research Problem

By the end of 2021, a total of 47 million American employees had left their jobs voluntarily (Formica & Sfodera, 2022), and 40% of employees globally were reportedly unhappy in their roles and considering leaving their jobs (Sull et al., 2022). The 'Great Resignation' — employees resigning from their jobs in unprecedented numbers (Xu et al., 2023, p. 1) — further complicated an already complex talent management landscape on the heels of a global pandemic, on the cusp of a new age ushered in by Industry 4.0 (Whysall et al., 2019) and a globally mobile workforce (Kollman et al., 2020). In South Africa, unemployment is at an all-time high (Gumbi, 2023), and the lack of availability of skills is alarming, with talent shortages escalating from 34% in 2019 to 78% in 2022 (ManpowerGroup, 2022). Against this backdrop, organisations (Bussin & Brigman, 2019).

The attraction, engagement, and retention of talent, core components of talent management strategies (Anlesinya & Amponsah-Tawaiah, 2020), have been a human resources strategy topic that has garnered much attention over the last decade (Emmanuel & Nwuzor, 2021; Gupta & Shaw, 2014; Kuvaas et al., 2017; Lasseter & Daman, 2023; Nienaber et al., 2011). With the rapidly evolving macro- and microeconomic contexts, research has struggled to keep up with the changing needs and desires of the workforce. In a skills-scarce context, firms must secure talent as a competitive advantage to enable short- and long-term success (Sriram et al., 2019; Whitton, 2023).

In South Africa, competition for skilled workers is fierce, and firms must compete with local competitors and the allure of better opportunities abroad (Bussin & Brigman, 2019). Traditional recruitment, engagement, and retention strategies often fail to consider employee preferences and instead view employee benefits as mere obligations to ward off competitors and comply with employees' expectations (Werner & Balkin, 2021). However, employee rewards can significantly impact employee retention, attraction, performance, and, ultimately, the organisation's bottom line.

In talent management, both monetary and non-monetary incentives are pivotal in attracting, retaining (Block & Davidson, 2019) and motivating employees (Victor & Hoole, 2021). Although all facets of talent management demand attention, rewards are a consistent element, influencing areas like recruitment, performance, engagement, and retention (Block & Davidson, 2019; Lasseter & Daman, 2023; Rožman et al., 2017; Sabir, 2017; Victor & Hoole, 2021), as well as future leadership planning (Block & Davidson, 2019). Hence, incentives are integral to a comprehensive talent management approach, given their profound effect on both individual and organisational results (Bethke-Langenegger et al., 2011; Victor & Hoole, 2021).

Managing employee rewards is multifaceted, encompassing personal motivations and monetary incentives (Torrington et al., 2011). While attracting new talent requires certain incentives, retaining such talent might demand different strategies (Zaharee et al., 2018). For organisations to stay competitive, understanding and tailoring rewards to employees' needs and preferences are crucial (Bussin & Toerien, 2015).

The significance of diverse reward strategies is well-documented (Alferaih et al., 2018; Asseburg & Homberg, 2020; Bussin et al., 2019), but effectively implementing these strategies remains challenging, which has led to extensive research (Alhmoud & Rjoub, 2020). With the workforce becoming increasingly demographically and psychographically diverse, tailoring reward systems to cater to this diversity has become imperative, and a one-size-fits-all approach will not differentiate organisations' attempts to attract and retain talent (Bussin et al., 2019). Despite many studies regarding employee differences, the relationship between demographics and reward preferences remains unclear.

Studies exploring the influence of demographic factors on employee reward preferences have offered conflicting results. Studies have examined generational differences (Bussin & Brigman, 2019; Bussin & Van Rooy, 2014; Fobian & Maloa, 2020), race (Pregnolato et al., 2017), years of service (Bussin & Brigman, 2019), gender (Bussin & Brigman, 2019; Pregnolato et al., 2017), and employment grade (Pregnolato et al., 2017), but little consensus exists on their impact, underscoring the need for further exploration.

Furthermore, few studies have considered post-COVID-19 reward preferences

despite it being widely accepted that the pandemic has profoundly impacted employee engagement, working conditions, and preferences (Pataki-Bittó & Kapusy, 2021). The COVID-19-induced phenomena of the Great Resignation and employees going only enough to keep their jobs, referred to as “quiet quitting” (Ng & Stanton, 2023, p. 401), and the labour shortages following the pandemic create a renewed need to fully understand employee reward preferences with which to inform organisational talent management strategies and help organisations traverse the complex talent management terrain post-pandemic.

To better understand how the pandemic has affected the type of rewards employees value most and whether there are demographic differences in the impact of the pandemic on reward preferences, this study provides crucial insights into how human capital management strategies could be adjusted in response to the pandemic, specifically in the context of the fast-moving consumer goods (FMCG) sector of South Africa.

1.2 Theoretical Contribution of the Research

Despite its employment challenges — the South African unemployment rate reportedly stands at 34.5% (Statistics South Africa [Stats SA], 2022) — South Africa has also felt the impact of the Great Resignation. Recent data from RemChannel's 2022 Salary and Wage Survey indicate that South African organisations are experiencing the highest resignation rates in the past decade (Richter, 2022; Ronnie & Glaister, 2022), and reasons for employees leaving their jobs include seeking better work–life balance, avoiding burnout, higher compensation, and emigration, often driven by workplace culture issues and unsatisfactory remuneration (Ronnie & Glaister, 2022). These statistics mirror the trend of mass resignations in the United States of America (USA) and the United Kingdom (UK) (Formica & Sfodera, 2022; Ronnie & Glaister, 2022), with some companies witnessing up to 30% attrition (Sull et al., 2022).

For organisations, managing talent effectively is paramount to ensure competitiveness (Bussin & Brigmann, 2019). Effective talent management, rooted in employee satisfaction and engagement (Zondo, 2020), is crucial for organisational competitiveness and performance. The financial and operational implications of high turnover, which include recruitment costs, training costs (Bussin et al., 2019), the

loss of institutional knowledge, and a reduction in business performance (Ronnie & Glaister, 2022), underscore the need to retain talent. Tangible and intangible rewards are integral to talent management strategies, influencing recruitment, performance, and retention (Block & Davidson, 2019). The WorldatWork Model (WorldatWork, 2020) provides a framework for total rewards, but achieving the right mix is complex, and the continued loss of talent globally suggests that most organisations have not managed to stay abreast of what employees desire to ensure their retention. Tailoring rewards to individual needs and demographics is crucial for organisational longevity (Bussin et al., 2019). While research has delved into demographic impacts on rewards, the results are varied (Bussin & Thabethe, 2018).

The current study focused on the interplay between employee demographics and reward preferences to determine relationships and address the inconsistent outcomes from previous studies, such as those conducted by Bussin and Van Rooy (2014), Bussin and Brigman (2019), Fobian and Maloa (2020), and Pregnolato et al. (2017). The research is underpinned by the Total Rewards Model developed by WorldatWork (2022), which served as the foundation for exploring reward preferences. Identifying nuances in reward preferences between different demographic groups could inform differentiated reward strategies, which will assist organisations in maximising their ability to attract and retain talent in the skills-scarce and evolving work context. The research also explored whether reward preferences differ for employee attraction versus retention, applying a demographic view to this analysis to enable further refinement in the tailoring of reward strategies of organisations.

In addition, a fundamental contribution offered by the research is the comparison of the research outcomes of studies such as that of Fobian and Maloa (2020), which was conducted in a pre-COVID-19 context, with the results of this study, which was conducted after the outbreak of COVID-19. The impact of COVID-19 on workplace preferences, satisfaction, and employee motivation has received much attention (Aguinis & Burgi-Tian, 2021; Bussin & Swart-Opperman, 2021; Pataki-Bittó & Kapusy, 2021), but research on employee reward preferences post-pandemic is scant. Although a longitudinal study could not be conducted due to time constraints, comparing the current study's results with prior research indicates how reward preferences may have shifted amongst certain demographic groups.

The current research was aimed at informing the development of new remuneration- and motivation theories, strategies, and frameworks that consider the influence of different demographic factors based on a post-pandemic perspective.

1.3 Practical Contribution of the Research

Considering South African firms' fiercely competitive landscape in terms of employee retention, underpinned by severe skill shortages, businesses continuously need to develop and improve methods to attract and retain talented individuals (Bussin & Brigman, 2019). By understanding how demographic differences impact employee reward preferences, businesses can develop total reward systems that are more effective in motivating and retaining their employees. This study's findings could help organisations tailor their rewards programmes to meet the specific needs of different demographic groups, especially in a post-COVID-19 context, which may lead to increased employee satisfaction, reduced turnover costs, improved retention, and enhanced organisational performance.

Additionally, this study could help businesses navigate the changes brought about by the COVID-19 pandemic. By understanding how the pandemic has impacted employee reward preferences, companies can adjust their reward systems accordingly, ensuring they remain relevant and effective in the post-pandemic world. The practical contribution of the research is the identification of reward elements that should be included in designing rewards tailored to the needs of the different South African demographic groups.

1.4 Conclusion

This chapter introduced the research by highlighting the problem of retention for organisations globally, the competition for skilled workers in South Africa, and the limitations of traditional approaches to employee benefits. It emphasised the conflicting outcomes of studies on demographic factors and reward preferences and the lack of research on the post-COVID-19 context. The research contributes to understanding the interplay between employee demographics and reward preferences, particularly in a post-pandemic context, with the aim of informing human capital management strategies. The findings could help organisations tailor their reward offerings to different demographic groups, thereby increasing

satisfaction and motivation.

The following chapters explore the research topic and identify the reward preferences of different demographic groups from literature. Chapter 2 reviews extant literature on the research topic, which underpinmed the study. Chapter 3 summarises the research questions formulated from the literature, and Chapter 4 details the research methodology used to investigate the research questions and hypotheses. Chapter 5 presents the results of the quantitative statistical analyses conducted, and Chapter 6 discusses these results in relation to available literature. Chapter 7 concludes the dissertation, detailing the theoretical and practical contributions of the research and suggesting future research directions.

Chapter 2: Literature Review

2.1 Introduction

This chapter reviews the literature related to the topic under study and includes an overview of talent management and the role of rewards in talent management. This is followed by a discussion of models of rewards, with a focus on the WorldatWork Model (WorldatWork, 2020). The following sections delve into the meaning and importance of talent management.

2.2 Talent Management

Talent management, considered a distinct process within the domain of human resource management (HRM), is discussed in detail in the subsequent sections.

2.2.1 Definition of talent management

Although talent management has been widely researched, scholars have struggled to reach a consensus regarding a definition of talent management (Anlesinya & Amponsah-Tawaiah, 2020; Makram et al., 2017; Van Zyl et al., 2017). Makram et al. (2017) posit that difficulties in defining and contextualising talent management not only limit scholarly understanding but also hamper the ability of organisations to prioritise and implement effective talent management strategies.

Talent management has been defined as identifying and managing high-performing individuals to ensure the organisation's long-term competitiveness (Bethke-Langenegger et al., 2011; Dawn & Biswas, 2013). Van Zyl et al. (2017, p. 2) quote Meyers and Van Woerkom's (2013) definition of talent management: "the systematic utilisation of human resource management (HRM) activities to attract, identify, develop, and retain individuals who are considered to be 'talented'". This definition exists alongside many others, including that of Collings and Mellahi (2009), also quoted by Anlesinya and Amponsah-Tawaiah (2020). Collings and Mellahi (2009) define strategic talent management as:

> *HRM-related activities and processes that involve the systematic identification of key positions that differentially contribute to the organization's sustainable competitive advantage, the development of a talent pool of high-*

> *potential and high-performing incumbents to fill these roles, and the development of a differentiated human resource architecture to facilitate filling these positions with competent incumbents, and to ensure their continued commitment to the organization* (p. 281).

Despite the lack of a universally accepted definition of talent management, this research paper assumes the position that an integrated talent management approach encompasses various HR practices, including attraction and placement, recruitment, training and development, assessment, performance evaluation and -management, succession planning, career advancement, workforce planning (Dawn & Biswas, 2013), and rewards. The strategy explicitly targets employees with the appropriate qualifications, potential, and performance levels to achieve the organisational strategy (Bethke-Langenegger et al., 2011).

The definitional problem of talent management in literature may be indicative of an underlying problem: organisations may lack clarity regarding the objective and intended outcomes of their talent management initiatives, as laid bare in the research conducted by Makram et al. (2017).

2.2.2 The importance of talent management

Numerous studies have illustrated the importance of talent management in enhancing organisational performance (Bethke-Langenegger et al., 2011). The heightened emphasis on talent management is due to various factors, such as knowledge-based competitiveness, evolving work environments, emerging organisational models (Van Zyl et al., 2017), skills scarcities in developing economies, ageing workforces, and lower birth rates in developed economies (McDonnell et al., 2017). The presence of multiple generations within the workforce further complicates talent management (McDonnell et al., 2017). These factors, combined with global mobility and increased internationalisation of enterprises, underscore the significance of talent management strategies that are adaptable to changing workforce dynamics and the global landscape (Bussin & Thabethe, 2018; McDonnell et al., 2017).

A 2022 study by ManpowerGroup, which surveyed more than 40 000 employers across 40 countries and territories, positioned the extent of the talent shortage globally, including in South Africa. The study identified that global talent shortages

reached a 16-year high globally. Talent shortages escalated significantly in South Africa, from 34% in 2019 to 78% in 2022 (ManpowerGroup, 2022), suggesting a severe talent drought in the country. A similar 2021 critical skills survey conducted by Xpatweb, specialists in immigration affairs, suggests that 77% of South African organisations struggle to recruit critical skills in South Africa for their local and cross-border operations (Adcorp Group Holdings, 2022), and that sourcing talent globally would assist their operations. The significant talent shortages emphasise the immediate need for improved management strategies to aid organisations in the war for talent in a skills-scarce society.

Considering this context, the quality of human capital is critical for organisational success, particularly in times of economic uncertainty (Bussin & Thabethe, 2018). However, the literature on talent management and its components lacks coherence and fails to provide a comprehensive and integrated approach to addressing the challenges the modern workplace poses. The existing literature lacks substantial empirical research that rigorously examines the effectiveness and value added to organisations through various combinations of aspects of talent management, such as attraction, identification, development, and retention (Makram et al., 2017).

2.2.3 Aspects of talent management

The importance of effective talent management strategies for organisational success necessitates understanding the core aspects of this construct. Talent management strategies encompass a range of aspects, including recruitment, onboarding, training and development, performance management, succession planning, employee retention, and compensation strategies (Little, 2010; Makram et al., 2017; Van Zyl et al., 2017).

A talent management strategy includes identifying talented existing employees or individuals outside the organisation and offering rewards to attract or retain them and to motivate high performance (Anlesinya & Amponsah-Tawaiah, 2020; Dawn & Biswas, 2013; Makram et al., 2017). Van Zyl et al. (2017) postulate that engaging and retaining employees is fundamental to successful talent management strategies, requiring the integration of financial incentives, cultivating a meaningful work environment, effective guidance, communication, and equitable HR policies (Van Zyl et al., 2017).

Among the various components of talent management, financial and non-financial rewards play a particularly salient role in employee attraction (Block & Davidson, 2019), retention (Block & Davidson, 2019), and motivation (Rožman et al., 2017; Victor & Hoole, 2021). While each aspect of talent management requires focus to ensure a holistic approach, rewards serve as a connecting thread throughout, not only as a standalone aspect but as a factor that could enhance many areas, such as attraction and recruitment, performance, engagement, retention (Block & Davidson, 2019; Lasseter & Daman, 2023; Rožman et al., 2017; Sabir, 2017; Victor & Hoole, 2021), and succession planning (Block & Davidson, 2019). Therefore, rewards should be regarded as a crucial aspect of a holistic talent management strategy, as rewards significantly impact individual and organisational outcomes (Bethke-Langenegger et al., 2011; Victor & Hoole, 2021).

Building on the pivotal role of rewards in talent management, the following sections examine the various types of rewards and their specific aims.

2.3 Rewards as a Primary Component of Talent Management

In the organisational context, rewards serve as incentives and are also given to employees in recognition of their work or service (Bussin & Brigman, 2019). Rewards can take numerous forms, including financial rewards, promoting a work–life balance, and offering employees healthcare benefits (Manenzhe & Ngirande, 2021).

Effective rewards are crucial for fostering engaged and valued employees, leading to high-quality work, improved well-being, enhanced morale, and positive work relationships (Rožman et al., 2017; Sabir, 2017; Victor & Hoole, 2021). Conversely, inadequate rewards can result in poor employee motivation and commitment, negatively impacting organisational performance and competitiveness (Victor & Hoole, 2021).

Bussin and Thabethe (2018) studied reward preferences in the South African media industry. They concluded that agency theory (Perrow, 1986) emphasises the importance of selecting suitable reward options. Agency theory (Perrow, 1986) holds that employees are unlikely to exert themselves beyond what is necessary to justify their compensation. Therefore, organisations and researchers must identify critical factors that encourage a highly motivated, high-performing, and satisfied workforce.

While research on employee reward preferences has been conducted for more than two decades (e.g., Agarwal, 1998; Hoole & Hotz, 2016; Kerrin & Oliver, 2002; Murphy, 2020), studies now have to take into account the ever-changing macro- and microeconomic landscapes, which are driven by a volatile, uncertain, complex, and ambiguous (VUCA) world, globalisation, and the emergence of Industry 4.0.

The various approaches in reward structures each emphasise distinct psychological outcomes. A rewards structure may encompass various forms of rewards, such as intrinsic, extrinsic, financial, and non-financial rewards. These are discussed below.

2.3.1 Intrinsic versus extrinsic rewards

Deci et al. (1989) define intrinsic motivation as a person engaging in an action or task purely for the enjoyment or fulfilment it provides rather than for external rewards or incentives. In contrast, extrinsic motivation is the drive to engage in an activity to receive external or tangible rewards or avert undesirable outcomes (Kuvaas et al., 2017).

Both intrinsic and extrinsic rewards contribute to employee satisfaction and performance (Emmanuel & Nwuzor, 2021). However, reward systems must be carefully designed and constructed to consider the varying individual and group responses to these different incentive types (Emmanuel & Nwuzor, 2021). Various research projects have explored the different impacts of intrinsic and extrinsic rewards on employee attraction, motivation, engagement, and retention (Kuvaas et al., 2017; Lasseter & Daman, 2023; Sitharam, 2019). In recent times, the focus of literature has migrated to the importance of intrinsic motivation in talent management structures (Kuvaas et al., 2017), but the importance of the interplay between intrinsic and extrinsic motivation is still considered significant in ensuring positive employee and organisational outcomes (Fobian & Maloa, 2020; Lasseter & Daman, 2023).

Kuvaas et al.'s (2017) study aimed to identify whether intrinsic or extrinsic motivation is the most impactful for individual outcomes or whether, as the literature suggests, these two aspects are the most impactful in combination. Kuvaas et al. (2017) posit that although research has explored the mediating impact of intrinsic and extrinsic motivation on incentives and employee performance, little research has empirically tested the influence of extrinsic motivation on these aspects. Extrinsic rewards are tangible and transactional elements, encompassing monetary benefits like salary,

bonuses, promotions, and perks (Lasseter & Daman, 2023).

Extrinsic rewards can be monetary or non-monetary, for example, financial compensation, advancement opportunities, recognition, and professional development (Lasseter & Daman, 2023). While extrinsic rewards have shown their potential to bolster an organisation's productivity and garner the commitment of employees, their prolonged utilisation may inadvertently erode intrinsic motivation and breed an undue sense of entitlement amongst employees, thereby compromising the long-term sustainability of such rewards as effective motivators (Kuvaas et al., 2017).

Idris et al. (2017) conducted a study on the complexities of balancing intrinsic and extrinsic motivators, which underscored the greater motivational power and job satisfaction emanating from intrinsic compared to extrinsic rewards. Intrinsic rewards, deeply rooted in psychology, emanate from the personal gratification derived from engaging in challenging tasks, receiving constructive feedback, and experiencing continuous growth within one's role (Fobian & Maloa, 2020). Kuvaas et al. (2017) found that extrinsic motivation through rewards adds very little to employee outcomes compared to intrinsic rewards.

Similarly, Sitharam (2019) found that financial sector knowledge workers prioritise intrinsic rewards over extrinsic rewards. Although extrinsic rewards still play a role, financial service organisations should recognise the significance of intrinsic rewards in formulating their reward frameworks (Sitharam, 2019). This finding resonates with Bussin and Brigman's (2019) sentiments regarding knowledge workers' preference for intrinsic rewards. Tymon et al. (2010) posit that intrinsic rewards may improve the quality of an employee's work life, foster satisfaction, aid retention, and improve organisational outcomes.

The need for a thoughtful approach to reward system design is emphasised throughout the literature. This requires holistically considering what employees value, the workplace culture, and the available resources. Emmanuel and Nwuzor (2021) suggest that some fields are more inclined to offer intrinsic rewards but that businesses in the commercial sector often employ systems more heavily weighted towards extrinsic rewards.

Emmanuel and Nwuzor (2021) reported that the majority of the managers they

surveyed indicated that extrinsic rewards such as base pay, incentive bonuses, and performance-related incentives (such as paid holidays and other benefits) impact employee engagement and performance more significantly than intrinsic alternatives. Murphy (2015) and Malek et al. (2020) reported similar findings on employee performance, satisfaction, and engagement. Interestingly, Emmanuel and Nwuzor (2021) suggested that extrinsic rewards are particularly effective when employees are exposed to safety risks or similar hazards, highlighting another dynamic that could influence the effectiveness of reward structures. Malek et al.'s (2020) research found that extrinsic rewards, such as recognition and social rewards, substantially positively impact intrinsic motivation.

Considering the recency of literature exploring the most suitable rewards to motivate, engage, and retain employees and taking note of the diverse outcomes of studies, it seems that more research is required to determine the optimum combination of intrinsic and extrinsic rewards.

Kuvaas et al. (2017) suggest that organisations should address intrinsic and extrinsic motivations separately. Tymon et al. (2010) highlight that although prior research suggests that extrinsic rewards could erode the effectiveness of intrinsic rewards when combined, their research found that certain extrinsic and intrinsic rewards provide additive contributions. Emmanuel and Nwuzor (2021) found that although extrinsic rewards are a predominant influence on employee performance, intrinsic rewards like career advancement and recognition also play a significant role and suggest that striking the right balance between extrinsic and intrinsic rewards is a core responsibility of managers.

Significant questions remain despite extensive research on the relationship between these two kinds of motivation and their individual and combined impact on employee outcomes. With regard to the right balance between intrinsic and extrinsic motivations, Fobian and Maloa (2020) and Lasseter and Daman (2023) posit that this requires addressing hygiene factors such as basic pay and financial rewards, working conditions and coworker relations, as posited by Herzberg's two-factor theory of motivation (Hur, 2018), whilst optimising intrinsic motivation and employee satisfaction (Tymon et al., 2010). Employers, therefore, need to establish whether one of these rewards preferences is predominant among employees (Kuvaas et al., 2017; Sitharam, 2019) and combine them in a total rewards system that takes into

consideration relevant demographic variables (Bussin & Brigman, 2019; Fobian & Maloa, 2020; Lasseter & Daman, 2023; Sitharam, 2019).

This exploration of the differential impact of various rewards and their effect on intrinsic and extrinsic motivation sheds light on the need for comprehensive strategies in cultivating a motivated and contented workforce. It underscores the importance of comprehending employees' reward preferences in order to design comprehensive and suitable total reward packages. Leaders must balance intrinsic and extrinsic rewards to retain talented employees and achieve organisational goals. The current literature, however, exhibits gaps with regard to the intricate interplay between intrinsic and extrinsic rewards and how these preferences vary across different industries and employee groups.

2.3.2 Monetary versus non-monetary rewards

In the current competitive business environment, organisations exert efforts to attract and retain top talent, recognising the crucial role of employee rewards in motivating and engaging their workforce. These incentives can be monetary rewards, such as salaries or bonuses, or non-monetary rewards, such as recognition or additional responsibilities (Hoole & Hotz, 2016). To understand individual employee remuneration preferences, it is necessary first to assess whether employees value monetary remuneration or other perks, including flexible working arrangements, workplace security, a balance between work and their personal life, acknowledgement, and individual advancement (Bussin & Brigman, 2019).

Khan et al. (2020) posit that while financial rewards are essential, non-financial rewards, especially career advancement opportunities, significantly improve job satisfaction and motivation, which have been reported to be determinants of reduced turnover intention. Khan et al. (2020) suggest that organisations adopt a holistic approach that considers financial and non-financial rewards to enhance employee well-being and performance. Sull et al. (2022) posit that remote-work options and company-sponsored social events positively influence employee retention, reiterating the potential importance of non-monetary rewards. Malek et al. (2020) empirically demonstrated that, in a specific context, financial rewards negatively impact intrinsic task motivation due to their perceived impact on task autonomy.

Although research has explored the increasing trend of a preference for non-

monetary rewards, some research outcomes suggest that monetary compensation is still the leading reward preference of employees (Fobian & Maloa, 2020). Asseburg and Homberg (2020) and Shlechter et al. (2014) concur with this view, suggesting that compensation remains a primary method for attracting and retaining employees in organisations. Schlechter et al. (2014) investigated 169 Cape Town and Johannesburg employees and found that financial reward components significantly influence a position's attractiveness and that financial compensation is the most influential factor.

Additional support for the notion that financial rewards still seem superior to their non-financial counterparts is evident in a recent study conducted by Greenwald and Fronstin (2019), in which they surveyed 1 025 workers aged 21 to 65 years to gather their perceptions of compensation and benefits and the value attached to these reward components. The findings revealed that, although 58% of respondents preferred maintaining their current benefit–pay ratio, 24% prioritised a higher income — even with fewer benefits, and only 18% were willing to accept lower pay in exchange for additional benefits (Greenwald & Fronstin, 2019). These findings align with those of Fobian and Maloa (2020) regarding the importance of financial benefits for retention but contrast the suggestion of Sull et al. (2022) that, amongst others, providing employees with the opportunity for lateral promotions in the organisation is more effective than most engagement and retention strategies. Lasseter and Daman (2023) argue that organisations that cannot compete solely based on salary must explore innovative approaches to secure and retain talent, particularly in contexts of skills scarcities.

The literature suggests that studies of employee reward preferences in terms of financial and non-financial rewards have yielded conflicting outcomes (Asseburg & Homberg, 2020; Fobian & Maloa, 2020; Greenwald & Fronstin, 2019; Lasseter & Daman, 2023). Although some more recent studies suggest a substantial shift towards importance placed on non-financial rewards to facilitate employee outcomes (Malek et al., 2020; Sull et al., 2022), other research projects in different contexts yielded contrasting results (Fobian & Maloa, 2020; Greenwald & Fronstin, 2019). The conflicting outcomes may also be due to the preference between financial and non-financial rewards is not a quid pro quo, as much of the literature suggests, but rather a balancing act as part of a holistic rewards approach. Schlechter et al. (2014), in their proposed rewards model, suggest that, for

knowledge workers, some reward components are seen as minimum requirements or order qualifiers to compete for talent, including competitive fixed remuneration, flexible work arrangements, and work–life balance. Their model suggests that competitive medical and retirement benefits and organisational aspects such as stability and climate are necessary to ensure attraction.

Although numerous studies have attempted to establish employee reward preferences (Froese et al., 2018; Greenwald & Fronstin, 2019; Murphy, 2015; Pregnolato et al., 2017; Snelgar, 2013), coupled with a growing interest in the use of total reward systems, the literature on reward structures reveals a lack of consensus regarding the most effective approaches to attract, retain, and motivate employees. The dynamic interplay between employee preferences, contextual factors, and industry dynamics complicates devising effective employee rewards. In addition, the literature also provides divergent findings regarding which specific rewards attract, retain, and motivate employees, adding another consideration to understanding employee reward preferences.

2.3.3 Rewards that attract, motivate, and retain

Understanding the landscape of employee rewards is a complicated and dynamic endeavour that covers a multitude of aspects, including intrinsic and extrinsic motivations, monetary and non-monetary rewards, and individual and team-based reward systems (Torrington et al., 2011), performance-related pay (Murphy, 2015), and total reward systems (Block & Davidson, 2019). In addition to these aspects, studies suggest that the types of rewards that are the most effective in attracting new talent may not necessarily be the same as those that contribute to retaining current employees (Lasseter & Daman, 2023; Zaharee et al., 2018), further complicating the understanding of employee reward preferences.

The plethora of elements that organisations need to consider when designing reward structures to facilitate employee attraction and retention is daunting. For example, Millennials were found to value a work–life balance (Chen & Lian, 2015), German graduates indicated a desire to serve the public (Asseburg & Homberg, 2020), and job satisfaction has been found not to be a reliable predictor of the intention to remain with the organisation (Bussin & Toerien, 2015). Companies must also consider the globalisation of workforces and the work-from-home dynamic that the COVID-19

pandemic made a new norm.

To successfully recruit, motivate, and retain talent, the organisation must first comprehend the preferences and desires of the talent pool and then customise the incentive structure accordingly (Bethke-Langenegger et al., 2011; Bussin & Brigman, 2019; MacDonnell et al., 2017) if they are to acquire a competitive edge in the battle for talent and ensure long-term sustainability (Bussin & Toerien, 2015).

The following section reviews the literature on rewards linked to attraction, retention, and motivation.

2.3.3.1 Rewards that motivate

Employee engagement and motivation are primary concerns for organisations around the world. Employee engagement is crucial to the success of endeavours of firms to improve their performance (Riyanto et al., 2021). The dire employee engagement statistics globally and in South Africa do not bode well for these endeavours. It has been reported that, globally, only 24% of employees are fully engaged in their work, with only 9% of South African employees reported to be engaged (Zondo, 2020). Researchers classify employee motivation as a core component and predictor of employee engagement (Delaney & Royal, 2017; Emmanuel & Joseph, 2021; Meyer, 2014; Murphy, 2020; Riyanto et al., 2021), and understanding how to motivate employees adequately is a primary concern for organisations (Delaney & Royal, 2017; Meyer, 2014; Riyanto et al., 2021; Van Tuin et al., 2020).

Employee motivation through rewards and its effect on organisational performance have received much research attention (e.g., Emmanuel & Joseph, 2021; Huang, 2019; Kuvaas et al., 2017; Malek et al., 2020). Rewards aimed at employee motivation can take many forms, and organisations need to consider individual preferences, organisational structures, and team dynamics in their performance management systems (Murphy, 2020). Many researchers have relied on the seminal work of Victor Vroom. Vroom's (1964) expectancy theory holds that individuals' motivation to perform a specific task is influenced by their expectation that their effort will yield the desired outcome (Malek et al., 2019; Vroom, 1964). The theory is based on the premise that increased effort will yield better performance (expectancy), and that high performance will lead to desired rewards (instrumentality). The strength of

the relationship is determined by the value the individual places on the expected rewards (i.e., valence) (Malek et al., 2019; Vroom, 1964).

Another view of motivation is based on self-determination theory (Deci & Ryan, 1985), which suggests that employees feel motivated when they feel in control of their actions. The theory distinguishes between autonomous motivation, which arises from genuine interest or personal values, and controlled motivation, which is driven by rewards or pressures (similar to Vroom's expectancy theory) (Deci & Ryan, 1985; Kuvaas et al., 2017; Malek et al., 2019; Murayama, 2022).

Performance-based pay structures are often aimed at enhancing individual-level efforts, but research conducted by Murphy (2015) suggests that the motivational results obtained from this reward structure have limited longevity. Performance-related rewards are used by almost all companies in the USA and are gaining traction in other Western economies due to their reported influence on employee performance, turnover intention, and employee satisfaction (Froese et al., 2019). Sanders et al. (2018) argue that performance-based incentives can stimulate creative behaviour by augmenting intrinsic motivation, which may elicit feelings of competence. In contrast, Bak and Kim (2019) note that performance-based remuneration systems could lead to inequality in performance between different employees and, thus, conflict due to these rewards not being linked to overall organisational goals but to specific aspects, leading employees to focus on the most rewarding outcomes.

2.3.3.2 Rewards that attract

The cost of recruiting talent is an increasingly important consideration for business managers and HR professionals, especially in light of reduced employee tenure and the rising cost of employee development (Waples & Brachle, 2019). Asseburg and Homberg (2020) note that HRM professionals must understand job-, reward-, and employee attributes to ensure that reward systems are effectively structured for attraction.

Tymon et al. (2010), in their research exploring talent management in India, posit that little research has been done to comprehensively understand talent management, including best practices for talent attraction in emerging markets. Similarly, Bussin and Toerien (2015), in their research on the IT sector, posit that a

dearth of research exists regarding the reward preferences that attract knowledge workers in emerging economies such as South Africa. Gupta and Shaw (2014) suggest that applicable research outcomes regarding compensation be considered and applied to HRM strategies where appropriate to ensure that compensation elements are applied more effectively in recruiting talent.

Several research projects over the last decade have attempted to define which rewards employers could use to gain a competitive edge in attracting employees to their organisations (e.g., Asseburg & Homberg, 2020; Bussin et al., 2019; Bussin & Toerien, 2015; Schlechter et al., 2014). Rewards aspects that influence employee attraction are diverse, and recent literature highlights aspects such as generational preferences (Waples & Brachle, 2019), the Industry 4.0 paradigm shift (Whysall et al., 2019), industry dynamics (Houette & Mueller-Hirth, 2022), and social contexts (Dolan et al., 2020).

Although compensation and pay level have mostly been regarded as the primary antecedents of attraction (Jurgensen, 1978; Waples & Brachle, 2019), recent literature suggests a shift in factors impacting attraction, with greater emphasis placed on organisational aspects such as participation in corporate social responsibility (CSR) activities (Alshathry et al., 2017; Waples & Brachle, 2019) and attractive employer branding (Alshathry et al., 2017; Whysall et al., 2019).

Asseburg and Homberg (2020), in exploring the attraction of employees to public sector employment in various developing countries, with a particular focus on sector attraction in Germany, determined that extrinsic rewards significantly influence attraction. Extrinsic rewards include meeting employees' basic needs and status requirements, and pay levels have historically played a significant role in employee attraction. Waples and Brachle (2019) suggest that higher compensation not only provides increased purchasing power but it also signals to prospective employees that the organisation cares about its employees.

However, the research conducted by Asseburg and Homberg (2020) also identified that German graduates valued career opportunities and personal development highly, suggesting that intrinsic motivations and elements of self-actualisation also played a role in the perceptions of these employees in attraction, albeit not to the same extent as extrinsic rewards. Asseburg and Homberg's (2020) meta-analytic study further found that alignment with the organisation's values and the incumbents'

motivation to serve the public significantly influenced their intention to take up employment in the public sector (Asseburg & Homberg, 2020). Similarly, Waples and Brachle (2019) found no evidence to suggest that Millennials are primarily attracted to extrinsic rewards. Waples and Brachle (2019) found that this cohort is attracted to social aspects, regardless of the strength of the extrinsic rewards offered. In contrast, Zaharee et al. (2018) found that Millennials prize salary and benefits highly when considering a potential employer, along with intrinsic factors such as the organisational ethos and purposeful work. These findings are similar to those of Asseburg and Homberg (2020) but in contrast to those of Emannuel and Nwuzor (2021), who identified that extrinsic rewards are primary motivators that ultimately influence performance and retention.

Although the literature discussed above has attempted to provide a coherent view of the type of rewards that attract employees to organisations, it is evident that several aspects, including employee life stage (Waples & Brachle, 2019), generational cohort (Asseburg & Homberg, 2020; Emmanuel & Nwuzor, 2021), and employment sector (Bussin et al., 2019; Lasseter & Daman, 2023), may play a role in developing the appropriate reward structure for employee attraction. In addition, it is unclear whether the reward preferences that attract employees to organisations will also retain employees (Lasseter & Daman, 2023; Zaharee et al., 2018).

2.3.3.3 Rewards that retain

Schlechter et al. (2016) note that a comprehensive and effective retention strategy is critical for managing human capital risks, ensuring corporate sustainability, and maintaining stability. Organisations worldwide aim to reduce employee turnover, especially among skilled and talented individuals (Alferaih et al., 2018). Sull et al. (2022) observe that, in early 2021, more than 40% of workers considered resigning from their positions, and as the year unfolded, unprecedented numbers of workers chose to resign. This phenomenon, known as the ‘Great Resignation’ (para. 2), has elevated the significance of employee retention (Sull et al., 2022). Bussin and Brigman (2019) emphasise that a substantial portion of organisational costs should be allocated to remuneration, as the cost of replacing knowledge workers exceeds that of retaining them. However, research on employee remuneration remains underrepresented, particularly in emerging markets (Gupta & Shaw, 2014; Pregnolato et al., 2017).

George (2014) criticises organisations for adopting retrospective methods, such as exit interviews, to identify reasons for employee turnover. This reactive approach contrasts with the concept of proactive retention proposed by Bussin and Brigman (2019). Research has shown that relying solely on financial remuneration may not effectively address retention challenges (Bussin & Brigman, 2019; Snelgar et al., 2013), and Doh et al. (2011) propose retention practices such as continuously reinforcing the value proposition of employment and organisational commitment.

Lasseter and Daman (2023) identified distinct push- and pull factors that influence turnover. Notably, regardless of base pay, participants expressed satisfaction with the amount of paid leave they received as a prominent extrinsic reward, which was also identified as a determinant of attraction (Lasseter & Daman, 2023). Additionally, the work variety offered by their position emerged as a prominent intrinsic reward and determinant of retention (Lasseter & Daman, 2023). Work variety could also be linked to opportunities for lateral job moves, a strategy to reduce turnover suggested by Sull et al. (2022). Base pay, work environment, and retirement benefits were identified as primary pull factors enticing employees to seek new opportunities by Lasseter and Daman (2023).

Alferaih et al. (2018) found that extrinsic rewards significantly and positively impact employee retention, similar to the research outcomes of Fobian and Maloa (2020), who found that Millennials still heavily favour financial rewards for retention purposes. The results of these studies highlight mixed outcomes regarding the importance of financial and non-financial benefits with regard to employee retention, sometimes even within the same demographic cohort (Asseburg & Homberg, 2020; Fobian & Maloa, 2020; Lasseter & Daman, 2023; Zaharee et al., 2018).

The investigation conducted by Aon Hewitt (2012), a human resource consulting firm, underscores the significance of a well-balanced combination of rewards to enhance job attractiveness and satisfaction, as different elements of total rewards exert distinct influences on employee behaviours and outcomes. While financial rewards retain their primacy, recognition and development opportunities also contribute significantly to talent retention (Bussin & Toerien, 2015).

Alferaih et al. (2018), in reporting on the influence of different generations' reward preferences in the hospitality sector, suggest that not enough is known about the impact of generational differences on reward preferences and call for more research

on the subject. Alferaih et al. (2018) provided a model for employee retention that suggests that explicit and extrinsic rewards strengthen employees' commitment to the organisation and reduce conflict with peers, thereby reducing turnover intention. The research suggests that more substantial organisational commitment leads to higher talent engagement, which fosters job satisfaction, with the outcome being lowered turnover intention (Alferaih et al., 2018).

Bussin and Toerien (2015) found that knowledge workers' intention to stay with the organisation may not necessarily depend on job satisfaction, thus challenging conventional knowledge regarding the relationship between turnover intention and employee satisfaction. In a study on retention in the hospitality sector, Deery (2008) highlights that a work–life balance plays a significant role in employees' turnover intention and that organisations need to consider flexible working hours and working-from-home arrangements to facilitate employee retention. This reward component has gained significantly more traction since the outbreak of the COVID-19 pandemic, and organisations need to ensure they have an in-depth understanding of the extent of changes in reward preferences since the pandemic.

When designing employee reward systems, employers should prioritise the balance between extrinsic and intrinsic rewards and consider equality, parity, and fairness. Fair remuneration of employees is of fundamental importance, and this notion extends to distinguishing between high performers and laggards in recognition and rewards (Sull et al., 2022). Neglecting to acknowledge and reward high performers can result in higher attrition rates and employee discontent (Sull et al., 2022). The critical issue lies not in below-market compensation but in the absence of informal and financial recognition tied to effort and performance. Companies risk losing their most productive workers during the Great Resignation if they fail to appropriately acknowledge and reward these employees' contributions (Sull et al., 2022).

In conclusion, the literature indicates that various factors influence reward preferences, and these factors are continually evolving in a dynamic world. Research outcomes suggest that employee reward preferences span multiple considerations, including generational differences (Bussin et al., 2019; Bussin & Toerien, 2015), demographics (Bussin & Toerien, 2015; Fobian & Maloa, 2020), job levels (Bussin & Toerien, 2015), work–life balance (Bussin et al., 2019), development opportunities (Bussin et al., 2019), and a positive work environment

(Bussin et al., 2019; Lasseter & Daman, 2023).

Understanding employee reward preferences is crucial for organisations aiming to attract and retain talent effectively. Research has highlighted the significance of financial benefits and non-monetary factors such as work–life balance and development opportunities. However, demographic variables, including generational differences and work experience, also play a prominent role in shaping employee reward preferences. To stay competitive, organisations must tailor their reward strategies to align with their diverse workforces' specific needs and preferences, ensuring they account for the impact of demographic variables on employee attraction and retention.

The existing body of research indicates that adjusting the distribution of rewards instead of solely increasing the overall pay amount could yield more favourable results (Froese, 2018). Total rewards models offer employers guidance in optimally combining a mix of rewards, such as intrinsic and extrinsic rewards, to satisfy employees' needs and maximise their motivation (Block & Davidson, 2019). The following section discusses total rewards models, focusing on the model used in the current study, the WorldatWork Total Rewards Model (WorldatWork, 2020).

2.4 Total Rewards Models

The paramount importance of considering total rewards in shaping employee attraction and retention strategies is widely recognised in academic literature (Bussin & Toerien, 2015; Hoole & Hotz, 2016). Diverse reward models cater to distinct objectives, acknowledging the multifaceted nature of total rewards. In this regard, Dale Carnegie, American writer and lecturer, remarked, "People work for money but go the extra mile for recognition, praise and rewards" (Baruah, 2023, para. 2). Total rewards constitute an amalgamation of employee compensation and benefits, encompassing tangible and intangible aspects (Block & Davidson, 2019).

It is essential to differentiate total rewards from total compensation, as the former encompasses intrinsic and extrinsic rewards in diverse manifestations (Lasseter & Daman, 2023), while the latter primarily pertains to salary and fringe benefits (Lasseter & Daman, 2023). Total rewards packages have evolved into strategic tools for attracting, retaining, and nurturing a productive workforce (Block & Davidson,

2019; Mabaso & Dlamini, 2018), which is why organisations formulate bespoke total reward systems to differentiate their employer branding (Bussin & Toerien, 2015). While a dominant standard for non-financial benefits is yet to crystallise, several total rewards models have been proposed.

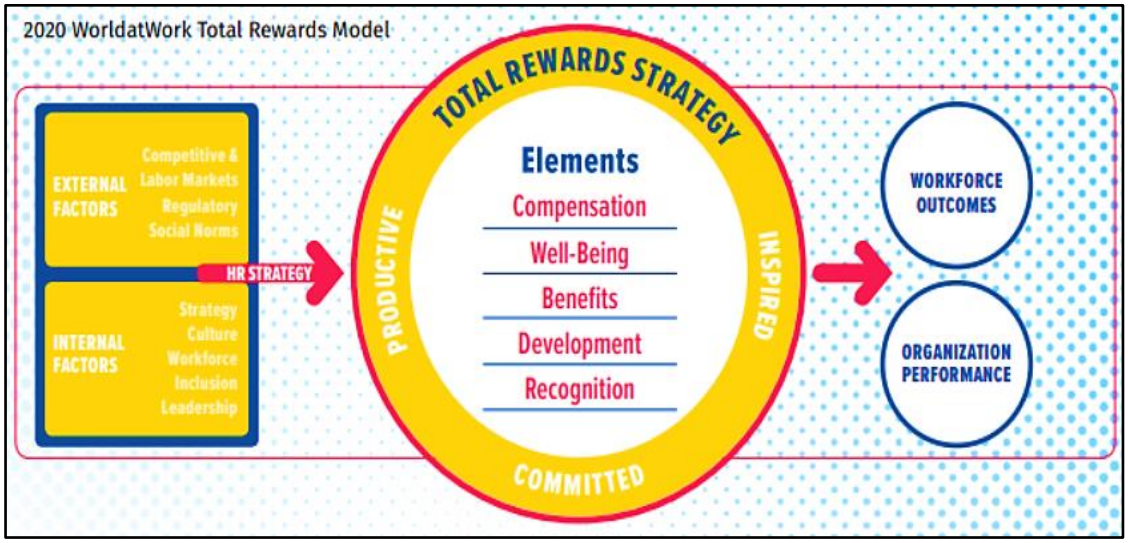
Although a total rewards framework provides a more holistic approach to remuneration, finding the right balance between concrete and intangible rewards to motivate and retain employees effectively can be challenging. The compensation strategy must be comprehensive and tailored to individual needs, as a one-size-fits-all strategy may not suffice (Murphy, 2015). To ascertain the most efficacious reward dimensions for attracting and retaining employees and to gauge the influence of demographic variables on these dimensions, the current researcher used the WorldatWork Model (WorldatWork, 2020), which has been employed by several researchers (e.g., Bussin et al., 2019; Bussin & Toerien, 2015; Fobian & Maloa, 2020; Hoole & Hotz, 2016).

Although numerous other total rewards frameworks exist, the WorldatWork Model (WorldatWork, 2020) has been widely adopted in literature, as it comprises the critical dimensions of total rewards and is updated frequently and in line with the dynamic employment landscape. The WorldatWork Model (WorldatWork, 2020) is a renowned and widely recognised model despite some criticisms, particularly regarding the extensive resources it requires (Sitharam, 2019).

Supporters of the model, along with total rewards frameworks in general, contend that it can lead to cost reduction through improved retention, and they laud its holistic approach to attracting and retaining motivated employees (Bussin et al., 2019; Bussin & Toerien, 2015; Sitharam, 2019). Established in 1955, WorldatWork is an HR organisation that addresses compensation, benefits, work–life balance, and rewards (Klaas, 2023). The association offers certification programmes for HR experts and incentive specialists globally. The framework was developed in 2000, updated in 2015 and 2017 (Klaas, 2023) and again in 2020. Figure 2.1 illustrates the interrelated components of the model.

Figure 2.1

2020 WorldatWork Total Rewards Model



Note. WorldatWork (2020)

The model comprises five key components (WorldatWork, 2020): compensation (including fixed and variable pay for services rendered), well-being (focusing on employee comfort, productivity, and health, encompassing mental, financial, and environmental factors), benefits (encompassing programmes promoting holistic well-being and security, such as health, welfare, income protection, retirement, and time off), development (providing opportunities for skills advancement, career growth, and increased responsibilities), and recognition (consisting of formal or informal programmes celebrating employee contributions and strengthening the organisational culture).

The elements presented by the WorldatWork Model (WorldatWork, 2020) served as primary themes in the present study's exploration of reward preferences of distinct demographic groups. However, while the WorldatWork model (WorldatWork, 2020) is widely utilised, there may still be potential gaps in understanding reward preferences fully, especially concerning specific demographic nuances and contextual variations. These gaps warrant further investigation and may require complementary theoretical perspectives to provide a comprehensive understanding of employee reward preferences.

The following section provides greater detail from literature on the link between demographics and reward preferences.

2.5 Employee Demographics and Reward Preferences

The use of various reward methods to boost employee loyalty, performance, and retention is well-recognised and supported in both academic theories and practical implementations (Alferaih et al., 2018; Asseburg & Homberg, 2020; Bussin & Brigman, 2019; Bussin & Van Rooy, 2014; Fobian & Maloa, 2020; Froese et al., 2018; Lasseter & Daman, 2023; Pregnolato et al., 2017). However, the challenge lies in devising and implementing an incentive system that effectively achieves these objectives, indicating the need for extensive research in this domain (Alhmoud & Rjoub, 2020). Recognising the growing importance of considering individual qualities and demands of the workforce and incorporating such factors in the design of rewards has gained prominence.

Numerous studies have explored the effects of demographic variables on incentive effectiveness, but inconclusive findings necessitate further investigation (Alhmoud & Rjoub, 2020; Bussin & Brigman, 2019; Bussin & Van Rooy, 2014; Fobian & Maloa, 2020; Pregnolato et al., 2017). The magnitude of these effects, the uneven impact of different variables, and the potential existence of universal connections between demographic characteristics and reward preferences pose significant hurdles in developing comprehensive total compensation systems that will successfully attract and retain talent within organisations. As such, there is a compelling need for in-depth research and a more nuanced understanding of the intricate interplay between employee demographics and reward structures.

Renowned demographer David Foot asserted that demographics account for two-thirds of almost all phenomena (Ng & Stanton, 2023). Thus, considering employee demographics in designing total rewards may not be a wasted effort (Fobian & Maloa, 2020; Pregnolato et al., 2017). Numerous studies have delved into individual differences that influence individuals' inclination towards specific rewards (e.g., Bussin & Brigman, 2019; Bussin & Van Rooy, 2014; Fobian & Maloa, 2020; Pregnolato et al., 2017). Froese et al. (2018) argue that considering the substantial transformations occurring in the demographic composition of the workforce across most industrialised countries, a thorough examination of demography is crucial in developing theories and policies. This argument suggests that organisations must employ effective methods for engaging and incentivising diverse individuals in order to enhance their ability to retain talented personnel.

Although many researchers have attempted to address the most prominent demographic traits that could influence reward preferences, such as race (Pregnolato et al., 2017), industry (Fobian & Maloa, 2020), generational differences (Alhmoud & Rjoub, 2020; Bussin et al., 2019; Bussin & Toerien, 2015; Fobian & Maloa, 2020; Jayathilake et al., 2021), tenure (Weske & Schott, 2018), gender (Bussin & Thabethe, 2018; Weske & Schott, 2018), and professional level (Bussin & Brigman, 2019), the results have been mixed. Chiang and Birtch (2005) found that external factors such as organisational culture, environmental influences, and cross-country cultural differences play a role in the success of reward strategies. Froese et al. (2018) found that employees of different ages, genders, and educational levels value different reward systems, while Weske and Schott (2018) found that gender does not play a significant role. Bussin and Thabethe (2018) found that monthly salary was the most crucial reward component for a sample of 131 South Africans in the media industry. In contrast, Lasseter and Daman (2023) found that paid leave was a significant consideration for chief administrative officers in Georgia. However, Lasseter and Daman (2023) highlighted that their selected sample did not exhibit significant demographic variability, which raises questions about how more pronounced demographic differences may have affected the research outcomes.

The current literature acknowledges that industry- and demographic-specific variables can influence the choice of incentives. However, precisely linking these variables to unique incentive preferences becomes particularly challenging when considering workers from diverse industries and business models (Bussin & Toerien, 2015). The complexity is further compounded by the fact that different employees may favour different rewards aspects with regard to choosing an employer, staying motivated, and performing well (Snelgar et al., 2013).

Alhmoud and Rjoub (2020) found no significant differences in reward preferences (intrinsic and extrinsic) pertaining to employee retention between Generation X and Generation Y employees, similar to Huang (2019), who identified no differences in reward preferences considering employee seniority. These findings are in contrast to those of Pregnolato et al. (2017) and Fobian and Maloa (2020), who found differences in reward preferences between generational cohorts. Similarly, Bussin and Van Rooy (2014), Chen and Lian (2015), and Emmanuel and Nwuzor (2021) maintain that there are differences in reward preferences between generational cohorts.

Zaharee et al. (2018) found that, although employees of different age groups have similar preferences regarding some rewards, such as work–life balance, flexible hours, and remote working, they differ substantially concerning paid leave, and assert that these differences may be attributable to life stage. Marital or family status could significantly impact individuals' needs, motivations, and overall satisfaction with remuneration (Froese et al., 2018). Employees' life stage may also influence whether they value financial rewards or components related to work–life balance (Emmanuel & Nwuzor, 2021; Whitton, 2023). The dynamic nature of the employment landscape, the ongoing challenges in talent acquisition and retention, the profound impact of the COVID-19 pandemic, the Great Resignation, and generational shifts within the global workforce (Kollman et al., 2020) underscore the relevance and importance of studying the influences on reward preferences. The impact of the pandemic is discussed in the section below.

2.6 Employee Reward Preferences Post-COVID-19

A 2020 McKinsey Institute study analysing the future of jobs in the face of the COVID-19 pandemic, suggests that the COVID-19 pandemic has brought the discourse about the future of work into the present (Hite & McDonald, 2020; Lund et al., 2020), prompting organisations to review their talent management and HRM strategies earnestly. Hite and McDonald (2020) emphasise the importance of sustainable careers, and reiterate that reward strategies should accommodate the different nuances in the lives of individual employees, including their social context, work context, and family context.

The COVID-19 pandemic has introduced another unique concept, the Great Resignation, which poses challenges for HRM- and talent management strategies. Researchers and pundits have described it as the result of employees reclaiming their lives due to factors such as burnout, a need for a better work–life balance, and escaping toxic work environments (Ng & Stanton, 2023). Despite job uncertainty, rising unemployment, and economic challenges, organisations are experiencing increased employee turnover intentions (Xu et al., 2023).

The COVID-19 pandemic significantly disrupted workplaces and changed employees' attitudes towards rewards and benefits (Pataki-Bittó & Kapusy, 2021). As organisations adapt to the pandemic's aftermath, it has become crucial to

consider the impact of these changes on different demographic groups in developing rewards programmes.

Certain groups, such as women, people of colour, and low-wage workers, have been disproportionately affected by the pandemic, and they may have distinct needs and preferences (Dolan et al., 2020). The COVID-19 pandemic exacerbated pre-existing disparities between individuals from different socioeconomic backgrounds within nations, as well as disparities between countries (Hite & McDonald, 2020). This impact has been particularly felt amongst low-income and marginalised citizens, who have faced heightened challenges in accessing resources and opportunities compared to more privileged populations.

A study by Xu et al. (2023, p. 1) identified “death anxiety” resulting from the pandemic, emphasising the need to address employees' desire for meaningful work. When employees witness catastrophic events, they become more concerned with meaning than financial gain, highlighting the importance of gaining a deeper understanding of attracting and retaining employees in the current context (Xu et al., 2023). Organisations must understand how the pandemic has influenced employee reward preferences across various demographics to remain competitive and retain top talent. Tailoring reward offerings to meet the evolving needs of the workforce is essential to avoid creating a disconnect between employers and employees. Stuart et al. (2021) argue that, in the face of the post-pandemic world, employee retention should be a primary focus of HRM strategies, rather than just an outcome of HRM. Despite research exploring the workplace implications of the aftermath of the pandemic (Bussin & Swart-Opperman, 2021), there is a notable scarcity of research on whether and how the pandemic has affected employees’ reward preferences.

Jayathilake et al. (2021) conducted one of few studies on employee retention post-COVID-19, which considered the preferences of Generation Z employees, who are entering the workplace in large numbers while the Baby Boomer generation is retiring. Jayathilake et al. (2021) suggest focusing on employee development, utilising reverse mentorship and democratised learning to facilitate the retention of this cohort. Generation Z was found to prize intrapreneurship highly with regard to retention, and desire the freedom to work on their own projects and interests during working hours (Jayathilake et al., 2021).

Shtembari et al. (2022), in their study concerning employee compensation and

benefits pre- and post-COVID-19, found that the preferences of their sample of Albanian employees had shifted towards flexible working hours and additional paid time off. These findings align with those of Ng and Stanton (2023), who highlight the increase in firms offering four-day work weeks (citing 71 firms in the UK trialling this work arrangement and telework), together with the positive impacts, which include increased productivity, better-rested employees, and improved employee well-being. Shtembari et al. (2022) suggest that organisations adapt and modify their compensation and benefits packages to cater to the demands of the new reality, with attention to meeting the preferences of current and prospective employees to attract and retain talent effectively.

Another aspect brought to the fore by the COVID-19 pandemic is potential trade-offs between existing and new benefits (Shtembari et al., 2022). Work-from-home arrangements, online learning and development, flexible working hours, and reduced working weeks or furloughing (Jayathilake et al., 2021) became the new way of working, and returning to what was once deemed ‘normal’ remains a topical discussion. Researchers such as Shtembari et al. (2022) and Greenwald and Fronstin (2019) explored these aspects, and found that more than half of employees would opt to maintain their existing benefits package, while others would consider reducing benefits to increase their take-home pay.

The impact of the COVID-19 pandemic on employee reward preferences has not been studied in South Africa. Considering the already severe disparities in South Africa, with South Africa being the most unequal society in the world according to the Gini coefficient of per capita income (Sulla et al., 2022), it would be prudent to understand how the pandemic has directly influenced these disparities and potentially affected reward preferences. Given its psychological (Xu et al., 2023) and economic impacts (Hite & McDonald, 2020), the pandemic's profound effects likely altered South African employees’ reward preferences. Examining how these preferences shifted across demographics can offer essential insights for organisations navigating these changes.

The pandemic has significantly impacted various industries, leaving lasting effects on employees. Its personal, systemic, and global ramifications have been contextually dependent and surprising, prompting individuals to reconsider their work lives (Hite & McDonald, 2020). Job choices post-pandemic are influenced by

how individuals prioritise their personal needs and organisational requirements (Hite & McDonald, 2020), with priorities varying across career phases. Companies focused on maintaining a skilled workforce could advance these goals by providing the appropriate resources and exploring ways to sustain employee interest and ongoing employee development (Hite & McDonald, 2020).

Understanding the pandemic's effects on reward preferences amongst diverse demographic groups is essential in filling the existing gaps in the literature (Jayathilake et al., 2021; Shtembari et al., 2022), and will help organisations adapt their reward programmes to the current context and ensure that they align with the current needs and expectations of employees.

2.7 Conclusion

Understanding employees' reward preferences is crucial in designing talent management strategies that attract, retain, and motivate high performers. The literature highlights the need to identify specific reward preferences, both financial and non-financial, in order to meet the diverse needs of different demographic groups. The review highlighted the mixed research findings on the reward preferences of different demographic groups, which include a lack of clarity on whether reward preferences differ between certain demographic groups, whether the extent of the difference in preferences between different demographics is significant, and how these reward preferences potentially influence employee attraction and retention, especially when considering demographics. Additionally, the literature review highlighted the limited research on the influence of the COVID-19 pandemic on employee reward preferences, particularly in South Africa. A discussion of the impact of COVID-19 on reward preferences followed, which emphasised the importance of adapting reward strategies. The discussion also covered the WorldatWork Total Rewards Model (WorldatWork, 2020), which was used in the current study to determine the reward preferences amongst different demographic groups post-COVID-19. The next chapter discusses the research questions and hypotheses.

Chapter 3: Research Questions & Hypotheses

3.1 Overview of the Research

The literature review provided a detailed discussion of the literature on reward preferences. This chapter lists the research questions for this research project, which were formulated to enable an exhaustive examination of the interplay between demographic variables and reward preferences in the context of a South African FMCG firm. Additionally, the research questions were developed to determine the differential impact of reward preferences on employee attraction and retention, respectively. Finally, the final research question explored potential changes in reward preferences amongst certain demographic groups due to the COVID-19 pandemic.

3.2 Research Questions

Five research questions were formulated to achieve the desired outcome of understanding the relationship between employee demographics and reward preferences, the impact of the COVID-19 pandemic, and the differential impact of reward preferences on attraction and retention through the lens of demography. The research questions were investigated through corresponding hypotheses, described in the ensuing subsections.

3.2.1 Research Question 1

Despite extensive research on the role of primary demographic factors like race (Pregnolato et al., 2017), professional level (Bussin & Brigman, 2019), industry (Fobian & Maloa, 2020), and generational gaps (Alhmoud & Rjoub, 2020; Bussin et al., 2019; Fobian & Maloa, 2020) in shaping reward preferences, the findings remain inconclusive. The inconclusiveness was demonstrated in analysing studies such as those of Alhmoud and Rjoub (2020) and Asseburg and Homberg (2020), which suggested no generational differences in preferences for intrinsic and extrinsic rewards, while others (Chen & Lian, 2015; Emmanuel & Nwuzor, 2021) argue the opposite. This inconsistency extends to other demographic variables, challenging practitioners' and researchers' ability to draw definitive conclusions about their impact on employee reward preferences. These inconsistent research outcomes led

to the formulation of the first research question (RQ):

RQ1: Do reward preferences differ between different demographic groups?

This research question was aimed at determining whether different demographic groups hold different reward preferences.

The accompanying primary hypothesis (H), H1, provided below, was employed to explore the research question. A null hypothesis, H01, predicting no differences, was developed to serve as the baseline of the assumption of significance (Saunders & Lewis, 2018).

H1: There is a significant difference in reward preferences between different demographic groups.

H01: There is no significant difference in reward preferences between different demographic groups.

3.2.2 Research Question 2

RQ2 was aimed at exploring whether certain demographic variables are more significant in their influence on employees' reward preferences:

RQ2: Do particular demographic variables influence reward preferences more than others?

Previous studies examining the impact of demographic variables on employee reward preferences have produced inconsistent findings. Various aspects such as generational differences (Bussin & Brigman, 2019; Bussin & Van Rooy, 2014; Fobian & Maloa, 2020), race (Pregnolato et al., 2017), years of service (Bussin & Brigman, 2019), gender (Bussin & Brigman, 2019; Pregnolato et al., 2017), and employee employment grade (Pregnolato et al., 2017) have been investigated, but there is a lack of consensus regarding their influence.

Zaharee et al.'s (2018) research found that generational differences explain some differences in reward preferences but that life stage plays a more significant role in other reward preferences. Moreover, limited research has been conducted to comprehend the significance of different demographic variables on reward preferences within a specific sample population.

H2: Certain demographic variables have a greater influence on reward preferences than others.

H02: No demographic variables have a greater influence on reward preferences than others.

3.2.3 Research Question 3

Recruitment and retention strategies are vital for organisational success, with high remuneration, benefits, and variable pay noted as significant attractors (Schlechter et al., 2014). Understanding the preferred rewards of workers is crucial in enhancing attraction strategies (Bussin & Toerien, 2015). Successful businesses understand the importance of addressing multiple elements, including pay, perks, work–life equilibrium, acknowledgement of achievements, growth, and career prospects (Bussin et al., 2019). Schlechter et al. (2014) emphasise the significance of specific reward components, such as competitive fixed remuneration and flexible work arrangements, as essential for attracting knowledge workers, while Asseburg and Homberg (2020) highlight the importance of extrinsic rewards, like pay levels, in employee attraction, especially in the public sector. However, their research also indicates that intrinsic factors, like career opportunities and personal development, hold value for certain demographic groups, such as German graduates. This view is supported by Waples and Brachle (2019), who found that Millennials are not driven solely by extrinsic rewards but also value the social aspects of a job. Zaharee et al. (2018) support this by noting that Millennials consider both salary and intrinsic factors like organisational ethos when choosing an employer.

Given these varied findings, it is imperative to explore whether demographic variables influence reward preferences with regard to employee attraction. Thus, RQ3 aimed to understand whether particular rewards result in more significant attraction than others, especially considering the influence of demographic differences.

RQ3: Which reward preferences most significantly impact employee attraction between different demographic groups?

H3 was aimed at determining the graded impact of rewards on employee attraction according to demographic variability.

H3: Certain types of reward preferences have a more significant influence on employee attraction than others when considering demographic differences.

H03: The influence of reward preferences on employee attraction is consistent across all demographic groups.

Recent scholarly research has aimed to identify the rewards that could create a competitive edge for organisations in the war for talent. A comprehensive understanding of reward preferences is crucial in a volatile and skills-scarce environment (Waples & Brachle, 2019). These challenges led to the formulation of Research Question 4.

3.2.4 Research Question 4

The talent landscape has faced significant shifts over the last decade. Retention has become more crucial than ever, considering the global trend referred to as the Great Resignation (Sull et al., 2022), the skills shortages globally (ManpowerGroup, 2022), and the cost of replacing talent (Bussin & Brigman, 2019; Waples & Brachle, 2019).

Research has shown varying influences of reward preferences on employee retention, especially when considering demographic differences (Fobian & Maloa, 2020), and a one-size-fits-all approach in retention strategies is unsuitable for optimal talent retention (Murphy, 2015). Although literature exists on reward preferences influencing employee retention between different demographic groups (e.g., Asseburg & Homberg, 2020; Daman & Lasseter, 2023; Fobian & Maloa, 2020; Huang, 2019), these studies focused on differences based on specific demographic variables and did not consider different demographic groups with regard to reward preferences and employee retention. Furthermore, there is ambiguity regarding whether the incentives that draw individuals to companies are the same as those that retain them (Lasseter & Daman, 2023).

Despite its significance, research on reward strategies remains sparse, particularly in emerging markets (Gupta & Shaw, 2014; Pregnolato et al., 2017). The exodus of skilled workers from these regions adds another layer of urgency. RQ4 explores the influence of reward preferences on employee retention in a specific context, an FMCG firm:

RQ4: Which reward preferences most significantly impact employee retention between different demographic groups?

Bussin and Brigman (2019) highlight the importance of proactive retention strategies, considering the cost of replacing knowledge workers and the need to remain competitive. Relying solely on financial incentives may not suffice for effective talent retention (Bussin & Brigman, 2019). The following hypotheses supported Research Question 4:

H4: When considering demographic differences, certain types of reward preferences have a more significant influence on employee retention.

H04: Demographic differences do not moderate the influence of specific reward preferences on employee retention.

3.2.5 Research Question 5

The COVID-19 pandemic has caused significant disruption in the workplace, potentially affecting employees' motivation and attitudes towards rewards (Pataki-Bittó & Kapusy, 2021). The disruption was further complicated by the phenomenon known as the Great Resignation (Ng & Stanton, 2023), which has increased employee turnover despite economic uncertainties and rising unemployment globally (Xu et al., 2023). Literature suggests that traditional reward strategies may no longer suffice in a post-COVID-19 world (Hite & McDonald, 2020; Stuart et al., 2021). However, research on these aspects is scarce in emerging markets, especially South Africa.

RQ5 was aimed at shedding light on the potential changes in reward preferences amongst certain demographic groups, although a longitudinal study was not possible, due to time constraints.

RQ5: Are there differences in reward preferences for a specific demographic pre- and post-COVID-19?

The corresponding hypothesis (H5) and the null hypothesis (H05) were employed to facilitate a comparison between the research findings of earlier studies conducted pre-COVID-19 and the outcomes of this study to identify any notable shifts.

H5: Significant differences exist in reward preferences for a specific demographic pre- and post-COVID-19.

H05: There are no significant differences in reward preferences for a specific demographic pre- and post-COVID-19.

3.3 Conclusion

This chapter provided an overview of the research study, focusing on the relationship between demographics and reward. The research questions were designed to explore differences in reward preferences between demographic groups (RQ1), identify which demographic variables have a more significant impact on reward preferences (RQ2), determine the reward preferences that significantly impact employee attraction (RQ3) and retention (RQ4) between different demographic groups, and investigate if there were changes in reward preferences pre- and post-COVID-19 for a specific demographic, and comparing the outcomes of the research with prior research (RQ5). The corresponding hypotheses were formulated to guide the investigation of each research question, and the research outcomes contribute to the existing knowledge on reward preferences and provide valuable insights for talent management strategies in the organisation.

The research methodology applied in the study to explore the research questions is discussed in Chapter 4, which follows.

Chapter 4: Research Methodology

4.1 Introduction

This chapter outlines the methodology and design used to explore the research questions on the relationship between employee reward preferences and demographic variables, together with implications for talent management strategies. As described in Chapter 2, the literature considers employee reward preferences and their relationship with demographic variables, but studies have delivered conflicting results. A clear view of reward preferences that attract versus those that retain is also lacking, especially when applying the lenses of demography and a post-COVID-19 context. There is thus a need to explore reward preferences in this light, and this study endeavoured to do this by employing a quantitative methodology, examining employee reward preferences in a South African FMCG company with five manufacturing facilities nationwide. The following sections describe the underpinning research philosophy, approach, design, and method, including the research instrument, population and sampling, and data analysis.

4.2 Research Philosophy and Approach

Saunders and Lewis (2018) suggest that the assumptions of a research philosophy guide the selection of a research strategy and the methods applied in conducting the study. This section provides a detailed description of these assumptions, which informed the methodological decisions.

The research investigated the relationship between employee reward preferences and demographic composition. It primarily employed a quantitative research approach but also considered psychological aspects of employee preferences, although to a lesser extent, which aligns with an interpretivist research philosophy (Saunders & Lewis, 2018).

In following a positivist research paradigm, the study's objective was to generate empirical evidence instead of delving into the subjective experience of employees, which would have lent it to an interpretivist approach (Saunders & Lewis, 2018). The current study was primarily focused on collecting empirical data to identify relationships between employee reward preferences and demographic variables.

Furthermore, the study intended to empirically explore different reward preferences and their impact on employee attraction and retention. Given the study's explicit aim to empirically delineate the relationship between employee reward preferences and demographic variables and to establish the influence of these independent variables on employee retention and attraction, a positivist research philosophy was appropriate (Denscombe, 2017).

The positivistic philosophy allowed for a systematic and rigorous evaluation of the research hypotheses by facilitating the quantification of variables and empirical data analysis (Denscombe, 2017). The positivist research philosophy assumes that the subjects under study are objective and that by examining the empirical data, cause-and-effect relationships can be identified, leading to definitive conclusions rather than mere propositions (Straub et al., 2004).

Although the positivist research paradigm offers benefits for the empirical substantiation of presupposed theoretical stances, it is prudent to be cognisant of its methodological constraints, which may include restricting the research scope due to the application of predetermined empirical criteria (Niland, 2017). This may lead to the omission of subtle interactions of additional variables not initially identified as part of the research scope, potentially compromising the depth of the research (Niland, 2017). Despite these limitations, the positivistic research approach was appropriate for the specific empirical objectives targeted in this study.

The study implemented an abduction approach to theory development, combining inductive and deductive methods (Saunders & Lewis, 2018) to explore existing theories and phenomena and identify new patterns and themes in order to possibly reformulate existing theories (Saunders & Lewis, 2018).

In defence of the selection of the abductive approach, in the first instance, applying the deductive approach of theory development, which is the drawing of inferences from theory, relevant theoretical concepts from the human resource and talent management field were identified through a review of peer-reviewed academic literature and subsequently examined in the context of employee reward preferences in alignment with the WorldatWork theoretical model (WorldatWork, 2020).

The study followed a quantitative approach using structured online surveys. This

approach was selected due to its flexibility, ability to reach large samples, and relative cost-effectiveness (Denscombe, 2017). It also enabled the exploration of several employee reward preferences and demographic variables (Saunders & Lewis, 2018). The collected data described the impact of employee demographics on reward preferences, employee attraction and retention, which were compared with previous research findings, thereby following the top-down deduction approach described by Saunders and Lewis (2018).

In exploring RQ5, an inductive approach of theory development was followed to compare reward preferences of a particular demographic group pre- and post-pandemic to produce a framework that reflected potential changes required in talent management strategies post-pandemic. Research conducted by Fobian and Maloa (2020) provided the basis for this comparison due to the similarity of the target population, employees in an FMCG company, and the fact that their study was conducted pre-pandemic.

A quantitative approach was aligned with the study's empirical focus, and statistical analyses were employed to discern patterns in the gathered data. The data were obtained from a diverse sample of participants, ensuring objectivity and empirical delineation of the relationships under scrutiny (Harwell, 2011; Niland, 2017). The quantitative approach is generally less susceptible to subjective interpretation and relies heavily on the quality of the research questions (Denscombe, 2017; Tucker et al., 1995). The research questions of the current study were informed by existing literature and examined theoretical claims and hypothesised relationships (see Denscombe, 2017).

Under the positivist paradigm, the study assumed that the relationships between demographic variables and reward preferences could be quantitatively measured (Niland, 2017). The mono-method approach, i.e., using solely a quantitative approach, was deemed appropriate given the study's objectives and resource constraints, such as time and resource limitations (see Saunders & Lewis, 2018).

4.3 Research Strategy and Techniques

The study aimed to offer empirical and descriptive insights into reward preferences across different demographic groups within a specific context. It followed a

descripto-explanatory strategy to gather empirical data, identify relationships, and explore the phenomena of interest (see Rahi, 2017; Saunders & Lewis, 2018), albeit without inferring causal relationships (Saunders & Lewis, 2018). The data, gathered using a survey instrument, were analysed using descriptive statistics as input into the explanatory phase of the research (see Saunders & Lewis, 2018).

Denscombe (2017) highlights the flexibility of survey strategies, which can be implemented through self-administered or researcher-administered surveys. Surveys offer the advantage of gathering vast amounts of data while requiring low investment in the form of time and costs (Denscombe, 2017). However, the disadvantages, such as low response rates and a lack of detail, should also be considered when selecting this research strategy (Denscombe, 2017).

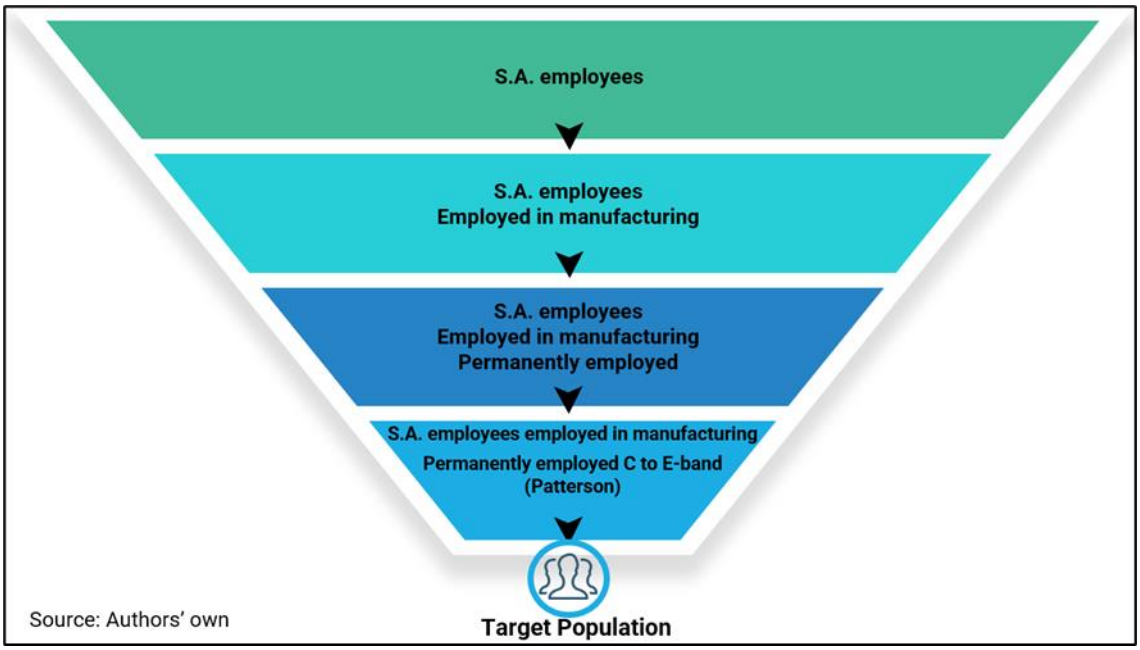
The research followed a cross-sectional time horizon, meaning the data reflect employee preferences at a specific point in time (Saunders & Lewis, 2018). A longitudinal study would have been ideal but was deemed unfeasible due to time constraints and impracticality (see Saunders & Lewis, 2018).

4.4 Population and Sampling

A study population comprises all units of interest to a researcher (Denscombe, 2017). The current study's target population included all permanent employees of the target organisation, a South African FMCG organisation in the manufacturing industry, as illustrated in Figure 4.2.

Figure 4.2

Target Population of the Study



It was not possible to establish a comprehensive list of all employees in South Africa's manufacturing industry, thus making it challenging to define a suitable sampling frame. It is important to note that the Protection of Information (POPI) Act of 2013 (Republic of South Africa, 2013) safeguards employee information.

Sampling is the process of selecting a representative subset of the population for data collection (Denscombe, 2017). In this study, non-probability sampling, specifically purposive sampling, was used due to the unavailability of a sampling frame (Denscombe, 2017). Non-probability sampling is suitable when a complete population list is inaccessible, making it challenging to employ probability sampling techniques like random sampling (Denscombe, 2017). In non-probability sampling, not all members of the population have an equal chance of being selected to participate in a study (Denscombe, 2017). Using purposive sampling, respondents are chosen based on predetermined characteristics (Denscombe, 2017). In the present study, the inclusion criteria were as follows: permanently employed in the FMCG manufacturing facility on the C Band to E Band of the Paterson Job Grading Scale (Nguwi, 2023).

Table 4.1 contains the Paterson evaluation model.

Table 4.1

Paterson Evaluation Model

Band	Kind of decision	Title/Level	Sub-band	Kind of grade	Typical titles
F	Policy-making	Top management	FU	Co-ordinating or supervisory (policy)	Managing director
	International expert		FL	Policy	Executive director
E	Programming/ long-term strategy	Senior management	EU	Co-ordinating or supervisory (programmes)	General manager, business manager
		Specialist	EL	Programming, long-term	Senior manager, business area manager
D	Interpretive/ probabilistic	Middle management	DU	Supervisory (interpretive)	Department manager
		Professional	DL	Interpretive/ probabilistic	Section manager
C	Process/system	Skilled	CU	Supervisory (skilled)	Supervisor/ foreman
		Advanced operational	CL	Process/system	Artisan, sales rep
B	Automatic/ operative/ subsystem	Semi-skilled/ operational	BU	Supervisory (semi-skilled)	Charge hand, bookkeeper
			BL	Operational/ subsystem	Operator, driver, clerical
A	Primary	Basic skills	A	Defined	Trainee, basic skills

Note. Reprinted from *The Remuneration Handbook for Africa* (4th ed., p. 419) by M. Bussin, (2020, KR Publishing. Copyright 2016 by KR Publishing. Reprinted with permission.

The exclusion of A- and B-band employees from the sample in the study investigating employee reward preferences and demographic variables was justified on practical and thematic grounds. First, the study was conducted in a factory setting where A- and B-band employees generally have limited internet connectivity, making it impractical for them to complete online surveys. This logistical constraint may have introduced significant bias in the data collection, potentially compromising the study's validity (Saunders & Lewis, 2018).

Second, the study was primarily focused on talent retention strategies. In the context of organisational management, 'talent' often refers to highly skilled and high-performing individuals (Kravariti & Johnston, 2020) whom a company aims to attract and retain. A- and B-band roles are generally considered unskilled or semi-skilled employment, and employees in these bands are typically engaged in routine tasks that do not require specialised skills or knowledge (Nguwi, 2023). Therefore, their inclusion would not have aligned with the study's focus on talent retention.

4.5 Unit of Analysis

The unit of analysis for this study was the individuals selected to complete the questionnaire. The research aimed to investigate variations in reward preferences among individuals, and therefore, the sample unit was chosen based on this criterion. Subsequently, the results obtained from individual responses were analysed and clustered into different demographic groups, which were the secondary units of analysis.

4.6 Measurement Instrument

Following the principles outlined by Saunders and Lewis (2018), the primary data were collected using a survey specifically tailored to discern the reward preferences of employees within a distinct context and to enable examination of the relationship between preferences and various demographic factors. This survey was an adaptation of the instrument developed by Bopape (2022), used to study the impact of demographic variables on total reward preferences in the telecommunications sector. The current study's instrument was further influenced by the WorldatWork Total Rewards Model (WorldatWork, 2020).

With regard to the reliability or internal validity of the questionnaire, Bopape (2022) reported a Cronbach alpha of 0.701 for all questions individually and 0.82 for all questions combined (Bopape, 2022; Van Rooy, 2010), meeting the validity threshold of a Cronbach alpha value exceeding the 0.60 to 0.69 acceptability threshold for exploratory research (Sarmento & Costa, 2017), and the threshold of 0.7 suggested by Taber (2018). The reliability of the questionnaire was subsequently re-evaluated in the current study.

The survey consisted of mainly closed-ended questions, a format often favoured in quantitative research instruments (Hair et al., 2021). The current study incorporated nominal scales, which help define and represent demographic data (Hair et al., 2016). Most of the questions employed a five-point Likert scale, a methodology deemed suitable for a quantitative study and the crafting of a questionnaire based on validated tools (Saunders & Lewis, 2018).

The survey (see Appendix 1) was aimed at determining the relative significance of various total rewards in terms of attraction and retention, with an emphasis on the total reward elements of performance and recognition, work–life balance, learning opportunities, career progression, remuneration, and benefits (see Bussin & Van Rooy, 2014).

The survey was administered in a single phase, and respondents completed the survey online in their own time. The self-administered survey was the sole measurement instrument utilised to collect the primary data. Although the benefits of utilising a survey data collection approach are well defined and include the researcher being able to reach a large number of respondents, together with surveys being relatively cost- and time-effective (Denscombe, 2017; Saunders & Lewis, 2018), this approach does have limitations, which are discussed in Section 4.7.

The use of a single method of data collection also presents some limitations, such as potential single-source and common-method bias (Kollman et al., 2020; Saunders & Lewis, 2018). However, the mono-method of data collection applied was deemed appropriate based on the reported reliability of the survey (Bopape, 2022), and the fact that the mono-method has been used in other recent studies of a similar nature (Bussin & Thabethe, 2018; Fobian & Maloa, 2020; Lasseter & Daman, 2023).

4.6.1 Survey items

The survey items were adapted to the variables and constructs under study based on existing literature, and it was ensured that the items addressed the research questions and objectives.

The instrument was based on the work of Bopape (2022) and Van Rooy (2010) and comprised three sections with a total of 48 items. The first section gathered demographic information, the second gathered data on total reward dimensions

based on the WorldatWork (2020) Model, and the third section asked respondents to prioritise their reward preferences. Two additional sections were incorporated based on insights from Nienaber et al. (2011) to further explore the distinctions between rewards for attraction and retention.

Initially, the survey contained 64 items comprising list, category, ranking, and rating questions (Denscombe, 2017; Saunders & Lewis, 2018). However, to ensure clarity and avoid redundancy, the items underwent rigorous review, and some items were removed, while others were modified for clarity. Demographic items were adjusted to capture only pertinent data, ensuring thoroughness and relevance. This refinement process led to removing some items, redefining some of the Likert scales, and optimising the survey's length to enhance completion rates and encourage thoughtful responses from participants. The final survey consisted of 54 items (see Appendix 1). Each question was paired with suitable scales to ensure the relevance of responses, and different Likert scales were used in different sections to ensure the most suitable response detail.

An introductory segment was added to inform participants that the study was conducted for academic purposes, and the survey's introduction outlined the research's intent: to understand the factors influencing reward preferences across different demographic segments within South Africa's FMCG sector. Consent forms accompanied the survey to assure participants of their privacy and to confirm the researcher's authorisation to conduct the study, which respondents had to complete before proceeding with the survey.

4.6.2 Survey pre-testing

A pretesting phase was undertaken to ensure the clarity and accuracy of the survey items. The researcher and the academic advisor conducted the initial review. This evaluation primarily focused on the questions' design, sequence, and relevance to the research objectives. The draft survey was shared via Microsoft Word, where the advisor offered feedback on the instrument's integrity, item validity, alignment with research goals, and basic linguistic structure. After refining the draft, it was presented to the GIBS Research Ethics Committee as part of the research proposal. The Committee determined that the survey adhered to ethical guidelines and granted ethical clearance. Once approved, the survey was transitioned to the online

platform SurveyMonkey, where additional refinements and layout changes were brought about.

A pilot version of the online survey was then distributed to 11 individuals, who were asked to provide feedback regarding its clarity, flow, and overall comprehensibility, especially from the perspective of those unfamiliar with the research's context. The number of respondents adhered to the recommendations from Hair et al. (2019), who suggested that the ideal number of respondents in a pilot test is between four and 20. The respondents offered insightful feedback, which was used to refine the survey for clarity and consistency and avoid bias (see Denscombe, 2017). Respondents, on average, suggested three modifications, with one individual proposing six. A recurring point of confusion was a demographic item related to the Paterson Evaluation Model (Nguwi, 2023), as respondents were accustomed to different organisational pay scales. Although the target audience for the main study would be familiar with this scale, the item was eventually omitted. This also avoided redundancy, as another item addressed remuneration levels. Other suggestions included the addition of a progress indicator, a recommendation to complete the survey on a desktop due to formatting problems when completing the survey on other mobile devices, clarity on a ranking question (Q39), where the instructions were not explicit enough, and the removal of repetitive items. After these modifications had been implemented on SurveyMonkey, a statistician who collaborated with the researcher on data analysis suggested making all items mandatory to prevent incomplete responses. A cover note, provided as the landing page, indicates an expected completion time of approximately 15 minutes.

4.6.3 Online survey dissemination

The survey was electronically disseminated through a web link to the online survey, which was sent to prospective respondents via email. Follow-up emails were sent to increase the response rate. Once finalised, the questionnaire was digitised for online dissemination using the SurveyMonkey platform. Data gathering spanned five weeks (08 August 2023 to 12 September 2023), and once the response rate stagnated and the researcher had achieved an adequate sample size, the survey was closed, and the results were extracted in XLS format from the SurveyMonkey online platform. The sample size of 182 met the criteria for the intended statistical tests, aligning with Hair et al.'s (2019) recommendation of a minimum of 30

respondents for normality tests, though Samuels (2017) considers it a small sample since it is under 300.

The survey link was shared with 321 organisational members via email to all members on the email distribution list who adhered to the population sample criteria. The survey might have been shared with more potential respondents via snowball sampling (see Saunders & Lewis, 2018), but the researcher could not track this. While there are no universally accepted benchmarks for response rates (Denscombe, 2017), the total of 195 responses translated to a satisfactory response rate of 60.75%. This rate notably exceeded the general 15% to 30% benchmark posited by Fricker (2008). Also, it outperformed the rates from similar studies, such as that of Fobian and Maloa (2020), at 30%, Bussin and Brigman (2019), at 16.19%, and Lasseter and Damon (2023), at 54.78%.

In addition to primary data collected through surveys, secondary data from prior research, such as the studies conducted by Fobian and Maloa (2020), Bussin and Brigman (2019), Bussin et al. (2019), and Bussin and Thabethe (2018), were gathered through desktop research. These secondary data were used to compare reward preferences amongst different employee demographic groups before and after the COVID-19 pandemic.

4.7 Data Analysis

Upon completion of the collection of survey responses, these were extracted from SurveyMonkey in Microsoft Excel XLS format and prepared for analysis using IBM's Statistical Package for Social Sciences (SPSS) data analysis software. The responses were checked for adherence to the inclusion criteria and completeness.

4.7.1 Management of missing data

In gathering primary data through surveys, researchers aim for comprehensive data. However, the issue of incomplete or absent data is a recurring obstacle. By their nature, questionnaires are prone to this problem due to the difficulty of monitoring each respondent's responses (Stavseth et al., 2019). Various strategies have been developed to mitigate this, including replacing absent responses and discarding incomplete datasets, known as 'complete-case analysis' (CCA) (White & Carlin,

2010), and methods such as mean imputation (Stavseth et al., 2019). Inadequately addressing missing data can undermine the research's quality and may lead to erroneous conclusions (Stavseth et al., 2019; Weiss et al., 2016; White & Carlin, 2010). Data might be deliberately left out due to the sampling method or unintentionally overlooked, complicating the analysis process (Härkänen et al., 2016). To ensure data reliability, certain assumptions like missing at random (MAR) might be considered, especially when there is prior knowledge of the sampling method (Härkänen et al., 2016). The approach to managing missing data can significantly influence understanding of related statistical results (Niland, 2017; Stavseth et al., 2019; Weiss et al., 2016). The choice of imputation method can determine the conclusions drawn from regression models (Stavseth et al., 2019). It is vital to choose a technique that fits the specific dataset and to deliberate on this decision. Stavseth et al. (2019) recommend a sensitivity analysis encompassing at least one CCA and imputation method.

In data analysis, particularly with partial datasets, grasping the nature of missing data is essential. There are three main types of missing data: MCAR (missing completely at random), MAR, and MNAR (missing not at random) (Stavseth et al., 2019).

MCAR denotes situations where data absence is entirely random and unrelated to any other data, whether observed or missing (Niland, 2017; Stavseth et al., 2019). For example, if a participant unintentionally omits a survey question, it is considered MCAR. MAR suggests that the missing data may correlate with other observed data but not the missing values themselves (Stavseth et al., 2019). An example is older individuals skipping a question about recent technological advancements, but their omission is not directly tied to their potential answer. MNAR indicates that the reason for the missing data is inherently related to the missing values themselves (Stavseth et al., 2019). For instance, those with lower earnings might avoid revealing their income in a survey, linking the missing data to the undisclosed income.

While MCAR represents the ideal situation where most data-handling techniques produce unbiased outcomes, it is a stringent condition seldom met in practice (Stavseth et al., 2019). MAR is a more feasible assumption, with many imputation methods effectively addressing this type of missing data (Stavseth et al., 2019). Given the anonymous nature of data collection, obtaining follow-up data to verify the

MAR assumption is impractical (Niland, 2017). Therefore, based on its common occurrence in literature and the unlikely scenario of MCAR, the current researcher assumed that such data were MAR, excluding potential biases leading to MNAR results (see Stavseth et al., 2019).

After examining the 195 survey responses collected for the research, it was observed that most of the missing data were scattered randomly throughout the dataset (MCAR). However, ten respondents had not answered any of the reward preference questions and had only filled out the section on demographics. It is probable that these respondents either encountered technical issues or chose to opt out entirely after completing the first section, which is a common phenomenon, as noted by Hair et al. (2019). Another three respondents who did not fully complete answered the section on reward preference, exceeding the 5% cut-off point for missing data recommended by Niland (2017) and the recommended 15% cut-off point of Hair et al. (2019). Considering the significance of understanding the variance structures in the dataset to comprehend total reward preferences, these responses were deemed inappropriate for single imputation techniques (see Niland, 2017), and all 13 abovementioned surveys were excluded from further analysis.

Consequently, the analysis was conducted on 182 fully and partially completed surveys. This adjustment lowered the initial response rate of 60.75% to 56.70%. Despite the decline in the response rate due to missing data, it remained higher than the rates reported in earlier studies (Bussin & Brigman, 2019; Fobian & Maloa, 2020; Lasseter & Damon, 2023) and surpassed the benchmark proposed by Fricker (2008). For the remaining 182 survey responses, seven exhibited data missing at random (MAR), and mean replacement techniques standard in IBM's SPSS software were applied in these instances.

4.7.2 Coding for missing data and analysis

Responses in English were transformed into numerical coding values, enabling statistical analyses. The data were processed using IBM's SPSS software. Questions based on the Likert scale were translated into ordinal scale numerical values between 1 and 5, while categorical data were also numerically coded. Demographic factors such as age, gender, ethnicity, tenure, educational background, and job position were utilised for data coding and comparison. A table

detailing the conversion of responses into numerical values is provided in Appendix A.2.3.

Based on the guidelines of Hair et al. (2019), surveys with at least 85% of the items answered and in which no items on primary constructs were omitted (totalling 182 responses) underwent imputation using average responses, a built-in mean replacement functionality within IBM's SPSS statistical analysis software. While replacing missing responses with the mean response from respondents of similar demographic traits was considered, the present researcher opted for standard mean replacement across all respondents. Using the mean response of a similar demographic assumes that individuals with comparable demographics responded identically, which could inadvertently anticipate the research's results.

4.7.3 Statistical analysis and quality controls

The data collected yielded quantitative results consistent with the study's framework (Saunders & Lewis, 2018). The questionnaire's structure allowed for gathering categorical and numerical data from respondents (Denscombe, 2017; Saunders & Lewis, 2018). Section 1 of the survey primarily produced nominal (descriptive) data (Wegner, 2020) focused on demographic information. Meanwhile, ordinal data (Wegner, 2020) were derived mainly from questions using a five-point Likert scale and the ranking item (Q39). Certain items, like the salary range in Section 1, provided numerical interval data (Denscombe, 2017; Saunders & Lewis, 2018; Wegner, 2020). Analytical software facilitated descriptive and inferential data examinations (Denscombe, 2017; Saunders & Lewis, 2018). While descriptive statistics offered insights into the sample's characteristics, they also laid the groundwork for inferential analyses, especially since demographic details were pivotal in investigating reward preference structures and related hypotheses.

4.7.3.1 Descriptive statistical analyses

Statistical methods were used to describe the data's main characteristics, distribution, and variability. Methods including frequency distributions, mean computations, evaluations of standard deviations, and other central metrics (Saunders & Lewis, 2018). Skewness and kurtosis values were applied to determine the normality of the data distribution (Hair et al., 2021). This evaluation

encompassed all data, including disqualified responses and those with imputed missing values, as detailed in Section 4.7.1. The means and standard deviations were calculated for continuous variables, and frequency and frequency tables were used to determine the distribution of the responses across categories for categorical variables, such as those in Section 1 of the survey, to provide a detailed overview of the data. The descriptive analysis also highlighted potential outliers that could impact the reliability of the derived conclusions (Saunders & Lewis, 2018).

4.7.3.2 Tests for normality

Data suitable for parametric analyses should be normally distributed and not significantly influenced by outliers or values that substantially deviate from the dataset's mean (Hair et al., 2019). An initial examination for outliers was conducted by comparing the mean and median for excessive differences. The data's distribution was further investigated using kurtosis and skewness values. These values were consistently evaluated during each inferential statistical analysis. Acceptable values for asymmetry are generally indicated as ranging from -2 to +2 (George & Mallery, 2010), while acceptable kurtosis values generally range between -7 and +7 (Byrne, 2010; Hair et al., 2010). These confirmed a normal univariate distribution (see George & Mallery, 2010). Normality tests like the Kolmogorov-Smirnov and Shapiro-Wilks were considered but were not utilised for assessing data set normality due to certain limitations. Firstly, the Kolmogorov-Smirnov test lacks power in distinguishing distributions, especially in studies using small samples (Ghasemi & Zahediasl, 2012; Öztuna et al., 2006). Secondly, both tests are susceptible to sample size, leading to the rejection of the null hypothesis even when plots and thresholds support a normal distribution (Ghasemi & Zahediasl, 2012; Öztuna et al., 2006). Thus, relying on visual plots and established thresholds was deemed more appropriate for this analysis.

4.7.3.3 Tests for validity and reliability

Before any inferential analyses were performed, the validity and reliability of the data and related constructs were explored to establish the appropriate inferential statistical tests to be applied (Hair et al., 2019). The analyses were guided by the suggestion of Samuels (2017) to start with principal component analysis (PCA) instead of a scale reliability analysis such as the Cronbach alpha test to ascertain

whether individual items corresponded sufficiently with the measurement scale and to establish whether the coefficient was stable with a sample size of less than 300 (see Samuels, 2017).

- **Exploratory factor analysis**

According to Sarmento and Costa (2017), confirmatory factor analysis (CFA) and exploratory factor analysis (EFA) can be effectively combined to assess the validity of a data set. After identifying the primary factors using EFA, the model can be validated using the statistical tests associated with CFA. EFA is a technique used to identify underlying relationships amongst observed variables to uncover latent factors (Sarmento & Costa, 2017). This method is used to determine the inherent structure of the measured variables (Hair et al., 2019). The assumptions of EFA include the continuity of variables being tested (with a minimum assumption of ordinality), linearity between variables, the absence of outliers, and a large enough sample size, with a minimum of five observations per item within a section tested, enabling inferential analyses (Hair et al., 2019; Sarmento & Costa, 2017). These conditions were verified in the current study.

PCA was conducted to validate primary constructs, adhering to the guidelines set by Sarmento and Costa (2017). Factors with eigenvalues surpassing 1 were considered, and items with loadings greater than .40 on a specific factor were retained, aligning with the recommendations of Samuels (2017). The resulting factors underwent a thorough review, with responses associated with multiple factors carefully assessed for their most fitting factor alignment or deleted if the cross-loadings were too close to each other (Costello & Osborne, 2005). The Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy was employed to verify sample adequacy, referencing the 0.5 benchmark (Field, 2013; Sarmento & Costa, 2017). Additionally, Bartlett's test of sphericity was applied at a 5% level of significance to determine the data's suitability for factor analysis. Once the data had been confirmed as appropriate for EFA, an evaluation was conducted to determine which factors should be retained for further analysis, using the eigen value criterion and variance-explained method, as suggested by Sarmento and Costa (2017), complemented by a detailed review to ensure the relevance of the selected factors.

- **Additional validity measures**

Hair et al. (2019) emphasise the importance of ensuring that the chosen variables aptly represent and measure the construct under study. Accuracy pertains to the data's validity (Hair et al., 2019). Even though the measurement tools and scales were derived from previous research (Bopape, 2022; Bussin & Van Rooy, 2014; Nienaber et al., 2011; Van Rooy, 2010), and their validity was verified through EFA, further measures were implemented to validate the data's internal consistency and the construct within the consolidated survey tool. This was done to reduce potential measurement inaccuracies (see Hair et al., 2019).

Ensuring validity in research is crucial, as it confirms that the instrument measured what it was intended to measure (Hair et al., 2016; Hair et al., 2019). Three methods are often used to determine validity (Hair et al., 2019). Content validity involves expert evaluation to confirm that a tool covers all aspects of a concept (Hair et al., 2019). For the current study, MBA students reviewed the survey's content validity during pre-testing, and their feedback was incorporated, as discussed in Section 4.6.2. Previous assessments by Bopape (2022), Bussin and Van Rooy (2014), Van Rooy (2010), and Nienaber et al. (2011) also supported the survey's validity. Hair et al. (2019) recommend minimum content validity checks for multi-item scales, which was deemed appropriate for this study.

Construct validity uses convergent and discriminant tests to check if the tool measures the intended concept and not something else (Hair et al., 2016; Hair et al., 2019), and although this is a more reliable measure of reliability, this was not checked in the current study, due to the study's scope and time constraints. EFA was used to establish construct validity in the present study, and the correlation between constructs was assessed to determine whether they were discriminantly valid (see Zikmund et al., 2013). All constructs had correlations below 0.8, suggesting discriminant validity (see Hair et al., 2019).

According to Hair et al. (2019), criterion validity evaluates how a tool's results align with other established criteria concurrently or predictively. The proposed overview by Hair et al. (2019) suggests concurrent validity checks if scores from a tool align with another related measure taken simultaneously and offers the example of satisfied customers also being the ones who frequently visit a restaurant. On the other hand, predictive validity evaluates if a tool's scores can forecast future

outcomes. A practical example provided by Hair et al. (2019) is that the Graduate Management Admission Test score might predict success in a business graduate programme, positing predictive validity.

The research data were not suitable for criterion validity testing due to the nature of the measurement instrument's questions, the factors formed through the EFA, the lack of a benchmark or gold standard to compare the measures to, the exploratory nature of the research, which intended to establish basic relationships rather than validating constructs the complexity brought about by human behaviour, and the influence of transient factors such as current economic conditions and personal life events making it challenging to establish a consistent measure of validity, considering the scope of the research project.

- **Cronbach's alpha**

Cronbach's alpha is a commonly used statistical tool to gauge the internal consistency or reliability of a set of test or scale items (Cho & Kim, 2015). It evaluates the degree to which a group of items are interrelated and determines if the items in a test or questionnaire are interconnected to yield consistent outcomes concerning the targeted concepts (Bussin & Brigman, 2019; Saunders & Lewis, 2018). While some scholars have raised concerns about the efficacy of Cronbach's alpha in determining internal reliability (Cho & Kim, 2015), it remains a widely used method. This measure is beneficial when survey data include multiple Likert-scale questions contributing to a specific construct or scale (Kline, 2023). Given that the current study predominantly utilised a five-point Likert scale for evaluating various constructs, Cronbach's alpha was employed to ascertain the data's internal consistency and the scale's dependability.

Cronbach's alpha evaluates whether the items within categories assess a consistent underlying factor. In the current study, Cronbach's alpha test was applied to various reward constructs, including in Sections 4 and 5 that focused on reward preferences for both attraction and retention, mirroring the approach taken by Bussin and Brigman (2019). The test for scale reliability was completed on the factors formed through the EFA to determine which factors reliably measured the responses to these constructs and which factors would be used for further inferential statistical analyses. Typically, a Cronbach's alpha value of 0.7 or above is considered

adequate for assessing the reliability of a scale (Bussin & Van Rooy, 2014; Christmann & Van Aelst, 2006; Fobian & Maloa, 2020; Hair et al., 2016). Sarmento and Costa (2017) provide a more detailed breakdown of these values: values ranging from 0 to 0.49 are viewed as not acceptable, those between 0.50 and 0.59 are seen as weak, values from 0.60 to 0.69 are acceptable for exploratory studies, scores between 0.70 and 0.79 are deemed satisfactory, those ranging from 0.80 to 0.89 are considered strong, and values from 0.9 to 1 are classified as outstanding. Although a high Cronbach alpha value is desirable, Cho and Kim (2015) warn against thoughtlessly chasing high values, suggesting that attempting to increase the value by deleting or changing construct items may weaken the reliability of a construct, regardless of the Cronbach alpha value achieved. However, if the alpha value is notably low, it may indicate that certain items within the questionnaire or test do not align well with others or are assessing distinct concepts. Cho and Kim (2015) propose that every result be scrutinised by critically assessing the contents, desired outcomes, and implications of the decision of the level of reliability to accept the construct. This approach was followed in the current study. The outcome of Cronbach's alpha analyses to measure the internal consistency and tests for normality are reported in Section 5.4.

- **Construct correlations**

In statistics, correlation coefficients gauge the strength and nature of the relationship between two variables (Zikmund et al., 2013). Among various types of correlations, the Pearson correlation is frequently utilised in linear regression to ascertain the intensity and direction of a linear association between two continuous variables (Kline, 2023). This method produces the Pearson correlation coefficient, symbolised by the lowercase letter 'r' (Chiba, 2015a; Hair et al., 2016). This coefficient evaluates the strength and direction of the linear association between two continuous variables (Zikmund et al., 2013). Its value can span from -1, indicating a perfect negative linear relationship, to +1, signifying a perfect positive linear relationship, with a value of 0 suggesting no relationship (Hair et al., 2019; Wegner, 2020). Interpretation guidelines for the correlation coefficient are as follows: $0.1 < |r| < 0.3$ indicates a weak correlation, $0.3 < |r| < 0.5$ suggests a moderate correlation, and $|r| > 0.5$ denotes a strong correlation (Hair et al., 2019). Key assumptions for this test encompass continuous data, linearity, absence of significant outliers, and data

normality. The Pearson correlation test was conducted on the newly identified factors to determine if any were significantly related and required merging. The outcomes of these tests are elaborated upon in Chapter 5.

This concludes the discussion of the methods employed in conducting the study. The next section details the limitations of the methodology.

4.8 Limitations of the Research Methodology

Recognising the potential limitations of the selected quantitative research approach is vital (Hair et al., 2019). The current study's design, sampling, and data analysis have certain constraints, as discussed below.

Although care was taken to define the appropriate research population and sample to explore the research questions and hypotheses adequately, the sampling may have introduced some inherent limitations that should be considered when interpreting the results:

- Despite employing various selection techniques to achieve an adequate sample size, potential sampling biases remain. Factors such as respondents' availability, their inclination to participate in surveys, and the perceived lengthiness of the questionnaire might have influenced their willingness to complete it (Denscombe, 2017).
- The limited sample size, especially when broken down by specific characteristics, could affect the interpretation and generalisation of the results (Saunders & Lewis, 2018). Efforts were made to maximise the sample size, but caution is nevertheless advised in interpreting the results.
- The study's context is South Africa, which limits its applicability elsewhere. Local contextual factors present during data collection may have also skewed the results. The fact that the participants for this research study were employees from an FMCG company in South Africa limits the generalisability of the results to other industries or companies, both inside and outside South Africa.
- Due to South Africa’s cultural diversity, the sample sizes for the demographic characteristics were not equal. A prime example of this was different racial groups, with self-identified black African and whites respondents dominating the responses, which may have introduced bias in correlating other demographic

variables with reward preferences. However, appropriate statistical analyses were implemented to compensate for this.

- The sample selection that excluded A- and B-band employees, as defined by the Paterson Pay Scale structure (Nguwi, 2023), may have also introduced a bias that hampers the generalisability of the results, as this exclusion suggests that the study considered only knowledge workers.
- Additionally, the use of non-probability sampling could introduce bias, especially if specific target population segments are less accessible or not inclined to participate (Hair et al., 2016). The diversity of responses, or lack thereof, might lead to a sample that does not accurately represent the broader population (Hair et al., 2019).

Despite the fact that approximately 60% of all primary data are collected via online surveys (Hair et al., 2019), illustrating its popularity and effectiveness (Saunders & Lewis, 2018), the use of an online survey in the current study may have introduced some limitations that need to be considered in interpreting the results:

- The study's quantitative nature and structured questionnaire meant that respondents had a predetermined set of response options (Denscombe, 2017). While these questions and options were based on existing literature, they might not have been comprehensive or entirely relevant to the current study's context. The fixed response choices might not have fully captured the respondents' true feelings or perspectives. Closed-ended questions ensure uniform answers and ease of coding but might also have restricted respondents' full expression of their perceptions (Hair et al., 2016). Although open-ended questions could address this, their success hinges on participants' engagement (Saunders & Lewis, 2018).
- The online administration of a questionnaire poses potential challenges to effective data collection. It removes the opportunity to pose clarifying questions and gives respondents the choice to refrain from completing the questionnaire (Denscombe, 2017), which may impact the response rate.
- Another potential limitation of the data collection method relates to the potential bias introduced using the single-source method. Online surveys introduce a bias against employees who do not have access to online platforms, although the sample selection deliberately excluded A- and B-band employees based on the

Paterson Grading System, in an attempt to mitigate this shortcoming.

Care was taken to select the appropriate data editing, data preparation, and data analysis techniques, informed by literature, including the work of Denscombe (2017), Hair et al. (2016, 2019), Saunders and Lewis (2018), Stavseth et al. (2019), Weiss et al. (2016), and White and Carlin (2010). Although the treatment of data was informed by literature, the methodological choices may still have introduced some limitations:

- Although the approach followed for missing data was informed by literature, removing 13 responses and replacing missing answers with the mean for the remaining responses may have impacted the integrity of the data. Although a fundamental shortcoming of survey collection methods, more care could be taken to ensure that surveys are designed to facilitate higher completion rates and not allow respondents to skip questions (Hair et al., 2019).
- Although care was taken to ensure the reliability and validity of the research instrument, considering the tailored nature of the research questionnaire, which combined sections from different existing questionnaires (Bopape, 2022; Bussin & Van Rooy, 2014; Nienaber et al., 2011; Van Rooy, 2010), testing for content validity only due to the scope and time limitations of the research may leave questions around the validity of the data and constructs in terms construct- and criterion validity (Hair et al., 2019). Ideally, all three validity measures should have been tested to ensure data validity.

Although the study was based on existing literature and sought in-depth understanding, several elements might bring about certain limitations, including its design, external factors, and the researcher's methodological choices. These should be kept in mind in interpreting the results.

The next section provides an overview of the ethical research standards adhered to in conducting the current study.

4.9 Ethical Considerations

The study received ethical clearance from the GIBS Ethical Committee. Permission to conduct the study was obtained from the organisation’s HR Director, and permission to access the database containing employees’ contact information. The

educational institution's requirements guided the ethical considerations as informed by the Applied Business Analysis and Research Report Regulations for 2023. Respondents were informed of the study's aims, and an informed consent form was attached to the research survey, providing the contact details of the researcher and research supervisor. Respondents were informed that participation was voluntary and that they could withdraw at any point during data collection without any negative consequences. Respondents were assured of anonymity, and all personal identifiers were removed in reporting the results. The data are securely stored and accessible only by the researcher and study leader.

This concludes the discussion of the methodology followed in conducting the study. The next chapter reports the results of the statistical analyses.

Chapter 5: Results

5.1 Introduction

This chapter presents the results of the statistical analyses conducted on the primary data collected through the survey instrument. Descriptive statistics provide an overview of the survey data and the research sample to provide insight into the characteristics of the sample. Subsequent sections delve into the statistical analyses outlined in Chapter 4 to examine the constructs and address the research objectives highlighted in Chapter 3. The primary goal was to explore whether demographic factors affect employee reward preferences and whether reward preferences are distinguished for attracting versus retaining employees, specifically viewed from a demographic perspective. The study's theoretical framework was based on the WorldatWork Total Rewards Model (WorldatWork, 2020).

5.2 Descriptive Characteristics of the Data

The research sample was descriptively analysed to assess the integrity of the data sample, assess the data distribution, and validate primary assumptions for further inferential statistical analyses.

5.2.1 Data collection response rate

The research survey was distributed to 321 employees of one FMCG company, and 195 responses were collected, equating to a 60.75% response rate. This rate exceeds the 15% to 30% benchmark of Fricker (2008) and outperforms the response rates of the studies of Fobian and Maloa (2020) and Bussin and Brigman (2019). Upon reviewing the 195 responses, 10 respondents filled out only demographic details, possibly due to technical issues or a decision to opt-out, which are typical concerns, as noted by Hair et al. (2019). Another three respondents had significant missing data in the sections on reward preferences, a core construct, and had completed less than 85% of the survey (Hair et al., 2019). These were excluded from the analysis.

Thus, the final analysis included 182 surveys, a response rate of 56.70%. The sample size of 182 was suitable for the planned statistical analyses, meeting the

minimum requirements suggested by Hair et al. (2019) of at least 30 respondents for normality tests such as standard distributions, but classified is a small sample of less than 300 by Samuels (2017). While this sample size was smaller than Fobian and Maloa's (2020) study of 605 employees, it is comparable to the studies of Bussin and Brigman (2019), who attained 119 survey responses, and Bussin and Toerien (2015), who obtained 135 responses. The reasonable response rate may have been due to the researcher being familiar with the respondents, the direct contact (via email) made with the respondents, and the researcher's position as an executive in the organisation.

5.2.2 Data sample analysis

The original sample of 195 responses collected represented a significant response rate considering the 321 known survey requests sent. With regard to the CCA (White & Carlin, 2010) approach selected, Stavseth et al. (2019) suggest that mean replacement techniques are suitable where not more than 15% of responses are missing, and the assumption is that when less than 15% of responses are missing, the data are MAR (Stavseth et al., 2019). The final sample size of 182 still represents a respectable response rate, although it is a significantly smaller sample than that used in Fobian and Maloa's (2020) study.

The total number of questions with missing answers replaced with mean replacement techniques amounted to 2.15% of the gross sample and 2.31% of the nett sample (see Appendix A.2.2), suggesting a limited outcome.

5.2.3 Data normality characteristics

The collected sample size of 182 partially complete responses was appropriate for the intended statistical evaluations, aligning with the guidelines from Hair et al. (2019), who recommend a minimum of 30 respondents for tests like standard distributions and assessing kurtosis. Descriptive statistics were generated for each section of the survey, encompassing the total responses, mean values for each question, standard deviations, skewness, kurtosis, and minimum and maximum values (see Appendix 3). The distribution of the data was further explored through kurtosis and skewness metrics. Throughout every inferential statistical analysis, these metrics were consistently reviewed. To establish a standard univariate

distribution, the acceptable thresholds for asymmetry and kurtosis are -2 to +2 (George & Mallery, 2010) and -7 and +7 (Byrne, 2010; Hair et al., 2010), respectively. The assumption of normality of the data was verified using this approach in all statistical evaluations, which guided the selection of the appropriate test (either parametric or non-parametric) for each scenario.

5.2.4 Descriptive characteristics of respondents

The survey gathered specific demographic information to aid the analysis of reward preferences. The research survey collected data on 10 carefully selected demographic factors, which were then descriptively examined. These factors encompassed attributes like gender, race, age group, educational background, marital status, number of dependents, duration with the company, department affiliation, position in the organisation, and salary details. This descriptive evaluation gave a snapshot of the main demographic traits of the respondents (see Table 5.2), setting the stage for deeper statistical analysis.

The demographic distribution of the research sample indicated a relatively diverse sample, initially illustrated by the self-identified gender distribution. Although most respondents were men, the percentage split between men and women was balanced.

The respondents represented a relatively diverse sample according to self-identified race, which included black African, Coloured, Indian/Asian, and white respondents. The percentage composition of these groupings resembles that of the South African population's race grouping composition (Businesstech, 2022b).

Most collected survey responses were from black African respondents, who comprised 52.2% of the sample. According to South African population estimates, Black Africans comprise 81.0% of the population (Businesstech, 2022b). Coloured respondents were significantly underrepresented (2.75%) when compared to their representation in the South African population estimates (8.8%) (Businesstech, 2022b). The white (27.47%) and Indian/Asian (17.58%) groups were both overrepresented when compared to the South African population estimates, at 7.7% and 2.6%, respectively (Businesstech, 2022b).

Table 5.2

Demographic Profile of Respondents

Number of valid respondents		**182**
Gender distribution	**Frequency**	**Percentage**
Male	101	55.80%
Female	80	44.20%
Total	**181**	**100.0%**
Racial distribution	**Frequency**	**Percentage**
African	95	52.20%
White	50	27.47%
Coloured	5	2.75%
Indian/Asian	32	17.58%
Total	**182**	**100.0%**
Age distribution	**Frequency**	**Percentage**
18–29	23	12.64%
30–39	65	35.71%
40–49	54	29.67%
50 and over	40	21.98%
Total	**182**	**100.0%**
Education level distribution	**Frequency**	**Percentage**
Grade 12 and lower	15	8.24%
Certificate or diploma	64	35.16%
Undergraduate degree	39	21.43%
Postgraduate degree	64	35.16%
Total	**182**	**100.0%**
Marital status distribution	**Frequency**	**Percentage**
Married/Living together	121	66.48%
Single	61	33.52%
Total	**182**	**100.0%**
Employee tenure distribution	**Frequency**	**Percentage**
Less than one year	20	10.99%
1–2 years	21	11.54%
3–5 years	39	21.43%
6–10 years	52	28.57%
11–15 years	19	10.44%
More than 15 years	31	17.03%
Total	**182**	**100.00%**
Department/Job role distribution	**Frequency**	**Percentage**

Accounting/Finance	17	9.39%
Engineering/Projects/Technical	46	25.41%
Human Resources	24	13.26%
Logistics/Planning/Procurement	35	19.34%
Marketing & Sales	17	9.39%
Operations	22	12.15%
Quality/SHE	20	11.05%
Total	**181**	**100.00%**
Seniority	**Frequency**	**Percentage**
Frontline employee/Factory worker	9	4.95%
Junior position/General	33	18.13%
Supervisor/Specialist	54	29.67%
Middle manager	47	25.82%
Senior manager	32	17.58%
Executive	7	3.85%
Total	**182**	**100.00%**
Annual income distribution	**Frequency**	**Percentage**
R100 000 – R250 000	11	6.04%
R251 000 – R400 000	25	13.74%
R401 000 – R550 000	35	19.23%
R551 000 – R750 000	23	12.64%
R751 000 – R1 250 000	43	23.63%
R1 251 000 – R1 500 000	11	6.04%
More than R1 500 000	19	10.44%
Prefer not to say	15	8.24%
Total	**182**	**100.00%**

No inferential statistics were executed on race groups due to sensitivity around racial discrimination and the potential lack of generalisability of results for managerial implications of such analyses. Bussin and Toerien (2015) suggest that segmentation by race is not practically useful in tailoring reward preferences. A similar decision was taken with regard to marital status.

Respondents were also clustered into different age brackets, and the results of this descriptive analysis were also illustrated in Table 5.2. Understanding the age profile of respondents was particularly relevant, as the research aimed to compare findings with a study conducted by Fobian and Maloa (2020), who explored reward preferences amongst generational cohorts in an FMCG company. In the present study, most respondents (35%) were classified in the 30–39 age group, followed by

the 40–49 age group (29.67%).

The years of service of the respondents in the target organisation were analysed to explore whether tenure impacts reward preferences, as posited by Waples and Brachle (2019). The distribution of the years of service data was normal with limited skewness, although it presented bi-modal (Wegner, 2020) characteristics, considering the high number of employees who had been with the organisation for more than 15 years (17.03%). The number of respondents in this group may have been a function of the group limits selected by the researcher, who had assumed that not many skilled employees remain in the employ of a company beyond 15 years, which may have been erroneous in this context. The assumption was informed by data such as those from a recent 2022 PNET (a leading South African recruitment platform) study of skilled youth employment (below 35 years), which found that the average tenure of South African youth is approximately two years and 11 months (Fraser, 2023). A similar study suggested that the average tenure in South Africa across all generational cohorts was only two years and 10 months, with Baby Boomers showing an average tenure of seven years and one month, while senior managers and executive leaders showed a tenure of just over four years (Businesstech, 2022a).

The data in Table 5.2 suggested reasonably long tenures, with 21.43% of respondents reporting tenures of 3–5 years, 28.57% reporting 6-10 years, and 10.44% reporting 11–15 years. Approximately 77.43% of the respondents have been with the target organisation for more than the reported average of two years and 10 months across generational cohorts (Businesstech, 2022a).

The respondents were grouped into their respective organisational levels based on their survey responses. The most senior-ranking respondents were executives (3.85%), while the most junior respondents were frontline employees or factory workers (4.95%), both representing the lowest number of respondents. The low representation of these groups was unsurprising as executive leadership in an organisation is generally limited. In contrast, the low number of frontline employees can be explained by the sampling approach, which deliberately excluded unskilled employees, who are generally located on the factory floor. The most-represented grouping was Supervisor/Specialist, at 29.67%, followed by Middle manager, at 25.82%.

The final demographic variable considered was the annual salaries of respondents. Understanding how employees at different remuneration levels perceive rewards differently was deemed a valuable insight into employee reward preferences. The results are summarised in Table 5.2. The fact that many respondents had been in the organisation's employ for a considerable period, it could be expected that remuneration levels would be at the higher end of the measurement scale. The results showed that approximately 12.08% of respondents earned below R250 000 annually, while 10.44% earned more than the upper limit of the scale, R1 500 000. The highest representation of respondents earned between R751 000 and R1 250 000 per annum.

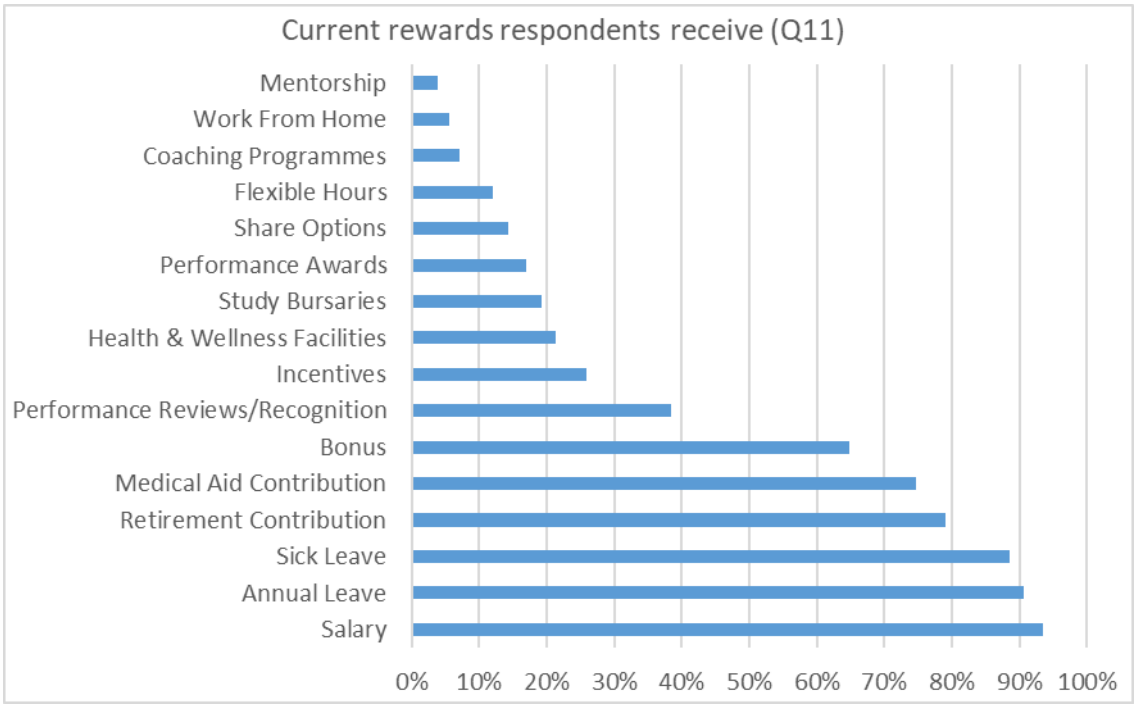
5.3 Descriptive Analysis of Employee Rewards

The research survey collected descriptive information regarding the rewards respondents received from their employer (Q11) and asked respondents to rank rewards according to their relative importance (Q39). The results are summarised below.

Unsurprisingly, most respondents indicated that they received a salary (93.41%), annual leave (90.66%), sick leave (88.46%), retirement benefits (79.12%), and a medical aid contribution (74.73%). It could have been expected that components such as salary, annual leave, and sick leave would be rated 100%; the missing values may suggest data integrity anomalies, inadequate responses from respondents, problems with comprehensively completing the survey, technical challenges or comprehension problems. Regardless, the results provide an accurate enough overview of employee rewards. The results are illustrated in Figure 5.3.

Figure 5.3

Rewards Received by Respondents (Q11)



The rewards that the lowest number of respondents reported receiving were mentorship (3.85%), working from home (5.49%), coaching programmes (7.14%), flexible working hours (12.09%), and share options (14.29%). Although working-from-home trends have increased globally (Jayathilake et al., 2021), it was evident that this was not the case in the company under study. Considering the hands-on nature of manufacturing, this low percentage was not surprising. However, a higher percentage could have been expected to receive this reward type because more than 50% of respondents reported holding an undergraduate or postgraduate degree (and therefore could be considered knowledge workers). The low percentage of respondents receiving share options could also be expected, as only 21.43% of respondents classified themselves as executives or senior managers.

Section 3 of the measurement instrument explored respondents' perception of their reward packages, with Q39 asking respondents to rank nine reward types in relative importance, while Q40 explored whether respondents would be more content with a more balanced total reward package. The mean ranking orders of the reward types are shown in Table 5.3. A mean ranking of 1 indicates the highest importance, while a ranking of eight indicates that the element was regarded as the least important. Unsurprisingly, salary was ranked the most important (mean rank = 1.30) reward

component. However, it is notable that the performance bonus element (mean rank = 3.55) received a higher mean rank than benefits (mean rank = 3.77), which includes medical aid and retirement fund contributions.

Table 5.3

Respondent's Mean Rankings of Reward Items (Q39)

Reward Item	Mean Ranking
Salary	1.30
Performance bonus/Incentive	3.55
Benefits (health & retirement)	3.77
Career development	5.06
Training	5.34
Leave	5.79
Recognition	5.81
Flexible work arrangements	7.03
Mentorship	7.34

Although the allure of financial rewards is strong (Greenwald & Fronstin, 2019; Khan et al., 2020), employees may also regard health- and retirement benefits as an order qualifier (Schlechter et al., 2014) or bare essential instead of a reward. Surprisingly, the current study's respondents ranked flexible work arrangements (mean rank = 7.03) only ranked seventh, challenging the assertion by Schlechter et al. (2014), Dreery (2008), and Shtembari et al. (2022) that this reward component is gaining popularity. It is also notable that the received rewards (Q11) and the relative importance of the reward components (Q39) correlate to some extent, with the most important and most prevalent reward (salary) the same, with the least-received reward and lowest-ranked reward component (mentorship) correlating. A similar correlation was evident between working from home and flexible work arrangements.

Table 5.4 summarises the results for the potential of a more balanced total rewards package (Q40). Most respondents indicated that they would like to receive a more balanced total rewards package, with 29.12% responding very favourably and 32.97% responding that they agreed to a large extent. More than 90% of respondents agreed to a moderate, large, or very large extent, suggesting that most

would want a more balanced rewards package.

Table 5.4

Assessment of Respondents' Perception of the Potential of a More Balanced Reward Package (Q40)

Level of Agreement	Count	Percentage
To no extent	3	1.65%
To a small extent	11	6.04%
To a moderate extent	55	30.22%
To a large extent	60	32.97%
To a very large extent	53	29.12%
Total	182	100.00%

The descriptive statistics gave a broad view of the respondents' reward preferences, but did not detail the specific differences amongst the various subgroups. Later research sections intended to investigate these differences, consistent with the research questions presented in Chapter 3. The next section reports the results of the constructs under study.

5.4 Survey Constructs

The research survey was subdivided into five sections: Section 1: Demographics, Section 2: Employee Reward Preferences, Section 3: Employee Reward Package, Section 4: Employee Attraction, and Section 5: Employee Retention.

Section 1 of the survey collected demographic details that were primarily used to perform descriptive statistical analyses (see Section 5.2.4), but the demographic detail also formed a crucial part of the inferential statistical analyses as part of the core demographic analysis of employee reward preferences, a primary research output. Section 3 was analysed descriptively, and no reliability or factor analyses were required on this construct.

The constructs and subconstructs of Sections 2, 4, and 5, which were primarily explored through Likert-scale questions producing ordinal variables (Saunders & Lewis, 2018; Wegner, 2022), were the primary focus of the following section, which

considered construct reliability testing and factor analyses of the primary and secondary constructs.

5.4.1 Reward Preferences Construct (Section 2)

Factor analysis was conducted on each survey section, beginning with the primary reward preferences (Section 2) and continuing with EFA of employee attraction (Section 4) and employee retention (Section 5). The method was chosen to uncover the inherent structure of observed variables (Hair et al., 2019). Essential criteria for the EFA test, such as variable continuity, linearity, absence of outliers, and a sufficient sample size, were met (Hair et al., 2019; Sarmento & Costa, 2017). Likert-scale questions ensured continuous and ordinal data, with the sample size appropriate for inferential evaluations (Saunders & Lewis, 2018). PCA was used to validate primary constructs (see Sarmento & Costa, 2017), and factor analyses were conducted across survey sections, utilising PCA on Likert-scale responses to determine (sub)construct validity (Klingstedt et al., 2020). The results are reported in subsequent sections.

5.4.1.1 Exploratory factor analysis (EFA)

PCA was conducted to evaluate the construct validity of the primary constructs. For Section 2 of the research survey, an individual PCA with oblique (direct oblimin) rotations was performed on each item (see Klingstedt et al., 2020; Sarmento & Costa, 2017). Factors with eigenvalues greater than 1 were considered, and any items with loadings higher than .40 on a given factor were retained, as suggested by Samuels (2017). Initially, six factors were formed, with some responses loading on as many as three factors (see Appendix 5). The newly formed factors were analysed, and responses that had loaded on more than one factor were critically assessed to determine to which factor these responses aligned and whether newly formed factors were sensible and coherent. Upon revision, Factor 6 was removed due to the incoherency of the construct.

During the analysis, the KMO measure confirmed the sampling adequacy, with values surpassing the suggested 0.5 benchmark (Field, 2013). Furthermore, Bartlett's test of sphericity for the Reward Preferences items was found to be significant ($p < .000$). These results suggested that conducting a factor analysis on

the construct was suitable (Field, 2013).

Once the factor analysis had been executed in IBM's SPSS statistical software package, performing a PCA and allocating the relevant factors based on the results presented in the oblimin rotation matrix (Sarmento & Costa, 2017), these groupings were used to form new constructs that presented valid measurement scales based on the data. The newly formed groupings are shown in **Error! Reference source not found.** (also see Appendix 4), which indicates the newly formed constructs used for subsequent analyses to explore the differences in reward preferences amongst different demographic groups.

Although the newly formed factors differed from the measurement instrument constructs, which were based on the total rewards dimensions of the WorldatWork Model (WorldatWork, 2020), the newly formed factors still provided insight into potential reward preferences.

Table 5.5

Newly Formed Factors from EFA for Survey Section 2

Item	KMO & Bartlett's test	% Variance explained	Factor Loadings					CA
			1	2	3	4	5	
Section 2: Employee Reward Preferences	0.535 $p < .000$	54.00						
F1: Recognition & Development								**.726**
Q24: Motivated through recognition?			.732					
Q25: Value performance reviews?			.680					
Q26: Motivation through performance awards?			.812					
Q28: Mentorship?			.570					
Q30: Study Bursaries?			.540					
F2: Benefits & Well-being								**.658**
Q16: WFH rather than benefits?				.716				
Q17: Increase benefits over salary?				.423			.521	
Q19: Reduce salary for flexible hours?				.801				
Q23: Reduce salary for				.755				

Item	KMO & Bartlett's test	% Variance explained	Factor Loadings					CA
			1	2	3	4	5	
reduced working week?								
F3: Current Work Environment								**.661**
Q22: Enjoy current work environment?					.615		.420	
Q27: Individual performance is rewarded accordingly?					.723			
Q29: Long-term career at current employer?					.747			
Q31: Challenged in my current position?					.644			
F4: Compensation								**.547**
Q13: Financial rewards for motivation?						.441		
Q14: Reduce benefits to increase pay?						.755		
Q20: Fewer leave days and more money?						.788		
F5: Well-being (work environment)								**.488**
Q21: Work environment as part of rewards							.716	
Q22: Enjoy my company's work environment?					.615		.420	

The EFA identified six components with eigenvalues exceeding 1, accounting for 59.59% of the variance. After removing the sixth factor due to inconsistencies, the remaining five factors explained 54.00% of the variance. These factors were interpreted using varimax orthogonal rotation, and the average of the grouped questions was used in subsequent analyses. The identified factors were:

- F1 — Recognition & Development: Comprising five questions, this factor combined three from the original Recognition section (Q24, Q25, Q26) and two from the Development section (Q28, Q30).
- F2 — Benefits & Well-being: Four questions formed this factor, with two from the original Benefits section (Q16, Q17) and two from the Well-being section (Q19, Q23).
- F3 — Current Work Environment: This factor, made up of four questions, included one from the Well-being section (Q22), one from Recognition (Q27), and two from Development (Q29, Q31). Despite its diverse origins, the theme

centred on employees' present workplace experiences. However, the insights it provides on reward preferences might be limited due to the varied questions it encompasses.

- F4 — Compensation: This factor, consisting of three questions, combined two from the original Compensation section (Q13, Q14) and one from Well-being (Q20). The Well-being question indirectly probed the respondents' inclination towards the compensation reward factor, as it evaluated the trade-off between leave days and higher pay.
- F5 — Well-being (Work Environment): This factor, formed by two questions from the original Well-being section (Q21, Q22), primarily assessed respondents' perceptions of their current work environment.

Once the factors had been identified, their validity and reliability were assessed. The results are reported below.

5.4.1.2 Internal reliability testing (Cronbach's alpha)

Cronbach's alpha is a widely used metric to gauge scales' internal consistency or reliability, mainly when a survey contains multiple Likert questions (Cho & Kim, 2015). The general guidelines for interpreting Cronbach's alpha values are: values between 0 and 0.49 are deemed unacceptable, 0.50 to 0.59 are considered poor, 0.60 to 0.69 are acceptable for exploratory research, 0.70 to 0.79 are seen as acceptable, 0.80 to 0.89 are good, and values ranging from 0.9 to 1 are excellent (Sarmento & Costa, 2017). Before further analysis, the newly formed factors (discussed in Section 5.4.1) were assessed for internal consistency. Table 5.5 summarises these evaluations. It was clear that some survey sections had structural issues, with Cronbach's alpha values falling below the widely accepted threshold of 0.7 (Fobian & Maloa, 2020; Hair et al., 2016; Taber, 2018), although some fell in the range of 0.60 to 0.69, which is acceptable for exploratory research (Sarmento & Costa, 2017).

Factor 1 (Recognition & Development) presented a Cronbach's alpha coefficient of 0.726, above the acceptable threshold of 0.7 (Hair et al., 2016), and the reliability of this factor was therefore considered satisfactory.

The Cronbach's alpha coefficient calculated for Factor 2 (Benefits & Well-being) was

0.658, above the acceptable threshold of 0.6 for exploratory research (Sarmento & Costa, 2017). The result was further scrutinised, and it was identified that the value could be improved to 0.675 by deleting Q17. However, the advice of Cho and Kim (2015) that items should not be mindlessly deleted to improve the Cronbach alpha coefficient was considered, and after analysing the detail of the items loaded to this factor, it was decided to retain Q17 as part of this factor. Deleting Q17 would have improved the Cronbach alpha, but the reliability coefficient would still have been below the 0.7 threshold (Taber, 2018). However, the factor's internal consistency was deemed satisfactory based on the thresholds Sarmento and Costa (2017) suggested.

A Cronbach's alpha coefficient of 0.661 was calculated for the internal consistency of the four items contained in Factor 3 (Current Work Environment). Although this construct does not represent a measure of the Total Rewards Framework (WorldatWork, 2020), it does provide insight into how respondents assess their current work environment and, with an alpha value of 0.661, does so reliably enough for exploratory research (Sarmento & Costa, 2017).

Factor 4's (Compensation) calculated Cronbach's alpha coefficient delivered a value of 0.547, indicating poor reliability (Sarmento & Costa, 2017). Guided by Cho and Kim (2015), items were not hastily removed solely to enhance the Cronbach alpha coefficient. While omitting Q13 could have raised the CA to 0.605, it would still have fallen short of the 0.7 thresholds (Taber, 2018) but would have been acceptable for preliminary research (Sarmento & Costa, 2017). Raykov (2007, 2008) caution against reducing items based on the 'alpha if item deleted' metric, as it might diminish the scale's actual reliability and predictive validity. Kopalle and Lehmann (1997) warned of 'alpha inflation' when items with low interitem correlations are removed. Additionally, factors with fewer than three items are often seen as weak, especially in small datasets (Costello & Osborne, 2005). Removing Q13 would have left the factor with only two items. Given these considerations and the factor's relevance to exploring compensation reward preferences, Q13 was retained.

The final reward preference factor, Factor 5 (Well-being — Work Environment), delivered a very poor Cronbach's alpha coefficient of 0.488. It was not possible to delete any of the two individual questions that formed this construct to improve this reliability measure in an attempt to achieve a result above the minimum threshold of

0.6 proposed by Sarmento and Costa (2017). In addition, the two-item factor was analysed as a weak factor (see Costello & Osborne, 2005). The factor was subsequently removed from further analyses due to its unsatisfactory internal consistency.

5.4.1.3 Construct Descriptive Statistics

Following the results from the EFA, the recognised constructs were employed to evaluate the hypotheses presented in Chapter 3. Given the factorisation of these constructs, it was crucial to characterise them using descriptive statistics, considering their potential influence on later analyses. The constructs' mean and median values were relatively close, indicating relatively well-distributed variables. Specifically, F1 recorded the highest mean and median scores among respondents, while F2 had the lowest. The data's range, primarily from 1 (most negative) to 5 (most positive), indicated a fairly even distribution across possible responses. The skewness and kurtosis values of between -2 and +2 and -7 and +7, respectively, further supported the assumption of normality, validating the choice of subsequent statistical methods (Byrne, 2010; George & Mallery, 2010; Hair et al., 2010). The results are detailed in Table 5.6.

Table 5.6

Descriptive Statistics for Newly Formed Reward Preference Factors

		Section 2: Employee Reward Preferences			
		F1: Recognition & Development	F2: Benefits & Well-being	F3: Current Work Environment	F4: Compensation
Descriptive Statistics	***n***	182	182	182	182
	Mean	3.677	1.849	3.266	2.881
	Median	3.800	1.750	3.250	2.667
	Std. Deviation	0.768	0.774	0.774	0.888
	Skewness	-0.477	1.085	-0.307	0.440
	Std. Error of Skewness	0.180	0.180	0.180	0.180
	Kurtosis	0.195	0.866	0.198	-0.318
	Std. Error of Kurtosis	0.358	0.358	0.358	0.358
	Min.	1.400	1.000	1.000	1.333
	Max.	5.000	4.500	5.000	5.000

The data were deemed suitable for further parametric inferential statistical analyses.

5.4.1.4 Correlation testing of the reward preferences constructs

A Pearson correlation test was executed for the newly formed factors to assess the size and direction of the relationship between them and to determine whether any of the factors were highly correlated (multicollinearity) and needed to be combined (Hair et al., 2019).

Most factors displayed small correlations based on Pearson's correlation coefficient value (r) limits of 0.1< |r| < 0.3 (Zikmund et al., 2013) for weak correlations. Notably, the most significant correlation was between F1 and F4, with r = .301 (a moderate correlation at 0.3 < | r | < 0.5, although only marginally) and statistically significant at the 1% level (Hair et al., 2016), suggesting that mean responses for the Recognition and Development (F1) and Compensation (F4) factors were moderately correlated. The factors were maintained for subsequent analyses as there was no evidence of multicollinearity. The results of this analysis are shown in Table 5.7.

Table 5.7

Output of Pearson Product–Moment Correlation for Rewards Preferences Factors

Variables		F1: Recognition & Development	F2: Benefits & Well-being	F3: Current Work Environment	F4: Compensation
F1: Recognition & Development	Pearson Correlation (r)	-			
	N	182			
F2: Benefits & Well-being	Pearson Correlation (r)	0.084	-		
	Sig. (2-tailed)	0.260			
	N	182	182		
F3: Current Work Environment	Pearson Correlation (r)	.173*	-0.060	-	
	Sig. (2-tailed)	0.020	0.418		
	N	182	182	182	
F4: Compensation	Pearson Correlation (r)	.301**	-.147*	0.017	
	Sig. (2-tailed)	0.000	0.048	0.820	
	N	182	182	182	182

Note.

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

*. Correlation is significant at the 0.05 level (2-tailed)

The remaining correlation coefficients demonstrated weak correlations between the relevant factors, falling in the 0.1< |r| < 0.3 bracket (Zikmund et al., 2013).

5.4.2 Employee Attraction (Section 4)

An EFA was performed on the Employee Attraction section (Section 4), mirroring the approach reported in Section 5.4.1.1, which focused on employee reward preferences. PCA was applied to the constructs based on the Likert-scale responses, as Klingstedt et al. (2020) suggested, to assess construct validity.

5.4.2.1 Exploratory factor analysis

PCA was utilised to assess construct validity and pinpoint relevant factors for subsequent in-depth analysis, similar to the EFA analysis reported in Section 5.4.1.1. The same validity and factor selection thresholds were applied throughout. The results of the analysis are summarised in Table 5.8.

Table 5.8

Newly Formed Employee Attraction Factors

Construct	Item description	KMO & Bartlett's test	% Variance explained	Factor Loadings		Cronbach Alpha
				1	2	
Section 4: Employee Attraction		.741 $p < .000$	50.65			
Factor 1: EmpAttF1						
Q41: Monthly salary				.701		**.607**
Q42: Variable pay				.649		
Q43: Benefits				.811		
Factor 2: EmpAttF2						
Q44: Performance recognition				.396	.598	**.564**
Q45: Career management					.656	
Q46: Quality work environment					.652	
Q47: Work/home integration					.656	

Factor 1 featured the following questions: Q41, Q42, and Q43, indicating a consistent response trend amongst respondents for these items. Conversely, Factor 2 was associated with Q44 through Q47.

5.4.2.2 Internal reliability testing (Cronbach's alpha)

The internal consistency of the *Employee attraction* construct was assessed by determining the Cronbach's alpha coefficient for the two newly identified factors. The first factor yielded a value of 0.607, surpassing the 0.6 benchmark suitable for exploratory studies (Sarmento & Costa, 2017) but falling short of the widely accepted 0.7 standard (Taber, 2018). An analysis was conducted to see if removing any of the three questions associated with this factor enhanced its internal reliability. However, no improvements in the Cronbach value were observed. Given the guidelines of Sarmento and Costa (2017), this factor's internal consistency was deemed adequate.

For the *Employee attraction* construct's Factor 2, internal consistency was assessed using Cronbach's alpha, resulting in a value of 0.564. A review indicated that removing Q47 could increase the value to 0.583. However, following Cho and Kim's (2015) advice, items were not discarded to improve the Cronbach alpha, considering the potential pitfalls of this method (Raykov, 2008). Thus, no items were removed. While the Cronbach alpha value is not ideal, it was considered acceptable for further analysis, especially considering Sarmento and Costa's (2017) guideline that only a value below 0.5 is unacceptable.

Similar to the previous analyses, the mean, median, skewness, and kurtosis data of the resultant factors were analysed, and the assumption of normality was confirmed (see Appendix 5) before utilising the data in subsequent analyses.

5.4.3 Employee Retention (Section 5)

An EFA was conducted on the Employee Retention segment (Section 5), following a similar methodology used in the prior sections, which examined employee reward inclinations. PCA was utilised on the constructs derived from the Likert-scale answers to assess the integrity of the constructs (Klingstedt et al., 2020). The results of the analysis are shown in Appendix 6. Similar to the Attraction section, two factors were formed with the same questions as the Attraction section.

The internal reliability of the identified factors is reported in the subsequent section.

5.4.3.1 Internal reliability testing (Cronbach's alpha)

The internal reliability of the Retention section (Section 5) was evaluated using Cronbach's alpha coefficient for the two derived factors. The initial factor had a value of 0.693, which exceeded the 0.6 threshold deemed appropriate for initial research (Sarmento & Costa, 2017) but was slightly below the commonly accepted 0.7 standard (Hair et al., 2016). An attempt was made to enhance the internal reliability by considering removing any of the three related questions, but no increase in the Cronbach alpha value was noted. Based on Sarmento and Costa's (2017) guidelines, the internal consistency of this factor was considered satisfactory.

For the second factor associated with Attraction, the Cronbach alpha was 0.690. This adjusted value met the acceptance criterion for exploratory studies, Sarmento and Costa (2017) suggested.

5.4.3.2 Construct Descriptive Statistics

As done for the *Employee attraction* construct, the mean, median, skewness and kurtosis data of the resultant factors were analysed (see Appendix 6), and the assumption of normality was confirmed before utilising the identified constructs to examine the hypotheses outlined in Chapter 3.

5.5 Assessing the research hypotheses

The following sections report the results of the inferential statistical testing to correlate the data with the research hypothesis to address the research questions.

5.5.1 Research Question 1

RQ1 examined whether reward preferences vary among demographic groups. RQ1 was addressed through H1, which suggested variations in reward preferences across these groups. The four factors identified (reported in Section 5.4.1), related to employee reward preferences (from Section 2 of the survey tool), were combined with the data on the ten demographic variables gathered in Section 1. Depending on the sample attributes, size, and the need for parametric or non-parametric

methods, suitable tests such as t-tests, one-way ANOVA, Kruskal-Wallis test, and other relevant analyses were applied. The results are reported below.

5.5.1.1 Independent sample t-tests for differences

The independent sample t-test was employed to examine differences in reward preferences, based on the four factors outlined in Section 5.4.1, amongst various demographic groups. This test is suitable for such analyses since it deals with continuous (dependent variable: reward preference factor) and categorical (independent variable: demographic characteristic) data (Wegner, 2020). The data were gathered in a single phase using a cross-sectional method (Saunders & Lewis, 2018), so an independent samples t-test was chosen over a dependent t-test (Hair et al., 2019). This test is typically used to identify potential differences in the means of two separate groups. Given the study's aim to discern differences in reward preferences among distinct groups, this test was appropriate for demographic categories with two distinct classifications. It was particularly suitable for analysing gender and generational cohorts, as each had two clear categories (Hair et al., 2019). The independent samples t-test method inherently posits a null hypothesis that no significant differences exist in the means of the sub-groups being compared (Zikmund et al., 2013).

Several foundational assumptions were taken into account to validate the selected statistical method (Chiba, 2015b; Hair et al., 2019; Zikmund et al., 2013):

- The dependent variable, *Reward preferences*, was measured on an interval scale. The independent variable, *Demographic group*, was divided into two categorical segments.
- Observations were independent within each category of the independent variable and between the two groups.
- There were no significant outliers for the dependent variable within the two categories of the independent variable, as confirmed by the descriptive statistics.
- The dependent variable followed a normal distribution for each segment of the independent variable.
- The variances were equal between the groups, only confirmed once Levene's tests for equality of variances (Zikmund et al., 2013) were conducted.

While these conditions were confirmed to be met, it is essential to recognise that the independent samples t-test comes with specific constraints:

- The precision of the test is enhanced with a more substantial sample, which diminishes the likelihood of encountering a Type 2 error (Chiba, 2022; Hair et al., 2019). The fact that the present research sample size was classified as small (Samuels, 2017) meant that the researcher had to be cognisant of this potential limitation.

The t-test results for gender and generational cohorts are discussed in the following sections, with the detailed results provided in Appendix 8. The t-tests confirmed whether statistically significant differences existed between demographic groups for the four reward preference factors.

5.5.1.2 Analysis of variance test for differences

In order to further explore reward preferences between different demographic groups, it was necessary to compare the preferences of more than two groups, a limitation of the independent sample t-test for differences (Zikmund et al., 2013). The analysis of differences in reward preferences for the different age categories and the respondents' tenure with the target organisation was done through an analysis of variance (ANOVA) test.

Like the t-test, the ANOVA test evaluates differences between the means of populations but does so for three or more groups (Chiba, 2015b; Hair et al., 2019). Specifically, the one-way ANOVA examines if there is a difference in means across multiple independent categorical groups. The prerequisites for this test include a continuous dependent variable, an independent variable with three or more categorical groups, independent observations, the absence of significant outliers, normal distribution of the dependent variable data for each group, and homogeneity of variances (Chiba, 2015b; Hair et al., 2019). The descriptive analyses ensured that these assumptions were met before applying the one-way ANOVA, and where this could not be confirmed, the non-parametric Welch test was considered (Hair et al., 2016). This test aims to reject the null hypothesis, which states that all group means are identical, by determining significance at a 5% level of significance (Chiba, 2015b; Zikmund et al., 2013). ANOVA was used to analyse differences between the different age groups in the study. The results are summarised in Table 5.9, and the

detailed analyses are provided in Appendix 8.

5.5.1.3 Non-parametric (Kruskal-Wallis) test for differences

Finally, a one-way ANOVA was initially considered due to the presence of multiple groups to analyse reward preferences for the demographic groups according to tenure, annual income, department, seniority and education level (Zikmund et al., 2013). However, given the small sample size (Zikmund et al., 2013) for the different employee categories, the assumptions of the ANOVA test were challenged. Consequently, the non-parametric Kruskal-Wallis test was chosen as a more statistically appropriate method to examine reward preference differences amongst these groups.

For datasets with limited sample sizes, the normality prerequisite for one-way ANOVA can be challenging to validate (Zikmund et al., 2013). The Kruskal-Wallis test, which compares multiple groups without assuming a normal distribution, is a viable alternative. However, while this test can identify if differences exist amongst groups, it does not pinpoint which specific groups differ. Additionally, it is based on data ranks rather than actual values, which means it does not capture the extent of differences. The test determines if similar data distributions exist across groups and may be less precise with numerous tied values or small datasets (Zikmund et al., 2013). Despite its limitations, the Kruskal-Wallis test was selected, as it was appropriate for determining significant reward preference differences amongst the specified groups (H1). The results of these analyses are also summarised in Table 5.9.

5.5.1.4 Differences in reward preferences according to demographic group

The analyses of the differences in reward preferences between different demographic groups to address RQ1 resulted in eight demographic variables illustrating significant differences ($p < 0.05$). The results of the analysis are summarised in Table 5.9.

Significant differences were identified for all reward preference factors tested, and the results were utilised to gain insight into the specific differences between demographic variables and reward factors. These are discussed in Chapter 6.

Table 5.9

Summary of Results of Statistical Differences for Tests for Differences for RQ1

Research Question 1 (RQ1) Results Summary					
Section	**Demographic variable**	**Test**	**Reward Preference Factor**	**p-value**	**Comment**
5.5.1.1	Gender group	t-test	F3	0.004	Not a reward preference measure
	Generational cohort	t-test	F1	0.000	
		t-test	F4	0.000	
5.5.1.2	Age bracket	One-way ANOVA	F1	0.000	Differences between the 18–29 group compared to the 40–49 and 50 and over groups. Differences between the 30–39 group compared to the 40–49 and 50 and over groups.
		One-way ANOVA	F4	0.000	Differences between the 30–39 group compared to the 50 and over group.
5.5.1.3	Employee tenure	Kruskal-Wallis	F1	0.000	
		Kruskal-Wallis	F4	0.001	
	Annual income	Kruskal-Wallis	F1	0.000	Not a reward preference measure
	Department	Kruskal-Wallis	F2	0.050	
	Seniority	Kruskal-Wallis	F1	0.004	
		Kruskal-Wallis	F3	0.011	
	Education level	Kruskal-Wallis	F2	0.041	

A brief analysis of the results obtained follows.

- **Reward preferences according to gender**

The independent sample t-test was executed using IBM's SPSS statistical software, and the results are shown in Table 5.10, which summarises the sample size for each respondent group and their resultant mean ratings for the four factors, including the standard deviations related to these ratings. It is evident from these results that the two groups rated the factors very similarly, with mean rankings not differing by more than 0.107 on three of the factors, with only the mean responses to F3 differing more than this.

Table 5.10

Descriptive Statistics for Gender Group Responses

		Gender Response Statistics		
Reward factor		***n***	**Mean**	**Std. deviation**
F1: Recognition & Development	**Male**	101	3.663	0.801
	Female	80	3.693	0.733
F2: Benefits & Well-being	**Male**	101	1.824	0.755
	Female	80	1.888	0.801
F3: Current Work Environment	**Male**	101	3.411	0.783
	Female	80	3.078	0.728
F4: Compensation	**Male**	101	2.835	0.881
	Female	80	2.942	0.903

Levene's test for equality of variances indicates the homogeneity of variance (Zikmund et al., 2013). From the analysis, it was evident that the sig. values for all the factors were larger than 0.05. The null hypothesis of equal variance could not be rejected ($p >= 0.05$), and equal variances were assumed (Zikmund et al., 2013). Consequently, the results were analysed using the equal variances assumed statistical outputs.

Analysing the outputs (see Appendix A.7.1), it was evident that the only factor where mean values differed statistically significantly was F3, based on the two-sided *p*-value (Table 5.9) of 0.004 being less than 0.05 (Hair et al., 2019). Therefore, the null hypothesis was rejected, and the alternative hypothesis was accepted. In this instance, a Type 1 error (rejecting the null hypothesis when it was true) was possible; to mitigate the risk, the confidence level of the test could have been increased (Zikmund et al., 2013). There were no other statistically significant differences regarding factor mean values between males and females.

Referring to Section 5.4.1.1, F3 did not represent specific reward preferences but indicated how respondents perceived some of the benefits they received from their current employer. The results suggested that how the work environment was perceived differed significantly between men and women, with women experiencing the work environment and rewards offered less favourably than men, albeit that both mean values for the groups were above the moderate response value of 3.

Considering that F3 was not regarded as a measure of reward preferences, the outcome of this independent samples t-test was inadequate to support/not support H1. However, the analysis provided input into how employees in these groups perceive current rewards differently.

Similar tests for differences were conducted for generational cohorts, both with two distinct groups. The detailed analysis is provided in Appendix 7, while the summarised results are discussed in the following sections.

- **Reward preferences according to generational cohort**

Table 5.11 presents the sample size, mean ratings for the four factors, and the corresponding standard deviations for ratings obtained from respondents from the Millennial and Xers cohort groups, as defined by Fobian and Maloa (2020), in preparation for the t-test. Due to a questionnaire design oversight, around 54 respondents fell into a birth date range (1974–1983) that overlapped the defined boundaries for Millennials (1981–2007) and Xers (1961–1980). Consequently, the analysis focused on the 128 distinct responses, categorising them into the two generational cohorts for the subsequent t-test.

The t-test for differences identified statistically significant differences in mean values for the recognition and development (F1) and compensation (F4) factors (see Appendix A.7.2). Both factors had two-sided *p*-values of 0.000, falling below the 0.05 threshold for statistical significance, and in examining the mean ratings for F1, the Millennial group assigned a mean rating of 3.943, markedly higher than the Xers' rating of 3.350. Notably, for the compensation factor (F4), the Millennial group again gave a significantly higher rating (3.117) than the Xers, who assigned a mean rating of 2.417 on the Likert scale, below the moderate rating benchmark of 3 as presented by the middle value of the Likert scale.

Table 5.11

Descriptive Statistics of Responses of Different Generational Cohorts

		Generational Cohort Response Statistics		
Reward factor		***n***	**Mean**	**Std. deviation**
	Millenials	88	3.943	0.683

F1: Recognition & Development	**Xers**	40	3.350	0.788
F2: Benefits & Well-being	**Millenials**	88	1.807	0.782
	Xers	40	1.981	0.901
F3: Current Work Environment	**Millenials**	88	3.168	0.748
	Xers	40	3.381	0.892
F4: Compensation	**Millenials**	88	3.117	0.886
	Xers	40	2.417	0.687

These results address RQ1, which was aimed at investigating potential differences in reward preferences across demographic groups. Based on the results, H1: *There is a significant difference in reward preferences between different demographic groups*, was supported, and H01, which posited no differences, was not supported.

- **Reward preferences according to age category**

IBM's SPS statistical software package was used to simulate a one-way ANOVA test to establish whether there were significant differences in reward preferences amongst the four age groups used in the study. It was evident from this data (see Appendix A.8.1) that different age groups had different mean values for the different factors and that, across the four factors, the same age group did not consistently score the highest or the lowest; the data were dispersed. An example of this was the high mean value of 4.000 ± 0.714 of the 18–29 age group for F1, which was the highest allocated value, but for F3, this group had the lowest mean value (2.967 ± 0.837). Similarly, the 50 and over group showed the lowest mean value (2.417 ± 0.687) for F4, but the highest mean value for F2 (1.981 ± 0.901) and F3 (3.381 ± 0.892), respectively. Although differences in allocated mean values were evident, whether they were statistically significant had to be determined. Table 5.12 provides the results of the mean response values and standard deviations for each of the four reward preference factors established in the EFAs across the four age groups.

Table 5.12

Descriptive Statistics for Reward Preference Responses Between Employees in Different Age Groups

		Age Bracket Response Statistics		
Reward factor		**N**	**Mean**	**Std. deviation**
	18–29	23	4.000	0.714

F1: Recognition & Development	**30–39**	65	3.923	0.677
	40–49	54	3.485	0.744
	50 and over	40	3.350	0.788
F2: Benefits & Well-being	**18–29**	23	1.848	0.718
	30–39	65	1.792	0.808
	40–49	54	1.819	0.652
	50 and over	40	1.981	0.901
F3: Current Work Environment	**18–29**	23	2.967	0.837
	30–39	65	3.238	0.708
	40–49	54	3.343	0.713
	50 and over	40	3.381	0.892
F4: Compensation	**18–29**	23	2.971	0.758
	30–39	65	3.169	0.926
	40–49	54	2.840	0.894
	50 and over	40	2.417	0.687

In order to determine whether there were significant differences in mean responses amongst the different demographic groups for the different factors, it was necessary first to analyse the homogeneity of variances (Zikmund et al., 2013). The significance value (*p*-value) based on the median, and not the mean, as suggested for the novice researcher by Nordstokke and Zumbo (2007), was evaluated against the threshold of 0.05 (Zikmund et al., 2013), and it was established that the *p*-values for all the factors were larger than 0.05, suggesting that there were no significant differences between variances, and, therefore, homogeneity of variances was assumed (Chiba, 2015b; Hair et al., 2019).

Considering that the analysis did not violate the assumption of homogeneity (see Chiba, 2015b; Zikmund et al., 2013), the ANOVA analysis progressed to assessing the significance value (*p*-value) of the responses between groups and comparing this with the threshold of 0.05 (to establish whether significant differences existed between the tested groups). For F1 and F4, the *p*-values were smaller than 0.05 (see Appendix 9). Both have a *p*-value of 0.000, suggesting that significant differences existed between age groups for these factors.

Considering that statistically significant differences were identified between groups for F1 and F4 during the ANOVA analysis, the Tukey post-hoc analysis was conducted to ascertain which groups presented significant differences for these two factors (Zikmund et al., 2013). The complete multiple comparisons table extracted from SPSS is provided in Appendix A.8.1. The resulting analysis shed light on the significant mean differences identified regarding reward preferences between these

demographic groups. From these results, shown in Table 5.13, it is evident that preferences regarding the Recognition and Development factor (F1) differed statistically significantly ($p < 0.05$) between the 18–29 age group, the 40–49 age group (significant mean difference of 0.515), and the 50 and over group (significant mean difference of 0.65). The 18–29 group rated the items in this factor higher than the comparative groups. Similarly, for F1, significant differences in reward preferences existed between the 30–39 and 40–49 age groups (significant mean difference of 0.438) and between the 30–39 and the 50 and over age groups (significant mean difference of 0.573).

A statistically significant difference in preference was also identified between the 30–39 and 50 and over age group (significant mean difference of 0.723), with the 30–39 group providing higher ratings on the agreement scales.

Table 5.13

Summarised Tukey Post Hoc Analysis Outputs Considering Reward Preferences for Different Age Groups

Tukey Analysis (Multiple Comparisons)				
Reward factor	**(I)**	**(J)**	**Mean difference (I-J)**	**Sig.**
F1: Recognition & Development	**18–29**	**40–49**	.51481*	0.025
		50 and over	.65000*	0.004
	30–39	**40–49**	.43789*	0.007
		50 and over	.57308*	0.001
F4: Compensation	**30–39**	**50 and over**	.75256*	0.000

No other statistically significant differences were identified among these groups. However, the null hypothesis of no differences between demographic groups was rejected due to statistically significant differences in reward preferences between the different age groups.

- **Reward preferences according to tenure**

Table 5.14 summarises the results from the Kruskal-Wallis test based on employee tenure. The analysis delivered two *p*-values below 0.05, suggesting statistically significant differences at the 5% significance level (Zikmund et al., 2013). It was

evident that significant differences existed for Factor 1 (Recognition & Development), with a *p*-value of 0.000, and for Factor 4 (Compensation), with a *p*-value of 0.001.

Analysing the mean ranks for F1 (see Appendix A.9.1), it was evident that respondents employed at the target company for less than a year were allocated the highest mean ranking (125.175) to the *Recognition and development* construct (F1). The results further suggested that, as employee tenure increased, the level of agreement allocated to this construct reduced, as employees with 15 or more years of tenure allocated the lowest ranking (67.000) to this factor.

The mean rankings for F4 also suggested a significant difference, with the highest ranking (116.262) allocated to this factor by the respondents who had been employed by the target organisation for 1–2 years, with the lowest ranking (67.984) from respondents who had been with the organisation the longest (more than 15 years)

Table 5.14

Kruskal-Wallis Test for Differences in Reward Preferences Based on Employee Tenure

Kruskal-Wallis Test - Employee Tenure				
Reward factor		***n***	**Mean Rank**	**Asymp. Sig.**
F1: Recognition & Development	**Less than one year**	20	125.175	0.000
	1–2 years	21	115.476	
	3–5 years	39	97.859	
	6–10 years	52	83.279	
	11–15 years	19	78.974	
	More than 15 years	31	67.000	
F4: Compensation	**Less than one year**	20	108.825	0.001
	1–2 years	21	116.262	
	3–5 years	39	102.372	
	6–10 years	52	76.423	
	11–15 years	19	103.211	
	More than 15 years	31	67.984	

Based on the significant differences in reward preferences between respondents with different tenures, H1: *There is a significant difference in reward preferences between different demographic groups,* was supported, and H01, which posited no

differences, was not supported.

- **Reward preferences according to annual income**

Table 5.15 presents the results of the non-parametric Kruskal-Wallis test to examine reward preferences amongst employees with varying income levels. One notable result was a *p*-value below 0.05 for F1 (Recognition & Development), $p = 0.000$, indicating a significant difference at a 5% level of significance. In analysing the mean ranks (see Appendix A.9.2), it became clear that those with the lowest incomes valued recognition and development (F1) the most (mean rank = 141.5). Interestingly, as income level rose, the level of agreement with the relative importance of this factor generally decreased. However, employees with an income exceeding R1 500 000 seemed to place a higher value on recognition and development (mean rank = 68.18) than those in the immediate lower income bracket (mean rank = 52.05).

Table 5.15

Summarised Kruskal-Wallis Test for Differences in Reward Preferences Based on Annual Income Bracket

Kruskal-Wallis Test - Employee Income				
Reward factor		***n***	**Mean Rank**	**Asymp. Sig.**
F1: Recognition & Development	**Between R100 000 and R250 000**	11	141.500	0.000
	Between R251 000 and R400 000	25	91.840	
	Between R401 000 and R550 000	35	93.886	
	Between R551 000 and R750 000	23	79.609	
	Between R751 000 and R1 250 000	43	74.198	
	Between R1 251 000 and R1 500 000	11	52.045	
	More than R1 500 000	19	68.184	

The results of a significant difference in reward preferences at the 5% level of significance for the recognition and development (F1) factor add to answering RQ1. Based on the results, H1: *There is a significant difference in reward preferences between different demographic groups*, was supported, and H01, which posited no differences, was not supported.

- **Reward preferences according to department**

The test results for differences between respondents according to department

(shown in Table 5.16) revealed a statistically significant difference in reward preferences for the Benefits and well-being (F2) at the 5% level of significance.

Table 5.16

Summarised Kruskal-Wallis Test for Differences in Reward Preferences Based on Respondent Department

Kruskal-Wallis Test - Respondent Department				
Reward factor		***n***	**Mean Rank**	**Asymp. Sig.**
F2: Benefits & Well-being	**Accounting/Finance**	17	91.029	0.050
	Engineering/Projects/Technical	46	85.609	
	Human Resources	24	100.875	
	Logistics/Planning/Procurement	35	103.914	
	Operations	22	103.477	
	Quality/SHE	20	84.500	
	Marketing & Sales	17	56.529	

These results contribute to answering RQ1. Based on the results, H1: *There is a significant difference in reward preferences between different demographic groups*, was supported, and H01, which posited no differences, was not supported. The distinctions were especially apparent when comparing the mean rankings of the marketing and sales (56.529) and the logistics/planning/procurement (103.914) groups, with the latter allocating the highest rank (see Appendix A.9.3).

- **Reward preferences according to seniority**

The summarised results of the Kruskal-Wallis test for differences in reward preferences between employees with different levels of seniority are presented in Table 5.17.

Table 5.17

Summarised Kruskal-Wallis Test for Differences in Reward Preferences Based on Employee Seniority

Kruskal-Wallis Test - Employee Seniority				
		n	Mean Rank	Asymp. Sig.
F1: Recognition & Development	**Frontline employee/Factory worker**	9	94.278	0.004
	Junior position/General	33	111.803	
	Supervisor/Specialist	54	104.278	
	Middle manager	47	77.053	
	Senior manager	32	69.219	
	Executive	7	92.500	

The results revealed a statistically significant difference in reward preferences concerning the recognition and development (F1) factor at a 5% level of significance. Based on the results, H1: *There is a significant difference in reward preferences between different demographic groups*, was supported, and H01, which posited no differences, was not supported.. The junior/general category assigned the highest ranking(111.803) to the recognition and development (F1) factor, while senior managers assigned the lowest (69.219). Interestingly, executives' ranking of this factor (92.500) was higher than that of middle managers (77.053).

- **Reward preferences according to level of education**

The results of the Kruskal-Wallis tests for differences in employee reward preferences according to level of education are summarised in Table 5.18.

Table 5.18

Summarised Kruskal-Wallis Test for Differences in Reward Preferences Based on Respondent Level of Education

Kruskal-Wallis Test - Education Level				
		n	Mean Rank	Asymp. Sig.
F2: Benefits & Well-being	**Grade 12 and lower**	15	74.800	0.041
	Certificate or diploma	63	89.778	
	Undergraduate degree	39	77.513	
	Postgraduate degree	64	104.219	

The results indicated a statistically significant difference in preferences for the Benefits and well-being (F2) factor at the 5% significance level. This insight aids in addressing RQ1. Based on the results, H1: *There is a significant difference in reward preferences between different demographic groups*, was supported, and H01, which posited no differences, was not supported. The postgraduate degree group had a mean ranking of 104.219, while the Grade 12 and lower group ranked this factor at 74.800, the latter being the lowest ranking for this factor.

5.5.1.5 Summary of Results

The preceding sections identified various statistically significant differences in reward preferences between different demographic groups. The results of these analyses answered RQ1. Based on the results, H1: *There is a significant difference in reward preferences between different demographic groups*, was supported, and H01, which posited no differences, was not supported. Differences in reward preferences between different demographic groups were concluded, whereafter, the analyses proceeded to address RQ2 and the related hypotheses (H2 and H02).

5.5.2 Research Question 2

RQ2 aimed to identify which demographic factors most strongly influenced employees' reward preferences. Once the influential demographic variables were determined from the results for RQ1, appropriate statistical techniques were used to ascertain the demographic factors with the most pronounced effect on reward preferences. The results are reported in subsequent sections.

5.5.2.1 Univariate analysis of variance test

In addressing RQ2: Do particular demographic variables influence reward preferences more than others?, the researcher employed a univariate analysis of variance (UNIANOVA) test. This analytical approach was chosen due to its ability to compare means across multiple main factors (categorically defined groups) (Hair et al., 2021), making it appropriate to determine the influence of demographic variables on reward preferences. A total of 182 responses were analysed, and 10 distinct demographic variables provided a comprehensive view of the respondents' backgrounds and characteristics. The dependent variable in this analysis was the

reward preferences of the respondents. The primary aim was to discern if any of the demographic variables had a more pronounced impact on reward preferences when compared to others.

Before utilising the UNIANOVA test to assess the impact of demographic variables on reward preferences, the dataset was scrutinised to confirm that it adhered to the test's fundamental assumptions. These included ensuring independent observations, with each respondent belonging to only one group (Hair et al., 2021). The assumption of normality of the dependent variable's distribution was verified, and Levene's test was used to confirm the homogeneity of variances across groups (Nordstokke & Zumbo, 2007). Additional checks confirmed linearity between the dependent variable and any covariates, ensured no strong correlations amongst covariates, and verified the dependent variable's measurement level (Kline, 2023).

The researcher also recognised the limitations of the UNIANOVA test. Its sensitivity to deviations from assumptions, particularly regarding normality and variance homogeneity, was acknowledged (see Hair et al., 2021). The test's focus on categorical independent variables, group means, and potential issues with limited sample sizes were also considered, especially given the small sample sizes of specific demographic categories, such as annual income. The potential for Type I errors was considered (Hair et al., 2021), and this awareness influenced the interpretation of the results. This comprehensive assessment ensured that the UNIANOVA test was aptly selected to establish valid results.

The summarised results of the UNIANOVA analysis are presented in Table 5.19.

Table 5.19

Summary of Results for the UNIANOVA Tests for Differences for RQ2

Research Question 2 (RQ2) UNIANOVA Results			
Section	**Demographic variable**	**Between-subjects effects *p*-value**	**Comment**
F1: Recognition & Development	Tenure	0.005	Lowest significance value
	Annual income	0.001	
	Seniority	0.006	
	Age bracket	0.027	
F2: Benefits & Well-being	Department	0.007	

The analysis considered all the identified factors formed through the EFAs (reported in Section 5.4.1) each as the dependent variables and included all demographic variables (excluding race and marital status) in a single analysis to assess the relative importance of demographic variables compared to each other and isolate the variables with the most significant impact on employee reward preferences. The analysis isolated five demographic variables representing significant differences with regard to reward preference factors.

Employee tenure (p=0.005), annual income (p=0.001), seniority (p=0.006), and employee age (=0.027) were isolated as the demographic variables with the most pronounced impact on the recognition and development (F1) reward preference factor. The relative difference in significance on reward preferences indicated that different demographic variables had a more prominent impact on reward preferences than others.

F4 (compensation) was also explored using a UNIANOVA analysis but failed to provide a value for the Levene's test of equality of error variances. The failure of the test to generate these values was related to the absence of three or more observations in some of the cells when tabulating the combinations of demographic variables as part of the UNIANOVA analysis (Hair et al., 2019), preventing further analysis of this factor.

The outcome of the UNIANOVA analysis highlighted annual income (p = 0.001), tenure (p = 0.005), and seniority (p = 0.006) as the most pronounced demographic variables influencing reward preferences, especially when considering recognition and development (F1). The benefits and well-being factor was most significantly influenced by the department to which respondents belonged in the target organisation.

5.5.2.2 Summary of results

The results suggest that certain demographic variables impact reward preferences more than others, based on the significance values identified through the tests of between-subjects effects considering a 5% significance level. Based on the results, H2: *Certain demographic variables have a greater influence on reward preferences than others*, was supported, and the null hypothesis positing no differences in the influence of demographic factors (H02) was not supported. Ideally, standardised r-square values would have provided a more detailed analysis of the level of impact of these demographic variables, but further statistical analyses were not pursued due to the study's time- and scope limitations.

5.5.3 Research Question 3

RQ3 was aimed at comprehending which reward preferences impact employee attraction. The associated hypothesis (H3) suggested that specific reward preferences might be more influential in attracting employees. The subsequent section addresses RQ3 by analysing the responses of Section 4 of the survey, which centred on employee attraction.

5.5.3.1 Descriptive analysis

Seven questions were presented in Section 4 of the survey; the lowest number of responses received for any of these questions was 178 (Q47), with four missing answers. The skewness and kurtosis were analysed, indicating values of between -2 and 2 (George & Mallery, 2010) and -7 and +7 (Byrne, 2010; Hair et al., 2010), respectively, facilitating the assumption of normality of the data and facilitating the application of mean replacement techniques (discussed in Chapter 4). Respondents were asked to indicate on a five-point Likert scale their level of agreement whether the items presented would impact a potential employer's ability to attract them to an organisation. Mean values for all seven questions were exceptionally high, suggesting that most respondents responded highly favourably to each.

Once the missing data had been replaced, the questions were assessed descriptively, and mean ratings were allocated to the different questions based on the responses indicated on the five-point Agreeableness Scale. The attraction reward items and their mean ratings are ranked from the highest rating (4.69) to the lowest rating (3.99) in Table 5.20.

Table 5.20

Mean Ratings of Employee Attraction Reward Items by Respondents.

Quest.	Attraction Reward Item	Mean Rating	Std. Deviation	*n*
41	Monthly Salary/Remuneration	4.69	0.5281	182
43	Benefits (e.g., medical aid/retirement fund/leave)	4.45	0.6753	182
42	Variable pay (e.g., bonus, long term incentive)	4.31	0.6816	182
45	Career Management (Defining career goals and supporting with development, joining special projects, training etc.)	4.17	0.6552	182
44	Performance recognition (acknowledgement of employee performance, formal or informal)	4.08	0.7241	182
47	Work/home integration (e.g., flexible working hours, half-day leave, ability to work from home)	3.99	0.8040	182
46	Quality work environment (e.g., on-site fitness centre, latest technology)	3.99	0.7935	182

Respondents provided the highest average response (4.69) on the scale for the monthly salary/remuneration question (Q41), benefits (Q43) and variable pay (Q42) received the second- (4.45) and third-highest (4.31) ratings, while quality work environment (Q46) and work/home integration (Q47) received the lowest ratings

(3.99). However, all mean ratings were higher than the neutral response (*3*), suggesting that respondents felt that all factors were important for attraction.

5.5.3.2 Demographic analysis of reward preferences for attraction

The two reward factors for the Attraction section (Section 4) of the research survey (reported in Section 5.4.2), determined using EFA, were utilised to explore the preferences influencing attraction among different demographic groups.

Similar to the analyses for RQ1, the potential differences in reward preferences linked to attraction were explored through numerous inferential statistical analyses, such as t-tests and ANOVA tests (see Chiba, 2015b; Zikmund et al., 2013) for data sets which satisfied the requirements for parametric tests. In addition, non-parametric analyses such as the Kruskal-Wallis test were employed to identify differences at the 5% level of significance where groups were too small for accurate testing with parametric measures.

The results of the analyses are summarised in Table 5.21, with the detailed statistical analysis outcomes provided in Appendix 10. Four statistically significant differences were identified across the demographic groups tested, all related to how respondents responded to elements loaded in the attraction Factor 2 (F2). Reward preference items measured in F2 included performance recognition (Q44), career management (Q45), quality work environment (Q46), and work/home integration (Q47).

There were no statistically significant differences between groups for F1, which considered monthly salary (Q41), variable pay (Q42), and benefits (Q43), which are more traditional employee rewards.

The first demographic analysis yielded significant differences between groups was the independent samples t-test performed on the two identified generational cohorts (Millenials and Xers). The two-sided *p*-value for equal variances was established as 0.079, significant at a 10% level of significance ($p < 0.1$). Although this result was not significant at a 5% level significance, the researcher decided to report on the value, as the *p*-value was relatively low, and the assessment of the generational cohort serves the purpose of comparing outcomes with the results of the research conducted by Fobian and Maloa (2020), to address RQ5. The results for RQ3 are

shown in Table 5.21.

Table 5.21

Summary of Results for the Tests for Differences for RQ3

Research Question 3 (RQ3) Results Summary				
Demographic variable	**Test**	**Factor for employee attraction**	**Approx Significance (*p*-value)**	**Comment**
Generational cohort	t-test	F2	0.079	Significant at the 10% level of significance
Education	Kruskal-Wallis	F2	0.036	
Department	Kruskal-Wallis	F2	0.039	

In analysing the independent samples t-test outcomes, it was evident that Millenials (4.137) rated F2 higher than Xers (3.969) did when considering the mean ratings, suggesting that this factor played a more statistically significant role in attracting them to organisations. The analysis results offer insights into potential differences between the cohorts.

The remaining statistically significant differences between demographic groups were all identified using the Kruskal-Wallis Test due to some of the relatively small demographic groups in the sample. The Kruskal-Wallis test identified statistically significant differences between groups with different educational qualifications, presenting a significance (*p*) value of 0.036, suggesting a significant difference at a 5% level of significance for F2. The analysis indicated that the respondents with a Grade-12 or lower qualification had the lowest mean ranking (85.000) for attraction Factor 2 (F2).

The final statistically significant difference in preferences between different demographics was identified between employees working in different departments in the target organisation. The results illustrated that the employees affiliated with the Logistics/Planning/Procurement function valued this factor (F2) more (mean rank = 114.043), while employees in the Accounting/Finance department valued this factor the least (mean rank = 68.853).

The functions of Engineering/Projects/Technical and Operations, both intricately

involved in the manufacturing facility of the target organisation, also valued this factor (F2) comparatively lower. Although the results of this analysis suggested statistically significant differences, the generalisability of these results is limited based on the unique setup and structure of the target organisation, with direct comparisons in terms of departmental allocation potentially not possible.

The identified differences in reward preferences related to employee attraction RQ3. Based on the results, H3: *Certain types of reward preferences have a more significant influence on employee attraction than others when considering demographic differences, was supported*, while H02, positing no differences, was not supported.

5.5.4 Research Question 4

RQ4 was aimed at understanding the reward preferences influencing employee retention. The related hypothesis (H4) posited that certain rewards might be more pivotal in retaining employees and that demographic variables influence these variables. A similar analysis for RQ3 was conducted, and the results are summarised below.

5.5.4.1 Descriptive analysis

After addressing the missing data, the questions underwent a descriptive analysis, and mean scores were assigned based on the five-point Agreeableness Scale responses. Table 5.22 lists the retention reward items ranked from the highest average score (4.64) to the lowest (3.84).

Table 5.22

Mean Ratings of Employee Retention Reward Items by Respondents

Question	Reward Item	Mean Rating	Std. Deviation	*n*
48	Monthly salary/Remuneration	4.64	0.5899	182
50	Benefits (e.g., medical aid/retirement fund/leave)	4.36	0.7410	182
49	Variable pay (e.g., bonus, long term incentive)	4.24	0.7379	182
52	Career management (defining career goals and supporting with development, joining special projects, training etc.)	4.23	0.6688	182
51	Performance recognition (acknowledgement of employee performance, formal or informal)	3.99	0.7831	182
54	Work/home integration (e.g., flexible working hours, half-day leave, ability to work from home)	3.94	0.8287	182
53	Quality work environment (e.g., on-site fitness centre, latest technology)	3.84	0.8395	182

Participants rated monthly salary/remuneration (Q48) the highest, with an average score of 4.64, indicating its significance in retention. The result aligned with those for the *Attraction* construct, where salary was also a top factor. Benefits (Q50) and variable pay (Q49) followed, with scores of 4.36 and 4.24, respectively, consistent with the results reported in Section 5.5.3.1 on employee attraction. Work/home integration (Q54) and quality work environment (Q53) had the lowest scores of 3.94 and 3.84, respectively. Nevertheless, all average scores surpassed the neutral mark (*3*), implying that respondents considered all the factors important.

5.5.4.2 Demographic analysis of reward preferences for retention

From the survey's Retention section (Section 5), two reward factors identified in Section 5.4.3 were used to examine retention preferences across various demographic groups, similar to the analysis for RQ3.

Table 5.23 summarises the findings, and a detailed statistical breakdown is provided in Appendix 11. Notably, three statistically significant differences emerged amongst the demographic groups, all tied to responses associated with the retention factor 2 (F2). This factor encompassed elements like performance recognition (Q51), career management (Q52), quality work environment (Q53), and work/home integration (Q54), similar to the outcomes for the analysis RQ3. No statistically significant differences were observed for F1, which focused on more conventional rewards, i.e.,

monthly salary (Q48), variable pay (Q49), and benefits (Q50).

Table 5.23

Summary of Results for the Tests for Differences for RQ4

Research Question 4 (RQ4) Results Summary			
Demographic variable	**Test**	**Factor for employee retention**	***p*-value**
Gender	t-test	F2	0.045
Education	Kruskal-Wallis	F2	0.015
Department	Kruskal-Wallis	F2	0.024

From the t-test results, women, with a mean rating of 4.094, valued F2 more than their male counterparts (a mean rating of 3.925). The outcome suggests that F2 is more influential in retaining women employees.

Using the Kruskal-Wallis test, due to the presence of small demographic groups in the sample, statistically significant differences in reward preferences for employee retention were observed amongst groups with different educational qualifications. The test yielded a significance value of p=0.015 for F2, indicating a statistically significant difference at a 5% level of significance. Respondents with an undergraduate degree or lower had the lowest mean rank (73.179) for F2. In contrast, individuals with a postgraduate degree gave this factor the highest mean rank (105.922), with statistically significant differences between these educational groups for the attraction factor F2.

Similarly, statistically significant differences in preferences were observed amongst employees from different departments within the organisation. There were significant differences (p = 0.024) in F2 reward preferences amongst these groups. Employees in the Logistics/Planning/Procurement Department placed the highest value on this factor (mean rank = 117.900), whereas those in the Accounting/Finance department ranked it the lowest (mean rank = 70.294). This pattern mirrored the results reported in Section 5.5.3 (reward preferences based on demographics related to employee attraction). Respondents from the Engineering/Projects/Technical and Operations Departments, both integral to the organisation's manufacturing facility, also gave a relatively lower value to F2.

However, the generalisability of these results might be restricted due to the specific organisational structure.

The observed variations in reward preferences with regard to employee attraction addressed RQ4. Based on the results, H4: *When considering demographic differences, certain types of reward preferences have a more significant influence on employee retention*, was supported, while H02, positing no differences, was not supported.

5.5.5 Cluster analysis

The research lastly utilised cluster analysis to exploreatively determine if distinct employee profiles exist when considering demographic factors in conjunction with employee reward preferences. This technique was chosen because it could potentially categorise employees into distinct groups based on their reward preferences and demographic details. Cluster analysis seeks to identify data structures by grouping objects or individuals with similar characteristics within a cluster, essentially identifying homogenous groups (Hair et al., 2019; Weske & Schott, 2018). Hair et al. (2019) explain that cluster analysis consists of three stages. Initially, the entire sample is segmented into smaller groups. Next, these groups are validated to ensure they are statistically distinct and conceptually significant. Finally, each cluster is characterised by attributes such as demographics or psychographics (Hair et al., 2019). Rundle-Thiele et al. (2015) note that the two-step cluster analysis can analyse categorical and continuous data and allows for the simultaneous analysis of demographic and reward preferences data. Initially, it forms pre-clusters by constructing cluster features and applying a hierarchical clustering algorithm on these pre-clusters. The optimal number of clusters is determined using Schwarz's Bayesian information criterion (BIC), a recognised selection criterion (Rundle-Thiele et al., 2015). The chosen cluster solution should have a silhouette measure of cohesion and separation above 0.0, indicating valid within-cluster and between-cluster distances (Rundle-Thiele et al., 2015). The aim was to identify patterns in how various demographic groups prioritise rewards to gain insights that may be valuable in designing customised reward strategies to boost employee attraction, contentment, involvement, and retention.

The study also incorporated only relevant variables, eliminating the risk of skewing

the clusters. The assumption of data normality was also verified throughout the analyses.

However, the researcher was also cognisant of certain inherent limitations of cluster analysis (Hair et al., 2019). The determination of the optimal number of clusters ultimately rested on careful judgment. Efforts were made to interpret the clusters in a contextually meaningful manner.

A two-step cluster analysis was performed using IBM's SPSS software, considering several variables. These variables included demographic attributes such as gender, age, highest education level, marital status, department affiliation, annual income, number of dependents, tenure, and seniority within the target organisation. Additionally, the analysis incorporated respondents' reward preferences, indicated on a five-point Likert scale. These preferences were categorised into four factors, as detailed in Section 5.4.1. The study also considered reward preferences influencing employee attraction, categorised into two factors (Section 5.4.2) and those that impact employee retention, also divided into two factors (Section 5.4.3). The primary results of this analysis are depicted in **Error! Reference source not found.**.

A two-step cluster analysis was utilised, which automatically determined the number of clusters. The analysis resulted in two clusters, with 115 (64.2%) respondents in the first and 64 (35.8%) in the second. The primary determinant for cluster formation was employment level or seniority. The quality of the clusters was validated by the silhouette measure of cohesion and separation, registering a value of 0.1, indicating a satisfactory level above 0.0 (Rundle-Thiele et al., 2015).

An overview of the two distinct clusters is presented below.

Cluster 1: The married, stability-seeking, high-earning, middle-aged male professional

The first cluster predominantly consisted of middle managers, representing 39.1% of the respondents. These individuals mostly had an income of R1 251 000 to R1 500 00 (37.4%), and were aged 40**–**49 (40.0%). About 39.1% had a tenure of 6**–**10 years with the target organisation. This cluster consisted of mainly men (67.8%) with a postgraduate degree (41.7%).

The cluster’s reward preferences were as follows:

- They allocated significant value to F1: Recognition and Development (mean rating: 3.51), albeit lower than Cluster 2,
- They allocated less value to F4: Compensation (2.15), as this is less than the neutral response of *3*, and also lower than Cluster 2.
- They allocated significant value to the importance of attraction factor 2 (EmpAttF2 — mean rating = 4.00), encompassing intrinsic reward preferences.
- They allocated significant value to the importance of retention factor 2 (EmpRetF2 — mean rating = 3.96), which also detailed intrinsic reward preferences, which was lower than the value allocated by Cluster 2.
- Cluster 1 showed more satisfaction with the current work environment (F3: 3.39) than Cluster 2 and allocated greater importance to benefits and well-being (F2: 1.91). They also showed a higher affinity for financial rewards for retention factor 1 (EmpRetF1 — 4.44).

Cluster 2: The single, development-driven, mid-income woman Millennial

The second cluster was characterised by junior employees, constituting 50.0% of the respondents, with their highest academic qualification, a diploma or certificate (45.3%). Most of them fell within the R401 000 to R550 000 income range (32.8%), were aged 30–39 years (51.6%), and were women (65.6%). Approximately 32.8% had been with the target organisation for 3–5 years. The results are illustrated in Figure 5.4.

Figure 5.4

Two-step Cluster Analysis for Employee Reward Preference Factors Across Demographic Variables

Clusters

Input (Predictor) Importance
1.0 0.8 0.6 0.4 0.2 0.0

Cluster	2	1
Label		
Description		
Size	64.2% (115)	35.8% (64)
Inputs	Employment_Rec 4.00 (39.1%)	Employment_Rec 2.00 (50.0%)
	Income_rec 6.00 (37.4%)	Income_rec 3.00 (32.8%)
	ageadj 3.00 (40.0%)	ageadj 2.00 (51.6%)
	Marstatus_coded 2.00 (86.1%)	Marstatus_coded 1.00 (68.8%)
	Tenure_coded 4.00 (39.1%)	Tenure_coded 3.00 (32.8%)
	Dept_rec 2.00 (31.3%)	Dept_rec 6.00 (25.0%)
	Genderadj 1.00 (67.8%)	Genderadj 2.00 (65.6%)
	Recognition Development 3.51	Recognition Development 3.96
	Compensation 2.73	Compensation 3.15
	F3name 3.39	F3name 3.03
	Edu_coded 4.00 (41.7%)	Edu_coded 2.00 (46.3%)
	EmpAttF2 4.00	EmpAttF2 4.16
	Children_younger than_18_years_/_dependents 1-2 (54.8%)	Children_younger than_18_years_/_dependents 1-2 (57.8%)
	EmpRetF2 3.96	EmpRetF2 4.07
	BenefitRecognition 1.91	BenefitRecognition 1.75
	EmpRetF1 4.44	EmpRetF1 4.37
	EmpAttF1 4.48	EmpAttF1 4.48

The second cluster's reward preferences were as follows:

- They allocated significant value to F1: Recognition and Development (mean rating: 3.96), higher than Cluster 1.

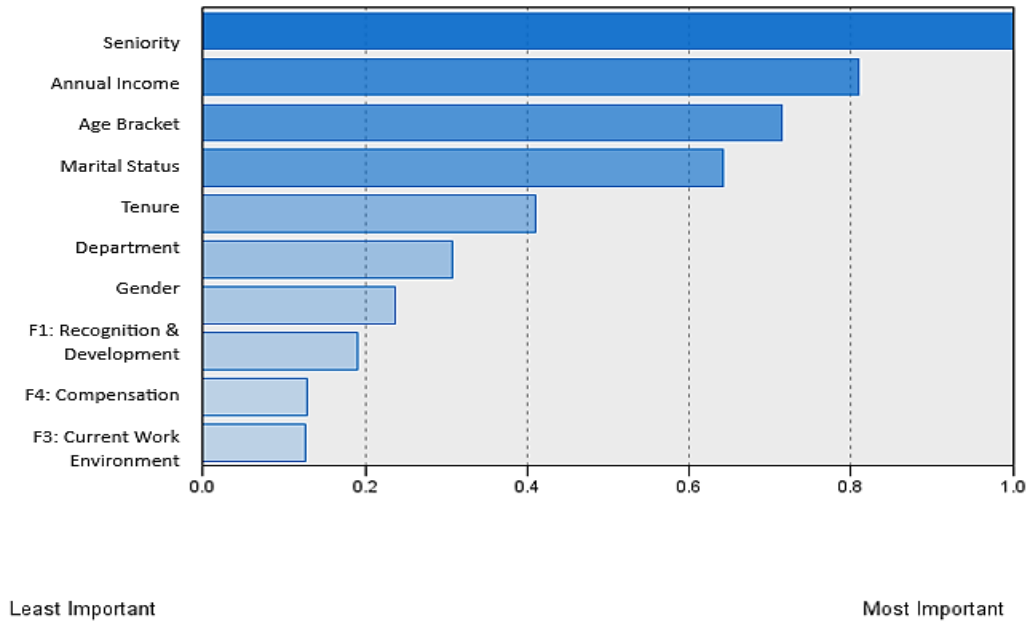
- They allocated more value to F4: Compensation (3.15).
- They allocated significant value to the importance of attraction factor 2 (EmpAttF2 — mean rating = 4.16), encompassing intrinsic reward preferences.
- They allocated significant value to the importance of retention factor 2 (EmpRetF2 — mean rating = 4.07), which also encompassed intrinsic reward preferences, higher than the value allocated by Cluster 1.

Cluster 2 was less satisfied with the current work environment (F3: 3.03) than Cluster 1. They allocated less importance to the benefits and well-being reward (F2: 1.75) than Cluster 1.

Figure 5.5 demonstrates the importance of different demographic variables on cluster formation, overlayed with the influence of the mean responses to the reward preference factors, illustrating the most pronounced and the least important factors. Seniority in the target organisation had the highest degree of predictor importance, followed by annual income and age group.

Figure 5.5

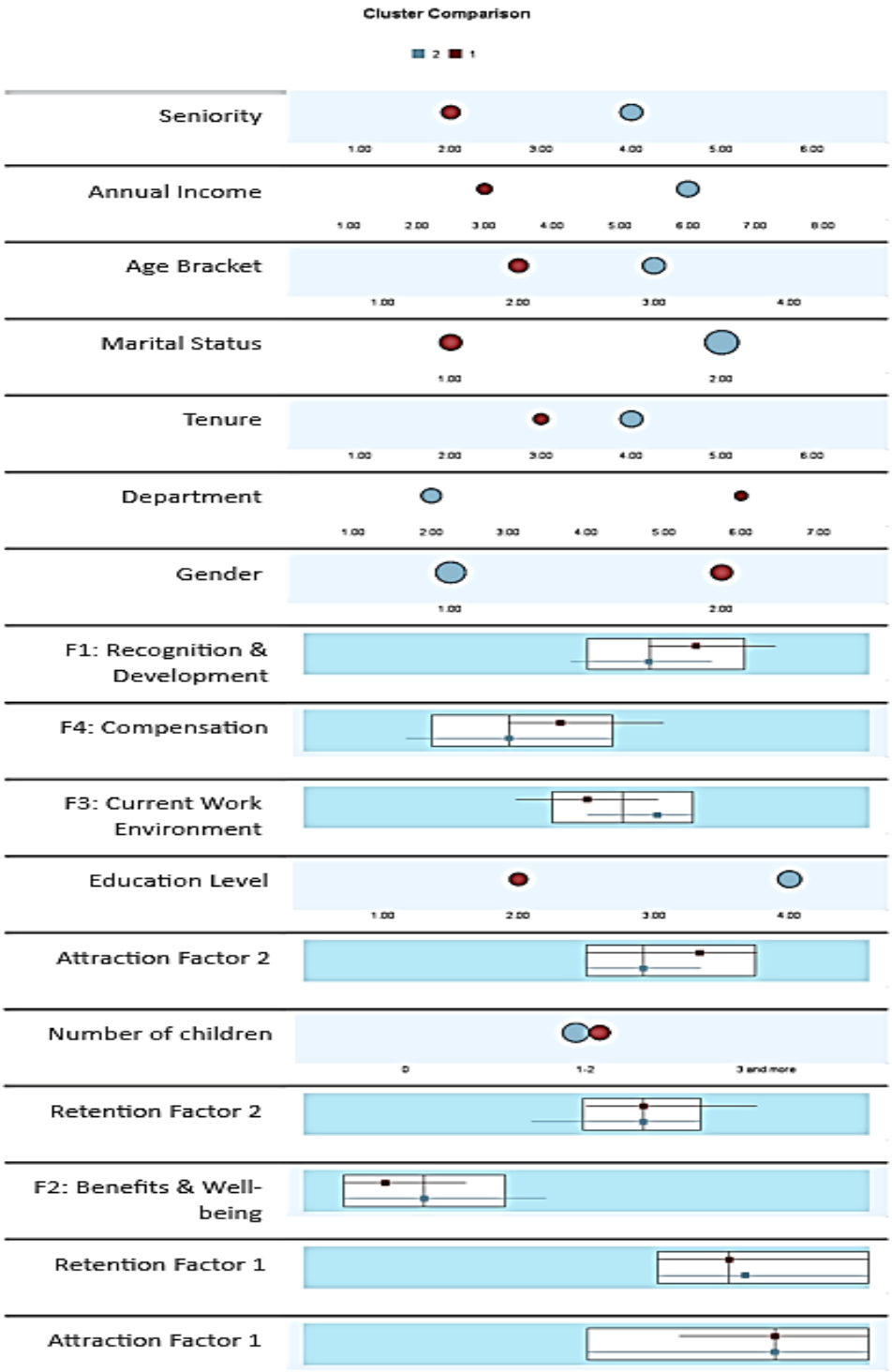
Predictor Importance of Demographic Variables for Two Clusters from Cluster Analysis



The cluster formation is depicted visually in Figure 5.6, illustrating the composition of the clusters at each level of analysis as described in detail above, depicting the relative size of clusters for each of the analysis categories.

Figure 5.6

Graphical Representation of Clusters Formed Considering Demographic Item Weightings



The cluster analysis shed light on potential groupings of employees, which could inform remuneration and reward systems in organisations.

5.5.6 Conclusion

The chapter assessed the primary hypotheses. H1, H2, H3 and H4 were supported, and the null hypotheses were rejected. The foundational hypothesis (H1) was confirmed through the identification of significant differences in reward preferences between different demographic groups, leading to a UNIANOVA analysis to explore the relative impact of different demographic variables on reward preferences (H2), which confirmed that some variables had a more pronounced influence on specific reward preferences than others.

The statistical analyses further identified that the respondents rated reward items that attract very similar to those that retain, suggesting that reward preferences that attract employees to organisations are similar to those that retain them. However, when these preferences were factorised, it was identified that between-group demographics showed significant differences in how these respondents viewed the importance of particular reward preferences with regard to attraction and retention.

A two-step cluster analysis provided further insight into potential demographic groupings and how they responded to the reward preference factors. Two distinct clusters were formed, providing insight into distinct groups of respondents. This concludes the reporting of the results of the statistical analyses. The results are discussed in Chapter 6.

Chapter 6: Discussion of Results

6.1 Introduction

The primary aim of the research was to explore the influence of demography on the reward preferences of employees. The study was conducted on a sample of 182 respondents from a South African FMCG firm. Five research questions were formulated (Chapter 3), and the results pertaining to four were reported in Chapter 5.

Research Question 1 explored whether reward preferences are significantly impacted by demographical differences and reward preference factors were formulated using EFA, which were used to explore the differences in preferences between different demographic groups.

Research Question 2 assessed which identified demographic variables had the most pronounced influence on reward preferences between respondents. The analyses focused on the potential differences between the reward preferences that attract employees to organisations (RQ3) compared to those that retain employees (RQ4) in exploring the research outcomes of Lasseter and Daman (2023) and Zaharee et al. (2018), who found differences in the rewards that attract versus those that retain, similar to the research outcomes of Snelgar et al. (2013) and Nienaber et al. (2011).

The results pertaining to RQ4 were compared against the outcomes of the study conducted by Fobian and Maloa (2020), who investigated the reward preferences of generational cohorts in an FMCG organisation pre-COVID-19. The comparative exercise was aimed at providing an overview of how reward preferences may have shifted post-COVID-19.

The current study aimed to provide insights into reward preferences according to demographic characteristics, and organisations may find the results useful in crafting reward strategies to maximise the attraction and retention of high-performing talent in the skills-scarce context of South Africa (Adcorp Group Holdings, 2022).

The next section discusses the results pertaining to the research questions.

6.2 Assessing the Relative Impact of Demographics on Reward Preferences

Research has extensively explored the impact of demographics, including race (Pregnolato et al., 2017), professional level (Bussin & Brigman, 2019), and generation (Alhmoud & Rjoub, 2020; Bussin et al., 2019) on reward preferences. However, the findings are inconsistent, with some studies noting no generational differences (Alhmoud & Rjoub, 2020) and others indicating the opposite (Chen & Lian, 2015; Emmanuel & Nwuzor, 2021). This discrepancy prompted further investigation into how demographics shape reward preferences.

6.2.1 Discussion of RQ1

RQ1: Do reward preferences differ between different demographic groups?

The first research question sought to establish whether any differences between demographic groups regarding reward preferences existed for the 182 respondents. The analysis of this assertion was fundamental to the research project, creating the foundation for exploring the implications of reward strategies by gaining an understanding of which specific demographic variables need to be considered.

It was evident from the test for differences that addressed RQ1 that respondents' responses differed between different demographic groups, and the primary hypothesis (H1), affiliated with RQ1, was supported, as the study found that reward preferences do differ between different demographic groups. The results suggest greater differences between demographic groups for the recognition and development factor (F1 — generational cohort, age bracket, employee tenure, annual income, seniority) and the compensation factor (F4 — generational cohort, age bracket, employee tenure), while the benefits and well-being factor (F2) only presented statistically significant differences between two distinct demographic groupings, namely department and educational level.

The results for the differences in preferences between demographic groups for the recognition and development factor (F1) are supported by literature on life stage and generational differences and are related to employee tenure, annual income, and seniority, although each represents certain nuances in their own right. The intricacies of the differences identified are discussed from Section 6.3 onwards.

Similarly, with regard to the compensation factor (F4), the identified differences were between similar demographic groups as for F1. It was evident that demographic attributes such as number of dependents, employee education level, and job role (department) did not feature prominently for these two main reward preference factors (F1, F4) for the research sample.

The results are congruent with many other researchers who identified differences in reward preferences related to demographics, including Asseburg and Homberg (2020), Zaharee et al. (2018), Fobian and Maloa (2020), and Waples and Brachle (2019). The results were also congruent with literature that identifies differences in reward preferences between respondents with different levels of job seniority (Bussin & Thabethe, 2018), age (Bussin & Thabethe, 2018; Froese et al., 2018; Kollman et al., 2020; Schlechter et al., 2014), education level (Froese et al., 2018), and tenure (Weske & Schott, 2018). These studies identified significant differences in reward preferences between employees with different demographic attributes. Although the present study did not identify significant differences in reward preferences between genders (Bussin & Thabethe, 2018), this does not detract from the assertion that demographics play a significant role in employee reward preferences.

In contrast, the present study's results contradict the research outcomes of Weske and Schott (2018) and Alhmoud and Rjoub (2020), who found no significant differences in reward preferences related to demographic differences for their research samples. The differences in results may have been related to the sample sizes, the demographic variables tested, or the research methodologies used.

The results of the present study confirm that reward preferences significantly differ between different demographic groups, and organisations need to design reward systems that consider these differences in order to optimise their ability to attract and retain talent. Although organisations use total rewards in an attempt to provide balanced reward packages to employees, the results related to RQ1 suggest that the complexity lies not only in finding the right balance between reward items in a total reward package for all employees but also in ensuring that each total reward package caters for demographic differences within a workforce, in order to cater more accurately to individual reward preferences.

6.2.2 Discussion of RQ2

RQ2: Do particular demographic variables influence reward preferences more than others?

RQ2 aimed to isolate the demographic variables that most prominently impact differences in reward preferences by identifying differences in reward preferences across different demographic groups. The analyses pertaining to RQ1 considered each demographic grouping independently, where tests for differences were applied for each group, and significant differences were identified. However, in addressing RQ2, UNIANOVA was used and considered all reward factors and all demographic groupings to isolate the most significant differences between groups relative to all demographic variables.

The UNIANOVA analysis revealed that annual income (p = 0.001) was the primary demographic factor affecting reward preferences overall, particularly in recognition and development (F1). The department where respondents worked significantly influenced the benefits and well-being factor (F2) and was the third most influential demographic variable, based on its significance value (p = 0.007).

Further analysis of reward preferences per demographic variable provided insights into how reward preferences differed for the isolated factors per identified demographic variable. These are discussed below.

Annual income

The Kruskal-Wallis test results were examined to understand the influence of annual income on reward preferences, specifically focusing on the recognition and development components (F1) (Appendix 9). It was observed that individuals with the lowest income levels placed the highest importance on the recognition and development factor, which encompassed aspects like motivation related to receiving recognition (Q24), the value of performance reviews (Q25), the desire for mentorship (Q28), and interest in study bursaries (Q30), with a mean rank of 141.50. On the other hand, those in the second-highest (between R1 251 000 and R1 500 000) and highest (more than R1 500 000) income brackets gave this factor the least importance, with mean ranks of 52.05 and 68.18, respectively. When evaluating the other factors, the opposite trend was noticed for the benefits and well-being factor

(F2). This factor, which included preferences such as working from home (Q16), prioritising benefits over pay raises (Q17), flexible scheduling (Q19), and shorter workweeks (Q23), was most valued by the highest earners (mean rank = 104.05) and least by the lowest earners (mean rank = 68.18). This disparity might be attributable to the different life stages of the employees. Those in the lower income bracket, possibly younger, might prioritise development and recognition over benefits.

In contrast, higher earners, likely older, might prioritise well-being and benefits over development and recognition, considering the stage of their lives and their families and that they may be considering retirement. These results relate to the findings by Bussin and Thabethe (2018), who identified a distinct relationship between age groups and base pay, highlighting the impact of age and, potentially, life stage. The differences noted for the benefits and well-being factor (F2) align with the research outcomes of Zaharee et al. (2018), who posit that employees' life stage might impact how they view benefits such as flexible hours and paid leave, while Emmanuael and Nwuzor (2021) suggest that life stage may influence how employees consider financial rewards or rewards such as a work–life balance.

Seniority (Job level)

Upon review of job level or employee seniority with regard to recognition and development (F1) as reward components (Section 5.5.1.3), it was evident that Junior/General employees allocated the highest importance (111.803) to recognition and development (F1), while senior managers gave it the least importance (69.219). Notably, executives (92.500) valued F1 more than middle managers (77.053). Given the elements of the recognition and development factor (F1), such as motivation for recognition (Q24), valuing performance reviews (Q25), seeking mentorship (Q28), and desiring study bursaries (Q30), the results aligned with the expectation that junior employees would prioritise these more than their senior counterparts, similar to the findings of Bussin et al. (2019), Bussin and Thabethe (2018), Nienanber et al. (2011), and Bussin and Toerien (2015), who also identified significant differences for these preferences between job levels.

In contrast, when evaluating the benefits and well-being factor (F2), which included preferences like working from home (Q16), favouring benefits over salary increases

(Q17), flexible hours (Q19), and shorter workweeks (Q23), senior roles showed a higher preference than more junior roles, which contrasts with the research outcomes of Snelgar (2013), who found that junior employees place a greater emphasis on benefits as a reward compared to senior staff. The outcomes of this analysis were similar to those of income groups with regard to life stage, seniority, and annual income.

Tenure

Employee tenure, identified as having a significant (p = 0.005) influence on reward preferences, followed a similar trend as seniority and annual income, as expected. Employees with the lowest number of years at the target organisation also ranked the recognition and development factor (F1) the highest (mean rank = 125.18) and ranked the benefits and well-being factor (F2) the lowest (mean rank = 74.43). These results are consistent with the outcomes of Bussin and Toerien (2015), who found that employees with a shorter tenure tend to value benefits (such as retirement benefits) and elements related to well-being such as flexible working hours and work–life balance, less than those with a longer tenure. Whitton (2023) supports this view with regard to the life stages of employees and uses the Levinson (1979) Life-stage Model to analyse why, similar to the previous research, employees with longer tenures value benefits and well-being reward factors, including working from home and flexible working arrangements, more than employees with a shorter tenure. Applying Levinson's (1979) Life Stage Model, employees in older age groups who have been with a company for a long time have likely established themselves personally and in their careers and are now reviewing their lives to ensure they are ready for the next stage, which may include retirement or finding a new balance after their children have left home (Whitton, 2023). They generally require autonomy, more flexibility, and increased benefits focusing on their health and preparation for retirement.

In contrast, employees who have shorter tenures and are likely in an earlier life stage (Levinson, 1979) value training, development, and recognition more than employees with longer tenures, as they see this as a method of establishing themselves professionally, which is a key priority for this cohort (Levinson, 1979). Employees employed the longest at the target organisation (more than 15 years) ranked F1 (recognition and development) the lowest, in line with the findings of Bussin and

Toerien (2015), suggesting that development is not high on the priority list of these individuals.

Interestingly, when considering the compensation (F4) reward preference factor for employees based on tenure, most respondents ranked this factor relatively high, highlighting the importance of financial rewards regardless of employee tenure. These results are congruent with those of Bussin and Toerien (2015) and Bussin and Brigman (2019), who found no significant differences between reward preferences for compensation based on tenure. Notably, respondents in the current study who had been employed with the organisation for two years or less also ranked the compensation reward factor (F4) the highest.

The 31 respondents in the organisation's employ for more than 15 years valued compensation the least, whereas their highest ranking was for the items in the benefits and well-being factor (F3), which aligns with the findings from Bussin and Toerien (2015) and Whitton (2023) and the assertion that employees nearing retirement or a later stage of life prioritise benefits over other rewards.

Age

Age was also highlighted as a demographic variable with a significant impact when considering all demographics simultaneously ($p = 0.027$), especially on the recognition and development (F1) factor (Section 5.5.2.1). The Recognition and Development factor (F1) had significant preference variations between the age groups 18–29 and 40–49 (with a mean difference of 0.515), as well as between the 18–29 and 50 and over groups (mean difference of 0.65).

The younger 18–29 group showed a higher preference for items in this factor (F1) than the other mentioned age groups, congruent with the findings of Bussin and Thabethe (2018), who reported that participants between the ages of 19–29 years prised development the highest. Bussin and Toerien (2015) made a similar finding, identifying that respondents under 30 favoured learning and development more than all other respondents. These findings once again align with the Life-stage Model posited by Levins (1979), highlighting the importance of development to younger employees who see this as a tool to establish their professional identities.

Additionally, for F1, there were marked differences between the 30–39 and 40–49

groups (mean difference of 0.438, with the younger group allocating a higher level of importance) and between the 30–39 and 50 and over groups (mean difference of 0.573, with the younger group allocating a higher level of importance), illustrating that, as employees grow older, the value they attach to learning and development declines (Nienaber et al., 2011; Whitton, 2023). These results support the outcomes of recent research by Bussin et al. (2019) and Jayathilake et al. (2021), highlighting the importance of development for younger generational cohorts.

Department

A similar review of the intricacies of the significant differences identified for the benefits and well-being factor (F2) when considering the departmental affiliation of the respondents showed that the employees in Marketing and Sales ranked this reward preference the lowest (mean rank = 56.3), which was a surprising outcome, considering that these roles are generally administrative and part of the head office function, particularly in the target organisation. In contrast, they provided the second-highest mean rank (105.06) for the compensation factor (F4), which included the reward elements of financial rewards for motivation (Q13), increased take-home pay rather than benefits (Q14), and reduced leave days in favour of increased take-home pay (Q20).

The Operations (mean rank = 103.48) and Logistics/Planning/Procurement (mean rank = 103.91) departments, in contrast, ranked the benefits and well-being factor (F2) the highest and ranked the compensation factor (F4) relatively low. Considering the organisation's composition and noting that the Operations and Logistics/Planning/Procurement departments are heavily involved with the manufacturing facilities, whereas the Sales and Marketing Departments are further removed from the day-to-day manufacturing operations, provide insight into these results. By design, the Sales and Marketing Departments have more flexible working hours and the ability to work reduced working weeks and work from home, and therefore, do not desire these benefits as much as an increase in take-home pay or other financial rewards. In contrast, the departments that are more involved with the day-to-day operations do not often have the benefit of working from home or working reduced or flexible working hours, and these individuals seemingly attach more value to these rewards. Similar to the outcomes from Bussin and Thabethe (2015), the Human Resources function ranked the importance of items such as flexible

working arrangements, presented by F2 in this study, relatively highly compared to other departments.

6.2.3 Summary conclusion

This section assessed the relative impact of employee demographics on reward preferences, identifying statistically significant differences in preferences between different demographic groups. The outcomes support the literature calling for differentiated reward strategies based on employee demographics.

Employee demographics were isolated based on the significance of their influence on reward preferences when assessing all demographics simultaneously, and the outcomes related to age, seniority, annual income, and tenure are supported in life-stage literature and, more specifically, the Life-stage Model presented by Levenison (1979). Although these factors had seemingly limited impact on how respondents in the current study viewed financial rewards, life stage was related to their assessment of the importance of development, recognition, well-being, and benefits. Respondents in an earlier life stage prioritised development and recognition significantly higher than employees in a later life stage. These individuals see these rewards as a way to establish their professional identities and potentially improve their earning potential (Levinson, 1979; Whitton, 2023).

Similarly, the outcomes of the analyses suggested that employees with longer tenures who are older and earn a higher annual income prioritised well-being-related rewards such as flexible work arrangements and working from home higher than those on the opposite end of these spectrums. Levinson (1979) identified a similar trend. Based on Levinson's (1979) life stage theory, long-tenured employees in older age brackets are often in a phase of life reassessment, preparing for events like retirement or adjusting to an ‘empty nest’ (Whitton, 2023). Typically, they seek greater autonomy, flexibility, and benefits geared towards health and retirement readiness.

Finally, some significant differences in reward preferences were identified between employees working for different departments. Interestingly, a key finding was that employees may seemingly have an affinity for rewards they are not receiving versus what they may already be receiving. This was evident in the Sales and Marketing Departments’ relatively low rating of flexible work arrangements (like reduced work

weeks or working from home), while operations-related departments rated this quite high. The outcome may be explained by adaptation-level theory (Helson, 1964), which posits that people evaluate rewards (or any stimuli) based on what they have become accustomed to (Helson, 1964). Rogoli (2019) describes a similar phenomenon, referred to as 'reference effects' (Rigoli, 2019, p. 3), where choices of rewards are not made in isolation or by comparing currently available rewards but by referencing previous stimuli or rewards received to attribute relative value to potential reward offerings. In this context, Sales and Marketing employees might take flexible hours for granted if they have had them for a while, whereas factory workers, who are unaccustomed to such flexibility, may rate this benefit highly.

These outcomes provide key insights into how practitioners could assess reward preferences based on individual differences and may inform the restructuring of total reward systems to address these differences and maximise attraction and retention.

6.3 Assessing employee rewards that attract versus those that retain and the impact of demographics

RQ3 and RQ4 were aimed at determining the rewards employees value in terms of attraction and retention, respectively. Previous research indicates that rewards effective for attracting new talent might differ from those that help retain existing staff (Lasseter & Daman, 2023; Nienaber et al., 2011; Snelgar et al., 2013; Zaharee et al., 2018). The potential differences between rewards that attract versus those that retain add complexity to comprehending employee reward preferences. This section examines the differences between rewards for attraction and those for retention, together with the influence of demographics on these preferences.

6.3.1 Discussion of RQ3

RQ3: Which reward preferences most significantly impact employee attraction between different demographic groups?

The third research question explored reward preferences related to employee attraction and considered seven reward categories. Monthly salary/remuneration (Q41) received the top mean rating of 4.69, indicating its significance in attracting individuals to an organisation, which is congruent with the research outcomes of

Bussin and Toerien (2015) and Schlechter et al. (2014), who also found this to be the most important reward for employee attraction. Asseburg and Homberg (2020) and Waples and Brachle (2019) also stress the importance of extrinsic financial rewards for attraction. However, Waples and Brachle (2019) highlight the ineffectiveness of financial rewards in attracting Millenials when including information on a firm's CSR activities as part of recruitment, which speaks to the intrinsic motivations of Millenials, although these were not specifically tested in the current study.

Benefits (Q43) and variable pay (Q42) followed, with ratings of 4.45 and 4.31, respectively. Benefits enjoyed a relatively high rating in terms of attraction compared to the research done by Bussin and Toerien (2015), where benefits were rated only fourth. The motivation for these factors' grouping during the factor analysis in the present research in terms of employee responses aligns with the argument of Bussin and Toerien (2015) and Schlecther et al. (2014) that these items satisfy basic needs, such as the financial components addressing day-to-day requirements such as food and shelter, while benefits satisfy needs such as security, including medical requirements.

On the other hand, quality work environment (Q46) and work/home integration (Q47) were rated the lowest at 3.99. Although the quality of the work environment was also rated the lowest in the study by Bussin and Toerien (2015), the importance of work/home integration was evident in the rating as the third most important factor in their study, compared to almost the least important in the current study. Nonetheless, all average ratings surpassed the neutral mark of *3*, implying that the current study's respondents deemed all these factors relevant for attraction. The results suggested that, for employee attraction, compensation remains the primary reward preference, similar to research findings of Lasseter and Daman (2023), who identified base pay and retirement benefits as primary pull factors, amongst others, while Schlechter et al. (2014), for their sample of knowledge workers, suggested that competitive remuneration is a minimum requirement to attract talent and that competitive benefits help firms compete for talent.

A demographic analysis added granularity to assessing reward preferences for employee attraction in order to understand whether different demographic groups rate different reward preferences as more important for employee attraction.

Significant differences were identified between demographic groups for attraction factor 2 (EmAttF2). This factor, formed through EFA, considered performance recognition (Q44), career management (Q45), quality work environment (Q46), and work/home integration (Q47). The analysis identified significant differences only for the second factor, suggesting that all demographic groups perceived the first factor, categorised by financial rewards, as equally important, strengthening the argument that these items are regarded as hygiene factors, as categorised in Herzberg's two-factor theory of motivation (Hur, 2018), or as satisfying basic requirements (Bussin & Toerien, 2015; Schlechter et al., 2014) by all employees. Differentiation was only valid at the second factor once hygiene factors had been satisfied. Satisfying requirements related to pay before focusing on intrinsic rewards was also posited by Snelgar (2013). Significant differences were identified between generational cohorts (p = 0.0079; significant at the 90% confidence level), education level (p = 0.036), and department (p = 0.039).

The analysis showed that Millennials allocated higher mean ratings to the second attraction factor (mean rating = 4.137) than Xers (mean rating = 3.969) with regard to reward preferences that attract. The second factor comprised elements such as career management, recognition, career management, quality work environment, and work/home integration in particular. The outcome of Millennials having rated this factor higher than Xers is aligned with the study of Chen and Lian (2015), who found that Millennials valued work–life balance highly. Considering the mean ratings allocated to attraction reward preferences, Waples and Brachle's (2019) finding that Millennials are not primarily attracted to extrinsic rewards is challenged by the results of the present study. In the current study, Millennials scored attraction factor 1 (monthly salary, variable pay, benefits) higher (4.468) than attraction factor 2 (4.137), which encompassed non-financial rewards, suggesting that Millennials do indeed prioritise extrinsic over intrinsic rewards. The result also contrasts that of Bussin et al. (2019), who found that Millenials prioritise learning and development and career and growth opportunities over pay-related rewards as the primary rewards influencing attraction.

Although the present research project found that Millenials regarded development higher than other generational cohorts, it was not rated higher than remuneration-related rewards with regard to attraction, as Bussin et al. (2019) suggest. However, the results also agree with the outcomes of Zaharee et al. (2018), who found that,

although Millennials prize salary and benefits highly for attraction, they also allocate significant value to intrinsic factors, which include purposeful work. This was evident in the high mean response value to attraction factor 2 (4.137) in the current study.

The second attraction factor was also rated differently when considering respondents' education level, where employees with grades 12 and lower provided lower mean rankings to this factor (mean ranking = 85.000), while employees with the highest levels of education (postgraduate degree) provided the highest mean rankings (104.266). The result suggests that respondents with high levels of education prize reward items such as career management and performance recognition higher than those with lower educational levels, which concurs with the results from Nienaber et al. (2011), who identified that more educated individuals had a reduced affinity for rewards related to remuneration and benefits but not for rewards related to recognition and development among others.

Finally, differences between different departments were also evident, with the Logistics/Planning/Procurement Departments allocating the highest mean rankings to the second factor of attraction (Mean ranking = 114.043). The Accounting/Finance Department allocated the lowest mean rankings (68.853) to this factor. Bussin and Toerien (2015) noted that comparative studies in the South African context regarding the influence of job roles are scarce and that comparisons to inform total rewards strategies considering this demographic variable are challenging. The application of adaption-level theory (Helson, 1964) and reference effects (Rigoli, 2019) could, again, assist in analysing departmental reward preferences, but a more nuanced analysis would be required to expose these effects fully.

6.3.2 Discussion of RQ4

RQ4: Which reward preferences most significantly impact employee retention between different demographic groups?

The fourth research question delved into reward preferences for employee retention across seven reward categories. Benefits (Q50) and variable pay (Q49) secured mean scores of 4.36 and 4.24, again aligning with mean ratings for employee attraction, as explored in the discussion of RQ3. These results align with research by Alferaih et al. (2018), who highlight the supremacy of financial rewards for

retention. Similarly, the research results are congruent with Emmanuel and Nwuzor's (2021) findings, who identified that base pay, incentive bonuses, and performance-related incentives drive employee engagement. However, the research outcomes contrast the assertion by Sull et al. (2022) that compensation only has a moderate impact on employee retention.

Conversely, work/home integration (Q54) and quality work environment (Q53) received the lowest ratings. Sull et al. (2022) and Dreery (2008) suggest that remote-work options positively influence employee retention, and, based on the mean score above 3, this assertion held true in the current study, but only marginally, considering its position in the level of importance in rewards that retain. However, all scores exceeded the neutral threshold of *3*, indicating importance to the respondents. Similarly to the attraction reward preferences, financial rewards maintained supremacy amongst the respondents with regard to retention, similar to the research outcomes of Jayathilake et al. (2021), highlighting the importance of development for the younger generations in the workplace. Although career management received a high mean rating (4.23), it fell below financial rewards and benefits, challenging the assertion by Sull et al. (2022) that providing employees with lateral promotions in the organisation is more effective than most strategies for engagement and retention.

Further to the discussion of RQ3 on employee attraction, a demographic evaluation detailed the reward preferences with regard to retention. The analysis aimed to discern if diverse demographic groups prioritised different rewards for retaining employees in organisations, and from the EFA, it was identified that only the second retention factor (EmpRetF2), encompassing performance recognition (Q51), career management (Q52), quality work environment (Q53), and work/home integration (Q54), exposed significant differences between demographic groups.

The outcomes mirrored the attraction factors generated in the analysis related to RQ3. Significant differences were noted with regard to the level of education ($p = 0.015$) and department ($p = 0.024$). However, for retention specifically, no statistically significant differences were identified between age groups or generational cohorts for financial rewards, challenging the findings of Kollmann et al. (2020), who suggest significant differences in preferences for retention based on age and posits that monetary rewards contribute to the job satisfaction of younger

employees. This outcome may suggest that it is a primary antecedent of employee retention but not of the job satisfaction of older employees.

The analysis revealed gender-based differences in preferences for the second retention factor (performance recognition, career management, quality work environment, and work/home integration). Specifically, women exhibited a higher preference (mean rating = 4.094) than men (mean rating = 3.925) for these rewards with regard to retention. This supports the findings of Bussin and Toerien (2015), who found that women value the correct measurement and recognition of performance significantly higher than men. Similarly, the outcomes match those of Bussin and Brigman (2019), Snelgar et al. (2013), and Nienaber et al. (2011), who identified that women rate the importance of a conducive working environment, which includes work/home integration and flexibility, higher than their male counterparts do. The emphasis on work/home integration for women in the workplace could be related to the societal role of women in South Africa, who often need to juggle household commitments and work responsibilities (Nehemia & Lenkoe, 2023).

Like the demographic analysis of attraction factors, the second retention factor was also rated statistically significantly differently when considering respondents' education level, where employees with grades 12 and lower provided lower mean values to this factor (mean ranking = 82.400) while employees with postgraduate degrees provided the highest mean rankings (105.922). The outcome mirrors the same analysis for employee attraction. In this instance, employees with a lower education level added less value to the second retention factor, which considered recognition, flexible work arrangements and other intrinsic rewards compared to more educated individuals. The outcome may also be explored through Levinson's (1979) life-stage model, where the majority of respondents who have obtained post-graduate degrees may be in a later life stage where they have established themselves and are now reviewing the importance of intrinsic reward s and benefits as they prepare for the next stage of their lives.

The differences between departments were negligible when comparing attraction and retention factors but mirrored the findings discussed in Section 6.2.2.

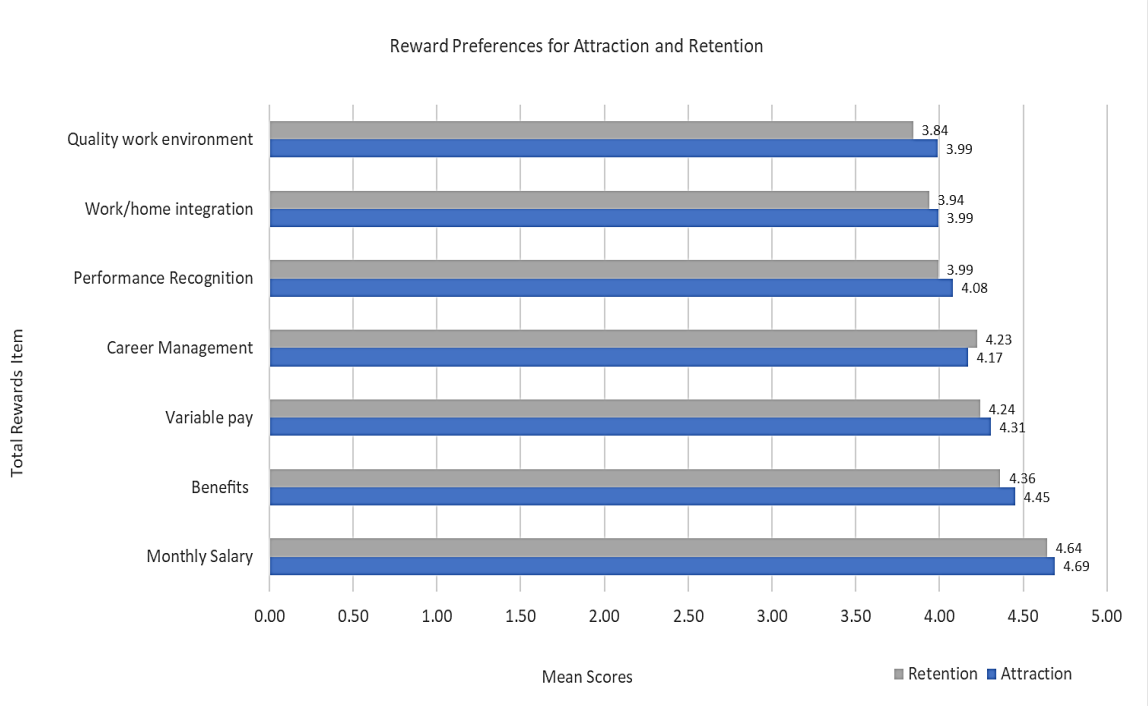
6.3.3 Attraction versus retention

Prior studies have indicated that rewards that attract employees might differ from those that retain current ones (Bussin & Toerien, 2015; Lasseter & Daman, 2023; Nienaber et al., 2011; Snelgar et al., 2013; Zaharee et al., 2018). However, the present research revealed that preferences for attraction and retention rewards were relatively consistent, with a monthly salary being paramount in both categories.

As illustrated in **Error! Reference source not found.**, the significance ranking of the seven reward items for both attraction and retention remained consistent. Monthly salary, benefits, and variable pay were deemed crucial for retention and attraction, while work/home integration and quality work environment were least valued. **Error! Reference source not found.** also shows that, except for career management, attraction rewards had slightly higher average ratings. Notably, career management had a marginally higher rating for retention (4.25) than attraction (4.17), congruent with the findings of Khan et al. (2020), who posit that non-financial rewards such as career advancement improve satisfaction and motivation, which are both classified as determinants of reduced turnover intention. The current study's results suggest that, although career management may be relatively important for attraction, it becomes more important when employees are in the organisation and require certain inputs to achieve their career goals.

Figure 6.7

Reward Preferences for Attraction and Retention



Although the general profile between rewards that attract versus those that retain was similar, some differences were exposed when demographics were considered, further reiterating the importance of incorporating demographic differences into reward strategies, as posited in literature (Bussin et al., 2019; Bussin & Brigman, 2019; Lasseter & Daman, 2023).

Significant differences were identified for reward preferences with regard to attraction of individuals of different generational cohorts, different departments, and with different levels of education. In contrast, when considering employee retention, differences were noted in preferences between employees of different genders, education levels, and departments.

When reviewing differences between demographic groups, it was evident that, although significant differences existed, financial rewards were the most important for all groups for retention and attraction. All groups also allocated lower mean scores to factors for attraction, compared to those for retention, with one exception: The Xers cohort allocated a mean rating of 4.43 to attraction factor 1, but allocated a higher rating (4.52) to the first retention factor, both denoting compensation and benefits. The outcome is aligned with literature that suggests that the importance of

stability and benefits increases in line with employee life stage, but may also suggest that this cohort may not consider financial gain or benefits as important for attraction as they do for retention, suggesting that this may not necessarily be as strong a pull-factor, but more a push-factor if it is not adequately managed (Lasseter & Daman, 2023).

6.4 Distinct Demographic Groupings

The results of the cluster analysis discussed in Section 5.5.5 enabled the researcher to refine further the demographic variables that significantly influenced the research sample's reward preferences and to use these variables to categorise the sample into distinct groups that could be targeted in organisational reward strategies. The cluster analysis effectively summarised the demographic groupings and related reward preferences into identifiable groups that could inform practice. The demographic characteristics of seniority (job level), annual income, age bracket, and marital status significantly predicted employee reward preferences (see **Error! Reference source not found.**). They enabled the formation of two distinct clusters: *The married, stability-seeking, high-earning middle-aged male professional* and *The single, development-driven, mid-income woman Millennial*.

The first cluster comprised men who were managers, primarily classified as middle-aged and members of the Xers (Fobian & Maloa, 2020) generational cohort. These respondents were high-income earners, and their seniority, tenure of more than six years, and substantial incomes were linked to a lower value placed on compensation. This results are aligned with the research outcomes of Bussin and Toerien (2015) based on life stage. This cluster showed minimal differences in their preferences for attraction versus retention, indicating that the rewards they felt could attract them to an organisation were also the rewards that could retain them. The cluster also favoured benefits more than the single Millennials in Cluster 2, potentially indicating the impact that their life stage (influenced by marital status, tenure, income, and age) has on their affinity for rewards like medical aid and retirement benefits as they start considering their retirement (Bussin & Toerien, 2015; Levinson, 1979; Whitton, 2023). The results of the current study provide insight into how reward preferences could be tailored to attract and retain this cluster, i.e., offering a competitive salary but focusing on enhancing the attractiveness of benefits as time progresses.

The second cluster reiterated the literature (Bussin & Thabethe, 2018; Bussin & Toerien, 2015) and the present study's findings that Millenials prized development and recognition more than their Generation X counterparts. However, they also had a keen desire to be compensated fairly, contrasting literature that posits that their desire for intrinsic rewards subdues their need for extrinsic financial rewards (Bussin et al., 2019; Waples & Brachle, 2019). Their relatively lower income, intuitively linked to their shorter tenure with the target organisation, also provided insight into their high desire for financial rewards. Their desire for intrinsic rewards was evident in their preferences with regard to attraction and retention, with recognition, career management and work/home integration rated as crucial for both, in line with literature (Zaharee et al., 2018). As found by Bussin and Toerien (2015), this younger, less experienced cohort favours benefits less, which could be linked to their single marital status and life stage, where they may not have dependants, or their focus is primarily on development and recognition to build their careers (Levinson, 1973; Whitton, 2023). They prized personal development and financial growth higher compared to Cluster 1. It was also evident that this younger cohort regarded the importance of financial rewards higher for attraction (4.468) than for retention (4.384), while, for the older cohort, the result was the other way around: greater importance of financial rewards for retention (4.521) than for attraction (4.431). However, in both instances, these rewards are considered non-negotiable. The outcomes provide insights into how reward preferences could be tailored to attract and retain the *Single, development-driven, mid-income woman Millennial*. Organisations should ensure that reward packages include an emphasis on learning and development, focusing on compensation upfront, and taking cognisance of the relative unimportance of benefits in the early stages of her career.

The two-factor cluster analysis results reiterated the tests' outcomes for the differences discussed in Sections 5.5.1 to 5.5.4 and provided a practical representation of two distinct groups that could be targeted through differentiated reward strategies. The clusters discussed represent various potential groups and sub-groups that could be considered in differentiating reward strategies. However, care should be taken to avoid pitfalls such as gender, race, or other forms of discrimination in attempting to maximise the potential benefits of talent management strategies.

6.5 Assessing Reward Preferences Post-COVID-19

The results RQ1 to RQ4 provided an overview of reward preferences for a sample of employees of a South African FMCG company post-COVID-19. A secondary aim of the research was to establish how reward preferences may have potentially changed compared to before the pandemic. Although a longitudinal study would have been the most accurate way to assess this, the time- and resource limitations of this study did not allow for a longitudinal study. The research considered the results of a similar study, that of Fobian and Maloa (2020), which was executed just before the outbreak of the pandemic, and also assessed the reward preferences of South African employees at a large FMCG after the outbreak of the pandemic, in 2023. The results of the comparison exercise cannot be conclusive in informing reward strategies based on the pre-and-post-pandemic view due to a longitudinal study not executed (Saunders & Lewis, 2018), but served to provide insights on potential shifts in reward preferences for further exploration in future research.

Fobian and Maloa (2020) investigated the preferences for total reward components amongst different generational groups to establish whether Millennials, specifically, prefer non-financial rewards over financial rewards, as posited by a growing stream of literature (e.g., Bussin & Van Rooy, 2014; Chen & Lian, 2015; Waples & Brachle, 2019). Before comparing reward preferences and research outcomes, the two research samples were compared to ascertain the validity of the ensuing comparison, considering the lack of generalisability of the current study's results, due to the study being cross-sectional. Table 6.24 compares the data samples across the relevant demographic groupings extracted from Fobian and Maloa's (2020) research.

Table 6.24

Comparison of Sample Descriptives Between Fobian and Maloa (2020) and Current Study (2023)

	Fobian & Maloa (2020)	Current Study (2023)
Number of valid respondents	**605**	**182**
Gender distribution	**Percentage**	**Percentage**
Male	56.2%	55.8%
Female	43.8%	44.2%
Total	**100.0%**	**100.0%**

Generational distribution	**Percentage**	**Percentage**
Millennials	31.7%	48.3%
Xers	63.5%	22.0%
Baby Boomers	4.8%	-
Undefined (incorrect design of questionnaire)	-	29.7%
Total	**100.0%**	**100.0%**
Seniority	**Percentage**	**Percentage**
Management (D or E-band or more senior)	35.2%	47.3%
Junior/Non-management (B-, C-band & lower)	64.8%	52.7%
Total	**100.0%**	**100.0%**
Racial distribution	**Percentage**	**Percentage**
Black African	20.5%	52.2%
White	34.5%	27.5%
Coloured	38.5%	2.7%
Indian/Asian	6.4%	17.6%
Total	**100.0%**	**100.0%**

The demographic groups in the present research were transformed to match the categories presented by Fobian and Maloa (2020) for a descriptive comparison. Although the sample size attained by Fobian and Maloa (2020) was significantly larger (605) than that of the current study (182), the demographic variables of the sample were relatively similar. Both samples comprised more men (56.2% and 55.8%) and a minority of managerial respondents (35.2% and 47.3%), and both samples were racially diverse. Although the percentage of Millennials in both groups was below 50%, the percentage of respondents categorised as Millennials in the current study was impacted by the inability to allocate 29% of respondents as Millennials or Xers due to an error in the questionnaire design, as illustrated in Table 6.25. Although most respondents of the undefined group likely belonged to the Xers cohort, it was impossible to accurately allocate them to the correct generational cohort. However, the two groups formed were adequately sized to proceed with statistical analyses, and the results of these analyses were compared with the research outcomes of Fobian and Maloa (2020). The results are shown in Table 6.25.

Table 6.25

Respondents Sorted into Generational Cohorts

Generation Cohort	Age Bracket	Count	Percentage	Respondents' birth dates
Millennials (1981–2007)	**18–39**	88	48.35%	Born 1984–2005
Primarily Xers (1961–1980, but overlap with Millenials	**40–49**	54	29.67%	Born between 1974–1983
Xers (1961–1980)	**50 and over**	40	21.98%	Born before 1973
	Total	182	100.00%	

Reward preferences for the generational cohorts were compared between the two studies to answer RQ5.

6.5.1 Discussion of RQ5

RQ5: Are there differences in reward preferences for a specific demographic pre- and post-COVID-19?

The primary hypothesis of Fobian and Maloa (2020) explored whether generational cohorts prefer financial rewards to non-financial rewards and assessed the mean responses between generational cohorts allocated to the factors identified in the factor analyses. Based on the higher mean values, Fobian and Maloa's (2020) assessment identified that all generational groups prefer financial rewards over non-financial rewards. In contrast, it was evident that, in the present study, generational cohorts rated the recognition and development factor (F1) higher than the compensation factor (F4), contrasting the results obtained by Fobian and Maloa (2020). Some generational groups did prefer non-financial rewards. However, it must be noted that the low validity of original constructs and the subsequent reformulation of reward factors may have influenced the outcomes, the comparison between the two studies, and the subsequent conclusion.

The second hypothesis explored by Fobian and Maloa (2020) considered whether Millennials prefer financial rewards over non-financial rewards, and it was determined, through an analysis of factor means, that career, learning, development, and performance recognition all scored factor means below that of compensation,

albeit marginally. Fobian and Maloa (2020) concluded that Millennials do not prefer non-financial rewards over financial rewards. In contrast, the present study's results showed that Millennials rated the recognition and development factor (F1) higher (mean rating = 3.943) than compensation (F4), with a mean rating of 3.117. The result is contrary to that of Fobian and Maloa (2020), suggesting that Millennials prefer non-financial rewards related to development and recognition over financial rewards. Considering the benefits and well-being factor (F2), this cohort prioritised compensation (F4). As a method of triangulation, considering the problematic factor analysis related to the questions in the first section of the survey, the results of the retention and attraction factor analyses were consulted. These results showed that Millenials prefer financial rewards over non-financial rewards (considering that the analyses used different questions in the questionnaire to analyse this construct).

The results of this analysis are therefore inconclusive. It was, however, evident from both analyses that reward preferences for development achieved mean ratings very similar to those of the compensation factors, and, coupled with the results of the factor analysis for the main reward preferences questions, it can be concluded that development and recognition are of growing importance for the respondents.

The final analysis by Fobian and Maloa (2020) explored whether there were significant differences in reward preferences between generational groups, and the results indicated no significant differences. This research outcome contrasts with the outcome of the present research, which identified significant differences in reward preferences between generational cohorts for the recognition and development (F1) and compensation (F4) factors (see Sections 5.5.1, 5.5.2, 5.5.3, and 5.5.4).

The research outcomes of comparing the results of the reward preference factor analyses and subsequent demographic analysis with the outputs of the study of Fobian and Maloa (2020) suggest that reward preferences may have shifted post-COVID-19, as posited by Shtembari et al. (2022). Although the validity of the reward preference factors used to explore this research question presented some challenges and the questions utilised in factors did not match that of Fobian and Maloa (2020), the results provide some indications contrary to that of Fobian and Moloa (2020), indicating a need for further exploration for these constructs to improve the research instrument.

With regard to the reward factors explored for retention (RQ4), it was evident that

respondents valued financial rewards like a monthly salary the highest (mean score = 4.64), followed by benefits (mean score = 4.36) and variable pay (4.24). Career management (mean score = 4.23) featured prominently, highlighted by the factor analysis results, where the development and recognition factor (F1) received substantial mean scores from most demographic groups. Jayathilake et al. (2021) posit that employee development is a crucial reward preference regarding retention, based on the results of their post-pandemic study, which aligns with that of the current study.

The present study's results suggest that financial rewards maintain supremacy with regard to retention, similar to the view of Shtembari et al. (2022). Surprisingly, work/home integration featured quite low, rated as only the sixth most important reward item for retention, behind monthly salary, benefits, variable pay, career management, and performance recognition. The comparatively low relative importance allocated to work/home integration contrasts with the outcomes of the study of Shtembari et al. (2022), who identified a shift towards a preference for these rewards.

The exploration of RQ5 yielded insights into whether reward preferences changed post-pandemic for a similar sample. Although inconclusive, the factor analysis and resultant mean comparisons suggested that reward preferences may have shifted, with the importance of compensation-related rewards reducing in favour of development and recognition rewards. However, the results need to be considered in the context of this study's problematic factor formation process, which may have influenced the outcomes. Nevertheless, the subsequent analysis, which considered rewards that retain, also suggested the high importance of employee development among respondents, suggesting that this reward factor has gained importance in the post-pandemic context.

Surprisingly, for all analyses conducted, flexible working arrangements and reduced working hours did not feature prominently in the results of the current study, challenging the growing body of literature that posits the importance of this reward element (Ng & Stanton, 2023; Shtembari et al., 2022).

In their research on changes in the approach to employee development in organisations resulting from the COVID-19 pandemic, Mikolajczyk (2021) asserts that employee development is more important than ever. The identified growing

importance of development amongst employees in the post-COVID-19 context is reflected in the findings of Xu et al. (2023), who identified that death anxiety caused by COVID-19 indirectly led to an increase in turnover intentions due to employees' increased desire for meaningfulness in their jobs and lives.

Research has indicated that offering opportunities for learning and personal growth can enhance the sense of meaningfulness in work (Fletcher, 2019; Fletcher & Schofield, 2021). Fletcher and Schofield (2021) propose interventions focused on learning and development to boost employee engagement by fostering meaningfulness, a key factor for retention. Similarly, Fletcher (2019) found that employees feel more engaged when they recognise opportunities for growth due to an increased sense of purpose in their roles. Xu et al.'s (2023) findings on the rising desire for meaningfulness amongst employees after the COVID-19 pandemic, coupled with the present study's results regarding the growing preference for developmental rewards, provide valuable insight for both scholars and industry professionals. Post-pandemic, enhancing personal development opportunities for employees could directly elevate their engagement levels (Fletcher, 2019).

6.6 Conclusion

The chapter reviewed the fundamental assertion that demographic variables impact employee references. H1 was accepted, as significant differences were identified between demographic groups of different ages, with different tenures, income levels, and seniority, amongst others. The exploration of the second research question identified that some demographic variables have a more pronounced impact on the differences in reward preferences than others, satisfying H2 and providing insights into how the impact of the different demographic variables differ. The third and fourth research questions were tested descriptively and inferentially to identify differences in reward preferences with regard to attraction and retention and how demographics influenced these. No significant differences were found. The results of this analysis also reiterate the importance of financial rewards, regardless of demographic allocation, but highlight differences between demographics concerning intrinsic and non-monetary rewards such as development, recognition, and work–home integration.

A two-step cluster analysis was utilised to refine the understanding of reward

preferences for distinct demographic groups, and the analyses highlighted two groups based on their demographic make-up and primary reward preferences. The analysis reiterated the importance of development based on employee life stage and generation, with younger employees showing more affinity towards this reward component. In contrast, older, more tenured employees were found to have a higher preference for benefits, echoing the findings of Bussin and Toerien (2015).

Finally, an indicative analysis comparing the outcomes of the present study with those of a pre-COVID-19 study conducted by Fobian and Maloa (2020) suggested a potential shift in reward preferences towards development and recognition, but with compensation still enjoying primacy. However, the outcome was inconclusive due to the problematic formation of reward preference factors, which may have influenced the construct validity. The analyses also highlighted a relatively low affinity for the flexible work arrangements reward components, challenging notions posited in literature by Ng and Stanton (2023) and Shtembari et al. (2022) that this preference is gaining importance.

Overall, the inferential statistical analyses comprehensively explored the five research questions, and the resultant outcomes informed the conclusions discussed in Chaper 7.

Chapter 7: Conclusion

7.1 Introduction

This chapter outlines the main findings of the study, synthesising the research outcomes regarding the reward preferences of employees with different demographic attributes into theoretical and practical contributions and recommendations to address the challenges businesses face in attracting and retaining talent, especially since the outbreak of the COVID-19 pandemic. The chapter also considers recommendations for future research, which could deepen the available knowledge on the subject matter.

7.2 Theoretical Implications

The research aimed to contribute to understanding employee reward preferences, using the Total Rewards Model (WorldatWork, 2020) as the basis of the exploration. Rewards are pivotal in cultivating engaged employees, leading to superior work quality, enhanced morale, positive workplace relationships (Rožman et al., 2017; Sabir, 2017), and employee retention (Bethke-Langenegger et al., 2011; Bussin & Brigman, 2019; MacDonnell et al., 2017). Conversely, insufficient rewards can diminish employee motivation (Huang, 2019; Kuvaas et al., 2017; Malek et al., 2020) and the ability to attract and retain employees, adversely affecting an organisation's performance (Victor & Hoole, 2021).

While the topic of employee reward preferences has been explored over many years (Agarwal, 1998; Bussin et al., 2019; Hoole & Hotz, 2016; Lasseter & Daman, 2023; Nienaber et al., 2011), the current global landscape, marked by rapid changes and uncertainties, necessitates a fresh perspective. Existing literature reports mixed findings on the effectiveness of different reward types, with some emphasising the growing significance of non-financial rewards (Malek et al., 2020; Sull et al., 2022), while others challenge this perspective (Fobian & Maloa, 2020; Greenwald & Fronstin, 2019). In the rapidly evolving landscape of the post-COVID-19 era, understanding the shifting dynamics of employee reward preferences to inform talent management strategies is crucial to maximising the attraction and retention of skilled talent (Ng & Stanton, 2023; Xu et al., 2023).

This dissertation comprehensively explored reward preferences in this context, intending to provide theoretical insights and practical recommendations for businesses navigating this 'new normal'. A core aspect of the study was centred around verifying the foundational assertion that demographics influenced employee reward preferences (Bussin et al., 2019; Bussin & Toerien, 2015), which assertion was validated through statistical tests for differences. The study explored a total of eight demographic variables: gender, age, generational cohort, marital status, education level, tenure, job level, and job type, and explored how these independent variables influence reward preferences. Although depth of knowledge was aimed for in this research project, the results also add breadth through the large number of explored demographic variables.

Statistically significant differences were identified between and within groups of demographics with regard to different reward preferences, and it was concluded that demographic variables significantly influence employee reward preferences. The results are consistent with literature that posits that there are significant differences in reward preferences according to gender (Bussin & Thabethe, 2019; Froese et al., 2018; Schlechter et al., 2014), levels of income (Bussin & Thabethe, 2018), job seniority (Bussin & Thabethe, 2018), age (Bussin & Thabethe, 2018; Froese et al., 2018; Kollman et al., 2020), generational cohorts (Asseburg & Homberg, 2020; Fobian & Maloa, 2020), level of education (Froese et al., 2018), and tenure (Weske & Schott, 2018). However, the results diverge from those of Alhmoud and Rjoub (2020), who observed no generational differences; Weske and Schott (2018), who reported no gender disparities; and Bussin and Brigman (2019), who identified no variations based on tenure.

The present research's divergence from the findings of Alhmoud and Rjoub (2020), Weske and Schott (2018), and Bussin and Brigman (2019) could be attributable to several factors. The comprehensive scope of the present research, encompassing a wide range of demographic variables, might have captured nuances missed in narrower studies. Geographical and cultural contexts (Kollmann et al., 2020), as well as the timing of the research, could also influence outcomes, especially given the rapidly changing dynamics of modern workplaces (Whysall et al., 2019). From research design to data analysis, methodological differences could have produced varied results. External events, including the COVID-19 pandemic or economic shifts, might have impacted employee reward preferences during the respective

study periods (Ng & Stanton, 2023; Xu et al., 2023). These discrepancies underscore the multifaceted nature of reward preferences and the need for ongoing research to grasp evolving trends..

The research delved deeper into the influence of demographic attributes on employee reward preferences by isolating the demographic variables identified as having the most pronounced influence on reward preferences. Five demographic variables were isolated based on their impact on reward preferences when all demographic attributes were analysed simultaneously. Employee annual income, seniority, tenure, age, and department (job type) were isolated as the primary attributes that significantly influence reward preferences, which may provide valuable input for the design of effective reward strategies.

Life-stage literature (Levinson, 1979) was consulted to explain annual income, seniority, tenure, and age-related reward preference outcomes. The outcomes highlighted significant differences in reward preferences between these demographic groups concerning rewards related to development, recognition, benefits, and work–life integration. Their preferences were not significantly different for rewards related to financial compensation, with all groups prizing this reward highly. The study found that individuals with lower incomes, who might be in an earlier life stage, place a higher value on development and recognition than on rewards related to benefits and well-being. On the other hand, those with a higher income, possibly older and in a later life stage, emphasise well-being and benefits over development and recognition, as posited by Whitton (2023). This could be due to their life circumstances, such as family responsibilities or approaching retirement, as Bussin and Thabethe (2018) posited, highlighting a connection between age groups and base pay, emphasising the influence of age and, potentially, life stage.

Similarly, when considering employee seniority, the most experienced employees were found to prioritise benefits and well-being while giving less importance to development and recognition. Conversely, junior employees value development and recognition more and show less interest in benefits and well-being. This pattern mirrors the findings for income groups, suggesting a potential and intuitive link between life stage, seniority, and income. A similar trend emerged when extending this view to employee tenure and age. The results showed that employees with a shorter tenure place less emphasis on benefits-related rewards and prioritised those

associated with development. This observation aligns with the research by Bussin and Toerien (2015), who note that employees in the early stages of their tenure often prioritise training and development over benefits, like retirement, and well-being aspects, like flexible hours and work–life balance, unlike their counterparts with longer tenures. Bussin et al. (2019) and Jayathilake et al. (2021) highlight a similar outcome for the influence of age on employee reward preferences, emphasising the importance of development for younger cohorts.

In relating the life-stage literature, with specific reference to Levinson's Model of Life Development (Levinson, 1979), to these research outcomes, younger employees are often at the beginning stages of their careers and want to acquire new skills and knowledge to propel them forward in their professional journey (Levinson, 1979), which explains their affinity for development. In addition, they often seek validation and acknowledgement for their efforts. Long-term benefits like retirement plans or health benefits for chronic conditions may not be top-of-mind for these individuals, and they value short-term benefits more. Another relevant construct relates to young employees often comparing themselves with peers inside and outside the organisation, where development opportunities can provide a competitive edge or a sense of parity with peers. In contrast, older employees at a later stage naturally seek stability in their personal and professional lives (Levinson, 1979). Therefore, it is no surprise that they prioritise benefits such as retirement plans and comprehensive medical aid. Considering their life stage, they may also see diminishing returns from development initiatives and, therefore, do not prioritise development opportunities.

A two-step cluster analysis further emphasised the demographic factors (discussed in Sections 5.5.2 and 6.2.2) and further subdivided the research sample into two groups: *The married, stability-seeking, high-earning middle-aged male professional* and *The single, development-driven, mid-income woman Millennial*. The analysis results underscored the results discussed in Sections 5.5.1 to 5.5.4, highlighting two unique groups that could benefit from bespoke reward strategies. While these clusters represented specific segments, it is essential to recognise the potential existence of other groups.

The first group, primarily high-income earners with significant tenure and seniority, showed a reduced emphasis on compensation, aligning with the findings of Bussin

and Toerien (2015). Their preferences for attraction and retention rewards were similar, suggesting that what draws them to a company is also what keeps them there, which contradicts the view of Lasseter and Daman (2023), who found differences in rewards that retain versus those that attract employees to organisations. As employees approach retirement, benefits like medical aid become more appealing, emphasising the earlier outcomes of the present research and echoing Bussin and Toerien's (2015) observations. The results also align with Levinson's (1979) Early and Late Adulthood Model. A competitive salary combined with enhanced benefits over time could be an effective strategy for this group.

The second group, mainly younger employees or Millennials, value development and recognition more than their older peers, consistent with the literature (Bussin & Thabethe, 2018; Bussin & Toerien, 2015). However, they also strongly desire fair compensation, challenging the idea that their intrinsic reward preferences overshadow the extrinsic ones (Bussin et al., 2019; Waples & Brachle, 2019). Their lower income, likely due to shorter tenures, might explain their heightened emphasis on financial rewards. This group's intrinsic reward preferences, such as recognition and a work–life balance, are vital for both attracting and retaining them (Zaharee et al., 2018). In line with the view of Bussin and Toerien (2015), these younger employees place less importance on benefits, possibly due to their life stage and focus on career growth. For this group, reward strategies should prioritise development opportunities and fair compensation while de-emphasising benefits in the early career stages.

The study also explored whether employees value certain rewards for attraction and others for retention and identified that, for the research sample, employees do not differ significantly regarding the rewards that attract versus those that retain. They consider financial rewards and benefits the most important and attach the lowest value to a high-quality work environment and work/home integration in both instances. The research concurred with Bussin and Thabethe (2018) that no significant differences existed between what attracted employees to an organisation versus what retained them, although more work can be done to understand exactly how demographic variables influence this, utilising more detailed questions for exploration. Life-stage theory could also be applied to understanding how preferences for attraction versus preferences for retention potentially change over time, where certain rewards may be crucial for attraction, may diminish in importance

for retention over time. This may be an aspect worth exploring in future research..

In line with the research objectives, analyses were also done to evaluate the influence of demographics on these outcomes, and the results highlighted that gender, generational cohort, level of education, and department significantly influence differences in reward preferences for employee attraction and retention. The analyses again highlighted the importance of financial rewards and benefits, evident in limited variation in responses for these reward items regardless of demographic attributes. In contrast, the study revealed significant disparities in preferences for performance recognition, career advancement, quality work environment, and work/home integration. These outcomes indicate that all demographic groups view financial components and benefits equally. These findings bolster the notion that these financial elements are considered foundational or hygiene factors, as described by Herzberg's motivation theory (Hur, 2018). They enable employees to meet their essential needs (Bussin & Toerien, 2015; Schlechter et al., 2014), with distinctions emerging only after these foundational needs have been met. Herzberg's two-factor theory highlights hygiene and motivation as key determinants of employee behaviour (Herzberg et al., 2017). Based on the present research outcomes, this theory sheds light on the importance of financial benefits, regardless of demographics. Hygiene factors, like work environment and salary, prevent dissatisfaction but do not motivate.

In contrast, the motivation factors of achievement, recognition, self-actualisation, and empowerment directly boost engagement, motivation, and the intention to stay with the organisation. Organisations should address basic hygiene needs for optimal employee satisfaction and performance before emphasising motivational elements (Herzberg et al., 2017). Research suggests that compensation alone does not significantly impact employees' turnover intention (Haldorai et al., 2019). However, when this hygiene factor is not satisfactory and combined with other factors, such as a lack of benefits and autonomy and similar shortcomings, the impact on turnover intention is the most pronounced (Haldorai et al., 2019).

The final contribution of the research is the mapping of how the reward preferences of a particular demographic group may have changed after the outbreak of the COVID-19 pandemic. Although the current study was cross-sectional, the researcher identified a study (Fobian & Maloa, 2020) conducted before the

pandemic, which considered employees' reward preferences at a South African FMCG company, as the present study did. The demographic distribution of the research samples was compared, and the generational cohorts were isolated for comparison, with the sample from Fobian and Maloa (2020) serving as the pre-COVID-19 control group and the sample of the present study serving as the post-COVID-19 test group.

The outcomes indicate a potential shift in reward preferences, with a decreased emphasis on compensation-related rewards and an increased focus on development and recognition for both Millennials and Generation X. However, the results of this analysis were inconclusive due to the problematic factor analysis of the reward preferences questionnaire. The analysis provided outcomes contrary to the prevailing literature that emphasises the significance of flexible work schedules (Ng & Stanton, 2023; Shtembari et al., 2022), as this aspect was not a primary concern for the respondents in the current study. It is posited that these findings are rooted in employees searching for more meaning in their jobs and lives since the pandemic.

Mikolajczyk (2021) highlights the amplified importance of employee development in the aftermath of the COVID-19 pandemic. Xu et al. (2023) suggest that pandemic-induced anxiety about mortality indirectly increased employees' turnover intentions and that this may have been due to a heightened need for purpose and meaning in their professional and personal lives.

Studies have shown that providing avenues for learning and personal advancement can intensify the feeling of purpose in one's job (Fletcher, 2019; Fletcher & Schofield, 2021). Fletcher and Schofield (2021) recommend strategies focused on learning and growth to enhance employee engagement, as these instil a sense of purpose, which is crucial for employee retention. In line with this, Fletcher (2019) observes that when employees see growth opportunities, they experience heightened engagement due to a reinforced sense of purpose in their role. The findings of Xu et al. (2023) on the increased quest for purpose post-pandemic and the current study's emphasis on developmental rewards hold significant implications for both academia and the corporate world. Offering more personal development opportunities post-pandemic could boost employee engagement (Fletcher, 2019) and help employers increase their value offerings to prospective and current employees.

The present study builds on the theory of total rewards and reward preferences and emphasises the interplay between employee demographics and reward preferences. Traditional total rewards theory, underpinned by the WorldatWork Total Rewards Model (WorldatWork, 2020), posits a holistic approach to employee compensation, encompassing financial rewards and intangible rewards such as development opportunities, work–life balance and recognition. The present study reaffirms the foundational principles of total rewards strategies and emphasises the importance of financial elements such as compensation as order qualifiers to satisfy employees' primary needs. However, the research also highlights variations in preferences for intangible benefits, which could be utilised to differentiate organisations in the war for talent. In addition, the study highlights the evolving nature of reward preferences in the face of macroeconomic contextual factors such as the COVID-19 pandemic.

Finally, the study reaffirms the importance of demographic considerations in shaping reward preferences. This research suggests that a one-size-fits-all strategy may not be optimal for firms in competing for talent, despite research suggesting employees value all factors encapsulated by a total rewards strategy. The study highlights the distinct reward preferences of demographic groups, influenced by factors such as age, gender, tenure, and generational cohort. The nuanced understanding outlined by this research may encourage organisations to consider more tailored and adaptive reward strategies to ensure they remain competitive and responsive to the diverse needs of prospective and current employees. The current study’s outcomes build on existing theoretical frameworks and pave the way for more refined and effective reward strategies in practice.

7.3 Practical Implications

The research yielded meaningful, practical implications for organisations and practitioners in the quest to attract, engage, and retain talent in a highly competitive and complex post-pandemic context. Understanding the evolving reward preferences of employees is not just an academic exercise but ultimately a strategic imperative if organisations are to win the war for talent, especially in the skills-scarce context of South Africa. As the research findings suggest, demographics are pivotal in shaping these reward preferences. Organisations that fail to recognise and adapt to these nuanced differences risk alienating key segments of their prospective and

current workforce, as it will ultimately impact their ability to attract, motivate, and retain talent.

With the shift in reward preferences towards non-financial and intrinsic rewards, such as development and recognition, organisations should consider redesigning their reward structures to cater for these nuanced preferences by investing in robust training and development programmes, defining clear development plans, and pioneering 'meaningfulness interventions' (Fletcher & Schofield, 2021, p. 2) in talent management strategies, to address the post-pandemic employee's need for purpose (Xu et al., 2019). Development initiatives should not just be regarded as mundane training interventions but strategic levers for employee attraction, retention, and fostering purpose. Organisations should recognise that to differentiate themselves, relying on compensation alone may not have the desired results (Lasseter & Daman, 2023), leading to zero-sum competition for talent. Although the present research has contributed to the knowledge that competitive compensation is non-negotiable for retention and attraction, differentiating reward strategies based on intrinsic elements such as development, recognition, and work–home integration could inform practitioners' and organisations' strategies to effectively compete for talent.

The research also challenges the prevailing notions about the importance of flexible working arrangements in the post-COVID-19 era (Ronnie & Glaister, 2022). Although many organisations have embraced flexible working schedules and work-from-home arrangements, the results of the current study suggest these factors do not play a crucial role in retention or attraction in all contexts. This highlights the importance of continuously engaging with employees to understand their evolving needs and preferences.

Finally, the research emphasises the importance of the total rewards approach, as more than 50% of respondents indicated that they would want a more balanced total rewards package. This indicates that organisations could tailor their rewards approach to suit the needs of different demographic groupings, as depicted by the two distinct groups formed by the two-step cluster analysis utilised in the present research. Differentiation could be applied to reward strategies by ensuring competitive remuneration but offering younger employees structured, meaningful and more opportunities for development while reducing this offering for older employees and substituting this aspect with a reward package loaded more

favourably towards benefits, potentially increasing health- and retirement benefits and introducing wellness programmes. Similarly, organisations could analyse internal job functions or departments and be cognisant of psychological impacts, such as employees desiring benefits they do not normally enjoy in their roles. For example, employees in marketing and sales roles generally enjoy flexibility in their work and long for greater remuneration, while employees in manufacturing roles may desire more flexible work arrangements. These are just some potential differentiations that could be applied to reward strategies and could be varied through employees' life stages to optimise retention strategies.

Although differentiated reward strategies based on demographic attributes hold significant promise for organisations and their endeavours to attract, engage, and retain employees, organisations must design these reward packages responsibly and equitably to avoid discrimination and unfairness (Kollmann et al., 2020).

The next section discusses the study's limitations, together with avenues for future research.

7.4 Limitations and recommendations for future research

Although the study provided credible empirical evidence for the research conclusions and the researcher endeavoured to examine the research topic comprehensively and accurately, some pertinent limitations may have influenced the overall research project.

A limitation of this study pertains to the rating tool used to gauge reward preferences. The five-point Likert scales utilised throughout the study’s measurement instrument had midpoints of “Moderately important” and “To a moderate extent”, which may not genuinely reflect a neutral stance. As Bussin and Toerien (2015) note in a comparable study, research on reward preferences using such scales might exhibit limited variance and a tendency for ratings to lean towards the positive end. The reliability of the survey, which was an amalgamation of questions formulated by Bopape (2022), Nienaber et al. (2011), and Van Rooy (2010), could have affected the factor analysis and, by extension, some results, especially those delving into the demographic factors that exert the greatest influence on reward preferences. Despite challenges in factor analysis, the subsequent examination of RQ3 and RQ4

and the descriptive analysis of individual questions largely supported the factor analysis results, bolstering the study's credibility. For future endeavours, crafting a refined research tool that addresses reliability issues and delves deeper into reward preferences would be beneficial. The process could involve questions that probe the trade-offs employees are willing to make, offering a clearer picture of their genuine preferences and mitigating the tendency towards overly positive responses.

Another notable constraint of this study, and an avenue for future research, is its cross-sectional design, which restricted the ability to definitively ascertain shifts in reward preferences over time (Saunders & Lewis, 2018). While efforts were made to select a sample with comparable demographics and context to the sample studied by Fobian and Maloa (2020), and the outcomes indicate potential changes in reward preferences post-COVID-19, the outcomes should be viewed as indicative rather than conclusive. A longitudinal study tracking the same employee group over a period would be beneficial to derive more definitive insights (Denscombe, 2017). For instance, revisiting the substantial participant pool from Fobian and Maloa (2020) before the pandemic could be insightful. Researchers could assess any significant changes in their reward preferences by conducting surveys within the same organisation and using screening queries to pinpoint previous participants.

The generalisability of the current study’s results is limited, as data were collected in one country from an organisation with its own unique staff demographics, culture, reward strategies, and processes. The decision to only collect data from this narrow population has both benefits and drawbacks. The focused research outcomes assisted the researcher in controlling for industry and organisation specifics that may have influenced the reward preference outcomes (see Kollmann et al., 2020). However, the company-specific characteristics may have influenced the outcomes, considering the relatively long tenure of most respondents. Similarly, the macroeconomic conditions in South Africa, including the significant unemployment rate (Gumbi, 2023), the greatest income inequality in the world (Sulla et al., 2022), and fears of the collapse of institutions, may have all influenced respondents' responses and limited generalisability to other emerging economies that do not face the same macroeconomic factors. These limitations provide opportunities for other comparable studies in different companies within the same industry and in different industries and countries, as reward preferences and talent management are of global interest.

The research identified differences in reward preferences between job roles that were similar to those identified in prior research but identified the potential of using adaption-level theory (Helson, 1964) or reference effects (Rigoli, 2019) to explain some of these differences. The study found that employees potentially allocate higher meaning to rewards they may not be receiving than ones they are receiving, suggesting that comparisons to past rewards inform their preferences and not formulated as absolute preferences (Rigoli, 2019). These theoretical models may provide a different approach to analysing employee reward preferences by controlling for received rewards or contrasting reward choices more rigorously to expose true absolute preferences.

Finally, although recent similar studies (Bussin et al., 2019; Bussin & Brigman, 2019; Fobian & Maloa, 2020; Lasseter & Daman, 2023) also utilised a mono-method approach to data collection and analysed the data quantitatively (Denscombe, 2017; Saunders & Lewis, 2018), the approach may hinder the exploration of psychological and personality-related influences on reward preferences. Porter et al. (2019) suggest that employees stay with organisations when psychological, social, and financial factors are in balance, and it would, therefore be prudent to broaden the understanding of the interaction between these factors with more exploratory research methods. The theoretical link made with the meaningfulness construct in this research could be explored using follow-up qualitative methods, such as interviews, to verify the notion that the pandemic has increased employees' need for purpose. Such research may yield additional insight into how organisations could respond to this need to foster attraction and retention. Future research could explore this construct concerning reward preferences using qualitative or mixed-method (Hair et al., 2019) research approach to deepen the exploration.

Although the abovementioned limitations and opportunities for future research provide insight into how the research could be improved, the present study provided a foundation for understanding reward preferences in a post-COVID-19 context by considering a wide array of demographic differences in the analyses. The research project delivered on its mandate of identifying significant differences in reward references between demographic groups, isolating potential differences in reward preferences pre- and post-COVID-19, and providing theoretical and practical inputs to the reward preferences literature.

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Appendices

Appendix 1: Questionnaire

The questionnaire was adapted from Bopape (2022), Nienaber et al. (2011), and Van Rooy (2010). Personal details were removed from all appendices to maintain anonymity.

Gordon Institute
of Business Science
University of Pretoria

A demographic analysis of employee reward preferences: A post-COVID-19 overview.

Informed Consent Letter

Dear Colleague and valued participant,

I am currently a student at the University of Pretoria's Gordon Institute of Business Science and am completing my research in partial fulfillment of an MBA. As I stride towards completing my research, I invite you to contribute to a study that holds immense potential to shape the future of talent management strategies.

I am researching reward preferences to understand what reward preferences employees in an FMCG (fast-moving consumer goods) company have and how demographic variables influence these preferences. By participating, you will actively contribute to informing strategies that can revolutionise how organisations attract, engage, and retain talent.

You are invited to participate in this research project by completing a questionnaire about your reward preferences and remuneration mix.

Your participation in this research study is voluntary. You may choose not to participate. If you decide to participate in this research questionnaire, you may withdraw at any time. If you decide not to participate in this study or withdraw from participating at any time, you will not be penalised.

The procedure involves filling out this online questionnaire, which will take approximately 10–15 minutes. Your responses will be confidential, and we do not collect identifying information such as your name, email address, or IP address, ensuring anonymity. All data collected will be kept confidential and will only be used for the purpose of this study, and will not be shared with the company in question.
To help protect your confidentiality, the data analysis will not contain information that will personally identify you.
By taking part, you're helping shape the future of how companies support their employees.

Gordon Institute
of Business Science
University of Pretoria

A demographic analysis of employee reward preferences: A post-COVID-19 overview.

More about you?

The following section will capture your demographic data. All data will be anonymous, with sensitive information not to be shared with anyone.

* 1. Gender

- ◯ Female
- ◯ Male
- ◯ Prefer not to say

* 2. Ethnicity / Race

- ◯ African
- ◯ Coloured
- ◯ Chinese
- ◯ Other (please specify) _____
- ◯ Indian/Asian
- ◯ White

* 3. Age (in years)

- ◯ 18-29
- ◯ 30-39
- ◯ 40-49
- ◯ 50-59
- ◯ 60 and over

* 4. Highest academic qualification obtained

- ◯ Grade 12 and lower
- ◯ Certificate or Diploma
- ◯ Undergraduate Degree
- ◯ Postgraduate Degree
- ◯ Other (please specify) _____

* 5. Marital Status

- Single
- Married / Living Together
- Divorced
- Widowed

* 6. Children younger than 18 years / dependents

- 0
- 1-2
- 3-4
- more than 4

* 7. Years of service with current company

- less than one year
- 1-2 years
- 3-5 years
- 6-10 years
- 11-15 years
- more than 15 years

* 8. Department you currently work in?

- Accounting / Finance
- Marketing
- Operations
- Engineering / Projects / Technical
- Quality / SHE
- Sales
- Call Centre
- Legal
- Human Resources
- Logistics / Planning / Procurement
- Other (please specify)

* 9. Employment level in company

- ◯ Frontline employee / factory worker
- ◯ Junior position / General
- ◯ Supervisor / Specialist
- ◯ Middle Manager
- ◯ Senior Manager
- ◯ Executive
- ◯ Other (please specify)

* 10. Annual income

- ◯ less than R100,000
- ◯ Between R100,000 and R250,000
- ◯ Between R251,000 and R400,000
- ◯ Between R401,000 and R550,000
- ◯ Between R551,000 and R750,000
- ◯ Between R751,000 and R1,250,000
- ◯ Between R1,251,000 and R1,500,000
- ◯ More than R1,500,000
- ◯ Prefer not to say

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Section 2: Employee Preferences

The following section covers employee reward preferences and considers total reward frameworks and components. The table below provides examples of these concepts:

Definitions	Descriptions	Examples
Total Reward Strategy	**Every reward included in the remuneration of employees by the employer**	**Financial and non-financial rewards in an organisation**
Total Rewards Component	**Remuneration, Benefits, Well-being, Recognition, and Development**	**Salary, Medical Aid, Flexi-Time, Awards, Training**

* 11. What type of rewards do you currently receive? (Please select ALL applicable options)

- [ ] Salary
- [ ] Bonus
- [ ] Incentives
- [ ] Share Options
- [ ] Medical Aid Contribution
- [ ] Retirement contribution
- [ ] Annual Leave
- [ ] Sick Leave
- [ ] Flexible Hours
- [ ] Performance Awards
- [ ] Performance Reviews/Recognition
- [ ] Health & Wellness facilities
- [ ] Coaching Programmes
- [ ] Mentorship
- [ ] Study Bursaries
- [ ] Work From Home

* 12. To what extent do you agree that your current remuneration package relative to your current job is fair?

To no extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
○	○	○	○	○

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Compensation

The following section considers different forms of compensation for services rendered by employees. The table below describes some items relevant to employee compensation.

Definitions	Descriptions	Examples
Fixed Pay	Guaranteed basic pay received every month	Salary
Variable Pay	Monetary remuneration that is not guaranteed	Commission, Bonus
Short-Term Incentive	Performance-based incentives	Personal and Team incentives to reward short-term performance
Long-Term Incentive	Incentives of which the measurements usually are longer than one year	Share Options

To what extent do you agree with the following statements?

* 13. Financial Rewards motivate me to perform better?

To no extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
○	○	○	○	○

* 14. I would lower my benefits (e.g. pension and medical contributions) to increase my take-home pay

To no extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
○	○	○	○	○

* 15. I would like a large part of my salary to be made up of variable pay

To no extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
○	○	○	○	○

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Benefits:

The following section considers different forms of benefits offered to employees by employers. The table below describes some items relevant to employee benefits.

Definitions	Descriptions	Examples
Benefits	Programmes employers use to extend remuneration to employees	Medical Aid, Pension Fund

To what extent do you agree with the following statements?

* 16. I would rather want to work from home than receive an increase in my benefits

To no extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
○	○	○	○	○

* 17. I would rather increase my benefits than receive an increase in my salary

To no extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
○	○	○	○	○

* 18. I insist on medical aid benefits from my employer

To no extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
○	○	○	○	○

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Well-being:

The following section considers different remuneration components related to employee well-being. The table below describes some items relevant to employee well-being and benefits.

Definitions	Descriptions	Examples
Flexible hours	Not working during standard working hours but starting earlier or later	Work from 07:00 - 15:30
Annual Leave	Compulsory leave set by the labour law	15 days minimum per annum
Work environment	The surroundings of where you work	Location, Office Layout, facilities

To what extent do you agree with the following statements?

* 19. I would compromise with a reduction in salary in return for flexible hours

To no extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
○	○	○	○	○

* 20. I would rather have fewer leave days and more money in my pocket

To no extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
○	○	○	○	○

* 21. I experience the work environment of my company (facilities offered, e.g. gym, aftercare, nice environment) as part of my non-financial rewards

To no extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
○	○	○	○	○

* 22. I enjoy the office/work environment that my company offers

To no extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
○	○	○	○	○

* 23. I would compromise with a reduction in salary in return for a reduced working week (e.g. working for 4 days)

To no extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
○	○	○	○	○

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Recognition:

The following section considers employee recognition in the workplace. The table below describes some items relevant to employee recognition.

Definitions	Descriptions	Examples
Formal Recognition	Acknowledgement of employee actions, performance or behaviour that meets the targets	Award Ceremonies, Employee of the Month
Informal Recognition	Informal and ad-hoc acknowledgement of employee actions, performance or behaviour that meets the targets	Feedback to employee of a job well-done, ad-hoc rewards or incentives that are informally given to the employee, showing appreciation for good performance.

To what extent do you agree with the following statements?

* 24. I feel more motivated if I receive the recognition I deserve

To no extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
○	○	○	○	○

* 25. I appreciate and value performance reviews as I feel they encourage me to grow

To no extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
○	○	○	○	○

* 26. I find that performance awards for employees motivate me to work harder

To no extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
○	○	○	○	○

* 27. Individual performance is rewarded accordingly by my current employer

To no extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
○	○	○	○	○

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Development:

The following section considers employee development as a part of a reward structure that an employee can offer. The table below describes some items relevant to employee development.

Definitions	Descriptions	Examples
Development	Set of learning experiences to enhance employee skills	On-the-job Training, official training, and Education
Career Opportunity	A plan to advance employees in their career goals	Succession planning, Secondments

To what extent do you agree with the following statements?

* 28. I would like to have a mentor at my company

To no extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
○	○	○	○	○

* 29. I feel that I have a long-term career at my company

To no extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
○	○	○	○	○

* 30. I would be attracted to work for a company that offers study bursaries to their employees

To no extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
○	○	○	○	○

* 31. I am challenged in my current position

To no extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
○	○	○	○	○

*** 32. For the following questions, please select the level of importance of each of the statements for you personally**

Salary?

Of no importance	Of little importance	Of moderate importance	Of large importance	Of critical importance
○	○	○	○	○

* 33. Short-Term incentives (Personal and Team incentives to reward short-term performance)

Of no importance	Of little importance	Of moderate importance	Of large importance	Of critical importance
○	○	○	○	○

* 34. Long-Term Incentive (usually measured over longer than a year, like share options)

Of no importance	Of little importance	Of moderate importance	Of large importance	Of critical importance
○	○	○	○	○

* 35. Benefits (Like Medical Aid, Pension Fund etc.)

Of no importance	Of little importance	Of moderate importance	Of large importance	Of critical importance
○	○	○	○	○

* 36. Well-being (like fleixble hours, work from home, annual leave, work environment, reduced working week)

Of no importance	Of little importance	Of moderate importance	Of large importance	Of critical importance
○	○	○	○	○

* 37. Recognition (Acknowledgement of employee actions, performance or behaviour that meets the targets - formally or informally)

Of no importance	Of little importance	Of moderate importance	Of large importance	Of critical importance
○	○	○	○	○

* 38. Development (e.g. on-the-job training, official training, and education

Of no importance	Of little importance	Of moderate importance	Of large importance	Of critical importance
○	○	○	○	○

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Section 3: Rewards Package

* 39. Please choose and rank the items in order of importance in your rewards package. From 1 Being most important and 8 being least important

- Salary
- Training
- Performance Bonus/Incentive
- Benefits (Health & retirement)
- Recognition
- Leave
- Career Development
- Mentorship
- Flexible work arrangements (work from home, reduced working week, flexible working hours)

* 40. To what extent do you agree with the following statements?

I would be happier if I received a more balanced Total Reward Package

To no extent	To a small extent	To a moderate extent	To a large extent	To a very large extent
○	○	○	○	○

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Section 4: Employee Attraction

For the below reward categories, please indicate your level of agreement regarding whether the item will impact a potential employer's ability to attract you to the organisation.

* 41. Monthly Salary/ Remuneration

Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
○	○	○	○	○

* 42. Variable pay (e.g. bonus, long term incentive)

Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
○	○	○	○	○

* 43. Benefits (e.g. medical aid/retirement fund/leave)

Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
○	○	○	○	○

* 44. Performance Recognition (acknowledgement of employee performance, formal or informal)

Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
○	○	○	○	○

* 45. Career Management (Defining career goals and supporting with development, joining special projects, training etc.)

Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
○	○	○	○	○

* 46. Quality work environment (e.g. on-site fitness centre, latest technology)

Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
○	○	○	○	○

* 47. Work/home integration (e.g. flexible working hours, half-day leave, ability to work from home)

Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
○	○	○	○	○

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Section 5: Employee Retention

For the below reward categories, please indicate your level of agreement regarding whether the item will impact an employer's ability to retain you in the organisation.

* 48. Monthly Salary/ Remuneration

Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
○	○	○	○	○

* 49. Variable pay (e.g. bonus, long term incentive)

Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
○	○	○	○	○

* 50. Benefits (e.g. medical aid/retirement fund/leave)

Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
○	○	○	○	○

* 51. Performance Recognition (acknowledgement of employee performance, formal or informal)

Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
○	○	○	○	○

* 52. Career Management (Defining career goals and supporting with development, joining special projects, training etc.)

Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
○	○	○	○	○

* 53. Quality work environment (e.g. on-site fitness centre, latest technology)

Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
○	○	○	○	○

* 54. Work/home integration (e.g. flexible working hours, half-day leave, ability to work from home)

Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
○	○	○	○	○

Appendix 2: Preparation of the primary data

A.2.1 Primary data

The data collected through the online survey were exported from the SurveyMonkey platform to an XLS file. An extract of the primary data is shown in Table A.26. The extract illustrates the responses received from 51 respondents for Section 1 (Demographics) of the survey. All other primary data were uploaded to the database provided by the university for a minimum storage period of 10 years.

Table A.26

Extract of Primary Data Collected Through SurveyMonkey Online Platform

SECTION 1																			
Respondent number	Respondent ID	Collector ID	Start Date	End Date	Gender	Ethnicity / Race				Age (in years)	Highest academic qualification obtained		Marital Status	Children younger than 18 years / dependents	Years of service with current company	Department you currently work in?		Employment level in company		Annual income
					Response	Other (please specify)	Response	Other (please specif		Response	Other (please specify)	Response	Response	Response	Response	Other (please specify)	Response	Other (please specify)	Response
1	1.18405E+11	452460690	2023-08-28 19:36:25	2023-08-28 19:44:22	Female		African		30-39	Certificate or Diploma		Single	1-2	less than one year	Human Resources		Junior position / General		Between R401,000 and R550,000
2	1.18404E+11	452460690	2023-08-28 13:53:29	2023-08-28 14:14:30	Male		White		50-59	Grade 12 and lower		Married / Living Togethe	1-2	6-10 years	Engineering / Projects / Technical		Frontline employee / factory worker		Between R401,000 and R550,000
3	1.18404E+11	452460690	2023-08-28 13:34:06	2023-08-28 13:50:44	Male		White		40-49	Grade 12 and lower		Married / Living Togethe	1-2	6-10 years	Engineering / Projects / Technical		Supervisor / Specialist		Between R551,000 and R750,000
4	1.18404E+11	452460690	2023-08-28 09:59:01	2023-08-28 10:02:05	Female		Indian/Asian		40-49	Postgraduate Degree		Single	0	11-15 years	Engineering / Projects / Technical		Supervisor / Specialist		Between R751,000 and R1,250,000
5	1.18404E+11	452460690	2023-08-28 09:34:48	2023-08-28 09:49:45	Male		White		50-59	Grade 12 and lower		Married / Living Togethe	1-2	more than 15 years	Accounting / Finance		Middle Manager		Between R751,000 and R1,250,000
6	1.18404E+11	452460690	2023-08-28 08:56:00	2023-08-28 09:09:26	Male		Indian/Asian		40-49	Grade 12 and lower		Married / Living Togethe	1-2	more than 15 years	Sales		Middle Manager		Between R751,000 and R1,250,000
7	1.18404E+11	452460690	2023-08-28 08:29:53	2023-08-28 08:46:35	Female		Indian/Asian		30-39	Undergraduate Degree		Married / Living Togethe	3-4	11-15 years	Other (please specify)	Technical	Junior position / General		Between R401,000 and R550,000
8	1.18404E+11	452460690	2023-08-28 08:23:43	2023-08-28 08:41:14	Female		African		30-39	Certificate or Diploma		Single	1-2	6-10 years	Operations		Supervisor / Specialist		Between R551,000 and R750,000
9	1.18404E+11	452460690	2023-08-28 08:18:30	2023-08-28 08:34:48	Male		White		30-39	Postgraduate Degree		Single	0	6-10 years	Logistics / Planning / Procurement		Middle Manager		Between R1,251,000 and R1,500,000
10	1.18404E+11	452460690	2023-08-28 07:57:37	2023-08-28 08:24:24	Male		White		50-59	Postgraduate Degree		Married / Living Togethe	1-2	3-5 years	Logistics / Planning / Procurement		Middle Manager		Prefer not to say
11	1.18404E+11	452460690	2023-08-28 08:02:23	2023-08-28 08:11:37	Female		African		30-39	Postgraduate Degree		Married / Living Togethe	1-2	3-5 years	Sales		Middle Manager		Between R751,000 and R1,250,000
12	1.18404E+11	452460690	2023-08-28 08:06:12	2023-08-28 08:09:01	Male		Indian/Asian		40-49	Certificate or Diploma		Married / Living Togethe	1-2	6-10 years	Logistics / Planning / Procurement		Supervisor / Specialist		Between R401,000 and R550,000
13	1.18404E+11	452460690	2023-08-28 07:47:09	2023-08-28 08:07:11	Female		African		30-39	Undergraduate Degree		Single	1-2	3-5 years	Logistics / Planning / Procurement		Junior position / General		Between R401,000 and R550,000
14	1.18404E+11	452460690	2023-08-28 07:56:03	2023-08-28 08:05:03	Female		White		30-39	Postgraduate Degree		Married / Living Togethe	0	6-10 years	Accounting / Finance		Middle Manager		Between R751,000 and R1,250,000
15	1.18404E+11	452460690	2023-08-28 07:42:37	2023-08-28 07:56:48	Male		African		40-49	Certificate or Diploma		Married / Living Togethe	3-4	less than one year	Engineering / Projects / Technical		Supervisor / Specialist		Between R401,000 and R550,000
16	1.18404E+11	452460690	2023-08-28 07:28:57	2023-08-28 07:41:54	Female		White		40-49	Grade 12 and lower		Married / Living Togethe	0	6-10 years	Sales		Frontline employee / factory worker		Between R251,000 and R400,000
17	1.18404E+11	452460690	2023-08-28 07:09:32	2023-08-28 07:21:07	Male		White		50-59	Certificate or Diploma		Married / Living Togethe	0	11-15 years	Sales		Senior Manager		More than R1,500,000
18	1.18404E+11	452460690	2023-08-28 00:14:53	2023-08-28 00:43:31	Male		African		50-59	Certificate or Diploma		Married / Living Togethe	1-2	more than 15 years	Engineering / Projects / Technical		Frontline employee / factory worker		Between R401,000 and R550,000
19	1.18403E+11	452460690	2023-08-26 22:16:47	2023-08-26 22:28:32	Male		Indian/Asian		18-29	Postgraduate Degree		Single	0	3-5 years	Engineering / Projects / Technical		Junior position / General		Between R251,000 and R400,000
20	1.18403E+11	452460690	2023-08-26 17:46:19	2023-08-26 18:04:13	Female		African		50-59	Postgraduate Degree		Single	1-2	6-10 years	Human Resources		Middle Manager		Between R751,000 and R1,250,000
21	1.18403E+11	452460690	2023-08-26 10:16:12	2023-08-26 10:20:10	Male		African		30-39	Certificate or Diploma		Single	1-2	6-10 years	Engineering / Projects / Technical		Junior position / General		Between R551,000 and R750,000
22	1.18403E+11	452460690	2023-08-25 14:03:10	2023-08-25 14:24:50	Male		Indian/Asian		30-39	Postgraduate Degree		Single	0	less than one year	Engineering / Projects / Technical		Senior Manager		Between R751,000 and R1,250,000
23	1.18402E+11	452460690	2023-08-25 12:29:13	2023-08-25 12:52:02	Male		African		18-29	Certificate or Diploma		Married / Living Togethe	1-2	3-5 years	Operations		Supervisor / Specialist		Between R251,000 and R400,000
24	1.18402E+11	452460690	2023-08-25 08:17:40	2023-08-25 08:38:45	Female		Indian/Asian		30-39	Postgraduate Degree		Married / Living Togethe	1-2	more than 15 years	Quality / SHE		Supervisor / Specialist		Between R551,000 and R750,000
25	1.18401E+11	452460690	2023-08-23 20:57:07	2023-08-23 21:15:52	Male		Indian/Asian		50-59	Certificate or Diploma		Married / Living Togethe	0	6-10 years	Engineering / Projects / Technical		Supervisor / Specialist		Between R401,000 and R550,000
26	1.18401E+11	452460690	2023-08-23 19:14:10	2023-08-23 19:43:29	Male		Indian/Asian		40-49	Certificate or Diploma		Married / Living Togethe	1-2	6-10 years	Engineering / Projects / Technical		Supervisor / Specialist		Between R551,000 and R750,000
27	1.18401E+11	452460690	2023-08-23 15:51:50	2023-08-23 17:03:35	Male		African		30-39	Postgraduate Degree		Married / Living Togethe	3-4	1-2 years	Operations		Senior Manager		More than R1,500,000
28	1.18401E+11	452460690	2023-08-23 16:06:25	2023-08-23 16:23:01	Male		African		40-49	Certificate or Diploma		Married / Living Togethe	3-4	more than 15 years	Engineering / Projects / Technical		Supervisor / Specialist		Between R401,000 and R550,000
29	1.18401E+11	452460690	2023-08-23 15:26:41	2023-08-23 15:34:05	Female		Indian/Asian		30-39	Certificate or Diploma		Married / Living Togethe	0	11-15 years	Quality / SHE		Supervisor / Specialist		Between R100,000 and R250,000
30	1.18401E+11	452460690	2023-08-23 15:17:02	2023-08-23 15:32:06	Male		Coloured		50-59	Certificate or Diploma		Married / Living Togethe	1-2	more than 15 years	Accounting / Finance		Supervisor / Specialist		Between R751,000 and R1,250,000
31	1.18401E+11	452460690	2023-08-23 11:01:55	2023-08-23 13:02:36	Male		African		30-39	Postgraduate Degree		Married / Living Togethe	1-2	6-10 years	Human Resources		Middle Manager		Prefer not to say
32	1.18401E+11	452460690	2023-08-23 12:17:07	2023-08-23 12:29:04	Female		Indian/Asian		40-49	Postgraduate Degree		Married / Living Togethe	0	11-15 years	Human Resources		Senior Manager		Prefer not to say
33	1.18401E+11	452460690	2023-08-23 11:20:40	2023-08-23 11:33:33	Male		African		30-39	Certificate or Diploma		Single	1-2	3-5 years	Engineering / Projects / Technical		Supervisor / Specialist		Between R401,000 and R550,000
34	1.18401E+11	452460690	2023-08-23 10:09:41	2023-08-23 10:15:55	Female		Indian/Asian		50-59	Postgraduate Degree		Divorced	0	11-15 years	Quality / SHE		Supervisor / Specialist		Between R401,000 and R550,000
35	1.184E+11	452460690	2023-08-23 09:57:48	2023-08-23 10:09:47	Male		Indian/Asian		50-59	Other (please spe	mechanic	Married / Living Togethe	1-2	more than 15 years	Engineering / Projects / Technical		Other (please specify)	fitter	Between R401,000 and R550,000
36	1.184E+11	452460690	2023-08-23 09:26:25	2023-08-23 09:47:47	Female		African		40-49	Postgraduate Degree		Married / Living Togethe	1-2	more than 15 years	Quality / SHE		Middle Manager		Between R751,000 and R1,250,000
37	1.184E+11	452460690	2023-08-23 09:13:33	2023-08-23 09:35:49	Male		Indian/Asian		50-59	Grade 12 and lower		Married / Living Togethe	0	more than 15 years	Logistics / Planning / Procurement		Senior Manager		Between R1,251,000 and R1,500,000
38	1.184E+11	452460690	2023-08-23 08:47:50	2023-08-23 09:02:05	Female		Indian/Asian		40-49	Certificate or Diploma		Divorced	0	more than 15 years	Logistics / Planning / Procurement		Supervisor / Specialist		Between R401,000 and R550,000
39	1.184E+11	452460690	2023-08-23 08:38:27	2023-08-23 08:59:21	Female		Indian/Asian		50-59	Certificate or Diploma		Married / Living Togethe	0	more than 15 years	Logistics / Planning / Procurement		Supervisor / Specialist		Between R401,000 and R550,000
40	1.184E+11	452460690	2023-08-23 08:18:40	2023-08-23 08:34:49	Female		African		40-49	Certificate or Diploma		Married / Living Togethe	1-2	less than one year	Quality / SHE		Senior Manager		Between R401,000 and R550,000
41	1.184E+11	452460690	2023-08-23 08:09:39	2023-08-23 08:19:30	Male		Coloured		50-59	Postgraduate Degree		Married / Living Togethe	1-2	less than one year	Operations		Senior Manager		Between R751,000 and R1,250,000
42	1.184E+11	452460690	2023-08-23 07:51:49	2023-08-23 08:10:00	Female		Indian/Asian		40-49	Certificate or Diploma		Married / Living Togethe	0	11-15 years	Logistics / Planning / Procurement		Junior position / General		Between R251,000 and R400,000
43	1.18391E+11	452460690	2023-08-10 14:27:57	2023-08-23 08:07:22	Female		African		30-39	Certificate or Diploma		Single	3-4	6-10 years	Engineering / Projects / Technical		Junior position / General		Between R100,000 and R250,000
44	1.184E+11	452460690	2023-08-23 06:48:59	2023-08-23 07:01:29	Male		Indian/Asian		50-59	Postgraduate Degree		Married / Living Togethe	0	more than 15 years	Operations		Middle Manager		Between R401,000 and R550,000
45	1.184E+11	452460690	2023-08-23 06:25:22	2023-08-23 06:41:08	Male		White		40-49	Undergraduate Degree		Married / Living Togethe	3-4	11-15 years	Engineering / Projects / Technical		Middle Manager		Between R751,000 and R1,250,000
46	1.184E+11	452460690	2023-08-23 06:08:48	2023-08-23 06:18:03	Male		White		30-39	Certificate or Diploma		Single	0	6-10 years	Engineering / Projects / Technical		Junior position / General		Between R401,000 and R550,000
47	1.184E+11	452460690	2023-08-23 05:33:54	2023-08-23 05:49:57	Male		Indian/Asian		60 and ove	Grade 12 and lower		Married / Living Togethe	1-2	more than 15 years	Operations		Middle Manager		Between R551,000 and R750,000
48	1.184E+11	452460690	2023-08-23 02:41:39	2023-08-23 03:08:53	Male		African		50-59	Undergraduate Degree		Married / Living Togethe	1-2	more than 15 years	Operations		Supervisor / Specialist		Between R401,000 and R550,000
49	1.184E+11	452460690	2023-08-23 00:38:04	2023-08-23 00:53:49	Male		African		40-49	Certificate or Diploma		Married / Living Togethe	1-2	6-10 years	Operations		Supervisor / Specialist		Between R401,000 and R550,000
50	1.184E+11	452460690	2023-08-22 16:42:50	2023-08-22 16:51:45	Male		White		30-39	Undergraduate Degree		Married / Living Togethe	0	6-10 years	Engineering / Projects / Technical		Senior Manager		Between R751,000 and R1,250,000
51	1.184E+11	452460690	2023-08-22 16:00:25	2023-08-22 16:12:37	Female		White		50-59	Certificate or Diploma		Widowed	0	more than 15 years	Accounting / Finance		Middle Manager		Between R1,251,000 and R1,500,000

A.2.2 Missing data and mean replacement

A summary of the collected data removed responses, and missing question details is presented in Table A.27. The total number of questions with missing answers replaced with mean replacement techniques amounted to approximately 2.15% of the gross sample and 2.31% of the nett sample, suggesting a limited study outcome.

Table A.27

Summary of Data Collected and Missing Values

	Number	% of total data	% of data utilised in the statistical analysis
Total respondents (gross responses)	195	100.00%	-
Total respondents with over 15% questions completed and no core constructs missing (nett responses; CCA applied)	182	93.33%	-
Total number of respondents whose data required mean replacement	13	6.67%	-
Potential number of answers based on gross responses	10 920	100.00%	-
Potential number of answers based on nett responses (CCA applied)	10 192	93.33%	100.00%
Number of answers received based on nett responses	9 957	91.18%	97.69%
Number of answers missed based on nett responses	235	2.15%	2.31%
Number of missing answers substituted with mean replacement techniques	235	2.15%	2.31%

A.2.3 Data coding

The primary data, measured using English language scales, were transformed into numerical scales to facilitate the descriptive and inferential statistical analyses, including mean analyses, tests for normality, EFA, PCA, tests for differences (t-tests, ANOVA), and correlations.

The primary data were analysed, and a reallocation of respondents into different

groupings was required to facilitate the analyses, such as reducing the number of groups, reviewing the "Other" text strings to ascertain whether respondents could be allocated into the main groups, and combining some groups to make the analyses more sensible, this was executed accordingly.

The final groupings and numerical coding that was used are shown in Table *A.28*

Table A.28

Summary of Data Coding

Language Variable	Numeric Coding
Importance Scale	
To no extent	1
To a small extent	2
To a moderate extent	3
To a large extent	4
To a very large extent	5
Agreeableness Scale	
Strongly Disagree	1
Disagree	2
Neither agree nor disagree	3
Agree	4
Strongly Agree	5
Gender distribution	
Male	1
Female	2
Age Distribution	
18-29	1
30-39	2
40-49	3
50 and over	4
Education Level Distribution	
Grade 12 and lower	1
Certificate or Diploma	2
Undergraduate Degree	3
Postgraduate Degree	4
Marital Status Distribution	
Single	1
Married / Living Together	2

Language Variable	Numeric Coding
Employee Tenure Distribution	
less than one year	1
1-2 years	2
3-5 years	3
6-10 years	4
11-15 years	5
more than 15 years	6
Department/ Job Role Distribution	
Accounting / Finance	1
Engineering / Projects / Technical	2
Human Resources	3
Logistics / Planning / Procurement	4
Marketing & Sales	5
Operations	6
Quality / SHE	7
Seniority	
Frontline employee/factory worker	1
Junior position / General	2
Supervisor / Specialist	3
Middle Manager	4
Senior Manager	5
Executive	6
Annual Income Distribution	
Prefer not to say	1
Between R100,000 and R250,000	2
Between R251,000 and R400,000	3
Between R401,000 and R550,000	4
Between R551,000 and R750,000	5
Between R751,000 and R1,250,000	6
Between R1,251,000 and R1,500,000	7
More than R1,500,000	8

Appendix 3: Descriptive statistics per section of the questionnaire

The data in Table *A.29* were used to evaluate the assumption normality of the collected primary data set, which included reviewing the data against the skewness threshold of -2 and +2 (George & Mallery, 2010) and the kurtosis threshold of -7 and +7 (Byrne, 2010; Hair et al., 2010). The data were also assessed for any outliers.

Table A.29

Descriptive Statistics for Section 2 of the Reward Preferences Survey (Q12 – Q31)

		Descriptive Statistics										
		N		Mean	Median	Std. Deviation	Skewness	Std. Error of Skewness	Kurtosis	Std. Error of Kurtosis	Min.	Max.
		Valid	Missing									
Section 2: Employee Reward Preferences	Q12	182	0	3.24	3.00	0.944	-0.223	0.180	-0.181	0.358	1	5
	Q13	182	0	3.93	4.00	0.926	-0.586	0.180	-0.270	0.358	1	5
	Q14	182	0	2.32	2.00	1.370	0.647	0.180	-0.911	0.358	1	5
	Q15	182	0	2.02	2.00	1.054	0.855	0.180	-0.007	0.358	1	5
	Q16	182	0	2.08	2.00	1.246	0.910	0.180	-0.331	0.358	1	5
	Q17	182	0	1.96	2.00	1.064	0.885	0.180	-0.031	0.358	1	5
	Q18	182	0	3.57	4.00	1.327	-0.694	0.180	-0.614	0.358	1	5
	Q19	182	0	1.56	1.00	0.977	1.876	0.180	3.037	0.358	1	5
	Q20	182	0	2.39	2.00	1.332	0.572	0.180	-0.793	0.358	1	5
	Q21	182	0	2.20	2.00	1.333	0.655	0.180	-0.944	0.358	1	5
	Q22	182	0	3.24	3.00	1.053	-0.200	0.180	-0.533	0.358	1	5
	Q23	182	0	1.80	1.00	1.101	1.165	0.180	0.269	0.358	1	5
	Q24	182	0	4.10	4.00	0.905	-0.921	0.180	0.404	0.358	1	5
	Q25	182	0	3.55	4.00	1.196	-0.650	0.180	-0.412	0.358	1	5
	Q26	182	0	3.62	4.00	1.074	-0.656	0.180	-0.071	0.358	1	5
	Q27	182	0	2.76	3.00	1.177	0.141	0.180	-0.840	0.358	1	5
	Q28	182	0	3.39	3.50	1.206	-0.388	0.180	-0.695	0.358	1	5
	Q29	182	0	3.49	4.00	1.111	-0.424	0.180	-0.459	0.358	1	5
	Q30	182	0	3.72	4.00	1.148	-0.717	0.180	-0.234	0.358	1	5
	Q31	182	0	3.58	4.00	1.047	-0.542	0.180	-0.125	0.358	1	5

Table *A.30* summarises the descriptive statistics for the responses collected for the questions in section 2 of the research survey, including skewness and kurtosis values.

Table A.30

Descriptive Statistics for Section 2 of the Reward Preferences Survey (Q32 – Q38)

		Descriptive Statistics										
		N		Mean	Median	Std. Deviation	Skewness	Std. Error of Skewness	Kurtosis	Std. Error of Kurtosis	Min.	Max.
		Valid	Missing									
Section 2: Employee Reward Preferences	Q32	182	0	4.58	5.00	0.624	-1.331	0.180	1.313	0.358	2	5
	Q33	182	0	3.82	4.00	0.818	-0.389	0.180	0.058	0.358	1	5
	Q34	182	0	3.96	4.00	0.846	-0.524	0.180	0.005	0.358	1	5
	Q35	182	0	4.38	5.00	0.783	-0.991	0.180	0.034	0.358	2	5
	Q36	182	0	3.92	4.00	0.940	-0.602	0.180	0.065	0.358	1	5
	Q37	182	0	3.96	4.00	0.837	-0.557	0.180	0.129	0.358	1	5
	Q38	182	0	4.10	4.00	0.844	-0.758	0.180	0.329	0.358	1	5

Table *A.31* summarises the descriptive statistics for the responses collected for the questions in sections 3, 4 and 5 of the research survey, including mean responses per question, median responses per question, the standard deviations per question and the skewness and kurtosis values.

Table A.31

Descriptive Statistics for Sections 3, 4, and 5 of the Reward Preferences Survey (Q40 – Q54)

	Descriptive Statistics											
		N		Mean	Median	Std. Deviation	Skewness	Std. Error of Skewness	Kurtosis	Std. Error of Kurtosis	Min.	Max.
		Valid	Missing									
Section 3: Employee Reward Package	Q40	182	0	3.82	4.00	0.978	-0.453	0.180	-0.315	0.358	1	5
Section 4: Employee Attraction	Q41	179	3	4.69	5.00	0.533	-1.472	0.182	1.259	0.361	3	5
	Q42	179	3	4.31	4.00	0.687	-0.800	0.182	0.696	0.361	2	5
	Q43	180	2	4.45	5.00	0.679	-1.170	0.181	1.405	0.360	2	5
	Q44	179	3	4.08	4.00	0.730	-0.385	0.182	-0.256	0.361	2	5
	Q45	181	1	4.17	4.00	0.657	-0.432	0.181	0.283	0.359	2	5
	Q46	179	3	3.99	4.00	0.800	-0.446	0.182	-0.272	0.361	2	5
	Q47	178	4	3.99	4.00	0.813	-0.500	0.182	-0.217	0.362	2	5
Section 5: Employee Retention	Q48	178	4	4.64	5.00	0.597	-1.932	0.182	4.837	0.362	2	5
	Q49	177	5	4.24	4.00	0.748	-0.759	0.183	0.235	0.363	2	5
	Q50	179	3	4.36	5.00	0.747	-1.033	0.182	0.665	0.361	2	5
	Q51	177	5	3.99	4.00	0.794	-0.541	0.183	-0.008	0.363	2	5
	Q52	177	5	4.23	4.00	0.678	-0.754	0.183	1.108	0.363	2	5
	Q53	177	5	3.84	4.00	0.851	-0.361	0.183	-0.453	0.363	2	5
	Q54	175	7	3.94	4.00	0.845	-0.342	0.184	-0.615	0.365	2	5

Appendix 4: Original exploratory factor analysis — Survey section 2

The results of the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy employed to verify sample adequacy for the sample responses for section 2 questions are summarised in Table *A.32*, referencing the 0.5 benchmark (Field, 2013; Sarmento & Costa, 2017). Additionally, Bartlett's test of sphericity was applied at a 5% significance level to determine the data's suitability for factor analysis.

Table A.32

KMO and Bartlett's Test for Survey Section 2

KMO and Bartlett's Test		
KMO measure of sampling adequacy		0.669
Bartlett's test of sphericity	736.834	162.071
	171	21
	0.000	0.000

The EFA conducted for the questions in Section 2 of the research survey originally extracted six factors, which explained approximately 59.591% of the total variance. Once the sixth factor was removed from further analyses due to coherency concerns, only five factors were retained, explaining 54.003% of the total variance, as shown in Table *A.33*.

Table A.33

Factor Extraction and Total Variance Explained by Eigenvalues Before Removing Factor 6 — Section 2

Total Variance Explained									
Comp.	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.059	16.102	16.102	3.059	16.102	16.102	2.504	13.179	13.179
2	2.314	12.177	28.278	2.314	12.177	28.278	2.090	11.002	24.181
3	2.158	11.356	39.634	2.158	11.356	39.634	2.077	10.931	35.112

4	1.475	7.761	47.395	1.475	7.761	47.395	1.789	9.414	44.526
5	1.255	6.608	**54.003**	1.255	6.608	54.003	1.491	7.847	52.373
6	1.062	5.588	59.591	1.062	5.588	59.591	1.371	7.218	59.591

The original rotated component matrix after the removal of the sixth construct is illustrated in Table A.34. These factors were later regrouped, and four constructs were maintained once the CA analyses were completed.

Table A.34

Rotated Component Matrix Illustrating Factor Loadings After Removing Factor 6 — Section 2 EFA

Item	KMO & Bartlett's test	% Variance explained	Factor Loadings				
			1	2	3	4	5
Section 2: Employee Reward Preferences	0.669 $p < .000$	59.59					
Compensation							
Q13: Financial Rewards motivate me to perform better?						.441	
Q14: I would lower my benefits (e.g. pension and medical contributions) to increase my take- home pay						.755	
Q15: I would like a large part of my salary to be made up of variable pay					.	.372	.549
Benefits							
Q16: I would rather want to work from home than receive an increase in my benefits				.716			
Q17: I would rather increase my benefits than receive an increase in my salary				.423			.521
Q18: I insist on medical aid benefits from my employer							

Item	KMO & Bartlett's test	% Variance explained	Factor Loadings				
			1	2	3	4	5
Well-being							
Q19: I would compromise with a reduction in salary in return for flexible hours				.801			
Q20: I would rather have fewer leave days and more money in my pocket						.788	
Q21: I experience the work environment of my company (facilities offered, e.g. gym, aftercare, nice environment) as part of my non-financial rewards the screencasts could be important to some people taking this module.							.716
Q22: I enjoy the office/work environment that my company offers					.615		420
Q23: I would compromise with a reduction in salary in return for a reduced working week (e.g. working for 4 days)				.755			
Recognition							
Q24: I feel more motivated if I receive the recognition I deserve			.732				
Q25: I appreciate and value performance reviews as I feel they encourage me to grow			.680				
Q26: I find that performance awards for employees motivate me to work harder			.812				
Q27: Individual performance is rewarded accordingly by my current employer					.723		
Development							
Q28: I would like to have a mentor at my company			.570				
Q29: I feel that I have a long-term career at my company					.747		
Q30: I would be attracted to work for a company			.540				

Item	KMO & Bartlett's test	% Variance explained	Factor Loadings				
			1	2	3	4	5
that offers study bursaries to their employees							
Q31: I am challenged in my current position					.644		

Appendix 5: Exploratory factor analysis — Survey Section 4

The results of the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy employed to verify sample adequacy for the sample responses for section 4 questions are summarised in Table *A.35*. It is evident that the KMO value of 0.741 is above the 0.5 threshold for suitability for factor analysis (Field, 2013; Sarmento & Costa, 2017). Additionally, Bartlett's test of sphericity was applied at a 5% level of significance to determine the data's suitability for factor analysis, and the test result was significant with a significance value of 0.000

Table A.35

KMO and Bartlett's Test for Survey Section 4

KMO and Bartlett's Test		
KMO measure of sampling adequacy		0.741
Bartlett's test of sphericity	Approx. chi-square	162.071
	df	21
	Sig.	0.000

The EFA conducted for the questions in Section 4 of the research survey originally extracted six factors, which explained approximately 55.653% of the total variance, as shown in Table *A.36*.

Table A.36

Factor Extraction and Total Variance Explained by Eigenvalues — Section 4

Total Variance Explained									
Comp.	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.393	34.185	34.185	2.393	34.185	34.185	1.822	26.032	26.032
2	1.153	16.467	**50.653**	1.153	16.467	50.653	1.723	24.621	50.653
3	0.879	12.558	63.211						
4	0.745	10.643	73.853						
5	0.682	9.739	83.592						

6	0.632	9.035	92.626						
7	0.516	7.374	100.000						

The descriptive statistics of responses grouped based on the new factors are evident in Table A.37 below, summarising mean values, skewness and kurtosis values utilised for additional analyses.

Table A.37

Descriptive Statistics for Responses to Attraction Factors Using EFA — Section 4

Descriptive Statistics — EFA Section 4				
			Factor 1: Q41, 42 & 43 Compensation & Benefits	Factor 2: Q44, 45, 46 & 47 Recognition, Career Management, Well-being
Section 4: Employee Attraction (EFA)	*n*	Valid	182	182
		Missing	0	0
	Mean		4.48	4.06
	Median		4.67	4.00
	Std. deviation		0.473	0.492
	Skewness		-0.858	-0.024
	Std. error of skewness		0.180	0.180
	Kurtosis		0.542	-0.091
	Std. error of kurtosis		0.358	0.358
	Min.		3	3
	Max.		5	5

Appendix 6: Exploratory factor analysis — Survey section 5

The Kaiser-Meyer-Olkin (KMO) measure, used to check the sample's adequacy for section 5 questions, yielded a value of 0.744, surpassing the 0.5 benchmark (Field, 2013; Sarmento & Costa, 2017). Table *A.38* provides a summary. Furthermore, Bartlett's test of sphericity, conducted at a 5% significance level, confirmed the data's appropriateness for factor analysis with a significant result of 0.000.

Table A.38

KMO and Bartlett's Test for Survey Section 5

KMO and Bartlett's Test		
KMO measure of sampling adequacy		0.747
Bartlett's test of sphericity	Approx. chi-square	281.142
	df	21
	Sig.	0.000

The EFA conducted for the questions in Section 5 of the research survey originally extracted six factors, which explained approximately 58.634% of the total variance, as indicated in Table *A.39*.

Table A.39

Factor Extraction and Total Variance Explained by Eigenvalues — Section 5

Total Variance Explained									
Comp.	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.757	39.383	39.383	2.757	39.383	39.383	2.075	29.638	29.638
2	1.348	19.251	**58.634**	1.348	19.251	58.634	2.030	28.996	58.634
3	0.860	12.288	70.922						
4	0.615	8.781	79.703						
5	0.523	7.467	87.171						
6	0.484	6.909	94.080						
7	0.414	5.920	100.000						

PCA was again utilised to assess construct validity and pinpoint relevant factors for subsequent analysis. The same validity and factor selection thresholds were applied throughout the research project. The results of the analysis are summarised in Table A.40.

Table A.40

Newly Formed Employee Retention Factors

Construct	Item description	KMO & Bartlett's test	% Variance explained	Factor Loadings		Cronbach Alpha
				1	2	
Section 5: Employee Retention		.747 *p* < .000	58.63			
Factor 1: EmpRetF1						
Q48: Monthly salary					.808	**.693**
Q49: Variable pay					.778	
Q50: Benefits					.731	
Factor 2: EmpRetF2						
Q51: Performance recognition				.622	.460	**.690**
Q52: Career management				.725	.	
Q53: Quality work environment				.813		
Q54: Work/home integration				.619		

Table A.41 data was analysed for the assumption of normality of responses grouped into the factors used to explore employee attraction by checking skewness within the range of -2 to +2 (George & Mallery, 2010) and kurtosis between -7 and +7 (Byrne, 2010; Hair et al., 2010). Outliers were also examined. The mean responses were assessed to understand how respondents rated reward items for the different employee attraction rewards.

Table A.41

Descriptive Statistics for Responses to Attraction Factors Using EFA — Section 5

Descriptive Statistics — EFA Section 5				
			Factor 1: Q48, 49 & 50 Compensation & Benefits	Factor 2: Q51, 52, 53 & 54 Recognition, Career Management, Well-being
Section 5: Employee Retention (EFA)	N	Valid	182	182
		Missing	0	0
	Mean		4.42	4.00
	Median		4.37	4.00
	Std. deviation		0.546	0.564
	Skewness		-0.923	-0.123
	Std. error of skewness		0.180	0.180
	Kurtosis		0.882	0.032
	Std. error of kurtosis		0.358	0.358
	Min.		2	3
	Max.		5	5

Appendix 7: T-tests for differences — Employee Reward Preferences

A.7.1 Reward preferences according to gender

Levene's test for equality of variances indicates the homogeneity of variance (Zikmund et al., 2013). From Table A.42, it is evident that the sig. values for all the factor responses were larger than 0.05 (5% level of significance). The null hypothesis of equal variance could not be rejected (p = 0.05), and equal variances were assumed (Chiba, 2015b; Zikmund et al., 2013). Consequently, the results were analysed using the equal variances assumed statistical outputs, excluding F3 (not categorised as a reward preference factor).

Table A.42

Independent Sample T-test for Differences in Reward Preferences According to Genders

Independent Samples T-test									
Reward factor		Levene's Test for Equality of Variances		t-test for Equality of Means				95% Confidence Interval of the Difference	
		F	Sig.	t	*df*	Sig. (2-sided)	Mean Difference	Lower	Upper
F1: Recognition & Development	Equal variances assumed	0.908	0.342	-0.252	179.00	0.801	-0.029	-0.257	0.199
	Equal variances not assumed			-0.255	175.237	0.799	-0.029	-0.255	0.197
F2: Benefits & Well-being	Equal variances assumed	0.937	0.334	-0.544	179.000	0.587	-0.063	-0.292	0.166
	Equal variances not assumed			-0.541	164.832	0.589	-0.063	-0.294	0.168
F3: Current Work Environment	Equal variances assumed	0.179	0.673	2.929	179.000	0.004	0.333	0.109	0.557
	Equal variances not assumed			2.954	174.451	0.004	0.333	0.110	0.555
F4: Compensation	Equal variances assumed	0.229	0.633	-0.800	179.000	0.425	-0.107	-0.370	0.156
	Equal variances not assumed			-0.798	167.770	0.426	-0.107	-0.371	0.157

A.7.2 Reward preferences per generational cohort

Table A.43 presents the sample size, average scores for the four factors, and the corresponding standard deviations for Millennial and Xers cohorts, as referenced by Fobian and Maloa (2020), in preparation for the t-test. Due to a questionnaire design oversight, around 54 respondents fell into a birth date range (1974 to 1983) that overlapped the defined boundaries for Millennials (1981–2007) and Xers (1961–1980). Consequently, the analysis focused on the 128 distinct responses categorised into the two generational cohorts for the subsequent t-test.

Table A.43

Descriptive Statistics for Responses According to Generational Cohort

		Generational Cohort Response Statistics		
Reward factor		***n***	**Mean**	**Std. Deviation**
F1: Recognition & Development	**Millennials**	88	3.943	0.683
	Xers	40	3.350	0.788
F2: Benefits & Well-being	**Millennials**	88	1.807	0.782
	Xers	40	1.981	0.901
F3: Current Work Environment	**Millennials**	88	3.168	0.748
	Xers	40	3.381	0.892
F4: Compensation	**Millennials**	88	3.117	0.886
	Xers	40	2.417	0.687

The homogeneity of variances in the generational cohort mean response data was evaluated using Levene's test (see Zikmund et al., 2013). As shown in Table *A.44* below, the significance values for all factors exceeded 0.05, aligning with the 5% level of significance criterion. These results suggested that the assumption of equal variances was upheld (p > = 0.05), and further analyses proceeded based on this assumption (see Hair et al., 2019).

Table A.44

Independent Samples T-test for Differences in Reward Preferences According to Generational Cohort

Independent Samples T-test									
Reward factor		Levene's Test for Equality of Variances		t-test for Equality of Means				95% Confidence Interval of the Difference	
		F	Sig.	t	*df*	Sig. (2-sided)	Mean Difference	Lower	Upper
F1: Recognition & Development	Equal variances assumed	0.447	0.505	4.336	126.000	0.000	0.593	0.322	0.864
	Equal variances not assumed			4.110	66.728	0.000	0.593	0.305	0.881
F2: Benefits & Well-being	Equal variances assumed	2.400	0.124	-1.114	126.000	0.267	-0.174	-0.484	0.135
	Equal variances not assumed			-1.057	66.766	0.295	-0.174	-0.504	0.155
F3: Current Work Environment	Equal variances assumed	1.653	0.201	-1.409	126.000	0.161	-0.214	-0.514	0.087
	Equal variances not assumed			-1.319	64.989	0.192	-0.214	-0.537	0.110
F4: Compensation	Equal variances assumed	2.881	0.092	4.432	126.000	0.000	0.701	0.388	1.014
	Equal variances not assumed			4.871	95.734	0.000	0.701	0.415	0.986

Appendix 8: ANOVA tests for differences — Employee Reward Preferences

A.8.1 Reward preferences according to age category

Levene's test evaluated the homogeneity of variance in reward preference factors across respondent age groups (Zikmund et al., 2013). Table A.45 indicates that sig. values surpass 0.05, implying consistent variance (Chiba, 2015b; Zikmund et al., 2013).

Table A.45

Test of Homogeneity of Variances for Responses Regarding Reward Preference According to Age Group

Tests of Homogeneity of Variances					
Reward factor		**Levene Statistic**	***df*1**	***df*2**	**Sig.**
F1: Recognition & Development	**Based on mean**	0.155	3	178	0.926
	Based on median	0.135	3	178	0.939
F2: Benefits & Well-being	**Based on mean**	1.838	3	178	0.142
	Based on median	1.244	3	178	0.295
F3: Current Work Environment	**Based on mean**	1.291	3	178	0.279
	Based on median	1.255	3	178	0.292
F4: Compensation	**Based on mean**	1.428	3	178	0.236
	Based on median	1.341	3	178	0.263

Table A.46 summarises the outcomes of the ANOVA test for differences considering respondent age groups.

Table A.46

ANOVA Outputs of Reward Preferences According to Age Group

ANOVA						
Reward factor		**Sum of Squares**	***df***	**Mean Square**	**F**	**Sig.**
F1: Recognition & Development	**Between groups**	12.6	3	4.200	7.946	0.000
	Within groups	94.084	178	0.529		
	Total	106.683	181			
F2: Benefits & Well-being	**Between Groups**	0.956	3	0.319	0.528	0.664
	Within Groups	107.389	178	0.603		
	Total	108.345	181			
F3: Current Work Environment	**Between Groups**	2.948	3	0.983	1.660	0.177
	Within Groups	105.377	178	0.592		
	Total	108.326	181			
F4: Compensation	**Between Groups**	14.304	3	4.768	6.613	0.000
	Within Groups	128.339	178	0.721		
	Total	142.643	181			

Considering that Levene's test was significant and significant differences were identified between groups for F1 and F4 during the ANOVA analysis, the Tukey post-hoc analysis was completed to ascertain which groups presented significant differences for these two factors (Zikmund et al., 2013), as presented in Table A.47.

Table A.47

Tukey Post Hoc analysis Outputs of Reward Preferences According to Age Group

Tukey Analysis (Multiple Comparisons)					
	(I)	(J)	Mean Difference (I-J)	Std. error	Sig.
F1: Recognition & Development	18–29	30–39	0.077	0.176	0.972
		40–49	.51481*	0.181	0.025
		50 and over	.65000*	0.190	0.004
	30–39	18–29	-0.077	0.176	0.972
		40–49	.43789*	0.134	0.007
		50 and over	.57308*	0.146	0.001
	40–49	18–29	-.51481*	0.181	0.025
		30–39	-.43789*	0.134	0.007
		50 and over	0.135	0.152	0.809
	50 and over	18–29	-.65000*	0.190	0.004
		30–39	-.57308*	0.146	0.001
		40–49	-0.135	0.152	0.809
F2: Benefits & Well-being	18–29	30–39	0.056	0.188	0.991
		40–49	0.028	0.193	0.999
		50 and over	-0.133	0.203	0.913
	30–39	18–29	-0.056	0.188	0.991
		40–49	-0.027	0.143	0.998
		50 and over	-0.189	0.156	0.621
	40–49	18–29	-0.028	0.193	0.999
		30–39	0.027	0.143	0.998
		50 and over	-0.162	0.162	0.750
	50 and over	18–29	0.133	0.203	0.913
		30–39	0.189	0.156	0.621
		40–49	0.162	0.162	0.750
F3: Current Work Environment	18–29	30–39	-0.271	0.187	0.469
		40-49	-0.375	0.192	0.208
		50 and over	-0.414	0.201	0.172
	30–39	18–29	0.271	0.187	0.469
		40–49	-0.104	0.142	0.883
		50 and over	-0.143	0.155	0.792
	40–49	18–29	0.375	0.192	0.208
		30–39	0.104	0.142	0.883
		50 and over	-0.039	0.161	0.995
	50 and over	18–29	0.414	0.201	0.172
		30–39	0.143	0.155	0.792
		40–49	0.039	0.161	0.995
F4: Compensation	18–29	30-39	-0.198	0.206	0.771
		40–49	0.132	0.211	0.925
		50 and over	0.554	0.222	0.064
	30–39	18–29	0.198	0.206	0.771
		40-49	0.330	0.156	0.154
		50 and over	.75256*	0.171	0.000
	40–49	18–29	-0.132	0.211	0.925
		30-39	-0.330	0.156	0.154
		50 and over	0.423	0.177	0.083

	50 and over	**18–29**	-0.554	0.222	0.064
		30–39	-.75256*	0.171	0.000
		40–49	-0.423	0.177	0.083

*Note. * The mean difference is significant at the 0.05 level*

Appendix 9: Non-parametric Kruskal-Wallis tests for differences — Employee Reward Preferences

A.9.1 Reward preferences according to tenure

Table A.48 summarises the results of the Kruskal-Wallis non-parametric test for differences, suggesting statistically significant differences in reward preferences between employees with different tenures for F1 and F4 based on a 5% level of significance (Hair et al., 2019).

Table A.48

Kruskal-Wallis Test for Differences in Reward Preferences According to Tenure

Kruskal-Wallis Test — Employee Tenure				
Reward factor		***n***	**Mean Rank**	**Asymp. Sig.**
F1: Recognition & Development	**Less than one year**	20	125.175	0.000
	1–2 years	21	115.476	
	3–5 years	39	97.859	
	6–10 years	52	83.279	
	11–15 years	19	78.974	
	15+ years	31	67.000	
F2: Benefits & Well-being	**Less than one year**	20	74.425	0.434
	1–2 years	21	100.095	
	3–5 years	39	97.577	
	6–10 years	52	96.962	
	11–15 years	19	81.368	
	15+ years	31	86.097	
F3: Current Work Environment	**Less than one year**	20	110.300	0.322
	1–2 years	21	73.143	
	3–5 years	39	94.038	
	6–10 years	52	87.452	
	11–15 years	19	97.921	
	15+ years	31	91.468	
F4: Compensation	**Less than one year**	20	108.825	0.001
	1–2 years	21	116.262	
	3–5 years	39	102.372	
	6–10 years	52	76.423	
	11–15 years	19	103.211	
	15+ years	31	67.984	

A.9.2 Reward preferences according to annual income

Table A.49 summarises the results of the Kruskal-Wallis non-parametric test for differences, suggesting significant differences in reward preferences between employees with different annual incomes for F1 based on a 5% level of significance (Hair et al., 2019).

Table A.49

Summarised Kruskal-Wallis Test for Differences in Reward Preferences According to Annual Income Bracket

Kruskal-Wallis Test — Employee Income				
		N	Mean Rank	Asymp. Sig.
F1: Recognition & Development	R100 000 – R250 000	11	141.500	0.000
	R251 000 – R400 000	25	91.840	
	R401 000 – R550 000	35	93.886	
	R551 000 – R750 000	23	79.609	
	R751 000 – R1 250 000	43	74.198	
	R1 251 000 – R1 500 000	11	52.045	
	More than R1 500 000	19	68.184	
F2: Benefits & Well-being	R100 000 – R250 000	11	68.500	0.427
	R251 000 – R400 000	25	79.620	
	R401 000 – R550 000	35	85.757	
	R551 000 – R750 000	23	73.217	
	R751 000 – R1 250 000	43	85.442	
	R1 251 000 – R1 500 000	11	86.136	
	More than R1 500 000	19	104.053	
F3: Current Work Environment	R100 000 – R250 000	11	78.682	0.094
	R251 000 – R400 000	25	79.460	
	R401 000 – R550 000	35	67.871	
	R551 000 – R750 000	23	83.891	
	R751 000 – R1 250 000	43	86.256	
	R1 251 000 – R1 500 000	11	97.182	
	More than R1 500 000	19	110.158	
F4: Compensation	R100 000 – R250 000	11	112.227	0.124
	R251 000 – R400 000	25	94.060	
	R401 000 – R550 000	35	89.114	
	R551 000 – R750 000	23	82.957	
	R751 000 – R1 250 000	43	77.384	
	R1 251 000 – R1 500 000	11	57.045	
	More than R1 500 000	19	76.842	

A.9.3 Reward preferences according to department

Table A.50 summarises the results of the Kruskal-Wallis non-parametric test for differences, suggesting statistically significant differences in reward preferences between respondents in different departments in the target organisation for F2 based on a 5% level of significance (Hair et al., 2019).

Table A.50

Summarised Kruskal-Wallis Test for Differences in Reward Preferences According to Department

Kruskal-Wallis Test - Respondent Department				
		n	Mean Rank	Asymp. Sig.
F1: Recognition & Development	Accounting / Finance	17	75.118	0.413
	Engineering / Projects / Technical	46	84.576	
	Human Resources	24	88.333	
	Logistics / Planning / Procurement	35	94.914	
	Operations	22	95.636	
	Quality / SHE	20	112.375	
	Marketing & Sales	17	88.824	
F2: Benefits & Well-being	Accounting / Finance	17	91.029	0.050
	Engineering / Projects / Technical	46	85.609	
	Human Resources	24	100.875	
	Logistics / Planning / Procurement	35	103.914	
	Operations	22	103.477	
	Quality / SHE	20	84.500	
	Marketing & Sales	17	56.529	
F3: Current Work Environment	Accounting / Finance	17	105.971	0.479
	Engineering / Projects / Technical	46	94.467	
	Human Resources	24	86.021	
	Logistics / Planning / Procurement	35	83.186	
	Operations	22	86.136	
	Quality / SHE	20	80.475	
	Marketing & Sales	17	108.441	
F4: Compensation	Accounting / Finance	17	75.088	0.361
	Engineering / Projects / Technical	46	86.359	
	Human Resources	24	90.729	
	Logistics / Planning / Procurement	35	87.371	
	Operations	22	89.318	
	Quality / SHE	20	111.775	
	Marketing & Sales	17	105.059	

A.9.4 Reward preferences according to seniority

Table A.51 summarises the results of the Kruskal-Wallis non-parametric test for differences, suggesting statistically significant differences in reward preferences between respondents with different levels of seniority for F1 and F3 based on 5% level of significance (Hair et al., 2019).

Table A.51

Summarised Kruskal-Wallis Test for Differences in Reward Preferences According to Seniority

Kruskal-Wallis Test – Employee Seniority				
		n	Mean Rank	Asymp. Sig.
F1: Recognition & Development	Frontline employee / Factory worker	9	94.278	0.004
	Junior position / General	33	111.803	
	Supervisor / Specialist	54	104.278	
	Middle manager	47	77.053	
	Senior manager	32	69.219	
	Executive	7	92.500	
F2: Benefits & Well-being	Frontline employee / Factory worker	9	80.889	0.256
	Junior position / General	33	86.985	
	Supervisor / Specialist	54	84.019	
	Middle manager	47	90.372	
	Senior manager	32	107.859	
	Executive	7	116.929	
F3: Current Work Environment	Frontline employee / Factory worker	9	76.444	0.011
	Junior position / General	33	82.970	
	Supervisor / Specialist	54	79.704	
	Middle manager	47	102.128	
	Senior manager	32	96.344	
	Executive	7	148.571	
F4: Compensation	Frontline employee / Factory worker	9	84.667	0.127
	Junior position / General	33	114.682	
	Supervisor / Specialist	54	89.731	
	Middle manager	47	87.287	
	Senior manager	32	80.641	
	Executive	7	82.571	

A.9.5 Reward preferences based on level of education

Table A.52 summarises the results of the Kruskal-Wallis non-parametric test for differences, suggesting statistically significant differences in reward preferences between respondents with different levels of seniority for F2 based on a 5% level of significance (Hair et al., 2019).

Table A.52

Kruskal-Wallis Test for Differences in Reward Preferences According to Level of Education

Kruskal-Wallis Test — Level of Education				
		n	Mean Rank	Asymp. Sig.
F1: Recognition & Development	Grade 12 and lower	15	83.833	0.490
	Certificate or diploma	63	96.421	
	Undergraduate degree	39	81.321	
	Postgraduate degree	64	93.242	
F2: Benefits & Well-being	Grade 12 and lower	15	74.800	0.041
	Certificate or diploma	63	89.778	
	Undergraduate degree	39	77.513	
	Postgraduate degree	64	104.219	
F3: Current Work Environment	Grade 12 and lower	15	105.200	0.501
	Certificate or diploma	63	88.238	
	Undergraduate degree	39	83.833	
	Postgraduate degree	64	94.758	
F4: Compensation	Grade 12 and lower	15	74.933	0.303
	Certificate or diploma	63	98.746	
	Undergraduate degree	39	93.667	
	Postgraduate degree	64	85.516	

Appendix 10: Tests for differences — Employee Attraction

Table A.53 displays the sample size, mean scores, and standard deviations for the Millennial and Xers groups ahead of the t-test for differences between the two reward items detailing employee attraction.

Table A.53

Response Statistics for T-test for Differences in Reward Preferences Influencing Attraction According to Generational Cohort

Generational Cohort Response Statistics				
		n	Mean	Std. Deviation
F1: Attraction (EmpAttF1)	**Millennials**	88	4.468	0.489
	Xers	40	4.431	0.533
F2: Attraction (EmpAttF2)	**Millennials**	88	4.137	0.486
	Xers	40	3.969	0.522

Levene's test was used to assess the variance uniformity of generational cohort response data (Zikmund et al., 2013). Table A.54 indicates that the significance values for all factors were above 0.05, consistent with a 5% level of significance. This supports the equal variance assumption, guiding subsequent analyses (Hair et al., 2019).

Table A.54

T-test for Differences in Reward Preferences Influencing Attraction According to Generational Cohort

Independent Samples T-test									
		Levene's Test for Equality of Variances		T-test for Equality of Means				95% Confidence Interval of the Difference	
		F	Sig.	t	*df*	Sig. (2-sided)	Mean Difference	Lower	Upper
F1: Attraction (EmpAttF1)	Equal variances assumed	0.121	0.729	0.378	126	0.706	0.036	-0.153	0.226
	Equal variances not assumed			0.366	69.873	0.715	0.036	-0.161	0.234
F2: Attraction (EmpAttF2)	Equal variances assumed	0.053	0.818	1.770	126.000	0.079	0.168	-0.020	0.356
	Equal variances not assumed			1.723	70.846	0.089	0.168	-0.026	0.362

Table A.55 displays the Kruskal-Wallis non-parametric test outcomes, indicating statistically significant reward preference variations when considering attraction only among respondents with different levels of education for F2 at a 5% level of significance (Hair et al., 2019).

Table A.55

Response Statistics for Kruskal-Wallis Test for Differences in Reward Preferences Influencing Attraction According to Level of Education

Kruskal-Wallis Test - Education				
		n	Mean Rank	Asymp. Sig.
F1: Attraction (EmpAttF1)	Grade 12 and lower	15	105.267	0.313
	Certificate or diploma	63	97.278	
	Undergraduate degree	39	83.628	
	Postgraduate degree	64	85.969	
F2: Attraction (EmpAttF2)	Grade 12 and lower	15	85.000	0.036
	Certificate or diploma	63	89.349	
	Undergraduate degree	39	74.205	
	Postgraduate degree	64	104.266	

Table A.56 displays the Kruskal-Wallis non-parametric test outcomes, indicating statistically significant reward preference variations when considering attraction only among respondents in different departments for F1 and F2 at a 5% level of significance confidence interval (Hair et al., 2019). The outcome suggests that employees in different departments perceive the importance of the financial (F1) and non-financial (F2) reward items significantly differently when considering attraction specifically.

Table A.56

Response Statistics for Kruskal-Wallis Test for Differences in Reward Preferences Influencing Attraction According to Department

Kruskal-Wallis Test — Respondent Department				
		n	Mean Rank	Asymp. Sig.
F1: Attraction (EmpAttF1)	Accounting / Finance	17	85.941	0.024
	Engineering / Projects / Technical	46	89.870	
	Human resources	24	89.250	
	Logistics / Planning / Procurement	35	100.200	
	Operations	22	77.364	
	Quality / SHE	20	92.075	
	Marketing & Sales	17	99.029	
F2: Attraction (EmpAttF2)	Accounting / Finance	17	68.853	0.039
	Engineering / Projects / Technical	46	81.043	
	Human resources	24	99.688	
	Logistics / Planning / Procurement	35	114.043	
	Operations	22	83.295	
	Quality / SHE	20	95.750	
	Marketing & Sales	17	84.765	

Appendix 11: Tests for differences — Employee Retention

Table A.57 shows the sample size, mean scores, and standard deviations for self-reported men and women before conducting the t-test for differences (Zikmund et al. 2013) on employee retention reward items. These results helped evaluate the differences in reward items for employee retention between the groups.

Table A.57

Response Statistics for T-test for Differences in Reward Preferences Influencing Retention According to Gender

Gender Differences				
		n	**Mean**	**Std. Deviation**
F1: Retention (EmpRetF1)	**Male**	101	4.402	0.501
	Female	80	4.429	0.603
F2: Retention (EmpRetF2)	**Male**	101	3.925	0.571
	Female	80	4.094	0.546

Levene's test evaluated the equality of variances across gender group responses (Zikmund et al., 2013). The results of this analysis are summarised in Table A.58 below.

Table A.58

T-test for Differences in Reward Preferences Influencing Retention According to Gender

Independent Samples T-test									
		Levene's Test for Equality of Variances		T-test for Equality of Means				95% Confidence Interval of the Difference	
		F	**Sig.**	**t**	***df***	**Sig. (2-sided)**	**Mean Difference**	**Lower**	**Upper**
F1: Retention	**Equal variances assumed**	2.136	0.146	-0.329	179.000	0.743	-0.027	-0.189	0.135
	Equal variances not assumed			-0.322	152.921	0.748	-0.027	-0.193	0.139
F2: Retention	**Equal variances assumed**	0.127	0.722	-2.018	179.000	0.045	-0.169	-0.335	-0.004

	Equal variances not assumed		-2.028	172.783	0.044	-0.169	-0.334	-0.005

Table A.59 summarises the mean ranks obtained from the non-parametric Kruskal-Wallis test assessing reward preference differences for employee retention considering respondents with different levels of education.

Table A.59

Response Statistics for Kruskal-Wallis Test for Differences in Reward Preferences Influencing Retention According to Level of Education

Kruskal-Wallis Test — Education				
		n	Mean Rank	Asymp. Sig.
F1: Retention (EmpRetF1)	**Grade 12 and lower**	15	102.967	0.443
	Certificate or diploma	64	95.635	
	Undergraduate degree	39	81.756	
	Postgraduate degree	64	89.266	
F2: Retention (EmpRetF2)	**Grade 12 and lower**	15	85.000	0.015
	Certificate or diploma	63	89.349	
	Undergraduate degree	39	74.205	
	Postgraduate degree	64	104.266	

Table A.60 below summarises the mean ranks obtained from the non-parametric Kruskal-Wallis test assessing reward preference differences for employee retention considering respondents allocated to different departments in the target organisation. When considering retention, statistically significant differences (p=0.024) were identified for F2, with employees in the logistics/planning/procurement departments allocating the highest rank (117.900) to this factor.

Table A.60

Kruskal-Wallis Test for Differences in Reward Preferences Influencing Retention According to Department

Kruskal-Wallis Test — Department				
		n	Mean Rank	Asymp. Sig.
F1: Retention (EmpRetF1)	Accounting / Finance	17	82.176	0.258
	Engineering / Projects / Technical	46	89.076	
	Human resources	24	83.375	
	Logistics / Planning / Procurement	35	107.386	
	Operations	22	74.977	
	Quality / SHE	20	91.075	
	Marketing & Sales	17	102.706	
F2: Retention (EmpRetF2)	Accounting / Finance	17	70.294	0.024
	Engineering / Projects / Technical	46	83.250	
	Human resources	24	90.958	
	Logistics / Planning / Procurement	35	117.900	
	Operations	22	78.636	
	Quality / SHE	20	89.250	
	Marketing & Sales	17	95.412	