



GORDON INSTITUTE  
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# **Employees' perceptions of whether monetary rewards would motivate those working at a State Owned Enterprise to perform better**

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

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## **Abstract**

**Orientation:** Excessive and unjustifiable salaries in State Owned Enterprises (SOE's) have captured the spotlight in recent years. Some employee motivation theorists and recent studies have shown that non monetary rewards are also important when considering the total rewards mix for employees.

**Research purpose:** The primary aim of this study was to survey the perceptions of SOE employees' of whether they would work harder, have increased motivation levels and remain longer in a company if compensated with higher monetary rewards. The secondary aim was to establish whether different demographic variables have an effect on employees 'perceptions of whether their motivation levels would increase with higher monetary rewards.

**Motivation for the study:** An understanding of these perceptions would enhance knowledge when developing effective reward systems in SOE's within the South African context.

**Research design, approach and method:** 1000 questionnaires were distributed to SOE employees via the hand delivery and e-mail method. The results from 143 questionnaires were used in the data analyses.

**Main findings/results:** The study found that overall the SOE employees preferred higher monetary rewards and would work harder, be more motivated and stay longer in the company as a result. However, when measured

individually, certain non monetary rewards were preferred over receiving higher monetary rewards. The findings also indicate that significant differences exist for the demographic variables, age and grade.

**Practical/Managerial implications:** SOE management can structure reward systems more effectively according to these findings without focussing primarily on money. Based on the research results, an increased understanding of SOE employee's perception of what motivates them has been achieved.

**Contribution/value-add:** This study has contributed to the body of existing knowledge on employee motivation and its relationship with total rewards within SOE's in South Africa. In addition, the study has demonstrated that reward preferences differed between certain demographic groups within SOE's. A total rewards framework, on employee preferences could be designed from the findings.

**Keywords:** Motivation, Total Rewards, Monetary rewards, State Owned Enterprise, Performance.

## 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 have obtained the necessary authorization and consent to carry out this research.

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Neil Moodley

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Date

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## CHAPTER 1: INTRODUCTION

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### 1.1 PROBLEM DESCRIPTION AND BACKGROUND

#### **CURRENT PERFORMANCE AND SALARY RELATED ISSUES AT STATE OWNED ENTERPRISES**

The question: “Does money/monetary rewards motivate employees?” has been asked for decades and there are numerous motivation theories that try to explain the extent to which money motivates employees. Given the critical role played by State Owned Enterprises (SOEs) in the economy it would be useful to establish employees’ perceptions about motivation at SOE’s. The minister for performance monitoring and evaluating in the office of the presidency, Collins Chabane, has emphasised the need to align state owned enterprise’s with government’s developmental agenda and has stated that notwithstanding past reforms and some improvements, there was a need for efficiency and viability across some three hundred SOEs. In government’s view, this is fundamental to ensuring that they fulfil their “clearly defined public mandate” and meet South Africa’s “social and infrastructural goals” (Sabinet Law, 2010). This would signal a need for performance enhancement within SOEs. In the publication by Theunissen (2010), it is reported that Trevor Manuel felt that excessive salaries were unjustified in the context of South Africa’s 23% unemployment rate and he mentioned that in a country with the high level of inequality and unemployment that South Africa has, some of these exorbitant salaries are simply repulsive.

Denel's most recent annual report indicated that its Chief Executive (CE), Talib Sadik, was being paid R5.6 million or R466 666 a month. Denel posted a loss of R544 million in 2007; an improvement on the R1.6 billion lost in the previous year. The solidarity trade union complained that Denel executives had paid themselves a further R4.3 million in bonuses for the year to March 2009, despite a loss. Concern about pay packages grew recently after the dismissed Eskom CEO Jacob Maroga filed a lawsuit demanding R85-billion in damages from the loss-making electricity utility. The Democratic Alliance (DA) charged that a culture of sky-high salaries in SOEs had fuelled Maroga's expectation that he could win such a big settlement from Eskom. Ebrahim-Khalil Hassen, an independent analyst, said it was important for the government to be seen to be doing something about the concerns raised about executive salaries at parastatals (defenceWeb, 2010).

Public Enterprises Minister Barbara Hogan (defenceWeb, 2010) had set up a nine person panel to oversee the much criticised remuneration of top executives at South Africa's embattled SOEs. The panel was set up to make recommendations and suggest a framework to determine a rational and consistent remuneration model that protects the interests of the SOE, employees of the SOE, the state and the state's national assets. The salaries and bonuses paid to parastatal bosses have caused an outcry in recent years, after dismissed South African Airway's chief executive officer Khaya Ngqula received a settlement of R8 million.

## **SOME RECENT STUDIES OF EMPLOYEES' PERCEPTIONS ON PAY, JOB SATISFACTION, MOTIVATION AND REWARD**

In a study conducted by Accenture (2011) among business executives it was found that in South Africa, the two top reasons found for dissatisfaction with their current job, were that executives felt they were under paid and there was no opportunity for advancement. Nearly half the business executives said that they were under paid and 39% said that there was no opportunity for advancement. Slightly more than half (54%) of the business executives in South Africa said that their motivation for career advancement is better compensation. It was found that 51% of the business executives said that they have asked for or negotiated a pay raise when asked. When the business executives were asked to select the top changes their employer could make that would provide the greatest opportunities and impact on their career, 60% chose improved pay (Accenture, 2011). The results of a study by Govender (2010) indicate that the job satisfaction of managers at a South African SOE is influenced largely by three factors; namely, Inspirational Leadership and Purposeful Work, Equitable Rewards and a Facilitative Work Environment, and Effective Working Relationships and Work Life Balance (Govender, 2010).

A recent study by Amabile and Kramer (2010) who kept track of the day-to-day activities, emotions, and motivation levels of knowledge workers concluded that the top motivator of performance is progress. On days when workers have the sense that they are making headway in their jobs, or when they receive support that helps them overcome obstacles, their emotions are most positive and their

drive to succeed is at its peak. McArthur (2009) suggested in his study that companies should recognise that the softer types of reward are also important in the total reward mix. Moodley (2007) found from her Telkom (SOE) Case Study that the motivation to work and actual satisfaction at work are not propelled by money factors alone or by job factors that focus on control and manipulation. She found that employees have needs that extend beyond the physical and survival requirements to live fulfilling lives (Moodley, 2007).

### **GAPS IN PREVIOUS RESEARCH AND MOTIVATION FOR THIS STUDY**

Although the recent study by Accenture show the preference for money by business executives, some other recent studies within South African SOE's shows that motivation to work and satisfaction at work are not propelled by money factors alone or by job factors that focus on control and manipulation. Another recent study has shown that job satisfaction of managers at South African SOE's is influenced largely by three factors; namely, Inspirational Leadership and Purposeful Work, Equitable Rewards and a Facilitative Work Environment, and Effective Working Relationships and Work Life Balance. Progress also has been found to motivate employees. The question of "Whether money really motivates employees at SOE's to perform better?" remains unanswered to a larger extent within South African SOE's. It would be pertinent to undertake this study, to establish whether monetary rewards motivate employees to perform better at State Owned Enterprises (SOE's), and the fact that non monetary rewards are showing importance in terms of the total rewards mix. The impact of the downturn is now being felt by most companies. Against

this backdrop and given the important role SOEs play within South Africa and the lack of research within the SOE context, this study aims to contribute to this body of knowledge. The motivation for the study is further enhanced by the dismal performance of SOE's and its excessive rewarding of its executives at the same time.

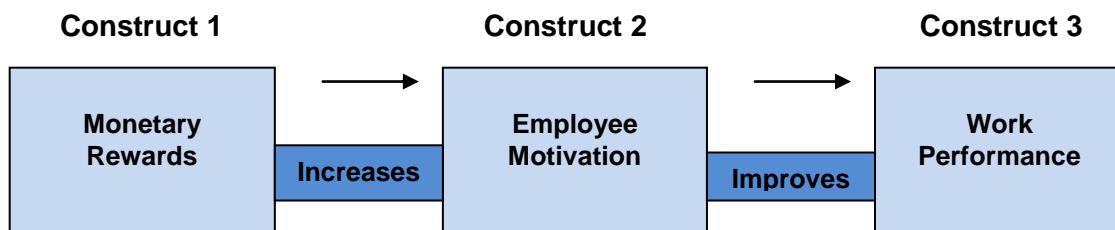
## 1.2 RESEARCH OBJECTIVES

The fundamental aim of the study is to ascertain the perceptions of SOE employees of whether monetary rewards motivate them to perform better. The main objectives of the research are:

- **Objective 1:** To survey whether employees would work harder if they are compensated with higher monetary rewards
- **Objective 2:** To establish employees' perceptions of their motivation levels if they are compensated with higher monetary rewards
- **Objective 3:** To ascertain employees' perceptions of whether they would remain longer in a company if compensated with higher monetary rewards
- **Objective 4:** To determine whether demographics (age, gender, ethnicity/race, and job grade) has an effect on employees' perceptions of

whether their motivation levels would increase with higher monetary rewards

Three main research constructs have been identified for this study, and are indicated in Figure 1 as follows:



**Figure 1: Research Constructs**

The study has four parts. First it reviews the literature relevant to employee motivation and rewards, then the research methodology is presented and data analysis techniques are discussed. Next, the findings are discussed and summarized. This study concludes with a discussion of theoretical and managerial implications and directions for further research. The research objectives established above combined with the research constructs developed in Figure 1, have guided the literature review in Chapter 2 and this helped establish the research questions for the study. The literature review would be discussed next in Chapter 2.



## CHAPTER 2: LITERATURE REVIEW

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### 2.1 INTRODUCTION TO THE LITERATURE REVIEW

The primary purpose of this study is to investigate the relationship between monetary rewards, employee motivation, employee turnover and work performance. As part of this process the perception of employees would be determined at SOE's to establish whether monetary rewards does motivate them to perform better. The literature reviewed in this section describes and examines the supporting theories that are related to the research objectives outlined in Chapter 1. A theoretical discussion of motivation, rewards, employee turnover, the link between motivation and demographics and the link between motivation and work performance are reviewed.

### 2.2 MOTIVATION THEORIES

In this section primarily eight theories are examined and the interconnectedness is explored. The eight theories are: a) Abraham Maslow's need-hierarchy theory b) Alderfer's existence, relatedness and growth theory c) McGregor's X and Y human motivation theory d) John Stacey Adam's equity theory e) Frederick Herzberg's two factor theory of motivation f) Locke and Latham's goal theory g) Deci and Ryan's Self-Determination Theory and h) Instrumentality theory. Motivation is one of the main factors that determines the work performance of employees and typically covers all the reasons why people choose to behave in

a certain manner (Viorel, Aurel, Virgil & Stefonia, 2009). Grobler, Wörnich, Carrell, Elbert and Hatfield (2006) state that motivation is the force that energizes behaviour, gives direction to behaviour and underlies the tendency to persist, even in the face of one or more obstacles.

Maslow's (1943) Need-Hierarchy Theory identified five basic needs that motivate individuals: physiological, safety, love and belongingness, esteem and self actualisation. Maslow contends that individuals will climb the ladder of need fulfilment until they have become self-actualized (Grobler et al., 2006). Alderfer (1972) raised various criticisms against Maslow's Need Theory and attempted to address these shortcomings. Alderfer (1972) claimed that a man is motivated by groups of core needs: Existence, Relatedness and Growth (ERG theory). The existence needs are man's basic needs for existence and this need is similar to the physiological and safety needs highlighted by Maslow. The relatedness need refers to the importance placed on relationships and this need relates to Maslow's belongingness and esteem needs. The last need of growth represents man's desire for personal development and is related to Maslow's need of self actualisation. Alderfer's theory is not hierarchical like Maslow's and indicates that the core needs can be experienced concurrently (Sledge, Miles & Coppage, 2008). However, both theories address man's needs which, if satisfied, will result in higher motivation.

McGregor developed Theory X and Theory Y to describe human motivation. Theory X assumes that most people are lazy by nature, dislike work, are motivated by money and have to be forced to work and take responsibility

(Sager, 2008). Theory Y assumes that people are generally fond of work are creative, self directed and exhibit creativity and a sense of untapped performance (Sager, 2008; Chick 2001). McGregor's argument is that managers' assumptions/ attitudes represent, potentially, self-fulfilling prophecies. The manager who believes that people are inherently lazy and untrustworthy will treat employees in a manner that reflects these attitudes (Kopelman, Prottas & Davis, 2008). Both Theory X and Theory Y are questionable. If people are motivated by money (Theory X), then according to Vroom's theory, money should lead to increased job satisfaction and hence people should like their work (Theory Y).

According to Bolino and Turnley's (2008) discussion of the equity theory put forward by John Stacey Adam in 1963, individuals evaluate their relationships with others by weighing up how much effort is required to maintain the relationship versus what they are likely to gain from it. If these ratios are perceived to be unequal, then inequity exists. The greater the perceived inequity, the more likely an individual is to feel distress regardless of whether the inequality exists in the form of over reward or under reward. More effort will be placed on restoring equity. Further research has also indicated that it is not only the actual rewards that need to be fair, the allocation processes must also be perceived as fair (Martin, 2005).

Herzberg developed the two-factor theory of motivation model, which consists of hygiene and motivational factors. Hygiene factors are described as aspects that employees consider important in the work environment but that are not

motivational in nature (for example, supervision, consistent management policies and rules, salary, working conditions, job security). Hygiene factors are extrinsic in nature. Herzberg suggested that when these factors are present in a job, people's needs would be satisfied and they are likely to experience job satisfaction. Dissatisfaction will occur if these needs are not met (Grobler et al., 2006). However, hygiene factors cannot be relied on to motivate higher levels of performance. Motivational factors on the other hand such as achievement, responsibility, growth, work itself and recognition are intrinsic factors. They reflect the content of the job. The two factor theory has received great deal of attention and criticism; however the theory provides guidance for building motivators into job content, an approach called job enrichment (Grobler et al., 2006).

Herzberg's and Maslow's theories can be positively compared, although Herzberg did not claim a hierarchical relationship for the two factors. Herzberg's hygiene factors are similar to the lower-order or extrinsic needs of Maslow and Alderfer, while the motivators are similar to the higher-order or intrinsic needs. The nature of motivators, as opposed to hygiene factors, is that they have a much longer term effect on employees' attitudes (Accel, 2007).

ERG theory was proposed by Alderfer in 1969, prioritizes user's needs in a hierarchy. This theory is based on the work of Maslow, who reduced the number of levels of needs to three. Nevertheless, ERG theory differs from Maslow's theory in three ways: a) it allows different levels to be pursued simultaneously b) it allows the order of needs be different for different people

and c) when the highest level of needs remain unfulfilled, a person may regress to a lower level of needs that are relatively easier to satisfy (Chang & Yuan, 2008). Alderfer does not prescribe a hierarchy of needs and his theory suggests that two or three need categories can influence behaviour simultaneously. This theory drew similar criticism to Maslow's theory as it does not differentiate between different cultures and has strong underlying assumptions that can be challenged. Alderfer questioned the efficacy of remuneration as a motivator. However, money may not be a specifically stated need or motivator, but is needed to satisfy most needs at the levels stated and is therefore considered as a means to an end in both a direct and indirect manner (Du Toit, Erasmus & Strydom, 2007). Research conducted by Gerhart and Rynes (2003) contradict these theories: they found that pay (namely monetary rewards) is a major determinant of work motivation and plays a significant role in organisational success.

The goal theory was developed by Locke and Latham (2002) who claimed that the level of production in the companies they studied was increased by an average of 19% as a result of goal-setting processes. The Goal-setting theory suggests that people's objectives play a significant part in formulating their behavioural patterns. It is built on the assumption that the performance of individuals will improve if they strive towards a definite, specific goal or standard as opposed to ambiguous goals (for example to do your best as opposed to achieve 80% in a test). The crux of this theory is that the more difficult the goal, the higher the level of performance of the employee if he or she is committed to achieving the goal. This theory confirms that monetary incentives are effective

when they are linked to performance levels, as they contribute to task, goal acceptance and commitment. However, in addition, regular feedback on performance (the performance management part of the total rewards model) is critical. Factors such as individual differences, personality, previous experience, education, and training influence the validity of the goal-setting model.

Deci and Ryan (2000) developed the Self-Determination Theory (SDT), which questions the efficacy of remuneration as a motivator. The theory proposes that people who receive extrinsic rewards for performing a task (which they find interesting and are happy to do) will attribute the cause of their behaviour to the extrinsic reward (as opposed to their level of interest) and thus discount their interest in the task per se as the cause of their behaviour and effort. This means that when extrinsic rewards are introduced, people feel controlled by the external rewards, prompting a shift in perceived locus of causality for the motivation for the behaviour to move from internal to external. The SDT therefore places strong emphasis on monetary, extrinsic rewards as a powerful alternative source of motivation. In addition, threats, deadlines and evaluation undermine intrinsic motivation, presumably as they shift towards a more external perceived locus of causality. However, providing choice and flexibility enhances intrinsic motivation.

Instrumentality theory postulates that rewards or punishments serve as the means of ensuring that people behave or act in desired ways. This theory, in its most basic form, states that individuals only work for money and that they are only motivated when rewards and penalties are tied directly to their

performance. Rewards are therefore contingent upon performance. Instrumentality theory has its roots in Taylorism, and is based on the premise of reinforcement (Armstrong, 2006).

According to Lazenby (2008) people generally fall into one of two categories of goal orientation. In the first category are individuals who have a mastery orientation or a learning orientation. Individuals with mastery orientation welcome challenges and enjoy learning new skills that allow them to master the challenges. For these people, Herzberg's job enrichment theory actually works, most of the time. In the second category are individuals who have a performance orientation. They measure their worth in terms of how they perform in relation to goals, and they are easily discouraged if they believe the goal is too difficult. They would see job enrichment as threatening: a way for management to set them up for failure.

Gahan and Abeysekera (2009) studied the two higher order work values in the form of intrinsic and extrinsic rewards. Both national culture and individual self-construal were found to be significant predictors of intrinsic rewards. The relationship between national culture and intrinsic rewards was found to be mediated by individual self-construal. Furthermore, cultural adaptation or the extent to which an individual has developed a cultural intelligence was found to moderate the overall relationship between national culture, self-construal and intrinsic rewards. No significant relationship was found between one's national culture, self-construal and his/ her extrinsic work values.

## 2.3 TOTAL REWARDS

In this section four well known reward frameworks are explored. They are a) Worldatwork's total rewards model b) Corporate leadership council total reward framework c) Armstrong and Brown's total rewards model and d) Towers Perrin's total rewards model. For the purpose of this study, total rewards are defined as the combination of all types of rewards, including financial and non-financial rewards, indirect as well as direct, intrinsic and extrinsic, which are made available to employees individually or in aggregate in exchange for something of value (Armstrong, 2006).

The old perception of total rewards or total remuneration, which referred to pay and benefits, has changed to a broader definition including career development and other intrinsic factors such as working environment (Gross & O'Malley, 2007). The categories that make up total rewards are variously referred to as transactional rewards (tangible rewards including pay and benefits) and relational rewards (intangible rewards – for example, learning and development, recognition and status; challenging work; employment security; the work experience or the work environment) (Armstrong, 2006). Total rewards tie remuneration and benefits into a broader package that aims to attract, motivate and retain employees in this changing world of work. The goal of total rewards has changed from merely remunerating employees to one that rewards and motivates (Hankin, 2005).



Bussin (2002) stated that it is not necessarily only cash or a gift that will leave a lasting impression on the achiever, or the recognition of their peers and colleagues. Various informal, though highly effective ways can be used to recognise individual and team achievements. Bussin (2002) indicates that the following should be considered: a) A verbal "thank you" or "well done" b) A thank you card c) A letter of recognition on the achiever's personal file d) A congratulations card (an achievement at work, marriage, birth of a child, sporting achievement etc.) e) Achievements published in Newsflash, the company magazine, or even the local newspaper, if appropriate f) "Thank you" and "Congratulations" cards could be distributed to all Section Heads. Bussin (2002) further states that some of the disadvantages of monetary rewards are that they: a) have no trophy (i.e. lasting) value b) are not exotic c) cannot be enhanced and d) tends to become an expected reward.

Long and Shields (2010) support the growing body of evidence that non-cash recognition has become a widespread human resource management practice in Western firms. It was found that among firms that use non-cash recognition, coverage is pervasive and extends to a substantial majority of the firm's employees. Results also suggest that many firms have adopted non-cash programmes that recognize both individual employees and groups of employees.

Sweins, Kalmi and Hulkko-Nyman (2009) propose that organizations should try to ensure that employees really understand how the pay system works. It is not enough to just provide information and material on pay systems. Training on the

pay system characteristics for all employees and the role of supervisors as transmitters of pay knowledge emerge as important issues. Better pay knowledge improves employee satisfaction with pay and effectiveness of pay. This can also be generalized to other pay systems. It was indicated in this study that a direct link between pay knowledge and pay effectiveness is consistent with the expectancy theory, while gift-exchange arguments would indicate that the link is mediated through pay satisfaction.

Over the past number of years, a number of different total rewards models and frameworks have been developed. Some of the different examples of total rewards models available in the literature will be presented here.

### **2.3.1 Worldatwork's Total Rewards Model**

WorldatWork (2006), the largest global not-for-profit professional association dedicated to knowledge leadership in total rewards, defines total rewards as containing five core reward categories, shown in Figure 2, are as follows: a) Remuneration (compensation as referred to in the model refers to a combination of variable and fixed pay components) b) Benefits c) Work life d) Performance and recognition and e) Development and career opportunities.



**Figure 2: WorldatWork Total Rewards Model (WorldatWork, 2006, p.9)**

### **2.3.2 Corporate Leadership Council Total Reward Framework**

The CLC defines total rewards from a philosophical point of view as consisting of the following categories 2007 (Corporate Leadership Council, 2007) included in Table 1.

**Table 1: CLC total rewards framework (Corporate Leadership Council, 2007, p.17)**

<p><b>Remuneration and Benefits:</b></p> <ul style="list-style-type: none"> <li>○ base salary</li> <li>○ bonus as percentage of base salary</li> <li>○ health benefits</li> <li>○ retirement benefits</li> <li>○ share options</li> <li>○ internal equity</li> <li>○ external equity</li> </ul>	<p><b>Work environment:</b></p> <ul style="list-style-type: none"> <li>○ manager quality</li> <li>○ co-worker quality</li> <li>○ recognition</li> <li>○ cutting-edge work</li> <li>○ empowerment</li> <li>○ role clarity</li> <li>○ work challenge</li> <li>○ internal mobility</li> <li>○ project responsibility</li> </ul>
<p><b>Work/Life balance:</b></p> <ul style="list-style-type: none"> <li>○ location</li> <li>○ flexitime</li> <li>○ child care</li> <li>○ hours</li> <li>○ telecommuting</li> <li>○ travel</li> <li>○ vacation</li> </ul>	<p><b>Organisational environment:</b></p> <ul style="list-style-type: none"> <li>○ risk-taking</li> <li>○ company reputation</li> <li>○ senior team reputation</li> <li>○ company size</li> <li>○ employee development</li> <li>○ reputation</li> <li>○ technology level</li> <li>○ respect</li> <li>○ meritocracy</li> <li>○ ethics</li> </ul>

### 2.3.3 Armstrong and Brown's Total Rewards Model

An additional component to the WorldatWork total rewards model was added by Armstrong and Brown (2006), who include the work experience as an additional reward category in their model. They also refer to transactional and relational rewards in their description of total rewards as well as a reference to non-financial or intrinsic rewards depicted in Table 2.

**Table 2: Armstrong and Brown's total rewards model (Armstrong & Brown, 2006)**

<b>Transactional rewards</b>	Base Pay	Total remuneration	Total reward
	Contingent Pay		
	Employee Benefits		
<b>Relational rewards</b>	Learning and Development	Non-financial/ intrinsic rewards	
	The work experience		

### 2.3.4 Towers Perrin's Total Rewards Model

Towers Perrin continues with the differentiation between relational (tangible) and transactional (intangible) rewards as well as a reference to individual versus communal rewards (Armstrong & Brown, 2006). This reference is very descriptive in terms of the nature of the rewards. The following figure illustrates the Towers Perrin total rewards model. Towers Perrin in Figure 3 supports a more inclusive total rewards framework.

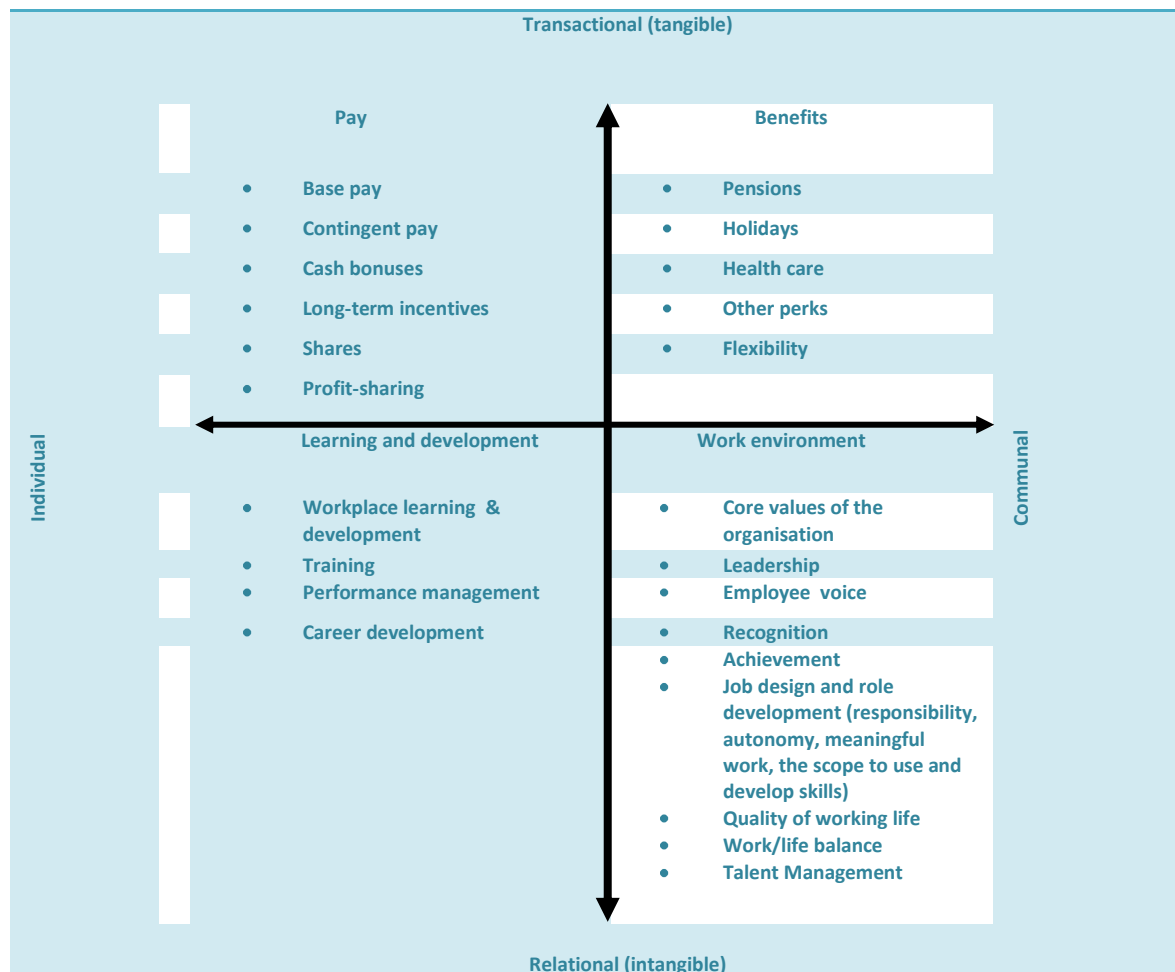


Figure 3: Towers Perrin's model of total rewards (Armstrong & Brown, 2006, p.25)

## **2.4 EMPLOYEE TURNOVER**

Grobler et al. (2006) indicate that most HR movement takes place through employee promotions, demotions and transfers. Another form of employee movement involves turnover: the movement of employees out of the organisation. Turnover results from resignations, transfers out of organisation units, discharges, retirement and death. Excessive turnover creates an unstable workforce and increases HR costs and organisational ineffectiveness. Turnover that hurts the organisation is known as dysfunctional turnover.

## **2.5 MOTIVATION AND DEMOGRAPHICS**

Personal factors that influence motivators include age, gender, race, education and abilities (Gray & Starke, 1988). Each employee is motivated by a unique combination of factors that are influenced by his or her age, gender, race, level of education and position in the organisation. These issues include the changing demographics of the workforce and employees' attitudes towards their employers (Linkow, 2006).

In his article, "Should generation profiles influence rewards strategy?" Giancola (2008) challenges the practice of using generational personalities and workforce breakdowns based on assigned generation to determine rewards strategies. It takes a critical look at the thought processes used to define a generation's

identity, its most prominent members, and linkages to specific reward selections. The article concludes that the approach is too general and distant from the desires of individual employees to be useful, and increases the chances of adopting a strategy that may be right for an abstract generation, but wrong for a particular group of employees.

In the study by Worthley, MacNab, Brislin, Kiyohiko and Rose (2009) issues associated with workforce motivation for male and female workers in Japan, using Herzberg's two-factor model for motivation (intrinsic and extrinsic) were examined. The findings include: a) support for the applicability of a Herzberg, two-factor model in Japan b) Japanese men in the workforce tending to value intrinsic motivators more than extrinsic factors c) female workers in Japan rating extrinsic factors higher than their male counterparts and d) managers' opinions of what motivates employees not constituting a refined match to those of female employees, especially with respect to extrinsic motivation. Job security and fairness in supervision appear to be particularly critical to female employees in Japan, many of whom are feeling the pressure of balancing career and family, in addition to job-related stresses. The finding that women in the Japanese workplace place high value on relations with others is consistent with the US-based observations of Centers and Bugantal (1966) cited in Worthley et al. (2009). Based on these results, efforts toward improving interpersonal relationships in the workplace, such as making it easy to access mediation and promoting job rotation, team building, monitoring supervisors' quality, and providing gender-blind job security, may pay dividends.



Bonsdorff (2011) showed that both financial and non financial rewarding elements were highly appreciated and clearly identified by nurses. Age-related differences were found among respondents' financial reward preferences. The results showed that older and more experienced nurses tended to prefer financial rewards more often than younger nurses. This preference could be related to the traditional pay increment system in the public sector which has merited years served in the organisation among other things. The resulting higher pay to more experienced nurses might have served as a positive reinforcement. Pay increments can be seen as a way of recognising older nurses' skills and as an expression of respect from the part of the organisation. The age-related differences in non-financial rewards were statistically non-significant. A closer look at these scores revealed that nurses aged 20–29 years had the lowest preference for non-financial rewards, whereas the oldest age group had the highest preference for them. Nurses aged between 50 and 59 years preferred recognition, possibilities to use skills diversely, job security and flexible working hours.

Accenture (2011) conducted an online survey of 3400 business executives in 29 countries which included South Africa in November 2010, the top reasons for respondents' dissatisfaction were: a) Being underpaid (cited by 47% of women, 44% of men) b) Lack of opportunity for growth (36% of women, 32% of men) c) No opportunity for career advancement (33% of women, 34% of men). Among top factors that would make respondents want to pursue career advancement, women and men cite: a) Better compensation (65% versus 67%) b) New, challenging assignments (44% versus 48%) c) Flexible work arrangements

(39% versus 34%) and d) Leadership positions within their companies (22% versus 28%). While all groups cited higher pay as the top reason for pursuing career advancement, the youngest participants – Generation Y – were significantly more motivated by pay than Generation X respondents or Baby Boomers (cited by 73%, 67% and 58%, respectively). Gen Y respondents were found to be significantly more motivated by pay than other generations. Gen Y respondents cite being underpaid as the top reasons for job dissatisfaction significantly more so than other generations.

Govender (2010) found in his study at a South African SOE that the factors influencing job satisfaction for men and women are different and are also of different importance to each gender group. For men, their job satisfaction was mostly influenced by the organisation's leadership and by purposeful work assignments. They want leaders that are inspiring, ethical and transparent. They also want to do work that is challenging and purposeful. Women on the other hand are not only influenced by the organisation's leadership and purposeful work assignments the most, but also by compensation and the work environment. Women want a secure future and also want to advance within the organisation.

Govender (2010) found that the job satisfaction of managers at an SOE younger than 40 years is influenced by different factors than managers who are older than 40 years. The findings indicate to stakeholders that Purposeful Work and Inspirational Leaders are what influence the job satisfaction of older managers the most. This shows that compensation and rewards cannot be

used solely as a mechanism to influence job satisfaction of the older managers. The study also show that Equitable Rewards and a Facilitative Work Environment is of less importance to white managers as it is for the other ethnic groups. The explanation offered for this finding is the legacy of Apartheid. Equitable Rewards and a Facilitative Work Environment is the most important factor to black managers. It shows that black managers place more importance on organisational culture, job security and compensation and this can be explained by Maslow's theory. These factors are the lower order needs of black managers who were previously disadvantaged by Apartheid. Govender's (2010) study also found that as managers move up the corporate ladder, lower order needs would be fulfilled and new higher order needs will develop.

## **2.6 REWARD, MOTIVATION AND PERFORMANCE**

The theories and principles developed by the researchers described in this literature review section have considerable appeal to many people; however, the prevailing view in the academic literature is that there is limited empirical evidence to support all the theories collectively, in all types of circumstances (Du Toit et al., 2007; Martin, 2005). Different theories will therefore apply to different people, and this could be circumstantial. However, the influence of these theories on individual behaviour should not be underestimated, as there is considerable evidence that people work to fulfil intrinsic and extrinsic work and personal needs (Gerhart & Rynes, 2003). Kohn (2001) concludes that the results of many studies proving the relationship between performance and

rewards are questionable, and that, by contrast, training and goal-setting programmes, have a far greater impact on productivity than performance-based incentive plans.

According to Vroom's theory, the effect of motivation on a worker's performance depends on the workers level of ability and the relationship of ability to performance depends on a worker's motivation (Chick, 2001). Vroom's model states that a worker is motivated when three conditions are recognised, namely: increased effort will result in improved performance; the performance level will result in a specific outcome; the outcome is personally valued (Isaac, Zerbe & Pitt, 2001). The Vroom's expectancy theory emanates from a belief that people make conscious decisions about the achievement of certain goals through considering the opportunity for being successful and the relationship between success and effort. Their drive or motivation to perform stems from the need for the specific intrinsic or extrinsic reward that will follow from being successful in achieving the goal. This cycle starts with an opportunity given to an individual. To be successful some effort (varying from little to extensive effort) as well as specific abilities, are required (Vroom & MacCrimmon, 1968). The individual's ability and levels of effort can be positively influenced through an objective performance evaluation system (including the setting of objective performance criteria) where the line manager provides regular, fair and constructive feedback regarding the levels of performance in relation to the goal (Locke & Latham, 2002).

McClelland (1961) conducted research on the relationship between motivation, related behaviours in managers, their performance and effectiveness. McClelland's Achievement Theory claimed that three needs are important for motivating staff: the need for achievement (to do better than other people), affiliation (establish and maintain relationships) and power (the desire to control people) (Anderson, 2009).

From Herzberg's Theory motivators such as achievement, responsibility, growth, work itself and recognition influence job satisfaction which influences level of job performance (Grobler et al., 2006). The Job characteristics model used in the Job Characteristics Theory consists of five 'core' job dimensions. These dimensions are skill variety, task identity, task significance, autonomy and feedback (Hackman & Oldham, 1976). From the Hackman/Oldham Model on the Relationships among core Job Dimensions, Critical Psychological States, and Personal and Work Outcomes it is established the five core job dimensions lead to three psychological states which in turn leads to Personal and Work Outcomes viz. high internal work motivation, high quality work performance, high satisfaction with the work and low absenteeism and turnover (Cummings & Worley, 2009).

Friedman, Cox and Maher (2007) elaborate on expectancy theory originally conceptualized by Vroom (1964) and Porter and Lawler (1968) which attempts to explain individuals' motivation to make choices, expend effort, and complete a task. According to expectancy theory, motivation consists of three components: a) individual expectancy that effort will lead to performance (effort-

to-performance, or E-P, expectancy) b) the belief that performance will lead to certain outcomes (instrumentality) and c) the value (valence) placed on these outcomes. An individual feels motivated when he or she feels that effort will lead to an acceptable level of performance, performance will lead to some outcome(s), and the outcome(s) are personally valued.

Nohria, Groysberg and Lee (2008) recently investigated the drives that motivate employees. The indicators of levels of motivation used in the study were the following: a) Engagement b) Satisfaction c) Commitment and d) Intention to Quit. Four drives that underlie motivation were identified are a) the drive to acquire: referring to people's drive to acquire goods (physical goods and experiences) in order to enhance their sense of well-being b) the drive to bond: this drive is associated with strong positive emotions like love and caring, and, if not met, results in loneliness. The drive to bond relates to a sense of belonging to an organisation or a team and having a sense of pride. When people leave an organisation this often results in a drop in morale c) the drive to comprehend: refers to the need to make sense of the world and to be challenged and d) the drive to defend: is rooted in the fight-or-flight response and the need for security. According to Nohria et al. (2008) each of the drives is independent: they cannot be ordered hierarchically or substituted for another. Studies show that an organisation's ability to meet the four fundamental drives profoundly impacts the level of individual performance. Certain drivers were also found to influence motivational indicators more than others.

In the article by Georgellis and Lossa (2010) it is noted that the debate on whether high levels of extrinsic rewards in the public sector could backfire as extrinsic rewards crowd out intrinsic motivation. Previous evidence suggests that crowding out is more likely to occur when performance on a task is difficult to measure as it is the case with many of the jobs in the public sector as indicated by Eisenburger, Pierce and Cameron (1992) (Georgellis & Lossa, 2010). Crowding out implies that extrinsic rewards could result in fewer high-quality (highly public service motivated) employees choosing to move to the public sector resulting in a larger than optimal number of extrinsically motivated employees in the sector, with two main undesirable effects. First, it will have a detrimental effect on the average quality of job matches in the sector; and second, by altering the composition of the workforce, it paves the way for the wider acceptance of performance related remuneration schemes and the use of costly, high-powered incentives to improve performance could become inevitable. The use of high-powered incentives and other forms of extrinsic rewards in the public sector has long been questioned. For example, Holmstrom and Milgrom (1991) (Georgellis & Lossa, 2010) argue that if an employee performs several tasks and it is not easy to measure how well these tasks are performed, then introducing explicit extrinsic incentives is not always efficient as such incentives are often associated with less effort and less attention being placed on tasks of high social value (Georgellis & Lossa, 2010).

Houran and Kefgen (2007) suggest that people who are unhappy or lacking in social connections may seek solace in material goods, using external means to fulfil internal desires and aspirations. Houran and Kefgen (2007) divide motives

for materialistic pursuit into three different categories: positive, negative and freedom of action. Positive motives involve using money for basic necessities and as a measure of achievement. Negative motives refer to using money to gain power or superiority over others. Negative motives also include efforts to allay one's self-doubt. Motives concerning freedom of action simply imply spending money in any way that one desires.

Pouliakas (2010) says that money and other tangible incentives do drive short term behaviour, the problem is that it's like food, no matter how much one eats, within a few hours one is going to be hungry again. Money just drives short term behaviour but it does not create sustained internal commitment. Pouliakas (2010) notes that when people talk about their volunteer work, one can hear their excitement. They feel the passion. One can experience the personal reward from these activities. This is real motivation and it's not about money. Pouliakas (2010) lists six factors that create the motivation, excitement and inspiration that leads to extraordinary performance and achievement, they are: a) Meaningfulness b) Achievement c) The Work Itself d) Autonomy e) Recognition and f) Support

Amabile and Kramer (2007) state that employees are continuously forming perceptions and experiencing emotions in the workplace. These perceptions and emotions are intertwining to affect their work motivation from moment to moment – with consequences for their performance .This is what Amabile and Kramer (2007) mean by inner work life: the dynamic interplay among personal perceptions, emotions, and motivations. Amabile and Kramer (2007) further



state that people perform better when their workday experiences include more positive emotions, stronger intrinsic motivation (passion for the work), and more favourable perceptions of their work, their team, their leaders, and their organization. People were more productive, committed, and collegial when they were more motivated – especially by the satisfactions of the work itself. Amabile and Kramer's (2007) research shows that the most important managerial behaviours involve two fundamental things: enabling people to move forward in their work and treating them decently as human beings.

Soo Oh and Lewis (2009) indicate that only 18% agree that the Performance Appraisal Systems (PAS) motivates them to do a better job; many more (30%) strongly disagree. The pattern is even more dismal for the intrinsically motivated: Among those who list only intrinsic motivators, only 9% believe that the PAS motivates them to do a better job, and 39% strongly disagree. This lower impact of PAS on the performance of the intrinsically motivated persists after controlling for a variety of demographic and organizational variables, even though the intrinsically motivated were just as likely as the extrinsically motivated to hold other beliefs essential for PAS to succeed. Soo Oh and Lewis (2009) suggest that the US federal government faces major obstacles in linking pay to performance as a means of improving government productivity and that market oriented reform in rewards system may be a step in the wrong direction. Soo Oh and Lewis (2009) notes that Wright (2001) argued that involving employees in system design and administration may do a better job of motivating them, echoing the argument of Hackman and Oldham (1980) that

increasing workers' experience of meaning, responsibility for outcomes, and knowledge of results will enhance their intrinsic motivation.

Tsai, Chen and Cheng (2009) determined in their study that past leadership research has demonstrated that transformational leadership has a positive effect on employee task performance and helping co-worker behaviour. Results showed that transformational leadership both directly influenced employee task performance and helping co worker behaviour and had an indirect effect through employee positive moods.

Wood and de Menezes (2011) outlined how the four dimensions of high-performance work systems – enriched jobs, high involvement management, employee voice, and economic involvement – may have positive effects on well-being. High-performance work systems are a key invention of modern management, and are claimed to have strong beneficial effects on individual and organizational performance. It was shown that enriched jobs are positively associated with both measures of well-being: job satisfaction and anxiety–contentment. Voice is positively associated with job satisfaction. The study implies that priority should be given to initiatives that enrich jobs, enhance consultation and improve information sharing and consultation. Formal job guarantees were shown not to be sufficient to make a happy workforce. Although further analysis suggests that high involvement management may have some positive effect on performance.

Biron and Bamberger (2011) indicate that although both surface and deep empowerment initiatives have beneficial effects on individual well-being, only the latter results in performance increases. Empowerment refers to a process involving the transformation of employees generally lacking control over the work process to employees possessing significant personal control over their work lives. Surface empowerment aims to influence employees' sense of control at work. Deep empowerment aims to influence the actual degree of employee job authority.

Gong, Huang and Farh (2009) have shown that managers can reap the benefits of employee creativity by selecting for, or developing, creative individuals. It was not proven whether the relationship between creativity and performance holds up in more routine, lower-discretion jobs (e.g., assembly line jobs) than the one studied (i.e., sales jobs). The findings also suggested that organizations select for, and develop, a learning orientation, particularly for jobs that place a premium on creativity.

Shalley, Gilson and Blum (2009) established that growth need strength is important for creativity across jobs that vary on their level of substantive complexity. Growth need strength, developed in the job design literature (Hackman & Oldham, 1980), is a measure of an individual's desire to grow and develop within his/ her job. Individuals who score high on measures of growth need strength want to learn new things, stretch themselves, and strive to do better in their jobs. With regard to growth need strength, it was shown that it contributes to creativity over and above creative personality, intrinsic motivation,

and cognitive style. Additionally, growth need strength was found to interact with a supportive context for creative performance. These findings suggest that managers may want to attend to their employees' job-specific growth needs, which can be easily ascertained using surveys. Furthermore, to facilitate creative performance, matching an employee with high growth need strength to a work context that is supportive of creativity is most beneficial.

Rich, Lepine and Crawford (2010) suggested from their study that practices that engender engagement among employees can enhance job performance, and these improvements in job performance are likely to come in the form of both task performance and organizational citizenship behaviour. However, although the relevance of engagement to job performance may be important in and of itself, what may be more noteworthy is the greater usefulness of engagement in predicting job performance relative to job involvement, job satisfaction, and intrinsic motivation. The findings suggests that rather than spreading resources over various practices aimed at assessing and improving a variety of attitudes and motivational states, it may be worthwhile to focus resources on practices that assess and enhance employee engagement.

De Jong and Elfring (2010) have investigated how trust affects the performance of ongoing teams. The findings suggests that intra team trust has a positive impact on team performance and implies that, to promote team performance, team supervisors need to actively engage in managing interpersonal relationships and fostering trust among team members. Doing so involves monitoring the level of trust in teams, managing team members' perceptions of

threat when intra-team trust is low and initiating trust-building activities where needed. The results seem to suggest that these managerial activities can effectively improve performance, particularly in the context of ongoing teams. Thomas and Feldman (2009) show from their study that in addition to positively influencing core task performance, education level is also positively related to creativity and citizenship behaviours and negatively related to on-the-job substance use and absenteeism.

In summary, it can be ascertained from the above literature review that the motivation theories discussed although not exhaustive either support or contradict each other and is impactful in the manner in which it is influenced by total rewards and its ultimate effect on employee work performance. The intention of the literature review is to demonstrate much of the theories which relate to rewards, motivation and job performance and their interaction with each other. The literature would assist ultimately in explaining the results obtained from the Analysis. Chapter 3 which follows proposes the research questions based on the objectives and the literature review.

## CHAPTER 3: RESEARCH QUESTIONS

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The literature review has provided support for the research in as far as determining what the critical research questions are that have helped establish the perceptions of government employees of whether monetary rewards motivates them to perform better and stay longer with their company. The research questions were formulated as follows:

- **Research question 1:** Would SOE employees work harder if they are compensated with higher monetary rewards?
- **Research question 2:** Would employees at SOE's be more motivated when they are compensated with higher monetary rewards?
- **Research question 3:** Would compensating employees at SOE's with higher monetary rewards, decrease labour turnover?
- **Research question 4:** Do demographics (age, gender, ethnicity/race, and job grade) have an effect on whether SOE employees' motivation levels would increase with higher monetary rewards?

The above research questions have been used to generate the measurement instrument which in this case would be a questionnaire, discussed in detail in Chapter 4, the research methodology section.

## **CHAPTER 4: RESEARCH METHODOLOGY**

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### **4.1 CHOICE OF METHODOLOGY**

A quantitative, descriptive research design was considered suitable for this study. Zikmund (2003) explains that the major purpose of descriptive research is to describe characteristics of a population or phenomenon. Blumberg, Cooper and Schindler (2008) state that a descriptive study tries to discover answers to the questions who, what, when, where and sometimes how. In this study an attempt was made to try and establish SOE employees' perceptions of whether monetary rewards motivate employees at SOEs to perform better.

### **4.2 POPULATION AND UNIT OF ANALYSIS**

The population consists of approximately 15000 employees who work for one South African SOE. The unit of analysis for this study is an employee working for a SOE. In terms of the sample size and survey distribution, the questionnaire was personally hand delivered or delivered via e-mail by the researcher to 1000 employees to a particular division based in Gauteng.

### 4.3 SAMPLING METHOD AND SAMPLE SIZE

For the purpose of this study, non probability, convenience sampling was used. Non probability, convenience sampling is used to obtain those units or people most conveniently available (Zikmund, 2003; Fink, 2009). The benefit of using this sampling procedure is that a larger number of completed questionnaires would be obtained quickly and economically (Zikmund, 2003; Fink, 2009). Fink (2009) also suggested using the convenience sampling method because the people who are willing to complete the survey are also available when you need them.

This sampling procedure does have some disadvantages. The variability and bias of estimates cannot be measured or controlled and projecting data beyond the sample is inappropriate (Zikmund, 2003). However the sampling technique was still be adopted because of ease of access, increased sample size and a higher response rate.

In terms of the sample size and survey distribution, the questionnaire was personally hand delivered by the researcher to 550 employees and e-mailed to 450 employees of the total population. The 550 employees that the survey was hand delivered to, were chosen based on geographic location, ease of access into that specific division of the organisation, availability of participants and willingness to participate. The division was chosen based on the number of participants working at these locations in close proximity which increased the



possibility of obtaining a larger number of completed surveys. Surveys were also distributed to employees via e-mail on request. A cross-sectional survey design rather than a longitudinal study was used for data gathering which is described by Fink (2009) as a snapshot of a group of people. This was appropriate given the short time span available to undertake this study.

Stover and Stone (1974) mention that the person picking up the questionnaire may check with the respondent to make sure he has answered all the questions himself. This delivery method may also prove useful to survey researchers wishing to conduct low cost surveys in geographically compact areas and this was tested with a small group of experts and employees for clarity and ambiguity to enhance reliability and validity.

#### **4.4 RESEARCH INSTRUMENT**

A detailed questionnaire was developed for this study. The basis of the questionnaire primarily consists of the total rewards and the proposed motivational factors and variables that were highlighted in the literature review. The measuring tools that were used in past studies were also used to develop the questionnaire for this study. Each statement was measured using a five point Likert scale (Strongly Agree – 5, Agree – 4, Neither Disagree/Agree –3, Disagree–2, Strongly Disagree –1). The Likert scale is the most frequently used variation of the summed rating scale. Summated scales consist of statements that express either a favourable or unfavourable attitude towards the object of

interest. The participant is asked to agree or disagree with each statement (Bloomberg et al., 2008).

The questionnaire comprised of three parts (Refer to Appendix 1):

- The first part (part A) positioned the research to the respondents and included instructions for completing the questionnaire. It also included a statement that participation is voluntary and that participants can withdraw at any time without penalty. All data would be kept confidential and the identity of each participant is not required and therefore would not be captured.
- The second part (part B) comprised a series of questions that was used to obtain the demographic profile of each respondent (age, gender, job level and ethnicity). The demographic data that was collected was coded using the method recommended by Greasley (2008). The coding of data was necessary for the statistical analysis that was conducted. The codes were also recorded on the questionnaire for record purposes.
- The final part (part C) of the questionnaire comprised a series of questions/statements that are generally used to establish the perception of the SOE employees. The data collection system to address each research question has been considered in the design of the questionnaire. Research Question One is manifested in Statements 1, 2, 3, 4, 10, 19 and 20 in Part C of the questionnaire. Research Question Two, similarly has been linked to Statements 7, 8, 9, 11, 12, 13, 15, 16, 17, 18, 21 and 22. Research Question Three has been linked to Statements 5, 6, 14, 23 and 24.

The survey questionnaire was pre-tested to verify any ambiguity within the instrument. Reliability was checked. This was done by administering the survey to a subset within the main sample. The subset of ten participants was chosen based on their physical location relative to that of the researcher's daily work location. Participants of the pre-test are located within the same organisation and division as that of the researcher. During the pre-test, the time that respondents took to complete the questionnaire was recorded in order to ensure that the questionnaire was not time consuming. The results of the pre-test of the questionnaire were reviewed to ensure that there wasn't any ambiguity in the questions. Participants of the pre-test were also interviewed to verify any ambiguity within the questions and to confirm ease of completion.

#### **4.5 DATA ANALYSIS**

The questionnaire that was utilised for this study consisted of several questions/statements which were used to establish the perception of SOE employees of whether monetary rewards do motivate them to perform better.

The data analysis techniques that were used to analyze the responses to the questionnaire included Descriptive Statistics, ANOVA and Reliability Tests using Cronbach Alpha. Descriptive statistics define the character of the data and enable the researcher to make comparisons between different groups in the study. The methodology defines four elements of the variable: a) Distribution b) Dispersion c) Standard deviation and d) Variance. The

distribution is a summary of the frequency of the variables (Steyn, Smit, Du Toit & Strasheim, 2000). The skewness is a measure of how asymmetrical the data is skewed to the left is a negative skew and to the right is a positive measure. Location is defined as the mean, median and the mode (Zikmund, 2003). The mean is the arithmetic average; the sum of the observations divided by the number of distribution observations. The median is the half point of the distribution, while the mode is the most occurring value. The standard deviation is defined as the extent to which the scores vary around the mean and this is defined as the positive square root of the variance (Zikmund, 2003). Variance is described by Zikmund (2003) as an indication of the differences in all the scores among the distribution. In other words, the average of a collection of scores is the average of the squared deviations from the mean.

ANOVA analyzes the differences of more than two population means (Albright, Winston & Zappe, 2009). An approach to reliability is to assess the internal consistency or homogeneity among the items. The Cronbach alpha is a coefficient of reliability and is used to estimate the reliability of the whole test. Cronbach's Alpha has the most utility for multi-items scales at the interval level of measurement (Blumberg et al., 2008).

In this study, the difference of perceptions that motivate employees to perform better was tested for males and females, job groups, age groups and for race groups to verify whether statistical differences exists between the groups. The data analysis techniques that were adopted for each of the research questions are shown below:

**Research question 1:** Descriptive Statistics and Cronbach Alpha Reliability were undertaken

**Research question 2:** Descriptive Statistics and Cronbach Alpha Reliability were undertaken

**Research question 3:** Descriptive Statistics and Cronbach Alpha Reliability were undertaken

**Research question 4:** Descriptive Statistics and ANOVA were undertaken.

## **CHAPTER 5: RESULTS**

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### **5.1 INTRODUCTION TO RESULTS**

This chapter presents the data collected and the results of the statistical analysis that include descriptive statistics, cronbach alpha reliability and ANOVA. The demographic profile of the sample would be presented first, followed by the results for the main research questions in the order in which it was listed in Chapter 3.

### **5.2 FINDINGS FROM THE SURVEY PRE-TEST**

The survey was pre-tested by using ten employees at the SOE concerned to complete the survey. During the pre-test phase, the ease of use and length of questionnaire was investigated through respondent's feedback. It was ascertained that the survey was easy to understand and the average length for completing the survey was eight minutes.

### **5.3 DEMOGRAPHIC PROFILE OF SAMPLE**

A total of 145 surveys were returned by participants. This includes data that was gathered by both the drop off survey method and the e-mail survey method. Of the 145 surveys, two surveys could not be used for data analysis due to the

surveys not being fully completed by participants. Therefore, 143 surveys were used in the initial analysis phase. The errors that resulted in surveys being unusable were missing gender, race and age details.

**HAND DELIVERY METHOD:** From the 550 surveys that were hand delivered, 134 completed surveys were returned giving a response rate of 24 %.

**E-MAIL SURVEY METHOD:** From the 450 surveys that were e-mailed to participants, 11 completed surveys were obtained giving a response rate of 2%.

### 5.3.1 Ethnicity Profile of Sample

Table 3 shown below presents the ethnicity profile of the sample. In total there were 143 employees in the sample of which employees of black ethnicity made up 55.9%. White employees made up 39.2%. Employees of Indian and coloured ethnicity made up 3.5% and 1.4% respectively.

**Table 3: Ethnicity Profile of Sample**

Ethnicity	Frequency	Percent
Black	80	55.9
White	56	39.2
Indian	5	3.5
Coloured	2	1.4
Total	143	100

It can be noted from the above table that there were a small number of Indians and coloureds that completed the questionnaire.

### 5.3.2 Gender Profile of Sample

Of the 143 employees that completed the survey, due to the small number of Indians and white employees that completed the survey, a decision was taken to exclude the Indians and coloureds from the sample hence the sample was reduced to 136. Only employees of black and white ethnicity were considered. Of the 136 employees, 56 were male and 80 were female. Table 4 below depicts the gender profile of the sample.

**Table 4: Gender Profile of Sample**

Gender	Frequency	Percent
Male	56	41.2
Female	80	58.8
Total	136	100

The response rates from both gender groups were sufficient to conduct further statistical analysis.

### 5.3.3 Job Grade Profile of Sample

The nine job grades were initially divided into four groups; namely, semi skilled, skilled, middle management and senior management and shown in table 5 below. However due to the small sample size in the middle management and senior management group, the four groups were reduced to two by combining job group (job grade 1 – 4) and job group (job grade 5 – 6) to form the non



management job group as well as combining job group (job grade 7) and job group (job grade 8-9) to form the management job group.

**Table 5: Original Job Grade Profile of Sample**

Job Grade	Frequency	Percent
1-4 (Semi Skilled)	26	19.1
5-6 (Skilled)	87	64.0
7 (Middle Management)	18	13.2
8-9 (Senior Management)	5	3.7
<b>Total</b>	<b>136</b>	<b>100</b>

Table 6 below shows that non management (Job grade 1 – 6) made up 83.1 % and management (Job grade 7- 9) made up 16.9 % of the sample of 136.

**Table 6: Job grade profile of sample after combining job groups**

Job Grade	Frequency	Percent
1-6 (Non Management)	113	83.1
7-9 (Management)	23	16.9
<b>Total</b>	<b>136</b>	<b>100</b>

The job grade groupings were guided by the SOE job descriptions and interviews with human resource personnel.

### 5.3.4 Age Profile of Sample

The age groups were not originally specified but respondent's actual ages were collected during the survey. The age groups were then developed so that there were a sufficient number of respondents within each group. Three age groups were developed: 20 – 30 years, 31 – 40 years and 41 – 64 years as shown in table 7 below.

**Table 7: Age profile of sample of developed age groups**

Age	Frequency	Percent
20-30	51	37.5
31-40	51	37.5
41-64	34	25.0
<b>Total</b>	<b>136</b>	<b>100</b>

The number of respondents in each age group was 51, 51 and 34 respectively. There is a fairly even spread of respondents which was expected given the mass drive of this SOE in the past decade to recruit graduates and fresh talent.

### 5.4 RESULTS FOR RESEARCH QUESTION ONE (RQ1)

Table 8 below provides mean scores for the individual statements making up RQ1 and the mean score for RQ1 in aggregate. The Cronbach alpha reliability coefficient obtained for the seven statements was 0.87 which implies that there was good reliability and internal consistency between the statements. Each of the 7 statements was rated on a five point Likert scale from “Strongly Agree” to

“Strongly Disagree”. The statements in the table 8 below are sorted by mean score from highest to lowest. A mean score above 3 would imply that employees would work harder if they receive non monetary rewards over receiving higher monetary rewards. Statements number one, three and ten had mean scores above 3.00. This would suggest that employees would prefer even though slightly so, these specific non monetary rewards over receiving higher monetary rewards and would work harder as a result.

**Table 8: Mean scores of individual statements for RQ1 and mean score for RQ1 in aggregate**

Descriptive Statistics			
Variable	N	Mean	Std Dev
Q3	136	3.40	1.27
Q10	136	3.19	1.31
Q1	136	3.07	1.32
Q19	136	2.83	1.27
Q4	136	2.81	1.21
Q20	136	2.62	1.18
Q2	136	2.37	1.21
<b>RQ1</b>	<b>136</b>	<b>2.90</b>	<b>0.94</b>
Statements			
Q3	I would perform better if my manager shared the greater organizational goals with me irrespective of monetary reward		
Q10	I'd be motivated to perform better if I had honest leaders rather than receiving a higher salary		
Q1	I would work harder if I had more challenging work irrespective of monetary rewards		
Q19	I would be more motivated to perform better if I'm given clear goals rather than being incentivized with more money		
Q4	I will be motivated to work harder if I'm given more accountability rather than a higher salary		
Q20	I'd be motivated to perform better if I'm given more accountability rather than receive a higher salary		
Q2	I would not necessarily perform better if my manager paid me a higher monthly salary		

The overall mean score of the seven statements for RQ1 is 2.90. This implies that in aggregate, employees would prefer receiving higher monetary rewards instead of receiving these non monetary rewards to work harder.

## **5.5 RESULTS FOR RESEARCH QUESTION TWO (RQ2)**

Table 9 below provides mean scores for the individual statements making up RQ2 and the mean score for RQ2 in aggregate. The Cronbach alpha reliability coefficient obtained for the 12 statements was 0.92 which implies that there was good reliability and internal consistency between the statements. Each of the 12 statements was rated on a five point Likert scale from “Strongly Agree” to “Strongly Disagree”. The statements in the table 9 below are sorted by mean scores from highest to lowest. A mean score above 3 would imply that employees prefer non monetary rewards over receiving a higher salary. Statements number seven, fifteen and sixteen had mean scores above 3. This would suggest that employees would prefer even though slightly so, these specific non monetary rewards over receiving higher monetary rewards and would be more motivated by this.

**Table 9: Mean score of individual statements for RQ2 and mean score for RQ2 in aggregate**

Descriptive Statistics			
Variable	N	Mean	Std Dev
Q15	136	3.33	1.18
Q7	136	3.17	1.24
Q16	136	3.10	1.25
Q18	136	2.82	1.2
Q21	136	2.81	1.16
Q11	136	2.71	1.23
Q22	136	2.69	1.16
Q13	136	2.55	1.17
Q17	136	2.52	1.08
Q8	136	2.43	1.11
Q12	136	2.21	1.04
Q9	136	1.91	0.98
<b>RQ2</b>	<b>136</b>	<b>2.69</b>	<b>0.83</b>
Statements			
Q15	I value sufficient time to spend with my family over receiving a higher salary		
Q7	I would be more motivated by opportunities for advancement/promotion rather than being given a higher salary in my current job		
Q16	I'd be more motivated by doing non repetitive work that uses my skills rather than receive a higher salary for doing routine, repetitive work		
Q18	I prefer a work culture where employees are encouraged to challenge leaders rather than receive a higher salary		
Q21	I'm more motivated by a sense of satisfaction I get from completing my job rather than by receiving a higher salary		
Q11	I'd prefer regular feedback from my management about ongoing events rather than receive a higher salary		
Q22	I'd be more motivated by a boss that supports my work rather than let me independently achieve it and award me with money accordingly		
Q13	I'd rather have inspirational leadership than higher monetary rewards		
Q17	I'd rather receive training and development for outstanding work done rather than receiving higher pay		
Q8	I do not care whether my company pays me a higher salary as long as I'm offered flexible working hours		
Q12	My company does not have to increase my salary as long as a good sociable/friendly work environment is created		
Q9	I would rather choose to be publicly recognized for my outstanding work achievements than receiving a performance bonus		

The overall mean score of the 12 statements for RQ2 is 2.69. This implies that in aggregate employees would be more motivated by receiving higher monetary rewards instead of these non monetary rewards.

## **5.6 RESULTS FOR RESEARCH QUESTION THREE (RQ3)**

Table 10 below provides mean scores for the individual statements making up RQ3 and the mean score for RQ3 in aggregate. The Cronbach alpha reliability coefficient obtained for the five statements was 0.82 which implies that there was good reliability and internal consistency between the statements. Each of the five statements was rated on a five point Likert scale from “Strongly Agree” to “Strongly Disagree”. The statements in the table 10 below are sorted by mean scores from highest to lowest. A mean score above 3 would imply that employees would stay longer in the company if they receive non monetary rewards over receiving higher monetary rewards. Statements number five and six had mean scores above 3. This would suggest that employees would prefer even though slightly so, these specific non monetary rewards over receiving higher monetary rewards and would be stay longer in the company as a result.

**Table 10: Mean score of individual statements for RQ3 and mean score for RQ3 in aggregate**

Descriptive Statistics			
Variable	N	Mean	Std Dev
Q5	136	3.13	1.24
Q6	136	3.04	1.22
Q24	136	2.94	1.26
Q23	136	2.86	1.21
Q14	136	2.78	1.2
<b>RQ3</b>	<b>136</b>	<b>2.95</b>	<b>0.94</b>
Statements			
Q5	I would rather stay with a company that provides me with a stable job rather than pay me a higher salary		
Q6	I would stay longer in my company if I'm provided with training and development irrespective of whether my salary is increased or not		
Q24	I'd stay longer with a company that provides sufficient time to spend with my family over receiving a higher salary		
Q23	I'd stay longer with a company that has inspirational leadership rather than receive higher monetary rewards		
Q14	I'd stay longer in a company if I have a transparent personal relationship with my boss, whether I receive a higher salary or not		

The overall mean score of the five statements for RQ3 is 2.95. This implies that in aggregate, employees would stay longer in the company for receiving higher monetary rewards rather than receiving these non monetary rewards.

A correlation between the three factors, RQ1, RQ2 and RQ3 was performed and it was all highly positive and significant at the 5% level. See Table 11 below.

**Table 11: Correlation between RQ1, RQ2 and RQ3**

Pearson Correlation Coefficients, N = 136 Prob>  r  under H0: Rho=0			
	RQ1	RQ2	RQ3
RQ1	1.00000	0.85622	0.79808
RQ2	0.85622	1.00000	0.87173
RQ3	0.79808	0.87173	1.00000

It can be observed from Table 11 above that the correlation among the factors were extremely high.

## 5.7 RESULTS FOR RESEARCH QUESTION FOUR (RQ4)

When the ANOVA was initially performed on the three factors, Research Question 1(RQ1), Research Question 2 (RQ2) and Research Question 3 (RQ3) a test was undertaken to ascertain whether the results complied with the assumptions of equal variances and normal distribution of the residuals. The factors did not comply with the assumptions of equal variances and normal distribution of the residuals so a normal Blom transformation was performed as recommended by Cary (2004). Tests for normality indicated that after the transformation the variances were equal and the residuals had normal



distributions. The ANOVA was repeated as the transformed data now complied with the assumptions.

The results of the ANOVA are presented later in this discussion of results section. Where significant differences were found a post hoc least square means t-test was undertaken to further investigate these differences. Table 12 below shows a summary of the demographic level information established after the data gathering and demographic analysis.

**Table 12: Demographic level information**

<b>Class</b>	<b>Levels</b>	<b>Values</b>
<b>Age</b>	3	20-30, 31-40, 41-64
<b>Gender</b>	2	1, 2
<b>Race</b>	2	1, 2
<b>Grade</b>	2	1-6, 7-9

The demographic level information is provided to understand the major variables of the study and their breakdown.

### **5.7.1 Effect of Demographics On Research Question 1 (RQ1)**

From table 13 below it can be observed that there are significant differences for age and grade on at the 5% level.

**Table 13: Dependent variable - RQ1**

Source	DF	F Value	Pr > F
Age	2	4.70	0.0109*
Gender	1	3.06	0.0829
Race	1	2.88	0.0923
Grade	1	6.07	0.0152*

\*significant at 5% level

From table 14 below, the mean score for the age groups show that the mean score for the 31-40 age group is significantly higher than the mean score for the 20 -30 age group. Also, the mean score for the grade groups show that the 7-9 grade group is higher than the mean score for the 1-6 age group, see table 14 below.

**Table 14: Mean scores of demographics on RQ1**

Level of Age	N	RQ1	
		Mean	Std Dev
20-30	46	2.65a	1.01
31-40	41	3.28b	0.98
41-64	33	2.69a	0.74
Level of Gender			
1	52	2.77a	1.01
2	68	2.96a	0.94
Level of Race			
1	72	2.99a	1.08
2	48	2.71a	0.75
Level of Grade			
1-6	97	2.74a	0.87
7-9	23	3.47b	1.14

Mean scores with different alphabets differ at the 5% level

It can thus be concluded that the employees belonging to 31-40 group prefer receiving non monetary rewards rather than receiving higher monetary rewards and would work harder as a result. Both the 20-30 age group and the 41-64 age group prefer receiving higher monetary rewards rather than receiving non monetary rewards and would work harder as a result. The employees belonging to the Grade 7-9 group i.e. the management group prefer receiving non monetary rewards rather than receiving higher monetary rewards and would work harder as a result. The Grade 1-6 group i.e. the non-management group would prefer monetary rewards rather than receiving non monetary rewards and would work harder as a result

### 5.7.2 Effect of Demographics on Research Question 2 (RQ2)

From table 15 below, there were significant differences between the grade groups on RQ2 after the ANOVA was performed,  $p < 0.05$  for the Grade variable and is thus significant at the 5% level.

**Table 15: Dependent variable - RQ2**

Source	DF	F Value	Pr > F
Age	2	2.12	0.1245
Gender	1	1.34	0.2490
Race	1	0.06	0.8011
Grade	1	5.15	0.0251*

\*significant at 5% level

From Table 16 below, the mean score for the grade groups show that the mean score for the 7-9 grade group is significantly higher than the mean score for the 1-6 age group.

**Table 16: Mean scores of demographics on RQ2**

Level of Age	N	RQ2	
		Mean	Std Dev
20-30	46	2.51a	0.88
31-40	41	2.99a	0.85
41-64	33	2.54a	0.78
Level of Gender			
1	52	2.58a	0.94
2	68	2.76a	0.80
Level of Race			
1	72	2.71a	0.97
2	48	2.64a	0.70
Level of Grade			
1-6	97	2.59a	0.81
7-9	23	3.09b	0.98

**Mean scores with different alphabets differ at the 5% level**

It can be concluded that the employees belonging to the Grade 7-9 group i.e. the management group prefer receiving non monetary rewards rather than receiving higher monetary rewards and would more motivated as a result. The Grade 1-6 group i.e. the non-management group prefer receiving higher monetary rewards rather than receiving non monetary rewards and would be more motivated by this.

### 5.7.3 Effect of Demographics on Research Question 3 (RQ3)

From table 17 below, there were significant differences between the grade groups on RQ3,  $p < 0.05$  for the grade variable and is thus significant at the 5% level.

**Table 17: Dependent variable - RQ3**

Source	DF	F Value	Pr > F
Age	2	1.80	0.1708
Gender	1	2.24	0.1370
Race	1	0.59	0.4450
Grade	1	7.19	0.0084*

**\*significant at 5% level**

From table 18 below, the mean score for the grade groups show that the mean score for the 7-9 grade group is significantly higher than the mean score for the 1-6 age group.

**Table 18: Mean scores of demographics on RQ3**

Level of Age	N	RQ3	
		Mean	Std Dev
20-30	46	2.74a	1.09
31-40	41	3.23a	0.89
41-64	33	2.87a	0.81
Level of Gender			
1	52	2.79a	1.00
2	68	3.07a	0.93
Level of Race			
1	72	2.90a	1.08
2	48	3.01a	0.77
Level of Grade			
1-6	97	2.84a	0.91
7-9	23	3.39b	1.09

**Mean scores with different alphabets differ at the 5% level**

It can be concluded that employees belonging to the Grade 7-9 group i.e. the management group prefer receiving non monetary rewards rather than receiving higher monetary rewards and would stay longer in the company as a result. The Grade 1-6 group i.e. the non-management group would prefer receiving higher monetary rewards rather than receiving non monetary rewards and would stay longer in the company as a result.

To investigate the significant differences of the demographics further on the research questions, RQ1, RQ2 and RQ3, a post hoc least means square test was performed and the differences were confirmed.

## 5.8 CONCLUSION TO RESULTS

Chapter Five presented the results for each of the research questions. The research sample details were presented and the sample demographics were also briefly described. The results showed that money does matter to the sample of employees in aggregate at this SOE. The following results were obtained for the research questions one, two and three:

- Research Question 1-employees would prefer receiving higher monetary rewards instead of receiving the specified non monetary rewards and *would work harder as a result*
- Research Question 2- employees would prefer receiving higher monetary rewards instead of receiving the specified non monetary rewards and *would be more motivated as result*
- Research Question 3- employees would stay longer in the company if they receive higher monetary rewards rather than receiving the specified non monetary rewards

When the demographic differences among the employees and its effect on total rewards were analyzed, the following were established for Research Question four:

- Employees belonging to 31-40 group when compared the 20-30 and the 41-64 age group, prefer receiving the specified non monetary rewards

rather than receiving higher monetary rewards and would work harder as a result

- Employees belonging to the management group prefer receiving the specified non monetary rewards rather than receiving higher monetary rewards and would work harder as a result
- Employees belonging to the management group prefer receiving these non monetary rewards rather than receiving higher monetary rewards and would be more motivated as a result
- Employees belonging to the management group prefer receiving these non monetary rewards rather than receiving higher monetary rewards and would stay longer in the company as a result

Table 19 summarizes the results of Chapter 5.



**Table 19: Summary of results for Chapter 5**

Research Question #	Reward	Outcome		
Research Question 1	With higher monetary rewards \$	SOE employees would work harder		
Research Question 2		SOE employees would be more motivated		
Research Question 3		SOE employees would stay longer		
	Demographics	Monetary Rewards	Non monetary rewards	Outcome
Research Question 4	20-30 & 41-64 Age groups	✓		Work Harder
	31-40 Age group		✓	Work Harder
	Non Management Group	✓		Work Harder
				More motivated
				Stay longer
	Management Group		✓	Work harder
More motivated				
Stay longer				

The results therefore indicate that significant differences do exist for the different demographic groups in respect of age and grade but not for gender or ethnicity i.e. between black and white employees. In Chapter Six, the results are discussed and compared to the literature review undertaken in Chapter two which is primarily past studies undertaken by academics.

## CHAPTER 6: DISCUSSION OF RESULTS

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### 6.1 INTRODUCTION

In this chapter the research findings are discussed and linked to the research problem in Chapter one, the literature review in Chapter two and the study's objectives in Chapter three. Theories have been proposed by past researchers on what motivate employees to perform better and conclusions were made on whether money and/or non monetary rewards motivate employees to perform better at their workplace. Some past studies have found that positive relationships exist between money and employee motivation which result in improved work performance while other studies have found that money is not really a motivator and that non monetary rewards contribute to intrinsic employee motivation and this ultimately leads to improved work performance.

The importance of understanding the relationship between employee motivation and work performance has been highlighted by several past researchers for example Maslow cited in Grobler et al. (2006), Herzberg's two factor theory cited in Grobler et al. (2006), Adam (1963), Hackman and Oldham (1976), Locke and Latham (2002), Deci and Ryan (2000), Kohn (2001), Gerhart and Rynes (2003), Armstrong (2006), Houran and Kefgen (2007), Du Toit et al. (2007), Soo Oh and Lewis (2009), Tsai et al. (2009), Amabile and Kramer (2010), Alderfer cited in Georgellis and Lossa (2010), Pouliakas (2010), Rich et al. (2010), De Jong and Elfring (2010) and Biron and Bamberger (2011).

The fact that non monetary rewards are showing increasing importance by recent studies in terms of the total rewards mix coupled with the impact of the economic downturn felt by most companies, excessive salaries are now drawing attention in the context of South Africa's high unemployment rate and the high inequality that exists in the South African society. Against this backdrop and given the important role SOE's play within South Africa and the limited research within the SOE context, this study aimed to contribute to this body of knowledge. The study was further motivated by the dismal performance of SOE's and its inconsistent excessive rewarding of its executives thereof.

The results for each of the research questions i.e. one, two, three and four would be discussed next in order to establish whether the literature review conducted either supports or contradicts the results obtained in Chapter five.

## **6.2 RESEARCH QUESTION ONE**

Would SOE employees work harder if they are compensated with higher monetary rewards?

### 6.2.1 Discussion-Research Question One

The primary objective of research question one was to establish whether SOE employees would work harder in other words performs better if they are compensated with higher monetary rewards.

The goal theory was developed by Locke and Latham (2002) which claimed that the level of production in the companies they studied was increased by an average of 19% as a result of goal-setting processes. The goal setting theory suggests that people's objectives play a significant part in formulating their behavioural patterns. Kohn (2001) alludes to the fact that many studies prove that the relationship between performance and rewards are questionable, and that, by contrast, training and goal-setting programmes, have a far greater impact on productivity than performance-based incentive plans. The theories of Locke and Latham (2002) and Kohn (2001) at first glance may appear to support one of the findings of research question one that the SOE employees would perform better if their manager shared the greater organisational goals with them irrespective of monetary rewards but on closer inspection it is evident that the SOE employees in this study regard the act of information sharing by their manager rather than being informed of a particular organisational goal or any goal setting processes by their managers per se.

Wood and de Menezes (2011) outlined how the four dimensions of high-performance work systems – enriched jobs, high involvement management, employee voice and economic involvement may have positive effects on

employee wellbeing and conclude that priority should be given to improving information sharing as of the many things. This theory supports the findings of research question one that information sharing by managers is regarded highly by the SOE employees.

De Jong and Elfring (2010) have investigated how trust affects the performance of ongoing teams and found that intra team trust has a positive impact on team performance and implies that to promote team performance, team supervisors need to actively engage in managing interpersonal relationships and fostering trust among team members. The latter study supports the finding of research question one that these SOE employees would perform better if they had honest leaders and would prefer honest leaders over receiving higher monetary rewards.

According to Armstrong (2006) challenging work is considered one of the intangible rewards in the total rewards mix, in this study it was found that these SOE employees would perform better if they were given challenging work irrespective of monetary rewards. The job characteristics model used in the Job characteristics theory consists of five 'core' job dimensions which are skill variety, task identity, task significance, autonomy and feedback (Hackman & Oldham, 1976). The five core dimensions invariably suggest challenging work hence both Armstrong's (2006) intangible reward of challenging work and the job characteristics model by Hackman and Oldham (1976) support the finding of research question one that challenging work is appreciated irrespective of monetary rewards.

However, it was found overall for research question one that employees at this SOE would prefer receiving higher monetary rewards instead of receiving the specified non monetary rewards collectively and would work harder as a result. According to Vroom's expectancy theory the drive or motivation of employees to perform stems from the need for the specific intrinsic or extrinsic reward that will follow from being successful in achieving the goal (Vroom & MacCrimmon, 1968). Vroom's theory therefore supports the overall finding of research question one.

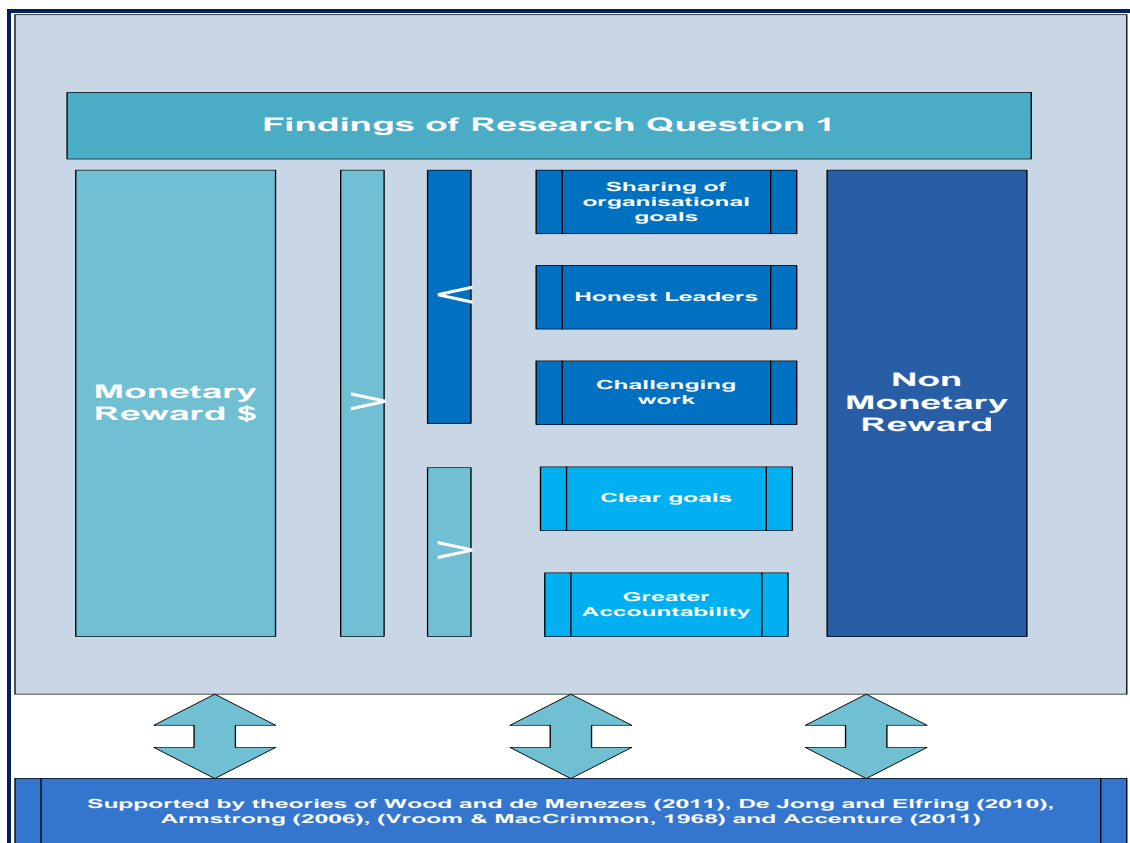
In particular, the non monetary rewards as proposed in research question one that these SOE employees would not choose over higher monetary rewards if given a choice are:

- Clear goals in their jobs
- Accountability in their jobs

The overall result is further supported by a recent study by Accenture (2011) conducted among business executives where it was found that in South Africa, the two top reasons found for dissatisfaction with their current job, were that firstly executives felt they were underpaid and secondly there was no opportunity for advancement. It must be noted though that for the overall findings for research question one, all levels of employees were considered as opposed to the Accenture (2011) study where only business executives were considered in the sample.

## 6.2.2 Summary – Research Question One

The findings of research question one does shed some light on the overall perceptions of these SOE employees and it is evident that they would prefer receiving higher monetary rewards rather than receive non monetary rewards and would work harder as a result. Some past studies also support the findings of research question one. Figure 4 below summarizes the findings of research question one.



**Figure 4: Integration of findings of research question one and literature review (Author's own)**

In Figure 4, the < than sign indicates less preferred and the > sign indicates more preferred. It must be noted from figure 4 that the SOE employees overall disagree that non monetary rewards are more important than receiving higher monetary rewards but only slightly so. A mean value of 2.9 obtained for RQ1 is indicative of this. It must be also noted from figure 4 that higher monetary reward is preferred over the non monetary rewards (clear goals and greater accountability). However, when the employees' perceptions for each of these non monetary rewards was compared individually against monetary reward in the survey, the employees preferred receiving the specific non monetary rewards (sharing of organisational goals, honest leaders and challenging work) over receiving higher monetary reward. The results for research question two would be discussed next.

### **6.3 RESEARCH QUESTION TWO**

Would employees at SOE's be more motivated when they are compensated with higher monetary rewards?



### 6.3.1 Discussion - Research Question Two

The primary objective of research question two was to establish whether SOE employees would be more motivated when they are compensated with higher monetary rewards.

Herzberg cited in Grobler et al. (2006) states that hygiene factors cannot be relied on to motivate higher levels of performance. Motivational factors on the other hand such as achievement, responsibility, growth, work itself and recognition are intrinsic factors which influences job satisfaction that influences level of job performance. McClelland's achievement theory cited in Anderson (2009) claimed that three needs are important for motivating staff: the need for achievement (to do better than other people), affiliation (establish and maintain relationships) and power (the desire to control people). Accenture (2011) study among business executives found that in South Africa, the two top reasons found for dissatisfaction with their current job, were that executives felt they were underpaid and there was no opportunity for advancement. Maslow's Need-Hierarchy Theory cited in Grobler et al.(2006) identified five basic needs that motivate individuals: physiological, safety, love and belongingness, esteem and self actualisation and contends that individuals will climb the ladder of need fulfilment until they have become self-actualized.

It must be noted from the above theories of Herzberg cited in Grobler et al. (2006), Maslow cited in Grobler et al. (2006) and McClelland cited in Anderson (2009) supports the finding of research question two as these theories explore

the importance of achievement and climbing the ladder which is equivalent to advancement/promotion opportunities used as a non monetary reward in this particular study. McClelland cited in Anderson (2009) explores the need for power as a motivating factor which is closely related to promotion since a job promotion indicates a greater wielding of power. In this study it was found that the SOE employees would be more motivated by opportunities for advancement/promotion rather than receiving higher monetary reward in their current job.

Hackman and Oldham (1976) outlines the job characteristics model which consists of five core job dimensions. These dimensions are skill variety, task identity, task significance, autonomy and feedback and it was established that the five core job dimensions lead to three psychological states which in turn leads to personal and work outcomes viz. high internal work motivation, high quality work performance, high satisfaction with the work and low absenteeism and turnover (Cummings & Worley, 2009). Wood and de Menezes (2011) outlined how the four dimensions of high-performance work systems – enriched jobs, high involvement management, employee voice and economic involvement may have positive effects on well-being and further concludes that priority should be given to initiatives that enrich jobs, enhance consultation and improve information sharing and consultation.

The theories of Hackman and Oldham (1976), the theories cited in Cummings and Worley (2009) and Wood and de Menezes (2011) support the fact that enriched jobs (non repetitive work) leads to high motivation and better

performance and more importantly supports the finding of research question two that the SOE employees would be more motivated by doing non repetitive work rather than receiving higher monetary rewards.

The overall finding for research question two is that SOE employees would prefer receiving higher monetary rewards instead of receiving collectively the specified non monetary rewards and would be more motivated as result. Research conducted by Gerhart and Rynes (2003) found that pay (namely monetary rewards) is a major determinant of work motivation and plays a significant role in organisational success. Instrumentality theory postulates that rewards or punishments serve as the means of ensuring that people behave or act in desired ways and in its most basic form, states that individuals only work for money and that they are only motivated when rewards and penalties are tied directly to their performance (Armstrong, 2006). The research conducted by Gerhart and Rynes (2003) and the instrumentality theory noted in Armstrong (2006) supports the overall findings of research question two i.e. money matters to these SOE employees for them to be motivated.

Not to give the impression that the overall findings of research question two is unusual, but it would be prudent to note though that Deci and Ryan (2000) developed the self determination theory (SDT), which questions the efficacy of remuneration as a motivator and it proposes that people who receive extrinsic rewards for performing a task (which they find interesting and are happy to do) will attribute the cause of their behaviour to the extrinsic reward (as opposed to their level of interest) and thus discount their interest in the task per se as the

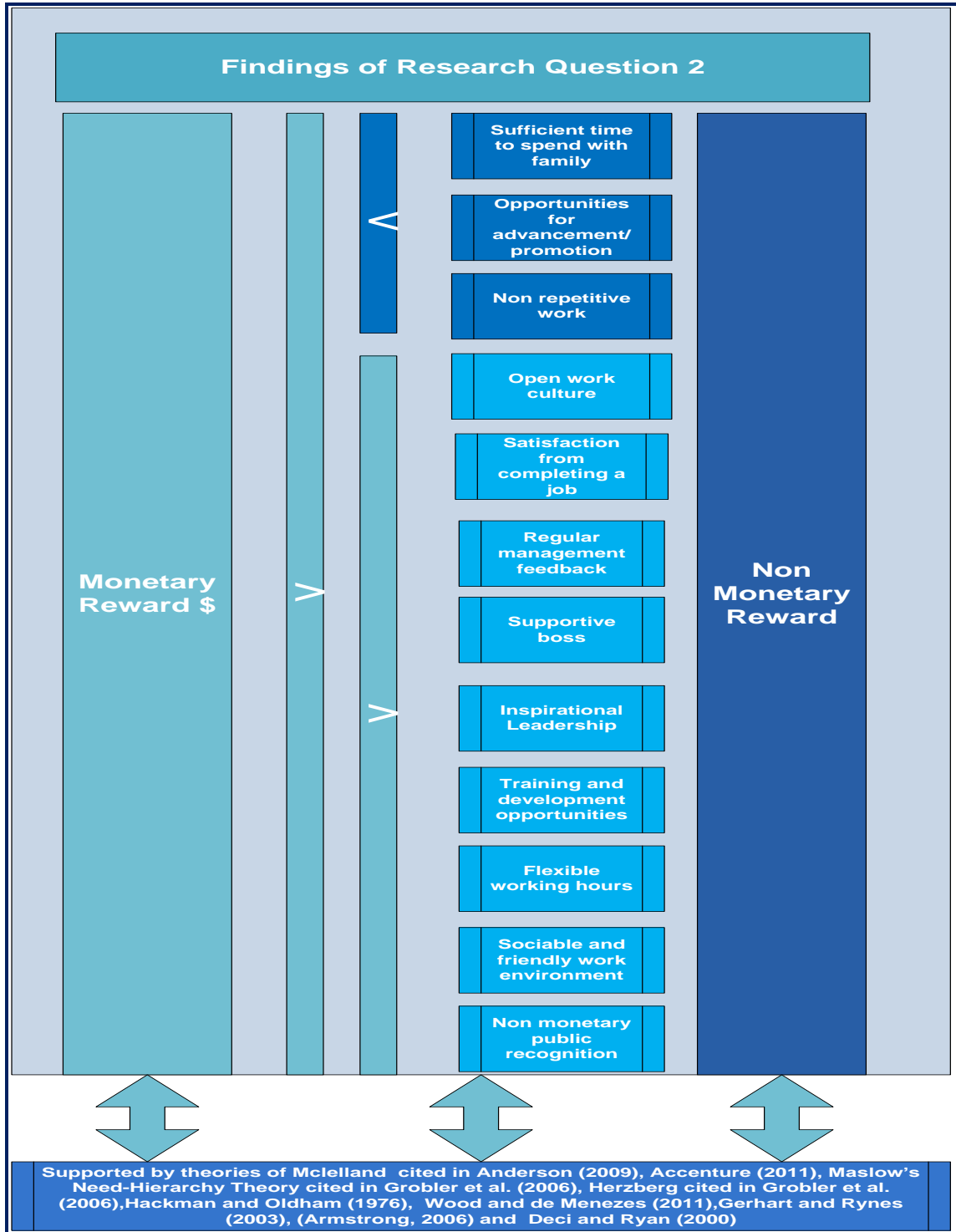
cause of their behaviour and effort. Interestingly, this particular SOE does have a generous performance management system that rewards top performing employees with a performance bonus that is linked to worker performance and the SDT theory could possibly explain why these SOE employees in aggregate leaned towards extrinsic rewards (money) in this study and therefore appeared to be more motivated by it. The latter proposition is a speculation at best and must be validated through a study if possible.

In particular, the non monetary rewards as proposed in research question two that these SOE employees would not choose over higher monetary rewards if given a choice are:

- Work culture in existence that challenges leaders
- Sense of satisfaction from completing a task
- Regular management feedback
- Supportive management
- Inspirational leadership
- Training and development as a reward for exceptional work done
- Flexible working hours
- Good sociable/friendly work environment
- Non monetary public recognition for exceptional work done

### 6.3.2 Summary- Research Question Two

The findings of research question two provides an indication of the perceptions of these SOE employees that they would prefer receiving higher monetary rewards although slightly so, rather than receive the non monetary rewards collectively offered and would be motivated as a result. Some past studies also support the findings of research question two. Figure 5 below summarizes the findings of research question two and also shows the literature that underpins the findings.



**Figure 5: Integration of findings of research question two and literature review (Author's own)**

It must be noted from figure 5 that the non monetary rewards (sufficient time to spend with family, opportunities for advancement/promotion and non repetitive work) was preferred over monetary rewards money when the non monetary rewards were considered individually although overall the SOE employees disagree that non monetary rewards are more important than receiving a higher monetary rewards. A mean value of 2.7 obtained for RQ2 is indicative of this. The results for research question three would be discussed next.

## **6.4 RESEARCH QUESTION THREE**

Would compensating employees at SOE's with higher monetary rewards, decrease labour turnover?

### **6.4.1 Discussion - Research Question Three**

The primary objective of research question three was to establish whether compensating SOE employees with higher monetary rewards, will decrease labour turnover i.e. convince them to stay longer with the company.

Herzberg cited in Grobler et al. (2006) in his two-factor theory of motivation model states that that hygiene factors, job security being one of them, are important in the work environment but are not motivational in nature since hygiene factors are extrinsic in nature. One of the findings of research question three is that the SOE employees would stay longer with a company that

provides a stable job rather than receive higher monetary rewards. Herzberg's theory partly contradicts the finding of this study since it seems that these SOE employees regard stability as an intrinsic factor rather than an extrinsic one as the results suggest that they would stay longer in the company if offered job stability.

Armstrong (2006) recognises employment security as an intangible reward alongside other rewards and is considered important. In the study by Worthley et al. (2009) issues associated with workforce motivation for male and female workers in Japan, it was established that efforts toward improving interpersonal relationships in the workplace, such as blind job security may pay dividends. Armstrong (2006) and Worthley et al. (2009) supports another one the findings of research question three that job stability is more important than receiving higher monetary rewards for these SOE employees. It must be taken into consideration though, that the SOE employees could have elevated the importance of job stability due to the recent economic global recession and high number of retrenchments that have occurred in South Africa.

This study also found for research question three that the SOE employees would stay longer in a company which provides development rather than provide higher monetary reward and this is supported by the theories of Alderfer (1972), Hackman and Oldham (1976), Gong et al. (2009) and Shalley et al. (2009). Alderfer's (1972) existence, relatedness and growth theory states that the last need, growth represents man's desire for personal development and is related to Maslow's need of self actualisation. Hackman and Oldham



(1976) alludes to development when it describes the job characteristics theory consisting of five 'core' job dimensions three of these dimensions are skill variety, task identity and task significance. From the Hackman/Oldham Model on the relationships among core job dimensions, critical psychological states, and personal and work outcomes it is established the five core job dimensions lead to three psychological states which in turn leads to personal and work outcomes viz. high internal work motivation, high quality work performance, high satisfaction with the work and low absenteeism and turnover (Cummings & Worley, 2009).

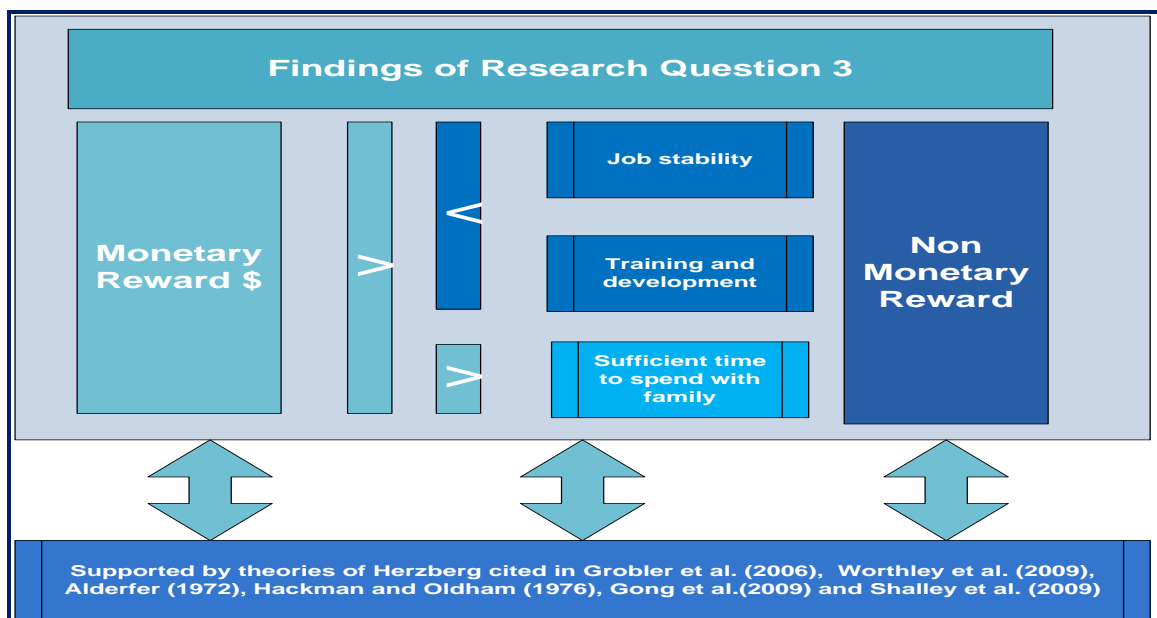
Gong et al. (2009) have shown that managers can reap the benefits of employee creativity by selecting for, or developing, creative individuals. Shalley et al. (2009) established that growth need strength is important for creativity across jobs that vary on their level of substantive complexity. Growth need strength is a measure of an individual's desire to grow and develop within his/her job. Individuals who score high on measures of growth need strength want to learn new things, stretch themselves, and strive to do better in their jobs.

It was established in aggregate though for research question three that employees at this SOE would stay longer in the company if they receive higher monetary rewards rather than receive collectively the specified non monetary rewards. In particular, the non monetary rewards as proposed in research question three that these SOE employees would not choose over higher monetary rewards if given a choice is:

- Sufficient time to spend with family

### 6.4.2 Summary - Research Question Three

The findings of research question three suggests that these SOE employees would prefer receiving higher monetary rewards although slightly rather than receive non monetary rewards and would stay longer in the company as a result. A mean value of 2.95 was obtained for RQ3. Some past studies also support the findings of research question three. Figure 6 below summarizes the findings of research question three and also exhibits the literature that underpins the findings.



**Figure 6: Integration of findings of research question three and literature review (Author's own)**

It must be noted from figure 6 that the non monetary rewards (job stability and training and development) are preferred over receiving monetary rewards when the non monetary rewards are considered individually. It would suggest therefore that the preference for higher monetary rewards is not strongly convincing. The results for research question four would be discussed next.

## 6.5 RESEARCH QUESTION FOUR

Do demographics (age, gender, ethnicity/race, and job grade) have an effect on whether SOE employees' motivation levels would increase with higher monetary rewards?

### 6.5.1 Discussion - Research Question Four

The primary objective of research question four was to establish whether demographics such as age, gender, ethnicity/race, and job grade will have an effect on whether SOE employees' motivation levels would increase with higher monetary rewards.

One of the findings of research question four is that employees belonging to 31-40 group when compared the 20-30 and the 41-64 age group, prefer receiving the specified non monetary rewards rather than receiving higher monetary rewards and would work harder as a result. A part of the findings of this study concerning the oldest age group is supported by Bonsdorff's (2011) public sector study which found that age related differences were found among respondents' financial reward preferences. The results showed that older and more experienced nurses tended to prefer financial rewards more often than younger nurses which could be related to the traditional pay increment system in the public sector that has merited years served in the organisation among other things. The resulting higher pay to more experienced nurses might have

served as a positive reinforcement. It was suggested that pay increments can be seen as a way of recognising older nurses' skills and as an expression of respect from the part of the organisation.

Concerning the finding of research question four in respect of youngest age group it is supported by a study conducted by Accenture (2011) which was an online survey of 3400 business executives in 29 countries which included South Africa and found that Generation Y were significantly more motivated by pay than Generation X respondents or Baby Boomers. Gen Y respondents were found to be significantly more motivated by pay than other generations. Gen Y respondents cite being underpaid as the top reasons for job dissatisfaction significantly more so than other generations.

It is possible therefore that the oldest group of SOE employees in this study feel that by receiving higher monetary rewards, it is a positive affirmation for them and it is a way of receiving recognition and respect from their organisation in line with the study by Bonsdorff (2011). The caveat for the Accenture (2011) study is that it was done for executives, this SOE study was undertaken for all levels of employees. The Accenture (2011) study also partly contradicts this study since it found that Generation Y is more motivated than any of the older generations. In this study there were no significant differences between the 20 - 30 age group and the 41-64 age group, since both these groups were more motivated by money than the 31-40 age group who preferred non monetary rewards rather than receiving higher monetary rewards.

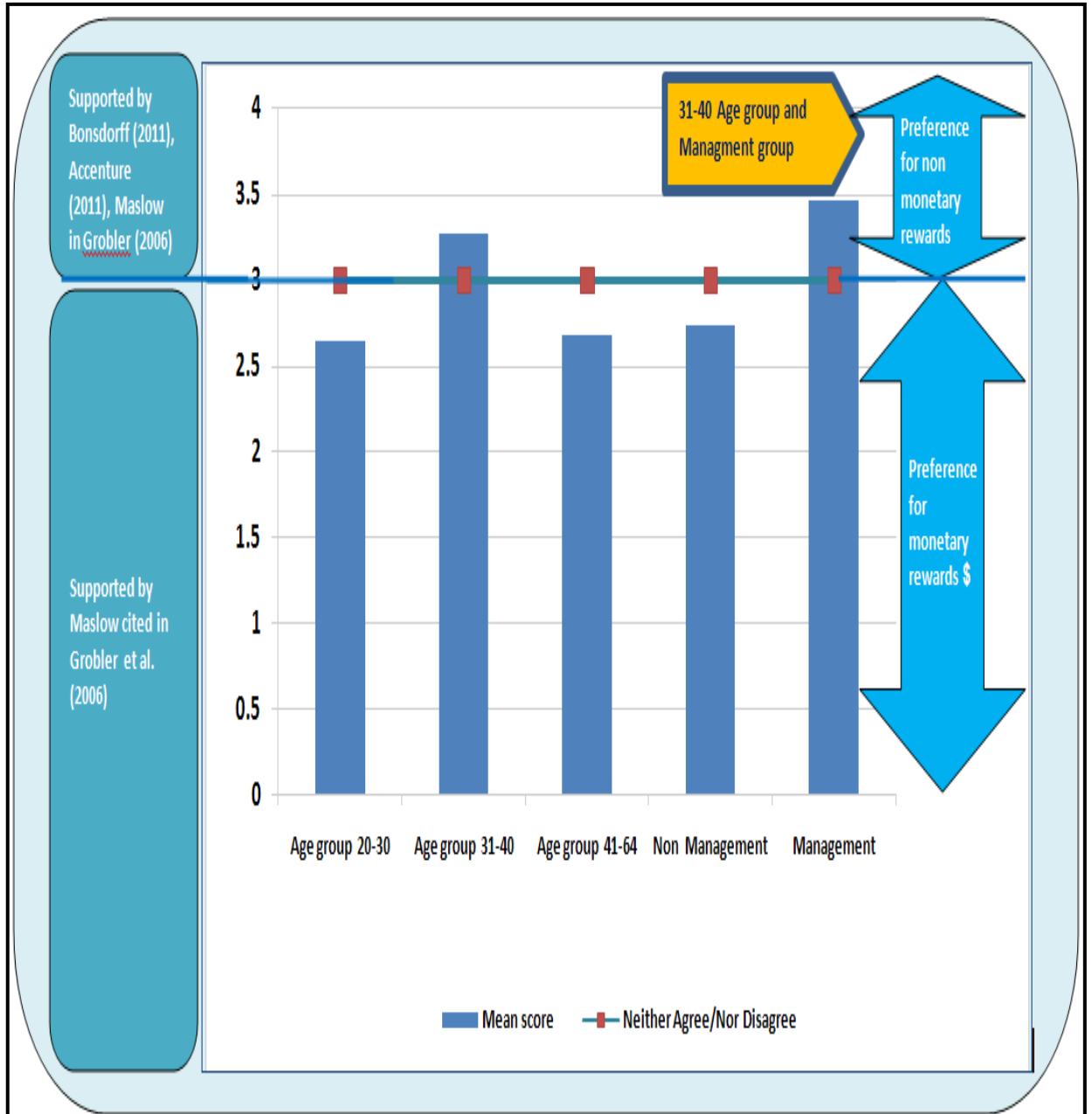
It is also possible that the 20-30 age group of SOE employees were more motivated by money since they are at the beginning of their career and in need of their own accommodation, own transport and outgoing lifestyles. The 41-64 age group of SOE could be motivated by money as a result of their getting closer to pensionable age and would like to increase their savings rate optimally so as to retain their current lifestyles when they retire. The 31-40 age group of SOE employees may perhaps be financially stable at this age and would possibly have acquired their own transport and accommodation when compared to the 20-30 age group and in keeping with Maslow's (1943) need-hierarchy theory cited in Grobler et al. (2006), this group would have reached a level of esteem or self actualisation where money is not as important as the intangible non monetary rewards that are on offer which among other things includes training and development, challenging work, job stability, promotion opportunities etc.

Maslow's need-hierarchy theory supports the findings of research question four that the SOE employees belonging to the management group prefer receiving the specified non monetary rewards rather than receiving higher monetary rewards and would work harder and would be more motivated as a result when compared to the non management SOE employees who prefer receiving higher monetary rewards rather than receiving these non monetary rewards and would stay longer and be more motivated as a result. The findings of this study classically conform to Maslow's need – hierarchy theory. Maslow's (1943) need-hierarchy theory identified five basic needs that motivate individuals: physiological, safety, love and belongingness, esteem and self actualisation.

Maslow contends that individuals will climb the ladder of need fulfilment until they have become self-actualized (Grobler et al., 2006). The management group appears to be at the esteem and self actualized level of the hierarchy and prefers non monetary rewards rather than monetary rewards.

#### **6.5.2 Summary- Research Question Four**

The findings of this study indicate significant differences do exist for the two demographic groups in particular, age and grade but not for gender or ethnicity i.e. black and white employees. Some past studies also support the findings of research question four. Figure 7 below summarizes the findings of research question four.



**Figure 7: Integration of findings of research question four and literature review (Author's own)**

It can be seen from figure 7 that the 31-40 Age group and the management group prefer receiving non monetary rewards rather than receiving higher monetary rewards. The findings of Bonsdorff (2011), Accenture (2011) and Maslow in Grobler et al. (2006) underpin the findings of research question four.



The conclusion section for the discussion of results will follow next.

## 6.6 CONCLUSION - DISCUSSION OF RESULTS

It was found that the non monetary rewards i.e. a) challenging work b) sharing of organisational goals c) honest leaders d) sufficient time to spend with family e) opportunities for advancement/promotion f) non repetitive work g) job stability and h) training and development were preferred by employees of this SOE rather than receiving higher monetary reward and would work harder, be more motivated and stay longer in the company as a result. However, overall the employees at this SOE preferred higher monetary rewards although slightly so, when all these non monetary rewards were collectively offered to them and were given a choice between these collective non monetary rewards or higher monetary rewards. In particular, the non monetary rewards that the SOE employees did not consider more important than money were a) clear goals in their jobs b) accountability in their jobs c) work culture in existence that challenges leaders d) sense of satisfaction from completing a task e) regular management feedback f) supportive management g) inspirational leadership h) training and development as a reward for exceptional work done i) flexible working hours j) good sociable/friendly work environment k) non monetary public recognition for exceptional work done and h) sufficient time to spend with family.

The findings of this study also indicate significant differences do exist for two demographic variables in particular, age and grade but not for gender or

ethnicity i.e. black and white employees. The 31-40 Age group prefers receiving non monetary rewards rather than receiving higher monetary rewards when compared to the 20-30 age group and the 41-64 age group. The management group prefers receiving non monetary rewards rather than receiving higher monetary rewards when compared to non management group. It is therefore apt to conclude that higher monetary rewards increases employee motivation which improves work performance which conforms to the research constructs of this study.

The findings of this study could be countered by some other theories however and these have been highlighted in the literature review, for example, in the article by Georgellis and Lossa (2010) it is noted that the debate on whether high levels of extrinsic rewards in the public sector could backfire as extrinsic rewards crowd out intrinsic motivation. Crowding out implies that extrinsic rewards could result in fewer high quality (highly public service motivated) employees choosing to move to the public sector resulting in a larger than optimal number of extrinsically motivated employees in the sector, with two main undesirable effects. First, it will have a detrimental effect on the average quality of job matches in the sector; and second, by altering the composition of the workforce, it paves the way for the wider acceptance of performance related remuneration schemes and the use of costly, high-powered incentives to improve performance could become inevitable. The high performing employees at this SOE are currently the recipient of a generous performance bonus scheme and it noted from discussions with certain executives at this particular SOE that these employees do earn comparable salaries to private sector

employees and some senior managers at this SOE feels that there is a sense of entitlement of high bonuses and high salaries among employees at this SOE.

This could explain the overall preference towards higher monetary rewards rather than non monetary rewards. Houran and Kefgen (2007) suggest that people who are unhappy or lacking in social connections may seek solace in material goods, using external means to fulfil internal desires and aspirations. Pouliakas (2010) does mention that money and other tangible incentives do drive short term behaviour and it does not create sustained internal commitment.

## CHAPTER 7: CONCLUSION AND RECOMMENDATIONS

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### 7.1 INTRODUCTION

In this chapter the main findings of the research are highlighted. Thereafter research limitations, recommendations and lastly suggestions for future research are presented along with a conclusion.

### 7.2 RESEARCH LIMITATIONS

Although the methodology chosen was proven to be the most suitable recommended for the study, it does have its limitations however:

- The sample was restricted to one province in South Africa
- The sample was further restricted to one particular location of the SOE
- The sample that was taken is restricted to only one of the SOEs and therefore the findings can only be used as a guide for other SOEs within the South African context, this is because each SOE operates in different sectors of the economy and hence the work dynamics and culture are different for employees working at different SOEs
- Convenience sampling was utilised for the survey and hence no inferences can be made to the population. Random sampling could be considered and a similar study could be conducted so that inferences could be made

- The time frame for the project was limited to 2011 and therefore changes to survey results is anticipated as new generation employees enter the job market and as older generations leave the job market (retire) and is also dependent on changes within the company in terms of strategies, structure policies, processes and the external environment which could also include a political regime change

The research methodology chosen has nevertheless guided the entire research process and has ensured consistency and validity of the research. The methodology design has ensured that the research process was conducted systematically so that the research objectives could be met despite the research limitations noted.

### **7.3 RECOMMENDATIONS**

It can be inferred from the results that for SOE's to ultimately create a motivated workforce that will produce exceptional performance and would stay longer in the SOE, there must be an appreciation by executive management about the importance of monetary rewards and non monetary rewards. Although in aggregate the SOE employees preferred higher monetary rewards over non monetary rewards the results only displayed a slight leaning and did not strongly support monetary rewards. Past studies and this specific study has demonstrated that money and non monetary rewards ultimately affect work performance at SOE's. It is imperative therefore for the management team at

SOEs to have a clear understanding of monetary and non monetary rewards when designing the incentive systems at SOE's.

Based on the findings of the study, the executive team at SOE's need to consider doing the following:

- The remuneration and reward system should consider monetary and non monetary rewards and the specific non monetary rewards that deserve marked attention as ascertained from this study are challenging work, sharing of organisational goals, honest leaders, sufficient time to spend with family, opportunities for advancement/promotion and non repetitive work, job stability and training and development. It is apparent from the findings of this study that if these non monetary rewards are incorporated within the incentive system then monetary rewards could become less important
- Given the fact that the 31-40 age group and the management group value non monetary rewards more than monetary rewards, the SOE should consider a differentiated incentive system rather than a generic, across the company, incentive system that downplays the effects of demographic variables on employee motivation
- The recruitment policy for this SOE could be modified when recruiting candidates by incorporating demographic differentiation into the recruitment process. The findings of this study could enable the SOE to negotiate more effectively with candidates and to allow flexibility in the recruitment process
- Since monetary compensation is more important to the 20-30 age group and non management group, SOE's should develop compensation and retention strategies based on this finding

- The work benefits policies should include incentives that will create a long term and stable mindset within these employees. More non cash benefits must be injected into the total reward mix for the SOE's incentive system instead of just using money as a reward as an end itself to drive employee motivation.

## **7.4 SUGGESTIONS FOR FUTURE RESEARCH**

Whilst this study has contributed to the body of knowledge on employee motivation and its relationship with total rewards within the SOE context, several limitations of the research were highlighted. Also, given the important role played by SOE's a lot more studies of this nature needs to be undertaken so that more information can be acquired in this field of employee motivation and thus enhance and corroborate this body of knowledge.

- The sample in this study was restricted to one particular location of one SOE. A study needs to be conducted at a national level to include all employees within the SOE and must including all demographic groups in particular the four large race groups i.e. black, white, Indian and coloured must be compared to establish significant differences in their perceptions towards monetary rewards
- This study was restricted to one SOE within South Africa. Given the large number of SOEs within the country, the large number of employees within each of these SOEs and the vital role played by these SOEs within

the economy, it would be necessary to replicate the study across many more SOEs

- A similar study should be undertaken to establish the perceptions of SOE employees of whether monetary rewards would motivate them to perform better but this time only the non monetary rewards preferred by the SOE employees rather than receiving higher monetary rewards as found in this study must be used in the closed questionnaire design to confirm if in fact these non monetary rewards are preferred rather than receiving higher monetary rewards
- A comparative study should be conducted to verify if there is a difference in motivation perceptions of employees working for private organisations versus employees working for SOE's

## **7.5 CONCLUSION**

It would be short sighted not to consider the fact this SOE in the study is unique with its own strategy, structure, people, processes, culture, incentives and controls. Given this coupled with the convenience sampling method used it would be erroneous to suggest that employees at all SOE's perceive motivation in precisely the same manner although the findings can be used as a guide for other SOE's to establish the effect of monetary and non monetary rewards on employee motivation and their organisation's overall performance.



The main objectives of this study were achieved and the four research questions were answered with the results of each discussed in chapter six. It must be emphatically stated that non monetary rewards together with monetary rewards is important in the total reward mix offered to SOE employees. It therefore becomes imperative for executive management to take a closer look at intangible rewards, which often doesn't require huge capital investments, in order to increase the perceived value of their total reward offerings. It is evident from the findings of this study that employee motivation leading to exceptional work performance is not driven by money alone.

This study has therefore contributed to the body of knowledge in respect of employee motivation at SOE's. The study has also managed to establish that some non monetary rewards are more important than other non monetary rewards and these non monetary rewards should form an important focal point for SOE's going forward unless found otherwise in future similar studies.

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## APPENDIX 1

### Research Questionnaire – Part A & B

#### Questionnaire: Part A

Dear Participant,

I am conducting research to determine employee's perception of whether monetary rewards would motivate those working at State Owned Enterprises to perform better. I'm also trying to establish whether these perceptions are influenced by demographics of age, gender, ethnicity and job level.

You are kindly requested to participate in this study by filling out the attached questionnaire which should take no more than 10 minutes of your time. Your participation is voluntary and you may withdraw at any time without penalty. All data will be kept confidential and your identity is not required. By completing the survey, you indicate that you voluntarily participate in this research.

The question of whether money motivates has been around for a long time. By understanding what employees perceive can have a positive impact in the manner in which companies design their policies to improve employee motivation, thus improving the overall organisational effectiveness.

If you have any concerns, please contact me or my research supervisor (details are listed below).

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#### Questionnaire: Part B (Demographics)

<b>Age (in years)</b>	<input type="text"/>	<b>Job Level</b>	<b>Grade:</b>													
<b>Gender (please tick)</b>	<table border="1"> <tr> <td><b>MALE</b></td> <td>1</td> </tr> <tr> <td><b>FEMALE</b></td> <td>2</td> </tr> </table>	<b>MALE</b>	1	<b>FEMALE</b>	2	<table border="1"> <tr> <td><b>1-4</b></td> <td>1</td> </tr> <tr> <td><b>5-6</b></td> <td>2</td> </tr> <tr> <td><b>7</b></td> <td>3</td> </tr> <tr> <td><b>8-9</b></td> <td>4</td> </tr> </table>	<b>1-4</b>	1	<b>5-6</b>	2	<b>7</b>	3	<b>8-9</b>	4		
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<b>Ethnicity (please tick)</b>	<table border="1"> <tr> <td><b>BLACK</b></td> <td>1</td> </tr> <tr> <td><b>WHITE</b></td> <td>2</td> </tr> <tr> <td><b>INDIAN</b></td> <td>3</td> </tr> <tr> <td><b>COLOURED</b></td> <td>4</td> </tr> </table>	<b>BLACK</b>	1	<b>WHITE</b>	2	<b>INDIAN</b>	3	<b>COLOURED</b>	4							
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**Part C** of the questionnaire requires that you rate each question on a scale from: strongly disagree to strongly agree. As you rate each question, consider them from your own personal perception. Please answer all questions by marking the appropriate level of agreement/disagreement with a tick. You should only have 1 tick for each question. All questions would relate to the current year.

## Research Questionnaire- Part C

#	Questionnaire: Part C	Strongly Agree	Agree	Neither Disagree/Agree	Disagree	Strongly Disagree
		5	4	3	2	1
1	I would work harder if I had more challenging work irrespective of monetary rewards					
2	I would not necessarily perform better if my manager paid me a higher monthly salary					
3	I would perform better if my manager shared the greater organisational goals with me irrespective of monetary reward					
4	I will be motivated to work harder if I'm given more accountability rather than a higher salary					
5	I would rather stay with a company that provides me with a stable job rather than pay me a higher salary					
6	I would stay longer in my company if I'm provided with training and development irrespective of whether my salary is increased or not					
7	I would be more motivated by opportunities for advancement/promotion rather than being given a higher salary in my current job					
8	I do not care whether my company pays me a higher salary as long as I'm offered flexible working hours					
9	I would rather choose to be publicly recognized for my outstanding work achievements than receiving a performance bonus					
10	I'd be motivated to perform better if I had honest leaders rather than receiving a higher salary					
11	I'd prefer regular feedback from my management about ongoing events rather than receive a higher salary					
12	My company does not have to increase my salary as long as a good sociable/friendly work environment is created					
13	I'd rather have inspirational leadership than higher monetary rewards					
14	I'd stay longer in a company if I have a transparent personal relationship with my boss, whether I receive a higher salary or not					
15	I value sufficient time to spend with my family over receiving a higher salary					
16	I'd be more motivated by doing non repetitive work that uses my skills rather than receive a higher salary for doing routine, repetitive work					
17	I'd rather receive training and development for outstanding work done rather than receiving higher pay					
18	I prefer a work culture where employees are encouraged to challenge leaders rather than receive a higher salary					
19	I would be more motivated to perform better if I'm given clear goals rather than being incentivized with more money					
20	I'd be motivated to perform better if I'm given more accountability rather than receive a higher salary					
21	I'm more motivated by a sense of satisfaction I get from completing my job rather than by receiving a higher salary					
22	I'd be more motivated by a boss that supports my work rather than let me independently achieve it and award me with money accordingly					
23	I'd stay longer with a company that has inspirational leadership rather than receive higher monetary rewards					
24	I'd stay longer with a company that provides sufficient time to spend with my family over receiving a higher salary					