



***Employee behaviour towards pay-for-performance in a
collections environment of a financial institution***

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ABSTRACT

Pay-for-performance or performance related pay is a system whereby compensation or rewards is linked to the achievement of targets and goals. The question that is asked: is pay-for-performance aiding in getting employees to perform at their peak? A review was done of literature looking specifically at pay-for-performance and organisations where this has been implemented as well as supporting themes: motivation, job satisfaction, psychological contract, team work and performance appraisal. A survey was conducted among employees in a collections environment in a financial institute in South Africa, where a pay-for-performance scheme was implemented in two departments performing similar functions. Employees in one department received incentive payments and employees in the other did not. A survey was conducted among these employees to measure their attitudes towards pay-for-performance and supporting themes. Difference in the attitudes of the subgroups within the study was also considered. Although both departments agreed that pay-for-performance was a good principle, the department that received the incentive payment more strongly agreed to the pay-for-performance measurements. Some other fascinating observations included general positive attitudes of temporary employees. The role of performance management also delivers some interesting observations. No obvious links could have been made between pay-for-performance and the specified themes.

DECLARATION

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

J.F de Winnaar

Date: _____

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LIST OF ABBREVIATIONS

ANOVA	Analysis of variance
NCSS	Number Cruncher Statistical System
PRP	Performance Related Pay

1. INTRODUCTION TO THE RESEARCH PROBLEM

1.1 RESEARCH PROBLEM

A large portion of most companies' expenditure is attributable to labour cost; this is more prevalent in service industries. Employees are remunerated for the services that they provide to an organisation, but how can an organisation ensure that its goals and vision and those of individual employees are aligned? The current situation in South Africa is that employees, especially operational employees, are rewarded for the time that they spend at work and not necessarily for the efforts of a staff member. Currin (1997) found that managers would like to be involved in determining their pay levels. A suggestion for future research from Currin's study is whether the same objectives can be applied to non-managerial staff?

The website www.managementhelp.org defines an organisation as a group of people organised in a way to accomplish a common goal or purpose. How does everybody in the group contribute to the common goal? Bartlett and Ghoshal (2002) states that a shift in management perception is being observed as knowledgeable people are becoming a scarce resource, more so than capital, necessitating increased management focus on people development. The benefit of knowledge sharing is that knowledge increases, unlike capital. A continuation of this is that companies need to attract and retain skilled employees and share options distributed further down the hierarchies indicate

that shareholders are no longer the only scarce resources. Watson Wyatt's report on executive pay in 2007/2008 found that greater share ownership by executives in companies resulted in these companies outperforming their counterparts.

Reward systems are identified as a possible solution to aligning employee behaviour to company vision and mission statements. However there are certain pitfalls that should be considered when designing programs. Beer and Cannon (2004) identified some of these barriers, with the primary factors being the consideration of linking performance to effort as well as pay to performance. For this to be effective it has to be positively perceived by both management and employees. Further consideration should be given to measuring of performance, with consideration of the factors outside the control of individuals and groups.

1.2 RESEARCH OBJECTIVE

Goleman (2000) believes that there are six key factors which influence the working environment of an organisation. These factors are flexibility, sense of responsibility to the organisation, levels of standards set by people, performance feedback and rewards, clarity about mission and values and lastly commitment to a common purpose. Reward systems that can discriminate between good and poor performers, whilst also tying reward to performance are one of the four organisational levers of motivation according to Nohria et al. (2008). They continue to add fair, trustworthy and transparent performance management processes as well as teamwork and job design as another lever.

Although job design is not covered in this research project, the other components will be considered along with job satisfaction and psychological contracts.

The main objective of this research will be to identify differences in the behaviours of employees who received incentive payments and employees who did not receive incentive payments. Bresnen and Marshall's (2000) study set out to ask: Do incentives as instruments of behaviour modification? Or do they have any limitations actually work as intended? A conclusion can be drawn if a difference is found between the attitudes of the two groups identified.

A secondary objective of this research is to see if any other factors, such as gender, race, age or experience levels are predictors of employee behaviour towards pay-for-performance and the related issues as identified.

Marsden et al. (2001) conducted a study in the British public services on pay-for-performance. They explored the efforts of employees on motivation and work relations. The judgement of employees as to the new incentive system motivating them to perform better, the effect that it had on workplace cooperation and if commitment of employees is attributable to the sustaining of performance levels. The communication of management objectives was also considered. Similar to Marsden, French and Kubo. (2001) this study aims to draw correlations between the factors mentioned before.

1.3 RESEARCH MOTIVATION

Osterloh, Frost and Rota (2001) describe situations in which the actions of self-interested individuals do not lead to socially desirable outcomes as social dilemmas. In firms this can occur when firm-specific resources are overused or when there is an undersupply of goods or services. The solution offered is socialisation of firm members. In general, in cases of social dilemmas, everybody would profit if norms of cooperation could be established and enforced. Employee time and effort can be considered a scarce organisational resource from which the organisation would like to get the best possible results from the time invested by employees. One of the ways in which organisations are trying to address these social dilemmas is by means of pay-for-performance. Pay-for-performance theoretically should reward employees for the efforts that they give to the organisation.

The shortcomings of traditional pay systems are described by Beer and Cannon (2004) as being that pay is seen as an entitlement, benefits are based on tenure, base pay is a function of levels and not performance, merit increases do not differentiate performance sufficiently, and even executive bonuses become an entitlement. Workers born after 1980 prefer jobs defined by tasks rather than time as well as receiving compensation for what they produce (Erickson, 2008).

1.4 RESEARCH SCOPE

The title of this research project is: "Employee behaviour towards pay-for-performance in a collections environment of a financial institution".

Pay-for-performance or performance related pay is “a system of employee payment that links compensation to measures of work quality or goals” (Wikipedia, 2008).

In deteriorating economic conditions credit providers have to put a great deal of emphasis on collecting outstanding debts. In a specific financial institution in South Africa an incentive scheme was introduced to employees within this environment for targets reached. Two distinct areas were identified, one of which achieved the said target and received an incentive, the other area not, therefore not receiving any incentive. The aim of this research project is to measure the difference in attitude of these two groups of employees towards the pay-for-performance initiative.

The study will assume that the only impact on the behaviour of employees are pay-for-performance and will not take into account the impact that supervisors have on the relationship of employees with the organisation.

1.5 REPORT STRUCTURE

The report will be presented in terms of the conventional research report. Chapter 2 will be the evaluation of literature and previous studies conducted. The literature looks at articles and studies that deals with pay-for-performance specifically, but it is extended to incorporate literature on topics as mentioned above. Chapter 3 restates the research objectives as testable propositions to be answered in later chapters. Chapter 4 is a description of the research methodology followed to gather and analyse the data for the research project.

Chapter 5 is a presentation of the results of the data gathered, described by linear regression and descriptive statistics. Chapter 6 is a discussion of the results from the previous chapters. Chapter 7 is the conclusion, detailing the main findings of the research; with recommendations and areas for further research.

2. LITERATURE REVIEW

2.1 MOTIVATION

Motivate is described in the Collins Dictionary as “to give a reason or inspiration for a course of action to someone” or “to inspire and encourage someone to do something.” Employees that can see the link between their daily work and the effect that it has on the organisation’s performance tend to be more motivated (Smith and Rupp, 2003). Herzberg (1987) identifies motivator factors as intrinsic or extrinsic to a position. He lists the intrinsic factors as achievement, recognition for achievement, the work itself, responsibility, and growth or advancement. He continues to list the extrinsic factors as: company policy and administration, supervision, interpersonal relationships, working conditions, salary, status, and security. The literature however is divided as to which of the factors are more important to motivation.

2.1.1 Extrinsic Motivation

The importance of pay is understated according to Rynes, Gerhart and Minette (2004). They reason that misjudgement as to the reaction of employees to say an offer of a higher paying job or that due to social norms, viewing money as being a less noble source of motivation, as the primary reasons. Rynes et al. (2004) continues that the reason for the importance of pay is that it is broadly used and that it has many symbolic meanings which can assist in virtually obtaining any level of Maslow’s motivational hierarchy.

Parker and Wright (2001) state that increasing what people earn will make them more loyal, motivated and productive, money is therefore believed to have a direct influence on behaviour. Extrinsic motivation is the indirect satisfaction of needs through monetary compensation. Coordination of linking employees' incentives to a firm's goals will drive extrinsic motivation (Osterloh, et al., 2001).

However Osterloh, et al. (2001) argues that tangible rewards undermine intrinsic motivation which includes interesting tasks. This was specifically true for monetary compensations where the compensation was perceived to be controlling. Herzberg (1987) believes that although extrinsic incentives stimulate people to put their noses to the grindstone, it will only take as long as it takes to get that next raise or promotion. Kohn (1993) supports this stating that incentives or pay-for-performance systems make employees less enthusiastic about their work, and commitment to excellence.

2.1.2 Intrinsic Motivation

Most people are motivated by intrinsic rewards: interesting, challenging work, and the opportunity to achieve and grow into greater responsibility (Herzberg, 1987). This is being confirmed by the low staff turnover achieved by SAS, an information technology company that was observed, even though their employees could get larger salaries at other organisations, the employees preferred to stay with SAS due to the intellectually engaging work, the environment and their colleagues (Pfeffer, 1998).

Other than money, flexibility in the workplace and involvement in decision making process are motivators to employees according to Hays (1999). Hays (1999) further suggest performance rewards which are immediate. Intrinsic rewards are being seen as immediate motivators i.e. completing a challenging piece of work. Two types of intrinsic motivators are identified, being enjoyment-based and obligation-based. Intrinsic motivation is also voluntary; the conditions for their appearance and strengthening these can be managed (Osterloh, et al., 2001).

2.1.3 Expectancy Theory

Vroom (1964) created the expectancy theory for motivation which is a function of three factors – subjective value placed on the reward by the individual (valence), perceived likelihood that effort will produce an appropriate level of performance (expectancy) and the perceived likelihood that this performance will be converted into an appropriate level of reward (instrumentality).

2.1.4 Crowding Effect

Frey and Jegen (2001) refer to the increase in monetary incentives which result in a reduction of supply as the crowding-out effect. Motivation Crowding Theory distinguishes between two types – the crowding-out-effect, which is the negative relationship between intrinsic and extrinsic motivation and the crowding-in-effect, which is the positive relationship between intrinsic and extrinsic motivation (Osterloh et al., 2001). External interventions crowd out intrinsic motivation when it is perceived as being controlling, similarly external

interventions crowd in intrinsic motivation if it is being perceived to be supportive (Frey and Jegen, 2001).

2.1.5 Managing Motivation

The balance between intrinsic and extrinsic motivation have to be managed. Firms can enable intrinsic motivation by means of organisational forms and mechanisms, which foster personal relationships and participation among firm members; this supports the production of knowledge intensive goods and services. (Osterloh, Frost and Frey, 2002). Nohria, et al. (2008) define motivation as focussing on four workplace indicators: engagement, satisfaction, commitment and intention to quit.

2.2 JOB SATISFACTION

Sousa-Poza and Sousa-Poza (2000) define job satisfaction as being dependant on the balance between work-role inputs (such as education, working time, and effort) and work-role outputs (such as wages, fringe benefits, status, working conditions and intrinsic aspects). Job satisfaction will increase if work-role outputs increase relative to work-role inputs. Sutton and Griffin (2004) identify primary predictors of job satisfaction as the experience of the job and the interaction with the employer regarding what that experience will be like.

The sample tested by Sutton and Griffin (2004) found job satisfaction to be the strongest predictor of turnover intention. Highly satisfied employees are less likely to leave the organisation. Satisfied workers also have higher performance,

while low satisfaction leads to higher absenteeism and labour turnover rates (Sousa-Poza, Sousa-Poza, 2000).

Employees evaluate the relationship between them and the organisation on the basis that they provided service to the organisation in terms of a ratio between efforts spent and reward received (Jansen, 2001). The perception about pay levels and the extent to which this reflected their performance level, influence job satisfaction (Sutton and Griffin, 2004).

Even though work demands are assumed to be beneficial to job performance and satisfaction to a certain level, the job satisfaction and performance will decline at a saturated level of job demand (Jansen, 2001). Jansen (2001) found that the managers with a more positive perception towards effort and reward fairness were more satisfied and performed better to intermediate levels of job demands than managers who perceived to be under rewarded and unfairly treated.

McCausland, Pouliakas and Theodossiou (2005) conducted a study to determine the job satisfaction of employees and came to the conclusion that employees experienced it differently. High-paid employees experience a positive job satisfaction with incentive pay, while the assumption is made that the negative experience of low-paid employees are due to them perceiving it as being controlling. It is therefore suggested that pay-for-performance can be counterproductive in the long run for low-paid occupations.

2.3 PSYCHOLOGICAL CONTRACT

Psychological contracts are based on an exchange agreement between an individual and an organisation, or its agents. It is formed in terms of the beliefs about promises; both expressed or implied (Rousseau, 2004). A psychological contract is a reciprocal relationship which may be defined as the mutual expectations of the individual and the organisation with each other. The psychological contract includes an intrinsic belief that their work will give them a fulfilment which has many dimensions: it concerns self-actualisation, a sense of achievement, recognition, responsibility and the quality of personal relationships in the workplace (Adams and Hicks, 2000).

2.3.1 Transactional and Relational Contracts

Two types of contracts are recognised: a transactional contract that tends to be short term and is considered to be “economic” in nature while relational contracts imply long-term reciprocal expectations and obligations. These contracts are at two ends of a continuum (Rousseau, 2004).

Contrary to the suggestions of Rousseau, McDonald and Makin (2000) who found that temporary employees in a large organisation in the holiday sector, do not have transactional psychological contracts but that their behaviour were rather similar to those of permanent employees in many respects. The perception that employees have of their immediate manager matters as much as organisations strive to motivate and fulfil people’s emotional drives (Nohria, et al., 2008). The interpersonal interactions between the employee and a superior, or organisational representative can not be taken lightly, employees

with positive supervision experiences were less likely to perceive a contract breach (Sutton and Griffin, 2004).

2.3.2 Psychological Contract Violation

Similar to most contracts, the psychological contract often only becomes an important influence on behaviour, when a breach of one of the factors takes place (McDonald and Makin, 2000). Psychological contract violations experienced by employees result in them being likely to feel less obliged to fulfil relational type of obligations to their employers. The personal commitment and trust, present in a relational contract, is likely to fade and will move towards the transactional contract, where employees will only put in what they can get out (McDonald and Makin, 2000). Employees beliefs on what they should receive and are not getting are construed to be psychological contract violations (Sutton and Griffin, 2004).

2.3.3 Commitment and Engagement

Psychological contracts are the building blocks of an organisation serving its stakeholders well through principled leadership and a committed workforce (Rousseau, 2004).

People who have more control and say in their work are more involved and committed, they work smarter as they are encouraged to build skills and competence and they work more responsibly as more responsibility is placed in their hands (Smith and Rupp, 2003).

Individuals are becoming more disenchanted and disillusioned with work. The constant demand for change and being resilient to organisational needs are strenuous on employees. Employers are required to restore the balance by recognising emotional aspects of work and creating an energised fulfilled and engaged workforce. A wider work-life balance has to be incorporated to achieve this (Cartwright and Holmes, 2006).

Long-term relationships between organisations and employees can have the benefit of increased productivity and long term affinity of the employee with the organisation that can in turn result in financial reward. Expenditure on employees should not be seen as an overhead but rather a long term investment for greater long-term returns. Different human resource practices may indirectly influence organisational success (Paul and Anantharaman, 2003).

2.4 TEAMWORK

A high degree of cooperation between employees is required for efficient working and should be encouraged by management (Marsden, et al., 2001). Klein (2007) indicates that the success of an organisation is not dependant on an individual, but rather when all employees share in responsibilities and reward. The high demand for skilled labour is resulting in organisations overlooking the fact that effective teams often out-perform groups of more talented individuals (Smith and Rupp, 2003).

Individuals who see that their efforts have little impact if others do not do the same, have little incentive to cooperate themselves. There is a trade-off between self interest, where larger reward is received by not contributing and social efficiency, where everybody is better off through cooperation by all team members (Osterloh, et al. 2002).

Inequality of pay structures are expected to have a negative influence on the harmony within a team and it is dependant on the type of behaviour that an organisation wants to encourage (Frick and Prinz, 2003). Cooperation, which is the cornerstone of organisational excellence, is destroyed when people have to compete for reward or recognition. When employees have to compete for a limited number of incentives they will see each other as obstacles (Kohn, 1993).

2.5 PERFORMANCE APPRAISAL AND MANAGEMENT

Mankins and Steele (2005) list clear identification of priorities as one of the rules for successful strategic execution. People should be recognised as a strategic resource, which should be addressed during strategy formulation and implementation by linking human resource management with business strategy and organisational performance. There is a connection between people management practices and organisation profitability (Paul and Anantharaman, 2003). Paul and Anantharaman, (2003) use an example of Swiss pharmaceutical giant Roche, that turns its business plans into detailed performance contracts that clearly specify the steps needed and the risks that must be managed to achieve its plans. Performance appraisals are critical to an

organisation's success as it allows for the rewarding of performance and highlighting of areas for development (Smith and Rupp, 2003).

2.5.1 Goals and Targets

A concern raised by McCausland, et al. (2005) is that efforts will be directed towards the activities that are rewarded and this might be to the detriment of other valuable tasks for the organisation. It is therefore important to take a holistic view of the performance and contributions of employees, without being biased or avoiding conflict.

The enablement of management to negotiate higher performance levels, to aid better performance is done through goal setting that clarifies work goals. These goals should be agreed upon objectively and should be objectively measured (Marsden, et al. 2001).

Performance related pay will be more effective when greater attention is given to goal setting and performance appraisal (Marsden, 2004). Incentive mechanisms, specifically goal-setting mechanisms, have to be effective for performance related pay to be a successful means of changing work norms. Renegotiation and incentive functions should be complementary of each other (Marsden, 2004).

Measurement of relevant things is more important than accurate but inappropriate measurements (Ganzel, 1998). Ganzel (1998) further stipulates that employees can also not be kept responsible for issues outside their control.

Measurements should be negotiated taking into consideration what the organisation need, but also what the market can bear.

2.5.2 Evaluation

Excellent companies were found to be “measurement happy and performance orientated”. The employees feel needed and high expectations are created. The expectations from peers make it more exciting as people like to compare themselves to others. Employees prefer standards and the standards should be achievable, requiring that employees be involved in setting the standards for it to be successful (Peters and Waterman, 1983, p.240). A very important factor is continuous monitoring of performance. This should be used to reset strategic planning assumptions and the resource requirements (Paul and Anantharaman, 2003).

Depending on perceptions of how the performance appraisal is used, employee attitudes may vary (Boswell and Boudreau, 2000). Performance appraisals are classified into two types of functions: evaluative functions which include salary administration, promotion decisions, retention-termination decisions, recognition of individual performance, layoffs and the identifications of poor performance; and developmental functions which include identification of individual training needs, providing performance feedback, determining transfers and assignments, and the identification of individual strengths and weaknesses (Boswell and Boudreau, 2000).

The study conducted by Boswell and Boudreau (2000) indicated that employee attitudes towards perceived developmental performance appraisals was consistently positive toward the appraisal and appraiser. There were no relation to the attitudinal variable when the appraisals were perceived to be evaluative; it further did not appear that employee reactions to perceived evaluation depend on the outcome of the appraisal or the perceived fairness of that outcome or process. Paul and Anantharaman (2003) said that organisational commitment can arise out of the way in which an appraisal is done. This commitment can be achieved through employee participation in the appraisal process. Performance appraisals that are used to ensure that company objectives are met, does not add to organisational commitment. Appraisal systems have to balance the growth interest of both the employees and organisation; this will result in higher commitment by the employees, and assist in achieving the organisational goals (Paul and Anantharaman, 2003). Marsden et al. (2001) poses an alternative scenario that committed employees may oppose the increased management control that accompanies performance related pay because they see it as implying a lesser degree of trust in their willingness to work for their organisation.

Performance appraisals are important to the development of individuals, not only as a way to support employee development but also as a direct influence on employee attitudes (Boswell and Boudreau, 2000). Performance appraisal can be used to identify gaps in the current level of knowledge taking the necessary steps to enhance competence (Paul and Anantharaman, 2003).

Across organisations surveyed by Marsden et al. (2001) it was widely thought that pay-for-performance was a device to cut the salary bill. If measurement of performance is difficult it raises a problem whether performance evaluation by management can be trusted to be fair (Marsden et al., 2001). Paul and Anantharaman (2003) support this in stating that equity, fairness and justice will add to organisational commitment.

2.5.3 Communication

Both Ganzel (1998) and Kelly and Monks (1998) highlight the importance of communication and training to managers and employees in the setting of targets and performance appraisals. Clear organisational objectives have to be formulated and communicated to employees. Performance appraisals are a good means of this function. It is particularly important that all employees with more discretion are aware of these objectives. The study conducted in the British public services indicated that performance related pay raised the awareness of organisational objectives by employees (Marsden et al., 2001).

2.6 REWARD SYSTEMS

Strategic intent according to Hamel and Prahalad (1989) is an obsession with winning at all levels in the organisation. For employees this is the only goal worthy of commitment. To achieve this, employees should make this challenge personal and benchmark their efforts. Tracking of progress is important and requires clear milestones and review mechanisms. Reinforcement of the desired behaviour should be through internal recognition and rewards. Reward systems should align employee performance with business performance. They

should have an understanding of what is expected of them, why the company expects it and the potential rewards they can earn when performance expectations are met (Williams and Sunderland, 1999).

Rynes et al. (2004) identifies three behaviours which are likely to be greatly affected by compensation practices: attraction, retention and performance. However Paul and Anantharaman (2003) states that compensation might be a major criterion for choosing an organisation (attraction); when employees are part of the organisation they look for growth.

A new pay program is about culture change, which entails redefining corporate values and communicating such, changing the behaviour of the organisation (Williams and Sunderland, 1999).

2.6.1 The Positives of a Pay-For-Performance System

Carpenter and Sanders (2002) showed that although chief executive pay influences top management pay, top management team pay predicted future firm performance. Analyses showed that although chief executive pay structures had a positive relationship with firm performance, there was a stronger positive effect from top management team pay. This might be assumed to continue down into the firm through lower levels of employees. Pay-for-performance schemes were more important to high academic achievers, high performing employees and individuals with high self-efficacy and high needs for achievement (Rynes et al., 2004).

Collins and Clark (2003) found a link between incentive pay based on organisational performance and sales growth and stock returns. However they found that there was a larger relationship between specific network building practices and firm performance than between performance based incentives and firm performance.

There is a distinct possibility that performance related pay helps raise productivity. Marsden et al. (2001) however found that this could be achieved even though widespread demotivation and divisiveness, which raises a question as to the sustainability of the increased productivity.

2.6.2 The Negatives of a Pay-For-Performance System

Rewards have the ability to control people's behaviour, and that is why it is advocated. In contrast to the findings of Rynes et al. (2004), Frey and Jegen (2001) argue that rewards undermine self regulation and people take less responsibility for motivating themselves.

Not involving staff members were one of the shortcomings identified by Kelly and Monks (1998) in research undertaken at an Irish multi-divisional organisation involved in the production and distribution of food products that implemented a pay-for-performance scheme. The goals set out by the human resource manager and the experience of the employees was quite different.

Beer and Cannon (2004) identified the following as barriers to pay-for-performance schemes: employees start to rely on the additional compensation,

they are biased toward their own contribution (overestimating it), corporate budgets for bonuses often limit payout and managers lose commitment to the pay system, when it pays out more than anticipated. These can happen as a result of problems in payout standards due to changes in technology or organisational arrangements as well as unanticipated learning curves.

Beer and Cannon (2004) also observed pay-for-performance experiments at Hewlett-Packard. Initially performance improvements were obtained which suggested that the desired behaviour motivation was gained from pay-for-performance; however implementation problems have been presented. Commitment and trust are built through discussion of mutual expectations, Monetary incentives and changing environments may undermine this. Emotional attachment to tasks has to be developed to create high commitment. Employees further have to feel fairly treated. Explicit and clear performance goals have to be established upfront for the pay-for-performance system to work effectively.

The research done by Bresnen and Marshall (2000) produced no evidence of strong and systematic relationships between types of incentive systems and project outcomes. It suggests that variation in incentive systems has only a minor impact upon performance, compared with other (organisational and long term) sources of motivation.

2.6.3 Recommendations

Wide spread preferences will be encountered with the introduction of a new incentive scheme to an established work force (Marsden, 2004). It is therefore important to give attention to the matters raised in the following paragraphs.

Fair distribution of rewards and focus on procedural justice should be considered (Osterloh, et al., 2001). Marsden (2004) points out that employees have to perceive the new incentive scheme as fair and being able to deliver on promised rewards for employees to buy-into it. New standards are established and agreed through a goal-setting process. Bob Diamond from Barclays is quoted in the article by Mankins and Steele (2005) that keeping promises and being consistent and fair are imperative factors for the culture of the organisation.

Buy-in from managers are important into the concept of pay-for-performance as they have the ability to make the goals of the company real to employees through incentive plans, which will assist in increased productivity. The schemes should be easily understandable and measurable (Laabs, 1999). This has to follow through to involvement of employees in the process, ensuring greater commitment to change and continuous confirmation to employees of the value that they offer and their contribution to the success of an organisation, and so motivating them to do more (Whitney, 1998).

The perceived incentive from a performance related pay scheme will be a function of the additional financial reward associated with good performance. Therefore, the effectiveness and quality of the goal-setting and appraisal process has to be impeccable so that there is scope for employees to improve their performance (Marsden, 2004). Compensation can only be linked to performance if performance, is effectively distinguished (Parker and Wright, 2001).

2.6.4 Design

The goal of personnel management should be to concoct the most appropriate incentive system and to design the specific working conditions in a way that facilitates the most efficient use of the human machine (Herzberg, 1987).

Costs can be reduced by a well-designed compensation system. Higher pay does not always increase costs it is possible, through enhancing the commitment of employees to contribute more to the organisation, to actually enhance productivity. Compensation packages should involve both quantity and quality dimensions and communication to employees and the way compensation is disbursed, affects the organisational commitment (Paul and Anantharaman, 2003). Creating a fit between reasonable demands and fair rewards are important and will be particularly effective and valued in job design (Jansen, 2001).

2.6.5 Implementation

Billikopf (2003) identifies seven guidelines for establishing structured incentives. These include: analysis of challenges and determining appropriate incentives, linking pay to performance, anticipating loopholes, standards to determine pay, protection of workers from negative consequences, communication and regular review of the program. These guidelines are necessary for successful implementation of a pay-for-performance program.

Williams and Sunderland (1999) however recommend the following: identification of critical business priorities, market comparison, understanding employee perspectives, meeting overall objectives effectively, and development of specific reward plans.

The literature provided insights into the opportunities and challenges of pay-for-performance. Pay-for-performance can be very powerful human resource tool to communicate goals and targets to employees, motivating them to achieve the same and keeping them accountable for their performance. It is however essential to keep in mind that employees can only be kept accountable for things that they have control over and that targets have to be stretched yet achievable upfront, so that it is not necessary to change it regularly. The most important factor is that the organisation or its agents have to be seen as fair and transparent and fulfilling on its commitments to employees.

3. HYPOTHESES

The objective of the research, namely establishing whether there is a difference in attitudes of employees who received an incentive payment and those who did not will be translated into hypotheses into this chapter. The hypotheses will be stated according to each section being motivation, job satisfaction, psychological contract, team work, performance appraisal and reward systems. The sub groups in each of the hypothesis will be in terms of race, gender, departments, employees who received an incentive payment, employment contract, age, experience and earnings / hierarchical level.

Null Hypothesis (1): There is no significant difference in the means or medians of the subgroups in terms of motivation.

Null Hypothesis (2): There is no significant difference in the means or medians of the subgroups in terms of job satisfaction.

Null Hypothesis (3): There is no significant difference in the means or medians of the subgroups in terms of commitment.

Null Hypothesis (4): There is no significant difference in the means or medians of the subgroups in terms of team work.

Null Hypothesis (5): There is no significant difference in the means or medians of the subgroups in terms of performance appraisal.

Null Hypothesis (6): There is no significant difference in the means or medians of the subgroups in terms of the reward system.

4. RESEARCH METHODOLOGY

4.1 METHODOLOGY

The information required for this study was gathered by means of a survey. The objective of this survey was to identify the attitude and behaviour of the population. Zikmund (2003) describes the advantages of a survey as a quick, inexpensive, efficient and accurate way in gathering and measuring the information regarding a population. A combination of descriptive and causal research was followed. Descriptive research describes the characteristics of a population (Zikmund, 2003). By looking at the population as a whole descriptive research was used to describe the population's attitude towards pay-for-performance, job satisfaction, motivation, performance appraisal and commitment. However, as some of the employees did not receive an incentive payment as they did not achieve the targets that were set, causal research was used to assess whether these employees' attitude regarding pay-for-performance, job satisfaction, motivation, performance appraisal and commitment were different, being a cause-and-effect relationship.

4.2 UNIT OF ANALYSIS

Respondents were asked to identify their gender as previous studies found that women are more satisfied with their jobs than men (Sousa-Poza, Sousa-Poza, 2000). A further distinction was made between permanent and temporary

employees. McDonald and Makin (2000) found that temporary employees are similar to permanent employees in many respects.

It was assumed that there would be a significant difference in the motivation, job satisfaction and commitment levels of employees who received an incentive payment and those who did not. It was therefore explicitly asked in the demographic section of the questionnaire.

The other units of analysis used were race, age group, tenure within the specific organisation and level within the organisation. It was expected that people from different race and age groups, experience levels and employment contracts would have different experiences and therefore influence their attitudes towards the employment environment would be different.

4.3 POPULATION AND SAMPLING

The population consisted of a specific department within one financial institution in South Africa, which is responsible for the collection of funds on accounts that are in arrears. The population consisted of 492 employees who are employed within this department, 311 of these employees being employed permanently and 181 on a temporary basis. During July 2008 391 employees received incentive payments for achieving certain targets that were set for the quarter ending 30 June 2008, 85 of these employees were temporary employees. All the employees perform similar functions, being the collection of monies on accounts that are in arrears.

Four hundred and sixty questionnaires were handed to 4 managers, who distributed it to employees in their areas of responsibility. The sampling process used was one of convenience. Two-hundred-and-fifty-one responses were received back, being 51% of the population and 55% of the questionnaires distributed.

4.4 RESEARCH INSTRUMENT

Questionnaires were handed out for completion. A pre-test of 28 responses was conducted. The pre-test was given to the management team based on the premise that they should be able to identify any misunderstandings or ambiguities within the questions. A further benefit from using the management team to test that questionnaire was that they assisted in the distribution and collection of completed questionnaires to and from respondents. This method was used so that control could be exercised; secondly most of the respondents do not have access to e-mail. The questionnaires were pre-numbered to refer back to these in case anomalies are detected after the capturing process. This also enabled the researcher to track of the questionnaires handed out and received back. Even though confidentiality was ensured through anonymity, 5 respondents tore the numbering of the questionnaires.

The questionnaire was mainly based on the research conducted by Marsden, French and Kubo (2001) within the British Public Services. The questionnaire took the form of an easily administered Likert scale (Zikmund, 2003) to measure employee attitudes towards the incentive scheme. The aim would be to establish if the incentive scheme motivated them to perform better. It measured

the effect of relationships within the work environment as well as commitment to the organisation (Marsden et al., 2001). The questionnaire was extended to include questions regarding employees' fairness perception and job satisfaction by using questions from the research on fairness perceptions done by Jansen (2001). The last part of the questionnaire was an adaptation of the study conducted by Brownell and McInnes (1986). This was aimed at being a measurement of employee motivation, listing 18 statements which respondents were asked in an attempt to assess how important each of these statements are to them. The second part of the question required respondents to indicate how satisfied they were with the list of statements. A copy of the questionnaire is contained in Appendix A.

The responses of the completed questionnaires were captured in an Excel spreadsheet for analysis. One-hundred-and-ninety-eight questionnaires did not complete all the questions, this equates to 1,319 instances out of a potential 17,823 or 6.84%. In other instances multiple options were marked per question, 72 instances or 0.37%. Two surveys were photocopied, but incompletely resulting in only some of the questions answered. Jointly there were 78 or 0.4% questions not answered. One of the responses was disregarded for the statistical analysis as all of the questions were answered "1", strongly disagree, very dissatisfied and not at all important.

4.5 DATA ANALYSIS

The descriptive statistics of completed and returned questionnaires was compared to the population, to establish whether the responses received were

representative of the population. This allowed for inferences to be made to the population as well as for avoiding sampling error. These also served as independent variables to explain the dependant variables. The independent variables in this survey were: gender, age, race, incentive received, type of employment contract and hierarchical level within the organisation. The dependent variables were general attitude statements toward pay-for-performance, commitment, job satisfaction, motivation, team work and performance appraisal. The statements will be grouped in the categories mentioned and then analysed according to hypothesis as stated before.

The hypotheses were proved using hypothesis testing methodology. The data was analysed through statistical software. The one-way analysis of variance was used, as this measures the difference between the means of more than two populations as is the case in most of the instances. The statistically significant figures that were considered are the F-Ratio in the analysis of variance table and the Chi-Square Value in the Kruskal-Wallis One-Way ANOVA on Ranks (NCSS, 2005).

The F-Ratio is a ratio between the mean squares of two populations divided by their degrees of freedom, which is the number of observations less 1. According to the help function within the software (NCSS, 2005), Kruskal-Wallis One-Way ANOVA of Ranks is a “nonparametric substitute for the one-way ANOVA when the assumption of normality is not valid. When in doubt about normality, play it safe and use this test.” It compares the medians of populations as opposed to means. The chi-square test is a comparison of histograms, it compares the

observed histogram and a histogram based on normality (Albright, Winston and Zappe, 2006). Within the software adjustments are made for “ties” or repeated values, the figure corrected for ties are used for decision making purposes. In both cases the p-value was used to establish whether to accept or reject the null hypothesis. The p-value is the probability of observing a sample result at least as extreme as the one actually observed. A significance level, or the size of the rejection region, that was used is 0.05; traditionally 0.05 is chosen by analysts for statistical analysis (Albright, et al., 2006).

When the null hypothesis was rejected, boxplots were used to identify which variable had a significantly different mean or median from the other subgroups. The tests mentioned earlier, only identifies if there is a difference or not in the means or medians of populations. Boxplots are a graphical summary of descriptive statistics of one variable and could be a visual comparison between more than one variable.

4.6 RESEARCH LIMITATIONS

As open ended questions were not included in the questionnaire, respondents did not have the opportunity to expand and explain the reasoning for their choice of answer. The finer nuances relating to the topic was therefore not identified as it is not supported by using this type of questionnaire.

The survey is conducted within one organisation, resulting in the opinions of the respondents being specific to one organisation as well as being biased towards

the specific incentive scheme and can therefore not be used for incentive schemes in general.

Teams are not identified individually, which does not allow for identification for problems that can be experienced as a result of the management style of specific individuals, which plays a large role in the experiences of employees.

5. RESULTS

5.1 INTRODUCTION

This chapter is a presentation of the results of the research that was conducted. Two-hundred-and-fifty-one responses were received from the survey. The data was captured in a spreadsheet and the demographic variables were coded for analytical purposes, the coding key is available in Appendix B. The responses were compared to the population to infer the results to the total population. The characteristics of the population are detailed in the graphs that follow. The age, experience and earning information relating to the temporary employees of the population was not available. A comparison was therefore made between the population information available, the sample information, excluding the temporary employee information and the information pertaining to all the responses received.

FIGURE 1: AGE: POPULATION VS. SAMPLE

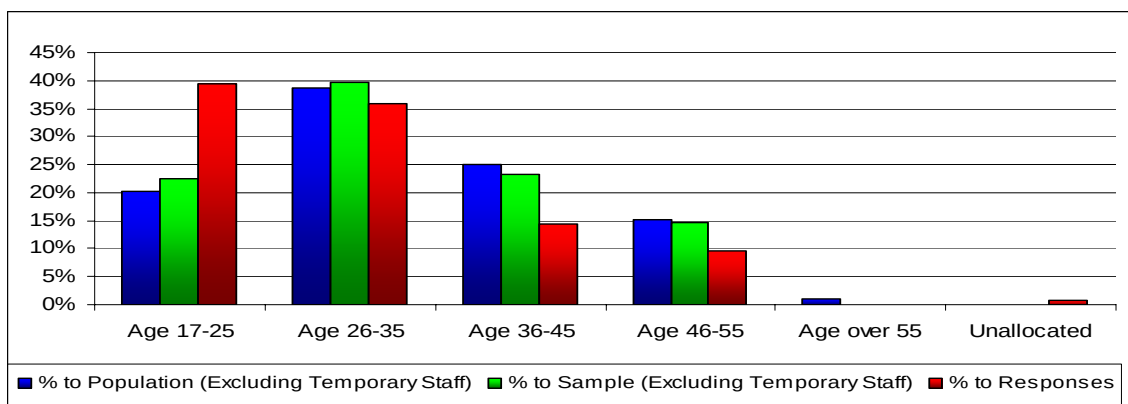


FIGURE 2: EMPLOYMENT CONTRACT: POPULATION VS. SAMPLE

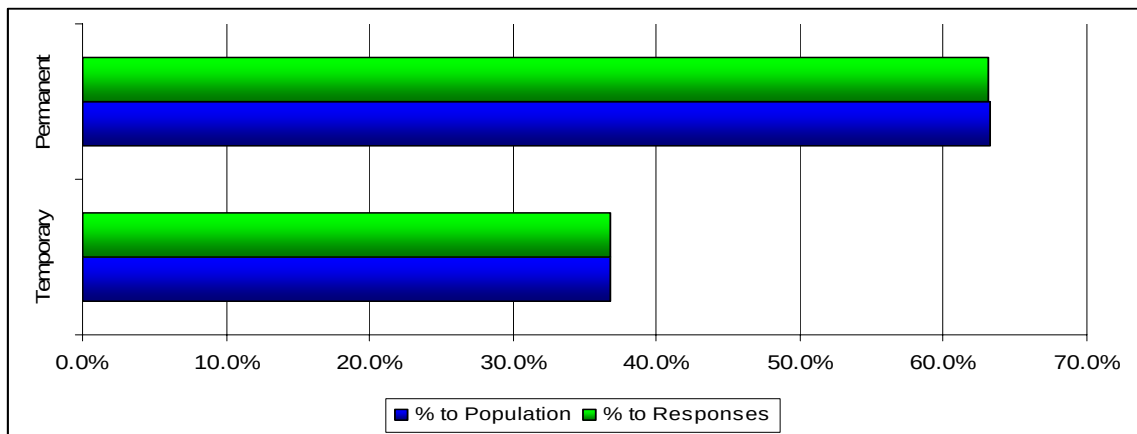
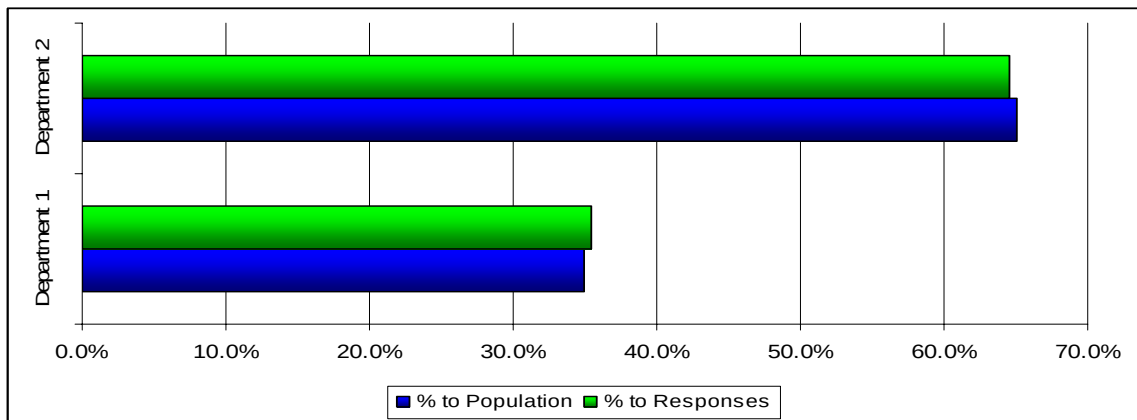


FIGURE 3: DEPARTMENT: POPULATION VS. SAMPLE



The department information was obtained through a pre-numbering system. These questionnaires were handed to a designated person within the department for the use of the specific department. All employees within department 2, who qualified for incentive payments, with the main qualifying criteria being to have been employed within the area for a specified time period, received incentive payments. None of the employees in department 1 received incentive payments. Respondents were asked specifically to indicate if they did receive incentive payments or not. Six respondents of department 1 indicated that they did receive incentive payments and fifteen employees within department 2 specified that they did not receive incentive payments. These

might be employees who transferred between the departments, misunderstood the question, made a mistake on completion of the field or joined the organisation after the incentive payment. The incentive payment was not compared to the population, but is only a reflection of the distribution. Although all the statistical information was calculated for this subgroup it is not presented in the body of the report. It is however available for information purposes in Appendix C.

FIGURE 4: DISTRIBUTION OF EMPLOYEES WHO RECEIVED INCENTIVE PAYMENT OR NOT

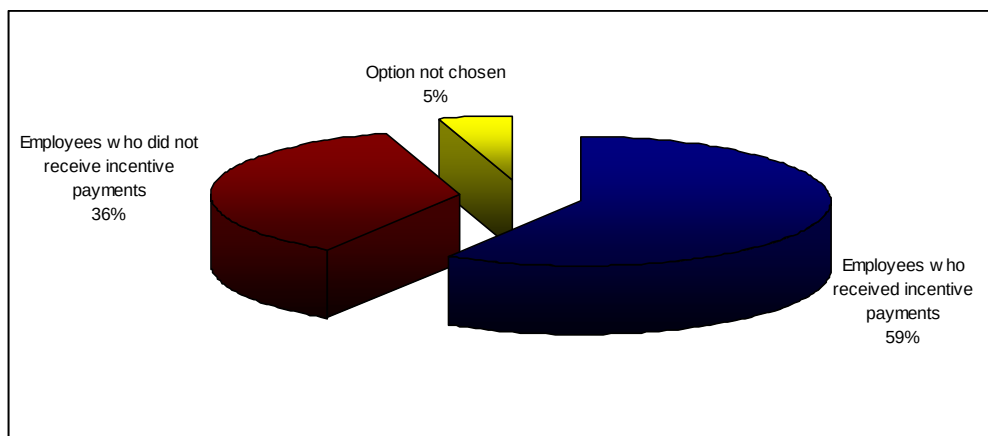


FIGURE 5: RACE: POPULATION VS. SAMPLE

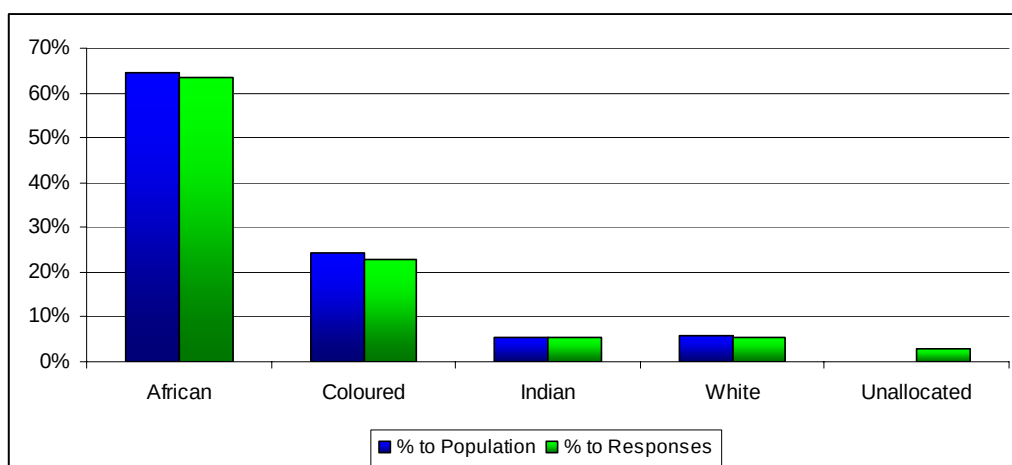


FIGURE 6: GENDER: POPULATION VS. SAMPLE

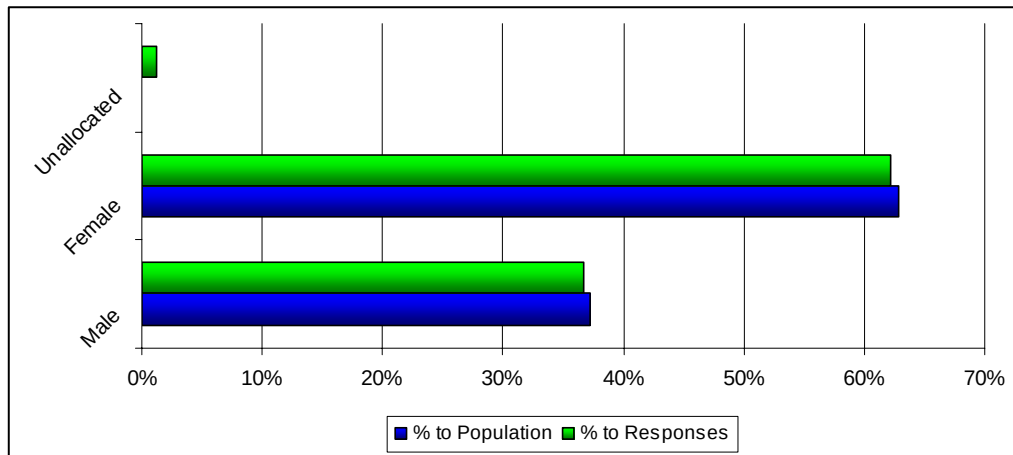


FIGURE 7: EARNING: POPULATION VS. SAMPLE

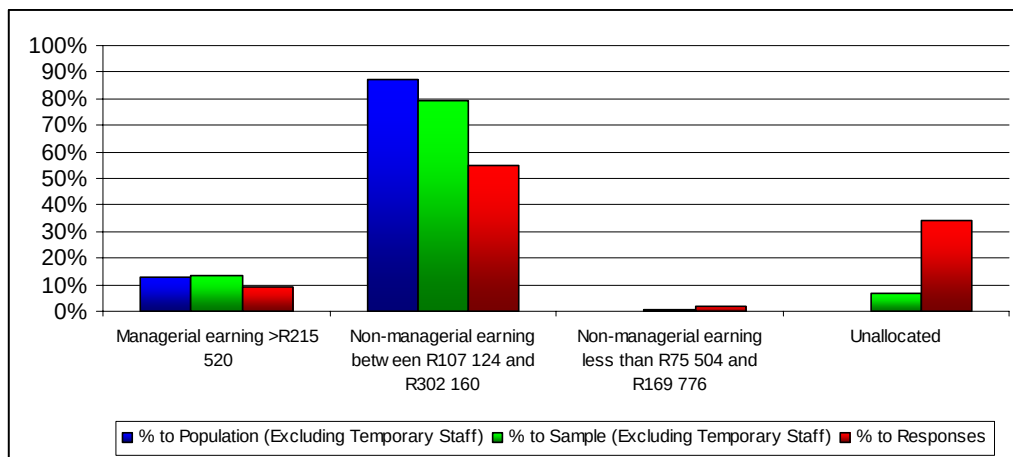
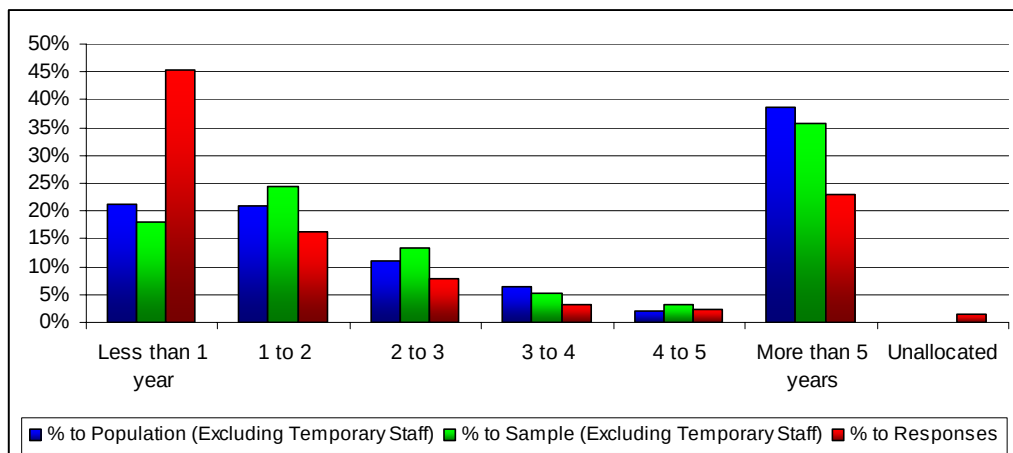


FIGURE 8: EXPERIENCE: POPULATION VS. SAMPLE



The information that follows are set out in sections identified through out this report and will answer the hypothesis relating to that specific section. The statistical information relating to the race and gender subgroups have also been reflected in Appendix C, as the differences between the means and medians of these subgroups were very rarely significant.

5.2 MOTIVATION

Respondents were asked to rate each of the following 17 statements firstly in terms of importance and then how satisfied they currently are with these factors in their current role. The statements are allocated in intrinsic motivators and extrinsic motivators and are set out in table 1 (Brownell and McInnes, 1986).

TABLE 1: LIST OF EXTRINSIC AND INTRINSIC MOTIVATORS FROM QUESTIONNAIRE

Extrinsic Motivators	Intrinsic Motivators
Pay rise	Personal growth and development
High pay	Setting higher standards for yourself
Respect from boss	Giving help to other
Respect from peers	Time at work passing fast
More compliments	Feelings of security
Greater independence	Setting higher standards for others
Making friends at work	Feelings of accomplishment
Special awards	Feeling less tired at work
Promotion	

The null hypothesis HO (1a): There is no significant difference in the means or medians of the subgroups age in terms of motivation. The statistical information follows in table 1A.

TABLE 1A: STATISTICAL INFORMATION FOR SUBGROUP – AGE RELATING TO MOTIVATION

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Importance of Pay rise	Age	0.35	0.8469	1.6102	0.8070	Accept
Importance of High pay	Age	0.81	0.5171	5.0206	0.2852	Accept
Importance of Respect from boss	Age	1.58	0.1804	7.1866	0.1264	Accept
Importance of Respect from peers	Age	0.93	0.4491	3.7491	0.4410	Accept
Importance of Compliments	Age	1.84	0.1228	6.5410	0.1622	Accept
Importance of Independence	Age	1.59	0.1774	5.1124	0.2760	Accept
Importance of Making friends at work	Age	0.78	0.5412	2.9519	0.5659	Accept
Importance of Special awards	Age	0.49	0.7456	2.8423	0.5846	Accept
Importance of Promotion	Age	2.19	0.0710	8.6828	0.0695	Accept
Importance of Setting higher standards for yourself	Age	2.06	0.0871	7.1446	0.1284	Accept
Importance of Giving help to others	Age	0.84	0.5033	1.5215	0.8228	Accept
Importance of Time at work passing fast	Age	0.69	0.5990	2.9653	0.5637	Accept
Importance of Feeling of security	Age	1.34	0.2559	5.4313	0.2458	Accept
Importance of Setting higher standards for others	Age	0.27	0.8950	0.9574	0.9162	Accept
Importance of Feeling of accomplishment	Age	0.26	0.9033	1.4122	0.8421	Accept
Importance of Feeling less tired at work	Age	0.04	0.9964	1.1587	0.8849	Accept
Satisfaction with Pay rise	Age	2.27	0.0634	8.9902	0.0613	Accept
Satisfaction with High pay	Age	1.96	0.1021	6.4484	0.1681	Accept
Satisfaction with Respect from boss	Age	1.21	0.3074	4.1087	0.3915	Accept
Satisfaction with Respect from peers	Age	1.19	0.3142	5.3611	0.2522	Accept
Satisfaction with Compliments	Age	1.15	0.3359	4.5901	0.3320	Accept
Satisfaction with Independence	Age	1.20	0.3103	4.5589	0.3356	Accept
Satisfaction with Making friends at work	Age	0.97	0.4258	3.6943	0.4490	Accept
Satisfaction with Special awards	Age	1.46	0.2143	5.5396	0.2363	Accept
Satisfaction with Promotion	Age	1.84	0.1229	7.4650	0.1133	Accept
Satisfaction with Personal growth and development	Age	1.06	0.3750	4.2448	0.3739	Accept
Satisfaction with Setting higher standards for yourself	Age	1.35	0.2510	4.4160	0.3526	Accept
Satisfaction with Time at work passing fast	Age	1.30	0.2723	5.0477	0.2824	Accept
Satisfaction with Feeling of security	Age	1.85	0.1200	7.6232	0.1064	Accept
Satisfaction with Feeling of accomplishment	Age	1.29	0.2768	5.2392	0.2636	Accept
Satisfaction with Feeling less tired at work	Age	0.86	0.4871	3.3419	0.5023	Accept
Satisfaction with Giving help to others	Age	2.24	0.0656	9.6025	0.0477	Accept
Importance of Personal growth and development	Age	3.57	0.0076	13.0922	0.0108	Reject
Satisfaction with Setting higher standards for others	Age	3.36	0.0109	12.5179	0.0139	Reject

The majority of the statements have a p-value greater than the significance level of 0.05, the null hypothesis H_0 (1a) is therefore accepted. There is no significant difference in the means and medians of the subgroups according to age relating to motivation. The boxplots relating to the rejected hypotheses are contained in Appendix D.

The null hypothesis HO (1b): There is no significant difference in the means or medians of the subgroups for department in terms of motivation. The statistical information is contained in table 1B.

The majority of the statements have a p-value greater than the significance level of 0.05, the null hypothesis HO (1b) is therefore accepted. There is no significant difference in the means and medians of the departmental subgroups relating to motivation. The boxplots relating to the rejected hypothesis are contained in Appendix D.

The null hypothesis HO (1c): There is no significant difference in the means or medians of the subgroups for earnings in terms of motivation. The statistical information relating to this hypothesis is detailed in table 1C.

The null hypothesis HO (1c) is accepted as the majority of the statement have a probability value of more the 0.05. Therefore there is no significant difference in the means and medians of the subgroup for earnings in terms of motivation. The boxplots for the rejected hypotheses are contained in Appendix D.

TABLE 1B: STATISTICAL INFORMATION FOR SUBGROUP – DEPARTMENT RELATING TO MOTIVATION

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Importance of Pay rise	Department	0.32	0.5742	0.5896	0.4426	Accept
Importance of High pay	Department	0.02	0.8753	0.0773	0.7810	Accept
Importance of Respect from boss	Department	-	0.9621	0.3678	0.5442	Accept
Importance of Respect from peers	Department	0.42	0.5179	0.1899	0.6630	Accept
Importance of Compliments	Department	0.02	0.8831	0.0129	0.9096	Accept
Importance of Independence	Department	0.19	0.6597	0.0091	0.9240	Accept
Importance of Making friends at work	Department	1.19	0.2756	1.4088	0.2353	Accept
Importance of Special awards	Department	0.01	0.9277	0.1740	0.6766	Accept
Importance of Promotion	Department	0.22	0.6406	0.1309	0.7175	Accept
Importance of Personal growth and development	Department	1.83	0.1775	1.9649	0.1610	Accept
Importance of Setting higher standards for yourself	Department	0.16	0.6874	0.1910	0.6620	Accept
Importance of Giving help to others	Department	1.51	0.2207	1.1461	0.2844	Accept
Importance of Time at work passing fast	Department	1.67	0.1978	1.6721	0.1960	Accept
Importance of Feeling of security	Department	3.22	0.0739	3.1997	0.0737	Accept
Importance of Setting higher standards for others	Department	1.66	0.1984	1.3026	0.2537	Accept
Importance of Feeling of accomplishment	Department	0.86	0.3536	0.5805	0.4461	Accept
Satisfaction with Pay rise	Department	0.59	0.4420	0.6552	0.4183	Accept
Satisfaction with High pay	Department	0.31	0.5771	0.2439	0.6214	Accept
Satisfaction with Respect from boss	Department	0.65	0.4201	0.9285	0.3353	Accept
Satisfaction with Respect from peers	Department	-	0.9761	0.0120	0.9128	Accept
Satisfaction with Compliments	Department	0.38	0.5395	0.2659	0.6061	Accept
Satisfaction with Independence	Department	0.05	0.8188	0.0231	0.8792	Accept
Satisfaction with Making friends at work	Department	1.26	0.2625	1.2839	0.2572	Accept
Satisfaction with Promotion	Department	3.15	0.0773	3.3828	0.0659	Accept
Satisfaction with Personal growth and development	Department	0.67	0.4152	0.8484	0.3570	Accept
Satisfaction with Setting higher standards for yourself	Department	0.88	0.3490	0.5215	0.4702	Accept
Satisfaction with Giving help to others	Department	2.77	0.0976	1.7004	0.1922	Accept
Satisfaction with Time at work passing fast	Department	0.15	0.7020	0.0267	0.8702	Accept
Satisfaction with Feeling of security	Department	0.41	0.5203	0.3918	0.5313	Accept
Satisfaction with Setting higher standards for others	Department	0.10	0.7493	0.2397	0.6244	Accept
Satisfaction with Feeling of accomplishment	Department	0.29	0.5934	0.2376	0.6259	Accept
Satisfaction with Feeling less tired at work	Department	0.31	0.5806	0.3530	0.5524	Accept
Importance of Feeling less tired at work	Department	4.01	0.0463	2.3787	0.1230	Accept
Satisfaction with Special awards	Department	4.14	0.0431	4.4874	0.0341	Reject

TABLE 1C: STATISTICAL INFORMATION FOR EARNING SUBGROUP - MOTIVATION

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Importance of Pay rise	Earnings	0.18	0.9111	0.4351	0.9329	Accept
Importance of High pay	Earnings	1.22	0.3036	3.6922	0.2967	Accept
Importance of Respect from boss	Earnings	0.84	0.4743	4.0139	0.2600	Accept
Importance of Respect from peers	Earnings	0.73	0.5362	1.8829	0.5971	Accept
Importance of Compliments	Earnings	1.91	0.1280	5.2994	0.1511	Accept
Importance of Independence	Earnings	1.81	0.1456	4.3949	0.2219	Accept
Importance of Making friends at work	Earnings	0.31	0.8150	0.8333	0.8415	Accept
Importance of Special awards	Earnings	0.95	0.4148	1.9847	0.5756	Accept
Importance of Personal growth and development	Earnings	0.92	0.4302	4.2572	0.2350	Accept
Importance of Setting higher standards for yourself	Earnings	0.54	0.6572	2.7921	0.4248	Accept
Importance of Giving help to others	Earnings	1.44	0.2314	4.9737	0.1737	Accept
Importance of Time at work passing fast	Earnings	0.05	0.9849	0.1588	0.9840	Accept
Importance of Feeling of security	Earnings	0.84	0.4742	3.3379	0.3424	Accept
Importance of Setting higher standards for others	Earnings	0.90	0.4416	2.6662	0.4460	Accept
Importance of Feeling of accomplishment	Earnings	0.77	0.5102	2.0938	0.5532	Accept
Importance of Feeling less tired at work	Earnings	0.94	0.4215	4.6461	0.1996	Accept
Satisfaction with Pay rise	Earnings	2.54	0.0576	7.1321	0.0678	Accept
Satisfaction with Respect from peers	Earnings	0.81	0.4890	2.4917	0.4768	Accept
Satisfaction with Compliments	Earnings	2.19	0.0905	6.7170	0.0815	Accept
Satisfaction with Making friends at work	Earnings	1.50	0.2169	4.4920	0.2130	Accept
Satisfaction with Promotion	Earnings	1.28	0.2840	5.1426	0.1617	Accept
Satisfaction with Personal growth and development	Earnings	0.96	0.4117	2.9148	0.4050	Accept
Satisfaction with Setting higher standards for yourself	Earnings	1.95	0.1221	4.6217	0.2017	Accept
Satisfaction with Giving help to others	Earnings	0.34	0.8000	0.7785	0.8546	Accept
Satisfaction with Time at work passing fast	Earnings	1.32	0.2692	5.3831	0.1458	Accept
Satisfaction with Feeling of accomplishment	Earnings	0.60	0.6151	1.7081	0.6351	Accept
Satisfaction with Feeling less tired at work	Earnings	0.58	0.6320	1.2572	0.7393	Accept
Importance of Promotion	Earnings	2.42	0.0672	7.9312	0.0475	Accept
Satisfaction with Special awards	Earnings	2.65	0.0502	7.9308	0.0475	Reject
Satisfaction with High pay	Earnings	2.85	0.0388	7.9383	0.0473	Reject
Satisfaction with Respect from boss	Earnings	5.23	0.0017	13.1227	0.0044	Reject
Satisfaction with Independence	Earnings	3.60	0.0144	8.5912	0.0353	Reject
Satisfaction with Feeling of security	Earnings	3.50	0.0165	11.1505	0.0109	Reject
Satisfaction with Setting higher standards for others	Earnings	3.11	0.0273	9.9111	0.0193	Reject

Null hypothesis HO (1d): There are no significant differences in the means and medians of the sub group employment contract regarding motivation. The statistical information is enclosed in table 1D.

TABLE 1D: STATISTICAL INFORMATION FOR THE EMPLOYMENT CONTRACT RE: MOTIVATION

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Importance of Pay rise	Employment Contract	0.02	0.9847	0.1664	0.9202	Accept
Importance of High pay	Employment Contract	0.27	0.7600	0.6440	0.7247	Accept
Importance of Respect from boss	Employment Contract	0.23	0.7915	2.4079	0.3000	Accept
Importance of Respect from peers	Employment Contract	1.31	0.2715	2.7524	0.2525	Accept
Importance of Compliments	Employment Contract	0.47	0.6279	1.3691	0.5043	Accept
Importance of Independence	Employment Contract	0.72	0.4900	0.6416	0.7256	Accept
Importance of Making friends at work	Employment Contract	1.01	0.3672	1.9554	0.3762	Accept
Importance of Special awards	Employment Contract	2.00	0.1374	3.4408	0.1790	Accept
Importance of Setting higher standards for yourself	Employment Contract	2.50	0.0843	3.9378	0.1396	Accept
Importance of Giving help to others	Employment Contract	2.04	0.1318	3.7453	0.1537	Accept
Importance of Time at work passing fast	Employment Contract	0.20	0.8179	0.7468	0.6884	Accept
Importance of Feeling of security	Employment Contract	2.21	0.1124	5.0220	0.0812	Accept
Importance of Setting higher standards for others	Employment Contract	1.29	0.2780	2.6448	0.2665	Accept
Importance of Feeling of accomplishment	Employment Contract	0.21	0.8073	0.3264	0.8494	Accept
Importance of Feeling less tired at work	Employment Contract	0.02	0.9825	0.6166	0.7347	Accept
Satisfaction with Pay rise	Employment Contract	0.18	0.8336	0.2088	0.9009	Accept
Satisfaction with High pay	Employment Contract	0.62	0.5390	0.8794	0.6442	Accept
Satisfaction with Respect from peers	Employment Contract	2.06	0.1296	4.2796	0.1177	Accept
Satisfaction with Special awards	Employment Contract	1.24	0.2911	2.0532	0.3582	Accept
Satisfaction with Promotion	Employment Contract	0.48	0.6184	1.0033	0.6055	Accept
Satisfaction with Personal growth and development	Employment Contract	0.28	0.7598	0.5995	0.7410	Accept
Satisfaction with Setting higher standards for yourself	Employment Contract	2.76	0.0659	5.6721	0.0587	Accept
Satisfaction with Giving help to others	Employment Contract	0.93	0.3957	2.3034	0.3161	Accept
Satisfaction with Time at work passing fast	Employment Contract	0.17	0.8407	0.4691	0.7909	Accept
Satisfaction with Setting higher standards for others	Employment Contract	0.05	0.9541	0.0029	0.9985	Accept
Satisfaction with Feeling of accomplishment	Employment Contract	1.82	0.1653	5.0149	0.0815	Accept
Importance of Promotion	Employment Contract	4.35	0.0140	9.2091	0.0100	Reject
Importance of Personal growth and development	Employment Contract	3.89	0.0217	8.9057	0.0116	Reject
Satisfaction with Respect from boss	Employment Contract	9.16	0.0002	16.0154	0.0003	Reject
Satisfaction with Compliments	Employment Contract	4.33	0.0144	8.6559	0.0132	Reject
Satisfaction with Independence	Employment Contract	5.52	0.0046	9.1203	0.0105	Reject
Satisfaction with Making friends at work	Employment Contract	4.00	0.0197	8.3345	0.0155	Reject
Satisfaction with Feeling of security	Employment Contract	3.37	0.0363	8.8940	0.0117	Reject
Satisfaction with Feeling less tired at work	Employment Contract	5.09	0.0069	10.3570	0.0056	Reject

The null hypothesis HO (1d) is accepted as most of the p-values are greater than the significance level of 0.05. There are no significant differences in the means and medians of the subgroups for employment contracts in relation to motivation. The boxplots for the rejected hypotheses are contained in Appendix D.

Null hypothesis HO (1e): There is no significant difference in the means and medians of the experience subgroups in terms of motivation. Statistical information relating to this hypothesis follows in table 1E.

TABLE 1E: STATISTICAL INFORMATION FOR SUBGROUP EXPERIENCE IN TERMS OF MOTIVATION

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Importance of Pay rise	Experience	0.24	0.9638	2.7703	0.8371	Accept
Importance of High pay	Experience	0.33	0.9205	1.8265	0.9349	Accept
Importance of Respect from boss	Experience	1.87	0.0875	6.6835	0.3511	Accept
Importance of Respect from peers	Experience	0.90	0.4979	5.5885	0.4708	Accept
Importance of Compliments	Experience	1.33	0.2430	6.7554	0.3441	Accept
Importance of Independence	Experience	0.93	0.4744	5.1764	0.5214	Accept
Importance of Making friends at work	Experience	1.39	0.2200	6.3875	0.3812	Accept
Importance of Special awards	Experience	1.49	0.1839	6.7666	0.3430	Accept
Importance of Setting higher standards for yourself	Experience	1.25	0.2806	6.8084	0.3389	Accept
Importance of Giving help to others	Experience	1.42	0.2079	8.0897	0.2316	Accept
Importance of Time at work passing fast	Experience	1.04	0.3989	6.7982	0.3399	Accept
Importance of Feeling of security	Experience	0.82	0.5565	6.3949	0.3804	Accept
Importance of Setting higher standards for others	Experience	1.24	0.2850	6.3486	0.3853	Accept
Importance of Feeling of accomplishment	Experience	0.38	0.8944	1.6212	0.9510	Accept
Importance of Feeling less tired at work	Experience	0.33	0.9234	0.9309	0.9881	Accept
Satisfaction with Respect from boss	Experience	1.60	0.1478	7.4244	0.2834	Accept
Satisfaction with Respect from peers	Experience	0.91	0.4918	6.0497	0.4176	Accept
Satisfaction with Independence	Experience	1.55	0.1642	5.7526	0.4515	Accept
Satisfaction with Special awards	Experience	0.98	0.4378	5.9488	0.4290	Accept
Satisfaction with Promotion	Experience	0.82	0.5557	6.1887	0.4024	Accept
Satisfaction with Personal growth and development	Experience	1.58	0.1542	9.2784	0.1585	Accept
Satisfaction with Setting higher standards for yourself	Experience	1.11	0.3585	5.1298	0.5273	Accept
Satisfaction with Giving help to others	Experience	0.77	0.5970	5.1603	0.5234	Accept
Satisfaction with Time at work passing fast	Experience	1.81	0.0994	10.5219	0.1043	Accept
Satisfaction with Feeling of security	Experience	1.26	0.2756	7.8271	0.2510	Accept
Satisfaction with Setting higher standards for others	Experience	1.10	0.3639	6.8215	0.3377	Accept
Satisfaction with Feeling of accomplishment	Experience	0.78	0.5892	4.3847	0.6248	Accept
Satisfaction with Feeling less tired at work	Experience	1.82	0.0962	10.3515	0.1106	Accept
Satisfaction with High pay	Experience	1.88	0.0863	13.0331	0.0425	Accept
Importance of Promotion	Experience	2.28	0.0372	12.7898	0.0465	Reject
Importance of Personal growth and development	Experience	2.50	0.0232	12.6389	0.0491	Reject
Satisfaction with Pay rise	Experience	2.67	0.0164	17.8915	0.0065	Reject
Satisfaction with Compliments	Experience	2.50	0.0235	14.8016	0.0219	Reject
Satisfaction with Making friends at work	Experience	2.62	0.0181	14.3593	0.0259	Reject

The null hypothesis is accepted as the statement hypotheses are generally accepted, with p-values greater than the significance level of 0.05. The box plots for the rejected statement hypotheses are in Appendix D.

5.3 JOB SATISFACTION

The perceptions of employees were measured through seven statements relating to job satisfaction. They were requested to indicate their satisfaction to the following statements:

- Their work performance
- The quality of their work performance
- The way they perform their work
- The way in which they carry out their work activities
- Their relationship with their immediate supervisor
- The support that they get from their immediate supervisor
- The support that they give to their immediate supervisor

Null hypothesis HO (2a): There is no significant difference in the means and medians of the subgroups for age in terms of job satisfaction. The statistical analysis for this hypothesis is enclosed in table 2A.

TABLE 2A: STATISTICAL INFORMATION FOR SUBGROUP – AGE IN TERMS OF JOB SATISFACTION

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
The support that you give to your team leader	Age	0.57	0.6820	1.5783	0.8127	Accept
Your work performance	Age	1.11	0.3521	3.2615	0.5151	Accept
The quality of your work performance	Age	0.96	0.4296	3.1759	0.5288	Accept
The way you perform your work	Age	0.23	0.9191	0.9409	0.9186	Accept
The way you carry out your work activities	Age	0.42	0.7961	1.5938	0.8099	Accept
Your relationship with your team leader	Age	0.57	0.6871	1.7298	0.7853	Accept
The support you get from your team leader	Age	0.32	0.8628	2.3297	0.6754	Accept

The null hypothesis HO (2a) is accepted as the probability is greater than the significance level of 0.05. There is no significant difference in the means and medians of the subgroup for ages in terms of job satisfaction.

Null hypothesis HO (2b): There is no significant difference in the means and medians of the departmental subgroups relating to job satisfaction. The statistical information for these statements follows in table 2B.

TABLE 2B: STATISTICAL INFORMATION FOR DEPARTMENTAL SUBGROUP RELATING TO JOB SATISFACTION

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Your work performance	Department	1.11	0.2940	0.9370	0.3330	Accept
The quality of your work performance	Department	0.37	0.5430	0.1777	0.6734	Accept
The way you perform your work	Department	2.15	0.1437	1.8913	0.1691	Accept
The way you carry out your work activities	Department	0.05	0.8316	0.0161	0.8990	Accept
Your relationship with your team leader	Department	0.90	0.3437	0.5416	0.4618	Accept
The support you get from your team leader	Department	1.41	0.2355	1.1162	0.2907	Accept
The support that you give to your team leader	Department	1.11	0.2929	1.1496	0.2836	Accept

As all the statements have p-values greater than the significance level of 0.05 the hypothesis HO (2b) is accepted. There is no significant difference in the means and medians of the departmental subgroups in terms of job satisfaction.

Null hypothesis HO (2c): There is no significant difference in the means and medians of the subgroup for earnings in terms of job satisfaction. The statistical information is enclosed in table 2C.

Except for one statement all the statements have p-values greater than the significance level of 0.05, there for the null hypothesis H_0 (2c) is accepted. There is not significant difference in the means and medians of the subgroups for earnings in terms of job satisfaction. The boxplot for the rejected statement is available in Appendix D.

TABLE 2C: STATISTICAL INFORMATION FOR EARNING SUBGROUP RELATING TO JOB SATISFACTION

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
The way you carry out your work activities	Earnings	1.70	0.1666	5.0839	0.1658	Accept
Your relationship with your team leader	Earnings	1.06	0.3662	3.7558	0.2891	Accept
The support you get from your team leader	Earnings	1.38	0.2485	4.4643	0.2155	Accept
The support that you give to your team leader	Earnings	1.80	0.1481	4.8185	0.1856	Accept
Your work performance	Earnings	1.73	0.1617	4.2178	0.2389	Accept
The quality of your work performance	Earnings	1.15	0.3287	3.7624	0.2883	Accept
The support that you give to your team leader	Earnings	4.30	0.0056	11.2117	0.0106	Reject

Null hypothesis H_0 (2d): There is no significant difference in the means and medians of the employment contract subgroups relating to job satisfaction. Statistical information for this hypothesis is contained in table 2D.

TABLE 2D: STATISTICAL INFORMATION FOR EMPLOYMENT CONTRACT SUBGROUP RELATING TO JOB SATISFACTION

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
The support that you give to your team leader	Employment Contract	2.24	0.1089	3.3053	0.1915	Accept
Your work performance	Employment Contract	2.66	0.0721	4.1558	0.1252	Accept
The quality of your work performance	Employment Contract	1.35	0.2609	2.4970	0.2869	Accept
The way you perform your work	Employment Contract	2.69	0.0698	5.1453	0.0763	Accept
The way you carry out your work activities	Employment Contract	4.69	0.0100	7.5295	0.0232	Reject
Your relationship with your team leader	Employment Contract	7.73	0.0006	14.4435	0.0007	Reject
The support you get from your team leader	Employment Contract	5.80	0.0035	11.2790	0.0036	Reject

The null hypothesis HO (2d) is accepted as most of the statements have p-values greater than 0.05 – the significance level. There is no significant difference in the means and medians of the employment contract subgroup in terms of job satisfaction. Boxplots are available in Appendix D for the statements with p-values less than 0.05.

Null hypothesis HO (2e): There is no significant difference in the means and medians of the subgroups for experience in terms of job satisfaction. Statistical information for this hypothesis follows in table 2E.

TABLE 2E: STATISTICAL INFORMATION FOR EXPERIENCE SUBGROUP RELATING TO JOB SATISFACTION

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
The way you perform your work	Experience	1.68	0.1263	4.6651	0.5874	Accept
The way you carry out your work activities	Experience	0.50	0.8107	2.3258	0.8874	Accept
Your relationship with your team leader	Experience	0.43	0.8578	2.5755	0.8599	Accept
The support you get from your team leader	Experience	0.21	0.9719	1.2624	0.9737	Accept
The support that you give to your team leader	Experience	2.43	0.0268	9.0958	0.1683	Accept
Your work performance	Experience	2.26	0.0385	10.7194	0.0974	Accept
The quality of your work performance	Experience	0.88	0.5103	4.4381	0.6176	Accept

The null hypothesis HO (2e) is accepted as all the statements have p-values greater than the significance level of 0.05. There is no significance in the means and medians of the subgroups for experience in terms of job satisfaction.

5.4 COMMITMENT

Six statements were included in the questionnaire to measure the employees' attitude towards commitment. These are:

- Working in the organisation means a great deal to me
- I feel part of the family in my present department
- I would be very happy to spend the rest of my career with the organisation
- I do not feel emotionally attached to the organisation
- Whenever changes are made within the organisation employees usually lose out in the end
- By working in this department, I feel that I am contributing to an important function

Null hypothesis HO (3a): There is no significant difference in the means and medians of the age subgroups in terms of commitment. Statistical information relating to this hypothesis is contained in table 3A.

TABLE 3A: STATISTICAL ANALYSIS FOR THE AGE SUBGROUP IN TERMS OF COMMITMENT

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Working in the organisation means a great deal to me	Age	1.88	0.1138	6.8885	0.1419	Accept
I feel part of the family in my present department	Age	0.85	0.4970	3.2747	0.5130	Accept
I would be very happy to spend the rest of my career with the organisation	Age	1.61	0.1729	6.0210	0.1976	Accept
I do not feel emotionally attached to the organisation	Age	0.44	0.7823	1.7732	0.7774	Accept
Whenever changes are made in the organisation employees usually lose out in the end	Age	0.63	0.6418	2.5355	0.6383	Accept
By working in this department, I feel that I am contributing to an important function	Age	2.58	0.0380	7.2465	0.1234	Accept

As all the statements relating to commitment comparing the age subgroups have p-values greater than the significance level of 0.05, the null hypothesis HO (3a) is accepted. There is no significant difference between the means and medians of the subgroups for age in terms of commitment.

Null hypothesis HO (3b): There is no significant difference in the means and medians of the departmental subgroups in terms of commitment. Statistical information relating to this hypothesis is shown in table 3B.

TABLE 3B: STATISTICAL ANALYSIS OF DEPARTMENTAL SUBGROUPS IN TERMS OF COMMITMENT

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Working in the organisation means a great deal to me	Department	1.16	0.2823	0.7578	0.3840	Accept
I feel part of the family in my present department	Department	0.16	0.6933	0.4866	0.4854	Accept
I would be very happy to spend the rest of my career with the organisation	Department	0.03	0.8723	0.1043	0.7468	Accept
I do not feel emotionally attached to the organisation	Department	0.02	0.8867	0.0012	0.9724	Accept
Whenever changes are made in the organisation employees usually lose out in the end	Department	0.80	0.3716	0.7940	0.3729	Accept
By working in this department, I feel that I am contributing to an important function	Department	1.04	0.3092	1.0696	0.3010	Accept

All the statements relating to commitment for the departmental subgroups have p-values greater than the significance level of 0.05, therefore the null hypothesis HO (3b) is accepted. There is no significant difference in the means and medians of the departmental subgroup in terms of commitment.

Null hypothesis HO (3c): There is no significant difference in the means and medians of the earning subgroups relating to commitment. Statistical information relating to this hypothesis is contained in table 3C.

Only one of the statements relating to commitment of the earnings subgroups have a p-value greater than 0.05, all the other statements have p-values less than the significance level of 0.05. Therefore the null hypothesis HO (3c) is

rejected in favour of the alternate hypothesis. There is a significant difference in the means and medians of the earnings subgroups in terms of commitment.

TABLE 3C: STATISTICAL ANALYSIS OF EARNINGS SUBGROUPS IN TERMS OF COMMITMENT

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
I do not feel emotionally attached to the organisation	Earnings	0.47	0.7015	1.6772	0.6420	Accept
Working in the organisation means a great deal to me	Earnings	9.39	0.0000	25.8512	0.0000	Reject
I feel part of the family in my present department	Earnings	3.53	0.0156	10.1558	0.0173	Reject
I would be very happy to spend the rest of my career with the organisation	Earnings	8.90	0.0000	24.0592	0.0000	Reject
Whenever changes are made in the organisation employees usually lose out in the end	Earnings	4.83	0.0028	15.4756	0.0015	Reject
By working in this department, I feel that I am contributing to an important function	Earnings	3.07	0.0285	7.7531	0.0514	Reject

Boxplots (figure 1 C1 to figure 1 C5) are used to explain the differences in the means and medians of the earnings subgroups.

Null hypothesis HO (3d): There is no significant difference in the means and medians of the employment contract subgroups relating to commitment. The statistical information relating to this hypothesis is contained in table 3D.

As expected four out of the six statements have p-values less than the significance level of 0.05. The null hypothesis HO (3d) is rejected in favour of the alternate hypothesis. There is a significant difference in the means and medians of the employment contract subgroups relating to commitment. To understand where the differences occur boxplots (figure D1 to figure D2) are used.

FIGURE 1 C1: EARNINGS: QUESTION 14

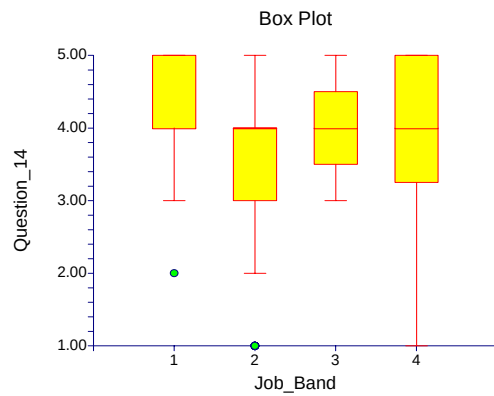


FIGURE 1 C2: EARNINGS: QUESTION 15

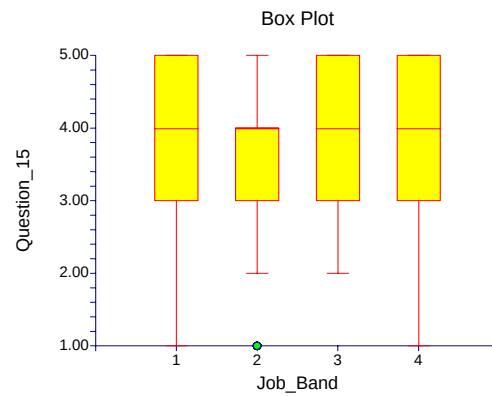


FIGURE 1 C3: EARNINGS: QUESTION 16

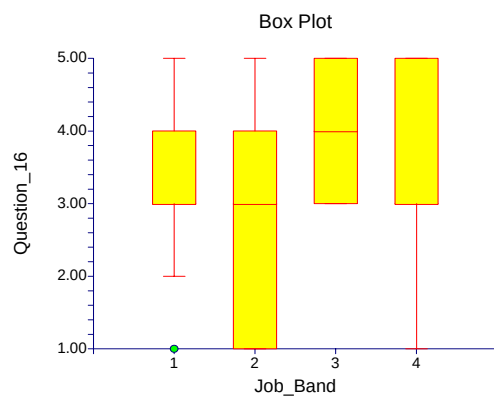


FIGURE 1 C4: EARNINGS: QUESTION 18

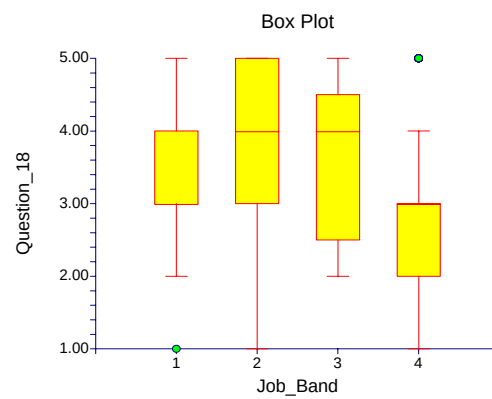


FIGURE 1 C5: EARNINGS: QUESTION 19

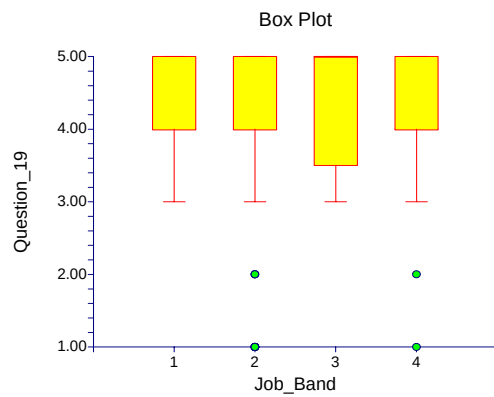


TABLE 3D: STATISTICAL ANALYSIS OF EMPLOYMENT CONTRACT SUBGROUPS IN TERMS OF COMMITMENT

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
I feel part of the family in my present department	Employment Contract	1.85	0.1600	4.0995	0.1288	Accept
I do not feel emotionally attached to the organisation	Employment Contract	0.28	0.7577	0.5467	0.7608	Accept
Working in the organisation means a great deal to me	Employment Contract	13.16	0.0000	26.9761	0.0000	Reject
I would be very happy to spend the rest of my career with the organisation	Employment Contract	16.64	-	29.8179	-	Reject
Whenever changes are made in the organisation employees usually lose out in the end	Employment Contract	4.84	0.0087	11.1336	0.0038	Reject
By working in this department, I feel that I am contributing to an important function	Employment Contract	5.41	0.0050	10.2473	0.0060	Reject

FIGURE 1 D1: EMPLOYMENT CONTRACT: QUESTION 14

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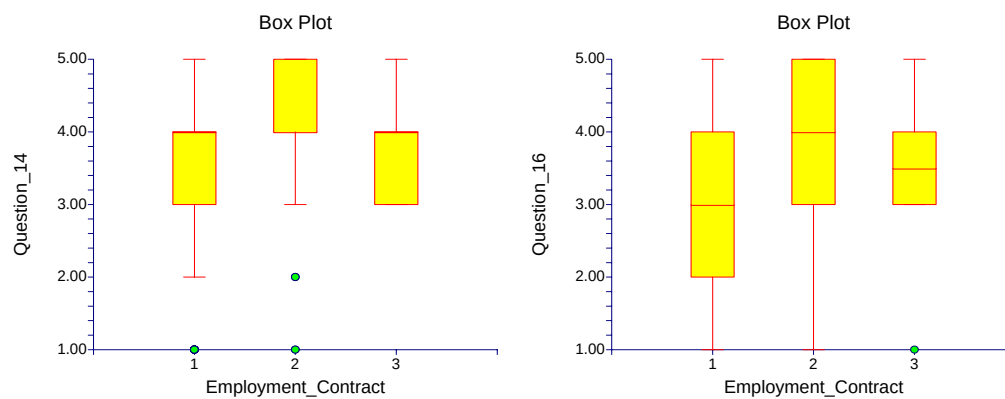
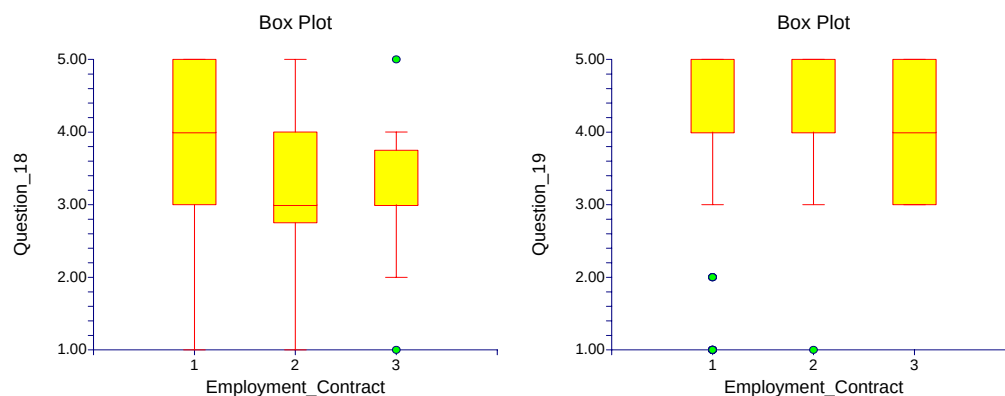


FIGURE 1 D3: EMPLOYMENT CONTRACT: QUESTION 18

19



Null hypothesis HO (3e): There is no significant difference in the means and medians of the experience subgroups in terms of commitment. The statistical information for this hypothesis is shown in table 3E.

TABLE 3E: STATISTICAL INFORMATION OF EXPERIENCE SUBGROUPS IN TERMS OF COMMITMENT

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
I do not feel emotionally attached to the organisation	Experience	1.64	0.1371	8.4207	0.2089	Accept
Working in the organisation means a great deal to me	Experience	8.00	-	35.7553	0.0000	Reject
I feel part of the family in my present department	Experience	3.07	0.0065	14.8499	0.0215	Reject
I would be very happy to spend the rest of my career with the organisation	Experience	6.17	0.0000	31.1247	0.0000	Reject
Whenever changes are made in the organisation employees usually lose out in the end	Experience	6.01	0.0000	34.2854	0.0000	Reject
By working in this department, I feel that I am contributing to an important function	Experience	3.79	0.0013	17.9641	0.0063	Reject

Except for one statement all statements have p-values less than the significance level of 0.05, therefore the null hypothesis HO (3e) is rejected. There is a significant difference in the means and medians of the experience subgroups. This is illustrated in boxplots (figure 3 E1 to figure 3 E5).

FIGURE 3 E1: EXPERIENCE: QUESTION 14

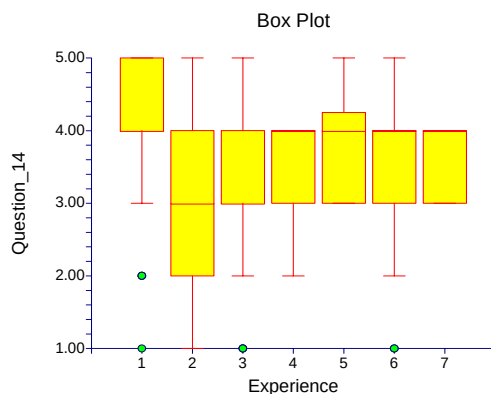


FIGURE 3 E2: EXPERIENCE: QUESTION 15

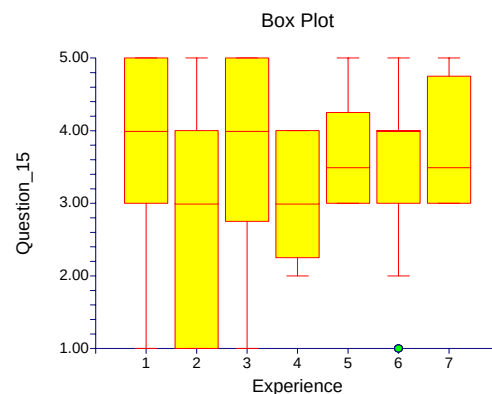


FIGURE 3 E3: EXPERIENCE: QUESTION 16

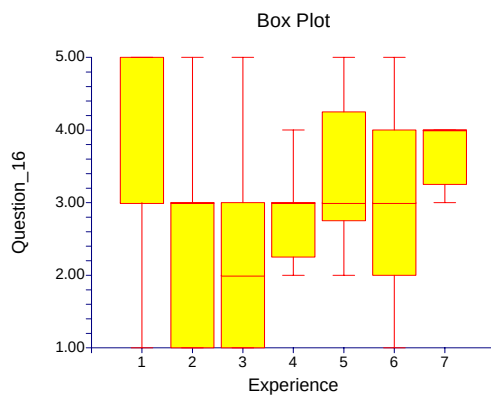


FIGURE 3 E4: EXPERIENCE: QUESTION 18

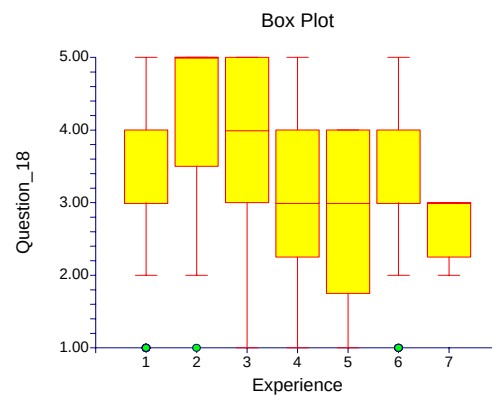
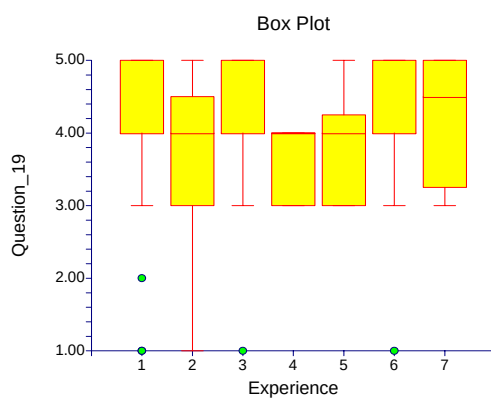


FIGURE 3 E5: EXPERIENCE: QUESTION 19



5.5 TEAM WORK

For team work the results for three statements were considered to draw conclusions on this subject, which were as follow:

- Performance Related Pay causes jealousies among staff
- Performance Related Pay is bad for team work
- Performance Related Pay has made me less willing to cooperate with management

Null Hypothesis H0 (4a): There is no significant difference in the means or medians of the departmental subgroups in terms of team work. The statistical results of this null hypothesis are contained in table 4A.

TABLE 4A: RESULTS OF TEAM WORK STATEMENTS FOR THE SUBGROUPS - DEPARTMENT

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
PRP causes jealousies among staff	Department	1.62	0.2039	1.5528	0.2127	Accept
PRP is bad for team working	Department	0.10	0.7494	0.1371	0.7111	Accept
PRP has made me less willing to cooperate with management	Department	1.66	0.1984	1.0937	0.2956	Accept

As the P-values in all three instances are higher than the significance level of 0.05, the null hypothesis HO (4a) is accepted, therefore there is no significant difference in the means and medians of the departmental subgroups in terms of team work.

Null hypothesis HO(4b): There is no significant difference in the means or medians in the age subgroups for the statements relating to team work. Statistical information for this hypothesis follows in table 4B.

TABLE 4B: RESULTS OF TEAM WORK STATEMENTS FOR THE AGE SUBGROUPS

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
PRP causes jealousies among staff	Age	1.22	0.3039	5.8385	0.2115	Accept
PRP is bad for team working	Age	3.32	0.0114	12.1623	0.0162	Reject
PRP has made me less willing to cooperate with management	Age	2.78	0.0276	10.1362	0.0382	Reject

The null hypothesis HO(4b) is rejected as two of the statements have p-values lower than the significance level of 0.05. The alternate hypothesis is accepted: There is a significant difference in the mean or median scores of the age subgroups in terms of teamwork. Further analysis of the means and medians are required and boxplots (figure 4 B1 to figure 4B4) will be used for this.

FIGURE 4 B1: AGE: QUESTION 7

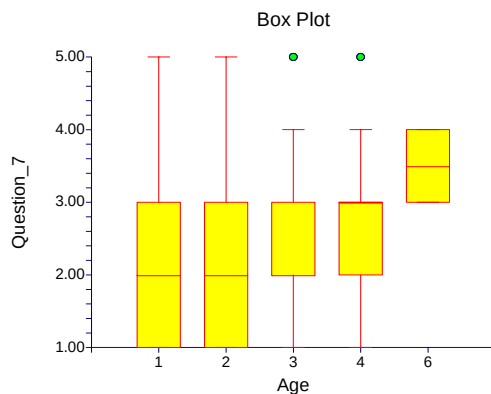
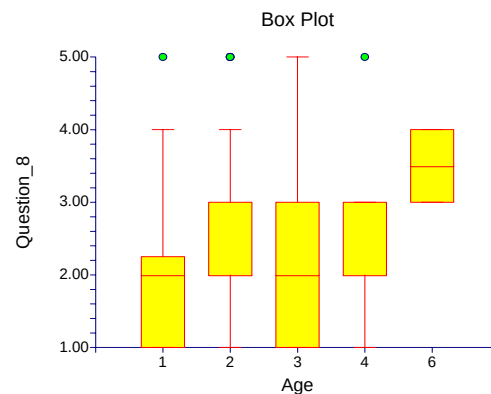


FIGURE 4 B2: AGE: QUESTION 8



Null hypothesis HO(4c): There is no significant difference in the means or medians in the subgroups employment contracts for the statements relating to team work. Statistical information relating to this hypothesis is contained in table 4C

TABLE 4C: RESULTS OF TEAM WORK FOR THE SUBGROUPS – EMPLOYMENT CONTRACT

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
PRP causes jealousies among staff	Employment Contract	5.45	0.0049	10.6447	0.0049	Reject
PRP is bad for team working	Employment Contract	7.17	0.0009	15.3556	0.0005	Reject
PRP has made me less willing to cooperate with management	Employment Contract	7.55	0.0007	14.7412	0.0006	Reject

The null hypothesis HO(4c) is rejected in favour of the alternate hypothesis as the p-values are lower than the significance level of 0.05 in all six test that were conducted. There is a significant difference in the means and medians of the employment contract subgroups relating to teamwork. This will be investigated in more detail through boxplots (figure 4 C1 to figure 4 C3).

FIGURE 4 C1: EMPLOYMENT CONTRACT: QUESTION 6 FIGURE 4 C2: EMPLOYMENT CONTRACT: QUESTION 7

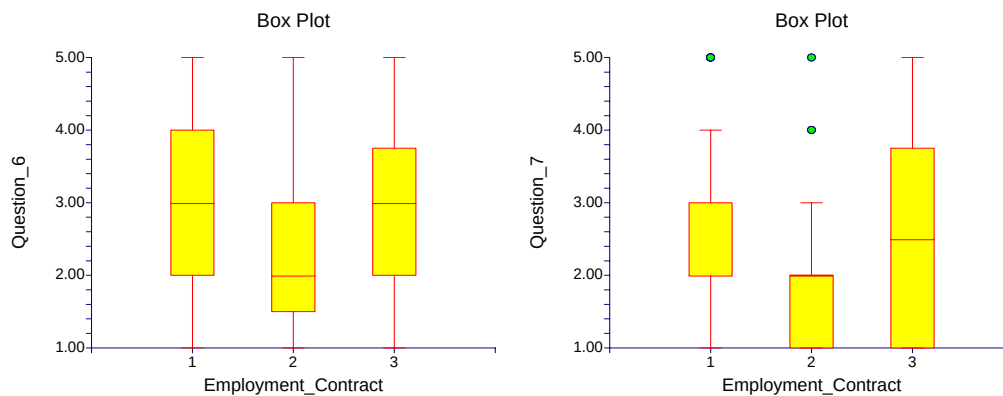
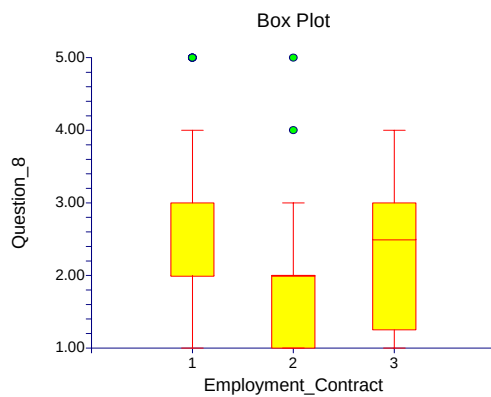


FIGURE 4 C3: EMPLOYMENT CONTRACT: QUESTION 8



The null hypothesis H_0 (4d) is there is no significant difference in the means or medians of the earning subgroups in terms of team work. This is analysed through the statistics in table 4D.

TABLE 4D: RESULTS OF TEAM WORK FOR THE EARNING SUBGROUPS

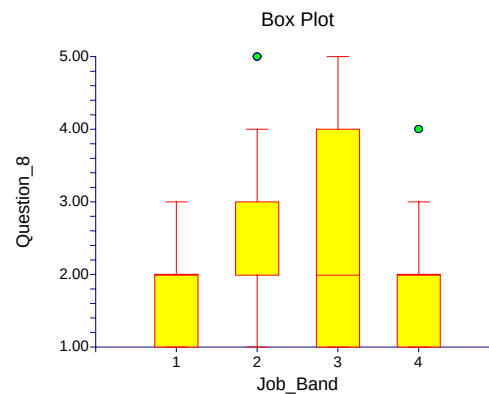
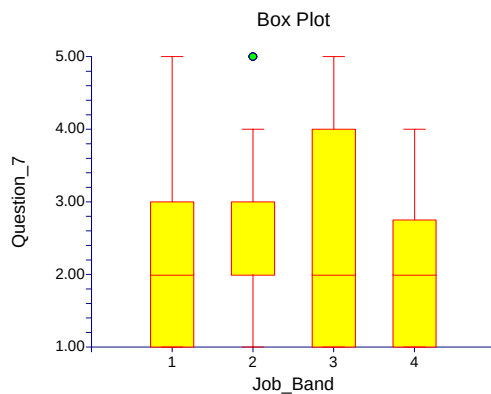
Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
PRP causes jealousies among staff	Earnings	2.72	0.0449	7.6688	0.0534	Accept
PRP is bad for team working	Earnings	3.64	0.0134	10.7121	0.0134	Reject
PRP has made me less willing to cooperate with management	Earnings	4.28	0.0058	10.3551	0.0158	Reject

In two of the three instances are the null hypothesis H_0 (4d) is rejected, the alternate hypothesis is thus accepted, there is a significant difference in the means or medians of the subgroups. These will be analyses through boxplots (figure 4 D1 to figure 4 D2).

FIGURE 4 D1: EARNINGS: QUESTION 7

FIGURE 4 D2: EMPLOYMENT CONTRACT: QUESTION 8

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The null hypothesis H_0 (4e) is there is no significant difference in the means or medians of the subgroups in terms of experience. This is analysed through the statistical information in table 4E.

TABLE 4E: RESULTS OF TEAM WORK FOR THE EXPERIENCE SUBGROUPS

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
PRP causes jealousies among staff	Experience	1.83	0.0946	10.8730	0.0924	Accept
PRP is bad for team working	Experience	3.09	0.0062	17.6184	0.0073	Reject
PRP has made me less willing to cooperate with management	Experience	2.09	0.0555	10.7262	0.0972	Accept

The one null hypothesis that is rejected is reflected in a box plot in Appendix D. However the null hypothesis is accepted as the probability value in four

instances is more than the significance level of 0.05. There is no significant difference in the means and medians of the subgroups according to experience in terms of team work.

5.6 PERFORMANCE APPRAISAL AND MANAGEMENT

The statements which respondents were requested to indicate their agreement or disagreement with relating to performance appraisals were as follow:

- Managers set targets clearly
- My last appraisal was fair / doubt I'll ever get a good appraisal
- Managers know enough to appraise
- Throughout the last year, I had sufficient opportunity to discuss my performance with my line manager
- In the last year, I have had sufficient opportunity to discuss and clarify my role with my line manager
- In the last year, I have had sufficient opportunity to identify objectives and targets with my line manager
- In the last year, I have had sufficient opportunity to discuss my personal development needs with my line manager
- I am clear about my current objectives and targets
- I am clear about my current job role
- I am clear about my personal development needs
- I understand my manager's rating of my performance
- I earn a competitive salary

Null hypothesis HO (5a): There is no significant difference in the means or medians of the departmental subgroups in terms of earnings. The statistical information follows in table 5A.

TABLE 5A: RESULTS OF PERFORMANCE MANAGEMENT FOR THE DEPARTMENTAL SUBGROUPS

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Managers set targets clearly	Department	0.15	0.69961	0.20501	0.65071	Accept
My last appraisal was fair / doubt I'll get a good appraisal	Department	0.09	0.76844	0.14272	0.70559	Accept
Managers know enough to appraise	Department	4.60	0.03323	4.32531	0.03755	Reject
Throughout the last year, I had sufficient opportunity to discuss my performance with my line manager	Department	6.37	0.01229	6.18198	0.01291	Reject
In the last year, I have had sufficient opportunity to discuss and clarify my role with my line manager	Department	7.61	0.00628	6.98015	0.00824	Reject
In the last year, I have had sufficient opportunity to identify objectives and targets with my line manager	Department	2.18	0.14168	2.11019	0.14632	Accept
In the last year, I have had sufficient opportunity to discuss my personal development needs with my line manager	Department	5.92	0.01576	5.74122	0.01657	Reject
I am clear about my current objectives and targets	Department	2.39	0.12334	1.80165	0.17951	Accept
I am clear about my current job role	Department	0.38	0.53828	0.33564	0.56236	Accept
I am clear about my personal development needs	Department	1.53	0.21757	1.79121	0.18078	Accept
I understand my manager's rating of my performance	Department	4.00	0.04659	3.91151	0.04796	Reject
I earn a competitive salary	Department	0.11	0.74424	0.12093	0.72803	Accept

For seven of the twelve statements the p-values are greater than the significance level of 0.05. The null hypothesis HO (5a) is accepted. There is no significant difference in the means or medians of the departmental subgroup in terms of performance appraisals. The statements with p-values less than the significance level of 0.05 are available in Appendix D.

Null hypothesis HO (5b): There is no significant difference in the means and medians of the age subgroups in terms of performance management. The statistical information for this hypothesis is contained in table 5B.

TABLE 5B: STATISTICAL INFORMATION FOR THE AGE SUBGROUP IN TERMS OF PERFORMANCE MANAGEMENT

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Managers set targets clearly	Age	1.89	0.11338	8.78894	0.06660	Accept
My last appraisal was fair / doubt I'll get a good appraisal	Age	1.20	0.31112	4.79015	0.30951	Accept
Managers know enough to appraise	Age	5.50	0.00032	20.34681	0.00043	Reject
Throughout the last year, I had sufficient opportunity to discuss my performance with my line manager	Age	1.35	0.25376	3.91645	0.41743	Accept
In the last year, I have had sufficient opportunity to discuss and clarify my role with my line manager	Age	1.13	0.34334	4.74518	0.31446	Accept
In the last year, I have had sufficient opportunity to identify objectives and targets with my line manager	Age	0.24	0.91786	0.76654	0.94288	Accept
In the last year, I have had sufficient opportunity to discuss my personal development needs with my line manager	Age	1.55	0.18768	5.02912	0.28432	Accept
I am clear about my current objectives and targets	Age	2.52	0.04169	10.69520	0.03021	Reject
I am clear about my current job role	Age	4.15	0.00289	16.00385	0.00301	Reject
I am clear about my personal development needs	Age	2.70	0.03134	9.34910	0.05294	Reject
I understand my manager's rating of my performance	Age	2.05	0.08766	7.40007	0.11620	Accept
I earn a competitive salary	Age	1.30	0.26972	5.91428	0.20564	Accept

Eight out of a possible twelve statements have p-values greater than the significance level of 0.05, therefore the null hypothesis is accepted. There is no significant difference in the means or medians of the subgroup age in terms of performance management. The boxplots relating to the statements with p-values less than 0.05 are contained in Appendix D.

Null hypothesis HO (5c): There is no significant difference between the means and medians of the employment contract subgroups in terms of performance management. The statistical analysis is shown in table 5C.

TABLE 5C: STATISTICAL INFORMATION FOR THE EMPLOYMENT CONTRACT SUBGROUP IN TERMS OF PERFORMANCE MANAGEMENT

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Managers set targets clearly	Employment Contract	16.36	-	28.10709	0.00000	Reject
My last appraisal was fair / doubt I'll get a good appraisal	Employment Contract	0.26	0.77222	0.36726	0.83224	Accept
Managers know enough to appraise	Employment Contract	16.99	-	28.35097	0.00000	Reject
Throughout the last year, I had sufficient opportunity to discuss my performance with my line manager	Employment Contract	0.36	0.69759	1.17385	0.55604	Accept
In the last year, I have had sufficient opportunity to discuss and clarify my role with my line manager	Employment Contract	0.11	0.89142	0.21679	0.89728	Accept
In the last year, I have had sufficient opportunity to identify objectives and targets with my line manager	Employment Contract	0.65	0.52522	1.31096	0.51919	Accept
In the last year, I have had sufficient opportunity to discuss my personal development needs with my line manager	Employment Contract	0.44	0.64476	0.68505	0.70997	Accept
I am clear about my current objectives and targets	Employment Contract	6.91	0.00121	15.91934	0.00035	Reject
I am clear about my current job role	Employment Contract	15.03	0.00000	30.84610	-	Reject
I am clear about my personal development needs	Employment Contract	10.77	0.00003	21.47667	0.00002	Reject
I understand my manager's rating of my performance	Employment Contract	11.40	0.00002	20.84067	0.00003	Reject
I earn a competitive salary	Employment Contract	2.72	0.06801	5.31154	0.07025	Accept

Half of the statements relating to performance management have p-values of less than the significance level of 0.05 and the other half has p-values greater than 0.05. In the spirit of being conservative the null hypothesis H_0 (5c) is accepted, there is no significant difference in the means and medians of employment contract subgroup in terms of performance management. The boxplots explaining the statements with p-values less than 0.05 are contained in Appendix D.

Null hypothesis HO (5d): There is no significant difference in the means and medians of the subgroups for earnings in terms of performance management. The statistical analysis is shown in table 5D.

TABLE 5D: STATISTICAL INFORMATION FOR THE EARNINGS SUBGROUP IN TERMS OF PERFORMANCE MANAGEMENT

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Managers set targets clearly	Earnings	10.74	0.00000	27.72585	0.00000	Reject
My last appraisal was fair / doubt I'll get a good appraisal	Earnings	2.00	0.11545	6.14088	0.10495	Accept
Managers know enough to appraise	Earnings	8.45	0.00003	21.43867	0.00009	Reject
Throughout the last year, I had sufficient opportunity to discuss my performance with my line manager	Earnings	0.15	0.92689	0.24401	0.97019	Accept
In the last year, I have had sufficient opportunity to discuss and clarify my role with my line manager	Earnings	0.77	0.51115	1.65672	0.64660	Accept
In the last year, I have had sufficient opportunity to identify objectives and targets with my line manager	Earnings	1.95	0.12194	5.03010	0.16961	Accept
In the last year, I have had sufficient opportunity to discuss my personal development needs with my line manager	Earnings	2.02	0.11184	5.29410	0.15149	Accept
I am clear about my current objectives and targets	Earnings	6.78	0.00021	20.37753	0.00014	Reject
I am clear about my current job role	Earnings	4.95	0.00239	15.14011	0.00170	Reject
I am clear about my personal development needs	Earnings	5.74	0.00083	16.78797	0.00078	Reject
I understand my manager's rating of my performance	Earnings	4.92	0.00247	13.43385	0.00379	Reject
I earn a competitive salary	Earnings	3.64	0.01357	10.55328	0.01440	Reject

Seven statements have p-values of less than the significance level of 0.05, therefore the null hypothesis HO (5d) is rejected. There is a significant difference in the means and medians of the earnings subgroups in terms of performance management. Boxplots (figure 5 D1 to figure 5 D7) is used for further analysis of the means and medians of the statements with p-values of less than 0.05.

FIGURE 5 D1: EARNINGS: QUESTION 9

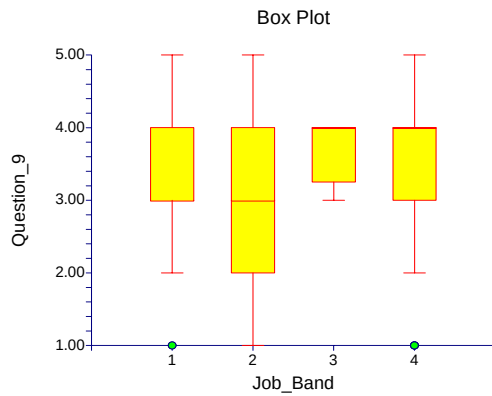


FIGURE 5 D2: EARNINGS: QUESTION 11

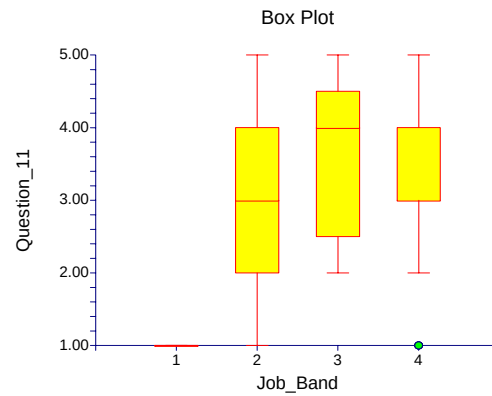


FIGURE 5 D3: EARNINGS: QUESTION 24

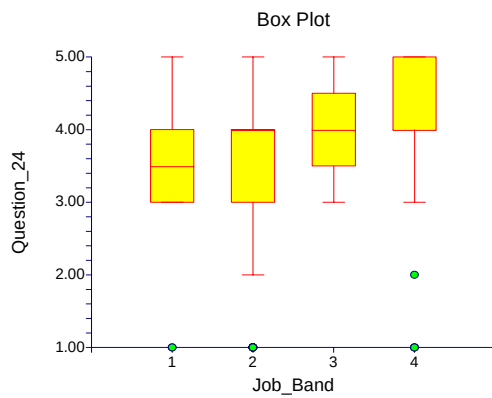


FIGURE 5 D4: EARNINGS: QUESTION 25

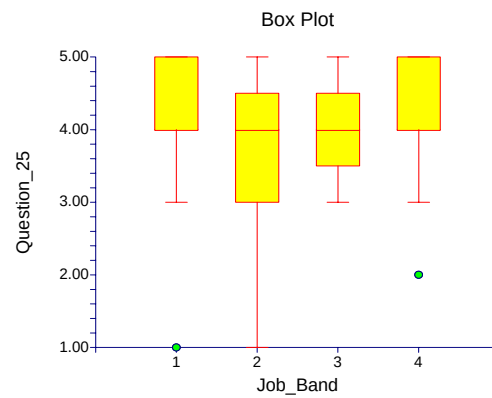


FIGURE 5 D5: EARNINGS: QUESTION 26

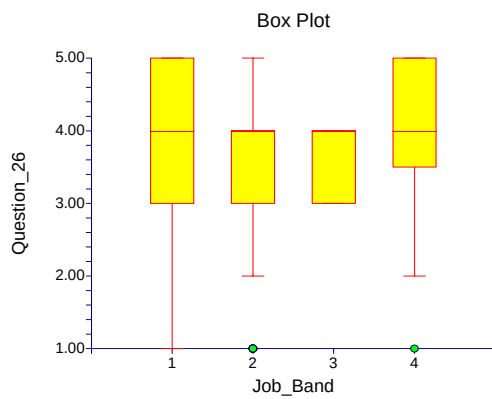


FIGURE 5 D6: EARNINGS: QUESTION 27

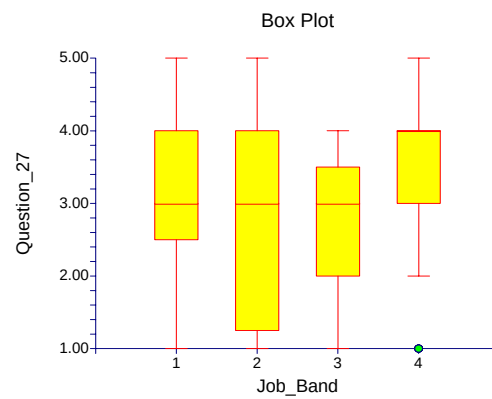
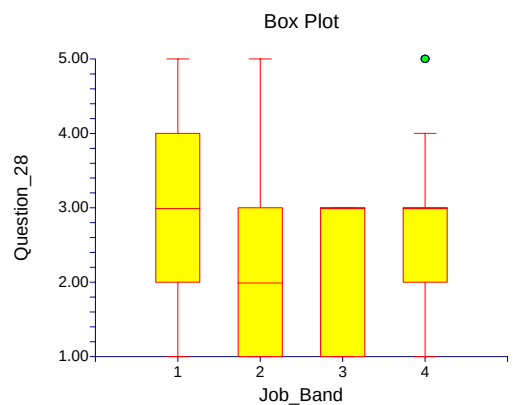


FIGURE 5 D7: EARNINGS: QUESTION 28



Null hypothesis HO (5e): There is no significant difference in the means and medians of the experience subgroup in terms of performance management. This hypothesis is analysed through statistics supplied in table 5E.

Seven of the twelve statements have p-values of less than 0.05 and therefore the null hypothesis HO (5e) is accepted. There is a significant difference in the means and medians of the subgroups for experience in terms of performance management. These are explained in more detail through boxplots (figure 5 E1 to figure 5 E7).

TABLE 5E: STATISTICAL INFORMATION FOR THE EXPERIENCE SUBGROUP IN TERMS OF PERFORMANCE MANAGEMENT

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Managers set targets clearly	Experience	6.78	0.00000	35.22118	0.00000	Reject
My last appraisal was fair / doubt I'll get a good appraisal	Experience	1.81	0.09771	11.98386	0.06233	Accept
Managers know enough to appraise	Experience	5.07	0.00007	26.72933	0.00016	Reject
Throughout the last year, I had sufficient opportunity to discuss my performance with my line manager	Experience	0.20	0.97531	1.53753	0.95696	Accept
In the last year, I have had sufficient opportunity to discuss and clarify my role with my line manager	Experience	1.04	0.39760	6.13219	0.40855	Accept
In the last year, I have had sufficient opportunity to identify objectives and targets with my line manager	Experience	0.30	0.93707	1.75550	0.94076	Accept
In the last year, I have had sufficient opportunity to discuss my personal development needs with my line manager	Experience	0.85	0.53212	4.29113	0.63734	Accept
I am clear about my current objectives and targets	Experience	3.22	0.00461	20.00629	0.00276	Reject
I am clear about my current job role	Experience	4.12	0.00059	21.25829	0.00165	Reject
I am clear about my personal development needs	Experience	3.60	0.00194	19.60837	0.00325	Reject
I understand my manager's rating of my performance	Experience	3.96	0.00085	21.08986	0.00177	Reject
I earn a competitive salary	Experience	4.79	0.00013	27.64798	0.00011	Reject

FIGURE 5 E1: EXPERIENCE: QUESTION 9

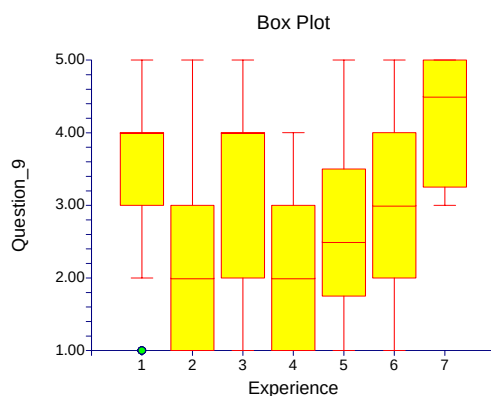


FIGURE 5 E2: EXPERIENCE: QUESTION 11

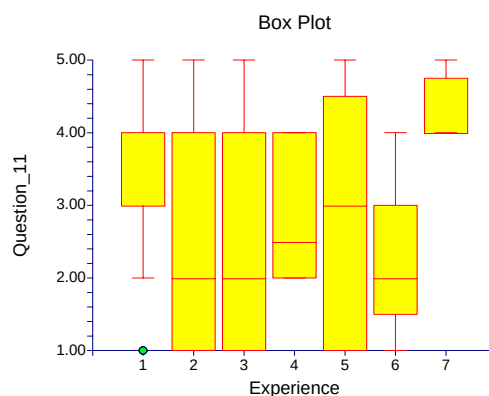


FIGURE 5 E3: EXPERIENCE: QUESTION 24

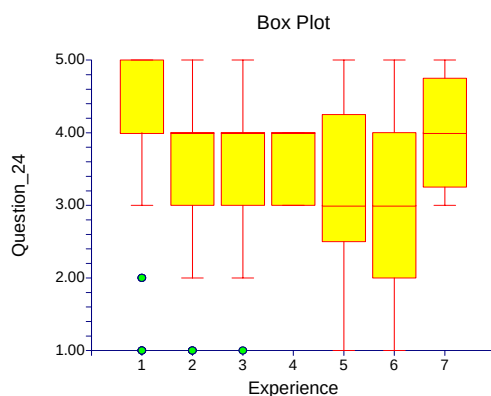


FIGURE 5 E4: EXPERIENCE: QUESTION 25

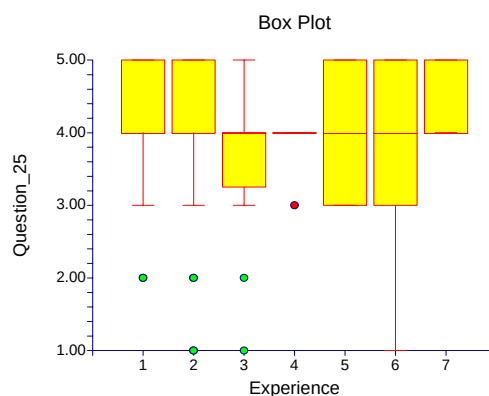


FIGURE 5 E5: EXPERIENCE: QUESTION 26

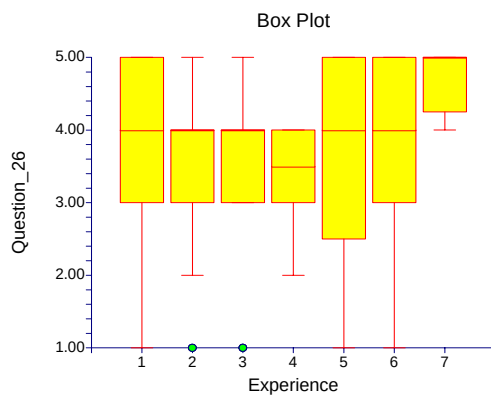


FIGURE 5 E6: EXPERIENCE: QUESTION 27

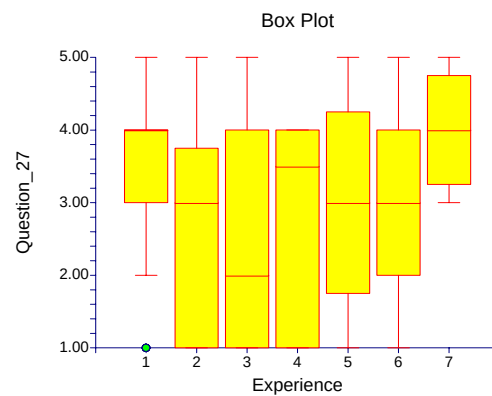
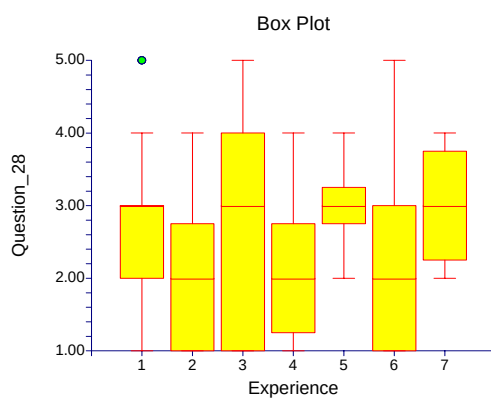


FIGURE 5 E7: EXPERIENCE: QUESTION 28



5.7 REWARD SYSTEMS

Seven statements were made, which respondents had to indicate their level of agreement to it. The statements made specific reference to the incentive scheme and these statements are:

- The incentive scheme is a good principle
- The incentive scheme means that good work is recognised and rewarded
- The incentive scheme has given me an incentive to work beyond my job requirements
- The incentive scheme has given me an incentive to show more initiative
- The incentive scheme has made me more aware of the organisations objectives

- The incentive scheme caused many staff to work harder
- The incentive scheme caused me to work harder

Null hypothesis HO (6a): There is no significant difference in the means or medians of the age subgroups in terms of the reward system. The results of the statistical analysis are shown in table 6A.

The p-values of four of the statements are less than the significance level of 0.05. The null hypothesis HO (6a) is therefore rejected. There is a significant difference in the means and medians of the subgroups for age in terms of the reward system. To analyse this further boxplots (figure 6 A1 to figure 6 A4) are used.

TABLE 6A: STATISTICAL INFORMATION FOR THE AGE SUBGROUP IN TERMS OF PAY-FOR-PERFORMANCE

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
PRP has given me an incentive to work beyond my job requirements	Age	1.46	0.2151	3.5115	0.4761	Accept
PRP has given me an incentive to show more initiative	Age	1.03	0.3922	2.9601	0.5645	Accept
PRP has made me more aware of the organisations objectives	Age	0.56	0.6928	1.4490	0.8356	Accept
PRP is a good principle	Age	4.33	0.0021	16.7072	0.0022	Reject
PRP means good work is recognised and rewarded	Age	4.77	0.0010	19.3414	0.0007	Reject
PRP caused many staff to work harder	Age	3.93	0.0041	15.2712	0.0042	Reject
PRP caused me to work harder	Age	4.87	0.0009	16.4107	0.0025	Reject

FIGURE 6 A1: AGE: QUESTION 1

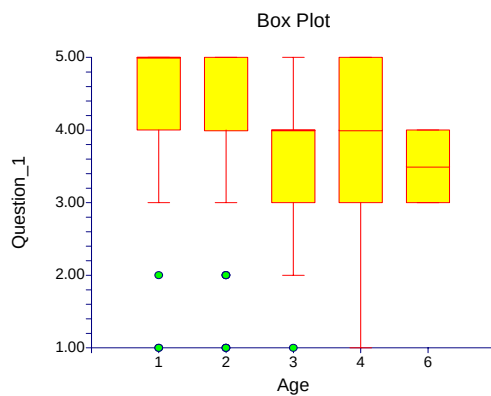


FIGURE 6 A2: AGE: QUESTION 2

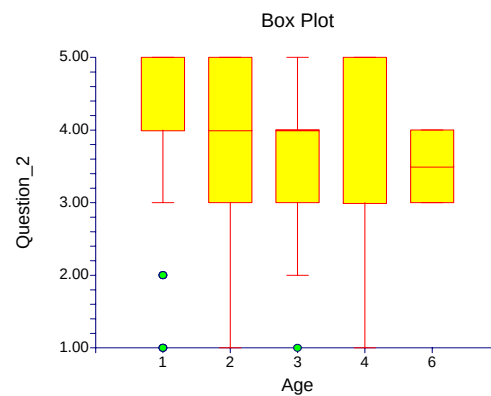


FIGURE 6 A3: AGE: QUESTION 12

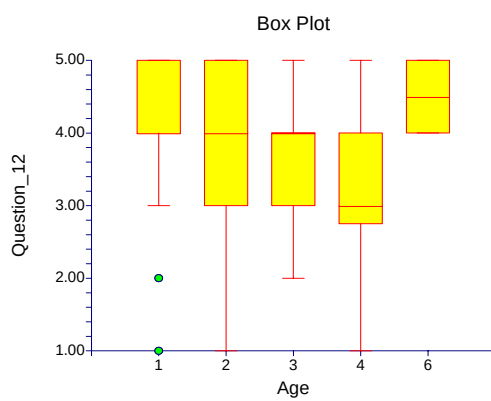
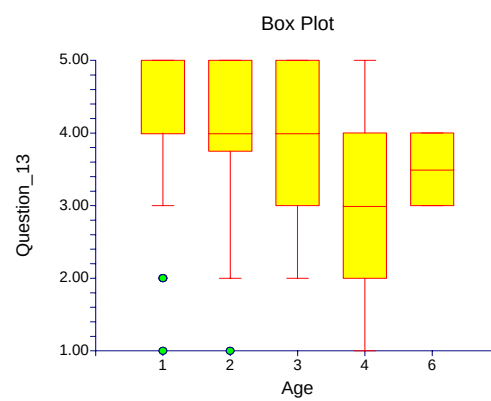


FIGURE 6 A4: AGE: QUESTION 13



Null hypothesis HO (6b): There is no significant difference in the means and medians of the departmental subgroup regarding the reward system. The statistical information for this is contained in table 6B.

TABLE 6B: STATISTICAL INFORMATION FOR THE DEPARTMENT SUBGROUP IN TERMS OF PAY-FOR-PERFORMANCE

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
PRP caused many staff to work harder	Department	2.83	0.0937	2.4462	0.1178	Accept
PRP is a good principle	Department	3.87	0.0504	4.6666	0.0308	Accept
PRP means good work is recognised and rewarded	Department	8.72	0.0034	12.7369	0.0004	Reject
PRP has given me an incentive to work beyond my job requirements	Department	18.22	0.0000	14.4535	0.0001	Reject
PRP has given me an incentive to show more initiative	Department	16.53	0.0001	14.3939	0.0001	Reject
PRP has made me more aware of the organisations objectives	Department	4.34	0.0383	4.0334	0.0446	Reject
PRP caused me to work harder	Department	7.05	0.0085	6.7840	0.0092	Reject

With five of the statements having p-values of less than 0.05, the significance level, the null hypothesis H_0 (6b) is rejected in favour of the alternate hypothesis. There is a significant difference in the means and medians of the departmental subgroup in terms of pay-for-performance. To investigate this further boxplots are used, these are shown in figure 6 B1 to figure 6 B5.

FIGURE 6 B1: DEPARTMENT: QUESTION 2

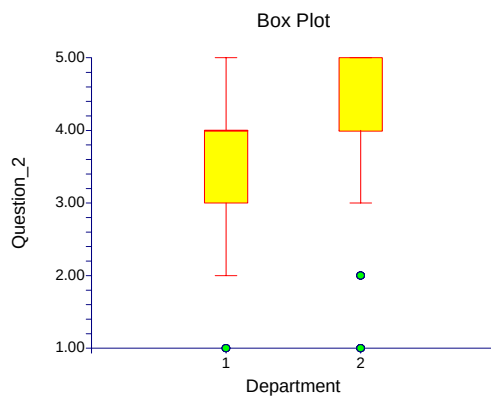


FIGURE 6 B2: DEPARTMENT: QUESTION 3

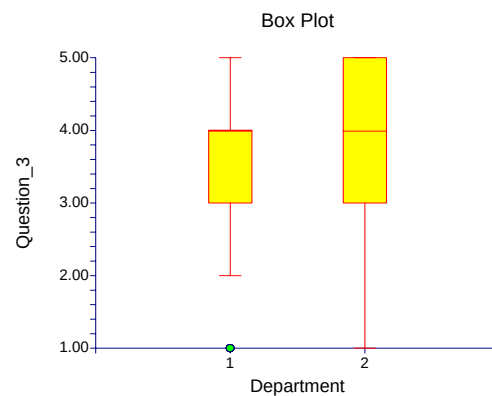


FIGURE 6 B3: DEPARTMENT: QUESTION 4

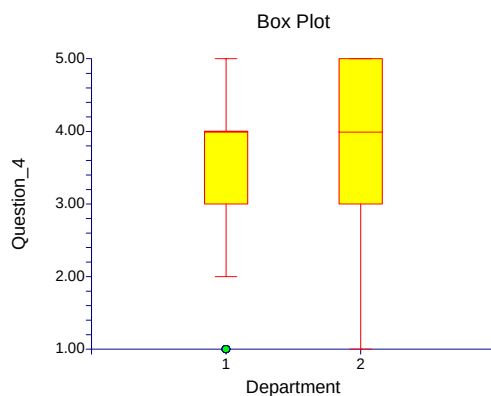


FIGURE 6 B4: DEPARTMENT: QUESTION 5

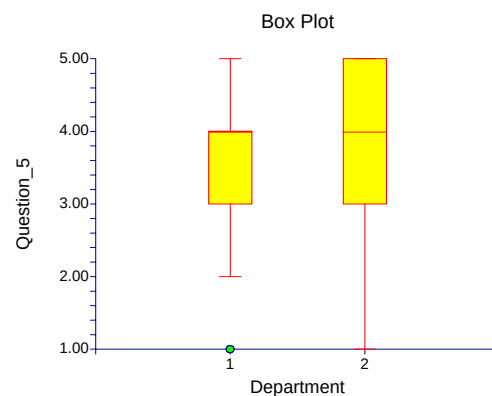
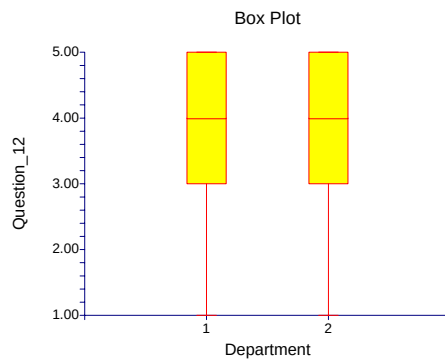


FIGURE 6 B5: DEPARTMENT: QUESTION 12



Null hypothesis HO (6c): There is no significant difference between the means and medians of the employment contract subgroups in terms of reward systems. The statistical information is enclosed in table 6C.

All the tests have a p-value of less than the significance level 0.05, therefore the null hypothesis HO (6c) is rejected. There is a significant difference in the means and medians of the employment contract subgroup in terms of reward systems. To analyse this further boxplots (figure 6 C1 to figure 6 C7) are used.

TABLE 6C: STATISTICAL INFORMATION FOR THE EMPLOYMENT CONTRACT SUBGROUP IN TERMS OF PAY-FOR-PERFORMANCE

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
PRP is a good principle	Employment Contract	16.70	-	33.6053	-	Reject
PRP means good work is recognised and rewarded	Employment Contract	26.57	-	48.6178	-	Reject
PRP has given me an incentive to work beyond my job requirements	Employment Contract	7.00	0.0011	12.1327	0.0023	Reject
PRP has given me an incentive to show more initiative	Employment Contract	4.53	0.0117	9.2178	0.0100	Reject
PRP has made me more aware of the organisations objectives	Employment Contract	4.71	0.0098	8.7294	0.0127	Reject
PRP caused many staff to work harder	Employment Contract	13.67	0.0000	25.4439	0.0000	Reject
PRP caused me to work harder	Employment Contract	10.03	0.0001	18.1509	0.0001	Reject

FIGURE 6 C1: EMPLOYMENT CONTRACT: QUESTION 1

2

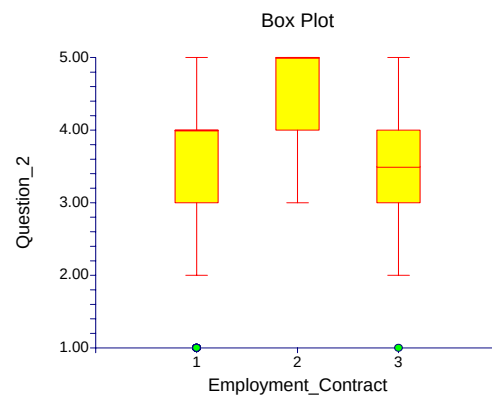
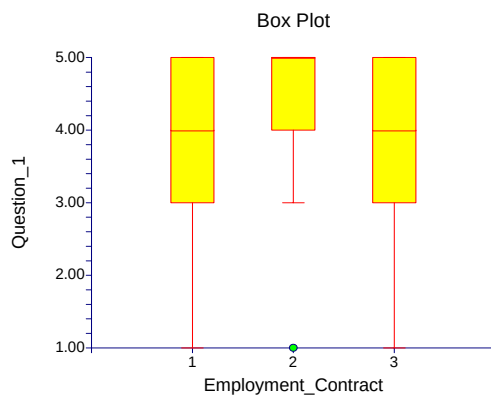


FIGURE 6 C3: EMPLOYMENT CONTRACT: QUESTION 3

4

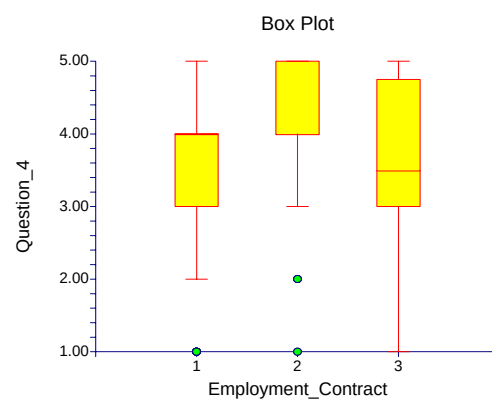
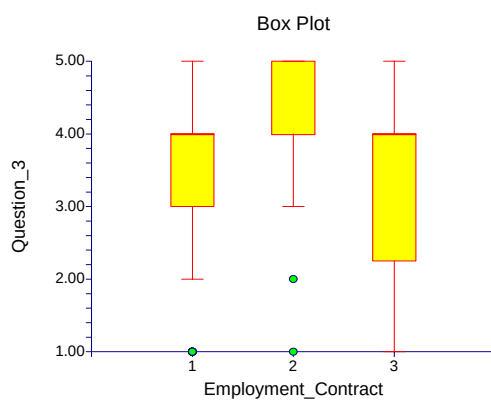


FIGURE 6 C5: EMPLOYMENT CONTRACT: QUESTION 5

12

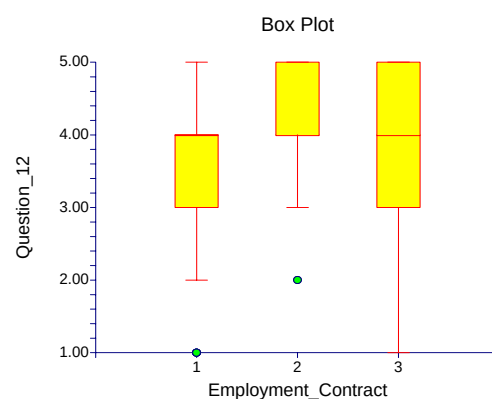
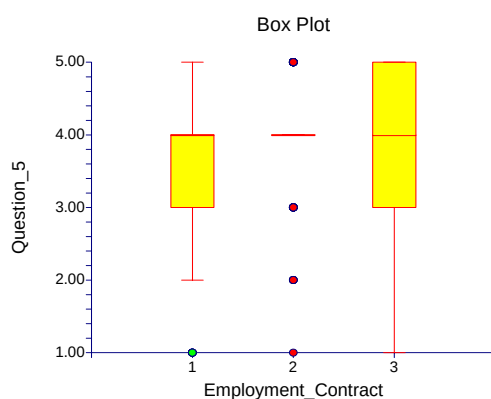
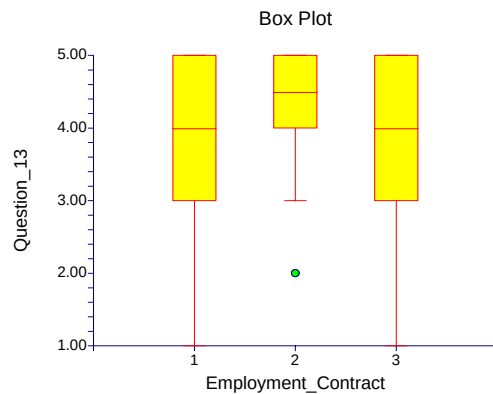


FIGURE 6 C7: EMPLOYMENT CONTRACT: QUESTION 13



Null hypothesis HO (6d): There is no significant difference between the means and medians of the subgroup for experience in terms of pay-for-performance. The statistical information is shown in table 6D.

P-values for four of the statements are below the significance level of 0.05. The null hypothesis HO (6d) is therefore rejected in favour of the null hypothesis. There is a significant difference in the means and medians of the subgroup for experience in terms of pay-for-performance. To understand the differences between the means and the medians of the subgroups boxplots (figure 6 D1 to figure 6 D4) are used.

TABLE 6D: STATISTICAL INFORMATION FOR THE EXPERIENCE SUBGROUP IN TERMS OF PAY-FOR-PERFORMANCE

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
PRP has given me an incentive to work beyond my job requirements	Experience	1.97	0.0707	9.9850	0.1253	Accept
PRP has given me an incentive to show more initiative	Experience	1.80	0.1004	10.2605	0.1141	Accept
PRP has made me more aware of the organisations objectives	Experience	2.21	0.0431	12.2025	0.0576	Accept
PRP is a good principle	Experience	3.66	0.0017	23.0346	0.0008	Reject
PRP means good work is recognised and rewarded	Experience	5.18	0.0001	32.3850	0.0000	Reject
PRP caused many staff to work harder	Experience	2.74	0.0137	17.0607	0.0091	Reject
PRP caused me to work harder	Experience	3.65	0.0017	20.0727	0.0027	Reject

FIGURE 6 D1: EXPERIENCE: QUESTION 1

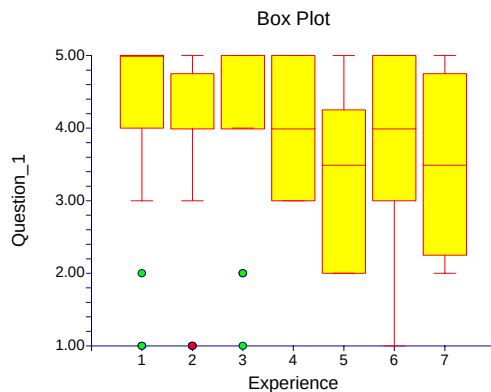


FIGURE 6 D2: EXPERIENCE: QUESTION 2

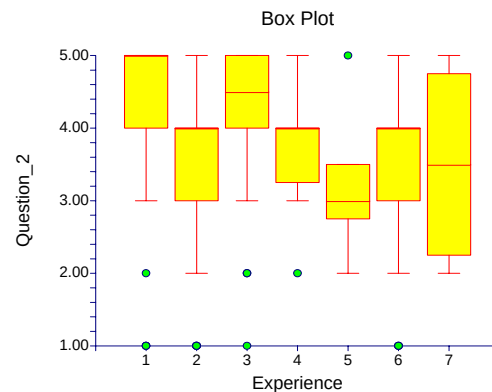


FIGURE 6 D3: EXPERIENCE: QUESTION 12

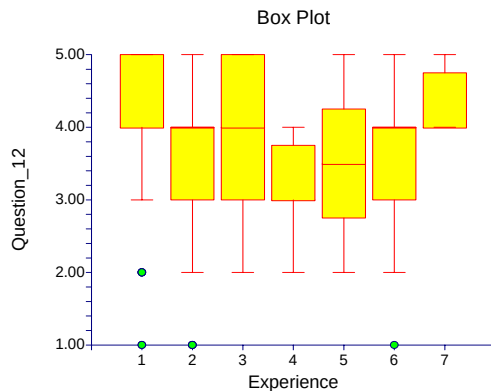
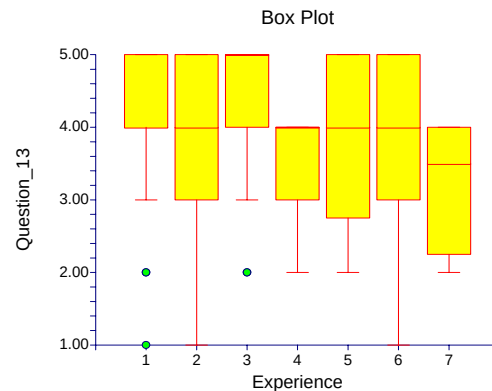


FIGURE 6 D4: EXPERIENCE: QUESTION 13



Null hypothesis HO (6e): There is no significant difference between the means and medians of earnings subgroup in terms of pay-for-performance. The statistical analysis is reflected in table 6E.

TABLE 6E: STATISTICAL INFORMATION FOR THE EXPERIENCE SUBGROUP IN TERMS OF PAY-FOR-PERFORMANCE

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
PRP has given me an incentive to work beyond my job requirements	Earnings	0.86	0.4634	2.6954	0.4410	Accept
PRP has given me an incentive to show more initiative	Earnings	1.22	0.3039	4.4945	0.2128	Accept
PRP is a good principle	Earnings	3.87	0.0099	14.7394	0.0021	Reject
PRP means good work is recognised and rewarded	Earnings	5.51	0.0011	17.0116	0.0007	Reject
PRP has made me more aware of the organisations objectives	Earnings	3.24	0.0229	9.7785	0.0205	Reject
PRP caused many staff to work harder	Earnings	4.49	0.0043	13.4569	0.0037	Reject
PRP caused me to work harder	Earnings	2.60	0.0527	7.9326	0.0474	Accept

The p-values for four statements are less than the significance level of 0.05, therefore the null hypothesis H_0 (6e) is rejected. There is a significant difference between the means and medians of the earnings subgroup in terms of pay-for-performance. Boxplots (figure 6 E1 to figure 6 E4) are used to determine the extent of the differences.

FIGURE 6 E1: EARNINGS: QUESTION 1

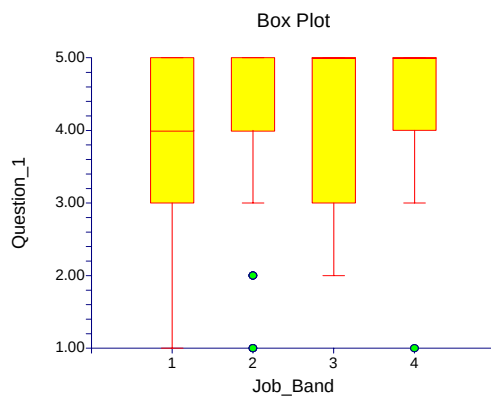


FIGURE 6 E2: EARNINGS: QUESTION 2

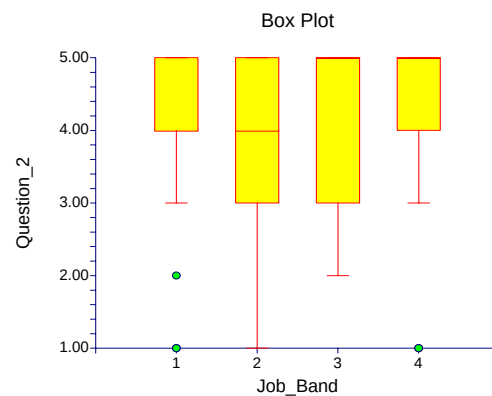


FIGURE 6 E3: EARNINGS: QUESTION 5

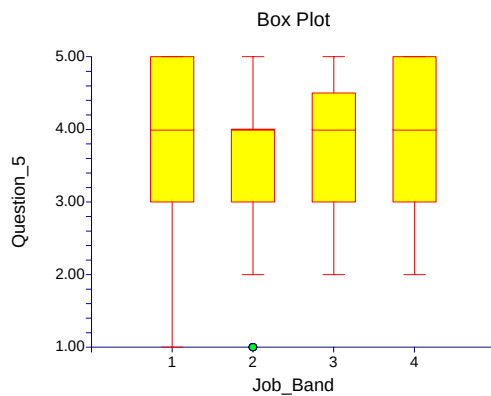
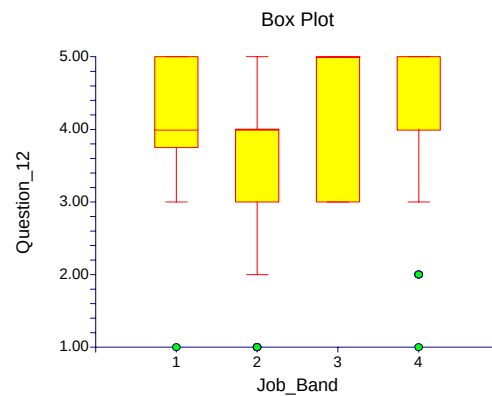


FIGURE 6 E4: EARNINGS: QUESTION 12



6. DISCUSSION OF THE RESULTS

In this chapter the results, as shown in chapter 5 are discussed, answering the research question and linking it with the literature. This chapter will follow the same sequence as the previous chapters with discussion on the topics of motivation, job satisfaction, psychological contract, team work, performance appraisal and reward systems.

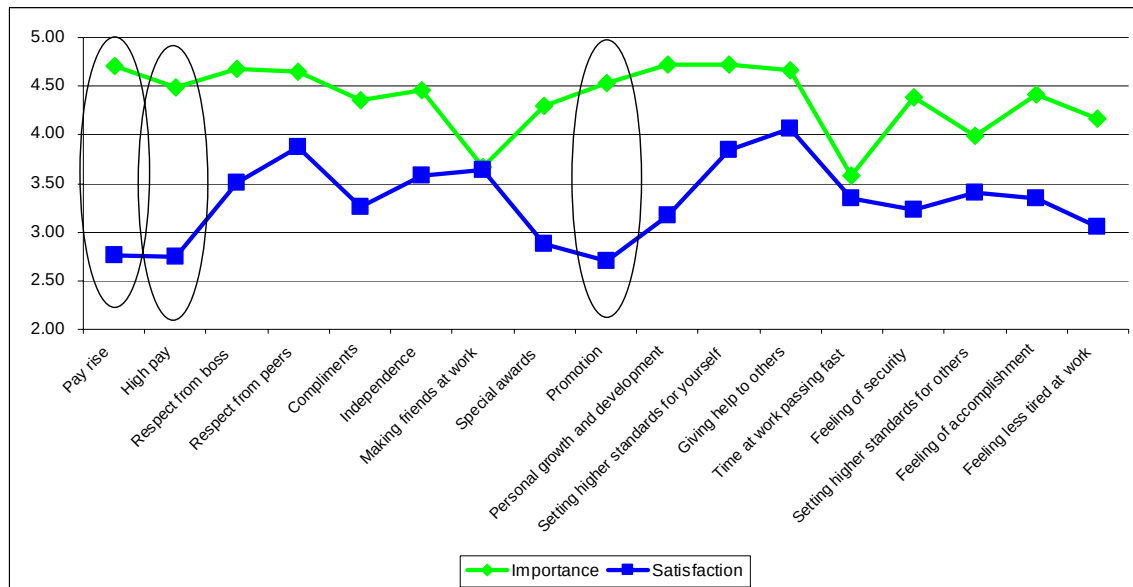
6.1 MOTIVATION

How do you motivate employees to perform to their best and getting the company to achieve its targets and goals? Through the questionnaire the aim was to get employees to identify how important certain motivators were to them and then to establish how satisfied they were with each of these. Figure 9 depicts the average scores for the importance of the factor and then reflects a comparison to the average score of the satisfaction level of the motivator. The biggest discrepancy is detected on the extrinsic factors, being high pay, pay increases and promotion.

The average scores of the importance of the 18 motivators as identified by Brownell and McInnes (1986) namely: setting higher standards for yourself, personal growth and development, pay rise, respect from boss, giving help to other, respect from peers, promotion, high pay, independence, feeling of accomplishment, feeling of security, compliments, special awards, feeling less tired at work, setting higher standards for others, making friends and time at

work passing fast were ranked from the highest mean score to the lowest. The ranking has a good combination of intrinsic and extrinsic motivators.

FIGURE 9: EXPERIENCE: POPULATION VS. SAMPLE



In comparison to Bibby (2001) that listed the motivators to be as follows: interesting work (86%) feeling of accomplishment (76%) friendly and helpful colleagues (63%), adding something to peoples lives (59%) pay (66%) and job security (57%). Feelings of accomplishment as well as friendly and helpful colleagues that are rated between the top three motivators, were rated tenth and sixteenth respectively in this study and pay being one of the lowest ranking motivators of Bibby's (2001) study were ranked third (pay rise) and eighth (high pay) in this study. The two studies are contrasting and it is suggested that might have to do with the profile of the respondents of the two studies.

Significant differences between mean scores of the subgroups within this study were tested and resoundingly there were no differences between the means or medians of the subgroups. The difference that was detected will now be discussed in greater detail.

In the age subgroups significant differences were observed in two areas, the importance of personal development where the younger employees, 17 to 25 as well as the age group 26 to 35, overwhelmingly identified it as very important. The next two age groups, 36 to 45 and 46 to 55, also identified it as important but less so than the first two age groups. This is expected as younger employees are still in development phases and would require greater development to progress in their careers. Significant differences were also seen for the age groups regarding the satisfaction of setting higher standards. Employees between 46 and 55 were much more satisfied in respect of setting higher standards. This could be due to the fact that they are more experienced in the setting of standards for themselves.

Ironically the department that did not achieve the target and therefore did not receive any incentive pay had a significant higher mean score in terms of special awards. The reason for this difference could be that the second department who received the incentive payment, used to get special awards before the introduction of the incentive scheme. So the result of this statement is possibly not because of the satisfaction of the first department but rather the dissatisfaction of the second department.

From an earning and hierarchal level significant differences were detected in four of the statements, with the higher earning managerial employees showing more satisfaction to these statements being: high pay, special awards, feeling of security and setting higher standards for others. This is expected as these employees do earn higher salaries and have to set targets for others.

The other two statements with significant differences are “respect from boss” and “promotion”. On the statement respect from boss a higher rating is detected in unallocated subgroups. In the earning sub group 34% of these respondents are unallocated, but this is largely attributable to the temporary employees who do not fall into any of the other categories. It can therefore be seen as the temporary employees being more satisfied with respect received from the boss. The lesser satisfaction of the promotion statement was observed from the 5 employees in lowest job category for whom a promotion will result in them earning a salary in line with the majority of the population.

Although eight statements reflected a significant difference in the means and medians of the subgroup employment contract, three – importance of compliments, independence and satisfaction with feeling of security, will not be commented on as the difference was in the subgroup unallocated. For the other statements the differences all reflect the temporary employees to identify the following motivators as being more important to them than for the permanent employees. These are promotion, personal growth and respect form boss. And the temporary employees are more satisfied with making friends, feeling less

tired than the permanent employees. Promotion might be getting a permanent position and personal growth is required for the advancement of their careers.

Similar to the age subgroups, the experience subgroup, the employees with less experience indicated personal development as an important motivator. This was the case for all three subgroups with employees with less than three years experience. The importance of promotion is lower for the employees with 4 to 5 years experience. Satisfaction with pay rise had a relatively wide spectrum of answers, with the people with 1 to 2 years experience the least satisfied, the pay increase would have been the first that these employees have experienced in this organisation and it might be that they expected it to be greater than what it was. This same group is also dissatisfied with the compliments that they receive in comparison to the other experience levels. The group with 2 to 3 years experience is the most satisfied with making friends at work.

Between males and females there seems to be very little difference in the factors that motivate them. The male employees rated making friends significantly more important than their female counterparts; however they are similarly satisfied with making friends. Female had a slightly lower mean and median score than the males in this survey regarding feeling of security.

The significant differences in terms of incentive payment received or not appear to be with the twelve employees in the unallocated category and therefore none of statements will be discussed for employees who did or did not receive incentive payments.

In the race subgroups three motivators indicated a significant difference in the means and medians in terms of the importance of these motivators. These were special awards, making friends as well as personal growth and development. The white and coloured employees indicated special awards to be less important to them as well as personal growth and development. Regarding the statement the importance of making friends at work the white employees distinctly marked this lower than any of the other subgroups.

The main difference in the perception of employees regarding the importance of a motivator is in terms of the personal development and growth area. Boswell and Boudreau (2000) indicate that the performance appraisal that is used for development purposes is viewed more positively by employees rather than when need for evaluation purposes. As there is such difference in the perception of employees regarding the importance of personal development this should be considered by management for performance appraisals and development of pay-for-performance schemes.

6.2 JOB SATISFACTION

The statements on job satisfaction that was included in the survey does not appear to be a sufficient measure of job satisfaction. Employees that completed the survey appear to generally be very satisfied and there are no or little differences between the means and medians of the various subgroups that were identified through the statistical tests that were conducted.

As per Sutton and Griffin (2004), job satisfaction is the strongest predictor of turnover intention. Unfortunately staff turnover was not measured anywhere during this study. It would however be interesting to see if any relationship between staff turnover and the job satisfaction statements asked in this questionnaire.

6.3 PSYCHOLOGICAL CONTRACT

For three of the subgroupings, earnings and hierarchical level, employment contract and experience, significant differences were detected in the means and medians relating to commitment.

Rousseau (2004) indicated that temporary employees usually have more transactional type psychological contracts with an organisation rather than relational type contracts. If this is to be believed, differences in the perception of a temporary employees and permanent employees would be expected. However McDonald and Makin (2000) found temporary and permanent employees to be rather similar. Contradictory to both these studies the employees surveyed for this study indicated that temporary employees are more committed to the organisation than the permanent employees.

The results of the three statements indicated that the temporary employees were more in agreement with the following two statements – “working for the organisation means a great deal to me” and “I would be happy to spend the rest of my career with the organisation”. In response to the third statement “whenever changes are made in the organisation employees usually lose out in

the end” the permanent employees indicated that they agreed with this statement more so than the temporary employees.

This phenomenon is possibly attributable to the fact that the temporary employees are newer than the permanent employees as more staff was employed to handle the cyclical increase in the volume of work. The permanent employees have been disillusioned by instances that have occurred in the organisation before. The temporary employees are furthermore in search of more stable employment and possibly view the organisation as one that they would like to be associated with. One of the respondents actually wrote on the questionnaire that they feel committed to the organisation but not through the labour broker.

From an earning / hierarchical point of view the higher earning management employees answered the commitment questions similar to the temporary employees. They have a high affinity for working at the organisation, and they feel more part of family than the non-managerial employees earning less. Although the average scores of the higher earning managerial employees are higher than the other employees it is not as high as that of the temporary employees.

In support of the disillusionment of employees, it means more to employees with less than one year experience at the organisation to work for the organisation. The people who work for the organisation less than 1 year and those who work for the organisation between 2 and 3 years felt more part of the

family than the other employees and they feel similar towards working in the department and that they feel that they are contributing to an important function.

The employees with less than one year experience overwhelmingly agreed to with the statement “I would be happy to spend the rest of my career with the organisation”, the only other experience groups that had some positive association to this statement were the two subgroups with more than 4 years experience. All the age groups agreed with the statement “whenever changes are made in the organisation employees usually lose out in the end”, but the two experience groups 1 to 2 years and 2 to 3 years had stronger agreement to this statement.

The statement “I do not feel emotionally attached to the organisation” were on average answered neutrally by the black and coloured staff, while the white and indian employees disagreed with this statement, indicating that they do feel emotionally attached to the organisation.

6.4 TEAM WORK

The incentive scheme was set-up to promote teamwork rather than negating it, with clear goals being set upfront. The challenge was for the whole department to achieve the goal of receiving a reward. Individuals that contributed the most in the specific department received even more rewards. Should the department not achieve the goal no-one in the department would receive any rewards. The aim of this was to get everybody to contribute to the success of the organisation

and people, keeping each other accountable for the performance of the department.

In the race subgroups significant differences were observed relating to all three statements. The first statement “PRP causes jealousies among staff” was viewed by black and coloured employees as neutral on average. The indian employees more strongly disagreed to the statement and the white employees also had a lower median than the black and coloured employees. All the race groups disagreed to the second statement “PRP is bad for team working”, but the coloured employees did not disagree as strongly as the other races. The last statement “PRP made me less willing to cooperate with management” was also disagreed with by all the race groups. White employees however more strongly disagreed to the statement and the coloured employees only disagreed to the statement while the other two race group opinions were distributed across disagree and strongly disagree.

The statement “PRP is bad for team working” was disagreed with by all age groups, but the two age groups 36 to 45 and 46 to 55 did not disagree as strongly to the statement as the younger employees. The statement “PRP made me less willing to cooperate with management” had a slightly different distribution as the age groups 26 to 35 and 46 to 55 did not disagree as strongly as the other age groups.

The temporary staff disagreed more strongly than the permanent employees on all three the statements relating to team work. A very small portion of the

sample is contained in the section non-managerial employees earning between R75,504 and R169,776 per annum, but these five respondents had responses in the neutral and agree sections, while the higher earning managerial employees disagreed more strongly. The more experienced employees those with 3 to 4 years experience and the once with 4 to 5 years were more neutral to the statement “PRP is bad for team working”.

6.5 PERFORMANCE APPRAISAL

According to Marsden et al. (2001) the benefits of financial incentives is outweighed by poorly conducted performance appraisal. A difference is seen in the survey that was conducted. Significant differences were seen in the way that the two departments viewed performance appraisals. The department that did not receive an incentive payment were more in agreement to the statements relating to performance appraisal than the department that did receive the incentive payment. That was evident in 4 of the statements: “Throughout the last year, I had sufficient opportunity to discuss my performance with my line manager”, “In the last year, I have had sufficient opportunity to discuss and clarify my role with my line manager”, “In the last year, I have ad sufficient opportunity to discuss my personal development needs with my line manager” and “I understand my manager’s rating of my performance”. One of the respondents from the second department wrote a comment on the questionnaire that the original rating of her performance was lowered as the rating was too high when it was analysed again.

The average scores of the females were distributed between 2 and 4, while the males were distributed higher at just under three to four in terms of the fairness of their last appraisal. The age group 17 to 25 indicated more strongly that they are clear about the targets and objectives, their role and personal development needs than any of the other age groups. On the clarity of their roles the subgroup 26 to 35 had a similar score than the 17 to 25 year olds, and the 36 to 45 year olds had a wider distribution whilst the 46 to 55 year old employees indicated the lowest score on clarity of their role.

Significant differences were detected between the means and medians of statements relating to performance in employment contracts. The temporary employees are generally more in agreement with the statements relating to performance appraisals. The permanent employees were not in agreement with the statements that managers know enough to perform appraisals as well as on the understanding of their performance rating.

The employees who indicated that they did receive an incentive payment disagreed more to the statements about the discussion of personal development needs and understanding of the performance ratings that were given to them. This again is contradictory to the findings of Marsden et al. (2001).

When looking at the managerial / hierarchical subgroups it is indicated that the managerial employees are clearer about their targets and objectives, their roles, personal development needs and their understanding of their performance

ratings. This begs the question if it is because of their roles or if they are more intrinsically motivated and therefore ensure that they know what is required of them. If the statement “Managers set targets clearly” is anything to go by, it would appear that the information does not filter through to all employees. Managerial employees appear to be more in touch with their own requirements in stead of that of what their teams and subordinates.

Looking at the experience level subgroup significant differences in terms of performance appraisals of the employees with less than 1 year experience were observed, thus generally having a more agreeable attitude towards performance appraisals. Employees with less than one year experience, the ones with 2 to 3 years experience as well as the ones with more than 5 years experience perceive managers to set targets clearly, the other experience groups don't agree with the statement.

The employees with 2 to 3 years experience are less clear about their roles than any of the other experience groups. Employees with more than 5 years experience and those with less than a year experience strongly agreed to clarity of their development needs. The other statements “managers know enough to appraise”, “I am clear about my current objectives and targets” and “I understand my manager's rating of my performance” were more agreeably answered by employees with less than one year experience.

6.6 REWARD SYSTEMS

It became evident that the employees from the department that did receive incentive payments more strongly agreed to the performance related pay statements. Both groups strongly agreed that it was a good principle, but the department who received the incentive payment strongly agreed that good work was recognised and rewarded, while the other group only agreed with the statement. The initiative gave the employees in the department that received incentive payments an incentive to work beyond their job requirements more than the members of the other department. The employees who received the payment also felt more agreeable to the fact that the incentive motivated them to show more initiative, they also became more aware of the organisations objectives and let them work harder. All of the factors mentioned above were also perceived by the department that did not receive the incentive payment as factors that they agree to but to a lesser extent than the other department.

The age groups showed some differences in the means and medians of the statements relating to pay-for-performance. The age group 36 to 45 were less agreeable as to how good the PRP principle is and the group 46 to 55 had a wider distribution of responses, the same was reflected on the statement that PRP means that good work is recognised and rewarded. These two age groups also did not think that the incentive system assisted in getting people to work harder, while only the group between 46 and 55 indicated that PRP did not cause them to work harder, they were actually neutral on this comment.

As in all the other sections the temporary employees' responses leaned more strongly towards "agreed" than the permanent employees. In the case of the performance related pay system all the statements indicated a significant difference in the means and medians of the two groups - temporary and permanent employees.

7. CONCLUSION AND RECOMMENDATIONS

7.1 FINDINGS

Significant differences were detected in the attitudes of the temporary employees and those of the permanent employees. The temporary employees have a more positive view on performance appraisals, goals and targets and agreed more strongly to most statements than their permanent counterparts. However, the most interesting phenomenon relating to the temporary employees is the fact that they appear to have stronger commitment ties to the organisation which imply a relational psychological contract. This is in total contradiction to other studies (Rousseau, 2004 and McDonald and Makin, 2000).

Further investigation into this phenomenon is required. There might be various reasons for these anomalies, the first being response bias. The possibility exists that employees think if they answer the questions in the extreme, there is an opportunity for them to get permanent positions within the organisation, being a social desirability bias. As these employees are relatively new - mostly employed within the last year - it is possible that they are still in the "honeymoon" phase and disillusionment has not occurred yet (Cartwright and Holmes, 2006). McDonald and Makin (2000) indicate that the psychological contract only becomes important when a breach takes place. An induction program was implemented to which the newer employees had been exposed,

while the more experienced staff was not privileged to the same. This induction program possibly provides the employees with a better understanding of their roles, targets and objectives. However most of the temporary employees are in the age group between 17 and 25 and Erickson (2008) states that younger employees are more supportive of pay-for-performance.

Although both the departments were in favour of the incentive system, the department that received incentive payments were more in favour of the incentive system.

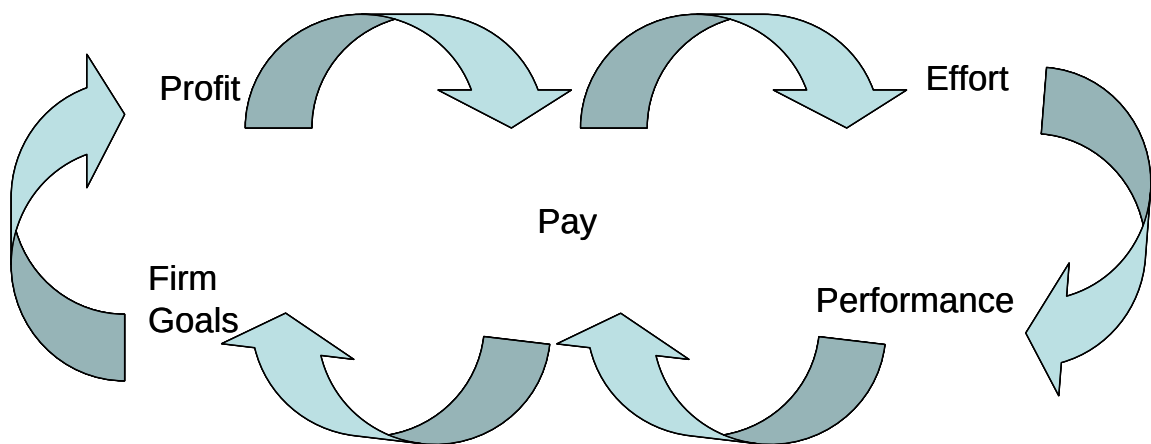
The other interesting factor is that in contrast to Marsden's (2004) comment that performance related pay would be more effective when greater attention is given to goal setting and performance appraisals. The results from this survey indicated that the employees in the department that did not receive an incentive payment were more in agreement to the performance management questions than the department that did receive the incentive payment. This is possibly an indication that the incentive system is burdened by the economic conditions and employees are kept accountable for measures outside of their control.

Personal development came out as a strong motivator. This should be incorporated in the performance appraisal process (Boswell and Boudreau, 2000).

The employees lower on the hierarchy appears to be less informed than the middle management layer, implying that the message does get filtered. Attention should be given to communication to lower level employees.

7.2 RECOMMENDATIONS

FIGURE 10 : LINKING PAY TO PERFORMANCE



Companies should aim to link the effort of their employees to their performance, which then should be linked to pay and the organisations goals and objectives, resulting in greater performance of the organisation (Beer and Cannon, 2004, Osterloh, et al., 2001, Paul and Anantharaman, 2003, Williams and Sunderland, 1999, Parker and Wright, 2001). This is illustrated in figure 10. This model has to be supported by setting appropriate goals to achieve the desired results and continuous measurement of these.

Important factors to strive for and balance these interests are set out below. Objectives and goals have to be formulated upfront and communicated clearly. This will ensure greater commitment from and motivation of the employees as

they see that their contributions are valued (Whitney, 1998). Beer is quoted in Lagace (2003) that complaints started when goals were being adjusted upwards. Adjustments were made to the second quarter incentive in the department that achieved the goal. Animosity might set in later as was indicated in other companies investigated by Beer and Cannon (2004).

The incentive system has to be easily understandable, accurately measurable (Laabs, 1999) and anticipating of loopholes (Billikopf, 2003). Measures should include both quality and quantity dimensions (Paul and Anantharaman, 2003). Employees can only be held accountable for the factors that are within their control (Beer and Cannon, 2004). This is a shortcoming of this incentive scheme as certain aspects are being influenced by economic factors outside of the employees' span of control.

Continued performance management is crucial, but the process has to be perceived as fair, trustworthy and transparent. The organisation should stay committed to the pay-for-performance system even when the economic cycle turns and focus on collections subsidies.

7.3 SUGGESTIONS FOR FUTURE RESEARCH

As this incentive scheme is fairly new it would be interesting to perform a similar exercise as time progresses to establish if the findings are similar to the ones in this report or if some of the predictors per Beer and Cannon (2004) have become evident in this environment.

This study only looked at the attitudes of the employees and did not consider indicators like staff turnover and absenteeism. The study can be extended to incorporate this information.

Another approach to the study would be to perform a triangulation between the organisations view of the success of the program and the attitudes of the employees. Bringing into affect some of the organisations factors that measure its success.

An interesting research project would be to measure commitment and performance of temporary employees in South Africa to that of permanent employees and if the observations are the same as those in this survey.

As this study was only conducted within one company it can be extended to more organisations, establishing if the results are specific to this particular organisation or if it can be extrapolated to pay-for-performance systems in general.

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APPENDICES

APPENDIX A: BLANK QUESTIONNAIRE

You have been selected to partake in a research project. The research is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration being completed at the Gordon Institute of Business Science (GIBS), University of Pretoria. The survey is completely confidential and the data will only be used as part of this research.

The topic for the research is: "Pay-for-performance: Does it influence employees' attitude and behaviour?"

Your participation is highly appreciated and should you require any further information you can contact Hanlie de Winnaar on (011) 352-2501.

Demographic information:

Gender	
Male	
Female	
Race	
Black	
Indian	
White	
Coloured	
Other (please specify)	
Age	
17-25 years	
26-35 years	
36-45 years	
46-55 years	
Over 55	
What type of employment contract do you have?	
Permanent	
Temporary	

Did you receive an incentive payment in July 2008?	
Yes	
No	
Job band, grade or level	
Band E	
Band D	
Band DS	
Band C	
Band CS	
How long have you been employed by the organisation?	
Less than 1 year	
1 to 2 years	
2 to 3 years	
3 to 4 years	
4 to 5 years	
More than 5 years	

Please indicate, by ticking the appropriate box, if you agree with the following statements:

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
PRP is a good principle	5	4	3	2	1
PRP means good work is recognised and rewarded	5	4	3	2	1
PRP has given me an incentive to work beyond my job requirements	5	4	3	2	1
PRP has given me an incentive to show more initiative	5	4	3	2	1
PRP has made me more aware of the organisations objectives	5	4	3	2	1
PRP causes jealousies among staff	5	4	3	2	1
PRP is bad for team working	5	4	3	2	1
PRP has made me less willing to cooperate with management	5	4	3	2	1
Managers set targets clearly	5	4	3	2	1
My last appraisal was fair / doubt I'll get a good appraisal	5	4	3	2	1
Managers know enough to appraise	5	4	3	2	1
PRP caused many staff to work harder	5	4	3	2	1
PRP caused me to work harder	5	4	3	2	1
Working in the organisation means a great deal to me	5	4	3	2	1
I feel part of the family in my present department	5	4	3	2	1
I would be very happy to spend the rest of my career with the organisation	5	4	3	2	1
I do not feel emotionally attached to the organisation	5	4	3	2	1
Whenever changes are made in the organisation employees usually lose out in the end	5	4	3	2	1
By working in the organisation, I feel that I am contributing to an important function	5	4	3	2	1
Throughout the last year, I had sufficient opportunity to discuss my performance with my line manager	5	4	3	2	1
In the last year, I have had sufficient opportunity to discuss and clarify my role with my line manager	5	4	3	2	1
In the last year, I have had sufficient opportunity to identify objectives and targets with my line manager	5	4	3	2	1
In the last year, I have had sufficient opportunity to discuss my personal development needs with my line manager	5	4	3	2	1
I am clear about my current objectives and targets	5	4	3	2	1
I am clear about my current job role	5	4	3	2	1
I am clear about my personal development needs	5	4	3	2	1
I understand my manager's rating of	5	4	3	2	1



my performance					
I earn a competitive salary	5	4	3	2	1
My contributions to the organisation is recognised	5	4	3	2	1
The organisation's personnel procedures are fair	5	4	3	2	1
I work too hard considering my outcomes	5	4	3	2	1
I give a great deal of time and attention to the organisation, but do not feel appreciated	5	4	3	2	1
I invest more in my job than I receive in return	5	4	3	2	1
The rewards I receive are not proportional to the effort that I put in	5	4	3	2	1
I put more energy into my job than it is worth	5	4	3	2	1
I feel unfairly treated in my job	5	4	3	2	1

Please indicate, by ticking the appropriate box, how satisfied or dissatisfied are you with:

	Very Satisfied	Satisfied	Neutral	Dis-satisfied	Very dis-satisfied
Your work performance	5	4	3	2	1
The quality of your work performance	5	4	3	2	1
The way you perform your work	5	4	3	2	1
The way you carry out your work activities	5	4	3	2	1
Your relationship with your team leader	5	4	3	2	1
The support you get from your team leader	5	4	3	2	1
The support that you give to your team leader	5	4	3	2	1

Please indicate, by ticking the appropriate box, how important the following are to you:

	Very Important	Important	Neutral	Not important	Not at all important
Pay rise	5	4	3	2	1
High pay	5	4	3	2	1
Respect from boss	5	4	3	2	1
Respect from peers	5	4	3	2	1
Compliments	5	4	3	2	1
Independence	5	4	3	2	1
Making friends at work	5	4	3	2	1
Special awards	5	4	3	2	1
Promotion	5	4	3	2	1
Personal growth and development	5	4	3	2	1
Setting higher standards for yourself	5	4	3	2	1
Giving help to others	5	4	3	2	1
Time at work passing fast	5	4	3	2	1
Feeling of security	5	4	3	2	1
Setting higher standards for others	5	4	3	2	1
Feeling of accomplishment	5	4	3	2	1
Feeling less tired at work	5	4	3	2	1

Please indicate, by ticking the appropriate box, if any of these are satisfied in your current role:

	Very Satisfied	Satisfied	Neutral	Dis-satisfied	Very dis-satisfied
Pay rise	5	4	3	2	1
High pay	5	4	3	2	1
Respect from boss	5	4	3	2	1
Respect from peers	5	4	3	2	1
Compliments	5	4	3	2	1
Independence	5	4	3	2	1
Making friends at work	5	4	3	2	1
Special awards	5	4	3	2	1
Promotion	5	4	3	2	1
Personal growth and development	5	4	3	2	1
Setting higher standards for yourself	5	4	3	2	1
Giving help to others	5	4	3	2	1
Time at work passing fast	5	4	3	2	1
Feeling of security	5	4	3	2	1
Setting higher standards for others	5	4	3	2	1
Feeling of accomplishment	5	4	3	2	1
Feeling less tired at work	5	4	3	2	1



APPENDIX B: CODING KEY

Grouping	Code
Employment Contract	
Permanent	1
Temporary	2
Unallocated	3
Department	
Department 1	1
Department 2	2
Race	
African	1
Indian	2
White	3
Coloured	4
Unallocated	5
Gender	
Male	1
Female	2
Unallocated	3
Age	
Age 17-25	1
Age 26-35	2
Age 36-45	3
Age 46-55	4
Age over 55	5
Unallocated	6
Experience	
Less than 1 year	1
1 to 2	2
2 to 3	3
3 to 4	4
4 to 5	5
More than 5 years	6
Unallocated	7
Earnings	
Managerial earning >R215 520	1
Non-managerial earning between R107 124 and R302 160	2
Non-managerial earning between than R75 504 and R169 776	3
Unallocated	4



Number	Statement
Question_1	PRP is a good principle
Question_2	PRP means good work is recognised and rewarded
Question_3	PRP has given me an incentive to work beyond my job requirements
Question_4	PRP has given me an incentive to show more initiative
Question_5	PRP has made me more aware of the organisations objectives
Question_6	PRP causes jealousies among staff
Question_7	PRP is bad for team working
Question_8	PRP has made me less willing to cooperate with management
Question_9	Managers set targets clearly
Question_10	My last appraisal was fair / doubt I'll get a good appraisal
Question_11	Managers know enough to appraise
Question_12	PRP caused many staff to work harder
Question_13	PRP caused me to work harder
Question_14	Working in the organisation means a great deal to me
Question_15	I feel part of the family in my present department
Question_16	I would be very happy to spend the rest of my career with the organisation
Question_17	I do not feel emotionally attached to the organisation
Question_18	Whenever changes are made in the organisation employees usually lose out in the end
Question_19	By working in this department, I feel that I am contributing to an important function
Question_20	Throughout the last year, I had sufficient opportunity to discuss my performance with my line manager
Question_21	In the last year, I have had sufficient opportunity to discuss and clarify my role with my line manager
Question_22	In the last year, I have had sufficient opportunity to identify objectives and targets with my line manager
Question_23	In the last year, I have had sufficient opportunity to discuss my personal development needs with my line manager
Question_24	I am clear about my current objectives and targets
Question_25	I am clear about my current job role
Question_26	I am clear about my personal development needs
Question_27	I understand my manager's rating of my performance
Question_28	I earn a competitive salary
Question_29	My contributions to the organisation is recognised
Question_30	the organisation's personnel procedures are fair
Question_31	I work too hard considering my outcomes
Question_32	I give a great deal of time and attention to the organisation, but do not feel appreciated
Question_33	I invest more in my job than I receive in return
Question_34	The rewards I receive are not proportional to the effort that I put in
Question_35	I put more energy into my job than it is worth
Question_36	I feel unfairly treated in my job
Question_37	Your work performance
Question_38	The quality of your work performance
Question_39	The way you perform your work

Number	Statement
Question_40	The way you carry out your work activities
Question_41	Your relationship with your team leader
Question_42	The support you get from your team leader
Question_43	The support that you give to your team leader
Question_44	Importance of Pay rise
Question_45	Importance of High pay
Question_46	Importance of Respect from boss
Question_47	Importance of Respect from peers
Question_48	Importance of Compliments
Question_49	Importance of Independence
Question_50	Importance of Making friends at work
Question_51	Importance of Special awards
Question_52	Importance of Promotion
Question_53	Importance of Personal growth and development
Question_54	Importance of Setting higher standards for yourself
Question_55	Importance of Giving help to others
Question_56	Importance of Time at work passing fast
Question_57	Importance of Feeling of security
Question_58	Importance of Setting higher standards for others
Question_59	Importance of Feeling of accomplishment
Question_60	Importance of Feeling less tired at work
Question_61	Satisfaction with Pay rise
Question_62	Satisfaction with High pay
Question_63	Satisfaction with Respect from boss
Question_64	Satisfaction with Respect from peers
Question_65	Satisfaction with Compliments
Question_66	Satisfaction with Independence
Question_67	Satisfaction with Making friends at work
Question_68	Satisfaction with Special awards
Question_69	Satisfaction with Promotion
Question_70	Satisfaction with Personal growth and development
Question_71	Satisfaction with Setting higher standards for yourself
Question_72	Satisfaction with Giving help to others
Question_73	Satisfaction with Time at work passing fast
Question_74	Satisfaction with Feeling of security
Question_75	Satisfaction with Setting higher standards for others
Question_76	Satisfaction with Feeling of accomplishment
Question_77	Satisfaction with Feeling less tired at work

APPENDIX C: STATISCAL INFORMATION RELATING RACE, GENDER AND INCENTIVE PAYMENT

TABLE C1: RESULTS FOR GENDER SUBGROUP IN TERMS OF MOTIVATION

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Importance of Pay rise	Gender	0.15	0.8576	0.8562	0.6517	Accept
Importance of High pay	Gender	0.01	0.9885	0.0168	0.9916	Accept
Importance of Respect from boss	Gender	1.67	0.1911	3.2467	0.1972	Accept
Importance of Respect from peers	Gender	0.55	0.5755	1.3032	0.5212	Accept
Importance of Compliments	Gender	0.24	0.7879	0.3131	0.8551	Accept
Importance of Independence	Gender	0.08	0.9277	0.0173	0.9914	Accept
Importance of Special awards	Gender	0.19	0.8273	0.7234	0.6965	Accept
Importance of Promotion	Gender	0.80	0.4526	1.7232	0.4225	Accept
Importance of Personal growth and development	Gender	2.80	0.0632	4.1896	0.1231	Accept
Importance of Setting higher standards for yourself	Gender	3.00	0.0516	4.1727	0.1241	Accept
Importance of Giving help to others	Gender	0.52	0.5923	0.2212	0.8953	Accept
Importance of Time at work passing fast	Gender	0.05	0.9489	0.0432	0.9786	Accept
Importance of Feeling of security	Gender	0.47	0.6230	1.0341	0.5963	Accept
Importance of Setting higher standards for others	Gender	0.07	0.9323	0.0338	0.9832	Accept
Importance of Feeling of accomplishment	Gender	1.10	0.3358	1.4689	0.4798	Accept
Importance of Feeling less tired at work	Gender	0.09	0.9134	0.3701	0.8311	Accept
Satisfaction with Pay rise	Gender	1.04	0.3544	1.8892	0.3888	Accept
Satisfaction with High pay	Gender	1.84	0.1615	2.8403	0.2417	Accept
Satisfaction with Respect from boss	Gender	0.95	0.3894	1.9441	0.3783	Accept
Satisfaction with Respect from peers	Gender	1.16	0.3169	2.3301	0.3119	Accept
Satisfaction with Compliments	Gender	1.88	0.1548	3.8353	0.1470	Accept
Satisfaction with Independence	Gender	0.98	0.3771	2.4043	0.3006	Accept
Satisfaction with Special awards	Gender	1.68	0.1898	2.7218	0.2564	Accept
Satisfaction with Promotion	Gender	1.68	0.1896	2.4621	0.2920	Accept
Satisfaction with Personal growth and development	Gender	1.01	0.3663	2.1840	0.3355	Accept
Satisfaction with Setting higher standards for yourself	Gender	0.94	0.3909	2.0786	0.3537	Accept
Satisfaction with Giving help to others	Gender	0.70	0.4987	1.7102	0.4252	Accept
Satisfaction with Time at work passing fast	Gender	1.45	0.2373	2.7054	0.2585	Accept
Satisfaction with Setting higher standards for others	Gender	2.03	0.1335	3.3433	0.1879	Accept
Satisfaction with Feeling of accomplishment	Gender	1.29	0.2785	2.6800	0.2619	Accept
Satisfaction with Feeling less tired at work	Gender	1.38	0.2537	2.5011	0.2863	Accept
Importance of Making friends at work	Gender	3.65	0.0276	7.1826	0.0276	Reject
Satisfaction with Making friends at work	Gender	3.78	0.0245	7.0760	0.0291	Reject
Satisfaction with Feeling of security	Gender	4.42	0.0133	7.6779	0.0215	Reject

FIGURE C1: GENDER: QUESTION 50

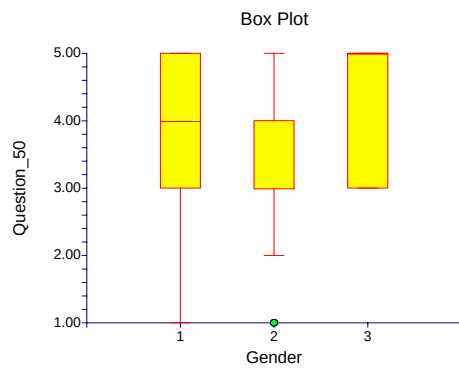


FIGURE C2: GENDER: QUESTION 67

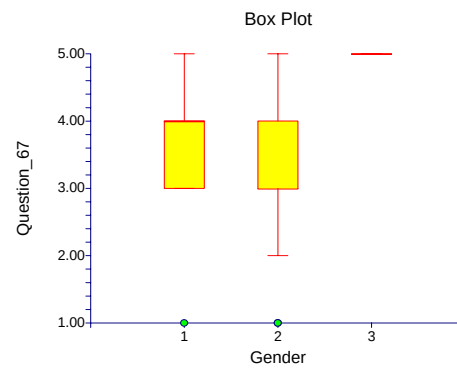


FIGURE C3: GENDER: QUESTION 74

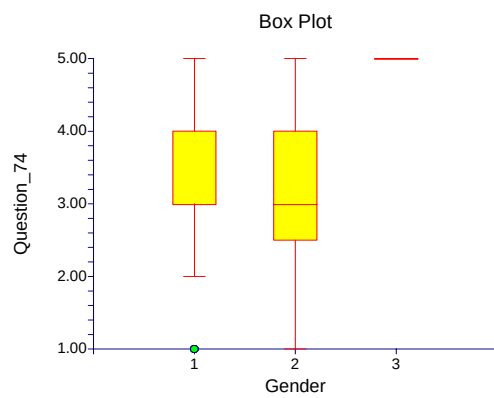


TABLE C2: RESULTS FOR INCENTIVE PAYMENT RECEIVED OR NOT SUBGROUPS FOR MOTIVATION

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Importance of Pay rise	Incentive payment received	0.05	0.9511	0.2749	0.8716	Accept
Importance of High pay	Incentive payment received	0.02	0.9832	0.0913	0.9554	Accept
Importance of Respect from boss	Incentive payment received	0.11	0.8951	1.0799	0.5828	Accept
Importance of Compliments	Incentive payment received	1.60	0.2041	4.0479	0.1321	Accept
Importance of Independence	Incentive payment received	0.20	0.8155	1.1798	0.5544	Accept
Importance of Making friends at work	Incentive payment received	0.94	0.3910	2.1650	0.3387	Accept
Importance of Special awards	Incentive payment received	1.53	0.2195	2.1029	0.3494	Accept
Importance of Promotion	Incentive payment received	0.90	0.4079	2.1899	0.3346	Accept
Importance of Personal growth and development	Incentive payment received	1.09	0.3368	2.0736	0.3546	Accept
Importance of Setting higher standards for yourself	Incentive payment received	1.42	0.2438	2.1959	0.3335	Accept
Importance of Giving help to others	Incentive payment received	0.54	0.5862	0.8863	0.6420	Accept
Importance of Time at work passing fast	Incentive payment received	0.06	0.9430	0.1586	0.9237	Accept
Importance of Feeling of security	Incentive payment received	1.90	0.1518	3.2417	0.1977	Accept
Importance of Setting higher standards for others	Incentive payment received	1.83	0.1632	3.8486	0.1460	Accept
Importance of Feeling less tired at work	Incentive payment received	1.76	0.1748	2.7309	0.2553	Accept
Satisfaction with Pay rise	Incentive payment received	0.02	0.9766	0.0119	0.9941	Accept
Satisfaction with High pay	Incentive payment received	0.06	0.9445	0.0765	0.9625	Accept
Satisfaction with Respect from boss	Incentive payment received	1.87	0.1573	3.2347	0.1984	Accept
Satisfaction with Respect from peers	Incentive payment received	-	0.9998	0.0146	0.9927	Accept
Satisfaction with Compliments	Incentive payment received	0.63	0.5341	0.9141	0.6332	Accept
Satisfaction with Independence	Incentive payment received	0.35	0.7019	0.5267	0.7685	Accept
Satisfaction with Making friends at work	Incentive payment received	0.58	0.5606	1.2281	0.5411	Accept
Satisfaction with Special awards	Incentive payment received	2.74	0.0669	5.3449	0.0691	Accept
Satisfaction with Personal growth and development	Incentive payment received	0.85	0.4295	1.4850	0.4759	Accept
Satisfaction with Giving help to others	Incentive payment received	1.21	0.3001	2.5226	0.2833	Accept
Satisfaction with Feeling of security	Incentive payment received	1.27	0.2831	2.4681	0.2911	Accept
Satisfaction with Setting higher standards for others	Incentive payment received	0.01	0.9920	0.0109	0.9946	Accept
Satisfaction with Feeling of accomplishment	Incentive payment received	0.69	0.5015	1.3098	0.5195	Accept
Satisfaction with Feeling less tired at work	Incentive payment received	1.65	0.1946	3.0784	0.2146	Accept
Importance of Feeling of accomplishment	Incentive payment received	3.11	0.0466	5.3468	0.0690	Accept
Satisfaction with Promotion	Incentive payment received	2.98	0.0530	6.1437	0.0463	Reject
Importance of Respect from peers	Incentive payment received	3.16	0.0445	6.1603	0.0460	Reject
Satisfaction with Setting higher standards for yourself	Incentive payment received	3.23	0.0415	6.7439	0.0343	Reject
Satisfaction with Time at work passing fast	Incentive payment received	3.55	0.0305	7.7454	0.0208	Reject

FIGURE C4: INCENTIVE RECEIVED: QUESTION 47

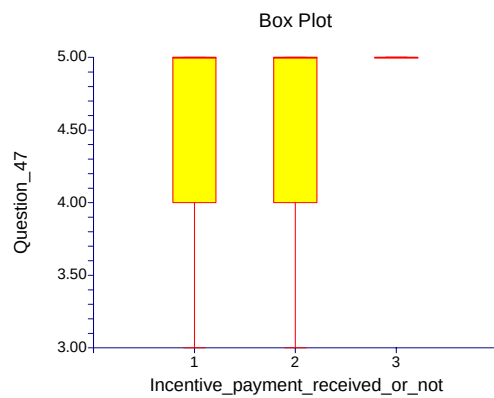


FIGURE C5: INCENTIVE RECEIVED: QUESTION 69

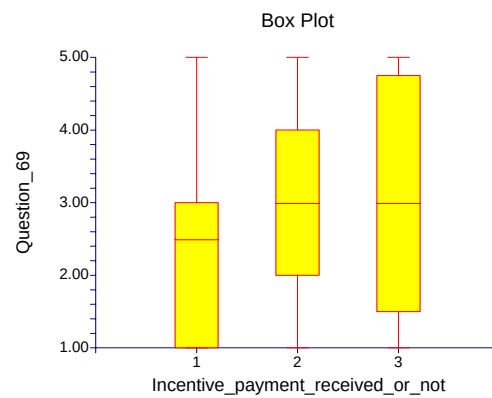


FIGURE C6: INCENTIVE RECEIVED: QUESTION 71

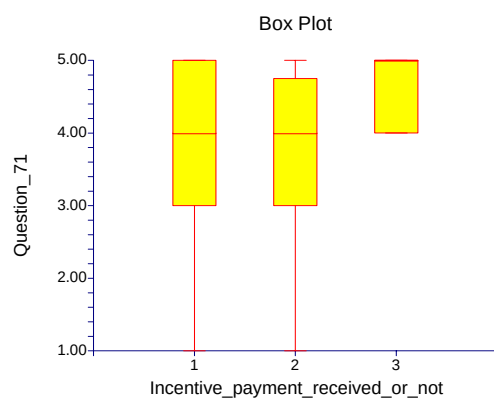


FIGURE C7: INCENTIVE RECEIVE: QUESTION 73

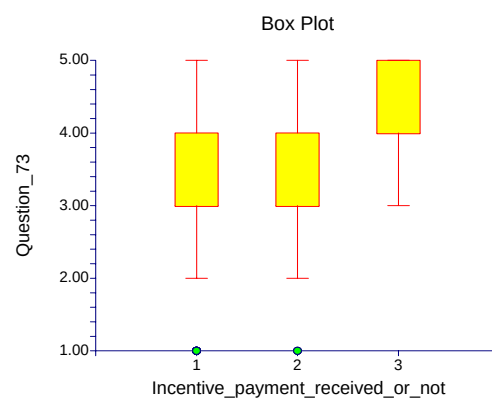


TABLE C3: RESULTS OF RACE SUBGROUP FOR MOTIVATION FACTORS

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Importance of Pay rise	Race	1.18	0.3208	4.1364	0.3879	Accept
Importance of High pay	Race	0.42	0.7937	1.5783	0.8127	Accept
Importance of Respect from boss	Race	0.79	0.5306	1.3965	0.8448	Accept
Importance of Respect from peers	Race	0.48	0.7478	3.4619	0.4837	Accept
Importance of Compliments	Race	1.10	0.3584	2.9201	0.5713	Accept
Importance of Independence	Race	0.71	0.5832	2.4284	0.6575	Accept
Importance of Promotion	Race	2.14	0.0773	7.4913	0.1121	Accept
Importance of Setting higher standards for yourself	Race	0.66	0.6196	2.7940	0.5929	Accept
Importance of Giving help to others	Race	0.36	0.8360	1.2575	0.8685	Accept
Importance of Time at work passing fast	Race	0.55	0.7000	2.2498	0.6899	Accept
Importance of Feeling of security	Race	1.01	0.4010	6.0134	0.1981	Accept
Importance of Setting higher standards for others	Race	1.12	0.3495	4.3751	0.3576	Accept
Importance of Feeling of accomplishment	Race	1.21	0.3064	5.2289	0.2646	Accept
Importance of Feeling less tired at work	Race	0.78	0.5391	3.3382	0.5029	Accept
Satisfaction with Pay rise	Race	1.65	0.1624	8.1853	0.0850	Accept
Satisfaction with High pay	Race	0.54	0.7099	2.8340	0.5860	Accept
Satisfaction with Respect from boss	Race	1.65	0.1635	5.3695	0.2514	Accept
Satisfaction with Respect from peers	Race	0.39	0.8137	1.3966	0.8448	Accept
Satisfaction with Compliments	Race	0.30	0.8794	1.3819	0.8473	Accept
Satisfaction with Independence	Race	0.40	0.8076	1.4174	0.8412	Accept
Satisfaction with Making friends at work	Race	0.30	0.8786	1.5975	0.8093	Accept
Satisfaction with Special awards	Race	0.70	0.5899	2.9429	0.5674	Accept
Satisfaction with Promotion	Race	0.33	0.8550	1.1600	0.8846	Accept
Satisfaction with Personal growth and development	Race	0.52	0.7230	2.2525	0.6894	Accept
Satisfaction with Setting higher standards for yourself	Race	0.22	0.9257	0.8820	0.9271	Accept
Satisfaction with Giving help to others	Race	1.09	0.3637	4.4995	0.3426	Accept
Satisfaction with Time at work passing fast	Race	0.86	0.4908	3.3874	0.4952	Accept
Satisfaction with Feeling of security	Race	0.85	0.4944	3.6875	0.4499	Accept
Satisfaction with Setting higher standards for others	Race	2.05	0.0887	8.0534	0.0896	Accept
Satisfaction with Feeling of accomplishment	Race	1.24	0.2964	4.0490	0.3994	Accept
Satisfaction with Feeling less tired at work	Race	2.04	0.0895	7.2784	0.1219	Accept
Importance of Making friends at work	Race	3.28	0.0122	12.3509	0.0149	Reject
Importance of Special awards	Race	3.72	0.0059	12.8902	0.0118	Reject
Importance of Personal growth and development	Race	3.64	0.0068	12.6618	0.0131	Reject

FIGURE C8: RACE: QUESTION 51

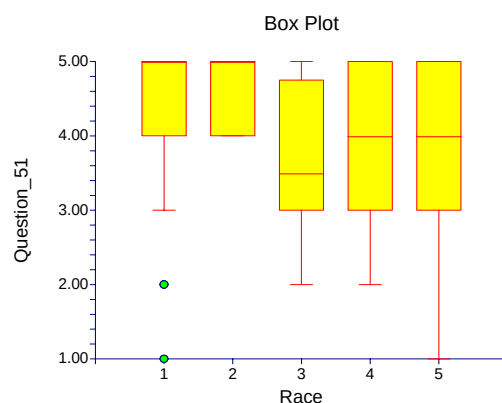


FIGURE C9: RACE: QUESTION 50

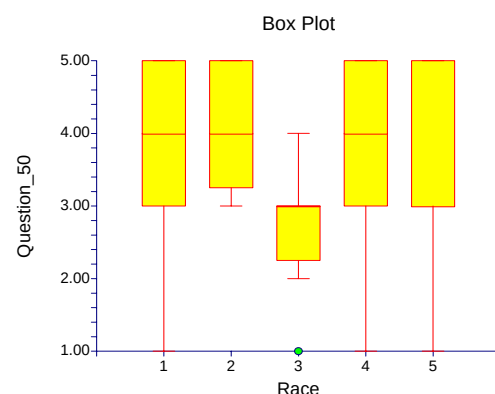


FIGURE C10: RACE: QUESTION 53

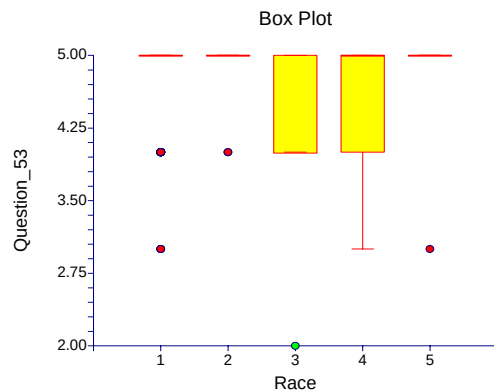


TABLE C4: STATISTICAL INFORMATION FOR GENDER RELATING TO JOB SATISFACTION

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Your work performance	Gender	0.01	0.9873	0.0036	0.9982	Accept
The quality of your work performance	Gender	0.56	0.5713	0.8410	0.6567	Accept
The way you perform your work	Gender	2.35	0.0977	3.5168	0.1723	Accept
The way you carry out your work activities	Gender	0.80	0.4515	1.3419	0.5112	Accept
Your relationship with your team leader	Gender	0.17	0.8431	0.1936	0.9078	Accept
The support you get from your team leader	Gender	0.32	0.7300	0.6232	0.7323	Accept
The support that you give to your team leader	Gender	1.25	0.2877	2.0337	0.3617	Accept

TABLE C5: STATISTICAL INFORMATION FOR INCENTIVE PAYMENT RECEIVED OR NOT RELATING JOB SATISFACTION

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
The way you carry out your work activities	Incentive payment received	1.20	0.3034	2.0837	0.3528	Accept
Your relationship with your team leader	Incentive payment received	0.60	0.5487	0.8029	0.6694	Accept
The support you get from your team leader	Incentive payment received	1.32	0.2692	2.2357	0.3270	Accept
The support that you give to your team leader	Incentive payment received	0.13	0.8770	0.1999	0.9049	Accept
Your work performance	Incentive payment received	0.84	0.4344	1.7827	0.4101	Accept
The quality of your work performance	Incentive payment received	0.96	0.3860	1.9739	0.3727	Accept
The way you perform your work	Incentive payment received	1.29	0.2770	2.0759	0.3542	Accept

TABLE C6: STATISTICAL INFORMATION IN TERMS OF JOB SATISFACTION OF RACE SUBGROUPS

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Your work performance	Race	1.49	0.2063	5.5513	0.2353	Accept
The quality of your work performance	Race	1.73	0.1431	7.9137	0.0948	Accept
The way you perform your work	Race	2.08	0.0839	9.1780	0.0568	Accept
The way you carry out your work activities	Race	1.16	0.3309	4.1714	0.3833	Accept
Your relationship with your team leader	Race	1.12	0.3455	4.6606	0.3239	Accept
The support you get from your team leader	Race	0.38	0.8215	0.9957	0.9104	Accept
The way you perform your work	Race	2.72	0.0303	10.7904	0.0290	Reject

FIGURE C11: RACE: QUESTION 39

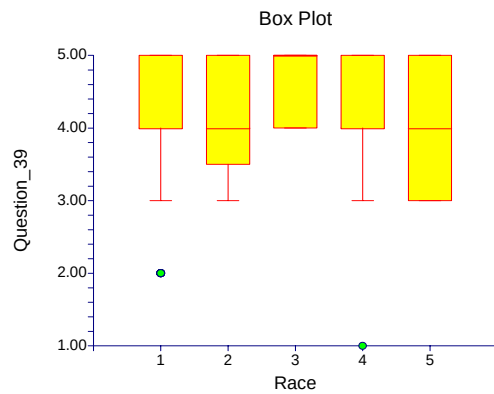


TABLE C7: COMMITMENT RESULTS FOR SUBGROUP GENDER

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Working in the organisation means a great deal to me	Gender	0.24	0.7841	0.7595	0.6840	Accept
I feel part of the family in my present department	Gender	0.36	0.6956	0.9819	0.6121	Accept
I would be very happy to spend the rest of my career with the organisation	Gender	0.44	0.6465	1.0819	0.5822	Accept
I do not feel emotionally attached to the organisation	Gender	0.17	0.8409	0.4973	0.7799	Accept
Whenever changes are made in the organisation employees usually lose out in the end	Gender	0.77	0.4630	1.8370	0.3991	Accept
By working in this department, I feel that I am contributing to an important function	Gender	0.91	0.4031	2.5233	0.2832	Accept

TABLE C8: COMMITMENT RESULTS FOR SUBGROUP INCENTIVE PAYMENTS RECEIVED OR NOT

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Working in the organisation means a great deal to me	Incentive payment received	0.35	0.7036	0.4143	0.8129	Accept
I feel part of the family in my present department	Incentive payment received	0.54	0.5841	2.0115	0.3658	Accept
I would be very happy to spend the rest of my career with the organisation	Incentive payment received	0.16	0.8540	0.4932	0.7815	Accept
I do not feel emotionally attached to the organisation	Incentive payment received	0.47	0.6229	0.7328	0.6932	Accept
Whenever changes are made in the organisation employees usually lose out in the end	Incentive payment received	2.32	0.1006	4.2209	0.1212	Accept
By working in this department, I feel that I am contributing to an important function	Incentive payment received	0.67	0.5110	1.5789	0.4541	Accept

TABLE C9: COMMITMENT RESULTS FOR RACE SUBGROUP

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Working in the organisation means a great deal to me	Race	1.23	0.3003	6.5872	0.1594	Accept
I feel part of the family in my present department	Race	0.96	0.4284	3.5730	0.4669	Accept
I would be very happy to spend the rest of my career with the organisation	Race	0.76	0.5532	2.9491	0.5664	Accept
Whenever changes are made in the organisation employees usually lose out in the end	Race	0.41	0.8013	1.8205	0.7687	Accept
By working in this department, I feel that I am contributing to an important function	Race	1.38	0.2423	8.0434	0.0900	Accept
I do not feel emotionally attached to the organisation	Race	2.40	0.0512	9.5237	0.0493	Reject

FIGURE C12: RACE: QUESTION 17

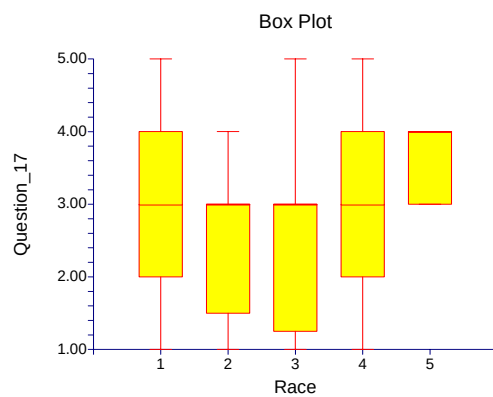


TABLE C10: RESULTS OF TEAMWORK STATEMENTS FOR GENDER SUBGROUP

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
PRP causes jealousies among staff	Gender	1.60	0.2039	3.3364	0.1886	Accept
PRP is bad for team working	Gender	0.90	0.4084	2.1341	0.3440	Accept
PRP has made me less willing to cooperate with management	Gender	1.82	0.1644	4.9085	0.0859	Accept

TABLE C11: RESULTS OF TEAMWORK STATEMENTS FOR RACE SUBGROUP

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
PRP causes jealousies among staff	Race	2.41	0.0500	9.5399	0.0489	Reject
PRP is bad for team working	Race	2.43	0.0487	11.2415	0.0240	Reject
PRP has made me less willing to cooperate with management	Race	3.02	0.0187	12.8737	0.0119	Reject

FIGURE C13: RACE: QUESTION 6

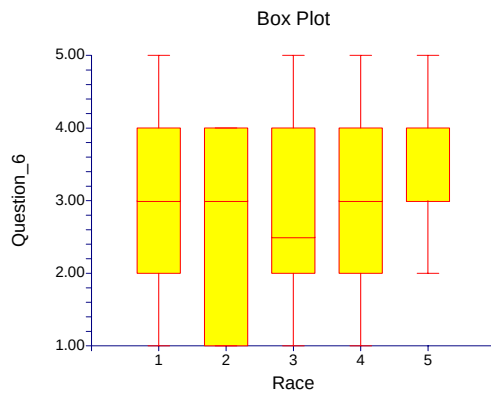


FIGURE C14: RACE: QUESTION 7

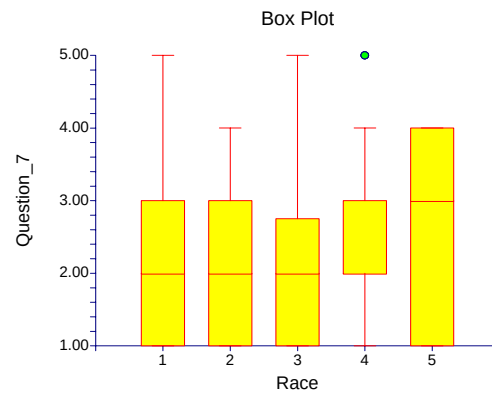


FIGURE C15: RACE: QUESTION 8

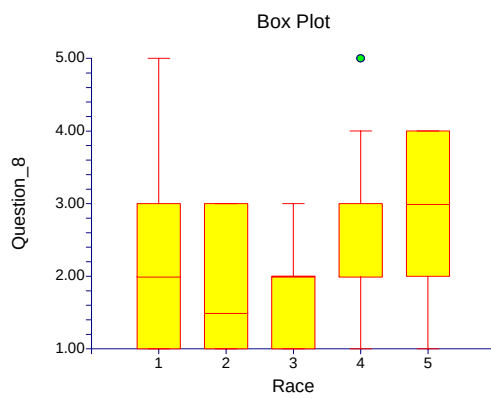


TABLE C12: TEAMWORK RESULTS FOR INCENTIVE PAYMENT RECEIVED OR NOT SUBGROUP

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
PRP causes jealousies among staff	Incentive Payment Received	0.85	0.4275	1.6679	0.4343	Accept
PRP is bad for team working	Incentive Payment Received	0.40	0.6694	0.4781	0.7874	Accept
PRP has made me less willing to cooperate with management	Incentive Payment Received	0.12	0.8874	0.3732	0.8298	Accept

TABLE C13: PERFORMANCE APPRAISAL RESULTS FOR GENDER SUBGROUP

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Managers set targets clearly	Gender	1.25	0.28759	2.42864	0.29691	Accept
My last appraisal was fair / doubt I'll get a good appraisal	Gender	3.13	0.04560	7.13570	0.02822	Reject
Managers know enough to appraise	Gender	2.20	0.11383	4.50016	0.10539	Accept
Throughout the last year, I had sufficient opportunity to discuss my performance with my line manager	Gender	2.57	0.07892	3.93566	0.13976	Accept
In the last year, I have had sufficient opportunity to discuss and clarify my role with my line manager	Gender	2.71	0.06844	4.52971	0.10385	Accept
In the last year, I have had sufficient opportunity to identify objectives and targets with my line manager	Gender	0.69	0.50202	0.81722	0.66457	Accept
In the last year, I have had sufficient opportunity to discuss my personal development needs with my line manager	Gender	2.85	0.06003	4.82988	0.08937	Accept
I am clear about my current objectives and targets	Gender	1.34	0.26252	3.75479	0.15299	Accept
I am clear about my current job role	Gender	1.10	0.33519	2.40100	0.30104	Accept
I am clear about my personal development needs	Gender	0.42	0.65934	1.45935	0.48207	Accept
I understand my manager's rating of my performance	Gender	1.51	0.22403	3.38956	0.18364	Accept
I earn a competitive salary	Gender	2.34	0.09837	5.11402	0.07754	Accept

FIGURE C16: GENDER: QUESTION 10

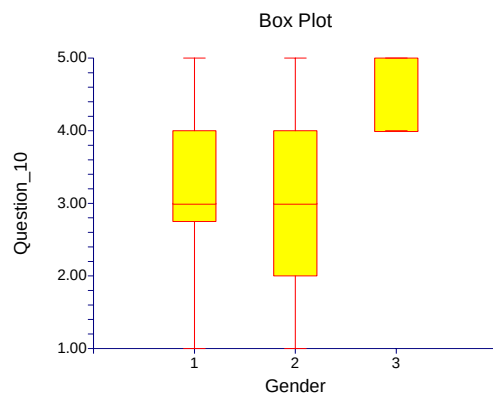


TABLE C14: RESULTS FOR RACE SUBGROUP RELATING TO PERFORMANCE APPRAISAL

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Managers set targets clearly	Race	0.74	0.56493	3.36955	0.49799	Accept
My last appraisal was fair / doubt I'll get a good appraisal	Race	1.56	0.18709	5.16121	0.27115	Accept
Managers know enough to appraise	Race	0.98	0.41679	3.99270	0.40700	Accept
Throughout the last year, I had sufficient opportunity to discuss my performance with my line manager	Race	1.50	0.20367	7.49221	0.11205	Accept
In the last year, I have had sufficient opportunity to discuss and clarify my role with my line manager	Race	0.42	0.79352	1.94773	0.74537	Accept
In the last year, I have had sufficient opportunity to identify objectives and targets with my line manager	Race	0.51	0.72628	2.17668	0.70330	Accept
In the last year, I have had sufficient opportunity to discuss my personal development needs with my line manager	Race	2.31	0.05907	8.80031	0.06629	Accept
I am clear about my current objectives and targets	Race	1.93	0.10590	8.59809	0.07197	Accept
I am clear about my current job role	Race	1.42	0.22790	4.74863	0.31408	Accept
I am clear about my personal development needs	Race	1.55	0.18898	6.70478	0.15234	Accept
I understand my manager's rating of my performance	Race	0.96	0.42790	3.47019	0.48243	Accept
I earn a competitive salary	Race	2.10	0.08186	8.01385	0.09107	Accept

TABLE C15: RESULTS FOR PERFORMANCE APPRAISAL STATEMENTS RELATING TO SUBGROUP INCENTIVE PAYMENT RECEIVED OR NOT

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
Managers set targets clearly	Incentive payment received	1.15	0.31944	2.31377	0.31447	Accept
My last appraisal was fair / doubt I'll get a good appraisal	Incentive payment received	0.53	0.58689	0.96807	0.61629	Accept
Managers know enough to appraise	Incentive payment received	5.02	0.00743	9.63559	0.00809	Reject
Throughout the last year, I had sufficient opportunity to discuss my performance with my line manager	Incentive payment received	2.51	0.08390	4.64704	0.09793	Accept
In the last year, I have had sufficient opportunity to discuss and clarify my role with my line manager	Incentive payment received	3.13	0.04579	5.97229	0.05048	Accept
In the last year, I have had sufficient opportunity to identify objectives and targets with my line manager	Incentive payment received	1.83	0.16228	3.27352	0.19461	Accept
In the last year, I have had sufficient opportunity to discuss my personal development needs with my line manager	Incentive payment received	4.34	0.01426	8.28585	0.01588	Reject
I am clear about my current objectives and targets	Incentive payment received	1.58	0.20852	2.72857	0.25556	Accept
I am clear about my current job role	Incentive payment received	1.38	0.25426	2.78667	0.24825	Accept
I am clear about my personal development needs	Incentive payment received	2.10	0.12457	5.68189	0.05837	Accept
I understand my manager's rating of my performance	Incentive payment received	3.73	0.02547	6.95230	0.03093	Reject
I earn a competitive salary	Incentive payment received	0.16	0.85449	0.34757	0.84048	Accept

FIGURE C17: INCENTIVE PAYMENT: QUESTION 11

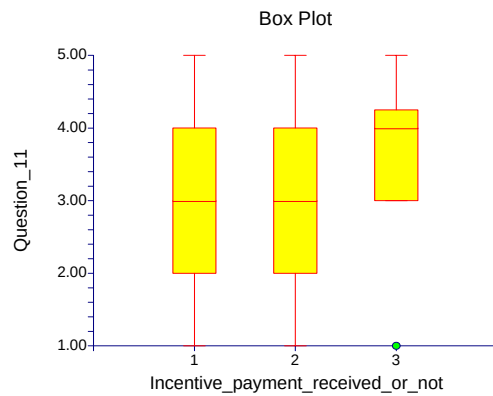


FIGURE C18: INCENTIVE PAYMENT: QUESTION 23

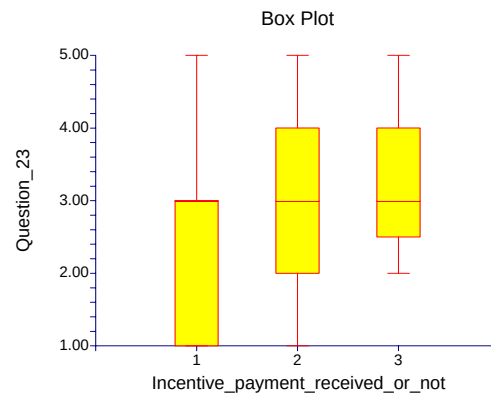


FIGURE C19: INCENTIVE PAYMENT: QUESTION 27

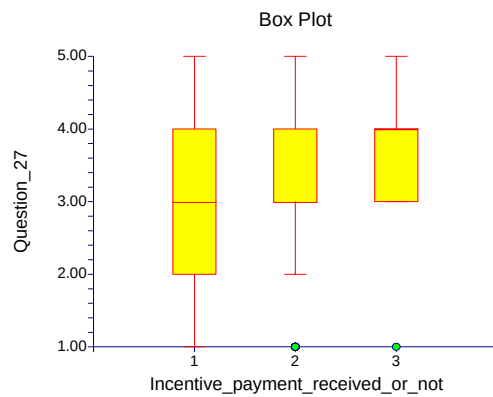


TABLE C16: GENDER SUBGROUP'S RESULTS IN TERMS OF PAY-FOR-PERFORMANCE

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
PRP is a good principle	Gender	0.64	0.5284	2.0229	0.3637	Accept
PRP means good work is recognised and rewarded	Gender	0.32	0.7291	0.8196	0.6638	Accept
PRP has given me an incentive to work beyond my job requirements	Gender	0.80	0.4520	0.9601	0.6187	Accept
PRP has given me an incentive to show more initiative	Gender	1.40	0.2481	2.0614	0.3568	Accept
PRP has made me more aware of the organisations objectives	Gender	0.12	0.8878	0.1451	0.9300	Accept
PRP caused many staff to work harder	Gender	1.52	0.2204	3.3976	0.1829	Accept
PRP caused me to work harder	Gender	0.02	0.9836	0.1740	0.9167	Accept

TABLE C17: RACE SUBGROUP RESULTS IN TERMS OF PAY-FOR-PERFORMANCE

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
PRP is a good principle	Race	0.83	0.5059	3.8869	0.4215	Accept
PRP has given me an incentive to work beyond my job requirements	Race	0.43	0.7833	1.1296	0.8895	Accept
PRP has given me an incentive to show more initiative	Race	1.21	0.3054	4.4381	0.3499	Accept
PRP has made me more aware of the organisations objectives	Race	1.10	0.3556	5.0523	0.2820	Accept
PRP caused many staff to work harder	Race	0.44	0.7791	1.3499	0.8529	Accept
PRP caused me to work harder	Race	1.34	0.2543	3.9267	0.4160	Accept
PRP means good work is recognised and rewarded	Race	2.98	0.0198	9.9887	0.0406	Reject

FIGURE C20: RACE: QUESTION 2

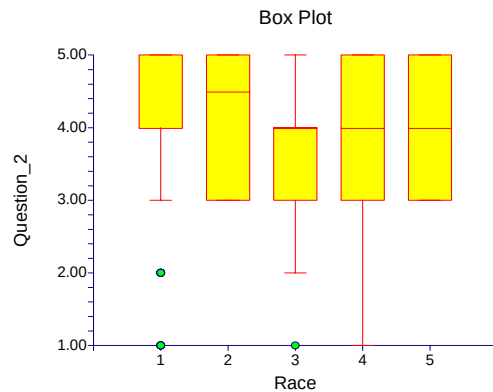


TABLE C18: SUBGROUP – INCENTIVE PAYMENT RECEIVED OR NOT RESULTS IN TERMS OF PAY-FOR-PERFORMANCE

Statement	Subgroup	F-Ratio	P-Value	Chi-square (adjusted for ties)	P-Value	Accept / Reject Null hypothesis
PRP is a good principle	Incentive payment received	0.34	0.7144	0.9292	0.6284	Accept
PRP means good work is recognised and rewarded	Incentive payment received	0.29	0.7493	2.6906	0.2605	Accept
PRP has made me more aware of the organisations objectives	Incentive payment received	1.50	0.2241	3.6590	0.1605	Accept
PRP caused many staff to work harder	Incentive payment received	1.09	0.3375	2.1776	0.3366	Accept
PRP caused me to work harder	Incentive payment received	1.45	0.2362	4.3754	0.1122	Accept
PRP has given me an incentive to work beyond my job requirements	Incentive payment received	5.89	0.0032	11.9510	0.0025	Reject
PRP has given me an incentive to show more initiative	Incentive payment received	8.60	0.0002	17.8598	0.0001	Reject

FIGURE C21: INCENTIVE PAYMENT: QUESTION 3

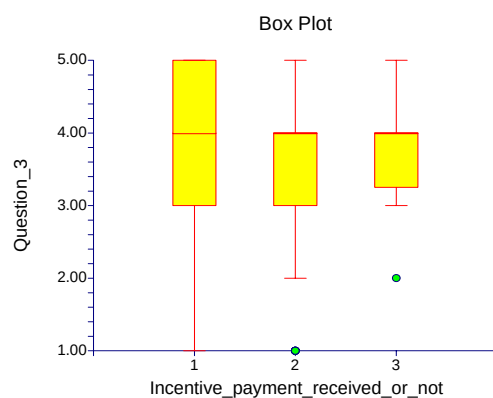
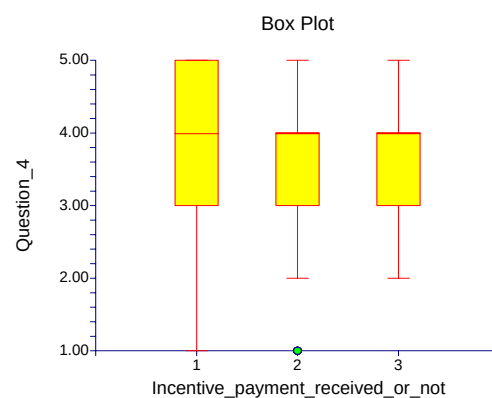


FIGURE C22: INCENTIVE PAYMENT: QUESTION 4



APPENDIX D: BOXPLOTS OF REJECTED SECONDARY HYPOTHESES FOR ACCEPTED HYPOTHESIS

FIGURE 1 A1: AGE: QUESTION 53

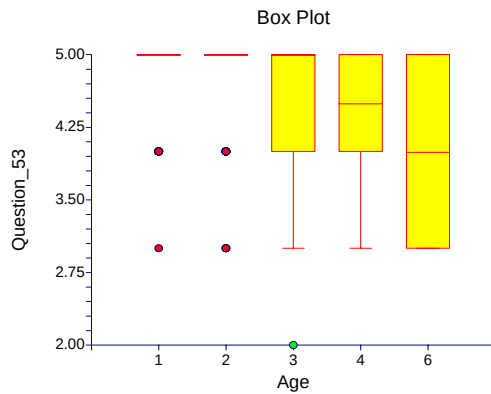


FIGURE 1 A2: AGE: QUESTION 75

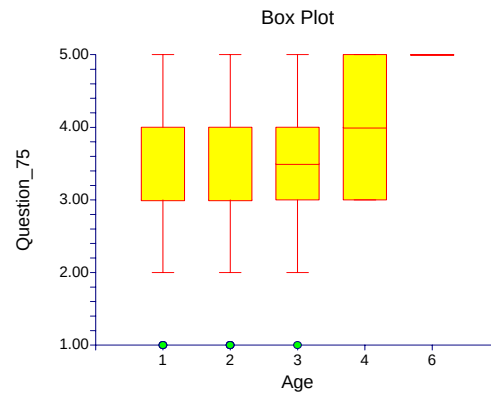


FIGURE 1 B1: DEPARTMENT: QUESTION 68

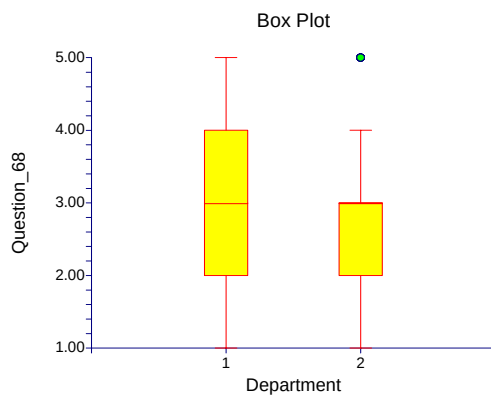


FIGURE 1 C1: EARNINGS: QUESTION 62

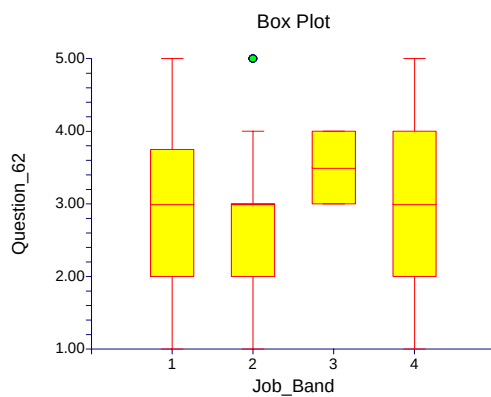


FIGURE 1 C2: EARNINGS: QUESTION 63

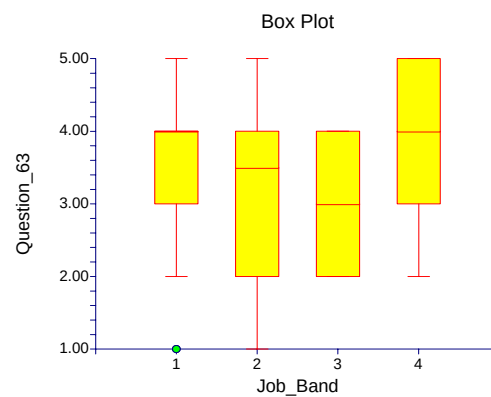


FIGURE 1 C3: EARNINGS: QUESTION 66

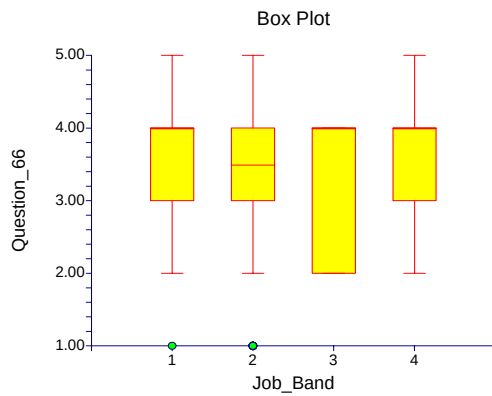


FIGURE 1 C4: EARNINGS: QUESTION 68

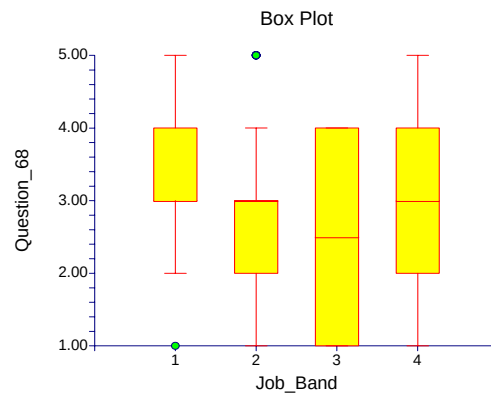


FIGURE 1 C5: EARNINGS: QUESTION 74

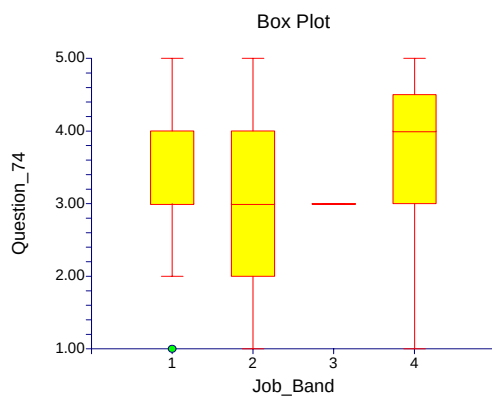


FIGURE 1 C6: EARNINGS: QUESTION 75

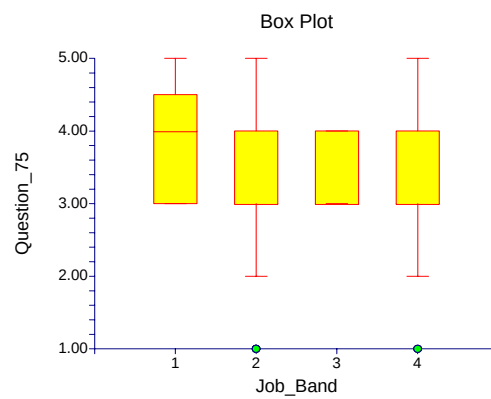


FIGURE 1 D1: EMPLOYMENT CONTRACT: QUESTION 52

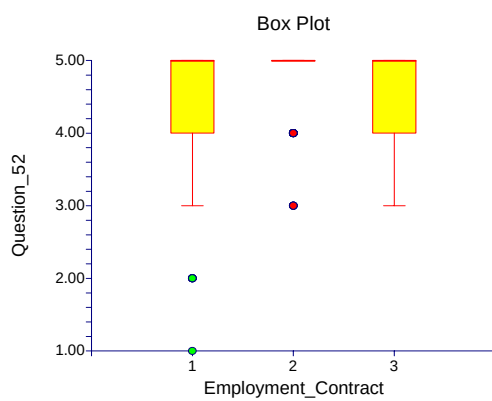


FIGURE 1 D2: EMPLOYMENT CONTRACT: QUESTION 53

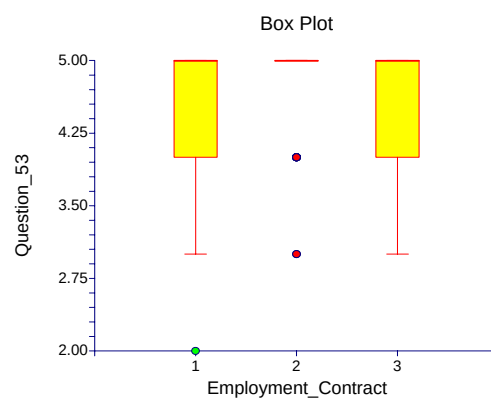


FIGURE 1 D3: EMPLOYMENT CONTRACT: QUESTION 63

65

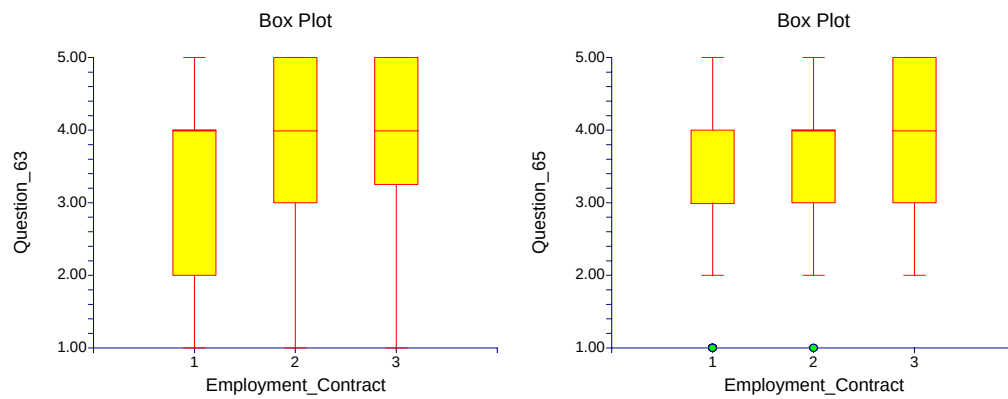


FIGURE 1 D5: EMPLOYMENT CONTRACT: QUESTION 66

67

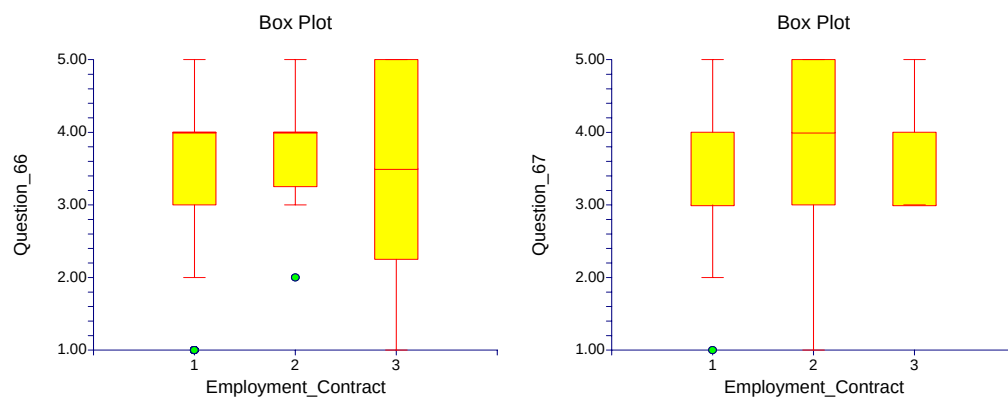


FIGURE 1 D7: EMPLOYMENT CONTRACT: QUESTION 74

77

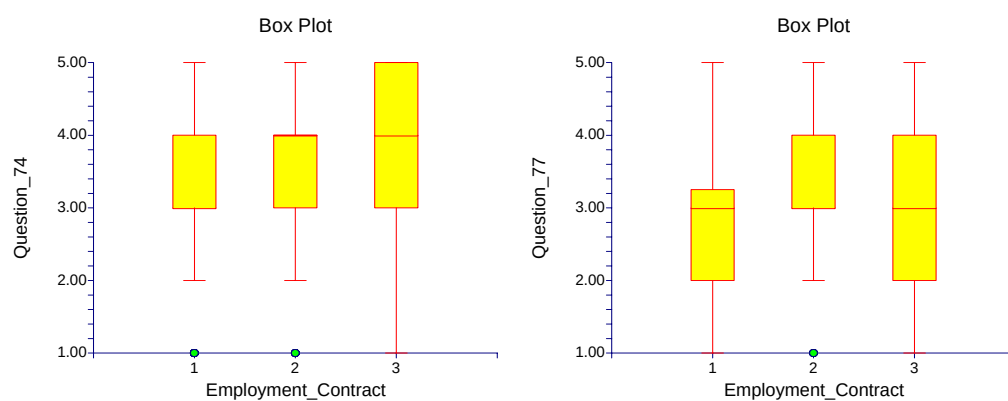


FIGURE 1 E1: EXPERIENCE: QUESTION 52

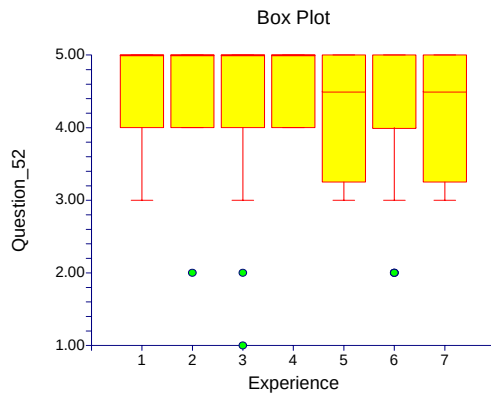


FIGURE 1 E2: EXPERIENCE: QUESTION 53

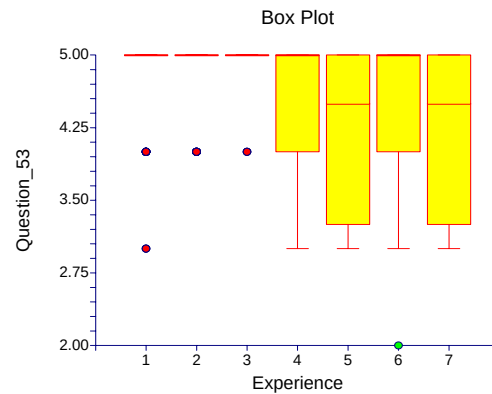


FIGURE 1 E3: EXPERIENCE: QUESTION 61

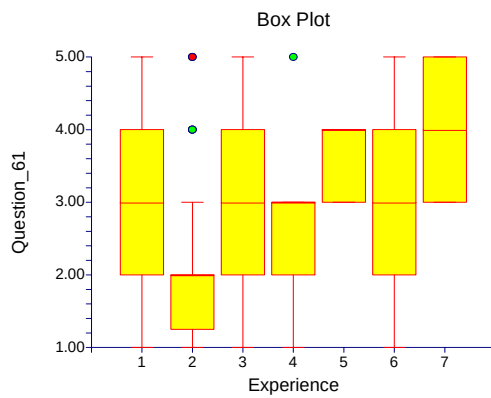


FIGURE 1 E4: EXPERIENCE: QUESTION 65

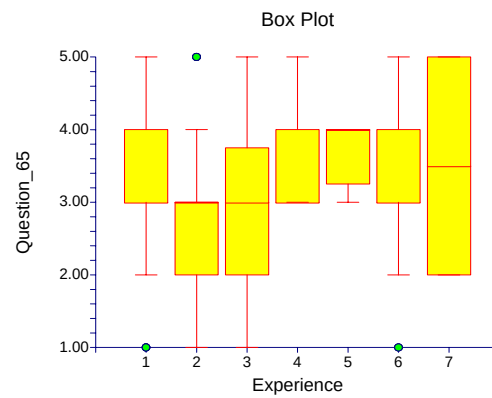


FIGURE 1 E5: EXPERIENCE: QUESTION 67

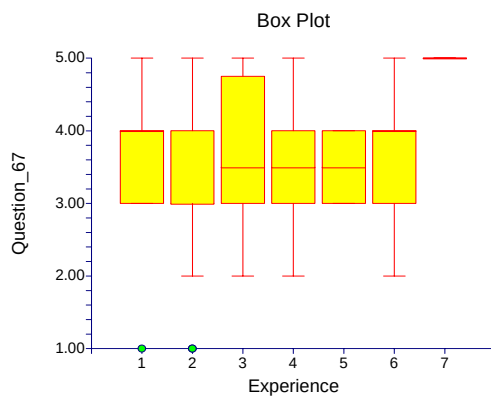


FIGURE 2C1: EARNINGS: QUESTION 43

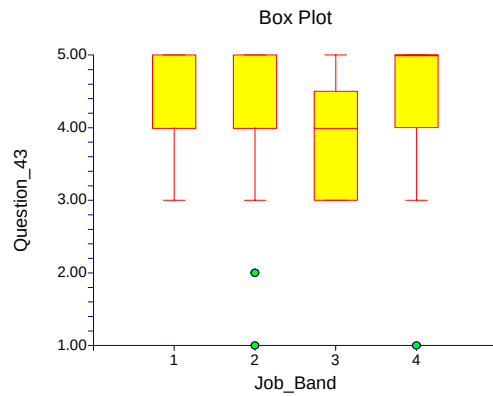


FIGURE 2 D1: EMPLOYMENT CONTRACT: QUESTION 40 FIGURE 2 D2: EMPLOYMENT CONTRACT : QUESTION 41

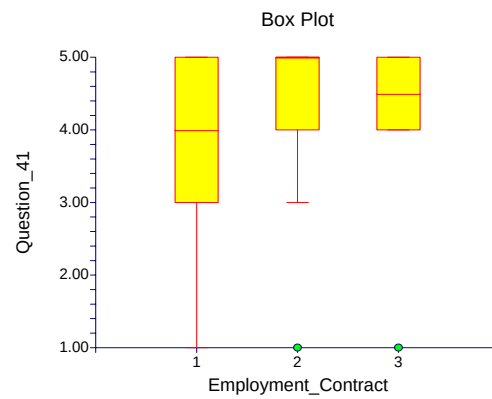
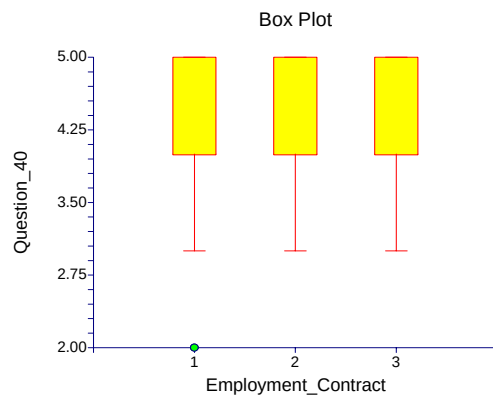


FIGURE 1 D3: EMPLOYMENT CONTRACT : QUESTION 42



FIGURE 4 D1: EXPERIENCE: QUESTION 7

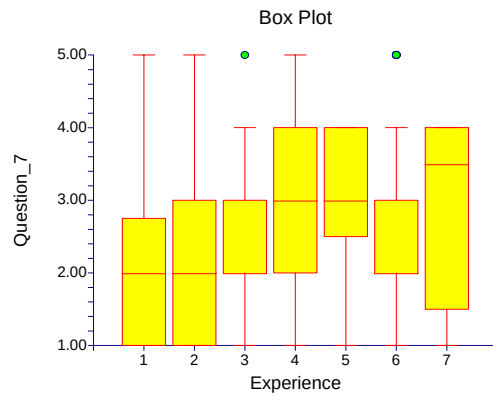


FIGURE 5 A1: DEPARTMENT: QUESTION 11

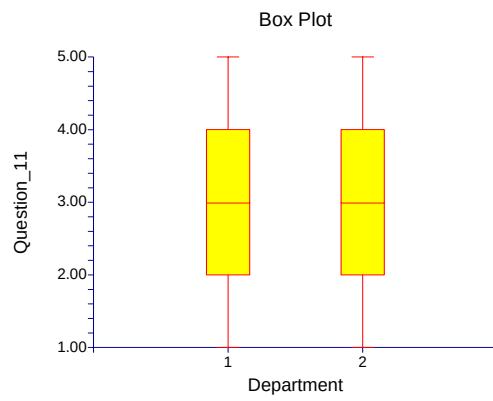


FIGURE 5 A2: DEPARTMENT: QUESTION 20

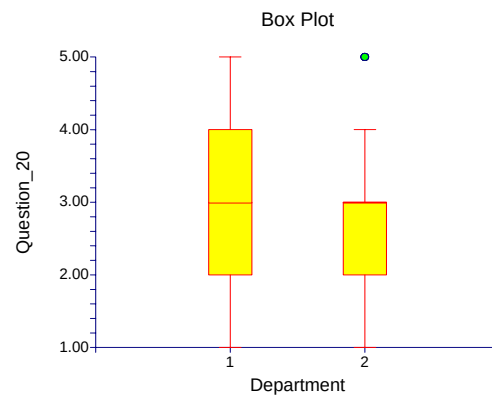


FIGURE 5 A3: DEPARTMENT: QUESTION 21

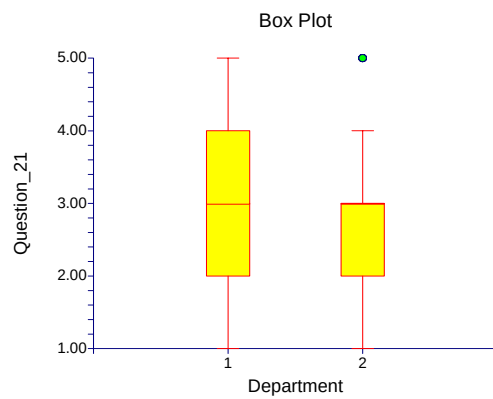


FIGURE 5 A4: DEPARTMENT : QUESTION 23

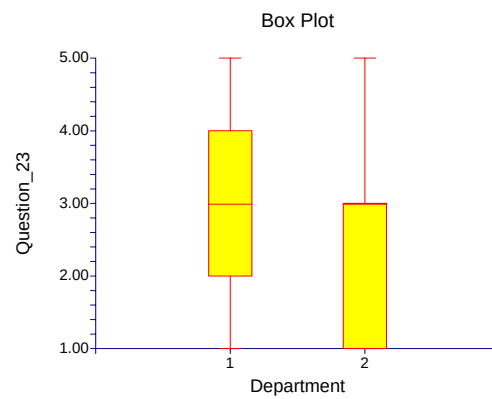


FIGURE 5 A5: DEPARTMENT: QUESTION 27

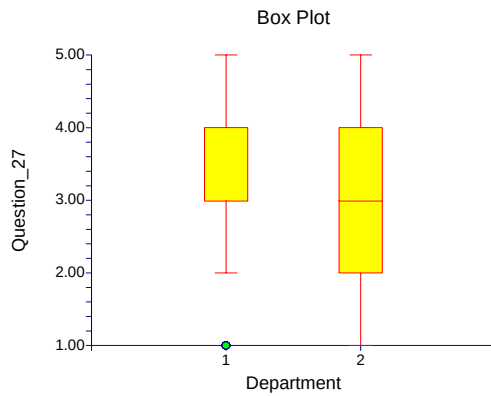


FIGURE 5 B1: AGE: QUESTION 11

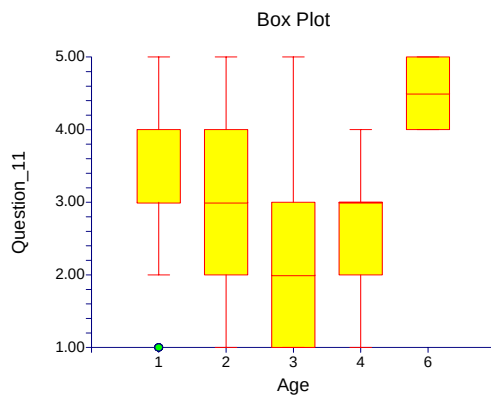


FIGURE 5 B2: AGE: QUESTION 24

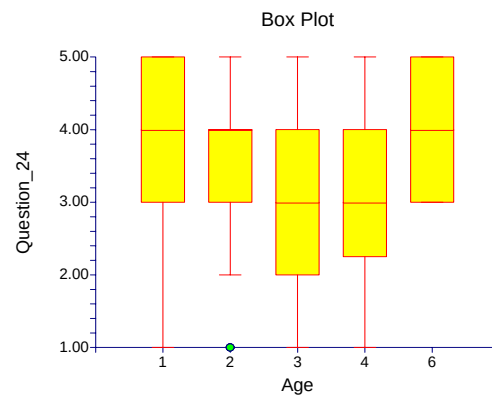


FIGURE 5 B3: AGE: QUESTION 25

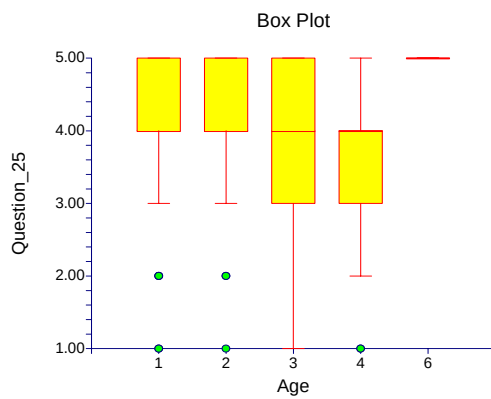


FIGURE 5 B5: AGE: QUESTION 26

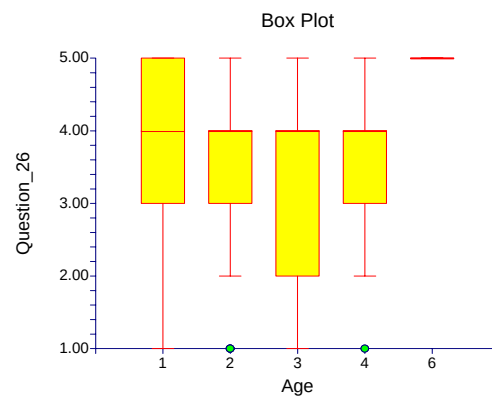


FIGURE 5 C1: EMPLOYMENT CONTRACT: QUESTION 9 11
FIGURE 5 C2: EMPLOYMENT CONTRACT: QUESTION

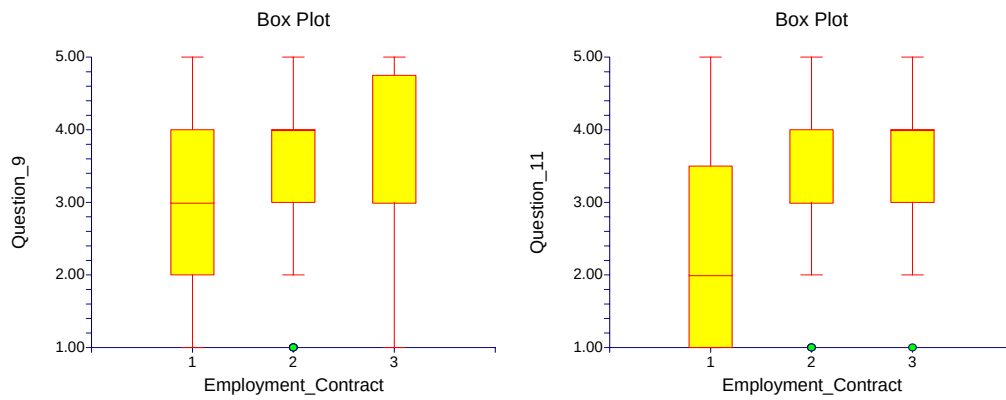


FIGURE 5 C3: EMPLOYMENT CONTRACT: QUESTION 24 25
FIGURE 5 C4: EMPLOYMENT CONTRACT: QUESTION

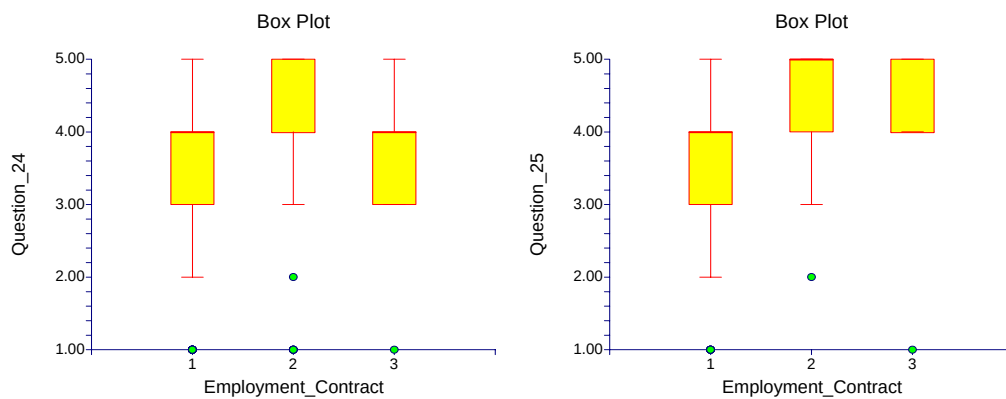


FIGURE 5 C5: EMPLOYMENT CONTRACT: QUESTION 26 27
FIGURE 5 C6: EMPLOYMENT CONTRACT: QUESTION

