Gordon Institute of Business Science
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A demographic analysis of reward preferences within the South African energy sector

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Abstract

Orientation: Literature has shown that universal approach to rewards does not exist and not ideal. Developing a total rewards package that is more closely aligned to the preferences of employees can improve its effectiveness and help organisations attract, engage, and maintain talent to develop a competitive advantage amongst its peers.

Research purpose: The primary objective of this research is to determine if employee's reward preferences are affected by demographics through the application of the WorldatWork total rewards strategy framework.

Motivation for the study: With the critical skills shortage and resulting fierce competition for skills within the South African energy sector, understanding how to attract, engage and retain the desired skills will enable organisations to develop a competitive advantage over its peers and successfully implement its strategic priorities.

Research design, approach, and method: A quantitative approach was taken where primary data was collected, at a single point in time, through structured online surveys. The population was made up of 1 553 employees from a large South African petrochemical company. The sample was defined through non-probability convenient sampling, where 152 individuals responded voluntarily.

Main findings: The research confirmed that employee reward preferences are varied based on their demographic groupings. Although there was no difference in how the different demographic groups valued financial rewards, reward preferences did vary based on age, gender, race, tenure, and seniority.

Practical implications: Based on the understanding of how reward preferences vary amongst the different demographic groups, managers can develop total reward packages that are more closely aligned to the preferences of their diverse workforce without necessarily increasing the associated cost.

Contributions: Within the South African energy sector, demographics do influence the employee reward preferences. This is a significant and decisive contribution to academic literature and the body of knowledge.

Keywords: Total rewards, Talent management, remuneration, compensation, WorldatWork, reward preferences

Plagiarism Declaration

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

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Chapter 1: Introduction to the research problem

1.1. Purpose

Employees are critical to an organisation's success in achieving its strategic goals. Therefore, attracting and retaining talent is key for organisations to maximise their potential and achieve strategic success (Kumar, 2022). As the trend of globalisation and employee mobility increases, firms face a more difficult war on talent, firms must now compete on a global platform for talent (Anwar & Abdullah, 2021; Kabwe & Tripathi, 2020).

Employee engagement has been found to affect the performance of an individual at work and ultimately the performance of a business (Carter et al., 2018). Research has also found that employee rewards can play a major role in retaining and engaging employees, as well as attracting talent to an organisation (Froese et al., 2019). One can therefore deduce that employee rewards influence employee engagement which may ultimately drive the performance of a company.

The competition for talent becoming more intense as technical skills become scarce in South Africa, primarily because of emigration ((Department of Home Affairs, 2022; Mlambo & Adetiba, 2019). Talent management must be a key focus area for organisations to develop an understanding of how to attract, engage and retain employees through both implicit and explicit means (Kumar, 2022). Compensation (or remuneration) and employee rewards is a component of talent management and is regarded as an essential aspect required to retain and attract talent (Kumar, 2022).

Reward packages are tailored to specific industries to best suit the availability of talent and their preferences (Fulmer & Li, 2022). Employee reward packages are expensive, and, in many instances, it is the single biggest cost to an organisation. Employers are becoming more interested in understanding how best to leverage their rewards offering to ensure they remain competitive (Fulmer & Li, 2022).

It is also important to understand that reward preferences do not follow a standard one-size-fits-all approach, as these preferences may vary within a workforce depending on various factors (Silver et al., 2021; Bussin & Brigman, 2019; Bussin & Toerien, 2015). Understanding how to best design employee reward packages, based on the understanding of the nuanced preferences of a diverse workforce, will

assist employers in developing rewards packages that are more likely aligned with the preferences of their workforce (Magnan & Martin, 2019).

The notion of total rewards has been studied since the 1990s with studies into reward preferences developing from the 2000s (Bussin et al., 2019), however even with this there is still a need for more academic research that enables better alignment between the interests of the organisation and the preferences of the employer (Fulmer & Li, 2022). There has been an identified literature gap in examining how various demographic factors impact reward preferences within the energy sector.

The purpose of this research is therefore to develop an understanding of the relationship between employee demographics (gender, age, education, family size, tenure, seniority) and reward preferences (including both intrinsic and extrinsic factors) amongst the diverse workforce in the South African energy sector. This research aims to provide insights that can help organisations within this industry develop reward packages that are closer aligned to the preferences of their workforce and ultimately become more effective in attracting, retaining, and engaging their employees to drive organisational performance.

This research will develop an understanding of the impact or effect that demographics factors have on shaping employee reward preferences within the South African energy sector. It involves examining how these demographic factors may guide the priorities place on the different types of rewards.

1.2. Context of the study

The stability of South African energy industry is critical as it is aims to address the ongoing energy crisis, with energy security within South Africa likely to be achieved through an increased private sector participation and rates of investment (Bowman, 2020). To achieve success and achieve their strategic objectives, the competition for talent will intensify, with organisations having to compete both locally and internationally for scarce talent, whilst also aiming to improve the engagement of their employees (Allal-Chérif et al., 2021; Bonneton et al., 2022). South African companies within the energy sector will compete for resources within a pool that is shrinking, and where the cost associated with recruiting, replacing, and training an employee can cost as much as 150% of their yearly salary (Chiat & Panatik, 2019), this costly and time-consuming exercise should be avoided as far as possible.

Employee turnover is both frustrating and costly for organisations, as employers will be required to spend additional resources (time, money, and effort) to recruit and train new talent (Chiat & Panatik, 2019). Over and above the financial burden associated with losing an employee, there is a loss of tacit knowledge and strategic productivity that will need to be regained as the new employee is onboarded and develops within their role. Bussin and Brigman (2019), argue that employee retention is achieved by more than just providing higher wages than one's competition, it is about developing a work environment that rewards employees both intrinsically and extrinsically whilst creating a diverse working environment based on mutual trust and respect.

South Africa is facing a critical skills shortage, mainly in highly specialised and technical sectors as the energy industry (Department of Home Affairs, 2022). This skills shortage within the country is a risk to the energy stability and security of the country. This skills shortage is as a direct result of high rates of emigration of talent (Mlambo & Adetiba, 2019). To enable organisational success and underpin both industrial stability and national economic growth, this outflow of skills mut be abated to retain talent within the country.

If South Africa's energy industry is to succeed, highly skilled employees must be recruited, retained, and engaged to prevent them from leaving for more attractive reward packages. As skilled professionals, who should be contributing to the social and economic development of the country leave, the effort to drive organisational success and national growth is severely hindered. Understanding those factors that lead individuals seeking alternate employment either nationally or internationally will enable organisations develop more attractive reward packages that aim to improve organisational performance through a more engaged workforce.

1.3. Problem statement

Whilst there is extensive research that exists on employee rewards and talent management, there is an identified literature gap regarding how demographic factors influence reward preferences within the South African energy industry. Much of the existing literature focuses more generally on talent management and its linkage to global industries, but there is limited research examining how demographic factors shapes reward package preferences in the South African energy sector context. This gap is of particular interest given the importance of this sector in ensuring energy security and stabilising the South African economy.

Developing an understanding for how different demographic groups prioritise different rewards, be it extrinsic (financial or rewards) or intrinsic (recognition, career development or work life balance), is important for developing an effective talent management and rewards systems. This research will provide organisations insights that will assist in tailoring their reward packages such that it is more closely aligned with the preferences of employees, thus leading to an improved ability for organisations to attract, retain and engage their workforce thereby maintaining momentum in delivering strategic priorities.

This research will equip organisations within the South African energy sector with the understanding of the preferences of the workforce enabling them to become more competitive in the global struggle for talent. More importantly, it is hoped that this research will fill an academic gap of empirical research in the literature.

1.4. Significance of the study

Given the role that employees play in enabling the success of any organisation, talent management should be a key priority for organisations to drive success (Kumar, 2022). Literature has identified the need to further study the influence demographics has on employee reward preferences (Fulmer & Li, 2022). Through the literature review carried out, there is an identified gap within literature that studies how demographics influences rewards within the South African energy sector.

The findings from this study will provide an academic contribution to the talent management body of knowledge. This will enable the South African energy industry to leverage these learnings to develop more effective and efficient talent management strategies, based on a more thorough and in depth understanding of the impact that demographics have on reward preferences within the South African energy sector.

Given the importance of this industry in ensuring energy security for South Africa, this research will enable managers, develop more effective talent management strategies that will attract and retain top talent. Additionally, by offering a more personalised reward package aligned with the employee's preferences, organisations can:

- Develop a more cost-effective talent management system through reducing elements of the rewards package that are deemed non-value adding.

- Attract critical skills required by aligning reward offerings with the preferences of a more diverse workforce, hence making organisations more competitive globally.
- Retain knowledge and reduce costly employee turnover by offering employees a reward package that caters to the preferences of a modern and diverse workforce.
- Improve overall business performance through a more engaged workforce.

If this research were not conducted, the competition for talent will continue through the implementation of inadequate reward packages that could be found to be wasteful and ineffective. Providing unwanted rewards will not only push up the cost of the associated reward package, but also reduce the efficacy of this as a motivator ultimately resulting in the organisation having to incur the cost of replacing lost talent.

1.5. Delimitations

The scope of this research is confined to investigating the relationship between demographics and employee reward preferences within the South African energy sector. The demographic factors considered for this research include gender, age, race, level of education, tenure, and seniority. Other factors such as cultural or physiological differences were not considered, although these too may impact reward preferences.

The findings from this research could provide useful insights for other industries, however the focus of this research is specific to the South African energy sector context; hence, findings will be unique to the complexities and dynamics within this sector.

Furthermore, this research does not unpack the impact of macroeconomic climate and broader socio-economic circumstances that may impact an individual's willingness to leave South Africa.

Given that this study was conducted using quantitative data gathering and analysis, it focused on identifying general trends and statistical corelations that could explain the relationship between demographics and reward preferences. A qualitative study could be used if there is a need to develop a deeper understanding of an individual's preferences.

Finally, this a cross-sectional study that provided a snapshot of how employees feel today and does not account for how one's reward preferences may vary over time or in response to other external factors.

1.6. Definition of terms

Employee engagement: Employee engagement is the level of motivation or internal drive that an employee must succeed at a given task (Lazzari et al., 2022).

Employee retention: Employee retention include various activities and policies that seeks to keep employees within an organisation (Pandita & Ray, 2018).

Employee turnover: Employee turnover describes how frequently employees exit a business or organisation to seek alternate employment (Lazzari et al., 2022).

Remuneration: Remuneration or compensation are terms used interchangeably and refer to the payment received by employees for services rendered. Remuneration is a financial reward that is facilitated through cash payments and is made up of fixed (salary) and variable (performance bonuses) components.

Rewards: A reward is a tool that is used to engage an individual to carry out a task with the anticipation that they will receive something in return (Nienaber et al., 2011).

Total reward: Total rewards considers a multi-dimensional framework for a reward package. It includes both financial and non-financial rewards that together can address the intrinsic (the drive from within) and extrinsic (reward based) motivational factors to improve the level of engagement of an individual (Nienaber et al., 2011).

1.7. Summary

Chapter 1 establishes the important role employees play in supporting and carrying organisations forward toward achieving strategic success. It describes the importance of attracting, engaging, and retaining talent within a global talent marketplace. This is especially the case within South Africa where skills are scarce and the war for talent is exacerbated by emigration. It outlines the business problem this research aims to address, by discussing how reward preferences are influenced by employee demographics and how understanding this can lead attracting, engaging, and retaining talent.

Chapter 2 provides a review of the literature that forms the theoretical framework for this research. It discusses the linkage between the business problem, outlined in Chapter 1, and theory. Furthermore, Chapter 1 and Chapter 2 will be the used to develop the research hypotheses that are provided in Chapter 3.

Chapter 2: Literature review

2.1. Introduction

The aim of this research is to develop an understanding of how reward preferences are influenced by various demographic factors, specifically within the South African energy sector. Employees play a vital role in organisations achieving their strategic goals, hence being able to attract, engage and retain talent is critical in enabling higher performing organisations (Kumar, 2022). Being able to develop effective reward system that enables a good talent management program will help organisations achieve success through its highly skilled and engaged workforce.

This chapter will provide an assessment of the most relevant and recent literature that will form the theoretical basis for the research question and hypotheses. The literature review sets out to unpack the impact that employee turnover has on organisations, as this is not only a barrier to organisational performance but is also frustrating and costly to replace and train new employees (Chiat & Panatik, 2019). Talent management is a tool that is used to manage employee turnover, drive engagement and ultimately organisational performance (Pandita & Ray, 2018), hence the concept of talent management and how total rewards supports this will also be discussed.

Total rewards is one factor of talent management, and in itself is made up of many attributes, some being implicit and some explicit. The literature review will provide a view of the different models that are used to describe total rewards then unpack in detail the WorldatWork total rewards model that forms the grounding theory for this research.

2.2. Impact of employee turnover

Employee turnover describes how frequently employees exit a business or organisation to seek alternate employment (Lazzari et al., 2022). (De Winne et al., 2019) describes the effect of employee turnover on organisational stability as being turbulent and costly thereby having a negative impact on business continuity and performance. They however do argue that this relationship is not linear as low levels of employee turnover, is in fact better than no turnover and can be beneficial to organisational performance through the introduction of new energy, ideas and prevents organisational blindness.

(Lazzari et al., 2022) differentiates between functional and dysfunctional (the exit of high performing individuals) and functional turnover (the exit of low performing individuals). It is therefore important for organisations to have low levels of employee turnover, however in a sector where specific skills are deemed to be at a critical shortage managing and reducing dysfunctional turnover is a key driver to organisational success and driving its competitive advantage.

(Chiat and Panatik, 2019) have quantified the financial impact of dysfunctional employee turnover. They have found that organisations can spend between 6 to 9 months' salary on average, to recruit and train a new employee. This cost is over and above the loss in business continuity and unquantifiable loss of tacit knowledge and institutional memory.

As employees are a critical part of and the most valuable asset within any organisation, higher rates of turnover will erode the competitive advantage and performance of that organisation (Chiat & Panatik, 2019). Understanding the drivers that push employees to seek alternate employment is essential for reducing dysfunctional turnover.

South Africa is facing a severe skills shortage and brain drain, hence the competition for talent is becoming more intense as technical skills become scarce in South Africa, primarily because of emigration (Department of Home Affairs, 2022; Mlambo & Adetiba, 2019). With the low supply of technical skills, organisations in South Africa will face higher levels of dysfunctional employee turnover. Employees who are motivated at work are ate lower risk of seeking employment outside of the organisation and this motivation is driven by both intrinsic and extrinsic factors (Chiat & Panatik, 2019; Lazzari et al., 2022). As a result, the organisational talent management systems must be designed to provide a well-rounded employee value proposition that speaks to both the intrinsic and extrinsic motivational factors do drive motivation amongst employees.

2.3. Talent management

Talent management is described as the process that is used to attract, motivate, develop, and retain valuable employees or talent that enable an organisation to attain its strategic success (Gallardo-Gallardo et al., 2020; Pandita & Ray, 2018) The complexity of today's business world, together with the technology fuelled

globalisation drive makes the retention, engagement, and development of talent very important, yet increasingly more difficult (Gallardo-Gallardo et al., 2020).

Whilst academics and human resource professionals are aligned that talent management is and should be one of the top priorities of business, there is no clear definition as to the exact meaning of talent management or how it is implemented (Meyers et al., 2020). Meyers et al. (2020) suggest that the reason for this difference is attributed to individual views on the nature and value of talent. (Painter-Morland et al., 2019) argues that the reason for this is due to how unique each organisation is, hence there is no single one-size-fits-all or universal approach to talent management, the context of the organisation matters.

The process of losing and having to replace highly skilled employees is a long and expensive process that has the potential to affect the delivery of the organisation (Smit, 2014). Similarly employing individuals who are not engaged or motivated to deliver can have an equally severe economic impact. A key goal of talent management is to prevent this economic loss of the organisation through the implementation of appropriate retention and motivating strategies (Kravariti & Johnston, 2020).

Understanding the context and industry drivers that affects the implementation of talent management at organisations is key, as if done correctly it can add great value (Kravariti & Johnston, 2020). The effective implementation of talent management enables an organisation to leverage their internal resources to deliver on strategic priorities, respond to market opportunities and generate economic value for the firm that outweighs the value input by the firm (Kravariti & Johnston, 2020).

2.4. Total Rewards Models

“Total rewards” is a term used to describe an organisations reward frame that is made up of both intrinsic and extrinsic factors and designed to attract, retain, and engage talent (Bussin et al., 2019b). Employees are motivated by both intrinsic and extrinsic motivational factors (Chiat & Panatik, 2019; Lazzari et al., 2022). Hence, utilising a reward model that caters for this will enable a more effective talent management process that can be used to attract, motivate, and retain talent. Unlike traditional reward frameworks, total rewards are made up of more than simply the quantifiable elements such as remuneration, it also includes intangible elements that enable

employers to leverage the intrinsic motivation provided by the work itself (Bussin et al., 2019), Table 1 below summarises the elements of total rewards.

Table 1: Elements of total rewards

Element	Description
Remuneration	A tangible element of the rewards package made up of salary, short-term and long-term incentives.
Benefits	A tangible element of the rewards package and include medical aid, retirement fund, leave, and employee wellness programmes.
Performance recognition	A non-tangible element that includes both informal and formal forms of recognition.
Career development	A non-tangible element that includes mentorship programs, coaching, learning and development, job rotations, and growth opportunities.
Work-life balance	A non-tangible element that allows for flexible work arrangements.
Security and safety	A non-tangible element that provides long-term job security.
Social support	A non-tangible element that allows for a supportive work environment.

Source: adapted from Bussin et al. (2019)

There have been several models that have been developed to design total packages, and organisations use these to develop their own total reward framework to enable an effective talent management strategy (Smit, 2014). The frameworks or models that will be analysed with this research are:

- WorldatWork Total Reward Model

  This model illustrates how an organisations total reward strategy supports the talent management imperatives of an organisation. The model demonstrates the dynamic relationship between employers and employees as well as how the total reward functions as a subset of the organisational strategy and in support of the talent management strategy (WorldatWork, 2015). It is made up of five key elements: compensation or remuneration as referred to in South Africa, work-life balance, career progression, benefits, and recognition.

- Armstrong and Brown Total Reward Model

  The model links financial and non-financial aspects of the reward offering. The framework is similar to the WorldatWork model; however, it also includes the employees work experience as a form of non-financial reward (Smit, 2014).
- Towers Perrin Total Reward Model

  The model differentiates between rewards by identifying four distinct groups: transactional, relational, individual, and communal. The transactional and relational rewards refer to the tangibility of the reward, whilst the individual and communal rewards differentiate between rewards being offered to the individual, such as pay, compared to a communal reward such as the work environment itself (Smit, 2014).

2.5. WorldatWork Total Rewards Model

For this research, the WorldatWork framework will be used as the basis. The WorldatWork association developed the model which is based on over 50 years of research. *Figure 1* below illustrates the WorldatWork model, it proposes that the total rewards strategy falls within the context of the organisational culture, business strategy as well as the human resource strategy. It illustrates that the outcome of a Total rewards strategy will be to attract, motivate and retain employees, driving their satisfaction and engagement. Engaged employees will then deliver business results and employees and the business hold a dynamic relationship where the business rewards the employee for their effort, time, and talent (WorldatWork, 2015).

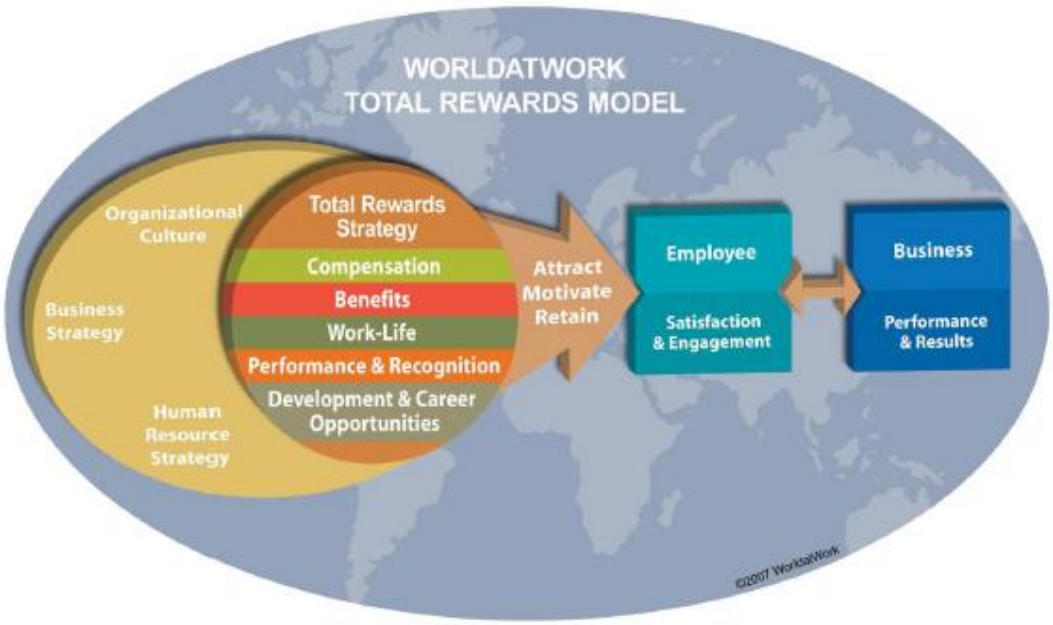

Figure 1: WorldatWork Total Rewards Model
Source: WorldatWork (2015)

2.5.1. Compensation / Remuneration

One of the most critical factors in building and maintaining a mutually beneficial and harmonious relationship between employer and employee is the deployment of an effective remuneration system (Spisakova, 2019). Nienaber et al. (2011) confirmed through her research that personality types do influence the significance placed on different reward package components. The development of an effective remuneration policy, that is aligned with the preferences of employees, will enable organisations to attract, retain and, engage employees (Smit, 2014).

Remuneration is made up of fixed and variable components, the fixed component includes a market-related salary, and the variable components are linked to performance and includes short-term incentive and long-term incentives (Bussin, 2014).

Smit (2014) describes the market-related salary, or basic salary, as a guaranteed portion of the remuneration package established by considering both internal and external equity. Internal equity focuses on whether the employee is fairly compensated for their services when compared with others within the organisation. External equity considers a comparison in remuneration to other firms.

The short-term incentive is linked to performance and used to motivate and retain employees. These incentives could include commissions, profit sharing and/or

bonuses. The key factor of the short-term incentive is that it is achievable by all employees within one financial year (Smit, 2014).

The long-term incentives are normally designed to retain senior leadership positions or scarce skills within an organisation, it is also used to reward and acknowledge outstanding performance. Long-term incentives are often earned over one year but is a form of deferred income that is designed to retain employees for a pre-determined number of years before the remuneration matures and pays out (Smit, 2014).

It is important for organisations to understand how best to develop a compensation package that includes these attributes, so that they can attract engage and retain the required talent. M. Bussin et al. (2019) found compensation to be the single most important reward factor amongst knowledge workers regardless of their demographic group, however, in their earlier research Bussin et al. (2017) found that the preference given to financial rewards such as compensation does vary with age.

2.5.2. Benefits

Employee benefits refer to additional factors such as medical aid contribution, pension fund contribution, insurance. These benefits are often provided in addition to an employee's remuneration in lieu of services rendered and are a core element of an employee's total rewards package. Typically, employers selected and provided these benefits without employee input into the type of benefits provided (WorldatWork, 2015).

WorldatWork (2015), has found that employees see benefits as a necessity yet have little to no input into the make-up of their benefit package as employers see these as a fringe benefit. This is a disconnect from the findings of Nienaber et al. (2011), Modau et al. (2018), and Bussin et al. (2019) where their research highlights the importance of having a benefit package that has been crafted so that it is more closely aligned to the preferences of employees.

Idris et al. (2017), found that financial compensation had an observable positive impact on employees, whereas non-financial rewards did not. However, WorldatWork (2015)states that the absence of a well-rounded total reward package made up of both financial (extrinsic factors) and non-financial (intrinsic factors) factors are critical

to the level of motivation and engagement of employees. Hence it is important to understand how employees respond to various benefits to develop a benefits package that efficiently utilises company resources with the aim of attracting, engaging, and retaining talent.

2.5.3. Work life balance

Work-life balance relates to organisational philosophies and ways of working that enable employees to be successful regardless of if they are working from the office or from home (Schlechter et al., 2015).

In their research which was conducted prior to the global COVID-19 pandemic Schlechter et al. (2015), found that work-life balance and flexible working locations had a positive impact on talent retention and engagement. As a result of the lockdowns resulting from the COVID-19 pandemic, employees were forced to work from home, and many employees saw this way of working as the “new normal” (Vyas, 2022). However, as employers start to enforce a return to the office, employees’ levels of engagement are dropping as and in extreme cases, seeking employment that offers more flexibility with regards to work-life balance. There is no universal approach to this, and the work-life balance policy review must consider job requirements and the importance of this to employees (Vyas, 2022).

2.5.4. Performance and recognition

Performance management is seen as the process whereby the managers seek to align and measure the performance of employees with business objectives. Recognition is closely linked to performance and seeks to acknowledge employees for their efforts and performance (Schlechter et al., 2015). Recognition is a non-financial reward factor; however, the performance management process is often used to inform the allocation of the financial compensation components (Murphy, 2020).

Murphy (2020) goes on to argue that whilst performance management systems are set up to drive organisational performance through goal setting, regular performance discussions and then development of plans to enable employees reach their full potential, they often fail as leaders are not equipped to deal with the diversity within teams.

Recognition, either formal or informal, is a form of reward that enables managers recognise the efforts of their employees through the allocation of non-financial rewards. Sarsons et al. (2021), found that different there is a difference in the way that recognition is facilitated between males and females as well as how they receive this and react to the recognition.

It is therefore valuable to understand and appreciate the diversity amongst work teams and how they may react to recognition and performance management. Furthermore, it also is important that managers are equipped to deal with and understand that not all employees react the same way and should be able to manage how they deliver their performance management processes and recognise their employees.

2.5.5. Development and career opportunities

Development is the process whereby employees are afforded opportunities to develop their capabilities and advance their careers within an organisation. This is a key tool in driving engagement of employees and enabling talent retention. This process is managed through the talent management process which ultimately seeks to develop talented employees and deploy them to areas within the organisation to deliver on the organisational strategic ambitions (Pandita & Ray, 2018).

2.6. Total rewards and talent management

An effective talent management framework will benefit employers who seek to attract, retain, and engage high performing individuals or talent. To achieve more effective talent management strategies, employers must better understand the factors that make up a total rewards package and the associated preferences of their diverse workforce (Bussin & Brigman, 2019). The external talent market has become increasingly more competitive, and employers have attempted to address this issue by providing a short-term remedy such as pay increases. This was not deemed to have a lasting impact and organisations turned to a more long-term solution through the development of reward packages that included a more inclusive rewards system (Bussin et al., 2019a).

The total reward package includes an array of elements that would require substantial resources for any employer to implement effectively. Implementing a total reward framework that is based on the preferences of the employees will enable

employers to be more direct and deliberate with their reward offerings and negate the waste on elements that are non-value adding, thus enabling a more effective and successful talent management strategy.

2.7. Reward preferences

Employees tend to apply reward packages without consideration of the preferences of their employees (Bussin et al., 2019). In their research Nienaber et al. (2011), and more recently Bussin et al. (2017), have determined that personalising reward packages will positively influence talent retention and enhance employee engagement. As long as employees deem it reliable and valuable this reward mix can be made up of a mix of both financial and non-financial rewards (Bussin et al., 2017). Therefore, for organisations to achieve their business goals and motivate employees they need to design compensation packages that are tailored to the needs of their employees.

What has emerged as a clear trend from literature is that reward packages do not follow a one-size-fits-all formula and special attention is required to develop remuneration strategies that are tailored to the preferences of the workforce (Nienaber et al., 2011; Snelgar et al., 2013; Modau et al., 2018). These packages should employ factors that are both extrinsic (e.g. salary, retirement contributions, medical aid benefits) and intrinsic (e.g. work-life balance, recognition, career progression) in nature. It is also clear that results from research is inconclusive with different results coming from various research conducted. In their research M. Bussin et al. (2019) found that age plays a role in how employees respond to different reward components, however Brigman (2017) found this not to be the case. As such, to assist managers and reward practitioners, multiple reward models have been published to develop remuneration packages that remain attractive and competitive (Bussin et al., 2019).

In their research, Nienaber et al. (2011) as well as Froese et al. (2019), found that demographics do have an impact on reward preferences. Froese et al. (2019) go further to indicate that context also plays a major role in how demographics may affect reward preferences, they indicate that whilst their research was specific to the Japanese context, it may not be generalisable globally as values and preferences vary between countries globally. Given this, even though there have been studies looking at the impact of demographics on reward preferences in South Africa, there

is a gap in the literature which considers the recent context of the South African energy sector.

2.8. Motivation / Employee engagement

The theory of motivation can be divided into three distinct parts: the definition of motivation, the factors that influence it, and the various motivational theories.

Again, similarly to talent management, there is no singular definition of motivation, however where the underlying concept of motivation remains and is consistent through literature. Simply put, motivation as the drive one possesses to achieve a specific goal (Filgona et al., 2020). In 1978 Frederick Herzberg proposed that to understand the drive for one to work, one must understand the internal attitude or drive that one possesses to take action (Herzberg et al., 1978). Over the years, the common theme in defining motivation has been the driving force that compels an individual to act to reach a goal.

Motivational theory characterises motivational factors into two types: intrinsic and extrinsic motivational factors. Van den Broeck et al. (2021) defines intrinsic motivation as engaging in activities that are inherently satisfying or enjoyable, whereas fulfilment comes from performing the task itself, such as finding meaning or experiencing autonomy. As such intrinsic motivation cannot be facilitated by the employer as it is driven from within the individual themselves. On the other hand, Van den Broeck et al. (2021) describes the motivation derived from external factors or as the drive to perform based on rewards that are separate from the task itself. Extrinsic motivation can be provided by the employer through means such as money or rewards. Employers should seek to foster an environment that supports a mix of both intrinsic and extrinsic factors to cultivate a highly engaged and motivated workforce.

Employers need to understand their employee's needs so that they can ascertain and facilitate motivational factors that are aligned with the preferences of their employees. By recognising and addressing the personal motivational preferences, employers in can design personalised reward packages that cater to both intrinsic and extrinsic motivators. This will not only enhance employee retention and engagement but also a more productive workforce.

2.9. Conclusion

In conclusion, the literature reviewed discusses the connection between workforce demographic diversity and their associated reward preferences, specifically within the South African energy sector. Undesired employee turnover poses a challenge, with dysfunctional turnover (the loss of high-performing employees) proving costly and disrupts organisational stability and success. Chiat and Panatik (2019) quantify the burden of employee turnover, this emphasises the need for organisations to develop talent management strategies that can effectively attract, engage, and retain employees. The skills shortage within South Africa, especially due to the emigration of skilled employees (Department of Home Affairs, 2022; Mlambo & Adetiba, 2019), emphasises these challenges for the South African energy sector.

Talent management, as discussed by Gallardo-Gallardo et al. (2020), is crucial for organisations to succeed in today's business environment. Effective talent management strategies are driven by aligning organisational goals with the needs and preferences of employees, which is enabled through a well-designed total rewards system.

The total rewards models reviewed highlight the importance of offering a mix of both intrinsic and extrinsic rewards. These models explain how total rewards packages, when aligned with organisational strategy, can enable higher levels of employee engagement, and ultimately, business performance (Smit, 2014; WorldatWork, 2015).

Compensation and benefits remain the foundation of the rewards system, with remuneration identified as an important key factor for attracting and engaging employee engagement (Bussin et al., 2019). While compensation is important, the significance of it is influenced by various demographic factors (M. Bussin et al., 2017; Nienaber et al., 2011) . This highlights the importance for a total rewards system that is aligned to the needs of a diverse workforce, particularly in highly skilled industries like energy, where the competition for talent is intense.

In addition to the extrinsic reward factors (financial factors), the intrinsic factors (non-financial) such as work-life balance, career development and recognition are essential in building a more complete total rewards package. Studies by Schlechter et al. (2015) and Vyas (2022), show how flexible work arrangements and recognition

programs can have a positive outcome by enhancing employee engagement and reducing undesired employee turnover. Research by Sarsons et al. (2021), discusses how employee demographics influences responses to recognition, further emphasising the need for a personalised approach to talent management and rewards.

The motivational theory discussed highlights the importance of addressing both intrinsic and extrinsic factors to enable an engaged workforce (Van den Broeck et al., 2021). Employers should understand that employees are motivated by a combination of factors, and organisations must develop reward packages that are consist of more than financial components but should also include components that addresses the personal and professional needs of employees.

Despite the extensive research on total rewards and employee engagement, a gap remains in the understanding of how demographic factors impacts reward preferences within the South African energy sector. While studies conducted globally do discuss the impact and linkage of workforce diversity on their associated reward preferences (Froese et al., 2019), their findings may not be fully generalisable to the context provided by South African energy industry.

This research, therefore, aims to address this gap by providing insights into how different demographic factors influence employee reward preferences specifically within the South African energy industry. These insights will be crucial for developing effective total reward packages and talent management strategies that can help organisations attract, engage, and retain critical skills, to drive business performance.

The literature provides a theoretical framework upon which an understanding of the link between demographics and reward preferences can be developed. It also highlights the need for more insights that look specifically at the South African energy sector. This research will contribute to both the academic and business body of knowledge by developing an understanding of how well-designed reward systems and talent management processes can enable, employee engagement that ultimately supports organisational success.

The literature review discussed in this chapter (Chapter 2) reflects the most recent and relevant literature that supports this research. It has outlined the linkage between

employee turnover and organisational performance, whilst discussing how total rewards through talent management can be used to manage this. It defined the WorldatWork framework that forms the foundation for this research. Building from this, Chapter 3 discusses the research objectives and hypotheses.

Chapter 3: Research objective and hypotheses

3.1. Introduction

This chapter outlines the overall research objective that guides this study. From the literature review, a knowledge gap was identified, highlighting the limited understanding of how demographics impacts reward preferences within the South African Energy sector. To address this gap, and guide the study, the research questions and hypotheses were defined, and these will be unpacked in this chapter.

3.2. Research objective

The primary objective of this research will be to determine if employee's reward preferences are affected by demographics through the application of the total rewards strategy framework. This research will be carried out specifically within the South African energy sector.

The secondary objectives will be to:

- Identify the intrinsic and extrinsic reward preferences of employees based on the different demographic groups.
- Analyse the variation in reward preferences across the different demographic groups.

3.3. Hypotheses and research question

Hypothesis 1 (H_1): Employees reward preferences vary with age.

Hypothesis 2 (H_2): Employees reward preferences vary with gender.

Hypothesis 3 (H_3): Employees reward preferences vary with race.

Hypothesis 4 (H_4): Employees reward preferences are impacted by tenure.

Hypothesis 5 (H_5): Employee reward preferences are impacted by seniority.

Research question: How do demographic factors influence employees' preferences for their reward packages?

The literature survey provided a theoretical framework upon which an understanding of the link between demographics and reward preferences was developed. It also

highlighted the need for more insights that look specifically at the South African energy sector. This research aims to address this gap by providing insights into how different demographic factors influence employee reward preferences specifically within the South African energy industry.

This research will contribute to both the academic and business body of knowledge by developing an understanding of how well-designed reward systems and talent management processes can enable, employee engagement, and organisational success. This chapter (Chapter 3) has set out the research objective and hypotheses that guided the primary data collection with an aim of developing the data required to support the intended study.

The research methodology followed to undertake this research is discussed in Chapter 4 (the next chapter) with the results presented then discussed within Chapters 5 and 6 respectively.

Chapter 4: Research Methodology

4.1. Introduction

This chapter describes and defends the choice for the research design, and methodology that was applied to address the hypotheses and research questions set out in Chapter 3: Research objective and hypotheses. A quantitative approach was used to develop an understanding of how employee reward preferences are impacted by different demographic factors. Primary data was collected through online questionnaires that was distributed within the energy business unit of a large South African petrochemical company. The data was then organised and analysed to address the research hypotheses and research objectives. Concerns about the reliability and validity of the data were mitigated whilst designing the research methodology, data collection as well as the data analysis processes, this whilst considering the time limitations and constraints of the study. This chapter also provides insights into the ethical considerations and limitations that were associated with this research.

4.2. Research Methodology and Design

Research methodology describes the systematic approach used to solve a research problem (Patel & Patel, 2019). The design of a research methodology will assist in understanding the process and techniques required to solve the defined research problem. The following sections will lay out the proposed research methodology that will be undertaken through this research project.

Kandel (2020) describes quantitative research as a means of collecting data and then using mathematical methods to analyse the data to explain a phenomenon. As this research aimed to analyse the relationship between varying demographics and reward preferences, a quantitative research methodology will be utilised. This will allow access to a larger sample enabling the collection of data from a larger set of respondents to provide an objective view of the observed phenomena that is backed by a larger data set than if a qualitative approach was taken (Kandel, 2020).

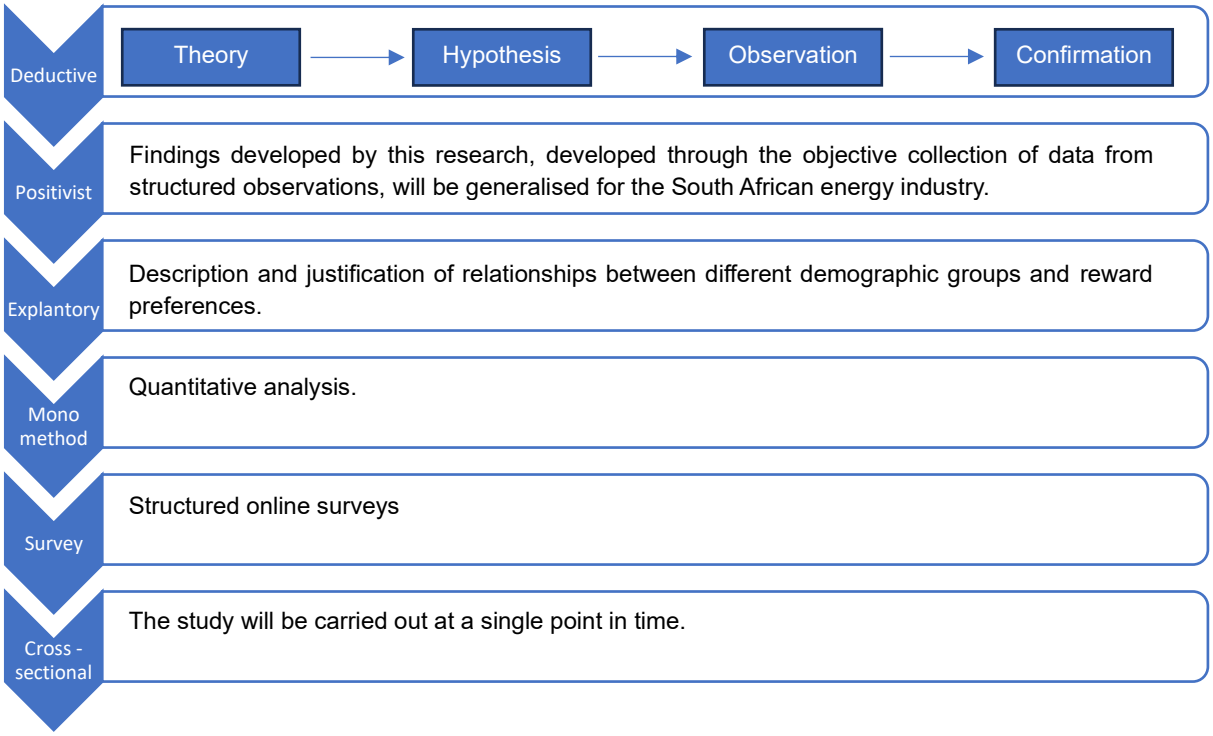

Figure 2: Overview of research methodology

Source: Author's own work

4.3. Choice of research design

Given the objective of this research was to explain the relationship between reward preferences and demographics within the workforce, this research adopted a deductive, mono-method quantitative research methodology utilising a self-administered questionnaire approach. The study will be explanatory in nature, underpinned by an interpretive philosophical stance. Given that this study was conducted at a single point in time, a cross-sectional time horizon was used. The data generated through the self-administered online survey was analysed using descriptive and infernal statistical methods. The rationale behind the selection of this research design will be expanded upon in subsequent subsections.

4.3.1. Purpose of research design

Saunders and Lewis (2018) describe the different types of research purposes as being exploratory, descriptive, and explanatory. Briefly, exploratory research seeks to investigate new phenomena and seek new insights. Descriptive research lends itself to describing or characterising behaviours or phenomena. Explanatory research aims to explain relationships between variables. As this research aims to investigate

and explain the relationship between reward preferences and demographics in a workforce, an explanatory study will be undertaken. Explanatory research lends itself well to quantitative research methodologies via questionnaires.

4.3.2. Philosophy

Saunders and Lewis (2018), define a research philosophy as a framework of views and assumptions held by a researcher, which shape the construction and acquisition of knowledge. For this quantitative research, the aim was to carry out an objective quantifiable study that tested the proposed hypotheses to generate results that are generalised with an aim to improve talent management processes, reward systems, and ultimately organisational performance within the South African energy sector. As a result, a positivist philosophy was applied through the application of a defined scientific method to study observable phenomena in the field of human resource management (Ragab & Arisha, 2018).

The positivist research philosophy is well suited to this research as it is grounded in the understanding that knowledge is best gained from measurable and observable phenomena. Furthermore, a positivist philosophy aims to test a hypothesis in a way that is free from researcher bias (Saunders & Lewis, 2018), and using a structured questionnaire and application of statistical analysis the researcher was able to objectively test the proposed hypotheses.

4.3.3. Approach selected

This research did not aim to develop a new theory, rather it aimed to gather data via a structured quantitative research methodology (questionnaires) to answer defined research questions and test the proposed hypotheses, a deductive approach will therefore be followed (Ragab & Arisha, 2018).

Deductive research approaches lend itself well to positivist research philosophies. The hypotheses developed were based on existing theories and these were then empirically tested through the conducted research.

4.3.4. Methodological choices and strategy

To gain access to a large population and gather as much data as possible to test the hypothesis and answer the research question, primary data was collected via a mono-method quantitative analysis utilising a structured self-filled online survey. This

choice supports the deductive explanatory approach of the research. Had time allowed, a mixed-method approach would have been undertaken to gather a deeper understanding of the observed phenomena.

4.3.5. Time horizon

Given the time constraints associated with this study, primary data was collected via the disturbed online surveys at a point in time. This was therefore a cross-sectional study, a cross-sectional study provides a point in time or snapshot of current thinking (Saunders & Lewis, 2018). This research sought to understand the current relationship between demographics and rewards, and a cross-sectional study allows one to capture these relationships now, as they exist. This approach will also allow for the assessment of variations in reward preferences between the various demographic groups, as all groups are exposed to similar external conditions that are currently prevalent.

A consequence of this time horizon is that it did not allow for developing an understanding of how employee reward preferences, within a specific demographic grouping, may develop over time, which could have been achieved through a longitudinal study.

4.4. Population

As described by Saunders and Lewis (2018), a population is the complete set of people that hold the required characteristics. In the case of this research, the population were the employees who work in the energy sector within South Africa. As the data collection will be done via online surveys the population can be further defined to include all workers within the South African energy sector who have access to the internet. According to the report issued by the Department of Trade and Industry (2022), the energy sector in South Africa employs close to 1 million people.

4.5. Unit of analysis

A unit of analysis can include organisations, groups, or individuals. For this research, to determine the reward preferences of individuals within a workforce, the unit of analysis were individuals working within the South African energy sector with access to the Internet.

4.6. Sampling method and size

The sampling frame is described as all entities included within a population (Saunders & Lewis, 2018), hence for this research it will be like the same as the population which included all the employees working within the South African energy sector. A sample is the selected sub-group of people chosen to represent the total population (Creswell, 2017; Saunders & Lewis, 2018). Given the expansive sample frame (~1 million employees), a sample will need to be defined.

To define the sample, non-probability sampling was used. Non-probability sampling is used when the researcher does not possess the complete population list and as such one cannot use a defined probability sampling method to define the sample (Creswell, 2017). Without the extensive list of all individuals working within the South African energy sector, the non-probability sampling methodology was therefore an appropriate approach.

Further defined, non-probabilistic convenience was utilised to define the sample, as this is what was readily available to the researcher. Convenience sampling is a non-probabilistic sampling technique where the researcher can reach out to individuals within their network and access it (Saunders & Lewis, 2018). Given the time constraints of this research this was a pragmatic approach to defining the sample. This sampling technique allowed access to a large enough sample that provided statistical relevance to the data generated.

Employees from one of South Africa's largest energy and petrochemical producers were invited via email to participate in an online survey. This company is a multinational company, however, since the population is South African-focused, the survey was only sent to South African employees working in the relevant energy business unit. This allowed for a sample of 1 553 employees who are all working within the South African energy sector.

As a means of quickly and efficiently distributing the survey, the link to the online questionnaire was sent out via email to the relevant employees. Even though this approach had an associated risk of a reduce response rate, to ensure confidentiality and anonymity, the approach taken was deemed the most appropriate method of distribution.

Through this approach, the population sample included a diverse employee base, and included employees of all racial backgrounds, age groups, level of education and seniority. Permission was obtained from the relevant human resource representative to carry out this survey on South African based employees.

4.7. Measurement instrument

Primary data was gathered using an online self-filled survey, which served as the measurement instrument. The survey was designed to ensure content validity as well as construct validity. Content validity is when the research tool, in this case, the online survey, provides enough data to address the research objectives (Saunders & Lewis, 2018). Construct validity is achieved when the questions asked can effectively collect data to address the intended measurement objectives (Saunders & Lewis, 2018).

The topic of reward preferences and their linkage to demographics has been researched in the past, hence this research utilised an adaptation of a survey developed by Smit (2014) to collect for their doctoral research. In the research Smit (2014) aimed to determine the relationship between different generational groups and reward preferences and it was based on the WorldatWorkd total reward strategy. Given that Smit's research used an approach that assessed the demographic (age) impact on reward preferences, it will be well suited to gather data for this research project.

This survey has already been piloted by Smit (2014) and alterations and corrections incorporated, hence this process will not be repeated.

The survey was made up of the following sections:

(i) Cover letter. This provided a brief introduction and background of the research, provided the participant with the time commitment, and notified the participant that participation was kept anonymous and completely voluntary. It also provided contact details of the researcher and research supervisor.

(ii) Demographical questions. This asked questions that measured the relevant demographic factors that could affect reward preferences. These were:

   a. Age

b. Gender
c. Race
d. Academic qualification
e. Marital status and family size
f. Tenure and seniority

(iii) Total Rewards questions. These questions were based on the WorldatWork Total Rewards Model, which explains that the total reward is a sum of the remuneration, tangible and intangible benefits that together may be used to attract, engage, and retain staff (WorldatWork, 2024). A five-point Likert scale is used to assess the affinity to each reward group. The reward groups being:

a. Compensation
b. Benefits
c. Work-life balance
d. Development and career opportunities
e. Performance and recognition

To ensure the completeness of the data, respondents were only allowed to proceed to the next question once the previous question have been answered.

The survey was developed using the online platform provided by Microsoft Forms. The proposed survey is included in Appendix A: Measurement Instrument. The data obtained from this survey will be stored on a cloud storage server in an accessible format for a period of 10 years.

Online surveys provide a cost effective and quick platform for primary data collection that can reach a large quantity of people, no matter their location, provided they have access to the internet. The target population also can complete the survey at a convenient time for themselves and can remain anonymous with their feedback (Nayak & Narayan, 2019). The disadvantages are that respondents must have access to the internet, respondents may not feel compelled to participate thereby reducing the response rate and they may also not entirely understand the question hence provide an answer that does not accurately reflect their view (Nayak & Narayan, 2019).

4.8. Data gathering process

Data collection is the process whereby the opinions of respondents are recorded for analysis (Saunders & Lewis, 2018). Prior to the distribution of the survey, an ethical clearance was obtained, and a pilot test was conducted. The pilot test was done to ensure recipients could access the survey via the link and there were no technical limitations or other difficulties that would prevent progression. The pilot test provides an opportunity to proactively identify and address any issues within the survey to allow for more effective data collection. The pilot test also helped determine that the respondents understand the survey and can follow the instructions provided (Saunders & Lewis, 2018).

The pilot sample selected was a group of 7 individuals who adhered to the requirements of the population. Upon completion, discussions were held with these individuals to assess the ease and usability of the survey. The feedback did not highlight any technical challenges, nor did it require any changes to the survey and the survey was then distributed to a targeted sample population. The pilot test results obtained were excluded from the final primary data set.

Permission was granted to distribute the online survey via the company mailing list, hence securing access to the sample. The survey was distributed via email and respondents were provided three weeks to respond. After two weeks, a reminder email was distributed. After the three weeks, 152 responses were recorded representing an 10% response rate. Participation in this survey was voluntary and all responses were anonymous with only aggregated data being reported.

The data gathered was consistent and the online collection method repeatable, so it ensured that the data generated was reliable and the researcher did not introduce any observer bias.

4.9. Analysis approach

The data gathered was analysed using the IBM SPSS statistical software to generate descriptive as well as inferential statistics. The results were analysed to draw conclusions upon which the hypotheses were tested, and the research question answered.

The data generated by the Microsoft Forms online tool was output into an Excel file. This format allowed for seamless integration with the IBM SPSS (V29.0) software to allow for statistical analysis. The following methods were used to analyse the data generated:

- Sample statistics: this provides frequency analysis which will allow for interpretation of the demographical data.
- Reliability analysis: this will be utilised to determine the repeatability and consistency of the measurement instrument, measuring how likely an instrument is to provide similar results, under similar conditions with the same participants. Christmann and Van Aelst (2006) describe the Cronbach alpha as the most widely utilised to test for this.
- A factor analysis enabled the grouping of different variables. These groupings were then tested against the various demographic factors to assess if the affinity to these groupings varied with the different demographic factors.
- Hypotheses testing: To test for the research hypotheses, a T-test was used where there were only two demographic groups (gender). Where there were more than two demographic groups, the ANOVA test was used. The application of these statistical methods allowed for the determination of whether a statistically significant difference existed between the different demographic groups and their respective reward preferences.

4.9.1. Defence of tests

4.9.1.1. Independent samples T-Test

The independent sample T-Test can be used to measure the mean difference in responses between two independent groups. As this research aimed to assess if there was a statistically significant difference in reward preferences between the different demographic groups, the independent sample T-test was used to assess for differences where only two demographic groups were present. The independent sample T-test was therefore used to test Hypothesis 2 (H_2) (McCrum-Gardner, 2008).

Limitations:

The independent samples T-test can only be used to assess the difference between two groups. Where more than two groups exist, the use of ANOVA test must be considered. Alternatively, multiple T-tests may be run, but this could result in Type-1

errors, whereby a true null hypothesis may be rejected. The test is also sensitive to data outliers and sample size, if sample sizes are too small then outliers may disproportionally distort the outputs (McCrum-Gardner, 2008).

Assumptions:

There was a single dependent variable that was measured continuously. There was one independent variable that was made up of two definite groups. The sample size was assumed to be large enough not to distort the data output. There were no significant outliers in the data and homogeneity of variances were assumed (McCrum-Gardner, 2008).

4.9.1.2. Analysis of Variance (ANOVA)

The use of the ANOVA test allows one to determine the differences between three or more groups (McCrum-Gardner, 2008). A one-way ANOVA test was carried out to determine if the mean differences between the responses were significantly different for the different demographic groups. The one-way ANOVA test was used to test Hypotheses 1 (H_1), 3 (H_3), 4 (H_4) and 5 (H_5).

Limitations:

The ANOVA test allows for the evaluation of the difference between two or more groups. However, it is not able to identify the groups that are statistically different. To determine this post-hoc analysis is carried out (McCrum-Gardner, 2008).

Assumptions:

There was a single dependent variable that was measured continuously. There was one independent variable that was made up of at least three definite groups. The sample size was assumed to be large enough not to distort the data output. There were no significant outliers in the data and homogeneity of variances were assumed (Verma & Abdel-Salam, 2019).

4.10. Quality controls

To ensure reliability and validity of the primary data, several quality control measures were implemented. The following section outlines the specific steps taken to enhance the collection and analysis of the primary data to improve the reliability and validity of the research findings.

- Careful consideration was given to assess the data set for completeness so that incomplete data did not skew the results and subsequent analysis.
- The survey was run until the target number of respondents (>150) was achieved to ensure data validity.
- The survey pilot was conducted to ensure that individuals can seamlessly navigate the survey and could answer the questions provided. This improved the efficacy of the survey and the data generated.
- This research was carried out with a positivist research philosophy and collected quantitative data through structured online surveys with statistical analysis to test research hypotheses. This methodology removed the impact of researcher bias.
- A Cronbach's alpha of the questionnaire that will be used is 0.821 Smit (2014). Tavakol and Dennick (2011) state that an alpha score of between 0.7 and 0.95 are acceptable. Scores over 0.9 may suggest redundancies and that the questionnaire may be too long, on the other hand too low a score suggests that there is poor interrelatedness of questions or too few questions resulting in a higher error index.

The above steps were followed to the data gathering and analysis provided reliable information upon which analysis could be done to develop credible research findings.

4.11. Limitations

The limitations and assumptions of this research are:

- Respondents are assumed to understand the questions being answered and will answer the questions truthfully.
- The survey is a rigid platform for data collection and does not provide the respondent with the ability to provide context to address complex matters.
- The survey was internet-based and will therefore only be accessible to members of the population with internet access. This could have prohibited lower levelled employees, who do not have easy access to computers, from accessing the survey. This was observed from the concentration of highly qualified people (hold at least a degree) in the responses.
- The convivence sampling may not provide a representative sample of the population as the members selected to respond are those with whom the researcher has access.

- The cross-sectional time horizon did not allow to develop a view of how employees within a specific demographic group vary their reward preferences over time.

4.12. Ethical Consideration

Before setting out to collect primary data, ethical clearance was obtained from the Gordon Institute of Business Science (GIBS) Ethics Committee (See Appendix B: Ethical Clearance Approval). A letter of consent was provided as a cover note, this letter outlined the nature of the study as well as highlighted that participation is voluntary and all results will be confidential and anonymous with only aggregated data being reported (See Appendix C: Consent cover letter). In addition, permission to conduct the research and distribute the surveys via email, was granted by the organisation, this is found in Appendix D: Permission Letter to conduct research.

The research methodology, as described within Chapter 4 (this chapter), described how the research was undertaken and the data obtained. The methodology was designed with a specific focus of collecting data to enable the assessment of the proposed research hypotheses and achieving the research objective. The next chapter (Chapter 5) presents the data generated through the statistical methods described in this chapter.

Chapter 5: Results

5.1. Introduction

As set out in this research report, Chapter 1 described the business problem and described the need and reason for this research. Within Chapter 2 the relevant literature was unpacked to provide a basis for the research that was being conducted. This literature informed the research objective and hypotheses that was presented in Chapter 3. Chapter 4, thereafter, presented the research methodology that was followed to obtain and analyse the primary data whilst ensuring quality and understanding the limitations of the research.

Chapter 5 presents the results obtained through descriptive and inferential statistics. This chapter initially describes the sample that provides context to the results that were generated. This is then followed by a presentation of the results that assess the reliability of the measurement instrument, factor analysis and hypotheses testing.

5.2. Description of the sample

The survey was distributed to 1553 individuals. The response rate was ~10% with 152 individuals responding. The sample demographics is shown in Table 2 below.

Table 2: Summary of sample demographics

		Number	Percentage (%)
Gender			
	Female	69	45.4%
	Male	83	54.6%
	Total	152	100.0%
Age			
	Younger than 25	3	2.0%
	55 - 64	19	12.5%
	25 - 34	20	13.2%
	45 - 54	44	28.9%
	35 - 44	66	43.4%
	Total	152	100.0%
Race			
	Coloured	11	7.2%
	Indian / Asian	32	21.1%
	African	38	25.0%
	White	71	46.7%
	Total	152	100.0%

Marital status			
	Widowed	1	0.7%
	Other	3	2.0%
	In a relationship	5	3.3%
	Separated	6	3.9%
	Single	31	20.4%
	Married	106	69.7%
	Total	152	100.0%
Family size			
	Married with no children	18	11.8%
	One child	26	17.1%
	Single	27	17.8%
	Three children and more	37	24.3%
	Two children	44	28.9%
	Total	152	100.0%
Highest qualification			
	Grade 12 or lower	5	3.3%
	Certificate or diploma	5	3.3%
	Doctoral degree	7	4.6%
	Honours degree	31	20.4%
	Bachelor's degree	41	27.0%
	Postgraduate qualification (including master's degree)	63	41.4%
	Total	152	100.0%
Job level			
	Executive / General management	6	3.9%
	Junior management	22	14.5%
	Staff (administrative and operational)	29	19.1%
	Senior management	46	30.3%
	Specialist	49	32.2%
	Total	152	100.0%
Total work experience			
	Less than 2 years	3	2.0%
	2 - 5 years	8	5.3%
	6 - 10 years	8	5.3%
	21 - 25 years	22	14.5%
	16 - 20 years	28	18.4%
	11 - 15 years	34	22.4%
	26 years and more	49	32.2%
	Total	152	100%

Tenure			
	Less than 2 years	13	8.6%
	6 - 10 years	22	14.5%
	2 - 5 years	24	15.8%
	More than 10 years	93	61.2%
	Total	152	100.0%
Length of time to remain in current organisation			
	At most 2 years	13	8.6%
	At most 1 year	14	9.2%
	At most 5 years	51	33.6%
	More than 5 years	74	48.7%
	Total	152	100.0%

Table 2 above presents a summary of the demographic data generated. Each demographic set is presented in ascending order showing the smallest to the largest group that make up the sample.

5.3. Data transformations

A factor analysis was performed that grouped various reward factors or variables, per reward category, to reduce the number of overall variables. An exploratory factor analysis was carried out on each of the variables using maximum and minimum extraction in addition to oblimin rotation to evaluate the unidimensionality of the variables for this study. The results of the factor analysis are summarised in Table 3 and

Table 3 above lays out the output of the factor analysis, indicating how the factors that make up the different total reward categories were grouped, these groupings are described in Table 4 below.

Table 4 below.

Table 3: Factor analysis groupings

Category	Factor analysis
Compensation	Factors divided into two groups
Benefits	Factors divided into two groups
Work life balance	Factors divided into two groups

Performance management and recognition	Factors could not be grouped together
Development and career opportunities	Factors could not be grouped together

Table 3 above lays out the output of the factor analysis, indicating how the factors that make up the different total reward categories were grouped, these groupings are described in Table 4 below.

Table 4: Description of components

Category	Components
Compensation	2 components: **SalaryRel** and **IncCont**
	SalaryRel = Base Salary and Market related salary
	IncCont = Short term incentive, long term incentive and retirement contributions
Benefits	4 components: **BenefitF1**, **BenefitF2**, **BenefitF3**, and **BenefitF4**
	BenefitF1 = Uniforms, creche, dry cleaning, counselling, and canteen
	BenefitF2 = Laptop, Car allowance, and cell phone
	BenefitF3 = Medical aid and disability benefits
	BenefitF4 = Insurance, and safety and security
Work life balance	2 components: **WLBF1** and **WLBF2**
	WLBF1 = Maternity or Paternity leave, study leave, sabbatical, and work environment
	WLBF2 = Digital communication, flexible hours, and remote working
Performance management and recognition	Could not be grouped, therefore only one component: **PerManRec**

Development and career opportunities	Could not be grouped, therefore only one component: **Development**

Table 4 above shows how the individual factors were grouped as an output of the factor analysis. These groupings were made up of factors that provoked similar responses from the survey respondents.

5.4. Data reliability and validity

Table 5 below presents the Cronbach's alpha coefficient for the total reward components as developed through the factor analysis.

Table 5: Reliability statistics of reward components

Category	**Components**	Cronbach's alpha
Compensation	**SalaryRel**	0.31
	IncCont	0.53
Benefits	**BenefitF1**	0.76
	BenefitF2	0.72
	BenefitF3	0.64
	BenefitF4	0.42
Work life balance	**WLBF1**	0.65
	WLBF2	0.67
Performance management and recognition	**PerManRec**	0.81
Development and career opportunities	**Development**	0.89

Cronbach's alpha is commonly used to assess reliability and internal consistency of data. The general rule for accepting internal consistency is that for exploratory research, a Cronbach's alpha score of less than 0.49 is unacceptable, a score of between 0.50 and 0.59 is poor, a score between 0.60 and 0.69 is questionable,

between 0.70 and 0.79 is acceptable, 0.80 to 0.89 is good and from 0.9 to 1 is excellent (Sarmento & Costa, 2019).

The Cronbach's alpha coefficients presented above reflects the coefficient of indices (a grouping of factors) rather than a latent variable. Streiner (2003) argues that when using indices, alpha values over 0.15 are acceptable, the argument is that the low alpha does not reflect unreliability, but rather reflects the varied nature of the factors grouped into the index. Hence the indices that reflect a lower Cronbach's alpha score are still acceptable as they reflect that of an index and are still above the threshold of 0.15.

5.5. Hypotheses testing

To assess if the deviations in answers were because of luck or a result of actual variation in reward preferences, statistical tests for difference were run to determine if the mean deviations were statistically significant. For this research the independent samples t-test and ANOVA tests were used.

The independent samples t-test is used when no measure is repeated and there are only two groups. This method was used to test Hypothesis 1 (H1: Employees reward preferences vary with gender), where the aim understand the mean difference between the two gender groups (male or female).

The ANOVA test for differences is used to assess the difference between three or more groups. This method was used to test the remaining four hypotheses as these included more than two demographic groups. The results of the analysis will be unpacked in following section.

Hypothesis 1 (H_1): Employees reward preferences vary with age

Descriptive stats: Table 6 below presents the mean differences in responses within the demographic group for the various reward components. H_1 seeks to test the difference between the four age groups and their reward preferences.

Table 6: Hypothesis 1 - Descriptive statistics

Age group		< 34 (Number)	35 to 44 (Number)	45 to 54 (Number)	> 55 (Number)
		23	66	44	19
Category	**Component**	**< 34 (Mean ± Std Dev)**	**35 to 44 (Mean ± Std Dev)**	**45 to 54 (Mean ± Std Dev)**	**> 55 (Mean ± Std Dev)**
Compensation	**SalaryRel**	4.52 ± 0.68	4.73 ± 0.47	4.57 ± 0.6	4.84 ± 0.24
	IncCont	4.57 ± 0.43	4.38 ± 0.73	4.59 ± 0.48	4.61 ± 0.51
Benefits	**BenefitF1**	2.97 ± 0.86	2.68 ± 0.96	2.29 ± 0.92	2.16 ± 0.78
	BenefitF2	3.8 ± 0.72	3.65 ± 1.09	3.75 ± 0.98	3.3 ± 1.4
	BenefitF3	4.33 ± 0.87	4.23 ± 0.88	4.56 ± 0.5	3.97 ± 1.25
	BenefitF4	4.3 ± 0.62	4.23 ± 0.83	4.4 ± 0.72	4.25 ± 0.55
Work life balance	**WLBF1**	4.44 ± 0.51	4.24 ± 0.71	3.85 ± 0.8	3.6 ± 1
	WLBF2	4.49 ± 0.7	4.77 ± 0.5	4.63 ± 0.57	4.56 ± 0.58
Perf. man. & rec.	**PerManRec**	4.43 ± 0.56	4.32 ± 0.58	4.22 ± 0.54	4.22 ± 0.59
Dev & career opp.	**Development**	4.57 ± 0.41	4.54 ± 0.47	4.21 ± 0.71	4.14 ± 0.77

ANOVA: There were four different demographic groups used for this hypothesis, hence ANOVA was used to assess the mean differences. To assess the variation in reward preference a one-way ANOVA test was carried out where the employee age groups were the independent variable, and the dependent variables were the different reward components.

The ANOVA test, by itself, only indicates if there is a statistically significant difference in responses between the groups, but it does not identify which specific group has the statistically significant mean differential. To identify the specific group, a post-hoc analysis is required. Table 7 below presents significance value (Sig. or P-value) to test for homogeneity, which in this case was Levene's test. This test indicates which post-hoc test should be done. If the significance value (sig.) was greater than 0.05 then the assumption that the sample has equal variances is valid, and a Tukey post-hoc test should be used. If the significance value (sig.) was less than 0.05, then the

assumption that equal variances exist has been violated and does not hold, and a Games-Howell post-hoc test should be used.

Table 7: Hypothesis 1 - Test of Homogeneity of variances

Category	Component	Levene Statistic	df1	df2	Sig.	Post-hoc test
Compensation	**SalaryRel**	4.05	3	148	0.01	Games-Howell
	IncCont	5.01	3	148	0.00	Games-Howell
Benefits	**BenefitF1**	4.59	3	148	0.00	Games-Howell
	BenefitF2	4.23	3	148	0.01	Games-Howell
	BenefitF3	6.58	3	148	0.00	Games-Howell
	BenefitF4	2.25	3	148	0.09	Tukey
Work life balance	**WLBF1**	2.71	3	148	0.05	Games-Howell
	WLBF2	1.91	3	148	0.13	Tukey
Performance	**PerManRec**	0.39	3	148	0.76	Tukey
Career dev	**Development**	2.99	3	148	0.03	Games-Howell

Table 8 below presents the outputs of the ANOVA test for similarity where the significance value (sig.) indicates if there is a statistically significant difference in mean values between the different age groups (independent variables) and the specific reward preference. If the Sig. value is less than 0.05 there is a significant statistical difference and the post-hoc test as identified in Table 7 should be used to determine which groupings have the statistically significant difference.

Table 8: Hypothesis 1 - ANOVA

Component		Sum of Squares	df	Mean Square	F	Sig.	Implication	Post-hoc test
SalaryRel	Between Groups	1.80	3	0.60	2.16	0.10	No significant difference	
	Within Groups	41.17	148	0.28				
	Total	42.97	151					
IncCont	Between Groups	1.62	3	0.54	1.50	0.22	No significant difference	
	Within Groups	53.35	148	0.36				
	Total	54.97	151					
BenefitF1	Between Groups	11.06	3	3.69	4.42	0.01	**Significant Difference**	**Games-Howell**
	Within Groups	123.59	148	0.84				
	Total	134.65	151					
BenefitF2	Between Groups	3.33	3	1.11	0.99	0.40	No significant difference	
	Within Groups	165.49	148	1.12				
	Total	168.82	151					
BenefitF3	Between Groups	5.37	3	1.79	2.50	0.06	No significant difference	
	Within Groups	105.97	148	0.72				
	Total	111.34	151					
BenefitF4	Between Groups	0.81	3	0.27	0.49	0.69	No significant difference	
	Within Groups	80.75	148	0.55				
	Total	81.56	151					
WLBF1	Between Groups	11.47	3	3.82	6.73	0.00	**Significant Difference**	**Games-Howell**
	Within Groups	84.10	148	0.57				
	Total	95.57	151					
WLBF2	Between Groups	1.64	3	0.55	1.71	0.17	No significant difference	
	Within Groups	47.14	148	0.32				

	Total	48.77	151					
PerManRec	Between Groups	0.86	3	0.29	0.89	0.45	No significant difference	
	Within Groups	47.91	148	0.32				
	Total	48.77	151					
Development	Between Groups	4.89	3	1.63	4.73	0.00	**Significant Difference**	**Games-Howell**
	Within Groups	51.03	148	0.34				
	Total	55.92	151					

Table 9, Table 10, and Table 11 below present the results of the respective post-hoc tests. The post-hoc tests for similarity between groups, and it compares one group at a time to all other groups to determine where the significant differences lie.

Table 9, indicates that when looking at the component group BenefitF1, there is a statistically significant difference in responses towards these reward preferences. The difference lies between the younger than 34-year-old age group and the 45- to 54-year-old age group as well as between the younger than 34-year-old age group and the 55-year-old and older age groups.

Table 9: Hypothesis 1 - Post-hoc analysis, BenefitF1

Component: BenefitF1			**Mean Difference (I-J)**	**Std. Error**	**Sig.**	**95% Confidence Interval**	
						Lower Bound	**Upper Bound**
Games-Howell	<34	35 to 44	0.29	0.22	0.54	-0.29	0.86
		45 to 54	**,67859***	**0.23**	**0.02**	**0.07**	**1.28**
		>55	**,81312***	**0.25**	**0.01**	**0.13**	**1.49**
	35 to 44	<34	-0.29	0.22	0.54	-0.86	0.29
		45 to 54	0.39	0.18	0.15	-0.09	0.87
		>55	0.52	0.21	0.09	-0.06	1.10
	45 to 54	**<34**	**-,67859***	**0.23**	**0.02**	**-1.28**	**-0.07**
		35 to 44	-0.39	0.18	0.15	-0.87	0.09

		>55	0.13	0.23	0.93	-0.47	0.74
	>55	**<34**	**-,81312***	**0.25**	**0.01**	**-1.49**	**-0.13**
		35 to 44	-0.52	0.21	0.09	-1.10	0.06
		45 to 54	-0.13	0.23	0.93	-0.74	0.47

Table 10, indicates that when looking at the component group WLBF1, there is a statistically significant difference in the responses towards these reward preferences. The difference lies between the younger than 34-year-old age group and the 45- to 54-year-old age group as well as between the younger than 34-year-old age group and the 55-year-old and older age groups.

Table 10: Hypothesis 1 - Post-hoc analysis, WLFB1

Component: WLBF1			**Mean Difference (I-J)**	**Std. Error**	**Sig.**	**95% Confidence Interval**	
						Lower Bound	**Upper Bound**
Games-Howell	<34	35 to 44	0.20	0.14	0.46	-0.16	0.57
		45 to 54	**,59346***	**0.16**	**0.00**	**0.17**	**1.02**
		>55	**,84516***	**0.25**	**0.01**	**0.15**	**1.54**
	35 to 44	<34	-0.20	0.14	0.46	-0.57	0.16
		45 to 54	0.39	0.15	0.05	0.00	0.78
		>55	0.64	0.25	0.07	-0.04	1.32
	45 to 54	**<34**	**-,59346***	**0.16**	**0.00**	**-1.02**	**-0.17**
		35 to 44	-0.39	0.15	0.05	-0.78	0.00
		>55	0.25	0.26	0.77	-0.46	0.96
	>55	**<34**	**-,84516***	**0.25**	**0.01**	**-1.54**	**-0.15**
		35 to 44	-0.64	0.25	0.07	-1.32	0.04
		45 to 54	-0.25	0.26	0.77	-0.96	0.46

Table 11, indicates that when looking at the component group Development, there is a statistically significant difference in the responses towards these reward preferences. The difference lies between the younger than 34-year-old age group and the 45- to 54-year-old age group, as well as between the 35- to 54-year-old age groups.

Table 11: Hypothesis 1 - Post-hoc analysis, Development, Games-Howell

Component: Development			Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Games-Howell	<34	35 to 44	0.03	0.10	0.99	-0.25	0.31
		45 to 54	**,36539***	**0.14**	**0.05**	**0.00**	**0.73**
		>55	0.43	0.20	0.16	-0.11	0.97
	35 to 44	<34	-0.03	0.10	0.99	-0.31	0.25
		45 to 54	**,33418***	**0.12**	**0.04**	**0.01**	**0.66**
		>55	0.40	0.19	0.17	-0.12	0.92
	45 to 54	**<34**	**-,36539***	**0.14**	**0.05**	**-0.73**	**0.00**
		35 to 44	**-,33418***	**0.12**	**0.04**	**-0.66**	**-0.01**
		>55	0.06	0.21	0.99	-0.50	0.63
	>55	<34	-0.43	0.20	0.16	-0.97	0.11
		35 to 44	-0.40	0.19	0.17	-0.92	0.12
		45 to 54	-0.06	0.21	0.99	-0.63	0.50

There are no statistically significant differences between age and the other total reward components. The findings from these results will be discussed in Chapter 6.

Hypothesis 2 (H_2): Employees reward preferences vary with gender

Descriptive stats: Table 12 below presents the mean differences in responses within the demographic group for the various reward components. Since H_2 seeks to test the difference between the male and female reward preferences, there are two groups.

Table 12: Hypothesis 2 - Descriptive statistics

Gender		Male (Number)	Female (Number)
		83	69
Category	**Component**	**Male (Mean ± Std Dev)**	**Female (Mean ± Std Dev)**
Compensation	**SalaryRel**	4.71±0.52	4.62±0.54
	IncCont	4.50±0.53	4.51±0.69
Benefits	**BenefitF1**	2.24±0.84	2.92±0.94
	BenefitF2	3.44±1.10	3.92±0.95
	BenefitF3	4.35±0.82	4.26±0.91
	BenefitF4	4.27±0.73	4.32±0.74
Work life balance	**WLBF1**	3.80±0.81	4.42±0.64
	WLBF2	4.59±0.60	4.74±0.52
Perf. man. & rec.	**PerManRec**	4.18±0.58	4.44±0.53
Dev & career opp.	**Development**	4.24±0.68	4.60±0.45

As there are only two demographic groups, the independent samples t-test was used to test for similarity. The Levene's test for equality, as presented in Table 13 below, is used to test for equal variances within the sample. If the Levene's test sig. value is greater than 0.05, then the assumption that homogeneity of variances exists is valid, if the sig. value is less than 0.05 then the assumption of homogeneity of variances has been violated. Table 13 below presents for which component equal variances was assumed or not, based on the Leven's test sig. value. Based on the outcome of this assumption the applicable result set of the t-test for equality of means was use, this is presented in Table 13.

The sig. value from the t-test for equality of means indicates if there is a statistically significant difference in responses between the group's preferences or not. If the sig.

value is greater than 0.05 then no statistically significant difference exists, if the sig. value is less than 0.05 then a statistically significant difference between males and females exists for that specific reward component grouping.

Table 13: Hypothesis 2 - Independent samples t-test

Gender		**Levene's test for Equality Sig.**		**T test for equality of means**	
Category	**Component**	**Sig.**	**Implication**	**Sig. (2 tailed)**	**Implication**
Compensation	**SalaryRel**	0.56	Equal variances assumed	0.28	No significant difference
	IncCont	0.21	Equal variances assumed	0.91	No significant difference
Benefits	**BenefitF1**	0.61	Equal variances assumed	0.00	Significant Difference
	BenefitF2	**0.29**	**Equal variances assumed**	**0.00**	**Significant Difference**
	BenefitF3	0.46	Equal variances assumed	0.56	No significant difference
	BenefitF4	0.42	Equal variances assumed	0.71	No significant difference
Work life balance	**WLBF1**	**0.09**	**Equal variances assumed**	**0.00**	**Significant Difference**
	WLBF2	0.14	Equal variances assumed	0.12	No significant difference
Perf. man. & rec.	**PerManRec**	**0.56**	**Equal variances assumed**	**0.00**	**Significant Difference**
Dev & career opp.	**Development**	**0.02**	**Equal variances not assumed**	**0.00**	**Significant Difference**

There are no statistically significant differences between gender and the other reward preference components. The findings from these results will be discussed in Chapter 6.

Hypothesis 3 (H_3): Employees reward preferences vary with race

Descriptive stats: Table 14 below presents the mean differences in responses within the demographic group for the various reward components. H_3 seeks to test the difference between the 3 groups reflecting tenure and their reward preferences.

Table 14: Hypothesis 3 - Descriptive statistics

Race		African (Number)	Indian (Number)	White (Number)
		38	32	71
Category	**Component**	**African (Mean ± Std Dev)**	**Indian (Mean ± Std Dev)**	**White (Mean ± Std Dev)**
Compensation	**SalaryRel**	4.52 ± 0.68	4.73 ± 0.47	4.57 ± 0.6
	IncCont	4.67 ± 0.53	4.57 ± 0.43	4.38 ± 0.73
Benefits	**BenefitF1**	4.61 ± 0.51	4.5 ± 0.6	2.97 ± 0.86
	BenefitF2	2.29 ± 0.92	2.16 ± 0.78	2.55 ± 0.94
	BenefitF3	3.65 ± 1.09	3.75 ± 0.98	3.3 ± 1.4
	BenefitF4	4.33 ± 0.87	4.23 ± 0.88	4.56 ± 0.5
Work life balance	**WLBF1**	2.38 ± 1.15	2.56 ± 1.3	2.61 ± 0.91
	WLBF2	4.09 ± 0.8	4.11 ± 0.68	4.18 ± 0.76
Perf. man. & rec.	**PerManRec**	4.63 ± 0.57	4.56 ± 0.58	4.66 ± 0.57
Dev & career opp.	**Development**	2.07 ± 1.19	2.4 ± 1	1.99 ± 0.91

ANOVA: To test this hypothesis there were 3 different groups used to describe the race sample, hence ANOVA was used to assess the mean differences. To assess the variation in reward preference a one-way ANOVA test was carried out where the independent variable was tenure term to date, and the dependent variables were the different reward components.

The ANOVA test, by itself, only indicates if there is a statistical difference between groups, but it does not identify which specific group has the statistically significant mean differential. To identify the specific group, a post-hoc analysis is required. Table 15 below presents significance values used to test for homogeneity, which in this case was Levene's test. This test indicates which post-hoc test should be done. If the sig. is greater than 0.05 then the assumption that the sample has equal variances is valid, and a Tukey post-hoc test should be used. If the sig. is less than 0.05 then the sample violates the assumption that equal variances exist and a Games-Howell post-hoc test should be used.

Table 15: Hypothesis 3 - Test of Homogeneity of variances

Category	Component	Levene Statistic	df1	df2	Sig.	Post-hoc test
Compensation	**SalaryRel**	2.54	2	138	0.08	Tukey
	IncCont	0.05	2	138	0.95	Tukey
Benefits	**BenefitF1**	0.64	2	138	0.53	Tukey
	BenefitF2	2.08	2	138	0.13	Tukey
	BenefitF3	0.40	2	138	0.67	Tukey
	BenefitF4	2.43	2	138	0.09	Tukey
Work life balance	**WLBF1**	1.07	2	138	0.35	Tukey
	WLBF2	1.72	2	138	0.18	Tukey
Performance	**PerManRec**	3.59	2	138	0.03	Games-Howell
Career dev	**Development**	6.03	2	138	0.00	Games-Howell

Table 16 below presents the outputs of the ANOVA test for similarity where the significance value indicates if there is a statistically significant difference in mean values between the different race groups (independent variables) and their specific reward preference. If the Sig. value is less than 0.05 there is a significant statistical difference and the post-hoc test as identified in Table 15 should be used to determine which groupings have the statistically significant difference.

Table 16: Hypothesis 3 - ANOVA

Component		Sum of Squares	df	Mean Square	F	Sig.	Implication	Post-hoc test
SalaryRel	Between Groups	0.43	2	0.21	0.77	0.46	No significant difference	
	Within Groups	38.40	138	0.28				
	Total	38.83	140					
IncCont	Between Groups	0.69	2	0.34	0.96	0.39	No significant difference	
	Within Groups	49.31	138	0.36				
	Total	49.99	140					
BenefitF1	**Between Groups**	**18.52**	**2**	**9.26**	**11.94**	**0.00**	**Significant Difference**	**Tukey**
	Within Groups	107.00	138	0.78				
	Total	125.52	140					
BenefitF2	**Between Groups**	**9.97**	**2**	**4.99**	**4.51**	**0.01**	**Significant Difference**	**Tukey**
	Within Groups	**152.73**	**138**	**1.11**				
	Total	162.70	140					
BenefitF3	Between Groups	0.34	2	0.17	0.22	0.80	No significant difference	
	Within Groups	106.61	138	0.77				
	Total	106.95	140					
BenefitF4	Between Groups	2.39	2	1.20	2.19	0.12	No significant difference	
	Within Groups	75.47	138	0.55				
	Total	77.86	140					
WLBF1	**Between Groups**	**9.50**	**2**	**4.75**	**8.16**	**0.00**	**Significant Difference**	**Tukey**
	Within Groups	80.37	138	0.58				
	Total	89.87	140					
WLBF2	Between Groups	0.50	2	0.25	0.76	0.47	No significant difference	
	Within Groups	45.37	138	0.33				
	Total	45.87	140					

PerManRec	**Between Groups**	**4.15**	**2**	**2.08**	**6.90**	**0.00**	**Significant Difference**	**Games - Howell**
	Within Groups	41.52	138	0.30				
	Total	45.67	140					
Development	**Between Groups**	**9.33**	**2**	**4.66**	**15.06**	**0.00**	**Significant Difference**	**Games - Howell**
	Within Groups	42.72	138	0.31				
	Total	52.04	140					

Table 17 to Table 21 below present the results of the respective post-hoc tests. The post-hoc tests for similarity between groups, and it compares one group at a time to all other groups to determine where the statistically significant differences lie.

Table 17, indicates that, when looking at the component group BenefitF1, there is a statistically significant difference in the responses between the African and White race groups, as well as between the African and Indian groups when considering these reward preferences.

Table 17: Hypothesis 3 - Post-hoc analysis, BenefitF1, Tukey

Component: BenefitF1			**Mean Difference (I-J)**	**Std. Error**	**Sig.**	**95% Confidence Interval**	
						Lower Bound	**Upper Bound**
Tukey	African	**Indian**	**,80005***	**0.21**	**0.00**	**0.30**	**1.30**
		White	**,82381***	**0.18**	**0.00**	**0.40**	**1.24**
	Indian	**African**	**-,80005***	**0.21**	**0.00**	**-1.30**	**-0.30**
		White	0.024	0.19	0.99	-0.42	0.47
	White	**African**	**-,82381***	**0.18**	**0.00**	**-1.24**	**-0.40**
		Indian	-0.02375	0.19	0.99	-0.47	0.42

Table 18, indicates that, when looking at the component group BenefitF2, there is a statistically significant difference in how these groups rated their reward preferences. These differences are between the African and White race groups when considering these reward preferences.

Table 18: Hypothesis 3 - Post-hoc analysis, BenefitF2, Tukey

Component: BenefitF2			Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Tukey	African	Indian	0.43	0.25	0.20	-0.17	1.03
		White	**,63448***	**0.21**	**0.01**	**0.13**	**1.14**
	Indian	African	-0.43	0.25	0.20	-1.03	0.17
		White	0.20	0.22	0.64	-0.33	0.73
	White	**African**	**-,63448***	**0.21**	**0.01**	**-1.14**	**-0.13**
		Indian	-0.20	0.22	0.64	-0.73	0.33

Table 19, indicates that, when looking at the component group WLBF1, there is a statistically significant difference in how these groups rated their reward preferences. These differences are between the African and White race groups when considering these reward preferences.

Table 19: Hypothesis 3 - Post-hoc analysis, WLBF1, Tukey

Component: WLBF1			Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Tukey	African	Indian	0.23	0.18	0.43	-0.21	0.66
		White	**,59788***	**0.15**	**0.00**	**0.23**	**0.96**
	Indian	African	-0.23	0.18	0.43	-0.66	0.21
		White	0.37	0.16	0.06	-0.01	0.76
	White	**African**	**-,59788***	**0.15**	**0.00**	**-0.96**	**-0.23**
		Indian	-0.37	0.16	0.06	-0.76	0.01

Table 20 indicates that, when looking at the component group PerManRec, there is a statistically significant difference in how these groups rated their reward preferences. These differences are between the African and White race groups when considering these reward preferences.

Table 20: Hypothesis 3 - Post-hoc analysis, PerManRec, Games - Howell

Component: PerManRec			Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Games - Howell	African	Indian	0.32	0.14	0.08	-0.03	0.67
		White	**,40541***	**0.10**	**0.00**	**0.17**	**0.64**
	Indian	African	-0.32	0.14	0.08	-0.67	0.03
		White	0.08	0.14	0.82	-0.25	0.41
	White	**African**	**-,40541***	**0.10**	**0.00**	**-0.64**	**-0.17**
		Indian	-0.08	0.14	0.82	-0.41	0.25

Table 21 indicates that, when looking at the component group Development, there is a statistically significant difference in how these groups rated their reward preferences. These differences are between the African and White race groups as well as the Indian and White race groups when considering these reward preferences.

Table 21: Hypothesis 3 - Post-hoc analysis, Development, Games - Howell

Component: Development			Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Games - Howell	African	Indian	0.18	0.13	0.38	-0.14	0.49
		White	**,58039***	**0.11**	**0.00**	**0.32**	**0.85**
	Indian	African	-0.18	0.13	0.38	-0.49	0.14
		White	**,40212***	**0.12**	**0.00**	**0.12**	**0.68**
	White	**African**	**-,58039***	**0.11**	**0.00**	**-0.85**	**-0.32**
		Indian	**-,40212***	**0.12**	**0.00**	**-0.68**	**-0.12**

There are no other statistically significant differences between the different race groups and the total reward components. The findings from these results will be discussed in Chapter 6.

Hypothesis 4 (H_4): Employees reward preferences are impacted by tenure

Descriptive stats: Table 22 below presents the mean differences in responses within the demographic group for the various reward components. H_4 seeks to test the difference between the 3 groups reflecting tenure and their reward preferences.

Table 22: Hypothesis 4 - Descriptive statistics

Tenure		< 5 years (Number)	6 to 10 years (Number)	> 10 years (Number)
		37	22	93
Category	**Component**	**< 5 years (Mean ± Std Dev)**	**6 to 10 years (Mean ± Std Dev)**	**> 10 years (Mean ± Std Dev)**
Compensation	**SalaryRel**	4.62 ± 0.52	4.61 ± 0.72	4.7 ± 0.49
	IncCont	4.54 ± 0.6	4.36 ± 0.82	4.52 ± 0.55
Benefits	**BenefitF1**	2.85 ± 0.99	2.82 ± 0.96	2.36 ± 0.88
	BenefitF2	3.82 ± 1.01	3.81 ± 0.96	3.56 ± 1.1
	BenefitF3	4.4 ± 0.77	4.27 ± 1.02	4.28 ± 0.86
	BenefitF4	4.13 ± 0.77	4.47 ± 0.65	4.31 ± 0.73
Work life balance	**WLBF1**	4.4 ± 0.58	4.46 ± 0.56	3.86 ± 0.85
	WLBF2	4.68 ± 0.59	4.88 ± 0.26	4.6 ± 0.6
Perf. man. & rec.	**PerManRec**	3.41 ± 0.95	3.47 ± 1.22	3.14 ± 0.9
Dev & career opp.	**Development**	4.57 ± 0.44	4.67 ± 0.45	4.27 ± 0.66

ANOVA: There were 3 different groups used for this hypothesis to describe the tenure sample, hence ANOVA was used to assess the mean differences. To assess the variation in reward preference a one-way ANOVA test was carried out where the independent variable was tenure term to date, and the dependent variables were the different reward components.

The ANOVA test, by itself, only indicates if there is a statistically significant difference between the responses of the different demographic groups, but it does not identify which specific group has the significant mean differential. To identify the specific group, a post-hoc analysis is required. Table 23 below presents significance values used to test for homogeneity, which in this case was Levene's test. This test indicates which post-hoc test should be done. If the sig. is greater than 0.05 then the assumption that the sample has equal variances is valid, and a Tukey post-hoc test should be used. If the sig. is less than 0.05 then the sample violates the assumption that equal variances exist and a Games-Howell post-hoc test should be used.

Table 23: Hypothesis 4 - Test of Homogeneity of variances

Category	Component	Levene Statistic	df1	df2	Sig.	Post-hoc test
Compensation	**SalaryRel**	2.80	2	149	0.06	Tukey
	IncCont	3.43	2	149	0.03	Games-Howell
Benefits	**BenefitF1**	0.12	2	149	0.89	Tukey
	BenefitF2	0.95	2	149	0.39	Tukey
	BenefitF3	0.86	2	149	0.42	Tukey
	BenefitF4	0.57	2	149	0.57	Tukey
Work life balance	**WLBF1**	4.464	2	149	0.013	Games-Howell
	WLBF2	4.954	2	149	0.008	Games-Howell
Performance	**PerManRec**	0.291	2	149	0.748	Tukey
Career dev	**Development**	3.738	2	149	0.026	Games-Howell

Table 24 below presents the outputs of the ANOVA test for similarity where the significance value (Sig.) indicates if there is a statistically significant difference in mean values between the different tenure terms (independent variables) and the specific reward preference. If the Sig. value is less than 0.05 there is a significant statistical difference and the post-hoc test as identified in Table 23 (above) should be used to determine which groupings have the significant difference.

Table 24: Hypothesis 4 - ANOVA

Component		Sum of Squares	df	Mean Square	F	Sig.	Implication	Post-hoc test
SalaryRel	Between Groups	0.23	2	0.12	0.41	0.67	No significant difference	
	Within Groups	42.74	149	0.29				
	Total	42.97	151					
IncCont	Between Groups	0.55	2	0.28	0.76	0.47	No significant difference	
	Within Groups	54.42	149	0.37				
	Total	54.97	151					
BenefitF1	**Between Groups**	**8.22**	**2**	**4.11**	**4.84**	**0.01**	**Significant Difference**	**Tukey**
	Within Groups	126.43	149	0.85				
	Total	134.65	151					
BenefitF2	Between Groups	2.34	2	1.17	1.05	0.35	No significant difference	
	Within Groups	166.48	149	1.12				
	Total	168.82	151					
BenefitF3	Between Groups	0.39	2	0.20	0.26	0.77	Significant Difference	Games - Howell
	Within Groups	110.95	149	0.74				
	Total	111.34	151					
BenefitF4	Between Groups	1.70	2	0.85	1.59	0.21	No significant difference	
	Within Groups	79.85	149	0.54				
	Total	81.56	151					
WLBF1	**Between Groups**	**11.25**	**2**	**5.62**	**9.94**	**0.00**	**Significant Difference**	**Games - Howell**
	Within Groups	84.33	149	0.57				
	Total	95.57	151					
WLBF2	Between Groups	1.37	2	0.69	2.16	0.12	Significant Difference	
	Within Groups	47.40	149	0.32				
	Total	48.77	151					

PerManRec	**Between Groups**	**2.12**	**2**	**1.06**	**3.39**	**0.04**	**Significant Difference**	**Tukey**
	Within Groups	46.64	149	0.31				
	Total	48.77	151					
Development	**Between Groups**	**4.22**	**2**	**2.11**	**6.08**	**0.00**	**Significant Difference**	**Games - Howell**
	Within Groups	51.70	149	0.35				
	Total	55.92	151					

Table 25 to Table 28 below present the results of the respective post-hoc tests. The post-hoc tests for similarity between groups, and it compares one group at a time to all other groups to determine where the statistically significant differences lie.

Table 25, indicates that, when looking at the component group BenefitF1, there is a statistically significant difference in responses between the group working less than five years and the group working for longer than 10 years when considering these reward preferences.

Table 25: Hypothesis 4 - Post-hoc analysis, BenefitF1, Tukey

Component: BenefitF1			**Mean Difference (I-J)**	**Std. Error**	**Sig.**	**95% Confidence Interval**	
						Lower Bound	**Upper Bound**
Tukey	< 5 years	6 to 10 years	0.04	0.25	0.99	-0.55	0.63
		>10 years	**,49079***	**0.18**	**0.02**	**0.07**	**0.91**
	6 to 10 years	< 5 years	-0.04	0.25	0.99	-0.63	0.55
		>10 years	0.45	0.22	0.10	-0.06	0.97
	>10 years	**< 5 years**	**-,49079***	**0.18**	**0.02**	**-0.91**	**-0.07**
		6 to 10 years	-0.45	0.22	0.10	-0.97	0.06

Table 26, indicates that, when looking at the component group WLBF1, there is a statistically significant difference in how these groups rated their reward preferences. These differences are between the group working less than five years and the group working for longer than 10 years and, there is a significant difference between the group working for between six to 10 years and longer than 10 years.

Table 26: Hypothesis 4 - Post-hoc analysis, WLBF1, Games - Howell

Component: WLBF1			Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Games - Howell	< 5 years	6 to 10 years	-0.06	0.15	0.91	-0.43	0.31
		>10 years	**,53326***	**0.13**	**0.00**	**0.23**	**0.84**
	6 to 10 years	< 5 years	0.06	0.15	0.91	-0.31	0.43
		>10 years	**,59633***	**0.15**	**0.00**	**0.24**	**0.95**
	>10 years	**< 5 years**	**-,53326***	**0.13**	**0.00**	**-0.84**	**-0.23**
		6 to 10 years	**-,59633***	**0.15**	**0.00**	**-0.95**	**-0.24**

Table 27, indicates that, when looking at the component group PerManRec, there is a no statistically significant difference in the level of importance placed on these reward factors between these demographic groups.

Table 27: Hypothesis 4 - Post-hoc analysis, PerManRec, Tukey

Component: PerManRec			Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Tukey	< 5 years	6 to 10 years	-0.11	0.15	0.74	-0.47	0.24
		>10 years	0.19	0.11	0.19	-0.07	0.45
	6 to 10 years	< 5 years	0.11	0.15	0.74	-0.24	0.47
		>10 years	0.30	0.13	0.06	-0.01	0.62
	>10 years	< 5 years	-0.19	0.11	0.19	-0.45	0.07
		6 to 10 years	-0.30	0.13	0.06	-0.62	0.01

Table 28, indicates that, when looking at the component group Development, there is a statistically significant difference in how these groups rated their reward preferences. These preference differences lie between the group working less than five years and the group working for longer than 10 years and, there is a statistically significant difference between the group working for between six to 10 years and longer than 10 years.

Table 28: Hypothesis 4 - Post-hoc analysis, Development, Games - Howell

Component: Development			Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Games - Howell	< 5 years	6 to 10 years	-0.10	0.12	0.70	-0.39	0.19
		>10 years	**,30025***	**0.10**	**0.01**	**0.06**	**0.54**
	6 to 10 years	< 5 years	0.10	0.12	0.70	-0.19	0.39
		>10 years	**,39785***	**0.12**	**0.00**	**0.11**	**0.68**
	>10 years	**< 5 years**	**-,30025***	**0.10**	**0.01**	**-0.54**	**-0.06**
		6 to 10 years	**-,39785***	**0.12**	**0.00**	**-0.68**	**-0.11**

There are no other statistically significant differences between tenure and the total reward components. The findings from these results will be discussed in Chapter 6.

Hypothesis 5 (H_5): Employee reward preferences are impacted by seniority

Descriptive stats: Table 29 below presents the mean differences in responses within the demographic group for the various reward components. H_5 seeks to test the difference between the 4 groups reflecting seniority and their reward preferences.

Table 29: Hypothesis 5 - Descriptive statistics

Seniority		**Staff** (Number)	**Junior Management** (Number)	**Specialist** (Number)	**> Senior manager** (Number)
		29	22	49	52
Category	**Component**	**Staff** (Mean ± Std Dev)	**Junior Management** (Mean ± Std Dev)	**Specialist** (Mean ± Std Dev)	**> Senior manager** (Mean ± Std Dev)
Compensation	SalaryRel	4.62 ± 0.65	4.61 ± 0.53	4.7 ± 0.51	4.68 ± 0.5
	IncCont	4.53 ± 0.52	4.66 ± 0.44	4.44 ± 0.65	4.48 ± 0.66
Benefits	BenefitF1	2.96 ± 0.99	2.81 ± 0.99	2.64 ± 0.88	2.12 ± 0.8
	BenefitF2	3.75 ± 0.99	3.87 ± 1.14	3.81 ± 0.96	3.37 ± 1.12
	BenefitF3	4.24 ± 1.01	4.77 ± 0.4	4.35 ± 0.7	4.11 ± 0.98
	BenefitF4	4.36 ± 0.6	4.58 ± 0.59	4.2 ± 0.85	4.22 ± 0.73
Work life balance	WLBF1	4.34 ± 0.64	4.09 ± 0.56	4.15 ± 0.86	3.86 ± 0.85
	WLBF2	4.52 ± 0.73	4.45 ± 0.72	4.82 ± 0.43	4.67 ± 0.47
Performance	PerManRec	4.44 ± 0.56	4.38 ± 0.52	4.22 ± 0.6	4.26 ± 0.56
Career dev	Development	4.62 ± 0.43	4.41 ± 0.53	4.43 ± 0.65	4.25 ± 0.66

ANOVA: There were 4 different groups used for this hypothesis to describe the seniority sample, hence ANOVA was used to assess the mean differences. To assess the variation in reward preference a one-way ANOVA test was carried out where the independent variable was tenure term to date, and the dependent variables were the different reward components.

The ANOVA test, by itself, only indicates if there is a statistically significant difference between groups, but it does not identify which specific group has the significant mean differential. To identify the specific group, a post-hoc analysis is required. Table 30 below presents significance values used to test for homogeneity, which in this case

was Levene's test. This test indicates which post-hoc test should be done. If the sig. is greater than 0.05 then the assumption that the sample has equal variances is valid, and a Tukey post-hoc test should be used. If the sig. is less than 0.05 then the sample violates the assumption that equal variances exist and a Games-Howell post-hoc test should be used.

Table 30: Hypothesis 5 - Test of Homogeneity of variances

Category	Component	Levene Statistic	df1	df2	Sig.	Post-hoc test
Compensation	**SalaryRel**	1.49	3	148	0.22	Tukey
	IncCont	1.57	3	148	0.20	Tukey
Benefits	**BenefitF1**	0.31	3	148	0.82	Tukey
	BenefitF2	0.55	3	148	0.65	Tukey
	BenefitF3	3.69	3	148	0.01	Games-Howell
	BenefitF4	0.75	3	148	0.53	Tukey
Work life balance	**WLBF1**	2.03	3	148	0.11	Tukey
	WLBF2	7.07	3	148	0.00	Games-Howell
Performance	**PerManRec**	0.26	3	148	0.85	Tukey
Career dev	**Development**	1.26	3	148	0.29	Tukey

Table 31 below presents the outputs of the ANOVA test for similarity where the Sig. value indicates if there is a statistically significant difference in mean values between the different seniority groupings (independent variables) and the specific reward preference. If the Sig. value is less than 0.05 there is a significant statistical difference

and the post-hoc test as identified in Table 30 should be used to determine which groupings have the statistically significant difference in responses.

Table 31: Hypothesis 5 - ANOVA

Component		Sum of Squares	df	Mean Square	F	Sig.	Implication	Post-hoc test
SalaryRel	Between Groups	0.20	3	0.07	0.24	0.87	No significant difference	
	Within Groups	42.77	148	0.29				
	Total	42.97	151					
IncCont	Between Groups	0.82	3	0.27	0.75	0.52	No significant difference	
	Within Groups	54.15	148	0.37				
	Total	54.97	151					
BenefitF1	**Between Groups**	**16.57**	**3**	**5.52**	**6.92**	**0.00**	**Significant Difference**	**Tukey**
	Within Groups	118.08	148	0.80				
	Total	134.65	151					
BenefitF2	Between Groups	6.67	3	2.22	2.03	0.11	No significant difference	
	Within Groups	162.16	148	1.10				
	Total	168.82	151					
BenefitF3	**Between Groups**	**7.00**	**3**	**2.33**	**3.31**	**0.02**	**Significant Difference**	**Games - Howell**
	Within Groups	104.34	148	0.71				
	Total	111.34	151					
BenefitF4	Between Groups	2.68	3	0.89	1.68	0.17	No significant difference	
	Within Groups	78.87	148	0.53				
	Total	81.56	151					
WLBF1	Between Groups	4.88	3	1.63	2.66	0.05	No significant difference	
	Within Groups	90.69	148	0.61				
	Total	95.57	151					

WLBF2	**Between Groups**	**2.83**	**3**	**0.94**	**3.04**	**0.03**	**Significant Difference**	**Games - Howell**
	Within Groups	45.94	148	0.31				
	Total	48.77	151					
PerManRec	Between Groups	1.09	3	0.36	1.13	0.34	No significant difference	
	Within Groups	47.67	148	0.32				
	Total	48.77	151					
Development	Between Groups	2.65	3	0.88	2.45	0.07	No significant difference	
	Within Groups	53.28	148	0.36				
	Total	55.92	151					

Table 32 to Table 34 below present the results of the respective post-hoc tests. The post-hoc tests for similarity between groups, and it compares one group at a time to all other groups to determine where the statistically significant differences lie.

Table 32, indicates that, when looking at the component group BenefitF1, there is a statistically significant difference between reward preferences of senior management when compared to and all other groupings of seniority.

Table 32: Hypothesis 5 - Post-hoc analysis, BenefitF1, Tukey

Component: BenefitF1			**Mean Difference (I-J)**	**Std. Error**	**Sig.**	**95% Confidence Interval**	
						Lower Bound	**Upper Bound**
Tukey	Staff	Junior management	0.15	0.25	0.93	-0.50	0.81
		Specialist	0.32	0.21	0.43	-0.23	0.86
		> Senior Manager	**,84489***	**0.21**	**0.00**	**0.31**	**1.38**
	Junior management	Staff	-0.15	0.25	0.93	-0.81	0.50
		Specialist	0.16	0.23	0.89	-0.43	0.76
		> Senior Manager	**,69003***	**0.23**	**0.01**	**0.10**	**1.28**
	Specialist	Staff	-0.32	0.21	0.43	-0.86	0.23
		Junior management	-0.16	0.23	0.89	-0.76	0.43

		> Senior Manager	**,52819***	**0.18**	**0.02**	**0.07**	**0.99**
	> Senior Manager	**Staff**	**-,84489***	**0.21**	**0.00**	**-1.38**	**-0.31**
		Junior management	**-,69003***	**0.23**	**0.01**	**-1.28**	**-0.10**
		Specialist	**-,52819***	**0.18**	**0.02**	**-0.99**	**-0.07**

Table 33, indicates that, when looking at the component group BenefitF3, there is a statistically significant difference between the responses of the junior management layer and specialist layer as well as between the senior manager and junior manager layers.

Table 33: Hypothesis 5 - Post-hoc analysis, BenefitF3, Games - Howell

Component: BenefitF3			**Mean Difference (I-J)**	**Std. Error**	**Sig.**	**95% Confidence Interval**	
						Lower Bound	**Upper Bound**
Games - Howell	Staff	Junior management	-0.53	0.21	0.07	-1.09	0.02
		Specialist	-0.11	0.21	0.95	-0.68	0.46
		> Senior Manager	0.13	0.23	0.94	-0.48	0.75
	Junior management	Staff	0.53	0.21	0.07	-0.02	1.09
		Specialist	**,42069***	**0.13**	**0.01**	**0.08**	**0.77**
		> Senior Manager	**,66215***	**0.16**	**0.00**	**0.24**	**1.08**
	Specialist	Staff	0.11	0.21	0.95	-0.46	0.68
		Junior management	**-,42069***	**0.13**	**0.01**	**-0.77**	**-0.08**
		> Senior Manager	0.24	0.17	0.48	-0.20	0.68
	> Senior Manager	Staff	-0.13	0.23	0.94	-0.75	0.48
		Junior management	**-,66215***	**0.16**	**0.00**	**-1.08**	**-0.24**
		Specialist	-0.24	0.17	0.48	-0.68	0.20

Table 34, indicates that, when looking at the component group WLBF2, there is no statistically significant difference between responses between the seniority groupings.

Table 34: Hypothesis 5 - Post-hoc analysis, WLBF2, Games - Howell

Component: WLBF2			Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Games - Howell	Staff	Junior management	0.06	0.20	0.99	-0.48	0.61
		Specialist	-0.31	0.15	0.19	-0.71	0.09
		> Senior Manager	-0.16	0.15	0.73	-0.56	0.25
	Junior management	Staff	-0.06	0.20	0.99	-0.61	0.48
		Specialist	-0.37	0.16	0.14	-0.82	0.08
		> Senior Manager	-0.22	0.17	0.56	-0.67	0.23
	Specialist	Staff	0.31	0.15	0.19	-0.09	0.71
		Junior management	0.37	0.16	0.14	-0.08	0.82
		> Senior Manager	0.15	0.09	0.34	-0.08	0.38
	> Senior Manager	Staff	0.16	0.15	0.73	-0.25	0.56
		Junior management	0.22	0.17	0.56	-0.23	0.67
		Specialist	-0.15	0.09	0.34	-0.38	0.08

There are no statistically significant differences between seniority and the other total reward components. The findings from these results will be discussed in Chapter 6.

5.6. Summary

The results presented in Chapter 5 illustrated the interdependency between total reward preferences and the different demographic factors. The analysis was carried out by assessing the statistical significance in mean variances of the responses obtained by employees ranking their total reward preferences The responses were separated based on the defined demographic groupings to determine and the mean ratings of each demographic group was compared to assess if there is a significant variation in responses based on demographics.

The results were presented within Chapter 5: Results ,and these results will be interpreted with the theoretical basis obtained from Chapter 2: Literature review, and discussed in Chapter 6: Discussion with an aim of addressing the research objectives as outlined in Chapter 3: Research objective and hypotheses.

Chapter 6: Discussion

6.1. Introduction

Chapter 6 will discuss the results obtained through quantitative online surveys and presented in Chapter 5: Results. These results will be discussed and compared to the existing literature as set out in Chapter 2: Literature review. The discussion will be set out in sequence and be presented per hypothesis.

6.2. Sample demographics

The sample, as presented in Table 2, was made up of 152 respondents from a large South African petrochemical and energy company. The survey differentiated between gender, age, race, marital status, size, education level, seniority within the organisation, and tenure. For this study, and based on the research hypotheses, the demographic factors defined for this study were gender, age, race, tenure, and seniority within the organisation.

6.2.1. Gender

The sample was well balanced between male and female respondents. 55% (83 respondents) of the sample were males, and 45% (69 respondents) were female. This contrasts with the global norm as described by Shatilova et al. (2021), where they described the energy sector as the most discriminatory towards women, with women only making up 28% of the energy sector workforce.

6.2.2. Age

A majority of the sample was aged between 35 and 44, with 43% (66 respondents) falling within this group. Only 2% of the respondents were under the age of 25, which is as expected in a highly skilled industry such as the energy industry where the entrance requirement is often some level of tertiary training, resulting in a larger representation from age groups over 25 where there is some level tertiary education and work experience obtained. Due to the small number of these respondents, the age group of 25 and below was combined with the age group of 25 to 30 years old. Other than this, there was a good representation from all other age groups.

6.2.3. Race

The ethnic representation of this sample showed that a vast majority (47%) of respondents were white, with almost equal representation from the Indian (21%) and African (25%) ethnic groups. Of the sample, 7% (11 respondents) were Coloured, and therefore this was deemed too small to provide statistically reliable data, hence

only 3 race groups were used to assess test Hypothesis 3. The ethnic representation of the sample is not reflective of the South African population where the African ethnic group is the majority (82%), with the Coloured ethnic group making up 9%, the White group making up 8% and Indian group the minority at 2% (Stats SA, 2024).

6.2.4. Tenure

The tenure reflects a large majority of respondents (61%, 93 respondents) working at the company for more than 10 years, with an equal representation between the other three groups (9 – 15%). This indicates that people are happy to build long careers within this organisation.

6.2.5. Seniority within the organisation

The sample reflects a relatively senior make up with 33% of the sample engaged at the senior manager layer and above, and 32% of the sample holding specialist positions. The representation of junior management (15%) and general staff (19%) was relatively similar. The high concentration of specialist is as to be expected, given the highly technical and specialised skill set required within the energy industry.

6.3. Hypothesis 1 (H1): Employees reward preferences vary with age

In their research Chawla et al. (2017), Snelgar et al. (2013), and Bussin et al. (2019) , found that age does impact employee reward preferences. These studies found that reward preferences are impacted by age, the argument in these studies is that as employees grow in their careers their preferences for different total reward components change. The literature found younger employees emphasised flexible work arrangements as well as career development and progression. As they grew in their careers this preference changes. However, in a different study Brigman (2017), found that age does not impact how employees place importance on different total reward components.

For this research an ANOVA test for differences was carried out to assess if there is a statistically significant mean differential between responses of the different age groups. The ANOVA test was used as there were more than two age groups, and hence the ANOVA is the most suitable test to determine if there is a statistically significant difference in the preferences between the different age groups of the respondents.

Table 6 provides a view of how the mean responses varied between the different age groups, it does show that there is a difference between the mean and standard deviation of the responses, however, to ascertain if this difference due to luck or not, an ANOVA test was carried out to test for statistical significance between the mean differences.

The ANOVA test, by itself, only indicates if there is a statistical difference between groups, but it does not identify which specific group has the significant mean differential. To identify the specific group, a post-hoc analysis is required. To determine which post-hoc analysis was to be carried out a Levene's test was carried out, the result from this test is reflected in Table 7. This table only provides a recommendation of which post-hoc analysis should be done if there is a statistically significant mean differential between the response.

To determine if there was a statistically significant difference in the responses the ANOVA test was used. The result from this test is presented in Table 8, if the sig. (p-value) is less than 0.05 (assuming a 95% confidence level), there is a significant difference. In that case the respective post-hoc test must be done to determine between which groupings was the difference.

The ANOVA test identified significant differences in the responses to the BenefitF1, WLBF1 and Development factors. All three of these required the Games-Howell post-hoc analysis to be carried out. The analysis showed the younger demographic groupings favoured career development and more flexible working arrangements, which is consistent with the findings of Snelgar et al. (2013) and Bussin et al. (2019).

The data shows a statistically significant difference between the different employee age groups and their respective reward preferences. The hypothesis H_1 can be accepted.

6.4. Hypothesis 2 (H2): Employees reward preferences vary with gender

The assessment of theory provided a view that gender does play a role in influencing reward preferences. Snelgar et al. (2013) as well as Brigman (2017) found that gender does impact the affiliation towards different types of rewards. The literature found that females place more emphasis on flexible working arrangements and benefits than their male counterparts.

Table 12 presents the variation in responses by indicating how the response means varied between the different gender groups, it does show that there is a difference between the mean and standard deviation of the responses, however, to ascertain if this difference statistically significant, a statistical test to assess the mean difference was carried out. As there are only two demographic groups, the independent samples t-test was used to test for a statistically meaningful differences in the responses.

The Levene's test for equality, as presented in Table 13 above, is used to test for equal variances within the sample. It indicates if the assumption of homogeneity of sample variances is valid or not. The outcome of the Levene's test provides an indication of which resultant data set should be used when assessing the statistical significance of the difference in responses.

The study showed that there is a significant difference between the responses for the following factor groupings: BenefitF2, WLBF1, PerManRec and Development. In all cases, the female groupings scored these factors higher than their male counterparts.

The findings with regards to benefits and work life balance is consistent with the literature, however this study also found that the rewards factors that provide for recognition and career development are also more important to the female grouping than it is to the male respondents. The data shows there is a statistically significant difference between the gender groups and their respective reward preferences. They hypothesis H_2 can be accepted.

6.5. Hypothesis 3 (H3): Employees reward preferences vary with race

The studies done by Bussin and Toerien (2015) and Smit (2014) found that race does play a role in affecting the reward preferences of employees. The reason for these differences were described as attributed to the cultural differences and past lived experiences of the different race groups within South Africa.

Table 14 above presents the means and standard deviations of the responses of the different race groups. The three race groups considered for this study were the African Indian and White groups. There were 11 responses from the Coloured race group, however, these responses were excluded from the study because they were too few to provide any meaningful statistical results. As the study set out to test the

difference between three race groups, the ANOVA test for differences was used to assess if there was a statistically significant difference between the responses gathered of the various race groups.

The Levene's test for equality, as presented in Table 15 above, indicates the post-hoc analysis that was to be done in the event of there being a statistically significant difference in responses for that specific reward grouping. The results from the ANOVA test, see Table 16, indicated there were significant differences for the BenefitF1, BenefitF2, WLBF1, PerManRec and Development. To determine where these differences were found the appropriate post-hoc tests were done, with the following findings:

- BenefitF1 – Post-hoc test: Tukey; there was a statistically significant difference between White and Indian race groups. The Indian group found these rewards more important.
- BenefitF2 – Post-hoc test: Tukey; there was a statistically significant difference between African and White race groups. The White group found these rewards more important.
- WLBF1 – Post-hoc test: Tukey; there was a statistically significant difference between African and White race groups. The White group found these rewards more important.
- PerManRec – Post-hoc test: Games-Howell; there was a statistically significant difference between African and White race groups. The White group found these rewards more important.
- Development – Post-hoc test: Games-Howell; there was a statistically significant difference between White and Indian group as well as the African and White race groups. The White group found these rewards more important in both cases.

The findings were consistent with the literature, and it is therefore important that employers understand the dynamics of having racially diverse work teams and how best engage them through the application of the most appropriate reward mix. The data shows there is a statically significant difference between the different race groups and their respective reward preferences. The hypothesis H_3 can be accepted.

6.6. Hypothesis 4 (H4): Employees reward preferences are impacted by tenure

The study done by Brigman (2017)discussed the role that tenure plays in influencing the reward preferences of employees. The reason for this as described by literature was that the longer an employee stayed with a company, the higher their inertia to leave that company as they tend to lay down deep roots within that organisation.

Table 22 above presents the means and standard deviations of the responses employees who have been grouped according to their tenure within the organisation. Three groupings were used for this study, those being employees who have been with the organisation for less than 5 years, those who have been with the organisation for between 6 to 10 years and finally those who have stayed for longer than 10 years. As the study set out to test the difference between three groups, the ANOVA test for differences was used to assess if there was a statistically significant difference in reward preferences between the gathered responses of the different demographic groups.

The Levene's test for equality, as presented in Table 23 above, indicates the post-hoc analysis that was to be done in the event of there being a statistically significant difference in responses for that specific reward grouping. The results from the ANOVA test, as presented in Table 24, indicated there were significant differences for the BenefitF1, WLBF1, PerManRec and Development. To understand where these differences were found the appropriate post-hoc tests were done, with the following findings:

- BenefitF1 – Post-hoc test: Tukey; there was a statistically significant difference between those who were at the organisation for less than five years and those who have been with the organisation for longer than 10 years. The group with the shorter tenure found these rewards more important, albeit the importance of all groupings was relatively low.
- WLBF1 – Post-hoc test: Games-Howell; there was a statistically significant difference between those who were at the organisation for less than five years and those who have been with the organisation for longer than 10 years. There was also a difference between those who served for between six to 10 years and those who have been with the organisation for longer than 10 years.

In both instances the groups with the shorter tenures ranked this reward grouping to have a higher significance.

- PerManRec – Post-hoc test: Tukey; there was a seen to be no inter grouping differences.
- Development – Post-hoc test: Games-Howell; there was a statistically significant difference between those who were at the organisation for between six to 10 years and those who have been with the organisation for longer than 10 years. Again, in this instance the group with the shorter tenure ranked this reward grouping to have a higher significance. This is as expected as those still relatively young in their career will favour development opportunities more.

The findings were consistent with the literature. The data shows a statistically significant difference in how the demographic groupings within the length of tenure at an organisation and their respective reward preferences. The hypothesis H_4 can be accepted.

6.7. Hypothesis 5 (H5): Employee reward preferences are impacted by seniority

Similarly to the age demographic factor, in their research Chawla et al. (2017), found that seniority does impact employee reward preferences. The reason for this, as described by literature, was that as employees progressed through their careers, the emphasis they placed on their reward preferences changed.

Table 22 above presents the means and standard deviations of the responses employees who have been grouped according to their seniority within the organisation. Four groupings were used for this study, those being employees at general staff level, to junior management, specialists, and finally senior leadership. As the study set out to test the difference between these four groups, the ANOVA test for differences was used to assess if there was a statistically significant difference in reward preferences between the gathered responses of the different demographic groups.

The Levene's test for equality, as presented in Table 30 above, indicates the post-hoc analysis that was to be done in the event of there being a statistically significant difference in responses for that specific reward grouping. The results from the ANOVA

test, as presented in Table 31, indicated there were significant differences for the BenefitF1, BenefitF3 and WLBF2. To understand where these differences were found the appropriate post-hoc tests were done, with the following findings:

- BenefitF1 – Post-hoc test: Tukey; there was a statistically significant difference between the Senior management layers and all other job levels within the organisation. The senior group found this reward group the least important.
- BenefitF3 – Post-hoc test: Games-Howell; there was a statistically significant difference between the Junior manager level employees and specialists as well as between the Junior manager level employees and Senior management. In both cases the junior manager layer found this reward grouping to be most important. This is as to be expected, as younger low-level employees will favour the financial benefits more so than the more senior employees.
- WLBF2 – Post-hoc test: Games-Howell; there was a seen to be no inter grouping differences.

The findings were consistent with the literature. The data shows a statistically significant difference between the seniority and their respective reward preferences. The hypothesis H_5 can be accepted.

In addition to the findings set out by the hypotheses discussed above, the data also showed that with all demographic groupings, it was consistent that financial rewards, (be it part of compensation or benefits) were the most important type of reward, with no significant statistical difference between these.

6.8. Summary

The results of this study have aligned with key insights derived from the literature review, whist offering new perspectives on the impact that demographics has on reward preferences within the South African energy sector. This research has confirmed the findings of Chawla et al. (2017), Snelgar et al. (2013), and Bussin et al. (2019), that the demographics factors of race, gender, age, tenure, and seniority all have an impact on individual's reward preferences.

For example, Bussin et al. (2019)found that younger employees seek more growth opportunities and better work life balance. This was consistent with the findings from this research that found that younger employees placed higher emphasis on career development opportunities and flexible working arrangements. Similarly, the research carried out by Brigman (2017) suggests that gender does influence reward preferences, this research found that within the prescribed context, females do place higher value on benefits, recognition and career development opportunities when compared to the male respondents.

This research has provided a meaningful contribution to the body of knowledge by providing empirical evidence from an under investigated context, the South African energy sector. These research addresses a gap in literature, specifically focused on how demographics within the South African energy sector plays a major role in influencing the value employees on the elements of their total rewards package. These research findings also provide practical guidance for organisations to enhance the efficacy of their talent management processes.

Within this chapter, the results of the study were discussed and compared against the theoretical findings from Chapter 2: Literature review. Chapter 7 will set out the research conclusions that can be drawn from these findings as well as what the areas may be for future research.

Chapter 7: Conclusion

7.1. Introduction

This chapter (Chapter 7) aims to pull together this research by providing a review of the research objectives and assessing this against the achieved outcomes to ensure alignment between the intended direction for the research and the emergent findings. From these recommendations will be made for managers working within the South African energy sector that are faced with the problem of attracting, engaging, and maintaining critical skills. This chapter will also outline the limitations of the research before finally concluding by recommending pathways for further research in this area.

7.2. Review of research objectives

This research set out to explore the impact that various demographic factors may have on employee reward preferences within the context of the South African energy sector. The research objective was to determine if demographic factors such as age, gender, race, tenure, and seniority has an influence on one's reward preferences within this context through the application of the WorldatWork total rewards framework.

To achieve this research objective five research hypothesis were developed to determine if there was in fact a linkage between a specific demographic factor and reward preferences. The testing of these hypotheses aided in addressing the research objective. By addressing the research objective this research sought to fill an identified knowledge gap within literature, by providing research-based evidence that can be used to enhance talent management and total reward system design within the South African energy sector.

7.3. Research findings

7.3.1. Hypothesis 1: Employees reward preferences vary with age

The data shows there is a statistically significant difference between age groups and how employees of different ages prefer different rewards. This finding was consistent with the findings of Snelgar et al. (2013) and Bussin et al. (2019),).This result suggests that as employees progress through different stages of their lives, their reward preferences change. This result emphasises the importance of having a

dynamic rewards system that evolves with the preferences of a diverse workforce to attract, engage, and maintain talent across all age groups.

7.3.2. Hypothesis 2: Employees reward preferences vary with gender

The findings with regards to how the different gender groups respond to rewards is consistent with the literature, whereby females did place a higher value on benefits, recognition and career development opportunities when compared to the male counterparts. The research suggests that the motivational drivers for male and female employees differ as indicated by the level of importance placed on the different reward components. Understanding this difference is important to gain insights into how reward packages should be structured to meet the unique preferences of the different gender groups.

7.3.3. Hypothesis 3: Employees reward preferences vary with race

The research found that reward preferences are varied amongst the different race groups. This finding was consistent with the findings gathered from literature and suggests that the different race groups present in South Africa have differing needs and hence motivating factors when it comes to their rewards. These differences may be shaped by socioeconomic differences between the various race groups and understanding these nuances is important to appreciate how racial diversity impacts employee reward preferences.

7.3.4. Hypothesis 4: Employees reward preferences are impacted by tenure

This research showed that there was a statistically significant difference between how employee's reward preferences varied with the length of tenure at an organisation. This result illustrates how an employee's motivational factors vary as they grow in their career, this could also be linked to the varying reward preferences associate with age. Employees who had shorter tenures placed a higher emphasis on work life balance and career development.

7.3.5. Hypothesis 5: Employee reward preferences are impacted by seniority

The research indicated that there was a statistically significant difference between the seniority and reward preferences. The finding was that the less senior employees

placed more emphasis on financial benefits than their more senior colleagues. This suggests that employee late in their career are motivated by more intrinsic factors than younger employees who may still trying to build towards financial security. These findings were consistent with the findings of Chawla et al. (2017).

Further to the results mentioned above, and consistent with literature, there was no statistically significant difference between the different demographic groups and the emphasis they place on financial compensation. In all cases the, amongst all demographic groups, the financial rewards were deemed to be the most important component of a reward package.

7.4. Recommendations for management

It will be beneficial for managers and organisations at large to understand how best to attract, retain and engage their workforce, arguably the greatest asset of any business, to deliver against its strategic priorities (Gallardo-Gallardo et al., 2020; Pandita & Ray, 2018). With the global fight for talent and the critical skills shortage within South Africa talent management strategies must be carefully developed to maximise the efficacy of every rand spent on talent. A robust talent management system must be developed so that organisations are enabled to gain a competitive advantage by attracting, engaging, and retaining critical skills.

One of the key priorities of a sound talent management system is to prevent economic loss experienced by an organisation through undesired employee turnover and a disengaged workforce. This is achieved by the implementation of appropriate retention and motivating strategies (Kravariti & Johnston, 2020). One essential component of talent management is the employee rewards. Having a well-designed total rewards package will go a long way in ensuring the success of a talent management strategy.

As discovered through the literature review and again consistent with the findings of this research, there is no one-size-fits-all approach to rewards, demographics do impact an employee's reward preferences. Understanding the context and industry drivers that affects the implementation of talent management at organisations is key, as if done correctly it can add great value to any organisation.

This research has found that within the South African energy industry, this is no different. Given the diverse work teams within this industry managers must understand the impact that demographics play in determining the best mix of components of a total rewards package. This will help gain the best value from each rand spent on a total rewards package so that the offering is more closely aligned to the preferences of the diverse work team.

With the understanding that demographics does in fact impact the value placed on the different total rewards components, managers can look to implement dynamic reward systems. Given that reward preferences change with age and career progression, managers should implement more flexible rewards systems that can adapt to the evolving needs of their employees. These rewards packages can seek to seek to provide employees with more opportunities for professional development earlier on in their careers, whilst providing more longer-term benefits such as retirement planning for the more senior and older demographic group.

With seniority, employees who are less senior can be rewarded with total reward packages that are biased towards more financial rewards. As employees grow and hold more senior positions, their total reward packages can include more intrinsic rewards such as more autonomy, further development of leadership and involvement in the strategic decision making within the organisation.

Given that this research found that reward preferences vary with tenure, managers can look to tailor total reward packages based on tenure. Employees with shorter tenures tended to place more emphasis on flexible work arrangements and development opportunities (such as mentorship programmes). For employees with longer tenure, employees can be rewarded for their loyalty through long-term benefits and sabbaticals.

The research showed that financial compensation remains one of the top priorities across all demographic groups. It is therefore important that for organisations to remain competitive, its financial reward components of the total rewards package (salaries, performance bonuses and share schemes) must be attractive enough to form a compelling case to attract, engage and retain critical skills.

However, it must be noted, that the financial rewards alone will not guarantee a successful talent management model, there must be an attractive mix of all components of the total rewards package to form a compelling package that will make an organisation competitive and attractive in the talent market.

7.5. Limitations of research

Even though this research provided relevant insights into how reward preferences are influenced by the different demographic factors within the South African energy sector, there are some limitations associate with this research. These limitations are outline below:

- The research assumed that all respondents understood the questionnaire and provided responses that were truthful and accurately represented their views.
- The current economic outlook within South Africa may have had an impact on how preferences may have been assigned, specifically for financial factors. Under a more positive economic climate, these results may vary.
- The research was a point in time study (cross sectional study) and did not account for the variations in reward preferences over time. A longitudinal study could have provided more insights; however, time pressures associate with this research did not allow for such.
- Due to the time constraints associated with this study, the sample was extracted from a single organisation. This approach may have introduced bias based on the culture and talent management processes within that organisation.

7.6. Recommendations for future research

Based on the findings of this research there are areas that have been identified for further research and these are discussed below:

- Literature has shown, and again confirmed by this study, that total rewards does not follow a one-size-fits-all approach and that total rewards packages should be tailored to suit the reward preferences of a diverse workforce. However, Nienaber et al. (2011) discussed the difficulty organisations may have in implementing and administering reward packages that are unique to an individual, especially within larger organisations. This provides an

opportunity to further investigate how organisations may design and implement more tailored reward packages that will appeal to the diversity of the organisation.

- As discussed within this study, the labour market is no longer confined to the boarders of a country. Globalisation is making migration easier and with this the competition for talent is being fought on a global stage. This study was carried out within the South African context, there has been little research done on how reward preferences may vary between developed and developing economies. There is an opportunity to investigate how employee reward preferences may vary depending on economic development of a country.
- As noted within the limitations that the sample for this research was from a single company, this research could be repeated where a larger sample is obtained with a more diverse company representation. This would provide for a more holistic view of the industry.

7.7. Conclusion

This research has provided valuable insights that can be used to understand how demographic factors such as age, gender, race, tenure, and seniority influences employee reward preferences within he South African energy sector. Following a detailed analysis based on the WorldatWork total rewards framework, it was concluded that reward preferences do vary across the different demographic groups. This understanding can be used develop the best mix of total reward components that is better aligned to the varied preferences of a diverse and modern workforce. These research findings fill a critical gap in existing literature, through providing empirical evidence, that can guide talent management processes to enable an engaged workforce that will drive organisational success.

Though this study has contributed to the body of knowledge and aided in developing a practical understanding of reward preferences, the research is not without limitations. The cross-sectional nature time frame, the focus on a single organisation and the prevailing economic environment within South Africa may have introduced an unintended bias into the results of this research. However, despite these limitations, the findings from this research can be used to form a foundation for managers to develop effective total reward packages for attracting, engaging, and

retaining critical skills to develop a competitive advantage within a highly competitive industry.

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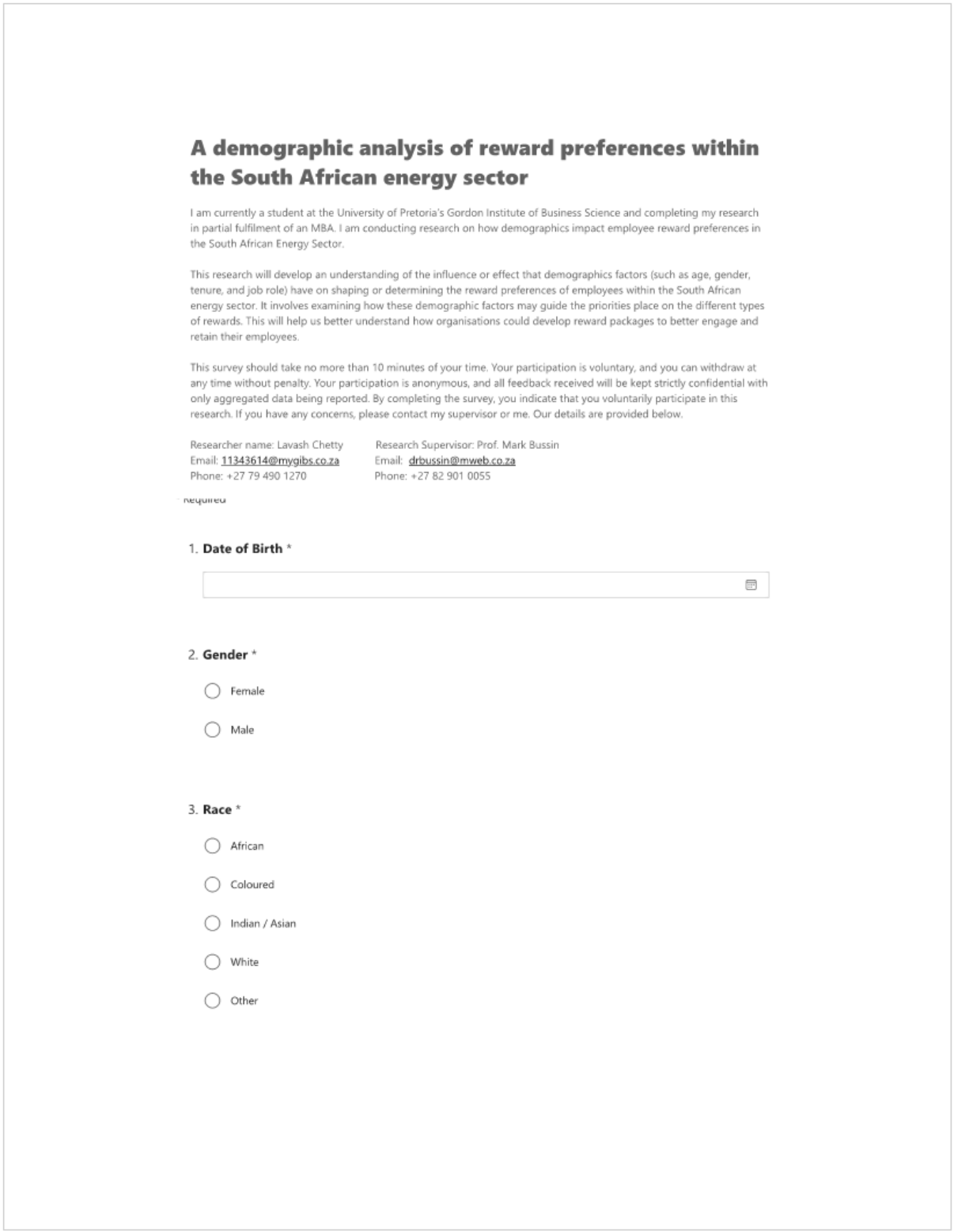
Appendix A: Measurement Instrument

The survey below is an adaptation from the research carried out by Smit (2014), where the research aimed to determine the relationship between varying generations and their reward preferences.



A demographic analysis of reward preferences within the South African energy sector

I am currently a student at the University of Pretoria's Gordon Institute of Business Science and completing my research in partial fulfilment of an MBA. I am conducting research on how demographics impact employee reward preferences in the South African Energy Sector.

This research will develop an understanding of the influence or effect that demographics factors (such as age, gender, tenure, and job role) have on shaping or determining the reward preferences of employees within the South African energy sector. It involves examining how these demographic factors may guide the priorities place on the different types of rewards. This will help us better understand how organisations could develop reward packages to better engage and retain their employees.

This survey should take no more than 10 minutes of your time. Your participation is voluntary, and you can withdraw at any time without penalty. Your participation is anonymous, and all feedback received will be kept strictly confidential with only aggregated data being reported. By completing the survey, you indicate that you voluntarily participate in this research. If you have any concerns, please contact my supervisor or me. Our details are provided below.

Researcher name: Lavash Chetty
Email: 11343614@mygibs.co.za
Phone: +27 79 490 1270

Research Supervisor: Prof. Mark Bussin
Email: drbussin@mweb.co.za
Phone: +27 82 901 0055

required

1. **Date of Birth** *

2. **Gender** *

- Female
- Male

3. **Race** *

- African
- Coloured
- Indian / Asian
- White
- Other

4. **Highest qualification** *

- ◯ Grade 12 or lower
- ◯ Certificate or diploma
- ◯ Bachelors degree
- ◯ Honours degree
- ◯ Postgraduate qualification (including Masters degree)
- ◯ Doctoral degree

5. **Marital status** *

- ◯ Single
- ◯ In a relationship
- ◯ Married
- ◯ Separated
- ◯ Widowed
- ◯ Other

6. **Age** *

- ◯ Younger than 25
- ◯ 25 - 34
- ◯ 35 - 44
- ◯ 45 - 54
- ◯ 55 - 64
- ◯ 65 and older

7. **Immediate family size** *

- ◯ Single
- ◯ Married with no children
- ◯ One child
- ◯ Two children
- ◯ Three children and more

8. **What job level represents your current position?** *

- ◯ Staff (administrative and operational)
- ◯ Specialist
- ◯ Junior management
- ◯ Senior management
- ◯ Executive / General management

9. **In total, how many years have you been working for?** *

- ◯ Less than 2 years
- ◯ 2 - 5 years
- ◯ 6 - 10 years
- ◯ 11 - 15 years
- ◯ 16 - 20 years
- ◯ 21 - 25 years
- ◯ 26 years and more

10. **Number of years with your current company** *

- ◯ Less than 2 years
- ◯ 2 - 5 years
- ◯ 6 - 10 years
- ◯ More than 10 years

11. **Length of time you intend to continue working for this organisation?** *

- ◯ At most 1 year
- ◯ At most 2 years
- ◯ At most 5 years
- ◯ More than 5 years

12. **Compensation - Retention preferences.**

Context: Compensation refers to the total financial component employees receive in return for the work they conduct.

Please rate the importance of these factors. How much significance do you place on these factors below. *

	Not important	Slightly important	Neutral	Important
Base salary	◯	◯	◯	◯
Market related salary	◯	◯	◯	◯
Short-term incentive	◯	◯	◯	◯
Long-term incentive	◯	◯	◯	◯
Company contribution to provident or pension fund	◯	◯	◯	◯

13. **Compensation.**

What factors, other than those listed above, would you consider important?

14. **Benefits - Retention preferences.**

Context: Benefits refers to non-financial components that make up the overall employee reward package.

Please rate the importance of these factors. What significance do you place on these factors below? *

	Not important	Slightly important	Neutral	Important
Medical aid	◯	◯	◯	◯
Disability benefit	◯	◯	◯	◯
Insurance	◯	◯	◯	◯
Laptop and Internet	◯	◯	◯	◯
Car allowance	◯	◯	◯	◯
Cell phone allowance	◯	◯	◯	◯
Personal safety and security at work	◯	◯	◯	◯
Uniforms	◯	◯	◯	◯
On site creche	◯	◯	◯	◯
On site dry cleaning	◯	◯	◯	◯
Counselling	◯	◯	◯	◯
Staff canteen	◯	◯	◯	◯

15. **Benefits.**

What factors, other than those listed above, would you consider important?

16. **Benefits - Retention preferences.**

Benefits refers to non-financial components that make up the overall employee reward package.

Having noted the importance of the factors above, please indicate the level of utilisation of these factors. *

	Never used	Rarely used	Sometimes used	Often used
Medical aid	◯	◯	◯	◯
Disability benefit	◯	◯	◯	◯
Insurance	◯	◯	◯	◯
Laptop and Internet	◯	◯	◯	◯
Car allowance	◯	◯	◯	◯
Cell phone allowance	◯	◯	◯	◯
Personal safety and security at work	◯	◯	◯	◯
Uniforms	◯	◯	◯	◯
On site creche	◯	◯	◯	◯
On site dry cleaning	◯	◯	◯	◯
Counselling	◯	◯	◯	◯
Staff canteen	◯	◯	◯	◯

17. **Work life balance.**

Context: Work life balance refers to the equilibrium between one's professional and personal responsibilities. It involves managing work commitments alongside personal activities to promote one's overall well-being.

Please rate the importance of these factors. What significance do you place on these factors below? *

	Not important	Slightly important	Neutral	Important
Telecommuting (e.g. digital communication tools)	◯	◯	◯	◯
Flexible work hours	◯	◯	◯	◯
Remote working	◯	◯	◯	◯
Maternity / Paternity leave	◯	◯	◯	◯
Study leave	◯	◯	◯	◯
Sabbatical leave	◯	◯	◯	◯
Comfortable working environment	◯	◯	◯	◯

18. **Work life balance.**

What factors, other than those listed above, would you consider important?

19. **Work life balance.**

Having noted the level of importance of the factors above, please indicate the level of utilisation of these factors. *

	Never used	Rarely used	Used sometimes	Often used
Telecommuting (e.g. digital communication tools)	◯	◯	◯	◯
Flexible work hours	◯	◯	◯	◯
Remote working	◯	◯	◯	◯
Maternity / Paternity leave	◯	◯	◯	◯
Study leave	◯	◯	◯	◯
Sabbatical leave	◯	◯	◯	◯
Comfortable working environment	◯	◯	◯	◯

20. **Performance management and recognition**

Context: Performance management is the process of evaluating and improving the performance of employees through different activities.

Recognition refers to the formal or informal gestures to acknowledge and motivate employees.

Please rate the importance of these factors. What significance do you place on these factors below? *

	Not important	Slightly important	Neutral	Important
Leadership style within the organisation	◯	◯	◯	◯
Formal recognition (e.g. fully paid trip overseas)	◯	◯	◯	◯
Informal recognition (e.g. thank you note)	◯	◯	◯	◯
Performance review	◯	◯	◯	◯
Performance support	◯	◯	◯	◯

21. **Performance management and recognition.**

What factors, other than those listed above, would you consider important?

22. **Performance management and recognition.**

Having noted the level of importance of the factors above, how often do you feel a positive impact from these? *

	Never	Rarely	Sometimes	Often
Leadership style within the organisation	◯	◯	◯	◯
Formal recognition (e.g. fully paid trip overseas)	◯	◯	◯	◯
Informal recognition (e.g. thank you note)	◯	◯	◯	◯
Performance review	◯	◯	◯	◯
Performance support	◯	◯	◯	◯

23. **Development and career opportunities.**

Context: This refers to the opportunities provided for by your organisation for growth and advancement of one's professional skills and career paths. Amongst others, these may include training, mentorship and job rotations.

Please rate the importance of these factors. What significance do you place on these factors below? *

	Not important	Slightly important	Neutral	Important
Career or personal development plan	◯	◯	◯	◯
Organisational culture	◯	◯	◯	◯
Succession planning	◯	◯	◯	◯
Training opportunities	◯	◯	◯	◯
Internal job opportunities	◯	◯	◯	◯
Mentorship programs	◯	◯	◯	◯
Bursaries / study aid	◯	◯	◯	◯
Job rotations	◯	◯	◯	◯
Clear career paths	◯	◯	◯	◯

24. **Development and career opportunities.**

What factors, other than those listed above, would you consider important?

25. **Development and career opportunities.**

Having noted the level of importance of the factors above, how often do you feel a positive impact from these? *

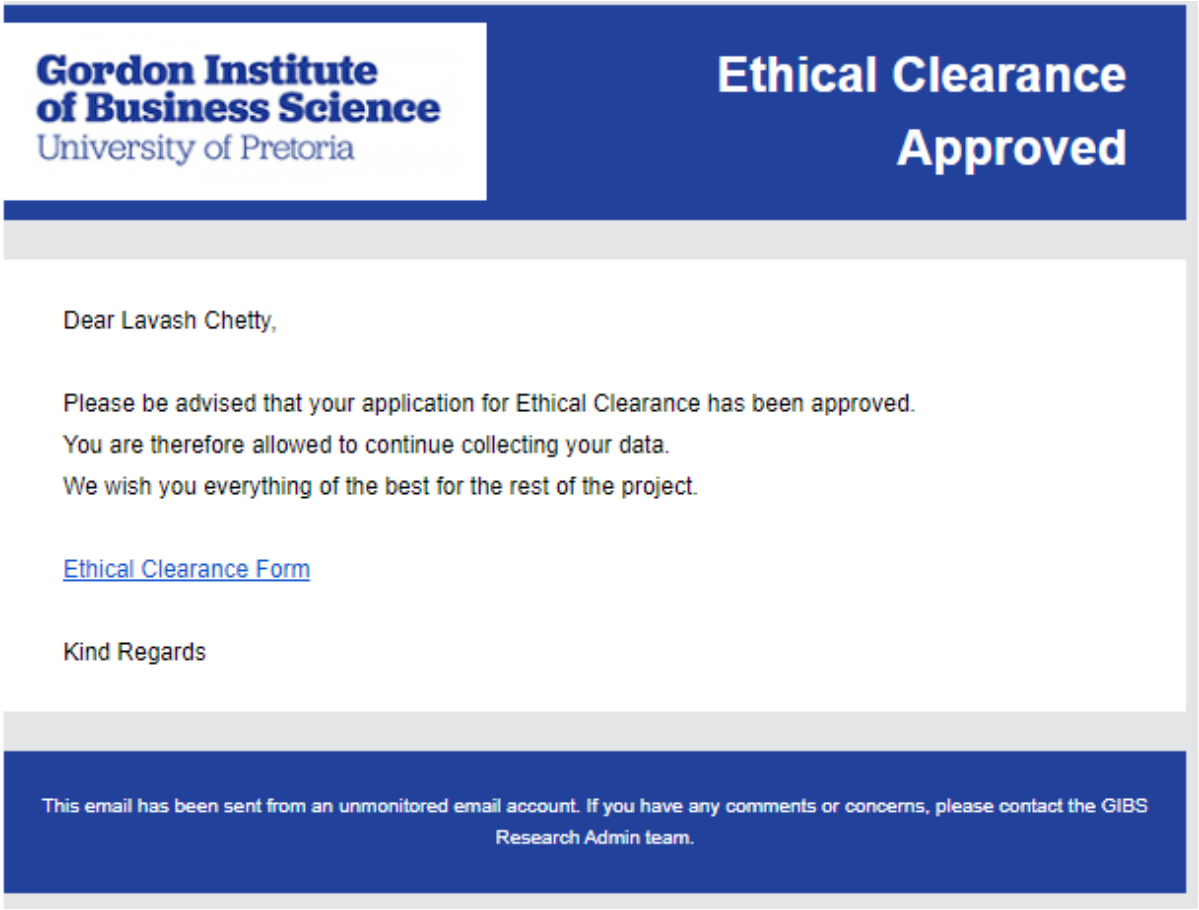
	Never	Rarely	Sometimes	Often
Career or personal development plan	○	○	○	○
Organisational culture	○	○	○	○
Succession planning	○	○	○	○
Training opportunities	○	○	○	○
Internal job opportunities	○	○	○	○
Mentorship programs	○	○	○	○
Bursaries / study aid	○	○	○	○
Job rotations	○	○	○	○
Clear career paths	○	○	○	○

26. **Rank the importance of these factors that will influence you to stay at your current organisation.**

Please rank these starting with that which is deemed most important (1 is the most important and 5 is the least important factor). *

- Performance management and recognition
- Work-life balance
- Compensation
- Development and career opportunities
- Benefits

Appendix B: Ethical Clearance Approval



Gordon Institute of Business Science
University of Pretoria

Ethical Clearance Approved

Dear Lavash Chetty,

Please be advised that your application for Ethical Clearance has been approved.
You are therefore allowed to continue collecting your data.
We wish you everything of the best for the rest of the project.

Ethical Clearance Form

Kind Regards

This email has been sent from an unmonitored email account. If you have any comments or concerns, please contact the GIBS Research Admin team.

Appendix C: Consent cover letter

The consent letter below was as per the outline provided for in the Applied Business Analysis and Research Report Regulations (2023):

A demographic analysis of reward preferences within the South African energy sector

I am currently a student at the University of Pretoria's Gordon Institute of Business Science and completing my research in partial fulfilment of an MBA. I am conducting research on how demographics impact employee reward preferences in the South African Energy Sector.

This research will develop an understanding of the influence or effect that demographics factors (such as age, gender, tenure, and job role) have on shaping or determining the reward preferences of employees within the South African energy sector. It involves examining how these demographic factors may guide the priorities place on the different types of rewards. This will help us better understand how organisations could develop reward packages to better engage and retain their employees.

This survey should take no more than 10 minutes of your time. Your participation is voluntary, and you can withdraw at any time without penalty. Your participation is anonymous, and all feedback received will be kept strictly confidential with only aggregated data being reported. By completing the survey, you indicate that you voluntarily participate in this research. If you have any concerns, please contact my supervisor or me. Our details are provided below.

Researcher name	Research Supervisor: Prof. Mark Bussin
Email : 11343614@mygibs.co.za	Email: drbussin@mweb.co.za
Phone: +27 79 490 1270	Phone: +27 82 901 0055

Appendix D: Permission Letter to conduct research

4 July 2024

To whom it may concern

Permission letter to conduct research

This letter serves to confirm that **Lavash Chetty**, under supervision of **Prof. Mark Bussin** from **Gordon Institute of Business Science (GIBS)**, may conduct research on the premises of Sasol and may make use of company data, as specified below. Furthermore, the data generated during the research may be used to compile a dissertation for the fulfilment of the MBA degree.

Sasol hereby agree to provide the necessary research support in the form of access to employees to gather data to evaluate the **impact of employee demographics on reward preferences within the South African energy sector**.

The researcher may make use of the following data:

- Gather information through an empirical study (surveys) from a selected sample population of employees working in the South African energy business.

The data may be used on the following conditions:

- Answers from the sample population to be treated as confidential
- Proprietary information will not be disclosed
- Sasol's name will not be published in the research finding, reference can be made to an Oil and Gas Company.
- Interview participants' names will not be published.

The researcher may access applicable areas within the organisation, if deemed necessary to conduct research, while adhering to Sasol policies.

Yours sincerely

Signed by:Chris Klopper
Signed at:2024-07-05 13:32:15 +02:00
Reason:I approve

Chris Klopper

Chris Klopper
Snr Manager – L & D
chris.klopper@sasol.com
082 903 5634