

MANAGEMENT EFFECTIVENESS IN MOTIVATING EMPLOYEES AT A DURBAN MANUFACTURING PLANT

by

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of the requirements for the degree of**

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DECLARATION

I, **Asheen Harilal**, declare that:

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ABSTRACT

The motivation of employees is a topic that has become popular in the business world and is a “centuries-old puzzle”. It is hard to argue with accepted wisdom (backed by empirical evidence), that a motivated workforce means better corporate performance. It leads to low rates of employee turnover and retention of key skills. However, this has not been the case in many companies, since many managers are either still reluctant to spend their company’s resources on motivating their employees, or lack the know-how and skills to be effective. The broad objectives of this study were to determine the effectiveness of the management practice within a Durban Manufacturing Plant’s Production and Logistics Division (DMP) in lieu of low employee morale resulting in high turnover and to grasp the motivation factors that would influence the retention of their salaried employees and improve performance. The methodology used encompassed data collection techniques using an electronic close-ended questionnaire. The design-approach of the research was quantitative. The sample of 207 salaried employees was drawn from the DMP, with a total population size of 207 salaried employees, representing a confidence level of 100%. The sample was composed of 77.5% males and 22.5% females. Of the sample, 18% were managers and above and 82% were sub-ordinates (14.5% assistant managers, 7.5% principal engineers and 60% other administration-support members). There were 200 respondents, resulting in a response rate of 96.62% and the data collected was validated-analysed using both descriptive and inferential statistics, with a Cronbach’s alpha of 0.82. The salient findings from the study were that motivation can significantly increase the performance of employees, whilst the management practice in the DMP was inconsistent and ineffective as they did not employ the process of motivation in their company. The study revealed that while there are many ways of motivating employees, the management of the DMP did not employ these methods to motivate their employees, resulting in low morale, leading to high turnover. The recommendations offered to the management of the DMP, actions to ensure sustainable motivation of their employees that will assist with future retention as well as significant improvements in their morale, and to create a consistently high-performing-thriving workforce, thereby boosting overall performance.

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CHAPTER ONE

INTRODUCTION TO THE RESEARCH

1.1 Introduction

Reduced trade barriers, container and jet transportation and the Internet, amongst other enabling factors, have led to an increase in levels of competition between companies. Companies tend to want to be the market leaders or hold some position of prominence in the categories in which they operate, and maximise their sales (Accel-Team, 2012). Contrary to the principles of succeeding and being at the top of their respective fields, many firms have not been able to succeed and capitalise on the potential that they have (Carlaw, 2010). This was because they have been neglecting, and thus failing, their employees by providing the minimum in terms of “meaningful goals, encouragement, resources, and, or protection from irrelevant demands” (Amabile and Kramer, 2010:44).

Every human being needs to feel appreciated and treasured. This also applies to the salaried employees at many of the companies in the country and around the world. According to Loehr and Jezra (2011), this has not been happening and the few companies that have employed motivation as a function of a manager’s role, have been able to achieve better corporate performance (Nohria, Groysberg and Lee, 2008). These companies have become the market leaders and they have the major control in the markets in which they specialise.

South Africa is the leading country on the African continent, with various economic development programmes that support the many manufacturing industries in the country which provide significant employment (Ehlers and Lezenby, 2007). The management teams of these companies have, for a considerable period, had a major struggle with the employees over various issues with those companies which are seen as non-caring, resulting in many employees having low morale and resigning to look for employment elsewhere (Creech, 2007). “The key to motivation turns out to be largely within” the role played by and “control” of a manager (Amabile and Kramer, 2010:44).

1.2 Problem Statement

According to Lin (2007), with companies competing for market share in the global business arena, motivating and retaining employees has become an important yet complex task for managers. The key to performing this task well is to find out more about what factors motivate employees and what constitutes effective management practice in this area, so that the outcome for the company is a highly motivated, thriving workforce who is always energised and engaged in creating the future, and company profits through productivity are ensured (Spreitzer and Porath, 2012).

A Durban based Manufacturing Plant's Production and Logistics Division (DMP) had been experiencing low morale levels among its salaried employees for a considerable period of time, with continuously high turnover of staff. The employees who left the company stated in their exit interviews that they were not satisfied with the way the company and management operated in terms of relating with them, and they were thus in search of better opportunities at other companies. The details of their dissatisfaction remained unknown to the management of the division concerned. However, what was known was that productivity within the division had rapidly declined. The function of the Production and Logistics Division was to support the manufacturing plant's production planning and scheduling, as well as the parts' logistics planning, procurement and supply chain management, based on Just-in-Time principles. Due to low morale, high turnover and poor retention of key skills, the division experienced instability in its core function being a vital support role to the manufacturing plant (Sandhya and Kumar, 2011). This resulted in high parts inventory overflow, shortages and, consequently, very dissatisfied customers – with production units not being built on-time to meet customers' promised delivery dates. Operational and related costs had therefore rapidly increased.

“Getting people to do their best, in trying circumstances, is a manager's most difficult challenge. Comprehending what motivates human beings is a centuries-old puzzle” (Noria, Groysberg, and Lee 2008:78). This study had therefore attempted to provide the aforementioned management of the division and the company with a precise set of actions to satisfactorily and sustainably

increase their employees' overall motivation and morale, whilst ensuring minimum cost/expenditure.

1.3 Motivation for the Study

Not all companies have been able to take the correct action to initiate sustainable motivation of their employees to achieve success; this is because they have gone about it incorrectly. The management teams of many companies know about the concept of motivation, yet some do not implement it in their companies. This is because many of them are sceptical of the results (Bruce, 2008; Crouse, 2009). Some firms that have implemented motivation programmes have found that they have failed because the programme has not been implemented correctly and management had failed to understand the actions which could be used to motivate their employees.

Many companies in South Africa suffer losses both in revenue and in staff because they are performing dismally. The performance of a company is a reflection of the performance of the employees. A company's poor performance indicates that its employees are poorly motivated and not giving their best to the company (Crouse, 2009). This was because of the low morale among employees which had led to companies experiencing a high employee turnover from time to time. Such a case existed at the DMP, where the company experienced huge financial losses while their share of the market had rapidly eroded.

The problem of low staff morale and high turnover was not an uncommon situation at the DMP. It is important for the management of this and other companies to understand their employees and have a good working relationship with them in order to avoid any obstacles in their operations. Management need to motivate their employees to give more to the company and perform at their optimum level (Centres and Bugental, 2010).

Nohria et al. (2008:83) strongly advocate that the "employees' perception of their immediate managers matters" greatly. This requires the management of the company to understand available and effective ways to motivate the

employees at the company. Management needs to ensure that employee motivation is maintained as this will lead to the retention of key skills, whilst improving performance. No company wants to fail in business and most want to be amongst the top firms in their fields and enjoy a profitable share of their market (Loehr and Jezra, 2011). The DMP needed to create in their employees a positive attitude towards the company which will lead their division and company to levels of success (Cappelli, Singh H., Singh J.V., and Useem, 2010). This can all be achieved through motivating the employees effectively thereby ensuring that the morale of employees is high and that as many employees as possible want to continue working at the company (Amabile and Kramer, 2010).

Directing company efforts towards ensuring that employees are continuously motivated will lead to the attainment of short term and long term goals, and ensure high returns (Crouse, 2009; Forsyth, 2010). Without a highly motivated workforce, it is nearly impossible for companies to succeed in any business venture. The management of these companies have to create a close-knit relationship with their staff so as to run the company successfully. The mark of a leader is reflected in the troops who are under him, and management have to ensure that employees truly reflect their commitment to the company. This commitment will only be seen when employees are truly motivated.

Salaried employees have to be motivated if they are to give more to the company and thus increase the company's output and, therefore, its profits (Lin, 2007). Ultimately, motivation should be embraced by the company management since it not only benefits all employees, but also brings good returns for the company, all of which reflect well on management's capabilities.

1.4 Focus of the Study

As the positive outcomes of motivation have become more widely known, the concept of motivation has become such a huge phenomenon that more and more people are embracing it (Barry, 2012). Many managers in production companies globally have embraced it, yet, paradoxically, a number are reluctant to implement it (Carlaw, 2010). Further, according to Carlaw (2010),

the running of a company can be viewed as a give and take situation, where salaried employees give their time and energy towards the company's output and, in return, the company pays them. Salaried employees, also classed as knowledge-workers, form the backbone of a company, as they provide the skills, support and continuous innovations which keep the company running successfully (Nonaka, 1991).

If employees at any time feel they are not getting what they deserve or are not being appreciated for their hard work, there is a drop in their levels of morale and dedication (Cox and Cooper, 2008). However, employees need more than money in order to feel dedicated to their employer and happy to go to work each morning (Edwards, 2009). It is crucial, therefore, that a company's management ensure a high level of morale and dedication by motivating them in the most effective ways possible, as it is the specific role of management to ensure that the company runs properly and that employees are taken care of (Loehr and Jezra, 2011; Forsyth, 2010).

Motivation of salaried employees therefore cannot, no matter what business venture they are in, be taken lightly. A motivated employee is equal to the success of a company, and this should be known by any company's management (Plumb, 2010). Those who have initiated it well have seen the fruit of it, while those who have not have experienced detrimental results.

1.5 Research Questions

Reflecting on the problem at the DMP, the study aimed to answer the following research questions:

1. What are the non-financial motivators that promote greater and more sustainable employee motivation?
2. What strategies can be proposed for effective management practice for high employee motivation and retention?

1.6 Objectives

In view of the above research questions, the study put forward the following research objectives, at the DMP:

1. To investigate the motivational factors (extrinsic and intrinsic) that have a significant influence on the morale of the employees
2. To investigate the de-motivating factors that have a significant impact on the performance-ability of the employees
3. To evaluate the consistency of management practice in motivating employees
4. To evaluate management effectiveness in motivating employees
5. To establish relationships between the demographics and the significant motivational factors

1.7 Proposed Methodology

Based on leading research, examined in the literature review (chapter two), a web based close-ended questionnaire, based on a Likert scale, was designed, reviewed using a pilot study, revised/finalised and administered using the DMP's secure electronic mail facility. The sample of 207 salaried employees was drawn from the DMP (which is located in the city of Durban, from the province of Kwa-Zulu Natal in South Africa), with a total population size of 207 salaried employees, representing a confidence level of 100%. The sample was composed of managers, assistant managers, principal engineers and other respective subordinates in an administrative-role. Based on a quantitative approach, the data collected from the questionnaires was validated and analysed using appropriate statistical methods (both descriptive and inferential statistics).

1.8 Limitations of the Study

In studying management effectiveness in motivating employees at the DMP, one of the major limitations was that, although many of the divisions were experiencing similar concerns as per the problem statement, only one of the divisions, the production and logistics division, was the focus of the study.

Therefore, the study was a case study, in which a particular division and only the salaried employees within the DMP were surveyed. The 70 hourly-paid employees from the production and logistics division were not surveyed, as involving them could have caused a risk in stopping the plant's production lines.

1.9 Chapter Outline

Chapter one introduces the problem statement in the DMP, research questions and objectives of the research, discussing briefly why and how the study was done.

Chapter two contains the literature review of appropriate and relevant material, setting the background to the research.

Chapter three discusses the research methodology which was employed and fieldwork that was carried out.

Chapter four presents the results and salient findings based on both descriptive and inferential statistical analysis.

Chapter five and six contains the discussion of results and conclusions/recommendations reached, respectively. Suggestions for further research are also made in chapter six.

1.10 Summary

The research problem has been discussed and introduced with suitable research issues motivated. The reasons for conducting the research have been explained together with what the objectives intended to discover. An appropriate research methodology has been stated. Data was gathered directly from the division where the problem had occurred. The value of these results and the limitations of the study have been outlined. The next chapter examines appropriate and contemporary literature relevant to this research study.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

From as early as the 1960's, it has been acknowledged that managers are the most expensive resource in a business and are entrusted with making the company successful (Drucker, 1974:379). Jack Welch's first tasks when he was appointed CEO of General Electric were to convince his staff that they do not have to fit a certain stereotype to be successful (Welch, 2003). To be successful in business, a manager cannot allow himself to stagnate. "Manager of the Century" Welch (Fortune, 1999:1; Slater, 2003), had forged a unique philosophy and an operating system that relied on a "boundary-less" sharing of ideas, an intense focus on people, and an informal, give-and-take style that made bureaucracy the enemy – "putting people first, strategy second."

The subject of employee motivation has been studied for many years with many luminaries giving their thoughts on the matter. It is an expansive topic that has been viewed as needing a deeper evaluation and understanding by researchers (Wiley, 1997). The character of a person and of his or her environment and work shape his or her behaviour and performance at work (Lather and Jain, 2005). This chapter considers literature that is relevant to the objectives of the research.

2.2 Definitions of Management, Motivation and Morale

Management is the direction of a group of people towards the achievement of set goals and objectives (Mullins, 2005). A manager can be referred to as a leader; he or she is a person who leads the company in meeting its goals and targets (Prahalad, 2010). A manager is responsible for driving the company by ensuring that the employees perform as they are supposed to. Managing employees is something that needs the right skills in order to do it in a fluid manner. Every company needs to have management because, without it, a company will head to its death (Drucker, 1974).

Motivation is the process of increasing one's desire and love for doing something or engaging in an activity (Barry and Clay, 2012). It is not fixed but keeps on changing, depending on a person's experience or environment (external influences). It is something that happens inside a person. Motivation, therefore, changes depending on personal, environmental or other factors. According to Carl (2010), motivation influences a person's behaviour but not their level of performance.

Motivation is the reason why a person acts in a certain way (Vroom, 1995). There are various principles of motivation. These include: content-based theories, processed-based theories and reinforcement-based theories. Content-based theories focus on the need for motivating people. In processed-based theories, the focus is on understanding how people make choices in order to satisfy their needs (Mullins, 2005; Kont, 2012). Reinforcement-based theories state that when people are rewarded for acting in a certain way, they usually repeat the act. There are various examples of content-based theories, namely McClelland's Acquired Needs Theory, Maslow's Hierarchy of Needs, among others. They help management to understand what motivates people and, therefore, to shape the job properly (Robbins, DeCenzo and Coulter, 2011).

Morale can be defined as the esteem that a person has while carrying out something (Zweni, 2004; Mullins 2005). It is how the employees feel towards their company and the tasks to which they are assigned. The morale of a person is very important since it determines how they will carry out a given task or will relate to a person or something. It is something to which managers should give a lot of attention in order to ensure that their employees always have a high degree of it (Nawaz, 2012). Employees with a high level of morale are a great asset to the company. The morale of the company is very important because it determines whether a company will run into profits or fail all together. Managers, as leaders, have the role of ensuring that their employees have a high morale in their workplace (Ambile and Kramer, 2010).

2.3 Management Roles

The management of a company is responsible for its running and the direction of the people. There are largely seven roles for managers, and these are grouped into three larger classes. These larger classes are interpersonal, informational and decision roles (Maidment, 2005). Under interpersonal roles, a manager has the following roles: to act as a figurehead, leader and liaison in the company (Forsyth, 2010). Under informational roles, a manager has the following roles: to act as a monitor, disseminator and spokesperson for the company. Under decisional roles, a manager has the following roles: to act as an entrepreneur, disturbance handler, negotiator and resource allocator.

A manager's major role is to resolve any conflicts that might arise within the company. Conflicts might arise from varying expectations of people or the competition of two people for a particular post. A manager needs to make choices when there are two conflicting demands (Wood, 2009). A manager shapes the employees through the formal position and office that he holds. A leader is a person who can apply his skills and strategise so as to shape an employee's behaviour, attitudes and way of thought (Slater, 2003; Welch 2003).

The role of a manager as a figurehead involves the representation of the company. A manager is the reflection of the company, and the success or failure of the company, therefore, falls on him. A manager is the person to whom the employees look for emulation and direction. He or she is the face of the company and its employees (Ehlers and Lazenby, 2007). A manager provides the link between the employees and the owners of a company. Any disputes or queries that employees have are passed on by him and any instructions that owners have are executed by them. He also acts as a liaison between the company and the customers; managers act to communicate to customers about anything that the company is undertaking or introducing, and the customers direct their messages to him (Prahalad, 2010).

Managers play the role of leader; they are tasked with the job of leading the company and employees towards meeting the goals of the company. Without them, the goals and objectives of a company are very hard to achieve, and

employees would not know which way to go (Chipunza, Samuel and Mariri, 2012). They act as leaders of a company in times of success and failure. As a leader, a manager has the task of ensuring that a company comes through every obstacle and challenge that it faces and is able to forge ahead. Another main role of a leader is to ensure the growth of not only the company, but also the employees. A leader facilitates the growth of a company's employees and ensures that they are able to utilise the opportunities that come their way (Liker, 2004).

In addition to the above, managers have the role of monitor. By fulfilling this role, a manager oversees the operations of a company and ensures that it is running smoothly. The function of a monitor is to ensure that everything is running as planned; a manager, therefore, has to have his finger on the pulse of the company and its employees. He acts as supervisor of company operations and provides direction where needed (Forsyth, 2010). This function is very important since it ensures that the company runs on the right track. Without this role, a company can run to its end (Reeves, 2008).

A manager needs to fulfil the role of a disseminator. In this role, a manager is responsible for providing employees with the necessary information and for ensuring that the owners get information about how the company is functioning (Maidment, 2005). The role of dissemination is very critical, since it ensures that people are up to date and are able to adjust accordingly. A manager also acts as a spokesperson for the company; he or she is tasked with communicating with the outside world about things like new products or mergers, among other things (Thomas, 2009). He has the task of communicating the company's ideas to investors and the market. A manager is, therefore, the voice of a company and what it represents. He acts as a link between the outside world and the company (Drucker, 1974).

Managers take on the role of being resource allocators. It is he who decides what money is allocated where and for what purpose it will be used (Nawaz, 2012). A manager holds the final word on the use of the company's resources for running the operations of the company. The owners of a company task the

manager with the role of using the company's resources to bring in profit for them. He also acts as a negotiator for the company and represents the company in any negotiations that it gets into. He represents the company at meetings with new and potential investors and is the one who acts on behalf of the company to secure major deals that will benefit the company (Prahalad, 2010). This is a very important role which requires the manager to be well informed and to put the interests of the company forward.

An additional function that a manager has is that of a disturbance handler; he has the task of ensuring that the company overcomes any challenges without any damage. In the process of handling disturbances, he needs to have the best interests of the company in mind and ensure that the reputation of the company is not damaged at any time (George and Jones, 2006). It is important that a manager carries out all of these roles for a company to grow and succeed.

2.4 Management Skills

Effective managers have to have certain skills in order to perform their duties effectively. One of the necessary skills is active listening as it helps him achieve his role as a leader (Bartol and Martin, 2008). A manager should be able to hear the various views of employees and others.

Innovation, being another skill, is very important in the running of a company. Many ideas have a time limit and when that time comes, there needs to be a new idea in order to stay afloat in the market in which they operate (Thomas, 2009). A manager needs to lead the way in coming up with new ideas for the company and should lead by example. By doing this, they also encourage those below them to be innovative and autonomous (Liker, 2004).

Managers need to be visionaries - able to think ahead and foresee the future of the company (Nachona and Gift, 2012). By doing this, he helps to motivate the employees and helps them focus on the future of the company. Employees like to know where they are heading and they function well when they know what they are targeting.

It is very important for managers to be fair as it is impossible to run a company effectively without fairness underpinning relations with employees (Forsyth, 2010). Every employee wants to be treated in a fair manner, and when managers are fair, it helps the employees to have a good feel and view of the company. Therefore, this is a critical skill for a manager to have.

One of significant importance is the skill of being able to think clearly and without ambivalence (Slater, 2003). A company that is led by a manager who thinks clearly, grows and succeeds in all its ventures. Employees are motivated by their manager if he or she thinks in a clear way (Nohria et al., 2008). A clearly thinking manager steers the company forward and can overcome obstacles that come their way (Welch, 2003).

Both written and oral communication skills are necessary for managers. A manager is supposed to be able to communicate his ideas in a manner that everyone is able to understand. Employees need to know what managers mean and want them to do (Cappelli, Singh H., Singh J.V. and Useem, 2010). If managers want their employees to follow their instructions, they need to have good communication skills. According to Cappelli et al. (2010) a lack thereof can result in the company incurring huge losses.

A manager needs to have the skill of being a good judge, thereby ensuring that all conflicts that come before him are resolved in a fair manner. All companies at one time or another suffer some form of conflict, either among employees or between the employees and management (Grayson, 2008). All these conflicts need to be resolved for a company to move forward because some can be very serious meaning that the operations of the company can be stalled. A company whose manager is a good judge has a valuable asset (Morse, 2012).

All of the skills that are important for a manager work to supplement each other. None of them is complete on its own. If a manager does not have these skills, there are ways of acquiring them (George and Jones, 2006). A manager needs to put a lot of effort in running the company, and this includes the acquisition of these skills.

2.5 Management Effectiveness and Leadership

As outlined by Mullins (2005:269), there is a clear and important need for managerial effectiveness which can be distinguished from managerial efficiency and from activity. Effectiveness is concerned with doing the right things and relates to outputs of the job and to what the manager actually achieves. Managers are likely to be judged not just on their own performance but also on results achieved by other employees (Drucker, 1974). Leadership might be interpreted in simple terms, such as 'getting others to follow' or 'getting people to do things willingly' (Welch, 2003).

The management of companies realise the importance of motivation in employees, with the lack of it being a disadvantage to them and its presence being an advantage. It is the work of management to ensure that their employees perform at an optimum level. For this to happen, they need to be motivated to do their work (Cappelli et al., 2010). Therefore, for management to be seen as being effective and having true leadership, they need to motivate their employees and ensure that they continuously do so (Ibo, 2012).

As leaders, managers have to accept motivation as one of their responsibilities. For a long time, the management of companies has used the system whereby the employees do what the managers want, and employees in return get something (Musselwhite, 2011). For some employees, if the returns from the task are good enough for them, the arranged system continues to function. By doing this, the management is able to achieve the company's goals and the employees reap their rewards (Trant, 2008).

Effective managers change their rewards and or associated reward programmes to avoid becoming redundant. Each company has a culture which defines how it operates and how they treat their employees. To be effective and a true leader, managers have to understand the culture of the company and its people. This is because there are some company cultures which are very disadvantageous to a company (Nachona and Gift, 2012). It is important for a manager, as a leader, to focus on the attitude of the company, the communication and the incentives that the company has. Effective leaders have

been shown to embrace good-clear communication, appropriate incentives and create a positive attitude within the employees (Garcia, 2009). For example, Welch (2003) from General Electric had clearly communicated to his managers to manage less. He wanted them to do less monitoring and less supervising and to give their employees more latitude. Conversely, he wanted far more decision making at the lower levels of the company. This is what differentiates a good from a bad manager (Slater, 2003; Fortune, 1999).

2.6 Theories of Management and Motivation

There have been several historical perspectives on motivation that only focused on what motivated an employee rather than on why and/or how motivation is developed (Leroy, 2010). Highlighting the below-mentioned theories will provide a good base for comparison with the more modern methods to studying motivation.

2.6.1 Scientific Management

One of the above mentioned historical views on motivation was known to be called Scientific Management which applied scientific principles to the management of work and workers (Wiley, 1997). Frederick Taylor (1911) suggested a system that was very simple and that did not address the other ways of motivation except for pay. He arrived at this conclusion after he noticed that workers were 'soldiered' where employees worked slowly in fear of losing their job or running out of work. Taylor suggested that jobs should be broken down into separate tasks (Barry and Clay, 2012). He believed that jobs will be performed best and that output was expected from the job. At that time, he suggested the piece-rate system for compensation to the working employees, where employees are paid a certain amount for each unit they produce. This theory only emphasized the pay aspect of how to motivate employees. This is a drawback because people work for other reasons than pay (Podmoroff, 2007).

2.6.2 Hawthorne Studies

The Hawthorne studies (mid 1930s) concluded that the human factor caused the results of their two experiments. In the lighting experiment the 'sense of involvement' increased productivity. This means that as workers were asked to

join in the research they felt they were important. In the piece-rate experiment, each worker in the group informally set the acceptable rate of output of the group to gain or keep the 'social acceptance' of the group. In the end, the final result of these studies showed that happy workers perform best because they are motivated. This proves that there are other ways of motivation because not everyone is pleased by the same means (George and Jones, 2006).

2.6.3 Maslow's Hierarchy of Needs

Maslow's hierarchy of needs (1930s–1950s) is based on the concept that people act to fulfill five levels of needs, which are personal requirements from the most important to the least important (Kont, 2012; Lert, 2008; Mullins, 2005). The five categories of needs from the most important are:

1. Physiological needs (the need to attain basic human needs, for example food, shelter),
2. Safety needs (the need for physical and emotional security, for example job security, medical aid, life insurance),
3. Social needs (the need for a sense of belonging),
4. Esteem needs (the need for respect and recognition of others) and
5. Self actualisation (the need to grow, develop and become all that he/she is capable of).

However, needs at one level do not have to be fully satisfied before the next need (Latham, 2007). This means that one does not have to satisfy his/her basic needs before trying to attain feelings of safety in the job or firm itself. This theory holds that motivation to work arises from a variety of social, psychological and economic forces (Katz and Robert, 2010).

People need income to pay their expenses, feel that they have a role in society and also feel a sense of achievement. As it may seem to some people, the more a worker gets paid, the more encouragement that worker has to work more hours and produce more output. However, again, not everyone works for money (Dewhurst, Guthridge and Mohr, 2009). According to Robbins et al.

(2011), a large percentage of workers say they would continue to work even if they had enough money to live comfortably without working.

Another aspect of happiness from labour is the non-monetary incentives the environment that is being worked in (Morse, 2012). People prefer to work in a safe, pleasantly colourful environment. In short, there are many different reasons why people get up and go to work each morning and the levels of satisfaction differs from one person to another (Lin, 2007).

2.6.4 Herzberg's Motivation-Hygiene Theory

Herzberg's Motivation-Hygiene theory holds the idea that satisfaction and dissatisfaction are completely separate issues (Lather and Jain, 2005). In other words, not that low pay can cause an employee to feel bad, or high pay will make him happy. According to Wiley (1997), Herzberg believed that there were two factors with regard to his theory. Motivation factors are the job factors that if present increase motivation but whose absence does not necessarily result in dissatisfaction. They include achievement, recognition, and growth. These aspects are called satisfiers if present. On the other hand, Hygiene factors are the job factors that decrease dissatisfaction when present. They include supervision, working conditions, job security. Herzberg believed that there was no dissatisfaction because at any time there must be an employee who is not happy (Edwards, 2009).

2.6.5 Theory X and Theory Y

According to Sandhya and Kumar (2011), a new study of motivation was called Theory X and Theory Y, where X and Y are opposites. Theory X is a concept of employee motivation in a way relevant to the scientific management approach mentioned earlier. It assumes that employees dislike work and will function only in a highly controlled work environment. This means that managers should make all decisions and employees take all the orders, i.e. managers should lead autonomously. On the other hand, Theory Y assumes that employees accept responsibility and work toward organisational goals if by so doing, they also achieve personal rewards.

2.6.6 Reinforcement Theory

The Reinforcement theory is also considered to be one of the historical views on motivation (Mullins, 2005). It is based on the idea that if behavior is rewarded, it is likely to be repeated, whereas behavior that is punished is less likely to occur again. This is because positive reaction by managers to any employee's work strengthens the desired behavior, for example, through pay raise, recognition from superiors etc. On the other hand, negative reactions or punishments eliminate an undesirable task or situation.

2.6.7 New Methods to Motivate Employees

As mentioned earlier there are new methods to motivate employees that include the Equity theory, Expectancy theory and Goal setting (Kont, 2012; Robbins et al., 2011).

Equity theory is based on the idea that employees are motivated to obtain the same treatment as others for themselves (Lert, 2008). This theory is most relevant with pay. It holds the concept that distribution of rewards should be associated with the employee's contribution to the organisation. This theory is exercised with employees when they compare themselves with friends or co-workers and according to the results, they attempt to equalize by, for example, increasing or decreasing output.

The Expectancy theory is based on the assumption that motivation depends on how much a person wants something and how likely they think they will get it (Vroom, 1995).

The Goal-setting theory is a motivation theory suggesting that employees are motivated to achieve goals they and their managers establish together (Latham, 2007). By allowing employees to participate in goal setting, they will in return be more motivated because they will feel important.

Many of the ideas underlying contemporary theories, mentioned above, are complimentary. Therefore, a better understanding of how to motivate people is illustrated in Figure 2.1, which provides an integrated model of the

contemporary theories of motivation, with the basic foundation being the expectancy model.

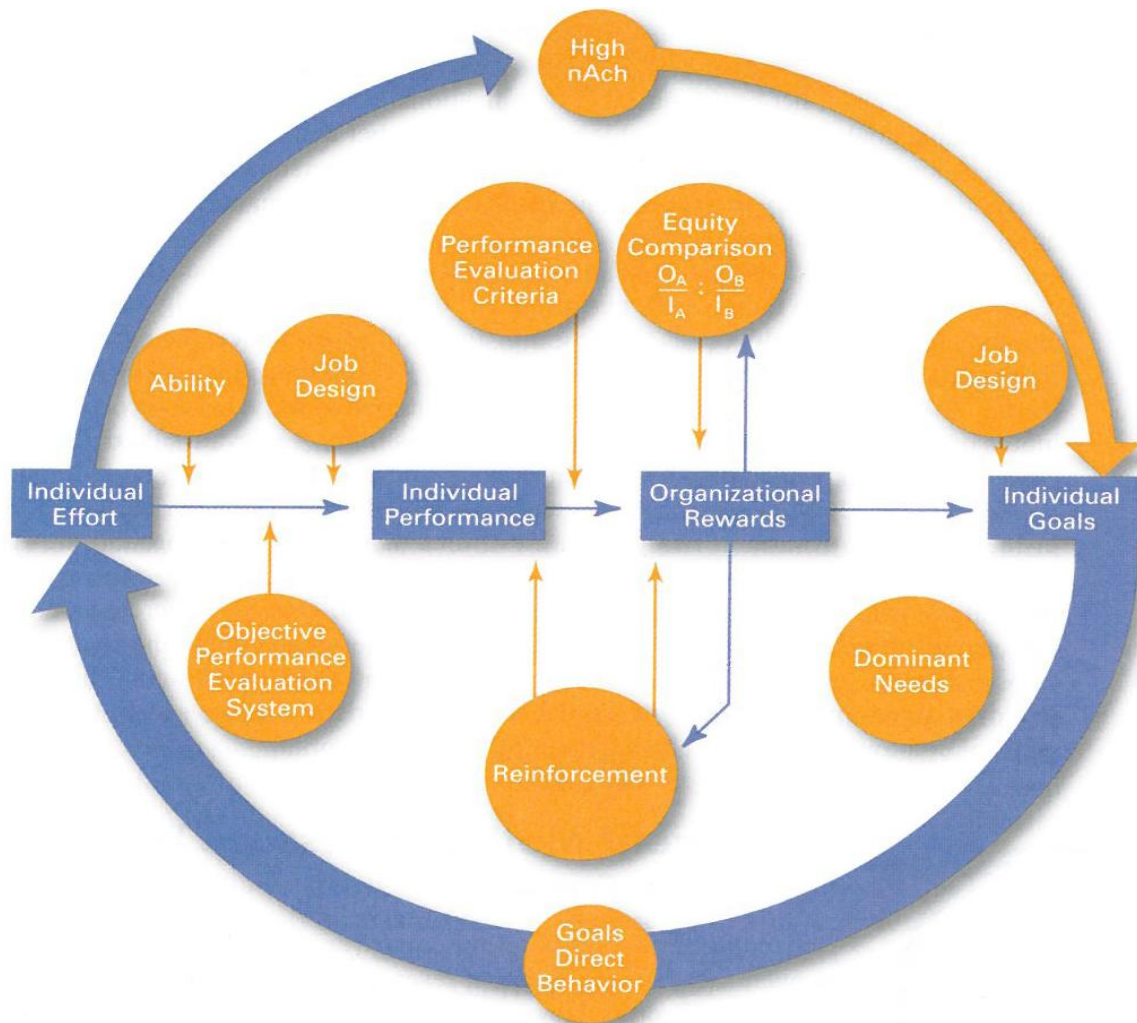


Figure 2.1 Integrating Contemporary Theories of Motivation

Source: Robbins, S.P., DeCenzo, D.A. and Coulter, M. (2011) *Fundamentals of Management*. 7th ed. pp. 303. New Jersey: Pearson.

2.7 Ways of Motivating Workers

There are various ways of motivating workers and these are applied differently by people, depending on their knowledge, beliefs and abilities, among other factors (Crouse, 2009). Ways of motivating people were created centuries ago but have been refined and revised considerably over the past few decades. This is confirmed by Grayson (2008) who mentions that many programmes

have been developed to motivate employees and increase their performance. These motivational programmes were focused on the satisfaction of the employees only as long as they put the required effort into the work to which they had been assigned. According to Amabile and Kramer (2010), a breakthrough idea of what really motivates workers, is progression in the workplace (on 76% of their best days), followed respectively by other motivators such as: collaboration (53%), instrumental support (43%), interpersonal support (25%) and important work (19%), being assigned to them by their respective manager, as illustrated in Figure 2.2.

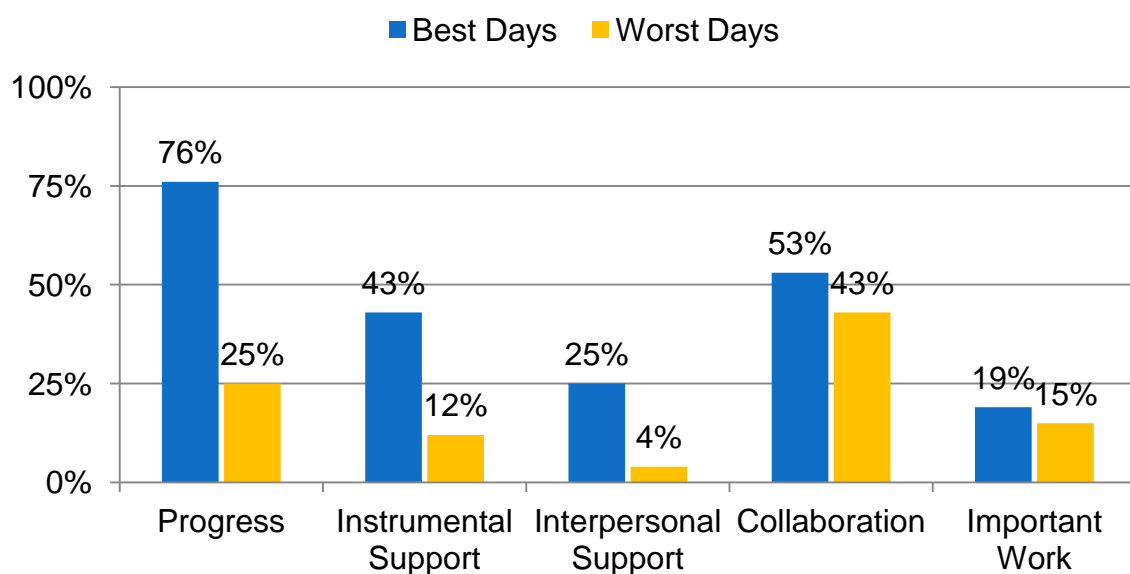


Figure 2.2 Motivators in the Workplace - What Happens on a Great Workday?
 Source: Adapted from Amabile, T.M. and Kramer, S.J. (2010) What Really Motivates Workers: Understanding the Power of Progress. *Harvard Business Review: Reinvent Your Company Your Strategy Your Marketing Your Career*, 88 (Jan-Feb), pp. 44. Boston: HBR Press.

For decades and even to this day, companies have been using the technique of altering the work environment in order to motivate employees because of the positive results it has produced (Maidment, 2005; Robbins et al., 2011). This form of motivation focuses on redesigning the work of employees so as to improve their morale (Kont, 2012). The employees were supposed to have a new feeling of achievement by working in a favourable working environment.

This form of motivating employees was seen to increase the feeling of competency in the employees simultaneously feeling of autonomous.

There are modern ways of motivating people, which many management teams have employed in their company (Morse, 2012; Nachona and Gift, 2012; Cappelli et al., 2010; Nohria et al., 2008). These modern theories are based on three things: personality founded views, goal or self-regulating perspectives, and cognitive choice or decision approaches. A major way of motivating is through the creation of goals (Cox and Cooper, 2008). This way of motivation focuses on creating goals for the company which will lead the employees to have an internal push to be dedicated to the work to which they have been assigned (Bessell, Dicks, Wysocki and Kepner, 2012).

This goal-setting form of motivation uses the intrinsic push-energy within an employee to motivate them to perform at a high level in their work, based on the link between work behaviour and goals (Thomas, 2009). This type of motivation aligns the goals of the employee with that of the company. A person's goals are what shape and drive their actions, in-turn how they think. By ensuring that a person's goals are aligned to the company, the employee performs in their job with high level motivation, producing satisfactory results (Plumb, 2010).

Cognitive decision, which focuses on two influencers of choice and action are expectations and a personal evaluation of the results of each choice (Mullins, 2005). A major way of motivating is by setting a good tone; this is supposed to be carried out by the managers (Fox and Nern, 2008). The manager should portray a positive attitude towards the company, the position that he holds and his life in general. A manager is the leader of the company for the employee; therefore how they act reflects and leads the employees to act in the same way (Huddy, 2012; Nohria et al., 2008). The attitude of the manager is transferred to the employees. Therefore, if managers have a positive attitude, the employees will have a positive attitude as well. A manager can motivate the employees by giving compliments, greeting them enthusiastically, and making small talk with them.

Key to motivating employees is by communicating effectively with them (Prahalad, 2010). Good communication is very important in a company and helps to increase the morale of employees. Good communication allows the employees' views to be heard and allows managers to be given an ear also (Miller, 2006). This can be initiated by holding frequent meetings with the employees. It allows for employees to voice their opinions and ideas to the company. By providing such an opportunity to employees, it makes them feel as if they are valued by the company and are a major part of the company's future (Welch, 2003). Feedback from the manager is also very important to the employee since it helps shape their performance (Vroom, 1995). The feedback needs to be appropriate and sincere in order for it to be effective. For an employee to be motivated by the manager, the employee needs to be praised in front of other people, and corrected while in a private setting (Bruce, 2008).

Investing in training is a vital motivator to develop employees to be productive and to improve their morale (Cappelli et al., 2010). Training can be done by an inside or outside source. Methods of training employees include classes or educational seminars. Training helps employees to give up-to-date information and skills. This places the employees in a good position to represent the company and its interests (Lauby, 2012). The employees become motivated by gaining new skills for their jobs. This keeps their morale high and helps to ensure that they are highly engaged in their work.

Money has been a major source of motivating employees and many managers have employed this technique (Welch, 2003). All employees want to receive fair pay for the amount of work that they do. By paying them adequately for their work, employees feel that they are valued and appreciated by the company. Low pay leads employees to leave the company in search of better opportunities elsewhere. This leads to high labour turnover and a decline in the morale of staff. However, money alone does not necessarily keep employees continuously motivated in their work (Palmer, 2005).

A recent McKinsey Quarterly Survey by Dewhurst et al. (2009:2), supported by Zwillig (2012), underscores the opportunity of financial incentives versus non-

financial incentives as illustrated in Figure 2.3. The respondents in the survey viewed three non-cash motivators: praise from immediate managers; leadership attention (for example, one-on-one conversations); and a chance to lead projects or task forces, as no less or even more effective motivators than the three highest-rated financial incentives: cash bonuses, increased base pay, and stock or stock options. The survey's top three non-financial motivators play a critical role in making employees feel that their companies value them, take their well-being seriously, and strive to create opportunities for career growth. These themes recur constantly in most studies on ways to motivate and engage employees.

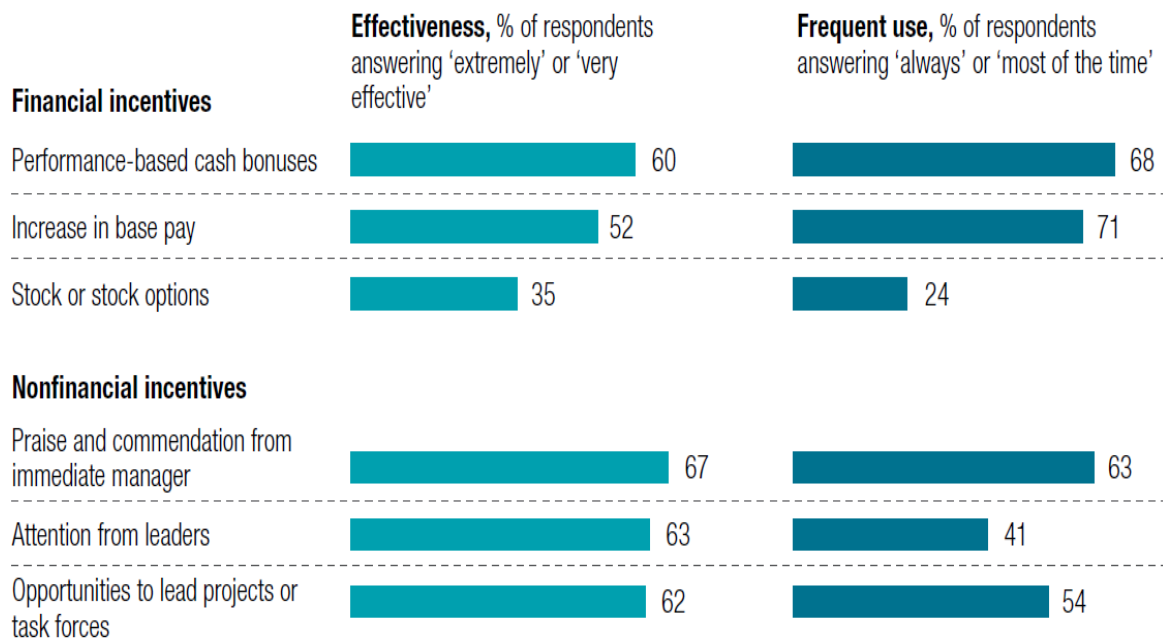


Figure 2.3 A Comparison between Financial Incentives versus Non-Financial Incentives

Source: Dewhurst, M., Guthridge, M. and Mohr, E. (2009) *Motivating People: Getting Beyond Money*. *McKinsey Quarterly*, November 2009. pp. 2. London: McKinsey and Company.

Motivation can be sustained and/or improved further, by holding of fun events for employees, like family day programs or off-the-worksites type of games (Spreitzer and Porath, 2012). This helps the employees get out of the work mode and relax. It also helps them to form a bond with the managers and

increase their morale. For this to work effectively, it needs to be done on a frequent basis and involve all the staff, without any discrimination (Leroy, 2012). This process motivates the employees by forming a close relationship with them through these activities.

The sharing of information with employees is another way of motivating employees (Nicholson, 2010). It is critical for managers to share company information with employees as it helps them feel that they are an integral part of the company. The feeling of being important makes a person feel motivated (Miller, 2006).

2.8 Effects of Motivating Employees

Motivation is a very powerful tool, not only in business, but in nearly every aspect of people's everyday lives (Müller, 2011). Employee motivation has been applied by some management teams in order to improve employee performance with the goal of increasing company returns, reducing the rate of employee turnover and, therefore, retaining employees.

However, what many managers have failed to understand is that employee motivation does not directly link to their level of performance (Katz and Robert, 2010). Instead, the level of performance is linked to the effort that an employee puts into doing their work. This depends on how motivated the employee is. Therefore, if there is no strong link between the employee's effort and the work performance, motivation will hardly be effective (Thomas, 2009).

2.8.1 Short Term Effects

Externally based methods of motivation are usually employed for short-term goals (Palmer, 2005). For these purposes, they are very effective when the managers want to achieve something quickly (Slater, 2003). However, when these external methods are applied with the aim of meeting long-term goals, they usually do not meet them because they weaken with time (Lakoe, 2012).

A significant short-term effect of motivation is that it makes the employee happier in doing his job. They are able to enjoy doing their work and they start

giving their best to the company because they feel appreciated (Morse, 2012). The mood of happiness affects and spreads around the company to affect other employees too.

Another short-term effect of motivation is that it leads to an increase in the amount of effort that employees put into their work (Muñller 2011). This effect does not take a long time to occur; a motivated employee starts immediately putting their best efforts into doing the task assigned. This helps the company to achieve and finish its short-term projects on time, and the avoidance of any delays helps it avoid losses.

2.8.2 Long Term Effects

In the long-term, motivation has effects on the employees and management of a company, and also the company itself. The goal of motivating employees is eventually to see the company grow and still have a strong place in future markets (Lin, 2007). A company which strives to motivate its employees saves a lot of money (Chipunza et al., 2012; Zwilling, 2012). Investing in employees is much cheaper for a company in the long run than continuously employing and training new employees (Sandhya and Kumar, 2011).

Motivation of employees over the long terms results in the creation of a job environment which is very lively and conducive to productivity (Malik, Usman and Danish, 2011). Motivated employees make their environment pleasant to work in because their morale is high (Lert, 2008). By doing this, motivation increases efficiency and productivity in the work place.

In the long-term, consistent motivation leads to employees' performance being sustained at a high level. This is because motivation does not occur as a one-time thing but continues with time (Canter, 2009). The creation of sustainable performance also ensures that a company continuously grows and makes profits doing so (Spreitzer and Porath, 2012). Sustainable performance is good for both the company and the employees since, as the company profits, the employees also continue profiting from this.

In the long term, motivated employees become loyal to the company and see themselves as part of it (Kax, 2009). They develop a love for the company and an appreciation for how the company treats them. This leads to employees working at a company for a very long time, with most of them retiring while still in those companies (Trant, 2008). In the long run, therefore, motivation leads to very low or no employee turnover, since no employee wants to leave the company for another one (Wiley, 1997). Companies also attract other qualified employees from other companies because the information about how these companies operate and treats its employees usually reaches other people on the outside (Lin, 2007).

Motivating employees in the work place eventually leads to excellent teamwork to achieve the overall goals of a company (Nicholson, 2010). Employees who are motivated develop a strong chemistry of working together which allows them to be efficient in carrying out company tasks (Thomas, 2009). Employee motivation therefore leads to the development of team spirit which bonds all of them together. A company whose employees have a great team spirit is a company which sees a lot of success in anything that they do, with the speedy ability to overcome challenges, promoting greater flexibility and agility to market demands (Garcia, 2009; Edwards, 2009).

Companies which continually motivate their employees are placed in a very good position to overtake the rest and become leaders in their markets (Lin, 2007). Motivation in the long run helps a company to produce goods or services in large quantities and of high quality (Ibo, 2012). This allows them to endear themselves to consumers and gain more potential customers into their customer base. In the motivation of employees, a company ensures that their employees give their all and operate at their optimum capacity. When this takes place, the output of a company changes for the better and they grow into the future (Zwilling, 2012; Hamel and Prahalad, 1994).

2.9 Motivation at the Workplace

The theories about motivation and management are the basis for the motivation that is carried out by the management of various companies. A management

team that aim to motivate their employees apply the theories in their company practices. From as early as 1930s, surveys were designed for the purpose of assessing the level of employee motivation, and what they considered as factors for motivation (Wiley, 1997). This has helped the management of many companies to motivate their employees and increase their performance (Karaskakouska, 2011).

According to Cappelli et al. (2010), CEO Vineet Nayar of the Indian IT services giant HCL, was instrumental in having led the change that gave rise to the company's branding motto "Employees first, customer second" – an idea that would give many managers hives, however he sought after enough transparency and empowerment in the company that decisions would be made at the points where the decisions should be made, by its employees. The research by Cappelli et al. (2010) had interviewed several senior managers that drove their Indian-based companies to high performance. Companies like Infosys, Reliance Industries, Tata, Mahindra and Mahindra, Aventis Pharma had succeeded through the source of their competitive advantage that lay deep inside their companies, in their people – not through their skill in strategy or financial markets, mergers and acquisitions, or deal making. Bunz and Maes' (1998) case study of Southwest Airlines in the United States of America, was propelled into the Fortune 500 list of companies in a relatively short period of time. This achievement was attributed to its excellent employees and it was identified that management-employee relations, organisational training and strong leadership were the sources of employee motivation in the workplace.

Motivation can be intrinsic and extrinsic. Extrinsic motivation concerns behaviour influenced by obtaining external rewards (Cmar, Bektas and Aslan, 2011). Praise or positive feedback, money, and the absence of punishment are examples of extrinsic or external rewards (Khan, Farooq and Ullah, 2010). Intrinsic motivation is the motivation to do something simply for the pleasure of performing that particular activity (Timber, 2011). Examples of intrinsic factors are interesting work, recognition, growth, and achievement. Several studies have found there to be a positive relationship between intrinsic motivation and job performance as well as intrinsic motivation and job satisfaction (Ayub and

Rafif, 2011; Thomas, 2009). This is significant to companies in today's highly competitive business environment in that intrinsically motivated employees will perform better and, therefore, be more productive (Mohsan, Khan and Musarat, 2011; Suliman and Al-Sabri, 2009). Satisfied employees will remain loyal to their organisation and feel no pressure or need to move to a different company (Malik, Usman, and Danish, 2011; Lin, 2007).

Devadass (2011) provides a useful summary and framework of motivation characteristics related to employees' motivational practices in organisations, considering four areas: motivation and nature of the job, motivation and nature of the employee, motivation and management practices, and motivation and broader environmental factors, as illustrated in Table 2.1.

Motivation and Nature of the Job

(Job Characteristics)

- **Structures:** Objective relational structures of work, Task structures, Knowledge structures, Physical structures, Flat organisational structures / Hierarchical organisations, Internal structures of organisations reflect [reporting hierarchies, level of worker autonomy]
- **Employee development:** Enriching job design, Participative decision making, Empowering nature of work, Job Advancement, Variety of knowledge, Participative decision making, High level of knowledge, Develop competencies, Sense of achievement
- **Positive work climate:** Employees have a common objective to attain, Employees have sufficient task interdependence, Employees are constantly interacting with each other to successfully execute these tasks, Variety of tasks, Social Interaction, Feedback from work
- **Perceived equity:** Performance is linked to rewards, Fairness in the financial and non-financial rewards, Adequate pay, Adequate recognition, Freedom at work, Feedback from colleagues, Perceived equity with their peers, Equitable environments, Organisational justice
- **Work objectivity:** Clarity of goals, Goals are made explicit, Growth goals

- **Nature of task/task design:** Providing a motivating work environment, Providing a challenging and interesting nature of work, Providing a formal and informal communication, Providing autonomy, Job security, High-impact tasks, Worker involvement, Providing training
- **Task significance:** The impact employees are having on the lives of other people, client or customer, High degree of control employees have over day-to-day decisions
- **Performance indicators:** The careful selection of appropriate performance indicators that can capture and reflect the employee's effort and performance
- **Career path:** Opportunity for advancement, Promotion prospect, Career planning
- **Work/life balance:** Flexibility in work times, Work location
- **Need to identify with the task:** Clear goals, Personal interest; Understanding the purpose of task, how the task fits in with the whole; Having job satisfaction; Working on an identifiable piece of quality work, Having a clear career path
- **Goal setting:** Complexity of the task for individuals needs to be considered when goals are set; Tasks that are straightforward for people require less information search and are easier to focus on
- **Job control:** Providing appropriate authority [control] and influence, which in turn improves the sense of achievement leading to better inclination toward the organisation [dependency]; Urge to remain strongly affiliated [affiliation] to it
- **Extrinsic/Security Motivators:** Material reward, Progression, Status, Security
- **Intrinsic/Contact Motivators:** Interest, Affiliation' refers to the motivation to enjoy contact with people, Autonomy
- **Values/Growth motivators:** Personal principals, Achievement, Personal growth

Motivation and Nature of the Employee

(Employee Characteristics / Experience of Outcomes)

- **Characteristics:** Egoistic passion, Employee's have an "internal locus of causality, Desire to help; Emotional personality [the ability to separate one's emotional state from getting work done, had some impact across the motivational]; Attitudes to change, Pride
- **Experience of outcomes:** Feeling of accomplishment, Job satisfaction, Pleasure of doing the work itself, Receiving respect from co-workers is very important, Receiving praise from supervisor is very important, Satisfying personal needs
- **Employee's drive:** Ambition, Goals, Energy and stamina, Persistence Level of education: University degree, Higher level of education
- **Employees need to avoid:** Failure, Criticism, Negative judgments by others, Loss of self esteem
- **Employees level of activity:** Work under pressure, Cope with multiple demands, Accomplish a great deal within a rapid time frame
- **Power:** Opportunities for exercising authority, Authority, Taking responsibility, Negotiating, Being in a position to influence others

Motivation and Management Practices

- **Provides physiological needs:** Emergency salary assistance (advance), Arrange substitute employee if regular employee is ill, Pay salary on time, Provides equipment or facilities which is necessary
- **Human resource management:** Through job definition and job descriptions, human resource management can help ensure that workers are aware of organisational goals, and of the role which they are expected to play in achieving these goals. Through various packages of incentives, such as salaries, bonuses, promotions, performance-related pay, and training opportunities, human resource management can link performance to reward.
- **Good monitoring system:** Quality of work, Progress of work, Punctuality of employees, Discipline of employees, Cleanliness of work place

- **Managers characteristics:** Supportive, Provided clear performance feedback, Encouraged subordinates to set career goals; Provide other mentor-like functions [encouraging the employee's to take on challenging assignments, and providing coaching and exposure
- **Good management:** Senior management support, Team-building, Good communication, Show appreciation when employee did a good job, Regular meetings, Provide training, Positive feedback, Good interpersonal relationship with colleagues and subordinates
- **Leadership style/behaviours:** Transformational leadership is positively related to intrinsic motivation. Strong transformational leaders can play a critical role in communicating the vision behind reform programs and also in gaining worker commitment to implement that vision.
- **Leaders must be seen as fair:** To be seen as fair, leaders must be cognizant of an employee's concern with: What was distributed to whom? Who got the promotion?
- **Implement procedural justice:** Was I heard? Did anyone take my viewpoint into account before the decision was made?
- **Implement interactive justice:** Do I understand the rationale for the decisions that were made? Is the organisation's leadership sincere in what they are doing, or are they being manipulative?
- **Company image:** Working in company that is successful (e.g. financially stable), Organisation with commercial outlook

Motivation and Broader Environmental Factors

- **Communities:** Community expectations for how services should be delivered, The interactions that workers have with individual clients, Formal and informal client feedback on worker performance
- **Broader environmental conditions:** Effective police & the manner in which the reform is designed, communicated, and introduced. Effective legal system may deter some of the most adverse forms of worker behaviour (such as theft and corruption).

Table 2.1 An Integrative Summary-Framework of Motivation Characteristics

Source: Adapted from Devadass, R. (2011) Employees Motivation in Organisations: An Integrative Literature Review. *International Conference on Sociality and Economics Development*, 10, pp. 567-569. Singapore: IACSIT Press.

Kovach (1999) compared employees' ranking of what they wanted from their jobs with what their managers-bosses thought was important to them. The results of the study were somewhat surprising. At the top of the employees' list was interesting work, followed by appreciation of work, a feeling of being 'in on things', job security and good wages. However thought good wages, job security, promotion/growth, good working conditions and interesting work were most important to their employees.

2.10 Summary

This chapter has defined key concepts like management, motivation and morale. The roles and skills required of management, to promote employee motivation in a company, whilst being effective through leadership, was identified. Theories of management and motivation, including new methods of motivation were discussed to confirm motivation concepts that are central to employees and their performance. Motivation at the workplace, including extrinsic and intrinsic motivation, was discussed in detail providing strong evidence of its importance through previous research. A conceptual framework by Devadass (2011), as illustrated in Table 2.1, draws on broad range of influences, especially management practices, which could assist the management of the DMP, as well as other companies, to view employee motivation in more holistic manner. It is clear from the above review that by understanding how motivation works and the factors that influence motivation, through the intervention of management, companies and their managers can structure reform programs / strategies to more effectively promote sustainable employee motivation, employee retention and hence improve both the employees' and company's performance, with limited budgets.

Chapter three reviews the methodology used for the research.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

Research is a systematic and scientific process which seeks pertinent data and information on specific topics of interest (Brink, 2006). It is the search for knowledge. As an academic activity, research involves the definition of research problems, formulation of questions and hypotheses/objectives, collection of data, analysis, evaluation, and drawing deductions and conclusions from the analysis (Leedy and Ormrod, 2005). This chapter considered the research methods that are relevant to the objectives of the research, in attempting to solve the problem faced by the DMP. Some of the key topics include: aim of the study, location and participants of the study, research philosophy, research approach, research design including instrument/tool utilised, the target population together with sampling and technique adopted, the sample size and breakdown thereof; with data collection-analysis including pretesting and reliability.

3.2 Aim of the Study

The aim of the study was to establish the motivational factors (both extrinsic and intrinsic) that have a significant influence on the morale of the employees, mainly the non-financial motivators that promote greater and more sustainable employee motivation, thereafter to propose strategies for effective management practice at the DMP for high employee motivation and retention.

3.3 Location and Participants of the Study

In lieu of the problem statement, as discussed in chapter one, this research was conducted at a Durban manufacturing plant (located in Kwa-Zulu Natal, South Africa), at the production and logistics division's office building. The division concerned had its offices situated in a double-storey, fully air-conditioned building, located adjacent to the shop-floor – main production line. Only the 207 salaried employees, from the division concerned, was authorised by the gatekeeper to participate in the study (the 70 hourly paid employees,

from the division concerned, was not authorised, hence excluded from participation – to prevent any risk of production downtime, line stoppages and, or industrial relations issues). The 207 salaried employees, from the top of the division to the bottom, consisted of: General Managers, senior managers, managers, assistant managers, principal engineers and other administration-support members. Each salaried employee had an equal portion of space in an open-plan office layout, each facilitated with a standard desk, high-back chair, telephone, high-specification personal computer including latest Windows operating system (2010), electronic-mail and a secure intranet network, to perform their daily jobs.

3.4 Research Philosophy

Research philosophy is how data relevant to the study is collected, sorted, analysed and implemented (Sekaran, 2003). Epistemology (what is known to be true) consists of the many philosophies of a study approach with the aim of science, then, is the development of items that are unknown into items known (Mouton, 2001). Two key study philosophies have been shown in the line of research science: these are the interpretivist and positivist perspectives (Blumberg, Cooper and Schindler, 2005).

3.4.1 Interpretivism

The interpretivist's goal is to gain an understanding of human behaviour and the world, whereas a positivist explains the situation (Leedy and Ormrod, 2005). Subjectivity and bias are key to interpretivists; furthermore, people within the study population are an important element in the study and are constantly changing; so is the study environment (Wiley, 1997).

3.4.2 Positivism

Positivists claim that reality is constant and can be seen and highlighted from an objective view, without changing or interfering with the study or the problem being analysed (Blumberg et al., 2005). Positivism has a rich tradition. It is rooted deeply in a society that believes that information not linked to positivism is considered not scientific and hence inaccurate (Saunders, Lewis and Thornhill, 2003).

3.4.3 Pragmatism

Pragmatism is a philosophical approach which arises out of situations, actions and consequences, rather than preceding conditions, like positivism (Neuman, 1997). There is a huge emphasis on applications, what works and solutions to problems (Sandhya and Kumar, 2011). Instead of concentrating on methods, the researchers deal with the research problem and use all methods available to understand the problem.

3.5 Research Approach

Sekaran (2003) defines a research approach as the plan or framework of the study. The approach taken to any research guides the collection and analysis of data. According to Bryman and Cramer (2006), the approach to the research connects the questions to the data.

There are different types of research approaches, with different strengths and weaknesses (Leedy and Ormrod, 2005). If the aim of the research is to show cause and effect, semi-experimental and experimental approaches will be accurate. If the aim of the research is to explain a problem and phenomenon, then review of literature and meta-analysis are the most appropriate. This is confirmed by Saunders et al. (2003).

Primary research deals with the collection of original data and uses instruments for data collection like interviews, questionnaires and direct observation (Mouton, 2001). Primary research deals with the collection of original data. Primary research uses instruments for data collection like interviews, questionnaires and direct observation (Blumberg et al., 2005).

There are two types of research approaches: qualitative and quantitative.

3.5.1 Qualitative

A qualitative study tries to understand how respondents feel regarding a particular situation (Neuman, 1997). Interviews or focus groups are the most common types used in data collection. In this approach, the researcher makes

observations based on the participatory or constructivist perspectives (Brink, 2006).

3.5.2 Quantitative

A quantitative study measures how a sample of respondents acts and thinks in a specific way (Bryman and Cramer, 2006). Wiley (1997) strongly suggests that structured questionnaires are the key method to be used. Specific questions are set, according to the research objectives, which try to answer the set questions. Research relies on numerical data (Mouton, 2001) to gain insight into the relationships. The use of questionnaires is the main form of data collection (Leedy and Ormrod, 2005).

3.6 Discussion and Rationale for Choice of Approach

The research undertaken was both relevant to the research questions, as stated in the aims of the study – with accuracy in how it was achieved. Overall, an interpretive philosophy was necessary for this to have happened to meet with the aim of the study at the DMP.

The research was conducted within the positivist philosophical approach, as the world that was being observed is a social world, which, in terms of research perspective, is wholly different from the natural world.

Further to this, the methodology used in carrying out the research encompassed primary data collection techniques, using a questionnaire. Therefore the quantitative approach was adopted, as part of the research design.

3.7 Research Design

According to Leedy and Ormrod (2005), a research design is the framework or plan of the research. It is the one that directs and systematises the process of collecting data, quantifying and analysing it. It is also the research design that connects the questions to the data (Mouton, 2001). The research instrument is used as a tool to collect data, for example a survey-questionnaire.

As part of the research design process, the following steps were taken (on and 'off the field' at the DMP):

1. Literature review of latest research on management and motivation
2. Development of draft questionnaire, with literature review as the base
3. Consent from gatekeeper to survey, taking into consideration ethical issues
4. Ethical clearance from Humanities and Social Science Research Ethics Committee (UKZN), with gatekeeper's consent and ethical clearance docs
5. Pilot study to confirm validity and reliability of responses using a draft questionnaire
6. Modify questionnaire, taking into consideration the results of the pilot study; also considering the ethical issues already agreed to be maintained
7. Request gatekeeper (as per agreed consent) for access to salaried employees' e-mail addresses and use of secure company intranet e-mail facility, to administer survey as per consent cover page and secure company-web address link in e-mail to questionnaire, for a period of one week
8. Collect-consolidate-export data from secure company-web page into statistical software (example SPSS and or MS Excel), for statistical testing and analysis (both descriptive and inferential statistics)

3.8 Survey

According to Wiley (1997), surveys are vital to quantitative descriptive studies since they enable description of a given phenomenon (in this case management effectiveness in motivating salaried employees) and how frequently it occurs in groups rather than individuals. A properly carried out survey should enable the findings of the study to be inferred to a much larger population (Bryman and Cramer, 2006).

Surveys can comprise of both close-ended and open-ended questions. Close-ended questions are rigid and require specific answers with little room for

flexibility and user opinion (Neuman, 1997). They are mainly used in data collection for quantitative analysis, which is aimed at determining underlying trends and patterns (Leedy and Ormrod, 2005). Even though they provide very little flexibility compared with open-ended questions, they are more applicable, since they remove ambiguity and uncertainty while enhancing validity and reliability in the process of data collection.

Likert rating scale is recommended for close-ended questionnaires, as they present respondents with a set of statements about a person, a thing or concept with the respondents simply indicating how strongly they feel, positively or negatively, about the statements (Saunders et al., 2003; Lin, 2007).

In this study, a close-ended questionnaire, based on a five-point Likert scale, was adopted. The participants were asked to respond according to how strongly they agreed or disagreed with the statements; as per the research objectives related to:

1. motivational factors (both extrinsic and intrinsic)
2. de-motivating factors
3. consistency of management practice
4. management effectiveness in motivating employees.

A pilot study was first conducted with 10 salaried employees from the DMP (1 senior manager, 1 manager, 2 principal engineers, 3 assistant managers, and 3 administration-support members). The purpose of the pilot study was to determine any constraints or problems of the survey process, instrument used and to confirm the time taken to respond. The draft questionnaire, with a 5-point Likert scale, consisted of 72 statements: 9 related to demographics and 63 related to motivational factors. The pilot study revealed that the questionnaire took a considerable amount of time to complete, averaging around 20 minutes per person (this represented an average of 16.67 seconds per statement). Some statements were double barrelled, and not simple. Further feedback from the participants (8 of the 10 participants) had strongly suggested a target time of 10 minutes be considered when finalising the questionnaire.

As per the feedback results from the pilot study and having considered the busy schedules of the salaried employees (as requested by the management of the DMP), a simplified questionnaire was then drafted-implemented, with a target time to complete within ten minutes. The revised questionnaire, reduced from 72 statements to 26 statements (5 for demographics and 21 for motivational factors), was then administered. Each research objective consisted of applicable motivational factors related to the respective statements from the questionnaire (Appendix three), as summarised in Table 3.1.

Demographics	Var	Description of the Variable (* = also applicable)	Relationship to Objectives			
			1	2	3	4
Demographics	Q1	Gender				
	Q2	Age				
	Q3	Salary per Month (After Tax)				
	Q4	Position in Company				
	Q5	Education Level				
Motivational Factors	Q6	Pay	✓			
	Q7	Success of Company	✓			
	Q8	Recognition	✓			
	Q9	Communication of Company's Goals / Strategies	✓			
	Q10	Involvement in Decision Making	✓			
	Q11	Lack of Job Satisfaction	*	✓		
	Q12	Lack of Regular Training	*	✓		
	Q13	Lack of Promotion	*	✓		
	Q14	Lack of Team Spirit	*	✓		
	Q15	Inability to Give Comments / Voice Opinions	*	✓		
	Q16	Acceptance of Employees' Comments by Manager	*		*	✓
	Q17	Regular Team Meetings by Management	*		✓	*
	Q18	Company Events (Monthly / Yearly)	*		✓	*
	Q19	Interpersonal Support	*		*	✓
	Q20	Training from Company	*		✓	*
	Q21	Communication of Organisation Changes	*		*	✓
	Q22	Money as Primary Motivator	*		*	*
	Q23	Choice / Participation	*		*	✓
	Q24	Healthy Relationships	*		*	*
	Q25	Team Spirit Satisfaction	*		*	*
	Q26	Company Celebration for Successes	*		✓	*

Table 3.1: Summary of the Questionnaire by Demographics and Motivational Factors with Relationships to the Research Objectives

3.9 Target Population

This research targeted the 207 salaried employees from the DMP; which consisted of general managers, senior managers, section managers, assistant managers, principal engineers and other administration-support members. The study was not limited to a specific age group, but all the participants had to be above 18 years due to ethical issues involved in carrying out a research study, (example using children as participants). Further ethical considerations were requested by the DMP: to ensure that the company and its employee's anonymity were protected throughout the research process.

3.10 Sampling and Sampling Technique

Sampling is the process through which an adequate number of respondents are selected from the whole population to take part in the study and represent the population (Sekaran, 2003). It is, therefore, vital to understand the features of the sample elements so as to enable the simplification of such features or description to the population elements (Brink, 2006).

Quantitative study designs employ different types of techniques for sampling, notably non-probability and probability sampling (Neuman, 1997). In probability technique, each element unit in the sample population has a non-zero chance of being selected (Blumberg et al., 2005). On the other hand, in pure random sampling, the same probability is assigned to every individual sample unit in the population to be sampled (Sandhya and Kumar, 2011). In this case, the selection of the sample was done using a computer or a random number generator.

Mouton (2001) states that probability sampling is the most appropriate for quantitative studies. This is because they are considered less biased, compared with non-probability sampling, and they are more representative of the entire study population. They are the most appropriate when one wants to generalize the findings to the entire population under study (Leedy and Ormrod, 2005), such as this one. Therefore, a probability sampling technique was employed for this study in the form of pure random sampling (Blumberg et al., 2005).

3.11 Sample Size

The target sample was the total number of salaried employees in the DMP (207), which included the 36 managers and above (General Managers, senior managers, section managers), 29 assistant managers, 20 principal engineers and 120 other administration-support members. The response rate was 200 employees of the 207 employed at the plant. According to Lever, Barry and Trevor (2005), the smaller the population, the larger the sampling ratio that is required for a high degree of accuracy. For populations smaller than a thousand, a sampling ratio of 30% is needed. In this study, a sampling ratio of 96.62% was obtained; therefore it had a very high degree of accuracy.

3.12 Sampling Procedure

Consent was firstly gained with the management of the DMP, namely the Vice President of the division concerned, the Vice President of the Human Resources Division, the senior manager of the Industrial Relations department and IT Security department. The gatekeeper's consent doc was administered, updated with consideration of any ethical issues and signed-off by all related authorities / management at the DMP.

Management of the DMP approved the research and survey of their salaried employees, however with the provision that there be minimum disruption and as such a possible limitation on the study-survey with respect to the findings.

Given that the respondents were derived from the DMP, the questionnaire together with the respondent consent document was e-mailed to all 207 salaried employees, using the company's secure intranet-e-mail facility, which had a link address to activate the secure company-website, for confidentially answering the survey questions, in the privacy of their workstations. Respondents could save their responses at any time (within a timeframe of one week), thereafter all survey results was collected-consolidated-exported into a statistical software package, SPSS; as well as MS Excel for statistical testing-analysis (both descriptive and inferential statistics).

3.13 Data Analysis (Pretesting and Reliability)

All the completed questionnaires were taken to the stage of data analysis. The questionnaire provided will essentially contain main questions, notably; the methods of motivation employed by the managers and the impact on the working behaviour of the employees. The answers to the above questions provided the research evidence needed for recommending an effective strategy for motivating salaried employees in the DMP.

There are various statistical software that could have been employed in the analysis of data. For this study, Statistical Packages for Social Sciences (SPSS), as well as MS Excel were used to compute-analyse the data. The statistical techniques used during the data analysis were both descriptive (frequency of the demographics, and cross tabulation) and inferential statistics (Pearson's correlation coefficient with cross tabulation and analysis of variance - ANOVA).

Pretesting was ensured with the use of a pilot study. Cronbach's alpha coefficient was computed to determine the reliability of the data from the final questionnaire administered to the 207 salaried employees of the DMP. According to Blumberg et al. (2005:757), "Cronbach's alpha is a measure of internal consistency... the extent to which all questions contribute positively towards measuring the same concept is known as internal consistency". Values of Cronbach's alpha of 0.7 or greater indicate a high degree of inter-correlation among the items and confirm that the items together measure a common construct (Sekaran, 2003).

The value calculated from the data collected from the 200 respondents of the total 207 salaried employees, was **0.82**. This confirms a high degree of inter-correlation among the objectives tested, thereby confirming the reliability and validity of the results; however cannot be generalised – as this is a case study.

3.14 Ethical Considerations

Ethical guidelines enable those carrying out research to make individual, ethical decisions and judgements that are in keeping with the principles of research

(Mouton, 2001). These basic principles are: beneficence; autonomy; informed consent; confidentiality; privacy; and respect for persons (Saunders et al., 2003). Although research may have good intentions, there is always a chance that interaction with the respondents may inadvertently cause financial, psychological, or social harm (Bryman and Cramer, 2006). This may lead to damaging of reputations, loss of employment and/or criminal or civil suits. This has been considered and extensively covered in the previous sections, as part of the research-design process.

3.15 Summary

In this chapter, the research methodology and approach was outlined. The target population was the 207 salaried employees in the DMP, which matched the sample size as well (100% confidence level). A pre-test or pilot study, together with the ethical issues were considered and shown as built into the research design-process. A research instrument, in the form of a close-ended survey-questionnaire (Appendix three) was used to gather the data from the respondents in the division concerned. The questionnaire represented 26 statements: 5 for the demographics and 21 for the motivational factors and was summarised with the relationships of each motivational factor to the respective research objectives (Table 3.1). The response rate was 96.62% where 200 out of the total 207 salaried employees had responded. Data collection and processing-analysis were briefly discussed, including the validity and reliability of the data collected, with a calculated value of 0.82 using Cronbach's alpha.

Chapter four contains a presentation of the results from the respondents.

CHAPTER FOUR

PRESENTATION OF RESULTS

4.1 Introduction

The primary research was in the form of statements (72 prior to pilot study, and thereafter revised down to 26 statements in total), of which, 21 statements were created to identify the motivational factors that has significance in the management practice and effectiveness in motivating employees. The questions were designed in line with the literature review, having considered the research questions and the specific objectives that were set out in the preceding chapters. The research was conducted by administering the revised questionnaire to 207 salaried employees of the DMP. There were a total of 200 respondents who completed the questionnaire of the 207 total salaried employees in the division concerned. The response rate was 96.62%.

4.2 Descriptive Analysis (Frequency) of the Demographics

4.2.1 Gender

A majority of the respondents in Figure 4.1 who took part in the study were males (77.5%), while the minority were females (22.5%).

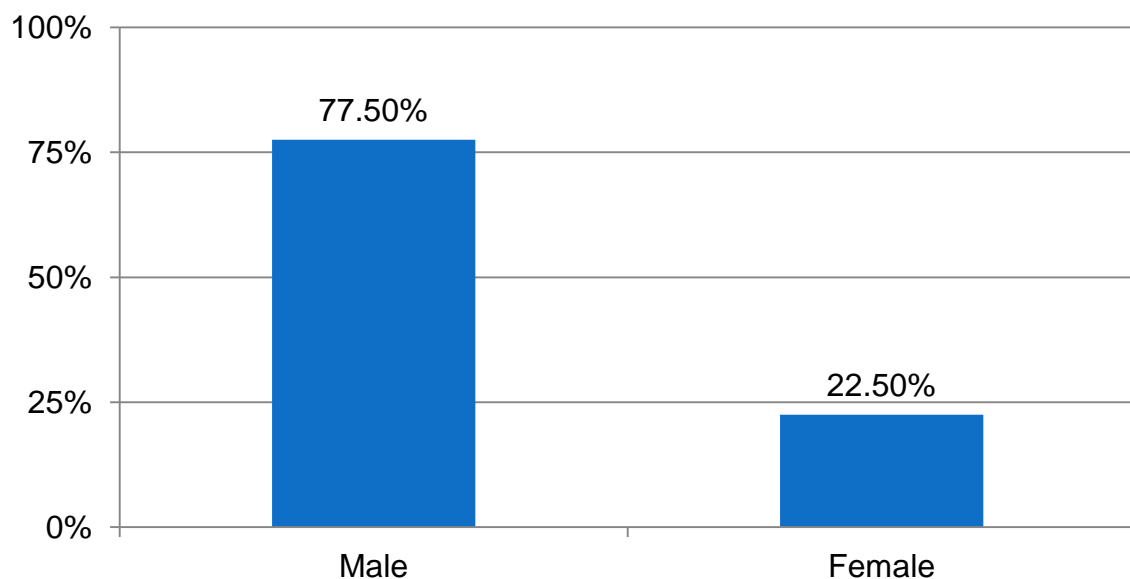


Figure 4.1 Frequency of Q1 (N=200): Gender Make-up

4.2.2 Age

A large percentage of the respondents (29.5%) in Figure 4.2 who took part in the study were between the ages of 41 and 50. Twenty five percent (25%) of the respondents were between the ages of 51 and 60, while 23% of the respondents were between the ages of 31 and 40. Nineteen point five percent (19.5%) of the respondents were between the ages of 20 and 30, while 3% of the respondents were between the ages of 61 and 70.

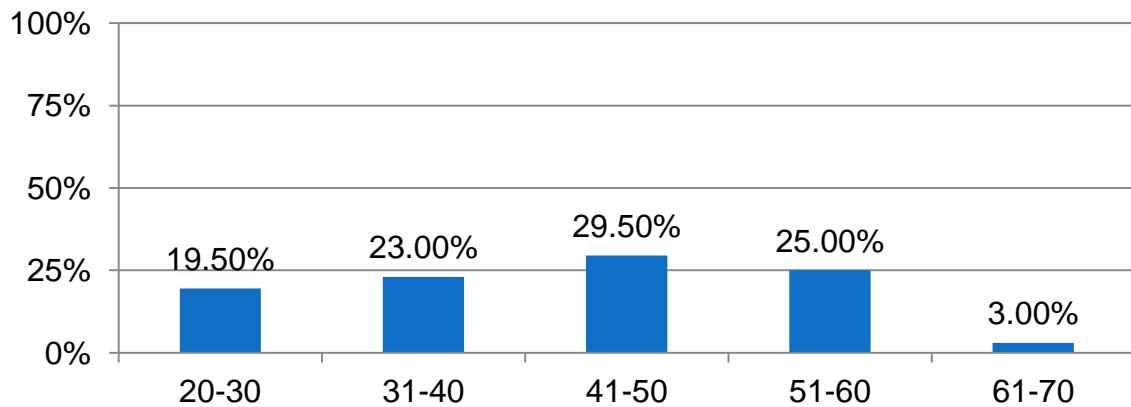


Figure 4.2 Frequency of Q2 (N=200): Age Group

4.2.3 Salary per Month (After Tax)

A majority of the respondents in Figure 4.3 receive a monthly salary (after tax) between R6001 and R9000, (43.5%). Some 27% of the respondents receive a monthly salary (after tax) between R3001 and R6000, while 24.5% receive more than R9000 (after tax) and 5% receive less than R3000 (after tax).

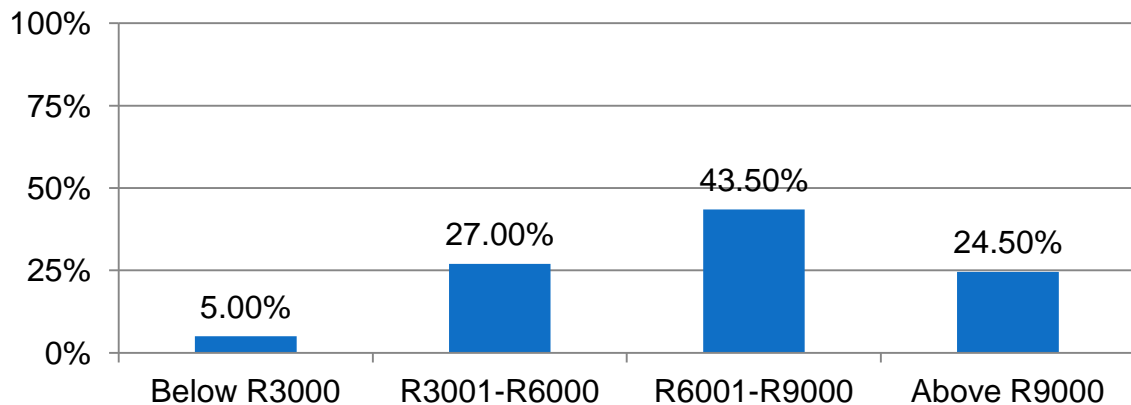


Figure 4.3 Frequency of Q3 (N=200): Monthly Salary Group (After Tax)

4.2.4 Position at the Company

A large number of the respondents (60%) in Figure 4.4 stated that they held other administrative positions. Eighteen percent (18%) of the respondents stated that they hold a manager's position (section manager / senior manager / general manager) in the DMP, while 14.5% of the respondents stated that they were assistant managers. Seven point five percent (7.5%) of the respondents stated that they were principal engineers in the DMP.

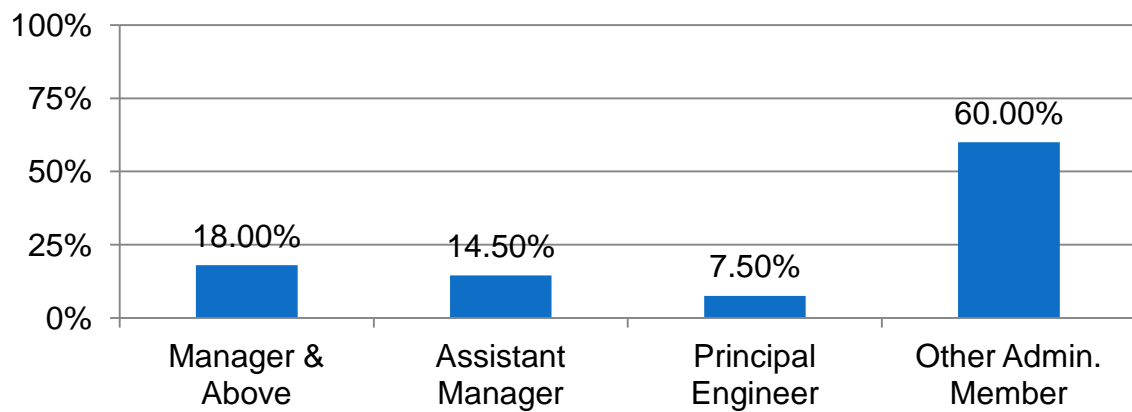


Figure 4.4 Frequency of Q4 (N=200): Position at the DMP

4.2.5 Education

A majority of the respondents in Figure 4.5 had a diploma/bachelor's degree or below, level of education (63.5%); whilst 36.5% of the respondents had a master's degree or above, level of education.

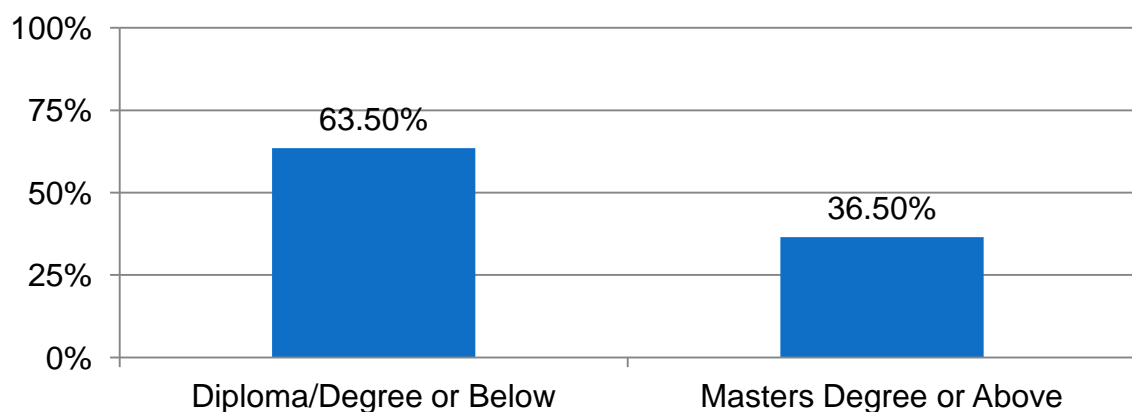


Figure 4.5 Frequency of Q5 (N=200): Level of Education

4.3 Descriptive Analysis (Frequency) of the Motivational Factors

4.3.1 The amount of pay influences or increases morale

A sizable number of the respondents in Figure 4.6 agreed that the amount of pay influences or increases the morale of employees (28%). Some 26% of the respondents stated that they strongly agree that the amount of pay influences or increases the morale of employees, while 17.5% stated that they disagree. Some 15.5% remained neutral on whether the amount of pay influences or increases the morale of employees, while 13% of the respondents stated that they strongly disagree that the amount of pay influences or increases the morale of employees.

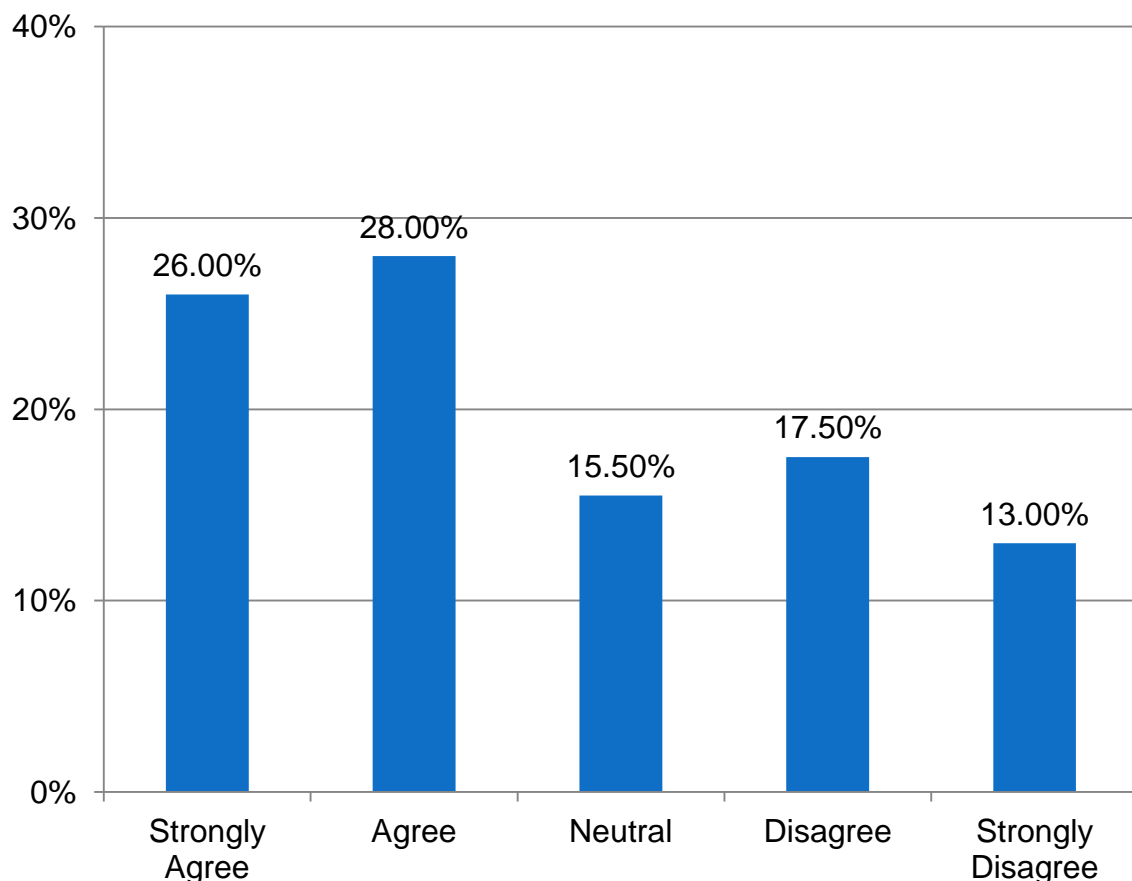


Figure 4.6 Frequency of Q6 (N=200): Pay and Morale

4.3.2 The success of the company creates motivation

A significant number (24%) of the respondents in Figure 4.7 stated that they were neutral on whether the success of the company creates motivation in employees. Twenty three percent (23%) of the respondents stated that they agree that the success of the company creates motivation in employees, while 20% stated that they strongly agree that the success of the company creates motivation in employees. Seventeen percent (17%) stated that they disagree that the success of the company creates motivation in employees, while 16% of the respondents stated that they strongly disagree that the success of the company creates motivation in employees.

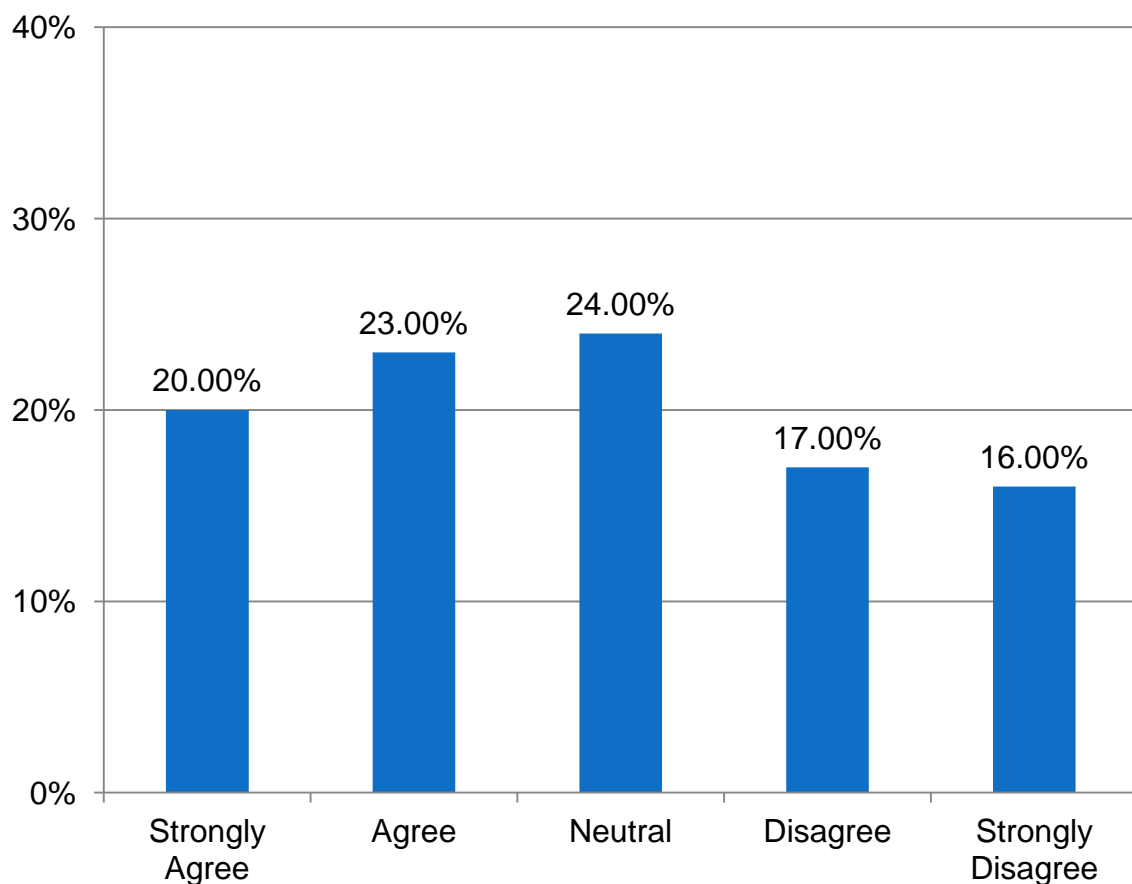


Figure 4.7 Frequency of Q7 (N=200): Company Success and Motivation

4.3.3 Recognition leads to motivation

Twenty six percent (26%) of the respondents in Figure 4.8 stated that they strongly disagree that recognition within the company leads to employee motivation. A further 22.5% of the respondents stated that they disagree that recognition within the company leads to employee motivation, while 20% stated that they were neutral on whether recognition within the company leads to employee motivation. Sixteen point five percent (16.5%) stated that they agree that recognition within the company leads to employee motivation, while 15% of the respondents stated that they strongly agree that recognition within the company leads to employee motivation.

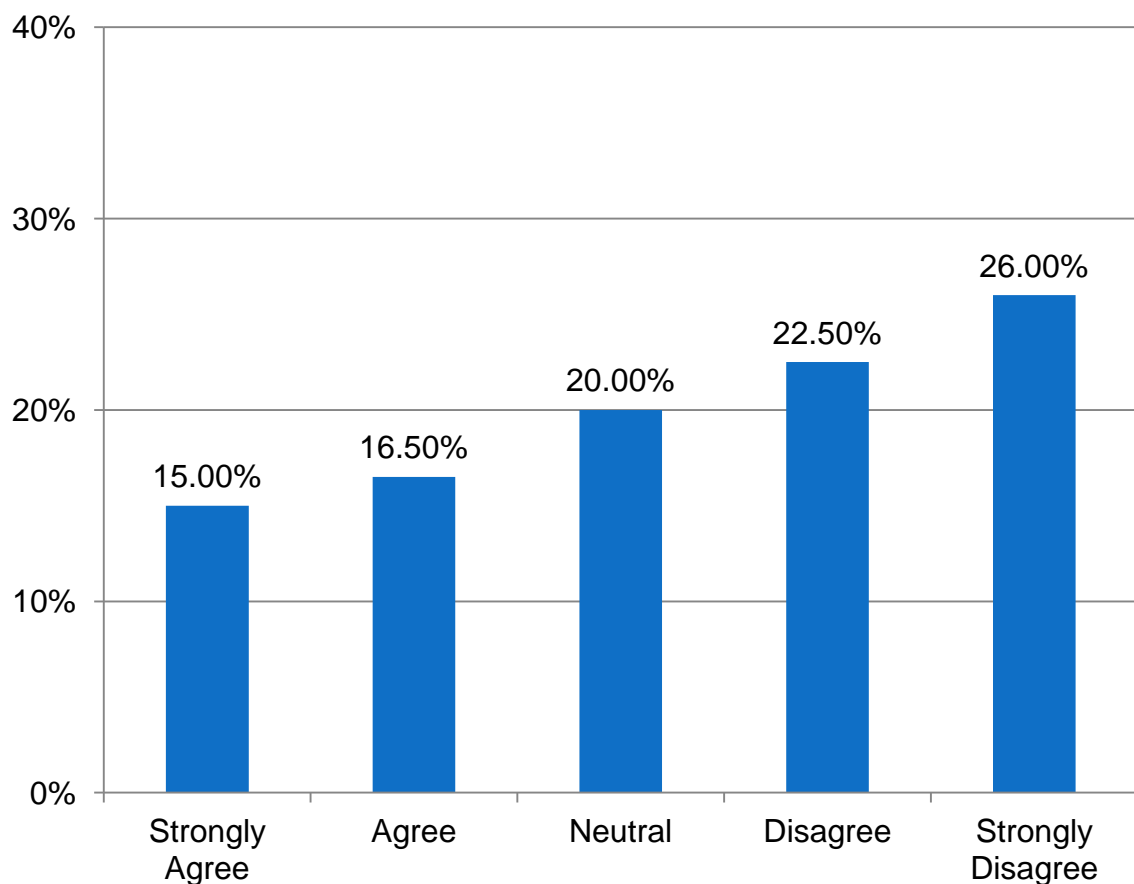


Figure 4.8 Frequency of Q8 (N=200): Recognition and Motivation

4.3.4 Communication of the company's goals-strategies leads to motivation

Twenty eight percent (28%) of the respondents in Figure 4.9 stated that they strongly disagree that communication of the goals and strategies of the company lead to motivation of employees, while 23.5% of the respondents stated that they disagree that communication of the goals and strategies of the company leads to motivation of employees. A further 19.5% stated that they were neutral on whether communication of the goals and strategies of the company leads to motivation of employees. Sixteen percent (16%) stated that they agree that communication of the goals and strategies of the company leads to motivation of employees. Thirteen percent (13%) of the respondents stated that they strongly agree that communication of the goals and strategies of the company leads to motivation of employees.

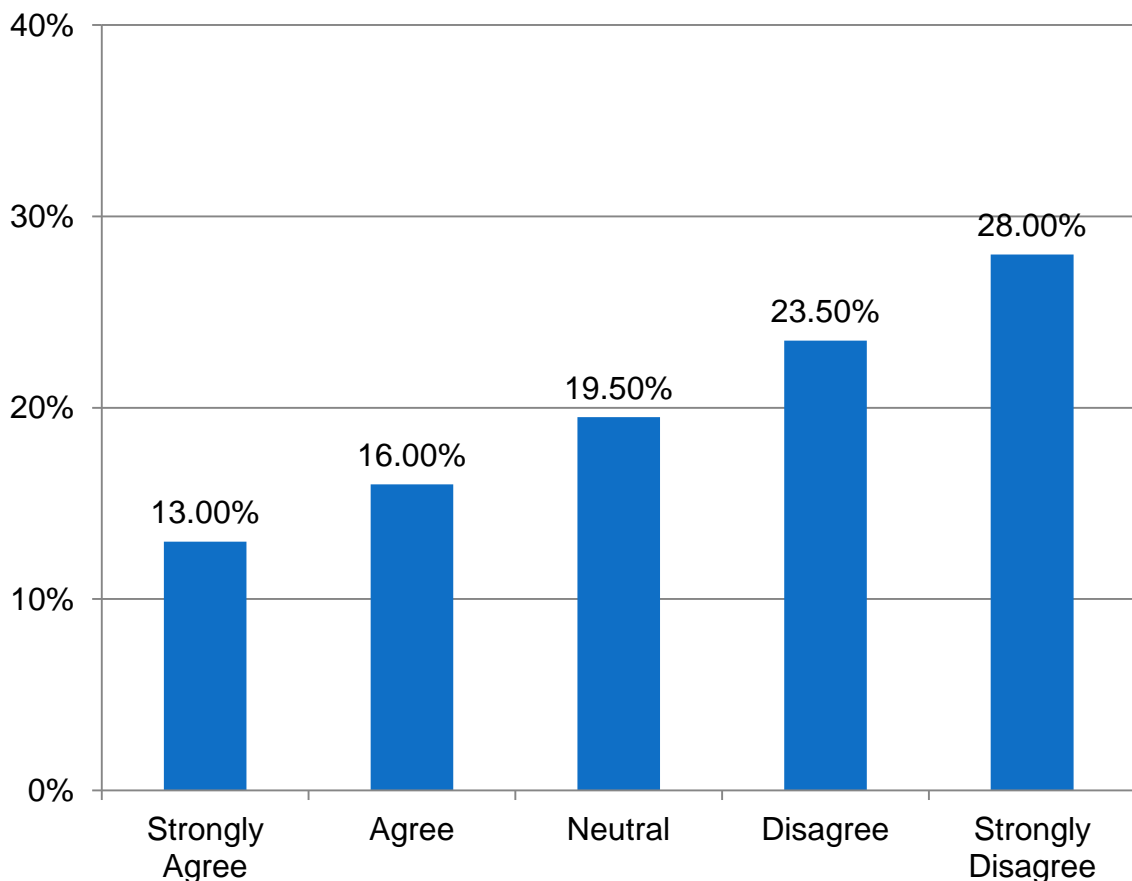


Figure 4.9 Frequency of Q9 (N=200): Communication of Company Goals-Strategies and Motivation

4.3.5 The involvement in the decision-making of the company leads to motivation

Of the total number of respondents in Figure 4.10, 26.5% stated that they were neutral on whether the involvement in the decision making of the company leads to employee motivation; they were and 24% of the respondents stated that they agree that involvement in the decision making of the company leads to employee motivation. A further 21.5% stated that they strongly agree that involvement in the decision making of the company leads to employee motivation and 18% stated that they disagree that involvement in the decision making of the company leads to employee motivation. Ten percent (10%) of the respondents stated that they strongly disagree that involvement in the decision making of the company leads to employee motivation.

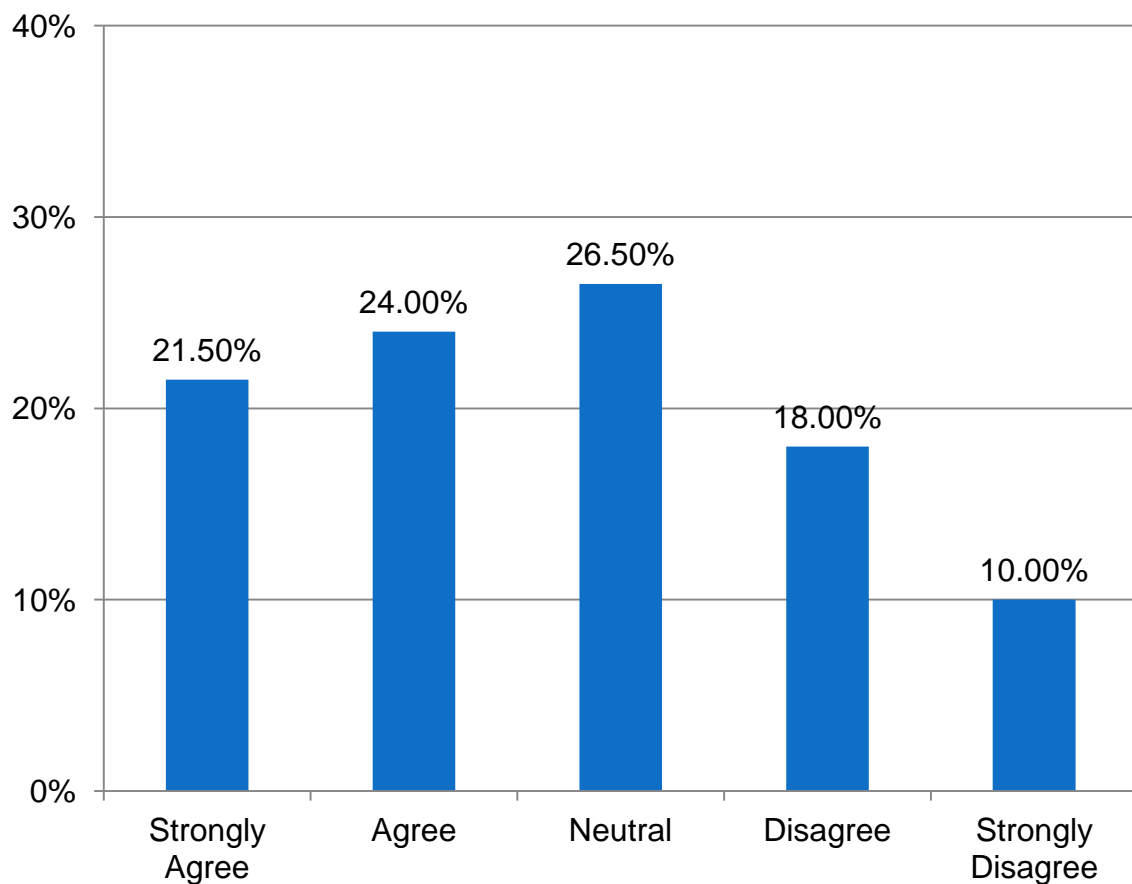


Figure 4.10 Frequency of Q10 (N=200): Involvement in Decision-making and Motivation

4.3.6 The lack of satisfaction in the job assigned influences or decreases motivation

Of the total in Figure 4.11, 27.5% of the respondents stated that they strongly disagree that the lack of satisfaction in doing the job assigned influences or decreases employee motivation and 20% of the respondents stated that they were neutral on whether the lack of satisfaction in doing the job assigned influences employee motivation. A further 19.5% stated that they disagree that the lack of satisfaction in doing the job assigned influences employee motivation, while 17.5% stated that they agree that the lack of satisfaction in doing the job assigned influences employee motivation. A further 15.5% of the respondents stated they strongly agree that the lack of satisfaction in doing the job assigned influences or decreases employee motivation.

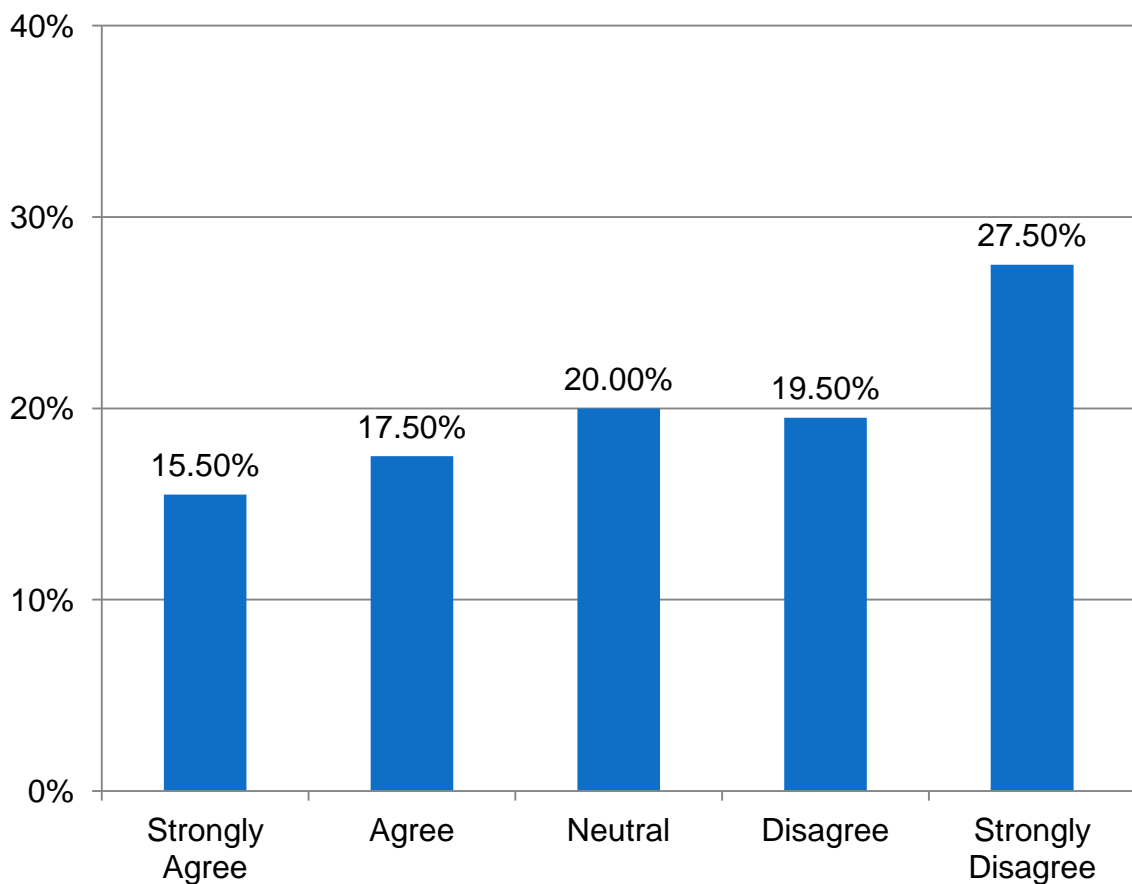


Figure 4.11 Frequency of Q11 (N=200): Lack of Job Satisfaction and Motivation

4.3.7 The lack of regular training decreases the level of morale

Of the total in Figure 4.12, 25.5% of the respondents stated that they strongly agree that the lack of regular training decreases the level of morale of employees and 23.5% of the respondents stated that they agree that the lack of regular training decreases the level of morale of employees. Twenty three percent (23%) stated that they were neutral on whether that the lack of regular training decreases the level of morale of employees.

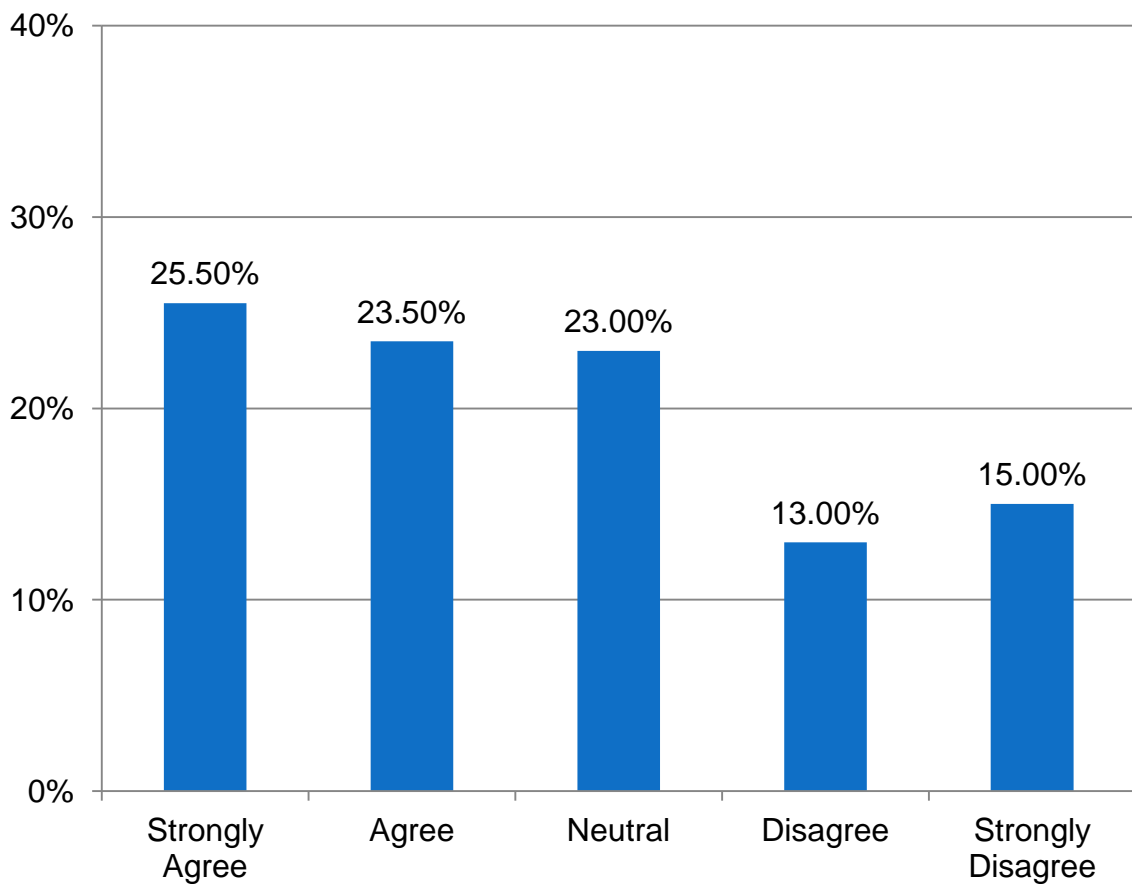


Figure 4.12 Frequency of Q12 (N=200): Lack of Regular Training and Morale

4.3.8 The lack of promotion influences or decreases motivation

Some 25% of the respondents in Figure 4.13 stated that they strongly agree that the lack of promotion deters motivation and a further 22% of the respondents stated that they agree that the lack of promotion deters motivation of employees. Twenty percent (20%) strongly disagreed, with a further 19.5% disagreeing, and the balance of 13.5% remained neutral that the lack of promotion deters motivation.

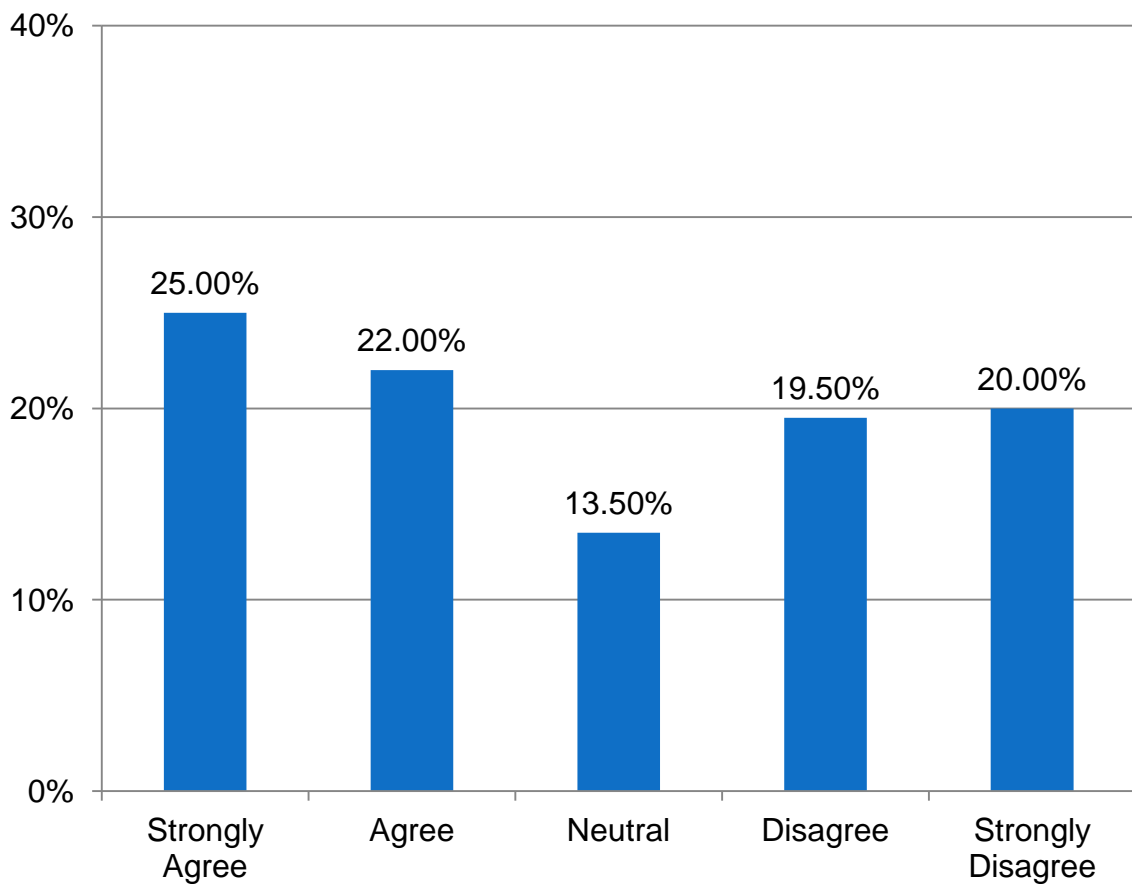


Figure 4.13 Frequency of Q13 (N=200): Lack of Promotion and Motivation

4.3.9 The lack of team spirit badly affects motivation

Of the total in Figure 4.14, 27% of the respondents stated that they disagree that the lack of team spirit badly affects motivation and a further 24.5% of the respondents strongly disagreed. A further 19% remained neutral, while some 15% agreed that the lack of team spirit badly affects motivation, with a further 14.5% of the respondents strongly agreeing that the lack of team spirit badly affects motivation.

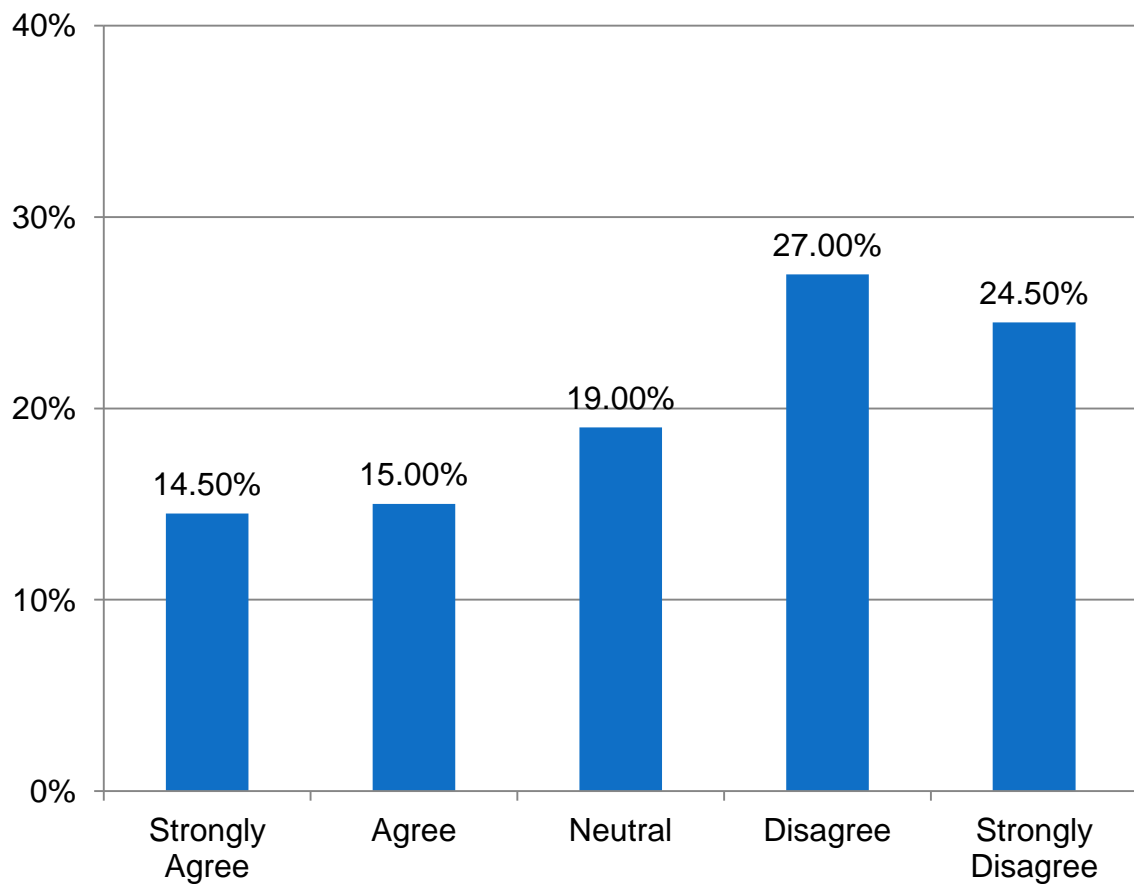


Figure 4.14 Frequency of Q14 (N=200): Lack of Team Spirit and Motivation

4.3.10 The inability to give comments or voice your opinions in the company reflects badly on motivation

Some 26.5% of the respondents in Figure 4.15 stated that they strongly disagree that the inability to give comments or voice your opinions in the company reflects badly on motivation and a further 23% of the respondents stated that they disagree. Nineteen point five percent (19.5%) remained neutral, while some respondents (16%) strongly agreed and a further 15% of the respondents agreeing that the inability to give comments or voice your opinions in the company reflects badly on motivation.

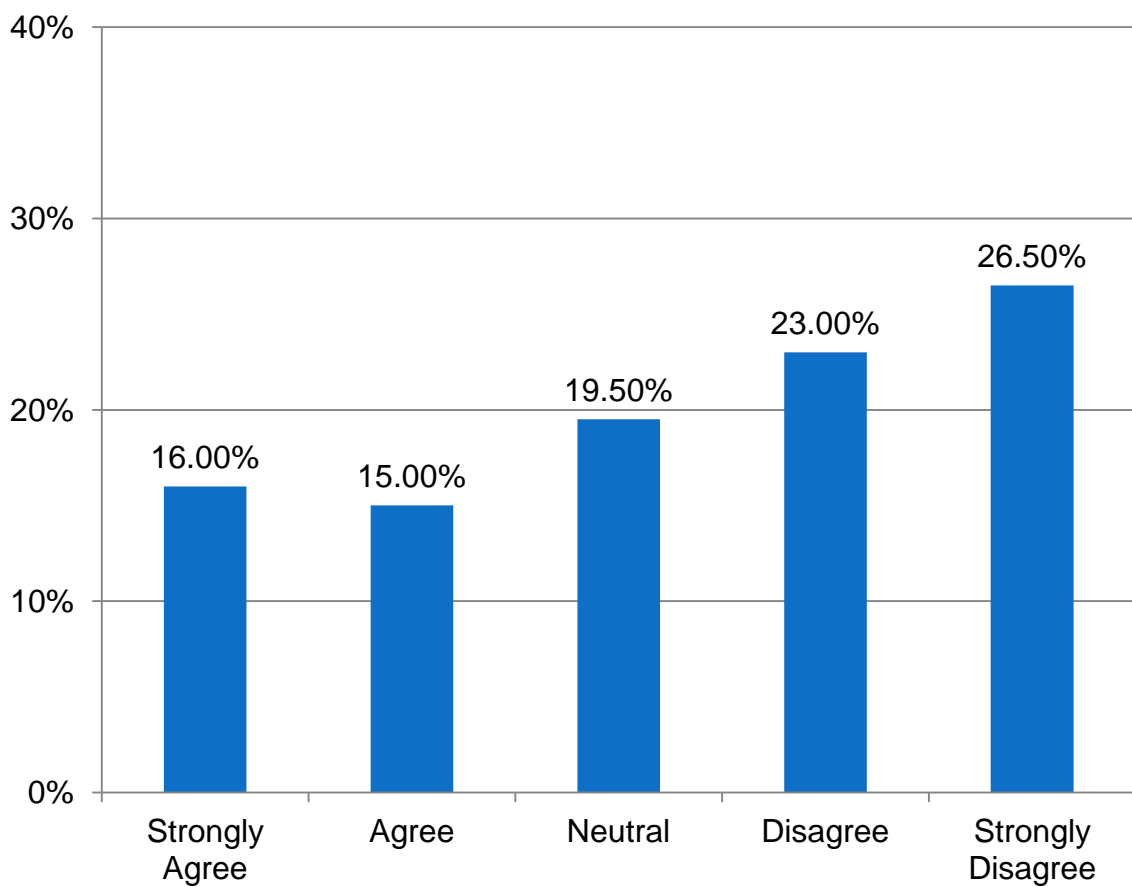


Figure 4.15 Frequency of Q15 (N=200): Inability to Voice Opinions and Motivation

4.3.11 The employees' supervisor / manager accept their comments / suggestions

Of the total in Figure 4.16, 28% of the respondents stated that they disagree that the employees' supervisor / manager accepts their comments and a further 20% of the respondents strongly disagreed. Some 19% remained neutral, while some agreed (19%) and a further 14% strongly agreed that the employees' supervisor / manager accepts their comments.

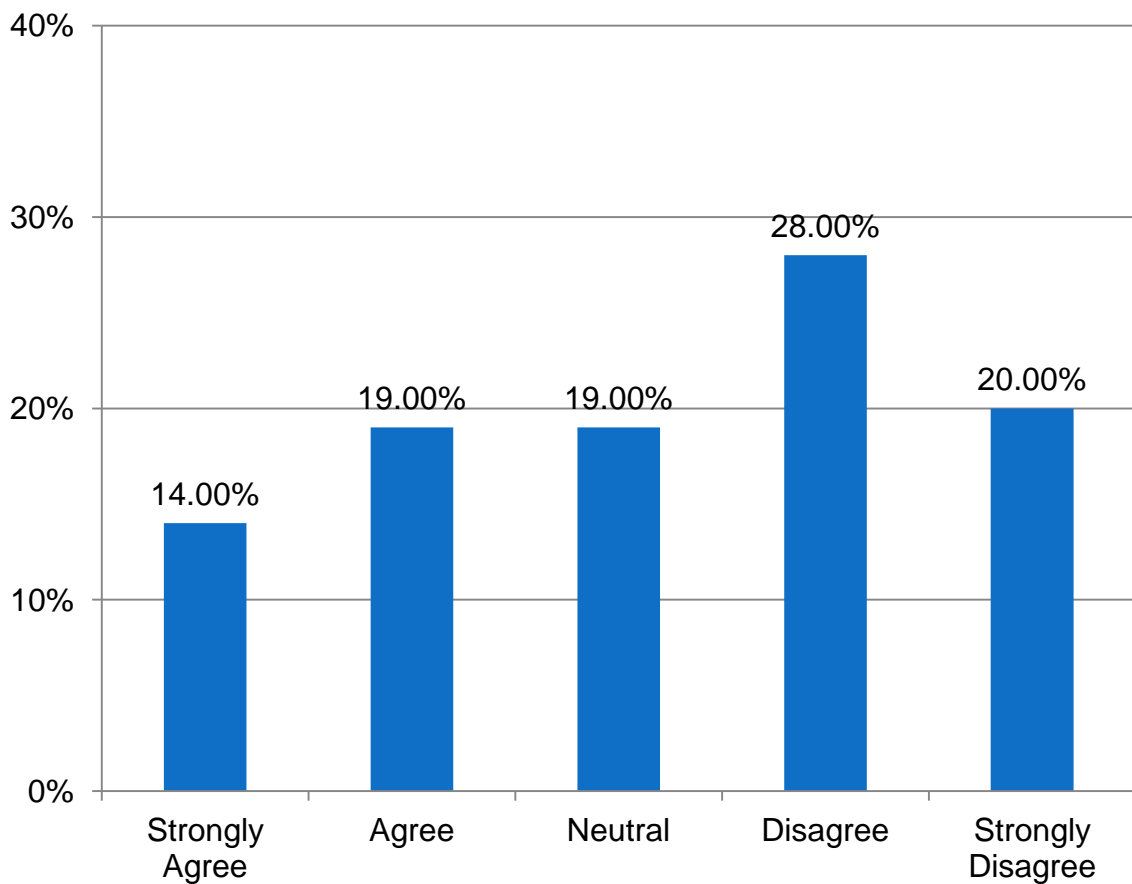


Figure 4.16 Frequency of Q16 (N=200): Supervisor's / Manager's Acceptance of Employee Comments

4.2.12 The department's supervisor / manager hold regular team meetings

Some 29% of the respondents in Figure 4.17 stated that they disagreed that the department's supervisor / manager hold regular team meetings and a further 20% of the respondents stated that they strongly disagreed. Nineteen point five percent (19.5%) remained neutral, while some respondents (16%) strongly agreed and a further 15.5% of the respondents agreed that the department's supervisor / manager hold regular team meetings.

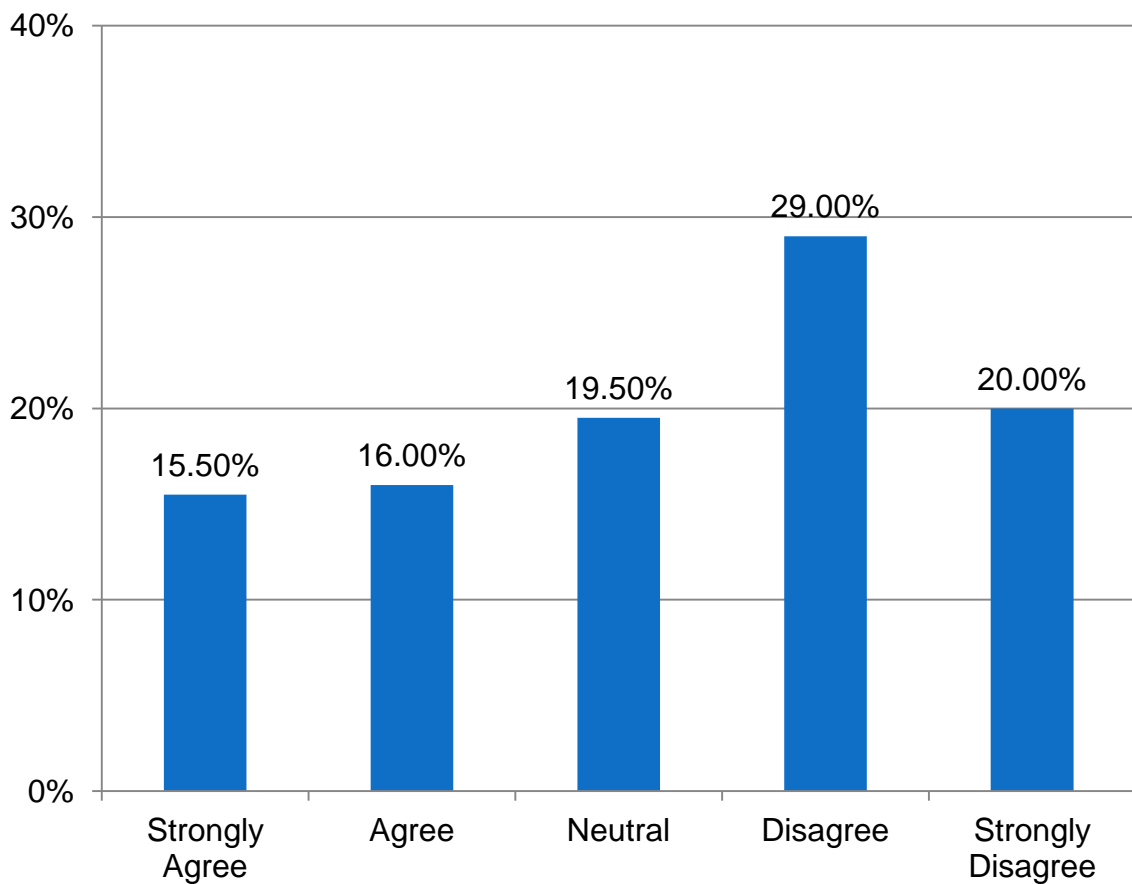


Figure 4.17 Frequency of Q17 (N=200): Supervisors / Managers Hold Regular Team Meetings

4.3.13 The company holds monthly or yearly events

Of the total in Figure 4.18, 29.5% of the respondents stated that they disagree that the company holds monthly or yearly events and a further 21.5% of the respondents strongly disagreed. Some of the respondents remained neutral (17.5%), while some strongly agreed (16.5%) and a further 15% of the respondents agreed that the company holds monthly or yearly events.

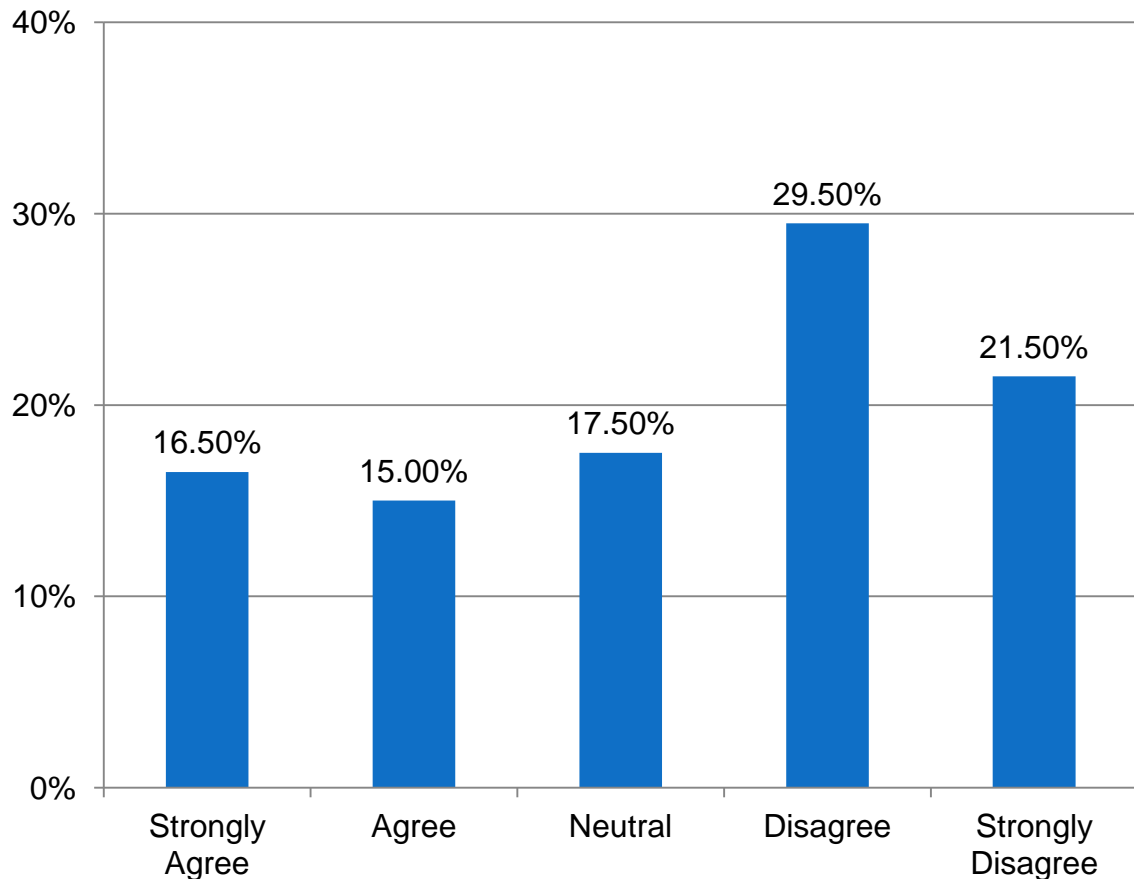


Figure 4.18 Frequency of Q18 (N=200): Company Events (Monthly / Yearly)

4.3.14 The supervisors / managers care for their employees as individuals

Some 27.5% of the respondents in Figure 4.19 stated that they disagree that the supervisors / managers care for their employees as individuals and a further 21.5% of the respondents stated that they strongly disagreed. Eighteen point five percent (18.5%) remained neutral, while 17.5% of the respondents strongly agreed and a further 15% of the respondents agreed that the supervisors / managers care for their employees as individuals.

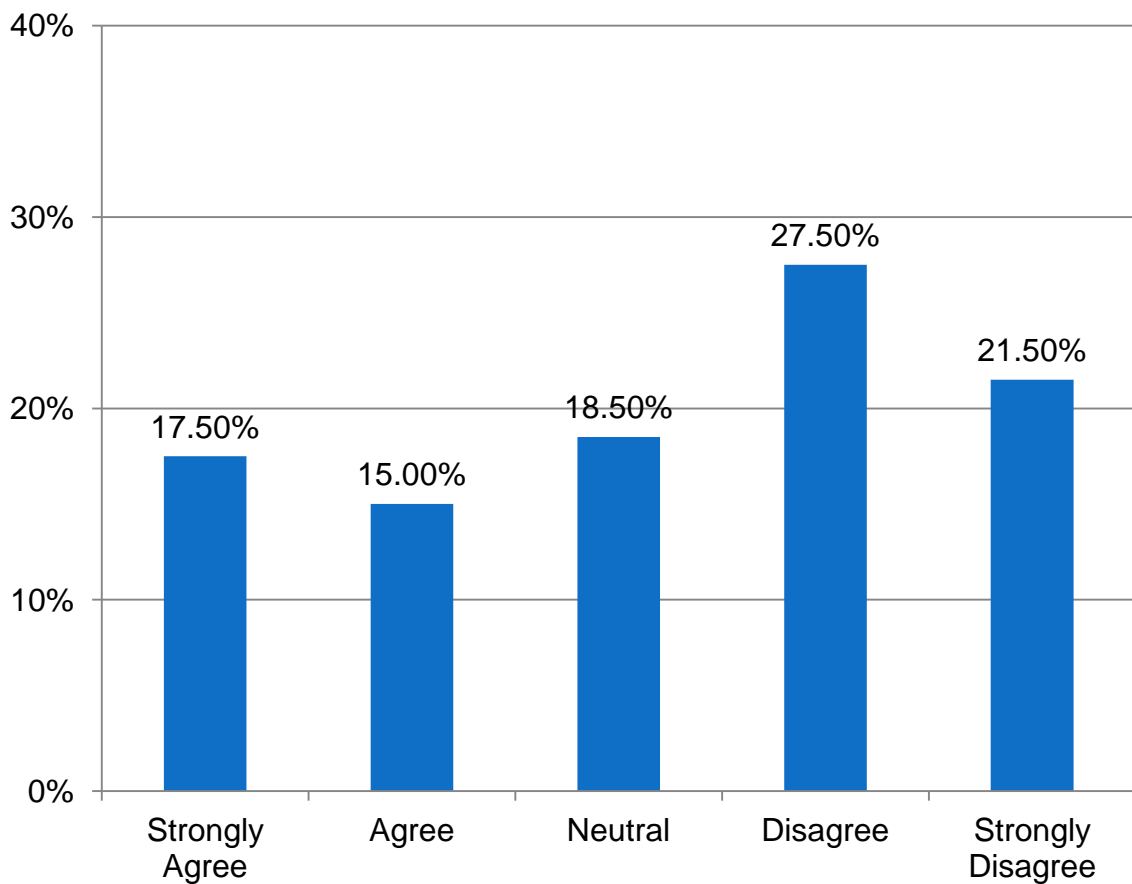


Figure 4.19 Frequency of Q19 (N=200): Supervisors / Managers Care for Their Employees

4.3.15 The employees receive training from the company on a regular basis

Of the total in Figure 4.20, 30% of the respondents stated that they disagree that the employees receive training from the company on a regular basis and a further 23% of the respondents strongly disagreed. A total of 17.5% of the respondents agreed that the employees receive training from the company, while a further 15% strongly agreed. However some 14.5% of the respondents remained neutral that the employees receive training from the company.

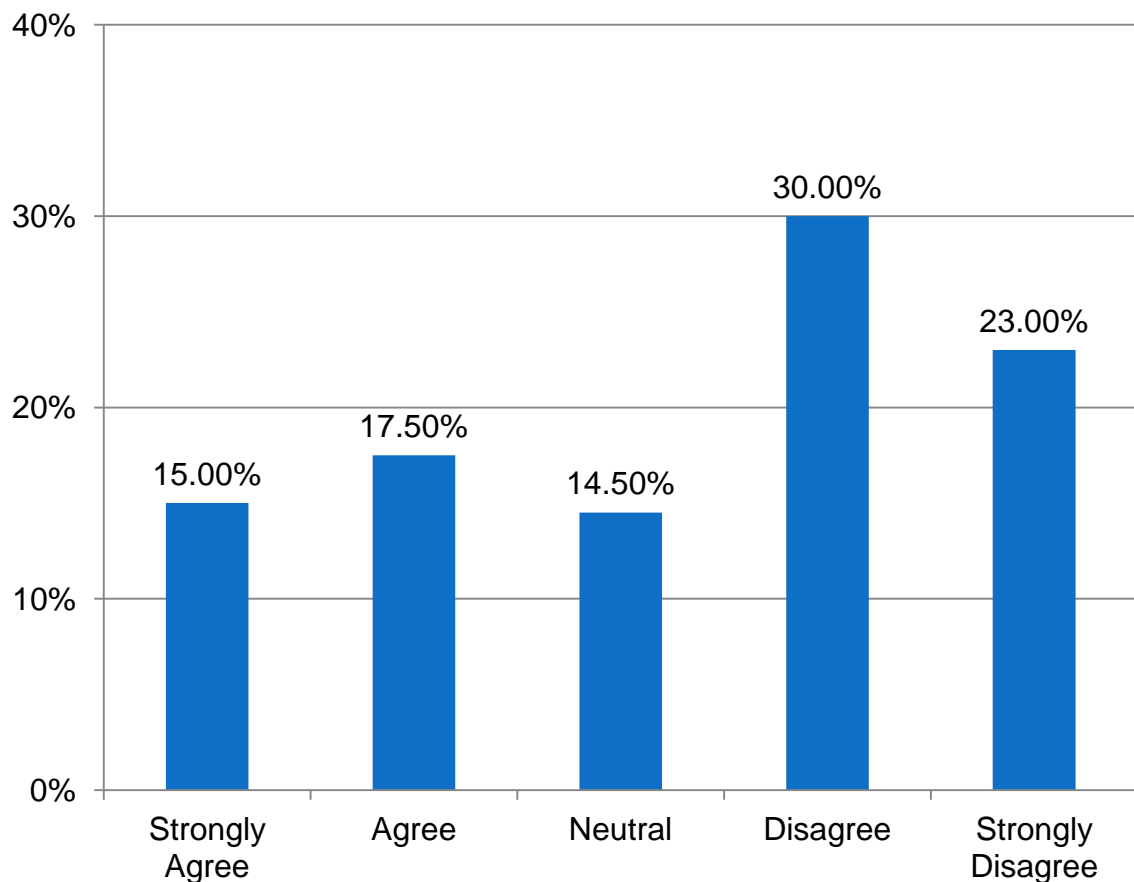


Figure 4.20 Frequency of Q20 (N=200): Training Provided to Employees by Company on a Regular Basis

4.3.16 The employees know about the promotions and demotions and employee turn-over within the company

Some 26.5% of the respondents in Figure 4.21 stated that they strongly disagreed that the employees know about the promotions and demotions and employee turn-over within the company and a further 24.5% of the respondents stated that they disagreed. Eighteen percent (18%) of the respondents had agreed and a further 17% of the respondents strongly agreed, while the balance of the respondents (14%) remained neutral that the employees know about the promotions and demotions and employee turn-over within the company.

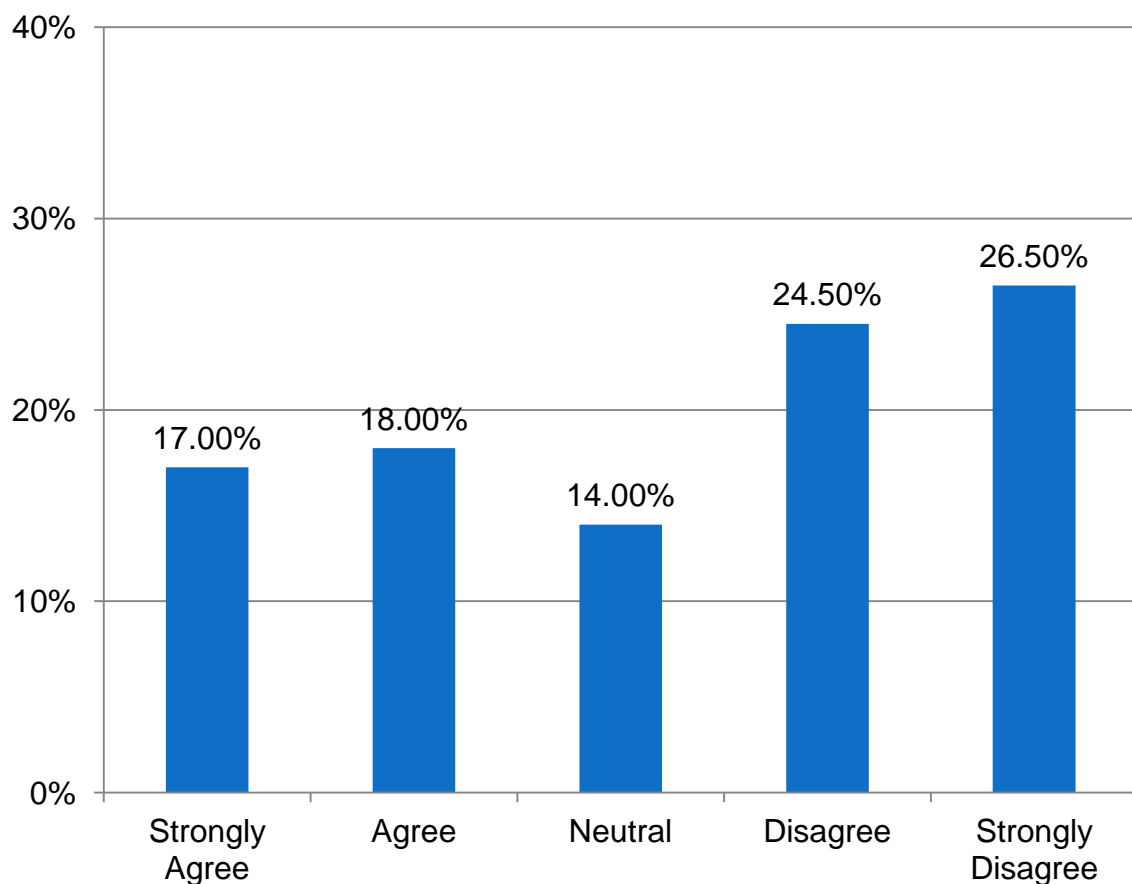


Figure 4.21 Frequency of Q21 (N=200): Communication of Organisation Changes to Employees

4.3.17 Money is the primary motivator for employees at work

Of the total in Figure 4.22, 24.5% of the respondents stated that they agree that money is the primary motivator of employees at work and a further 22% of the respondents strongly agreed. A total of 17.5% of the respondents disagreed that money is the primary motivator of employees at work, and a further 17% strongly disagreed; while 19% of the respondents remained neutral about money being the primary motivator of employees at work.

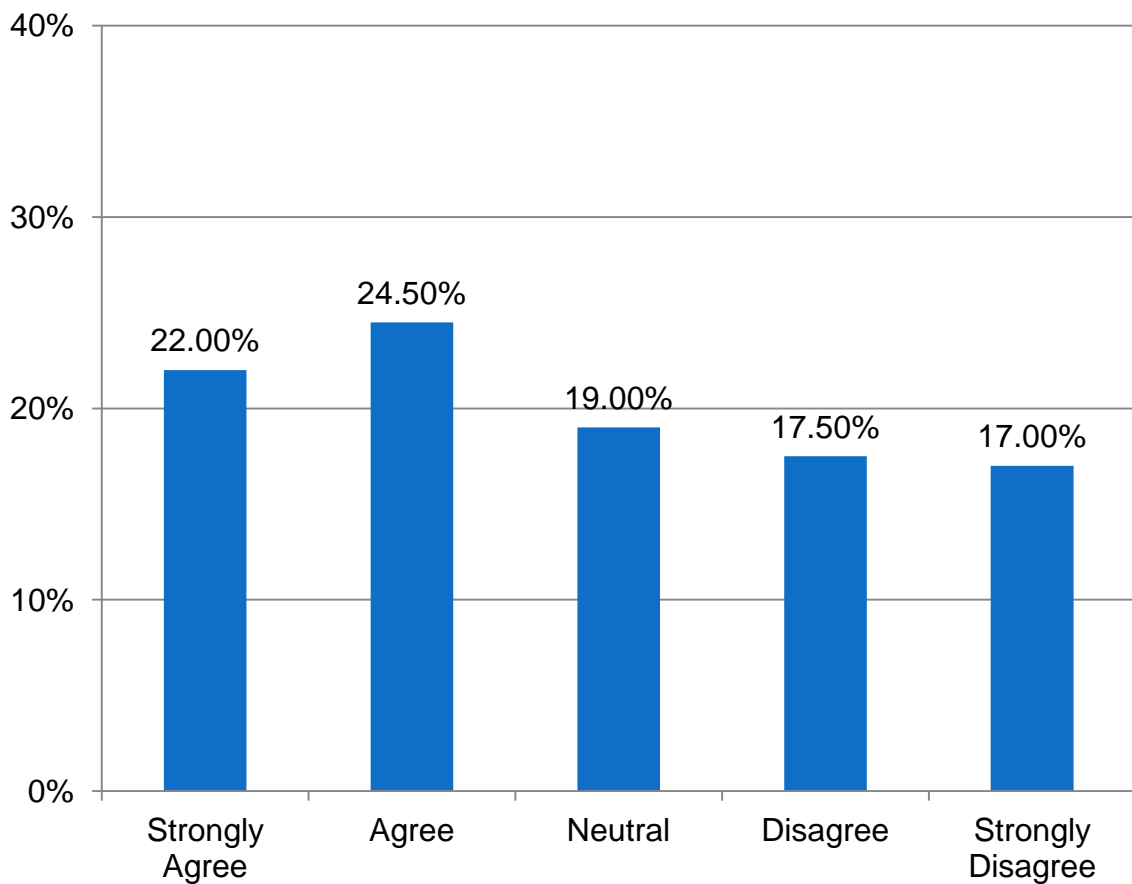


Figure 4.22 Frequency of Q22 (N=200): Money is the Primary Motivator for Employees

4.3.18 The employees have enough involvement in making decisions in the company

Some 27.5% of the respondents in Figure 4.23 stated that they disagree that the employee has enough involvement in making decisions in the company and a further 26.5% of the respondents stated that they strongly disagreed. Seventeen percent (17%) of the respondents remained neutral, while 15% of the respondents strongly agreed and a further 14% of the respondents agreed that the employee has enough involvement in making decisions in the company.

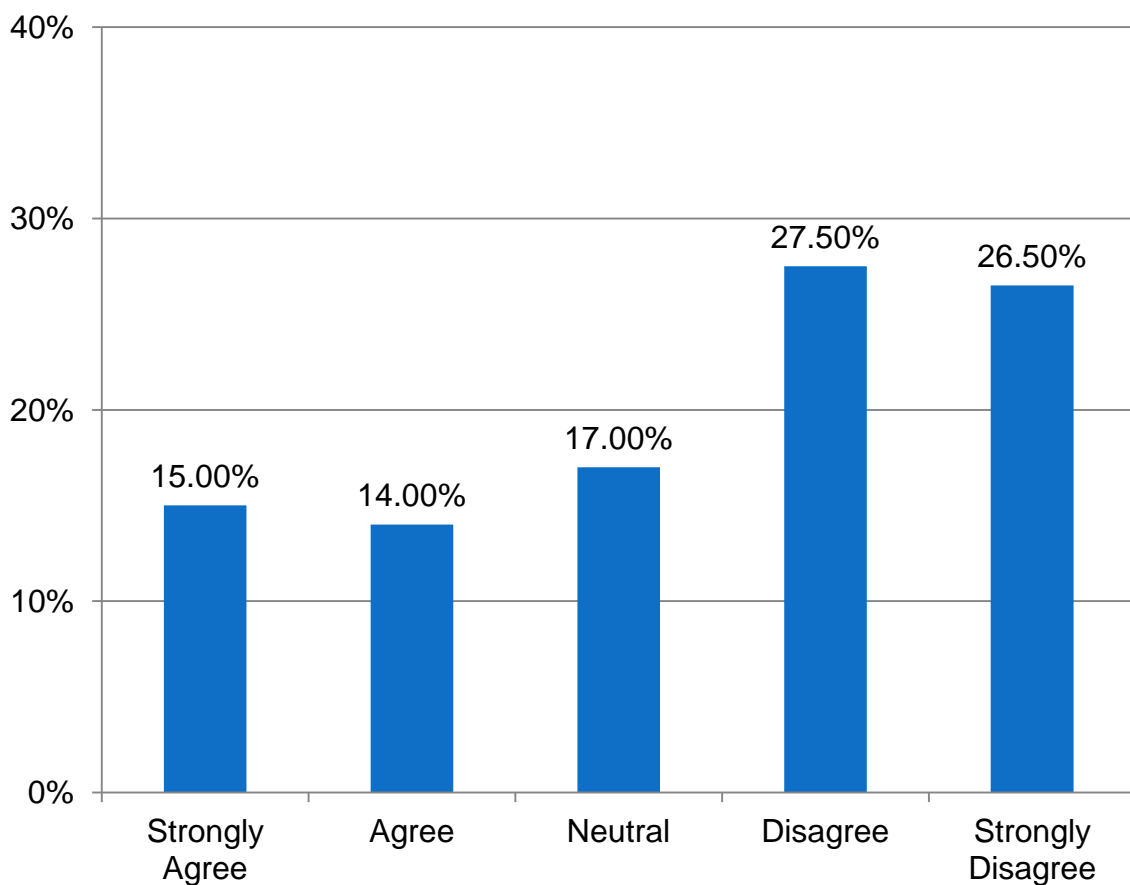


Figure 4.23 Frequency of Q23 (N=200): Employee Participation in Decision Making

4.3.19 The employees are open and honest with each other

Some 27.5% of the respondents in Figure 4.24 stated that they disagree that the employees are open and honest with each other and a further 16% of the respondents stated that they strongly disagreed. Nineteen point five percent (19.5%) of the respondents remained neutral, while 19% of the respondents strongly agreed and a further 18% of the respondents agreed that the employees are open and honest with each other.

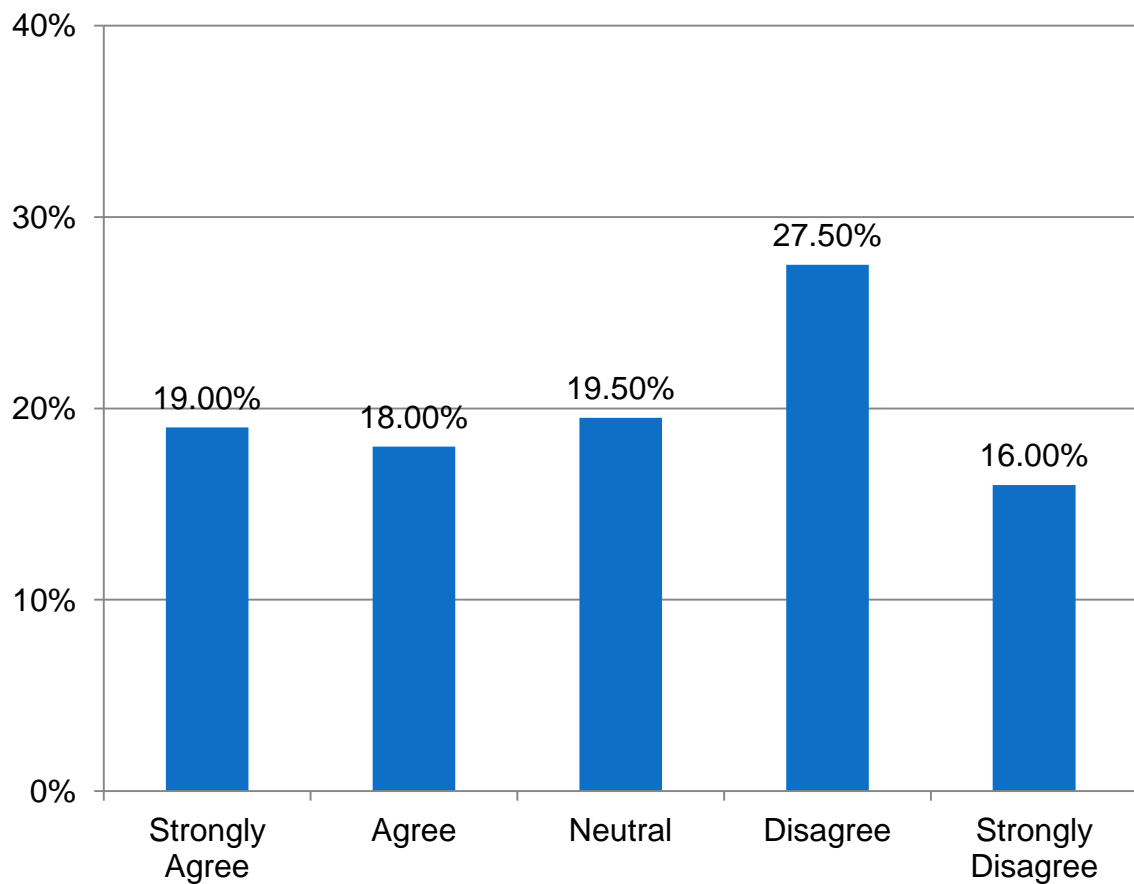


Figure 4.24 Frequency of Q24 (N=200): Healthy Relationships between Employees

4.3.20 I am satisfied with the spirit in the company

Of the total in Figure 4.25, 25.5% of the respondents stated that they disagree that they are satisfied with the spirit in the company and a further 21.5% of the respondents strongly disagreed. A total of 20% of the respondents strongly agreed that they are satisfied with the team spirit in the company and a further 17.5% agreed; while 15.5% of the respondents remained neutral about being satisfied with the team spirit in the company.

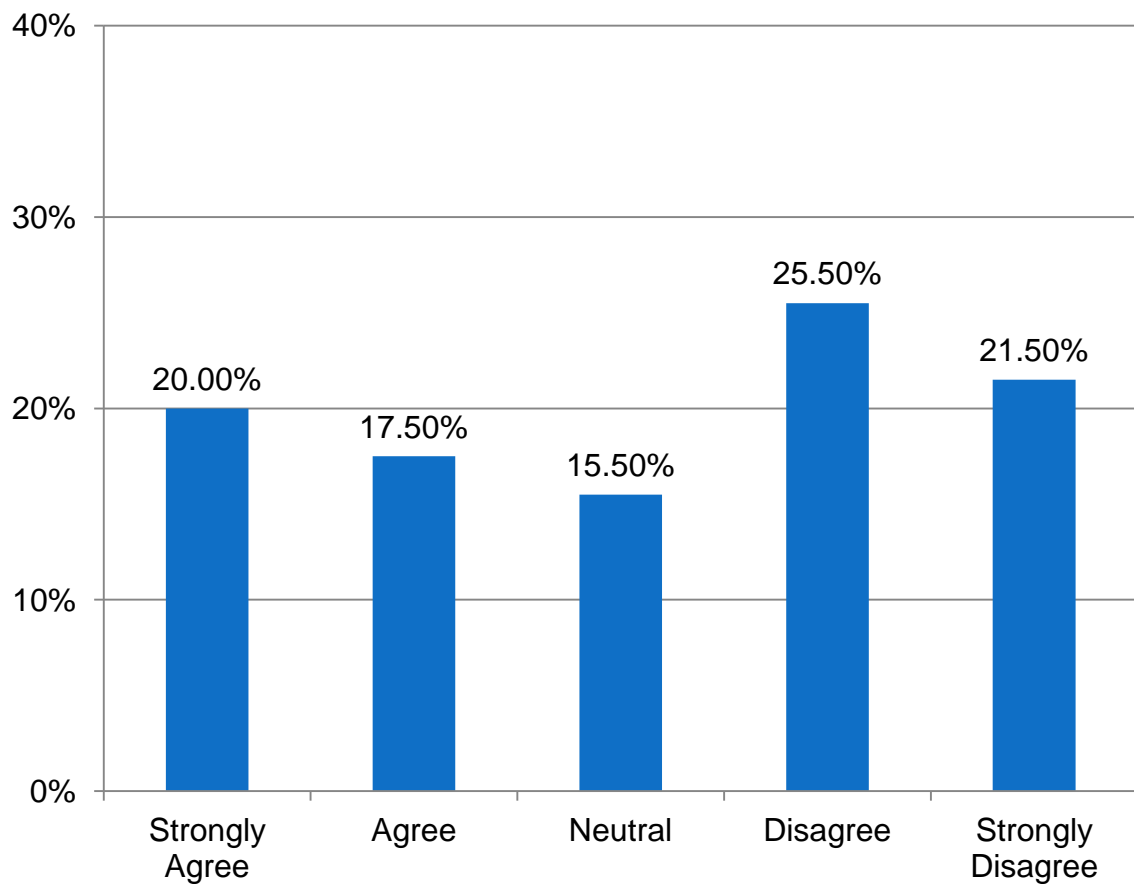


Figure 4.25 Frequency of Q25 (N=200): Team Spirit Satisfaction

4.3.21 The company holds celebratory events for successes

The number of respondents was 80 of the total 207 sample size (38.65% response rate), as compared to the preceding statements. Majority of the respondents (50%) in Figure 4.26 stated that they strongly agree that the company holds celebratory events for successes and a further 31.2% of the respondents stated that they agreed. Twelve point five percent (12.5%) of the respondents remained neutral, while 5% of the respondents disagreed and a further 1.3% of the respondents strongly disagreed that the Company holds celebratory events for successes.

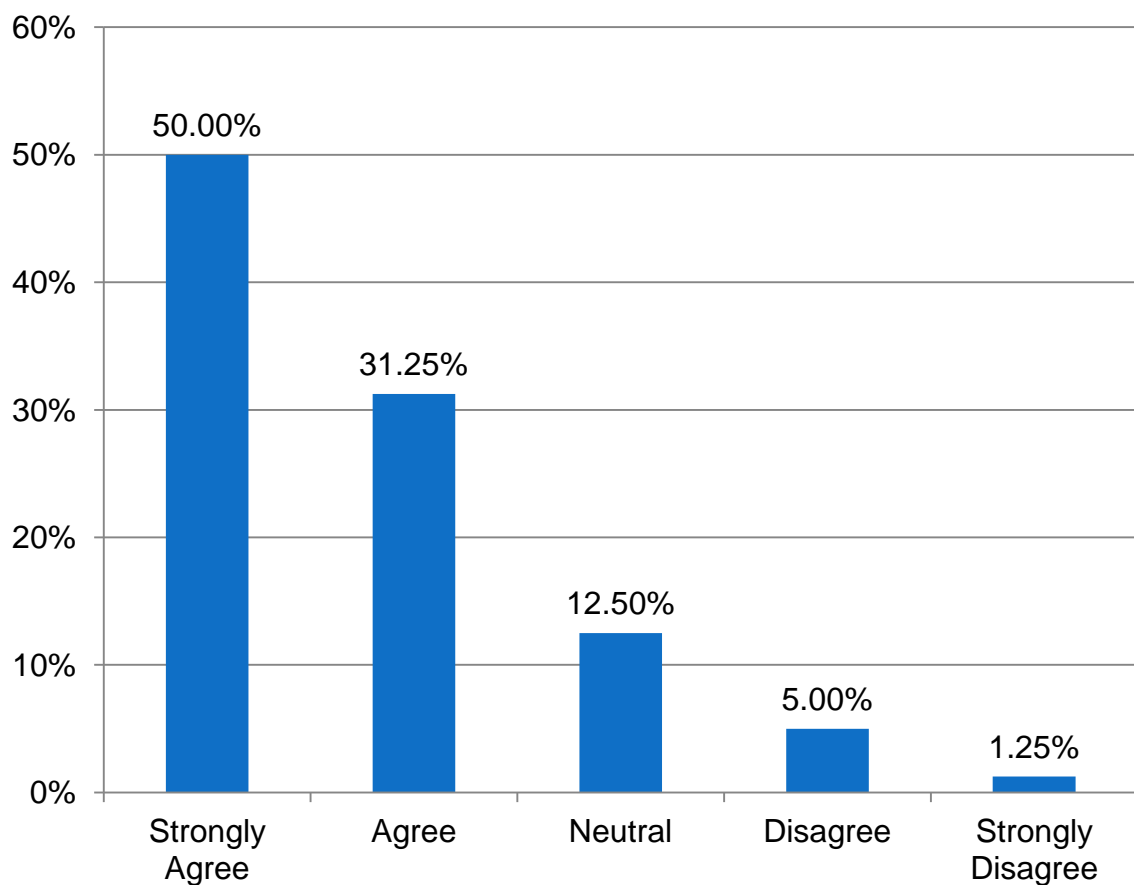


Figure 4.26 Frequency of Q26 (N=80): Company Celebratory Events for Successes

4.4 Inferential Statistics with Cross Tabulations

Pearson's correlation coefficient was adopted to investigate the strength and nature of the relationship between the demographic variables (Q1 to Q5) and the motivational factors (Q6 to Q21), as illustrated in Table 4.1.

VAR	Motivational Factors (**=Demotivation Factors)	Demographic Variables				
		Gender	Age	Salary/Month (After Tax)	Position at Company	Education Level
Q6	Pay	-0.274	0.044	0.310	-0.136	0.321
Q7	Success of Company	-0.225	-0.011	0.299	-0.180	0.268
Q8	Recognition	0.245	0.002	-0.304	0.152	-0.287
Q9	Communication of Company's Goals / Strategies	0.277	-0.039	-0.319	0.154	-0.291
Q10	Involvement in Decision Making	0.199	0.028	-0.325	0.192	-0.264
Q11	**Lack of Job Satisfaction	-0.272	0.186	0.212	0.006	0.350
Q12	**Lack of Regular Training	-0.176	0.015	0.309	-0.145	0.234
Q13	**Lack of Promotion	-0.207	-0.016	0.315	-0.183	0.307
Q14	**Lack of Team Spirit	-0.180	-0.038	0.336	-0.233	0.223
Q15	Inability to Give Comments / Voice Opinions	-0.101	-0.109	0.329	-0.280	0.207
Q16	Acceptance of Employees' Comments by Manager	0.282	-0.086	-0.274	0.096	-0.355
Q17	Regular Team Meetings by Management	0.283	-0.103	-0.246	0.062	-0.346
Q18	Company Events (Monthly / Yearly)	-0.199	-0.026	0.363	-0.262	0.255
Q19	Interpersonal Support	-0.196	-0.012	0.347	-0.238	0.238
Q20	Training from Company	-0.183	-0.040	0.328	-0.229	0.194
Q21	Communication of Organisation Changes	-0.186	-0.012	0.337	-0.229	0.241
Q22	Money as Primary Motivator	-0.220	-0.027	0.296	-0.170	0.279
Q23	Choice / Participation	-0.168	-0.043	0.338	-0.247	0.213
Q24	Healthy Relationships	-0.197	0.006	0.290	-0.187	0.271
Q25	Team Spirit Satisfaction	-0.208	0.025	0.345	-0.230	0.252
Q26	Company Celebration for Successes	0.177	-0.332	-0.181	0.108	-0.181

Table 4.1 Correlation Analysis: Demographics versus Motivational Factors

It can be seen from Table 4.1, the most significant correlations between the demographic variables and motivational factors (where N=200), indicated that there is a statistically significant ($p < 0.05$) linear relationship between the following two variables:

1. gender and regular team meetings held by management
($r = 0.283$; positive linear relationship)

The department's supervisor / manager hold regular meetings						
Gender	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
Male	18%	24%	18%	13%	7%	78%
Female	3%	6%	2%	4%	9%	23%
Total	20%	29%	20%	16%	16%	100%

Table 4.2 Cross Tabulation (N=200) between Gender and Regular Meetings held by Managers

It is evident from Table 4.2 that a large number of respondents (49%), indicated that the department supervisors / managers do not hold regular meetings (29% disagree, 20% strongly disagree). Males in particular responded (42%) that the department supervisors / managers do not hold regular meetings (24% disagree, 18% strongly disagree). However, females (13%) indicated that the department's supervisor / manager hold regular meetings (4% agree, 9% strongly agree).

2. age and the lack of job satisfaction
 ($r = 0.186$; positive linear relationship)

The lack of satisfaction in the job assigned influences or decreases motivation						
Age	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
20-30	8%	3%	7%	1%	2%	20%
31-40	9%	4%	6%	3%	3%	23%
41-50	8%	6%	3%	8%	5%	30%
51-60	3%	7%	5%	6%	5%	25%
61-70	2%	1%			1%	3%
Total	28%	20%	20%	18%	16%	100%

Table 4.3 Cross Tabulation (N=200) between Age and Job Satisfaction

As illustrated in Table 4.3, a large number of respondents (48%), disagreed that the lack of job satisfaction influences / decreases motivation (20% disagree, 28% strongly disagree). Age groups 41-50 (14%: 6% disagree, 8% strongly disagree) and 31-40 (13%: 4% disagree, 9% strongly disagree) in particular disagreed that the lack of job satisfaction influences / decreases motivation. However, age group 41-50 (13%) also agreed that job satisfaction influences / increases motivation (8% agree, 5% strongly agree).

3. salary per month (after tax) and company events held monthly / yearly
($r = 0.363$; positive linear relationship)

The company holds monthly or yearly events						
Salary/ Month	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
Below R3000	5%	0%	0%	1%	0%	5%
R3001-R6000	7%	12%	5%	2%	2%	27%
R6001-R9000	8%	13%	8%	11%	6%	44%
Above R9001	3%	5%	6%	2%	9%	25%
Total	22%	30%	18%	15%	17%	100%

Table 4.4 Cross Tabulation (N=200) between Salary and Company Events held Monthly or Yearly

It is evident from Table 4.4 that majority of the respondents (52%), disagreed that the company holds monthly or yearly events (30% disagree, 22% strongly disagree). Respondents from the salary group R6001-R9000 per month (after tax) in particular disagreed that the company holds monthly or yearly events (13% disagree, 8% strongly disagree), whilst 17% indicated that they agreed that the company holds monthly or yearly events (11% agree, 6% strongly agree). Further, the R3001-R6000 salary group (19%) also disagreed that the company holds monthly or yearly events (12% disagree, 7% strongly disagree).

4. position in company and inability to give comments or voice opinions
($r = -0.280$; negative linear relationship)

The inability to give comments or voice your opinions in the company reflects badly on motivation						
Position	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
Manager & Above	4%		6%	1%	8%	18%
Assistant Manager	4%	3%	3%	5%		15%
Principal Engineer	2%				6%	8%
Other Admin-Member	17%	21%	11%	10%	3%	60%
Total	27%	23%	20%	15%	16%	100%

Table 4.5 Cross Tabulation (N=200) between Position and Ability to give comments or voice opinions

As illustrated in Table 4.5, 50% of the respondents disagreed that the inability to give comments or voice your opinions in the company reflects badly on motivation (23% disagree, 27% strongly disagree). Other administration-members in particular disagreed (38%: 21% disagree, 17% strongly disagree), whilst 11% remained neutral and remaining respondents agreed (10% agree, 3% strongly disagree) that the inability to give comments or voice your opinions in the company reflects badly on motivation. However, Managers and above (8%) strongly agreed that the ability to give comments or voice your opinions in the company reflects well on motivation.

5. education level and acceptance of employees' comments by their manager

($r = -0.355$; negative linear relationship)

The employees' supervisor / manager accept their comments / suggestions						
Education	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
Diploma / Degree & Below	8%	16%	12%	15%	14%	64%
Masters Degree & Above	12%	12%	8%	5%	1%	37%
Total	20%	28%	19%	19%	14%	100%

Table 4.6 Cross Tabulation (N=200) between Education and Manager's Acceptance of their Employees' Comments / Suggestions

It is evident from Table 4.6 that a large number of respondents (48%), disagreed that the employees' manager accepts their comments / suggestions (28% disagree, 20% strongly disagree). In particular, respondents with a master's degree and above disagreed (24%: 12% disagree, 12% strongly disagree) that the employees' manager accepts their comments / suggestions. Further to this, respondents with a diploma / degree and below disagreed that the employees' manager accepts their comments / suggestions (24%: 16% disagree, 8% strongly disagree), whilst 29% agreed (15% agree, 14% strongly agree) that the employees' manager accepts their comments / suggestions.

4.5 Analysis of Variance (ANOVA)

Analysis of variance is all about examining the amount of variability in a *y* (response, for example morale and motivation in this study) variable and trying to understand where that variability is coming from. ANOVA was used to compare the data collected from the respondents to rank the motivational factors, (summarised in Table 3.1) from highest to lowest importance using their mean values, as illustrated in Table 4.7.

Var	N	Sum	Mean	Variance	Motivational Factors (** De-motivational Factors)	Ranking	
						Motivation	De-motivation
Q6	200	673	3.365	1.891	Pay	1	
Q12	200	663	3.315	1.895	**Lack of Regular Training	2	1
Q10	200	658	3.290	1.604	Involvement in Decision Making	3	
Q22	200	634	3.170	1.961	Money as Primary Motivator	4	
Q7	200	628	3.140	1.830	Success of Company	5	
Q13	200	625	3.125	2.210	**Lack of Promotion	6	2
Q11	200	548	2.740	2.033	**Lack of Job Satisfaction	7	3
Q8	200	544	2.720	1.961	Recognition	8	
Q15	200	542	2.710	2.006	**Inability to Give Comments / Voice Opinions	9	4
Q14	200	536	2.680	1.887	**Lack of Team Spirit	10	5
Q9	200	525	2.625	1.904	Communication of Company's Goals / Strategies	11	

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	170.4981818	10	17.04981818	8.854075213	2.14621E-14	1.835017135
Within Groups	4215.24	2189	1.925646414			
Total	4385.738182	2199				

Table 4.7 ANOVA Summary and Ranking of Motivational Factors Q1-Q15/Q22

It is evident from Table 4.7, the most important-significant extrinsic and intrinsic motivational factors, ranked 1, to the least important factor, ranked 11, are:

1. Pay (*Extrinsic*)
2. Regular training (*Intrinsic*)
3. Involvement in decision making (*Intrinsic*)
4. Money as the primary motivator (*Extrinsic*)
5. Success of the company (*Extrinsic*)
6. Promotion (*Extrinsic*)
7. Job satisfaction (*Intrinsic*)
8. Recognition (*Intrinsic*)
9. Ability to voice opinion and give comments (*Intrinsic*)
10. Team spirit (*Intrinsic*)
11. Communication of company's goals / strategies (*Intrinsic*)

The de-motivation factors, from most important-significant factor (ranked 1) to the least important factor (ranked 5) are:

1. Lack of regular training (*Intrinsic*)
2. Lack of promotion (*Extrinsic*)
3. Lack of job satisfaction (*Intrinsic*)
4. Lack of team spirit (*Intrinsic*)
5. Inability for employees to give their comments / opinions / suggestions (*Intrinsic*)

4.6 Summary

This chapter presented the survey results as per the voluntary participation of the salaried employees in the DMP. There were 200 respondents of the total 207 salaried employees at the DMP. The results were presented using descriptive statistics (bar graphs) to summarise the frequency of respondents with respect to the demographics and motivational factors. Majority of the respondents were male (77.50%), between the age of 41-50 (29.50%), received a monthly salary after tax of between R6001-R9000 (43.50%), were administration-support employees (60%), with an education level-qualification of a diploma/degree or below (63.50%).

The most significant correlations between the demographics and motivational factors were summarised and cross tabulated based on inferential statistics using Pearson's correlation coefficient. These were between: gender and regular team meetings held by management (positive linear relationship), age and the lack of job satisfaction (positive linear relationship), salary per month (after tax) and company events held monthly / yearly (positive linear relationship), position in company and inability to give comments or voice opinions (negative linear relationship), and, education level and acceptance of employees' comments by their manager (negative linear relationship).

The priority ranking of the motivational factors (both extrinsic and intrinsic), as well as the de-motivational factors was determined by utilising ANOVA. Pay (extrinsic) and regular training (intrinsic) motivational factors were the highest ranked (most significant) motivational factors. Lack of training was the highest ranked (most significant) de-motivating factor.

Chapter five will discuss the results presented, addressing each research objective and thereafter the research questions.

CHAPTER FIVE

DISCUSSION OF RESULTS

5.1 Introduction

This chapter provides a detail discussion, for each of the 5 research objectives, in an attempt to address the 2 research questions, with support-comparison from the literature review conducted (Chapter two).

The study aimed to answer the following research questions:

1. What are the non-financial motivators that promote greater and more sustainable employee motivation?
2. What strategies can be proposed for effective management practice for high employee motivation and retention?

Based on the above research questions, the study put forward the following research objectives, at the DMP:

1. To investigate the motivational factors (extrinsic and intrinsic) that have a significant influence on the morale of the employees
2. To investigate the de-motivating factors that have a significant impact on the performance-ability of the employees
3. To evaluate the consistency of management practice in motivating employees
4. To evaluate management effectiveness in motivating employees
5. To establish relationships between the demographics and the significant motivational factors

5.2 Discussion of Results by Research Objectives

5.2.1 Objective One:

To investigate the motivational factors (extrinsic and intrinsic) that have a significant influence on the morale of the employees

There are several factors managers should keep in mind when thinking about how to recognize and reward employees. According to Bessell et al. (2012) managers should not assume that people feel valued just because they continue to be productive, nor that what works for them, in terms of recognition and reward, will work for others. The “platinum rule” is that one should do unto others as they would have one do unto them (Kovach, 1999). This rule should help create a better motivational environment because employees may feel more appreciated if managers are effectively meeting their needs.

Findings from this research regarding the motivational factors (both extrinsic and intrinsic) that have a significant influence on the morale of employees are summarised in rank-order (1 being most significant to 11 being least significant):

1. Pay (*Extrinsic*)
2. Regular training (*Intrinsic*)
3. Involvement in decision making (*Intrinsic*)
4. Money as the primary motivator (*Extrinsic*)
5. Success of the company (*Extrinsic*)
6. Promotion (*Extrinsic*)
7. Job satisfaction (*Intrinsic*)
8. Recognition (*Intrinsic*)
9. Ability to voice opinion and give comments (*Intrinsic*)
10. Team spirit (*Intrinsic*)
11. Communication of company's goals / strategies (*Intrinsic*)

These findings concur with research by Kovach (1999) where good wages, job security, promotion/growth, good working conditions and interesting work were most important. When trying to understand employees, managers must

consider the fact that the career status of employees will vary (Nohria et al., 2008). Employees nearing the end of their careers might appreciate being given mentoring responsibilities or more control of their work environment, while mid-career employees might appreciate flexible scheduling options and professional development opportunities and those early in their career might need immediate praise to boost their confidence (Nachona and Gift, 2012).

5.2.2 Objective Two:

To investigate the de-motivating factors that have a significant impact on the performance-ability of the employees

Managers may lack knowledge in implementing successful motivational programs that increase production and create a positive work environment (Podmoroff, 2007). Although there are many types of motivation, management must identify with their employees on an individual level for successful programs (Slater, 2003). The goal of every manager is to increase production and efficiency to reach maximum results for the organisation (Prahalad, 2010). Providing a positive motivational work environment is a challenging managerial activity. Therefore, managers must understand employees and their professional needs, especially the factors that de-motivate their employees.

From this study, the de-motivating factors that have a significant impact on the performance-ability of the employees have been investigated and summarised in rank-order (1 being most significant to 5 being least significant):

1. Lack of regular training (*Intrinsic*)
2. Lack of promotion (*Extrinsic*)
3. Lack of job satisfaction (*Intrinsic*)
4. Lack of team spirit (*Intrinsic*)
5. Inability for employees to give their comments / opinions / suggestions (*Intrinsic*)

These findings strongly concur with research done by Amabile and Kramer (2010); Lather and Jain (2005); Ayub and Rafif (2011), where motivation for

better performance depends on job satisfaction, achievement, recognition, and professional growth.

5.2.3 Objective Three:

To evaluate the consistency of management practice in motivating employees

It was found out that management do not promote open and good communication and did not provide an opportunity for employees to voice their opinions to them. This is an indication of poor management practice at the DMP when reviewed against the integrative literature review provided by Devadass (2011) – Table 2.1. Liker (2004) also suggested that two-way communication and autonomy helped motivating the employees because they feel that they and their ideas are valued by management. An employee who feels heard is an employee who is motivated (Nohria et al., 2008; Latham, 2007). According to the findings, this method of motivating employees was not evident in the DMP – when compared to work by Cappelli et al. (2010), it was observed that good communication was one of the main ways that management can motivate their employees.

It was found that money was a primary way of motivating employees at the DMP. These findings are quite common and concur with several research by (Cmar et al., 2011; Khan et al., 2010; Nachona and Gift, 2012; Podmoroff, 2007; Timber, 2011; Sandhya and Kumar, 2011) showed that money is the main way of motivating employees and that all employees want to be compensated well for the work that they do. This a key management practice to ensure motivation. However, Dewhurst et al. (2009), argue that money cannot be used indefinitely by managers to motivate their employees. Money can be used, in the short term, to motivate employees but not in the long term for the same purpose.

Many of those in management positions disagreed that the company holds regular departmental meetings. This is an indication that they do not value the importance of meeting their employees to have a one-on-one opportunity to interact, share information and educate (Cappelli et al., 2008). This is in

contradiction to the observation in the reviewed literature that upheld the importance of holding regular meetings in order to motivate employees. According to the literature, this is one of the major ways through which the management can ensure that their employees are continuously motivated (Amabile and Kramer, 2010). This finding explained the low morale of their employees, which was a problem that greatly affected them.

Members of the management team stated that they did not agree with the statement that the company ensures that its employees are motivated on a regular basis. This finding shows that management does not really focus on the motivation of their employees, and they also do not employ this practice of motivation. Therefore, management does not play the role that they are supposed to, which is the motivation of employees by ensuring that they get regular training (Morse, 2012). According to Zwilling (2012) and Garica (2009), the regular training of employees is a very important way of ensuring that employees are motivated on a continuous basis. The results of this study, therefore, show that the managers do not emphasise the training of their employees.

In the DMP, many of those in management positions stated that the company does not provide employees with information about the company. This leads to employees not being up to date about what the company is doing. Only a few of those in a management position stated the company regularly trains its employees. This shows that a majority in management do not invest in the training of company employees (Robbins et al., 2011). This does not correlate with the observation in the literature review (Garcia, 2009; Zwilling 2012), that regular training is one of the main ways of ensuring that employees are updated about the latest company information, and that their skills are also updated in order for them to carry out their duties effectively. This finding shows that management does not really emphasise motivation of their employees.

The findings of the company holding events to celebrate the success that the company sees correlates with the observation in the literature review (Cmar et al., 2011). In the literature review, it was noted that employees are motivated

when they see that the company values them and shows that they appreciate the effort that they put in (Loehr and Jezra, 2011; Prahalad, 2010). Holding an event to appreciate employees' efforts and company success, as seen in the literature review, helps the company grow. Many of the managers were in agreement about the advantages of the company holding these events.

5.2.4 Objective Four:

To evaluate management effectiveness in motivating employees

The findings revealed much about how those in company management positions view the motivation of their employees. Many of those in managerial positions did not see the importance of building team spirit within the employees. Their employees stated that this does not have an influence on the motivation of the company that they work for. These findings do not correlate with those in the literature review, which showed that one of the ways of motivating employees is by helping to build their team spirit by holding team building activities (Nicholson, 2010). These findings show that management do not really understand the importance of building the spirit of their employees.

Many of those in management positions in the DMP do not believe in the involvement of employees in the decision-making process of the company. Many stated that involving them does not help to increase the morale of the employees within the company. This does not correlate with the findings in the literature reviewed in this study (Reeves, 2008; Podmoroff, 2007). The findings in the literature review showed that involving employees in the decision-making process helped them to feel part of the company. This helps to raise their morale and keeps them motivated to perform at their best.

Respondents stated that the satisfaction of the employees in their work was not important in motivating them. This showed that they did not truly value the satisfaction of the company employees. This finding does not correlate with those in the literature review, which showed that employees who are satisfied in their work places are generally motivated (Spreitzer and Porath, 2012; Loehr and Jezra, 2011). By satisfying employees in their jobs, they become motivated to do more than before because of the motivation they derive from it.

Employees tend to repeat a task which fully satisfies them and avoid those which do not (Lather and Jain, 2005). In the literature review, the findings contradict those in this study. This is when it comes to the use of open communication between the management and employees.

5.2.5 Objective Five:

To establish relationships between the demographics and the significant motivational factors

Relationships were established using inferential statistics, between the demographics and motivational factors. The most significant correlations are outlined as follows:

1. gender and regular team meetings held by management
($r = 0.283$; positive linear relationship)
2. age and the lack of job satisfaction
($r = 0.186$; positive linear relationship)
3. salary per month (after tax) and company events held monthly / yearly
($r = 0.363$; positive linear relationship)
4. position in company and inability to give comments or voice opinions
($r = -0.280$; negative linear relationship)
5. education level and acceptance of employees' comments by their manager
($r = -0.355$; negative linear relationship)

The findings from this study concur strongly with research by Suliman and Al-Sabri (2009) where work motivation reported positive and significant relationships with Gender ($r = 0.19$), age ($r = 0.16$); however differ with respect to education ($r = 0.19$), position ($r = 0.22$), which shows a positive relationship.

According to Lather and Jain (2005); Lelad (2010); Suliman and Al-Sabri (2009), satisfied people showed higher levels of motivation which in turn lead to higher levels of work performance. Put differently, if employees are satisfied about their job, pay, relationship with other employees, management style and promotion chances they are likely to:

1. Have achieved their needs, or feel that their **needs** are met.
2. Accordingly they develop the right **drives** that make them work for the organisation.
3. And feel satisfied with the organisational **incentives**.

This positive perception of work motivation is likely to arouse, energise, direct, and sustain behaviour and performance, i.e. to be reflected positively on employees' work outcomes, for example increasing quality and quantity of work.

5.4 Summary

The results have been discussed, satisfying the 5 objectives set. The motivational factors that have significant influence on the morale of the employees at the DMP were pay (extrinsic) and regular training (intrinsic). The de-motivating factor that had a significant impact on the performance-ability of the employees at the DMP was the lack of regular training (intrinsic). The consistency of the management practice at the DMP was evaluated and found to be inconsistent. The management effectiveness in motivating employees was also evaluated and found to be ineffective. Relationships between the demographics and the significant motivational factors were established and concurred with current research.

Chapter six will conclude the research, with recommendations to the management of the DMP and areas of future research.

CHAPTER SIX

RECOMMENDATIONS AND CONCLUSIONS

6.1 Introduction

This study has shown that the management of the DMP was not very effective in the motivation of company employees. The study was successful in answering all of the research questions by analysing management's effectiveness in motivating its employees, and by showing the consistency of management practices in motivating employees at the company. The methods of motivation that were seen to be effective, according to the managers, were both financial compensation, and non-financial compensation, like involvement in decision-making and outlining of the company's goals and strategies. The study was able to address-achieve the objectives that were set out at the beginning because it was able to investigate management's effectiveness in motivating salaried employees. It was able to demonstrate the degree of management effectiveness and the importance of motivating employees in a company.

The world is growing and expanding the different markets, especially in manufacturing, that are there; only the companies which have the capacity to perform will still be relevant, despite the change. All companies want to have a major share in the business that they are in and grow in the future. For a company to operate well and grow, its employees have to be taken care of and be satisfied with the jobs to which they have been assigned. This shows just how important the motivation of employees is for a company.

Managers have the task of ensuring that their companies run smoothly and have to ensure that the employees are motivated to continue giving their best to the company which has employed them.

6.2 Confirmation of Research Problem Resolution

The problem was solved, as per the research study-findings detailed earlier, as addressed by the 5 research objectives set and 2 research questions below.

Effective methods of motivation in which the management can invest were also enumerated. Motivation of employees is very important for the company gains a lot from it, as do the employees. Managers can motivate employees through various ways, depending on the needs of the employees as each employee has his or her own needs that are different from another's. Ways of motivation can be either financial or non-financial. Those companies which do not give a lot of priority to the motivation of their employees usually encounter a lot of difficulties in their operations. Losses that are suffered by companies which do this are: high rates of employee turnover and a decline in the amount and quality of products or services that they offer.

Companies which take the motivation of employees lightly mostly lose their employees and suffer huge losses. There are various ways which have proved to be effective in the motivation of employees. Managers should identify which ways are effective for their employees and employ these in their operations. This will lead to the success of the whole company, employees included. There are many ways of motivating employees; these are either monetary or non-monetary. As outlined by Dewhurst et al. (2009) and Zwilling (2012), giving monetary incentives is a short-term method, but in the long run, is not really effective. Other ways of motivating employees include the training of employees, allowing them an opportunity to voice their opinions about the company, and telling them the goals and strategies of the company. There are others not dealt with in this study, for example leadership styles-behaviours.

The motivation of employees should be incorporated by the managers into the operation of the company. This is crucial to the running of the company since the employees are part of the backbone of the company. They have to get fully involved for the company to achieve its goals and objectives. Motivated employees are an asset to the company, and companies should recognise this to ensure that they grow and have a major share in their market.

6.3 Benefits of this Research

The findings of this study were very helpful since it had shed some light on the state of the management within the DMP and their practice of motivating the

employees in the company. The study assessed management effectiveness in the motivation of employees within the DMP and found that the company does not put a lot of effort in ensuring that its employees are motivated.

These findings identified shortcomings in terms of the DMP's management and the motivation of their employees. There were a number of areas, detailed earlier, that management of the DMP can consider for the improvement in rebuilding employee morale and creating a high performing workforce. The results of this study will also help other companies to understand the problems regarding motivation and will allow them to learn from the mistakes of others. The study is critically important for any management of a company, since it provides insights into employee motivation and the role of management in this.

Employees are a great asset to a company and, like every other asset managers should do their best to ensure that they take care of their employees. Employees who are well taken care of in a holistic manner are what every company needs to grow and prosper. If it is growth that managers want for their companies, then they should invest their time and effort in motivating the employees that they have.

6.4 Recommendations to Solve the Business Problem

Management effectiveness in the motivation of salaried employees is a topic which has not been taken lightly by some companies yet others have ignored it all together. Those companies which have ignored this have done so to their own detriment. The managers of companies should strive to understand the importance of motivation since it something that every company needs in order to survive in these times. Motivation of employees is very important since it helps the employees perform at an optimum level and helps the company to increase their output. Companies should ensure that they motivate their employees and do this in the right way. It is the duty of a manager, as a leader, to ensure that this happens. If managers want to see their companies remain relevant in changing times, they have to find effective ways of motivating their employees.

For action, the integrative summary-framework of motivation characteristics (Table 2.1) by Devadass (2011); and, Garcia (2009) who ties motivation most strongly to leadership – also supported by Zwilling (2012), provides a useful list of principles for managers to be effective at the DMP to rebuild employee morale, following tough economic times, with limited company budgets:

1. **“Energize your team.** Instead of being the type of leader who ‘sucks’ the energy away from others, resolve to be the kind of leader who strives to bring passion and positive energy to the workplace every day. Provide an environment filled with positive energy.
2. **There’s more to life than work.** Great leaders have deep reserves of physical, spiritual, and emotional energy, and that energy is usually fuelled by a strong and supportive relationship with the people they love, regular exercise, a healthy lifestyle, and setting aside time for reflection.
3. **Put your people first.** No organisation is better than the people who run it. Managers are in the people business - the business of recruiting, training, and managing people to deliver the product or service you provide. If the people are the engine of your success, to be a great leader you need to attend to your people with a laser-like focus. On-job training and development along with job rotation is key.
4. **Act with integrity.** Showing your employees with leading by example, that you value integrity, can help motivate them and create a sense of pride for the organisation.
5. **Be a great communicator.** Leadership is influencing others, and this cannot be achieved without effective communication. Struggling to communicate with employees requires first working on the ability to influence individuals by choosing words that are impactful to carry the correct message. Then tackle a larger audience.

6. **Be a great listener.** The most effective leaders are the ones who take the time to listen not just to their team members' words but to the priceless hidden meaning beneath them. Remember that during good times and bad, sometimes employees just need someone to talk to.

7. **Lead through experience and competence, not through title or position.** Mentor employees, always encouraging them, make partners out of them, and the organisation is sure to benefit.”

To engage employees, managers should create a sense of social mission that is central to company culture, encourage openness by developing and personally modelling systems that provide transparency, empower employees by enabling communication and pushing decision making down through the ranks, and invest heavily in training. These individual practices are not new, but a combination of them in a coherent package will give them consistent emphasis.

6.5 Limitations of this Study

In studying management effectiveness in motivating employees at the DMP, one of the major limitations was that, although many of the divisions were experiencing similar concerns as per the problem statement, only one of the divisions, the production and logistics division, was the focus of the study.

Therefore, the study was a case study, in which a particular division and only the salaried employees within the DMP were surveyed. The 70 hourly-paid employees from the production and logistics division were not surveyed, as involving them could have caused a risk in stopping the plant's production lines.

Thereby findings from this research cannot be generalised to other companies.

Other possible limitations would be not having taken into consideration other meaningful / significant demographics, for example: the marital status (with or without dependents), the race group, home language, years working for the company and department working for, a further breakdown of the education

level and position in the company – this would promote a greater / deeper understanding of motivation of the employees, and provide more correlations and relationships for management to consider when motivating employees.

6.6 Recommendations to Overcome the Limitations

In the future, studies on the subject should focus on management effectiveness within various companies to see the methods of motivation in different company settings. Many studies have been carried out on the subject, but in the future this needs to be done in a heterogeneous way which involves many managers from many companies, in order to make it possible to generalise the results. There were several biases likely to interfere with the outcomes of this study; these include:

- The population and sample was homogenous – a heterogeneous sample from different industries would be preferred to include the different race groups, languages-culture, levels of education, income and job status.
- Information bias. Some responded at the last minute, therefore, might have provided inaccurate information, jeopardising the data outputted.
- Fear from employees of being reprimanded by the company if they gave out private information about the company.

In the future, researchers carrying out a study on this topic should ensure that these limitations are well addressed to prevent any interference with the research process.

6.6 Concluding Summary

A great-to-magnificent manager creates an organisation that is larger than the sum of its parts. Managers create an environment where people constantly challenge convention, define new realities and strive to make a difference. Motivation can be properly or improperly achieved and can either hinder or improve productivity. Management must understand that they are dealing with human beings, not machines, and that motivation involves getting people to do something because they want to do it. This cannot be achieved without knowing what is important to employees. The data collected for this research, together with the analysis and discussion using the literature review, had addressed the 5 research objectives set and answered the 2 research questions.

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[Accessed 12 February 2013]

APPENDIX ONE: ETHICAL CLEARANCE



18 September 2012

Mr Asheen Harilal 983186943
Graduate School of Business and Leadership
Westville Campus

Dear Mr Harilal

Protocol reference number: HSS/0923/012M
Project title: Management Effectiveness in Motivating Employees at a Durban Manufacturing Plant .

EXPEDITED APPROVAL

I wish to inform you that your application has been granted Full Approval through an expedited review process.

Any alteration/s to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form, Title of the Project, Location of the Study, Research Approach and Methods must be reviewed and approved through the amendment/modification prior to its implementation. In case you have further queries, please quote the above reference number. PLEASE NOTE: Research data should be securely stored in the school/department for a period of 5 years.

I take this opportunity of wishing you everything of the best with your study.

Yours faithfully



.....
Professor Steven Collings (Chair)

/pm

cc Supervisor: Alec Bozas
cc Academic Leader: Dr S Bodhanya
cc School Admin: Mrs Wendy Clark

Professor S Collings (Chair)
Humanities & Social Sc Research Ethics Committee
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Telephone: +27 (0)31 260 3587/8350 Facsimile: +27 (0)31 260 4609 Email: ximbap@ukzn.ac.za / snymanm@ukzn.ac.za
Founding Campuses: ■ Edgewood ■ Howard College ■ Medical School ■ Pietermaritzburg ■ Westville

INSPIRING GREATNESS



APPENDIX TWO: CONSENT DOCUMENTS FOR QUESTIONNAIRE

UNIVERSITY OF KWAZULU-NATAL GRADUATE SCHOOL OF BUSINESS AND LEADERSHIP

Dear Respondent,

MBA Research Project / Dissertation
Researcher: Asheen Harilal (031-910 2393 [w] / 083 997 9938)
Supervisor: Mr. Alec Bozas (082 33 444 77)
Research Office: Ms P Ximba 031-2603587

I, **Asheen Harilal** an MBA student, at the Graduate School of Business and Leadership, of the University of KwaZulu Natal, am inviting you to participate in a research project entitled:

MANAGEMENT EFFECTIVENESS IN MOTIVATING EMPLOYEES AT A DURBAN MANUFACTURING PLANT

The aim of this study is to:

The following objectives at the Durban Manufacturing Plant, and division concerned are:

1. To investigate the motivational factors (extrinsic and intrinsic) that has significant influence on the morale of the employees.
2. To investigate the de-motivating factors that has significant impact on the performance-ability of the employees.
3. To evaluate the consistency of management practice in motivating employees.
4. To evaluate the management effectiveness in motivating employees.

Through your participation I hope to understand the effectiveness of management in motivating employees. The results of the questionnaire are intended to contribute to answer the following research questions:

1. What are the non-financial motivators that promote greater and more sustainable employee motivation?
2. What strategies can be proposed for effective management practice for high employee motivation and retention?

Your participation in this project is **voluntary**. You may **refuse** to participate or **withdraw** from the project at any time with no negative consequence. There will be no monetary gain from participating in this survey. **Confidentiality** and **anonymity** of records identifying you as a participant will be maintained by the Graduate School of Business and Leadership, UKZN, and disposed of accordingly.

If you have any questions or concerns about completing the questionnaire or about participating in this study, you may contact me or my supervisor at the numbers listed above.

The survey should take you about **10** minutes to complete.

Thanking you in advance for taking the time to complete this survey.

Sincerely,

Asheen Harilal

**UNIVERSITY OF KWAZULU-NATAL
GRADUATE SCHOOL OF BUSINESS & LEADERSHIP**

MBA Research Project

Researcher: Mr. Asheen Harilal (031-910 2393 [w] / 0839979938)

Supervisor: Mr. Alec Bozas (0823344477)

Research Office: Ms P Ximba 031-2603587

Title:

MANAGEMENT EFFECTIVENESS IN MOTIVATING EMPLOYEES
AT A DURBAN MANUFACTURING PLANT

The purpose of this survey is to solicit information from salaried employees, in the DMP, regarding the effectiveness of management practice in motivating employees. The information and ratings you provide us will go a long way in helping us identify the motivational factors, beyond salary remuneration/benefits, that will realize a more sustainable and enjoyable work experience for employees. The questionnaire should only take **10** minutes to complete. In this questionnaire, you are asked to indicate what is true for you, so there are no “right” or “wrong” answers to any question. You are free to save your current progress and return at a later time (within the 1 week timeframe) to complete the questionnaire. Make sure once completed to select the “save and continue” option, such that the results can be captured correctly.

Thank you for your participation.

End of the Questionnaire

Thank you for taking the time to complete the questionnaire.

APPENDIX THREE: QUESTIONNAIRE

1. Gender

- Male
- Female

2. Age

- 20-30
- 31-40
- 41-50
- 51-60
- 61-70

3. Salary per month (*after tax*)

- Less than R3000
- R3001-R6000
- R6001-R9000
- More than R9001

4. Current position at the company

- Manager & above
- Assistant manager
- Principal engineer
- Other administration-support member

5. Level of education / qualification

- Diploma / Degree or below
- Masters Degree or above

6. The amount of pay influences or increases the morale

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

7. The success of the company creates motivation

- Strongly Agree

- Agree
- Neutral
- Disagree
- Strongly Disagree

8. Recognition leads to motivation

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

9. Communication of the company's goals and strategies leads to motivation

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

10. The involvement in the decision making of the company leads to motivation

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

11. The lack of satisfaction in the job assigned influences or decreases motivation

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

12. The lack of regular training decreases the level of morale

- Strongly Agree

- Agree
- Neutral
- Disagree
- Strongly Disagree

13. The lack of promotion influences or decreases motivation

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

14. The lack of team spirit badly affects motivation

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

15. The inability to give comments or voice your opinions in the company reflects badly on motivation

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

16. The employees' supervisor / manager accept their comments / suggestions

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

17. The department's supervisor / manager hold regular team meetings

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

18. The company holds monthly or yearly events

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

19. The supervisors / managers care for their employees as individuals

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

20. The employees receive training from the company on a regular basis

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

21. The employees know about the promotions, demotions and employee turnover within the company

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

22. Money is the primary motivator of employees at work

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

23. The employees have enough involvement in making decisions in the company

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

24. The employees are open and honest with each other

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

25. I am satisfied with the team spirit in the company

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

26. The company holds celebratory events for successes

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree