

UNIVERSITY OF KWAZULU-NATAL

**The Strategic use of Succession Planning as a tool to maintain Competitive
Advantage within the KwaZulu-Natal Non-Metro Areas:
A Standard Bank Business Banking Division Case Study**

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**A dissertation submitted in partial fulfillment of the requirements for the degree
of
Master of Business Administration**

**Graduate School of Business & Leadership
College of Law and Management Studies**

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2014

DECLARATION

I, Alsten Marigadu, declare that:

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Acknowledgments

I wish to express my sincere appreciation and gratitude to the following individuals, without whose assistance, this study would not have been possible:

- My wife, Nirusha, and son, Jaden, who provided me ongoing and unconditional love, support and patience during the study. They sacrificed much more than I did during this journey, and despite so, always provided me with the encouragement and motivation to persevere;
- My supervisor, Mr. Muhammad Hoque, who humbly shared his knowledge and wisdom with me. His support, guidance, diligence and insight were invaluable. His positivity and encouragement made the study stimulating and fulfilling. It was an absolute privilege having the opportunity to work with him.
- The Standard Bank of South Africa Limited, and in particular Mr. Derek Kimber and Mr. Ian Salvesen, who kindly allowed me to undertake the study at the institute. Their valuable time and assistance was deeply appreciated.
- The various Respondents who took the time to participate in the study.
- The staff of the University of KwaZulu-Natal, Graduate School of Business and Leadership, who provided me with assistance with the study.
- Finally, but most importantly, I would like to give thanks to God who gave me the strength and ability to conduct this study.

Abstract

Financial institutes throughout South Africa have faced several challenges over the past decade. Standard Bank, like other banking institutes, have been in fierce battles in the market taking into account the increase of quasi-financial institutes in the market. The Standard Bank Business Banking division has been a dominant player in the KwaZulu-Natal region. This has been especially evident in non-metro areas. Therefore, it was critical that management and the human resources department was able to identify the pertinent motivating factors which can be incorporated in the formulation of their succession plans, which could result in existing employees either remaining in or accepting key position in KwaZulu-Natal non-metro areas. In order identify the factors, a cross-sectional quantitative study was conducted among 125 employees using an online survey. It was found that there was a significant association between whether the respondent was already employed in a non-metro area and certain motivational factors i.e. an opportunity to gain experience / job enlargement, an opportunity for career growth / promotion and the one particular family friendly work-style and work-life balance factor (the proximity of hospitals). The results suggested that the motivational factors investigated in this study will unlikely motivate employees from metro areas to take up positions in non-metro areas, whereas the in the case of employees in non-metro areas, the factors which resulted in significant associations can be utilised as motivational factors.

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CHAPTER ONE

Introduction

1.1. Introduction

Financial institutes throughout South Africa are fighting a fierce battle to remain competitive and to continuously deliver acceptable financial performances year on year. This battle rages on regardless of challenges of the increase of quasi-financial institutes in the market, the invasion of foreign banks, and the devastating lagging effect of the 2008/2009 global financial crisis on the South African economy. Those banks which have been successful in particular areas of their business, seeks feverously to try to maintain the competitive advantages and to fend off competitors looking into breaking into their market space. The ability to maintain this competitive advantage is no easy task. The Standard Bank KwaZulu-Natal Business Banking division is one of the many South African banking divisions facing the challenging task of trying to maintain its competitive advantage, more specifically in the KwaZulu-Natal non-metro areas.

This chapter will provide an introduction for the study. Firstly, the problem statement for the study will be provided. Thereafter, the focus of the study will be explained. The research objectives and research questions will then be highlighted. The chapter will then conclude by discussing the limitations of the study.

1.2. Problem Statement of the Study

The KwaZulu-Natal Business Banking Division of The Standard Bank of South Africa Limited is the leading business banking financial services provider within the KwaZulu-Natal region. The division boasts approximately forty four percent market share in the region. One of the primary reasons for its dominance is the competitive advantage derived from its human capital. It stands to reason that if the division wishes to remain the market leader in these regions that it needs to ensure that it establishes effective succession strategies. This task become difficult considering an aging workforce, the lack of growth opportunities, the lure of big city life and the lack of infrastructure in non-metro areas. The challenge was therefore the ability to attract and motivate employees to accept key positions or remain in key positions in non-metro areas which encompasses the collaboration between the bank's senior management and human resources department by firstly determining whether the division can identify the factors that would motivate such behaviours in employees, and thereafter understand how the finding can be effectively implemented and incorporated into division's succession planning strategy. The failure to do so may result in ineffective strategies being formulated and unsustainable succession plans been implemented, where the division could see its competitive advantage in the non-metro areas being diminished.

1.3. Objectives of the Study

The objectives of the study were as follows:-

- (i) To identify the intrinsic factors that would attract and motivate employees to work in the KwaZulu-Natal non-metro areas within the Standard Bank Business Banking Division;

- (ii) To identify extrinsic factors that would attract and motivate employees to work in the KwaZulu-Natal non-metro areas within the Standard Bank Business Banking Division;
- (iii) To provide recommendations to management and the human resources department of Standard Bank on how to effectively utilise the identified intrinsic factors to improve the Bank's succession planning strategies to maintain the competitive advantage in the non-metro areas;
- (iv) To provide recommendations to management and the human resources department of Standard Bank on how to effectively utilise the identified extrinsic factors to improve the Bank's succession planning strategies to maintain the competitive advantage in the non-metro areas.

1.4. Research Questions

The research questions that needed to be answered were:-

- (i) What are the intrinsic factors that attract and motivate employees to work in the KwaZulu-Natal non-metro areas within the Standard Bank Business Banking Division?
- (ii) What are the extrinsic factors that attract and motivate employees to work in the KwaZulu-Natal non-metro areas within the Standard Bank Business Banking Division?
- (iii) How can management and the human resources department of Standard Bank effectively utilise the identified intrinsic factors to improve the Bank's succession planning strategies to maintain the competitive advantage in non-metro areas?

- (iv) How can management and the human resources department of Standard Bank effectively utilise the identified extrinsic factors to improve the Bank's succession planning strategies to maintain the competitive advantage in non-metro areas?

1.5. Focus of the Study

The focus of this research was to assist management and human resources in the development of an effective succession plan by identifying the factors that would motivate employees of the Standard Bank KwaZulu-Natal Business Banking division to accept and remain in positions within non-metro areas. These included intrinsic factors such as empowerment / job enlargement and career growth, and further, extrinsic factors such as the attitude and managerial styles of superiors, training and development programs, remuneration and rewards, and family friendly work styles and work-life balance. Thereafter, the research focussed on providing workable recommendations to management and the human resources department on how these factors can be effectively used to attract employees to non-metro areas.

1.6. Limitations of the Study

Every research study will have certain limitations which a researcher must deal with and in certain cases must accept. The limitations of this study were as follows:-

- a) Given the particular population that was targeted, these individuals have limited time in their schedule of which to dedicate to answering a questionnaire; and
- b) A study of this nature sometimes reveals insightful responses when a qualitative method is used, however in this case it was not possible given

the various locations where the respondents were based and the size of the sample.

1.7. Summary

The challenge faced by the Standard Bank KwaZulu-Natal Business Banking division is not a unique one amongst financial institutes in South Africa. A number of circumstances have contributed to the situation. These include the introduction of quasi-financial institutes into the market, the invasion of foreign banks into the market and the lagging effect of the 2008/2009 financial crisis on the economy. As such the division needs to pursue all options to try to maintain any form of competitive advantage which it may have.

Being a dominant player in KwaZulu-Natal non-metro regions due to its competitive advantage achieved by its human capital, the division has the ability to use succession planning as a strategic tool to maintain its competitive advantage in the non-metro areas. In order to do this, the division would need to ensure that it can identify the critical motivating factors which would motivate existing employees to take up critical posts in non-metro areas. This task is difficult considering an aging workforce, the lack of growth opportunities, the attraction of big city life and the lack of infrastructure in non-metro areas.

Taking into account the problem which Standard Bank Business Banking faces it was interesting to see what literature stated on the topic. This will be discussed in the next chapter.

CHAPTER TWO

Literature Review

2.1. Introduction

In order to understand how the Standard Bank KwaZulu-Natal Business Banking division can use succession planning as a strategic tool to maintain competitive advantage in the non-metro areas, the two main areas of strategy and succession planning needs to be investigated. There is no shortage of literature dealing with the aspects of strategy and succession planning. In recent years, there has been a vast emergence of research and literature linking the two aspects. This chapter will provide a comprehensive literature review on the research topic which deals specifically with the relationship between strategy and succession planning.

The chapter will begin by providing a discussion on the formulation of strategies in general. In this regard, an overview of the strategy of Standard Bank will be provided. Thereafter, the intricate relationship between business strategy and competitive advantage will be highlighted, in particular to the business strategy formulated for the KwaZulu-Natal Business Banking division for non-metro areas. The chapter will then detail how Standard Bank can use succession planning as an effective tool in maintaining competitive advantage within the KwaZulu-Natal non-metro areas. Motivational theories have converged into the establishment of succession plans, and as such, it will be necessary to detail the various traditional and contemporary motivational theories that have emerged over the past decades. Lastly, the motivational factors which are relevant to the context of this research study are distinguished so that these particular factors could be in the research questionnaire development. First, let's begin by generally discussing the formulation of strategies.

2.2. Strategy Formulation

Strategy is defined as the “formulation of organizational missions, goals and objectives, as well as action plans for achievement that explicitly recognize the competition and the impact of outside environmental forces” (Belcourt and McBey, 2007). Mintzberg has provided a framework which assists in understanding strategy formulation. The approach encompasses the five Ps of strategy:

- Planning: which is described as an intended course of action that an organization has chosen to deal with its position and situation within the market place;
- Purpose: is a “consistent stream of actions that sometimes are a result of a deliberate plan and sometimes result of emergent actions based on reactions to environmental changes or shifting of assumptions” (Belcourt and McBey, 2007);
- Ploy: this is regarded as the tactical manoeuvre within a short time horizon;
- Position: this deals with the position of the organization relative to other players in the market taking into account the environmental factors;
- Perspective: Schuler and MacMillan (1984) describe this as the “gestalt or personality of the organization”.

An organization will find that there are several benefits for the formulation of a strategy. Firstly, strategy provides clarity i.e. it assists the organization to focus and guides the decision making process about resource allocations and acquisitions. Strategy also provides for coordination within the organisation. Everyone, management and subordinates alike, strive towards similar goals developed in the organisation’s strategy. And lastly, but by no means of lesser importance, strategy

provides for essential guidelines for linking of incentives and rewards systems to strategic goals of the organisation.

In the formulation of a strategy, it is vital to understand what level of strategy is particularly being crafted. Therefore, a critical understanding of the hierarchy of strategies is needed.

2.2.1. The Hierarchy of Strategies

In no way can strategies be viewed as idiosyncratic. Strategies are actually unique and can in occasions drastically differ from organization to organisation. Even within the same organization, different levels of strategies needs to be distinguished from each other as illustrated in Figure 2.1.

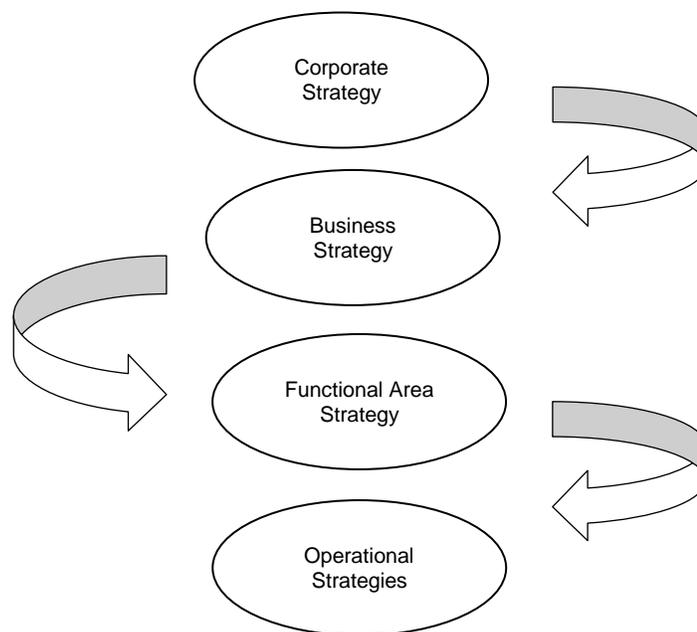


Figure 2.1 Levels of Organisational Strategy

Adapted from Thompson, A. A., Strickland, A. J. and Gamble, J. E. 2005. **Crafting and Executing Strategy, The Quest for Competitive Advantage**. New York: McGraw-Hill Irwin. p35.

The different levels of strategies vastly differ in terms of concentration areas and focused objectives.

- Corporate strategies deal with the company's holistic game plan for managing a set of business or divisions. Belcourt and McBey (2007) define corporate strategy as "organizational-level decisions that focus on long-term survival".
- Business strategies are developed for each business that organization has diversified into. The core function of a business strategy revolves around the strengthening of market position and the building of competitive advantage. It incorporates plans to build competitive capabilities.
- Functional area strategies are aimed for each business unit. It primarily deals with the particular activities that support the overall business.
- Operational strategies add details and completeness to lower-echelon activities.

For the purposes of this study, the research focuses particularly on the business strategy of the KwaZulu-Natal Business Banking division. Therefore, only brief overview of the Standard Bank corporate strategy is provided. Thereafter, a more detailed discussion on the relevant business strategy of the KwaZulu-Natal Business Banking division is provided, and in particular, linking the business strategy to the development of competitive advantage.

2.2.2. An Overview of the Standard Bank Corporate Strategy

The global banking industry has experienced extreme challenges due to the 2008 global financial crisis. South African banks have not been immune to these challenges although they have largely shielded by the proactive adoption of legislation such as the Anti-money Laundering Laws, and the National Credit Act. Most of the effects arose mainly due to progression of globalisation. Eventually, when the South African economy started to find its feet again, South Africa began to be plagued by macroeconomic threats from labour unrest within its borders and from the Eurozone financial crisis (Price Waterhouse Coopers, 2013). As such the South African banks have had to react by either altering or, in some cases, completely re-engineering it's corporate and business strategies to ensure that they remain competitive in the marketplace.

Standard Bank's current strategy is stated as follows:

"We aim to build the leading African financial services organization using all our competitive advantages to the full.

- Our heritage and footprint put us in a strong position to capitalise on the Africa opportunity.
- Our strategic relationship with ICBC, the largest bank in the world, provides us with exceptional partnership opportunities to capitalise on the growing business, finance and trade flows between Africa and China.

We will focus on delivering superior sustainable shareholder value by serving the needs of our customers through first-class, on-the-ground operations in chosen countries in Africa. We will also connect other selected emerging markets to Africa and to each other, applying our sector expertise, particularly in natural resources, globally.

- We understand our customers and clients' needs and our African strategy is in line with many of their growth aspirations.

- We have a successful track record in building businesses across sub-Saharan Africa.
- As an African bank we have deep experience in natural resources.
- We have experience in providing financial services to previously unbanked customers.
- We are dedicated to achieving exceptional customer service and operational excellence.

Our key differentiator is our people who are passionate about our strategy, wherever in the world they are based.

- We employ people who are excited about Africa and its prospects.
- We have a unified, experienced leadership team, committed to executing our strategy.” (Standard Bank, 2014).

Standard Bank has declared that the corporate strategic objectives would be achieved via the bank’s strategic intent. Strategic intent is “when a company relentlessly pursues an ambitious strategic objective, concentrating the full force of its resources and competitive actions on achieving that objective” (Hough *et al.*, 2011). The equivalent to the concept of strategic intent from a Standard Bank perspective is what the bank refers to as its strategic deliverables. The bank has listed the deliverable as below:

“Grow, develop and recognise our people.

- Ensure our Values live and grow within the organisation.
- Promote a nimble and proactive approach to our customers.
- Deliver superior returns and sustainable growth for shareholders.
- Ensure that the three core business units work together and maximise on the synergies.
- We've got to build a strong and unified brand.
- Deploy our scarce capital appropriately.

- Constantly balance risk and return and also ensure appropriate corporate governance.” (Standard Bank, 2014).

A key item that emerges from the corporate strategy and the strategic intent is the concepts of competitive advantage and the deploying of scarce capital, in this case human capital. To better understand these key items let’s now discuss the business strategy of the Standard Bank KwaZulu-Natal Business Banking division and importance of the division establishing competitive advantage.

2.3. Business Strategy and the importance of Competitive Advantage

Business strategy is defined as an organisation’s plan to establish a competitive focus or advantage in one division of the organization (Belcourt and McBey, 2007). Business strategy is therefore directed towards a particular part of the organization, and its development of a strong competitive sectorial position than competitors.

The ability of a business to create a stronger competitive position lies in the creation of a value proposition to its customers. Value proposition “is a statement of fundamental benefits of products and services being offered in the market” (Belcourt and McBey, 2007). Academics and managers have for many decades understand what are the factors that create a sustainable value proposition for customers (Barney and Wright, 1997). Porter (1985) has perhaps made the most recognized contribution to the study of competitive strategies by creating the five generic strategies that explains on how business can create a value proposition and competitive position. Figure 2.2 illustrates Porter’s five generic strategies.

Types of Competitive Positioning

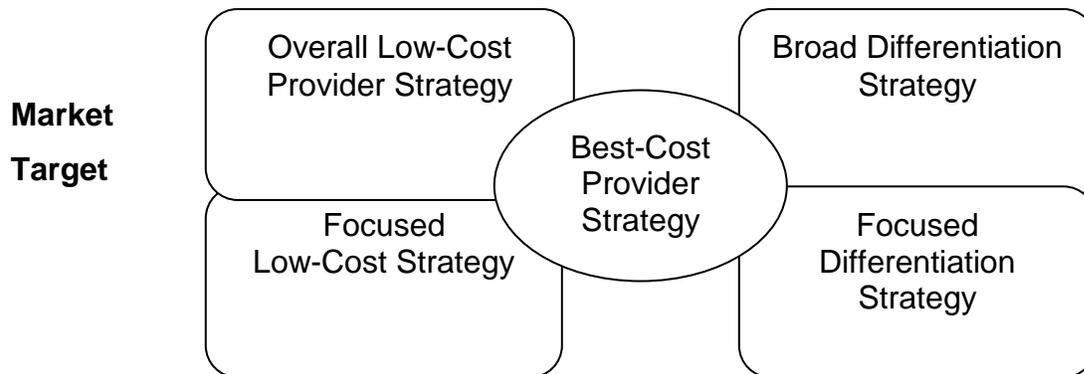


Figure 2.2. The Five Generic Strategies

Adapted from Hough, J., Thompson, A. A., Strickland, A. J., and Gamble, J. E., 2011. **Crafting and Executing Strategy: Creating sustainable high performance in South African businesses.** McGraw-Hill. 2nd Ed. New York.

- Overall low-cost provider strategy – is when an organisation focuses on providing lower cost services or products than its competitors in the market, and to a broad spectrum of customers;
- Focused low-cost strategy – is when an organisation focuses on providing low cost services or products than its competitors in the market place, but to a more focused or niche market;
- Broad differentiation strategy – is when an organisation focuses on providing a differentiation of services or products than that which is offered by competitors in the marketplace, and to a broad spectrum of customers;
- Focus differentiation strategy – is when an organisation focuses on providing a differentiation of services or services than that which is provided by competitors in the marketplace, but to a focused or niche market;

- Best-cost provider strategy – is when an organisation focuses on providing a customer with overall better value for money service or product.

Once a business adopts a specific business strategy for competitive positioning, the business must create a competitive advantage. Competitive advantage is “the characteristics of a firm that enable it to earn higher rates of profits than its competitors” (Belcourt and McBey, 2007). Porter (1985) adds that “competitive advantage grows out of value a firm is able to create for its buyers that exceeds the firm's cost of creating it”. Value is described as what customers are willing to pay or forego, and when superior value emerges from offering much lower prices or offerings than competitors for equivalent benefits or unique benefits that more than offset a higher price which you may charge.

The ability to create value and a competitive advantage are in most cases derived from resources within the organization itself (Lockwood, 2006 and 2007; Trawneh and Al-Rfou, 2010). These resources comprise of the following:

- Tangible assets: examples of these types of assets are cash, building, infrastructure, raw materials, and equipment. These are assets that are generally capable of being easily valued.
- Intangible assets: examples of these are patents, brands, intellectual property, reputation, and good-will. This type of asset is not easily valued.
- Capabilities: examples of these are the employees of the business, specialized skills, managerial strength, creativity, innovation, and culture (Barney and Wright, 1997). Belcourt and McBey (2007) describe these capabilities as “a complex combination of people and processes that represent the firm’s capacity to deploy resources that have been purposely integrated to achieve a desired end state”.

In order for the above resources to be regarded as a competitive advantage, the resource must not be capable of being easily replicated. Therefore the resource must be rare, not easily substitutable, or costly to imitate (Grant, 2001; Madu, 2011).

Barney and Wright, (1997) points out that rare or valuable characteristics of an organisation's human resource can provide above normal or increased profits in the short term. However, if other organisations have the ability to imitate these characteristics, then over time the characteristics will provide no more parity. Therefore, the management of businesses must attempt to nurture and develop the characteristics in the organisation's human resource that cannot be easily imitated by rivals. In this way, employees are seen as unique leverages within internal capabilities and there is a shift from value appropriation to value creation (Wright et al, 1993; Bartlett and Ghoshal, 2002; Hall and Hagen, 2014).

It has become more evident that the domination of natural and financial resources are being redirected at strategies toward the domination of human resources (Durkovic, 2009; Trawneh and Al-Rfou, 2010). In the case where a business relies on maintaining competitive advantage through employees, the formulation of a unique succession plan is therefore a vital aspect that contributes to the organisation's competitiveness. Let's now understand how succession planning can be utilised as an effective strategic tool in maintaining competitive advantage.

2.4. Succession Planning as an Effective Strategic Tool in maintaining Competitive Advantage

While the traditional approach to human resources is characterised by insufficient correlation with the enterprise's planned goals, knowing the economic or monetary value of the organisation's human resource has, in this modern era, become a necessary precondition before any management team can develop any sustainable business strategy (Barney and Wright, 1997; Durkovic, 2009; Cross 2009). Bartlett and Ghoshal (2002) propose that human, and not financial, capital must be the ongoing foundation and initial starting point of a successful strategy. Unfortunately, the retirement of the baby boomer generation and technical staff shortages are just two of the many human resource challenges that organisations face (Becker and

Pritchard, 2009). It has therefore been pointed out that senior managers has been left “grasping for air at the breadth and rapidity of change during the past decades” especially due to the “war for talent” in a highly competitive environment (Bartlett and Ghoshal (2002). There is presently fierce competition in the global market place to secure competent and skilled human resources / capital (Yamamoto, 2011). Globally, the retention of skilled employees remains a concern to most organisations (Crowell, 2007; Iheriohanma and Nwokocha, 2012).

The success and sustainability of an organization significantly depends on the manner in which management is capable of managing its human capital (Grant, 2001; Durkovic, 2009). Organisations must therefore maximize the use of the employee’s actual and potential skills (Yperen and Hagedoorn, 2003). An organisation must also accept that in order to attract and thereafter retain qualified and competent employees, management need to create work conditions that sustain and promote employee motivation and a sense of well-being (Fernet et al, 2012). (Belcourt and McBey (2007) emphasizes that businesses must be proactive and be prepared for expected and unexpected turnover of key employees due to death, retirement and quitting. The succession planning process will therefore support business goals towards profitability, and while this was in the past a “foreign goal to HR managers”, contemporary practice has witnessed a deviation from this norm (Barney and Wright, 1997; Grant, 2001).

Succession planning refers to “the process of ensuring that pools of skilled employees are trained and available to meet strategic objectives of the organization” (Belcourt and McBey, 2007). George (2013) cites Rothwell (2011) by providing a definition of the term succession planning “as a deliberate and systematic effort by an organization to ensure leadership continuity in key positions, retain and develop intellectual knowledge capital for future, and encourage individual enhancement”. From these definitions, it is clear that succession planning must be aligned to the strategic objectives of the business, which does not only focus on leadership roles but

includes other key roles that contribute to the organisation's profitability and sustainability (Kleinsorge, 2010; Larson and Carol, 2011).

George (2013) explains that there are essential major steps that go into succession planning. These include the identification of high-potential and suitable candidates, defining of knowledge, skills and abilities of a capable replacement or successor, assessing of candidates strengths and weaknesses, the identification of appropriate development opportunities, and the continuous monitoring, support and evaluation of the progress of employees (Greer and Virick, 2008; George 2013). Where a business's competitive advantage is linked to the ability to attract and retain key employees, the formulation of an effective succession plan becomes pivotal to the sustainability of the business (Barney and Wright, 1997; McGee et al, 2011; Myers, 2014).

In a modern era it has been noted that the formulation of an effective succession plan is no easy task. Management and human resources has to factor the variables that contribute to a succession plan. Perhaps, one of the most pivotal factors that must not be ignored is the aspect of motivation and its impact on employees. A proper understanding of the motivating factors and how they influence or impact on employees is therefore required.

2.5. The Convergence of Motivational Theories into Succession Planning Formulation

Managers of today must aggressively compete not just for product markets or technical expertise, but for the hearts and minds of talented and capable people (Bartlett and Ghoshal, 2002). As such, organisations are only as good and successful as to the extent of goodness and success of its employees (Durkovic, 2009). Most managers recognize that motivated, skilled and competent employees are central and vital to the organisation's operations that wish to succeed and excel in the new era

(Bartlett and Ghoshal, 2002). Employees that are more engaged and motivated contribute immensely to the organisation's success (Wiley, 2012a).

Motivation is defined as “a set of energetic forces that originates both within and well as beyond an individual's being, to initiate work-related behavior, and to determine its form, direction, intensity, and duration” (Meyer et al, 2004). Therefore, motivation is a key determinant of general behavior (Lin, 2006). The utilization of motivational theories can contribute significantly to the formulation of an effective succession plan. Motivational theories offers solutions to business on aspects of attracting, retaining and satisfying employees (Ramlall, 2004).

Since succession planning has the ability to be utilized as an effective tool to maintain competitive advantage, the formulation of such succession plan cannot be left to chance (Trawneh and Al-Rfou, 2010). Organisations need to ensure that management and human resources personnel are up to speed with the latest developments, especially in the area of employee motivation, since it is a key aspect that contributes to the success and sustainability of an organisation. Therefore, businesses need to ensure that they invest into research in the development of a succession plan just as they would to the development of a new product, in some cases, perhaps even more so (Rice, 2011). A detailed discussion on some of the motivational theories that have emerged over the past decades will now follow. This will assist in understanding how motivational theories can contribute to formulation of a succession plan of an organization.

2.5.1. Traditional Motivational Theories

2.5.1.1. Maslow's Hierarchy of Needs

In 1943, Maslow published a paper which “is one intuitively appealing theory” dealing with a hierarchy of needs (Grobler and Warnich, 2006). Kinicki and Kreitner (2009)

points out that “although the theory was based on his clinical observation of a few neurotic individuals, it has subsequently been used to explain the entire spectrum of human behavior”. The theory proposes that “people are motivated to fulfil each of these needs in a series of sequential steps whereby higher needs become dominant as lower ones become satisfied” (Woods and West, 2010). Figure 2.3 illustrates the hierarchy of needs.

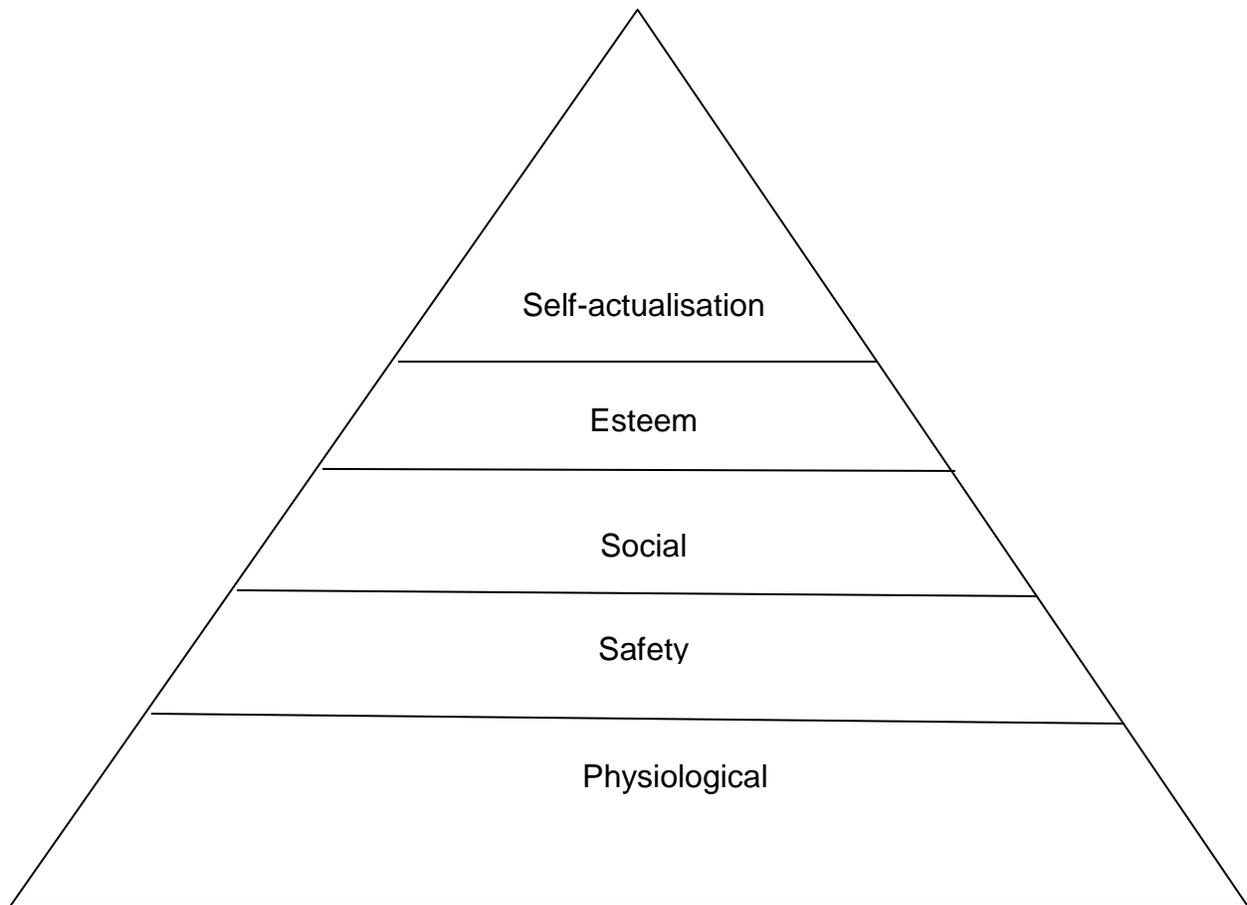


Figure 2.3. Maslow's Hierarchy of Needs

Adapted from Woods, S. A. and West, M. A. 2010. **The psychology of work and organisations.** United Kingdom. Seng Lee Press. p148.

When applying these five needs to an individual and his or her relationship with the employer, it may be summarized as follows:

- Physiological / Physical needs: these are the very basic needs that individuals would need to satisfy in order to survive or exist. Examples of these needs are thirst, hunger, shelter and other physiological needs. From an employment perspective, it includes the furnishing of a pleasant and comfortable environment, ample leisure, and a comfortable salary (Grobler and Warnich, 2006).
- Safety / Security needs: the safety factors deals with the need for stability, security, freedom from physiological and physical fear and harm. At the place of employment it would deal with just supportive fringe benefits, minimal threatening behavior, well-defined job descriptions, minimal risk-taking requirements, and protective rules and regulations.
- Social needs: Maslow described these needs as those that support affiliation and relationships. These encourage team work, group's tasks, closer relationships with management, and team based remuneration (Grobler and Warnich, 2006).
- Self-esteem needs: Woods and West (2010) explain that this particular set of needs is divided into two subsets. Firstly, it refers to striving for personal accomplishment and competence and the need for mastery of tasks. Secondly, it would encapsulate needs for prestige and reputation, in other words, the esteem of others. These needs are aimed at measures in the workplace which allows employees the opportunity to display skills and talents, receive recognition and advancement, inclusion of employee in decision making and goal setting processes, and attention to office size, office location, etc. (Grobler and Warnich, 2006).
- Self-actualisation needs: the concluding set of needs which comes from the humanistic tradition, are characteristics that are commonly used in many

theories (Woods and West, 2010). Woods and West (2010) explains further that these needs represent the need to self-actualise, which drives individuals to reach a level where they have become all that they want to be. From an employment perspective, it would include factors such as the inclusion in leadership roles, rewards for exceptional performance, the inclusion in decision making and goal setting process, direct access to important customers, job rotation to broaden exposure and career development processes.

Maslow's Theory of Needs has beneficial implications for managers. It provides insight to managers on how to devise practices, procedures or programs aimed at targeting and satisfying emerging of unmet needs of individuals (Ramlall, 2004). Ramlall (2004) states further that it is the manager's responsibility to create an environment whereby the employee can work to his or her full potential.

2.5.1.2. Adlerfer's Existence, Relatedness and Growth (ERG) Theory

Adler's ERG Theory has similar characteristics to Maslow's Hierarchy of Needs theory. The theory emphasizes the need for Existence, Relatedness and Growth (Grobler and Warnich, 2006). The existence needs "include aspects similar to physiological and safety needs proposed in Maslow's theory of needs" (Woods and West, 2010). Relatedness needs are directly linked to the social needs and esteem of others. And, the growth needs refer to the needs for self-esteem and self-actualization (Woods and West, 2010).

The difference between Adlerfer's ERG Theory and Maslow's Theory is the removal of the hierarchal structures (Woods and West. 2010). Rather, Adlerfer proposes that individuals are motivated by all of the needs simultaneously, but to varying degrees at different given times. Grobler and Warnich (2006) explains that in the case where one of the needs is frustrated, the individual tends to concentrate on another. From an employment perspective, the implication for the management of a business is that the

employment relationship needs to include the satisfying of these needs in a steady manner (Woods and West, 2010). The theory falls short in providing meaningful and plausible explanations on items such as greed and petty demand (Grobler and Warnich, 2006).

2.5.1.3. McClelland's Achievement Motivational Theory

In the 1940's, while studying the relationship between needs and behavior, McClelland derived a theory based on the need to achieve, need to affiliate and need for power, which the author coined as the Achievement Motivational Theory (Grobler and Warnich, 2006).

The need to achieve suggests that individuals have the desire "to accomplish something difficult" (Kinicki and Kreitner, 2009). This is what is regarded as a compelling drive to succeed at personal goals and a sense of achievement (Ramlall, 2004). Employees would want to master tasks as independently and as expediently as possible. The employee constantly strives to attain high standards and overcome difficult obstacles. This drive results in the need to rival and surpass others (Kinicki and Kreitner, 2009). Grobler and Warnick (2006) points out that those individuals are often preoccupied with the focus on goals, tangible results and improving results. This often results in the lower levels of group orientation and team work.

The need for affiliation is prevalent in individuals that have a need to spend more time maintaining social relationships, need to be accepted and as a member of teams. This need motivates people to "make friends, to become members of groups and to associate with others. The focus is on human companionship, interpersonal relations and concern for others" (Grobler and Warnick, 2006). The implications of such individuals is that they tend to overthink relationships and constantly wants to be liked and accepted, and as such Kinicker and Kreitner (2009) suggest that such individuals would not necessarily make the most effective leaders or managers.

The need for power refers to “the desire to obtain and exercise control over others, resources and the environment” (Grobler and Warnick, 2006). Kinicker and Kreitner (2009) add that the need for power includes the desire to teach, influence, or encourage others to achieve. Individuals with a high need for power demonstrated a propensity for either totalitarian methods of control or more democratic methods. Such employees are concerned with self-respect and discipline. Studies suggest that the negative face of power must also be considered (Kinicker and Kreitner, 2009). It is claimed that the need for power has also the potential to corrupt.

2.5.1.4. Locke’s Goal-Setting Theory

Locke’s Goal-Setting Theory “has had a substantial impact in the field of work motivation” (Deci, 2005). The Goal-Setting Theory, more commonly known as management by objectives, proposes that motivation and job performance can be elevated when employees are given clear and defined goals or objectives rather than vague goals or objectives (Grobler and Warnich, 2006). In turn, there is need for a clear link between performance and rewards. The goal-setting theory supports that “systematic process whereby the managers and subordinates discuss and agree on a set of jointly determined goals” (Grobler and Warnich, 2006). The manager must thereafter be able to create measurable systems to gauge the performance of the individual periodically, which enables the subordinate to take whatever correction action is needed to achieve the targets.

2.5.1.5. Herzberg’s Two-Factor Theory

Herzberg’s Two-Factor Theory has been regarded as a landmark study, which focused on motivational and job satisfaction factors, when interviewing 203 accountants and engineers (Kinicker and Kreitner, 2009). While Maslow and Alderfer

described “how people are motivated by the inner fulfilment of needs through situation and life experiences, a different emphasis was adopted in Herzberg’s Two-Factor Theory” (Woods and West, 2010). Herzberg investigated the factors and items that would lead to employees gaining a positive perception and feel about their work.

The analysis of the findings found there were two glaring groupings of factors. Herzberg termed these “as hygiene factors and motivators respectively, although they have also been termed extrinsic and intrinsic motivators” (Woods and West, 2010). Table 2.1 list the factors that emerged from the study.

Hygiene Factors	Motivators
Salary Increase / Benefits Better supervision / Managerial Styles Good working conditions Job security Consistent management policies and practices	Achievement Job Enlargement / Responsibility Career Growth Work itself Recognition

Table 2.1. Hertzberg’s Hygiene Factors and Motivators

Adapted from Kinicker, A. and Kreitner, R. 2009. **Organisational Behaviour**. New York: McGraw-Hill Irwin. p159.

The implications of Herzberg’s Two-Factor Theory at the workplace are that management needs to ascertain what are the hygiene factors and motivators that motivate their subordinates (Ramlall, 2004). Woods and West (2010) point out that the “removal of job characteristics that are dissatisfying only serves to reduce dissatisfaction in Herzberg’s theory. Such measures do not promote satisfaction or enhance motivation. To do this, businesses need to provide opportunities for intrinsically rewarding experience at work by providing factors such as promotion

opportunities, interesting work tasks, and decision-making latitude, autonomy and responsibility” (Woods and West, 2010).

Grobler and Warnich (2006) warn that in respect to hygiene factors, the more resources that are put into hygiene motivation, the higher resources will be required in future. Therefore, an ideal position would be to have a combination of both hygiene and motivators to satisfy and motivate employees. As such, there has been much debate and criticism of Herzberg’s theory. Many questions have emerged “regarding the theory’s methodology, as well about the confusing relationship between satisfaction and motivation” (Grobler and Warnich, 2006).

2.5.2. Contemporary Theories of Motivation

2.5.2.1. Thomas’s Intrinsic Motivation Model

Thomas Model of Intrinsic Motivation is one of the more recent theories on motivation. The model was developed by integrating research on empowerment with components of cognitive evaluation theories (Kinicker and Kreitner, 2009). The Thomas model, as illustrated below, provides for the key intrinsic rewards underlying a person’s motivational needs.

	<i>Opportunity Rewards</i>	<i>Accomplishment Rewards</i>
<i>From task activities</i>	Sense of choice	Sense of competence
<i>From task purpose</i>	Sense of meaningfulness	Sense of progress

Table 2.2. The Model of Intrinsic Motivation

Adapted from Woods, S. A. and West, M. A. 2010. **The psychology of work and organisations.** United Kingdom. Seng Lee Press. p156.

When looking across the rows from Table 2.2, rewards of meaningfulness and progress are derived from the purpose of completing various tasks, while the sense of competence come from the specific tasks one completes. When looking down the columns, the sense of choice and meaningfulness are related to the opportunity to use an individual’s own judgment and to pursue meaningful and worthwhile purpose (Kinicker and Kreitner, 2009). Kinicker and Kreitner (2009) explain further that in contrast “accomplishment rewards – sense of competence and progress – are derived from the extent to which individuals feel competent in completing tasks and successful in attaining their original task purpose, respectively”.

Sense of meaningfulness is the feeling that is achieved when you are given the opportunity to pursue a meaningful task. It is supported by the feeling that the goal you pursue and path that you are following is worth the energy and time being invested. It

is mission and purpose driven. The reasoning behind the concept is that every person has the desire to do meaningful work, which ultimately makes a difference.

A sense of choice is the feeling that is achieved when you deal with “select task activities that makes sense to you and to perform them in ways that seem appropriate” (Kinicker and Kreitner, 2009). The individual is given the freedom to choose and utilize his/her own judgment when dealing with tasks. The underlying concept emerges from the need for autonomy and empowerment.

A sense of competence is the feeling of accomplishment that is felt when you have skillfully performed a task or activities of your choice (Kinicker and Kreitner, 2009). There is a direct correlation of the sense of competence to the level of difficulty/challenge of the task. Kinicker and Kreitner (2009) argue that generally employees would have a greater sense of competence when they have achieved or completed more challenging task or activity.

A sense of progress is the sense of accomplishment that you feel in achieving task which has purpose and in accomplishment you have progressed forward (Kinicker and Kreitner, 2009). The sense of progress promotes intrinsic motivation because it is based on the foundations of an employee’s feelings around spending time efficiently. Kinicker and Kreitner (2009) states that a low sense of progress actually discourages employees and can lower enthusiasm and motivation.

2.5.2.2. Adam’s Equity Theory of Motivation

The Equity Theory is mainly derived from Festinger’s Cognitive-Dissonance Theory in the 1950’s (Kinicker and Kreitner, 2009). The equity theory “posits that people decide on how fairly they are being treated by examining their inputs and outputs, and then comparing them with others at work” (Woods and West, 2010). Therefore, the theory suggests that individuals are not only concerned with the remuneration or rewards

that they receive, but also that of their peers (Ramlall, 2004). Figure 2.3 illustrates the equity equation.

$\frac{\text{Outcomes Self}}{\text{Inputs Self}} = \frac{\text{Outcomes Others}}{\text{Inputs Others}}$	Equity
$\frac{\text{Outcomes Self}}{\text{Inputs Self}} < \frac{\text{Outcomes Others}}{\text{Inputs Others}}$	Inequality due to Under-reward
$\frac{\text{Outcomes Self}}{\text{Inputs Self}} > \frac{\text{Outcomes Others}}{\text{Inputs Others}}$	Inequality due to Over-reward

Table 2.3. The Equity Equation

Adapted from Woods, S. A. and West, M. A. 2010. **The psychology of work and organisations.** United Kingdom. Seng Lee Press. p160.

Adam's points out that there are two primary parts involved in the employee-employer relationship, which are inputs and, on the other end are outcomes (Kinicker and Kreitner, 2009). An employee's input, for which the employee expects a fair return, include several factors such as personality traits, creativity, skills, age, seniority, education/training, personal appearance and effort expended. In regards to the outcomes side of the equation, the employer provides pay, bonuses, promotions, recognition, status symbols, fringe benefits, security, challenging work. Woods and West (2010) explains that employees would feel equality if they perceive that their input and outcome ratio is equivalent to other employees. Further, if employees tend to perceive inequality within the workplace, employee tension increases in feeling of guilt over-reward and anger in the case of under-reward.

2.5.2.3. Vroom's Expectancy Theory

Vroom's Expectancy Theory holds that "people are motivated to behave in ways that produce desired combination of expected outcomes" (Kinickier and Kreitner, 2009). Like the Equity Theory, perception emerges as a key role in Expectancy Theory since there is high emphasis in cognitive ability to anticipate likely consequences of behaviours and actions.

Kinickier and Kreitner (2009) provide an apt summary of the Expectancy Theory. It is stated that "the strength of tendency to act in a certain way depends on the strength of an expectancy that the act will be followed by a given consequence (or outcome) and on the value or attractiveness of that consequence (or outcome)". Therefore, the ability to get an employee to act in a specific manner or achieve certain tasks cannot be separated from the underlying expectancy of the employee (Ramlall, 2004). It is key for management to understand what the expectations of the employee are and strive to meet such expectation in order to achieve the desired outcome.

The implications for managers are that the organization needs to reward the employees to achieve the desired outcome, of which remuneration system needs to be transparent to all employees. Management needs to create challenging jobs. Employers need to constantly monitor the perceptions of employees through surveys and questionnaires (George, 2013). Managers also need to build flexibility into rewards systems to meet perceptions.

2.5.2.4. Self-Determination Theory

The Self-Determination Theory proposes that the various types of motivation underlie an individual's motivation (Guay et al, 2000). These types of motivation are posited to differ in their inherent levels of self-determination. Self-determination involves a pure sense of freedom and choice i.e. a sense of freedom or choice in doing what the

individual has chosen to so. Based on the continuum from higher to lower levels of self-determination, these motivations include intrinsic motivation, extrinsic motivation and amotivation. Deci (2000a and 2000b) describes amotivation as when individuals lack of contingency between behaviours and outcomes. These types of individuals are least self-determined because there is no expectations of reward or sense of purpose or the unlikely change of situation or events. It is summarized as a sense of helplessness.

According to the Self-Determination Theory, the three different types of motivation have different outcomes. Highest on the levels is the intrinsic factors which have the most positive outcomes. In contrast the lowest is amotivation, which has the most negative outcomes.

2.5.2.5. Motivating Crowding Out Theory

Frey and Jengen (2000) provides an apt explanation of the Crowding Out Theory. It is suggested that external intervention of motivation tend to undermine the effects of intrinsic motivation. The idea that extrinsic motivation may crowd out intrinsic motivation comes from a psychological school of thought (Frey, 2012). There has been added influence from economic literature on the topic (Promberger and Marteau, 2013). The concern with this theory is that there is very little empirical evidence and as such has not gained the support of much scholars. Further, due to the fact that economic literature far outweighs psychological research, the existing empirical evidence leans greatly to aspects of rewards (Promberger and Marteau, 2013).

2.6. The integration of Motivation Theories into a Succession Plan

Woods and West (2010) points out that “one of the barriers to applying theories of motivation in practice is a sense of which one to apply and when”. With each theory having its own implications, it is suggested that the organization integrate the relevant theories so that management’s interventions are correctly applied. This can prove to be of great importance, especially if the integration of such theories into a succession plan can be difference between a business maintaining and losing its competitive advantage.

Therefore, an integrated approach was utilised to identify the factors that have emerged from the various motivation theories, and thereafter isolate those distinctive factors that would be of relevance for this research paper. Let’s discuss what those factors are.

2.7. Intrinsic versus Extrinsic Factors

Motivation is viewed as a multidimensional construct (Cho and Perry, 2011). Perhaps one of the well-established and common ways of categorising motivation, is into intrinsic and extrinsic factors (Kreps, 1997; Lin, 2013).

The former are factors that are evident from the work, while the latter comes from the expectation of external rewards and remuneration. Cho and Perry (2011) explains this more concisely. It is stated that “individuals are intrinsically motivated when they seek enjoyment, interest, satisfactory of curiosity, self-expression, or personal challenge in the work. Individuals are extrinsically motivated when they engage in the work in order to obtain some goal that is apart from the work itself”. Deci (2005) explains that intrinsic work motivation involves individuals doing an activity / work because they find it interesting and derive spontaneous satisfaction from the activity / work itself. The concept of intrinsic motivation describes the inclination toward mastery, assimilation,

spontaneous interest and exploration that is so essential to cognitive and social development and that represents a principal source of enjoyment and vitality throughout life (Deci, 2000a; Zhang and Bartol, 2010). Intrinsic motivation is suggested to increase risk taking and creativity (Dewett, 2007). Frey (2000) cautions that there are certain disadvantages to intrinsic motivation. This relates to areas where the intrinsic motivators are beneficial or is too costly to the organization.

Extrinsic motivation, in contrast, requires an instrumentality between the activity and some separable consequences such as verbal rewards or the receipt of tangibles (Kurtz et al, 2004). Therefore satisfaction is derived not from the work or activity itself but rather from the extrinsic consequences to which the activity leads (Deci, 2005).

The following distinct intrinsic and extrinsic factors have emerged from the literature will be of relevance to Standard Bank.

2.8. Intrinsic Factors

2.8.1. Empowerment / Job Enlargement

Ghosh (2013) explains that “employee empowerment is the process of shifting authority and responsibility to employees at lower level in the organizational hierarchy”. Employee empowerment enhances recognition and the status of the employee. For the satiation of psychological needs, employee empowerment provides a sense of authority, responsibility, challenges, fulfilment of status desire, elevation of positions and the drive to be promoted. Ghosh (2013) also argues that employee empowerment also creates employees that are more committed, loyal and competent. From an employer perspective, the empowering of employees assists in reducing the scope of work of managers, thereby freeing time for innovation and creativity while also assisting in alleviating stress and overwork. This can be achieved by job enlargement methods.

Horizontal enlargement “involves expanding jobs so they will include more activities and have task configurations that people take pride in, while vertical enlargement involves expanding jobs to include more planning, decision making, and problem solving (i.e. allowing people greater autonomy)” (Deci, 2005). Horizontally enlarged jobs, which contributes to research on employee engagement, give people a greater sense of the importance of their task or work because individual recognises how the various parts of the jobs amalgamate into a meaningful unit (Nadim, 2013). Vertical enlargement, links up with job autonomy, provides employees with a greater voice over what they are expected to do, and also affirms a sense of importance to their efforts (Kuvaas and Dysvik, 2010). Vertical enlargement is recognised as perhaps one of the most beneficial motivating factors of the modern workforce (Rice, 2011).

Standard Bank is a diverse organisation with various job descriptions. These structures offer opportunities to empowerment and job enlargement. However, due to the technical nature of certain positions it is not always easy to do. Management needs to consider the skills level of the individual, qualifications of individuals, legal requirements of the position, etc. Within the Standard Bank Business Banking division due to the levels of employees, job empowerment and job enlargement needs to often be coupled with training and development initiatives.

2.8.2. Career Growth

Career growth deals with the opportunities that the organisation presents and ability of an employee to move improve their position with the organisation. Career growth is considered an important factor to employee retention and employee motivation (Boyton, 2011; Fink, 2011; Afridi and Irshad, 2012). Career growth can also include certain aspects of the provision of training by the organisation. It can also include diversification of job roles which increases responsibility and inclusion in decision making (Reiche, 2008; Engelmeier, 2013). Deutsch (2007) encourages organisations

to provide prospects for “career advancement” as part of its employee motivation strategy. Singh and Dixit (2011) agree that should an employee believe that his current job lacks growth opportunities, that his/her employer would find it difficult to retain or motivate that employee.

One of Standard Bank’s eight values is to grow its people. Standard Bank prides itself in living to its values. As such, the KwaZulu-Natal Standard Bank Business Banking division follows suit by providing its employees with growth opportunities. The main aspect for growth within the division is the ability to get promotions and increase grade levels. The opportunity to grow within the department could prove to be a vital motivating factor to attract employees to non-metro areas.

2.9. Extrinsic Factors

2.9.1. Attitudes and Management Style of Superior

Iheriohanma and Nwokocha (2012) states that literature indicates that whenever an employee is not treated properly by his or direct manager that the employee is likely to be demotivated and thereafter leave the organisation. It is suggested further that this form of dissatisfaction is one of the most common reasons for high employee turnover within organisations (Strohmeier, 2013). Empirical research shows that the employee resignations tend to increase as dissatisfaction in management increases (Gberevbie, 2010). Many organisations focus on retention and motivation strategies that include training and development of employees, yet these efforts are sometimes misdirected in the case of mismanagement (Lengnick-Hall and Cardy, 2011). It is quite interesting to note that poor management amongst the top three reasons for high employer turnover (Gupta-Sunderji, 2004).

Cho and Perry (2011) explain that the association between managerial staff and subordinates can be leveraged upon as a source of motivation. Management should

have a “positive, supportive, facilitative, helping and motivating” management style to make employees feel that they work in “congenial, conducive and comfortable environment” (Ghosh, 2013). Accountable managers can also greatly contribute to motivation and retention of employees (Verdun, 2013). Employees want managers that are honest and transparent and who communicate openly and directly (Wiley, 2012b).

Management’s negative behavioural manifestations may lead to lack of motivation of employees (Devoe and Iyengar, 2004). It also negatively affects the sense of belongingness which reduces commitment and creativity, and goes as far as fending off new potential candidates. A controlling managerial style can have a detrimental effect on subordinate’s intrinsic motivation (Yperen and Hagedoorn, 2003). Mismanagements extends to lacks of communicate by HR (Koster, 2012).

Standard Bank promotes a managerial style that is meant to incorporate professionalism, accountability, approachability, motivating and positivity. In an organization that is large and diverse, it always cannot be guaranteed that each manager poses these attributes. In certain cases these managers have the potential of demotivating employees and this could negatively impact in attracting and retaining key employees.

2.9.2. Training and Development Programs

Training refers to the effort by an organization to promote learning among its employees (Nadim, 2013). Training is focus at short term programs. Development, on the other hand, is more inclined towards longer termed programs which incorporated the improving of employee’s skills for the future of the business.

Changes in the workplace and markets has supported advance human resource policies which proactively training and development of employees (Abrheim, 2013).

Training and development allows for employee self-confidence to perform the allocated tasks. Training and development also allows for the mastery of roles and potential future roles. Job training and development has a significant impact on motivation and the strategic impact on organizational success (Abrheim, 2013). Therefore, effective training processes are aimed at increasing the employee's capability for contributing to the attainment of the organisation's goals. Appropriate programs can also be designed to equip employees for mobility between units and geography. On the job training and learning is an age old concept, but has lost recent advancements due to the nature of diversifying of business into different geographies (Nadim, 2013). Due to the stated benefits of training and development organisations need to invest into training and development programs (Ongori, 2007; Docherty, 2010; Dunbar and Defillippo, 2013). This investment cannot be viewed as a normal cost of doing business (Deutsch, 2007).

Standard Bank invests heavily into the training and development of employees. This is based on the notion that Standard Bank recognizes it employees and key to their future success. The KwaZulu-Natal Standard Bank Business Banking division has been in the forefront in respect to introducing and driving the adoption of training and development programs. This has seen some key initiative come to fruition which could contribute to enticing existing employees to develop the confidence to take up positions within the non-metro areas.

2.9.3. Remuneration and Rewards

Earlier research on the relationship between remuneration / employee rewards and employee motivation was inconclusive. However, recent research have found that "one common cause of high employee turnover rates and low employee motivation is low pay and benefits packages" (Sinha and Shukla, 2013).

In the global market place there is one prevalent trend, unskilled labour costs remain low whereas organisations have to compete for professional, skilled and relatively expensive employees (Pritchard and Becker, 2009). The salary or pay offered to employees can serve as a valuable motivation tool, increase job involvement and satisfactory. Chaudhry et al. (2012) explains that salary or pay is a form of episodic compensation from an organization which is normally recorded in an employment contract. It is stated further that the “customary rational of not relating monetary reward with contentment is lessening. In fact, these days acquisitiveness and materialism is becoming a key factor of inspiring and motivating persons”. There is cumulative trend that shows that businesses is using salary enticement schemes in order to attract and retain employees. These include profit sharing, share incentives and similar schemes. It is vital to note that remuneration must be deemed to be fair and equitable for it to be a motivating factor and not have negative effects (Deci, 2005). This needs to be balanced out with a host of factors, from the nature timeframes involved to replace skills and the composition of the pool of talent to be retained (Gundy and Cianni, 2012). The appropriate level of employee remuneration and benefits has a direct positive correlation with the performance and efficiency of employees which in turn results in the increase of success of the organisation (Jehanzeb et al, 2012 and 2013).

While, there is research and theories dealing with the rationale of the negative effects of the use of remuneration as a motivating factor, we cannot ignore that this still remains a potent option (Tirole and Benabou, 2003). Research even goes further to suggest that managers should actually engage and include employees in rewards development (Wei et al, 2012).

Standard Bank reviews remuneration and rewards constantly. However, while it may be recognized that a certain level of remuneration or reward may be appropriate for a certain position, it must be noted that this cannot always be applied across all geographies. In some cases this added motivation factor could be the difference between an employee taking up or rejecting a position within a non-metro area.

Remuneration and rewards also often act as critical retention incentives in similar situations.

2.9.4. Family Friendly Work-Styles and Work-Life Balance

There has been a widespread acceptance with organisations around the world to introduce family friendly work-styles and to support the concept of work-life balance for their employees (Yamamoto, 2011). The adoption of these concepts enables employees to live fuller lives, which not only improved productivity but also motivation and retention of key employees, thus bring great merits to management for consideration. Even more so, family friendly work-styles and work-life balance has been become of extreme importance with the increase of females into key roles within organizations and the change in generations of the workforce.

The concepts family friendly work-styles and work-life balance has a direct link to employee benefits and the improvement of employee welfare (Yamamoto, 2011). These include benefits such as maternity leave, medical aid, housing allowances, pension funds, etc. Other benefits may include shorter work hours, flexible working hours, childcare leave, in-company nurseries, etc. However, a balanced between work and life goes beyond the mere benefits that can be provided by the employer. Employees needs for a balance lifestyle incorporates an acceptable proximity of the employees home, medical facilities, places of entertainment and schools to the workplace, thereby increasing convenience and ease of living conditions.

Standard Bank constantly aims to provide an environment that promotes a balanced lifestyle. This is not always easy to achieve within non-metro areas since most competent employees reside in metro areas and is accustomed to that metro lifestyle. Standard Bank therefore must identify what are the key factors that would prevent these employees from taking up non-metro areas. This will be an important outcome to achieving its strategic goals within non-metro areas.

Now that the relevant factors have been identified, it finally becomes necessary to understand which type of employees will be targeted in this research and why.

2.10. Internal versus External Candidates

For the purposes of this research, the researcher had to decide whether to focus on internal, external or both internal and external prospective candidates. Based on the literature on the topic, a decision was taken to focus primarily on internal candidates. There are various reasons why this is the case. These have been summarised below. In most cases, businesses prefer internal candidates due to the following advantages:

- The business have more information about internal candidates (Belcourt and McBey, 2007);
- When positions are filled internally, businesses do not have to spend time and money on orientating new employees to the business environment or policies and procedures (Grobler and Warnich, 2006; Belcourt and McBey, 2007);
- Recruitment and selection costs are generally lower (Belcourt and McBey, 2007). This adds directly to the business's bottom line profits (Grobler and Warnich, 2006);
- Emphasis on internal staffing is seen as contributory to employee satisfaction and commitment (Grobler and Warnich, 2006);
- Further, internal placements are faster when there is a limited talent pool (Greer and Virick, 2008).

Of course, one needs to also recognise that in certain cases, there are disadvantages to internal candidates:

- The external candidates some have better skills which could contribute to the business significantly (Belcourt and McBey, 2007);
- The external candidate has the ability to bring new fresh and creative knowledge into the organization (Belcourt and McBey, 2007).

In some instances, the business has no option but to source internal candidates since the talent pool in the specific area or industry is limited. When a business faces such a situation the business has to ensure that it develops an internal pool of employees to succeed outgoing employees. The use of motivation is a vital tool in attracting suitable candidates to pursue such positions.

2.11. Summary

The Standard Bank KwaZulu-Natal Business Banking division has the ability to utilise succession planning as a strategic tool to maintain its competitive advantage in non-metro areas. Standard Bank recognises that from a corporate and business level that one of the most valuable assets is its human capital. It is recognised further that there is a tremendous scarcity of skilled and competent employees. This is of more significance in the Kwazulu-Natal non-metro areas.

It is for this reason that the attracting and retaining of individuals to the non-metro areas remains its competitive advantage. Therefore, the formulation of an effective succession plan can be used as a strategic tool to remain the market leaders in non-metro areas. However, the formulation of an effective succession plan is no easy task. To do this management should have an in-depth knowledge of how to motivate

employees to want to move and remain in non-metro areas. This knowledge comes from the study of various traditional and contemporary motivational theories.

Motivational theories reveal several factors that can be used attract and retain employees. These factors can be generally categorized as either intrinsic or extrinsic motivational factors. Intrinsic factors include aspects such as empowerment, job enlargement, and career growth. Extrinsic factors, on the other hand, include aspects such as attitudes and management styles of superiors, training and development programs, remuneration and rewards, and family friendly work styles and work-life balance. These intrinsic and extrinsic factors must be used appropriated to target the proper population. In this case the population will be limited to internal employees only. Literature suggests that the advantages of targeting internal employees far outweigh external employees.

For Standard Bank, the critical questions were, firstly which are the distinct intrinsic or extrinsic motivating factors could be strategically used in its formulation of its succession plan to motivate its internal employees to accept and remain in positions in KwaZulu-Natal non-metro area, and more especially, how exactly could this factors be used from a practical level. The next will provide an explanation on what methodology was used to answer the above critical questions.

CHAPTER THREE

Methodology

3.1. Introduction

The art of choosing the correct methodology when conducting research is not always easily achieved. A researcher has to take into consideration the different variables and weigh up the advantages and disadvantages of the various options. Further, the context of the study can present certain challenges and obstacles, which needs to be overcome for the methodology to be credible.

This chapter will provide an overview of the methodology that was adopted in conducting the survey. Firstly, the chapter will provide an overview of the research design and data collection strategy adopted. Thereafter, details will be provided on the study setting, whereby the location and participants of the study will be outlined. The population and sample size will then be discussed, where after a discussion on the survey instrument will be presented. The researcher will then provide details on the reliability and validity of the survey instrument. The chapter will thereafter conclude by addressing the issues of the questionnaire administration and data analysis.

3.2. Research Design

Sekaran and Bougie (2013) describes research design as a process of gathering and analysing data for a study which relates directly to the framework set out for the study. Research design is twofold. Firstly, it relates to the identification and

development of research procedures required to undertake the study, and secondly, it deals with the quality and effectiveness of procedures to ensure validity, objectivity and accuracy.

3.3. Study Setting

The study focused only on internal employees of Standard Bank. The reason for this has been discussed in detail in Chapter Two. The study also needed to be specifically targeted to specific employees who had the necessary skills and competencies to take up positions with KwaZulu-Natal non-metro areas.

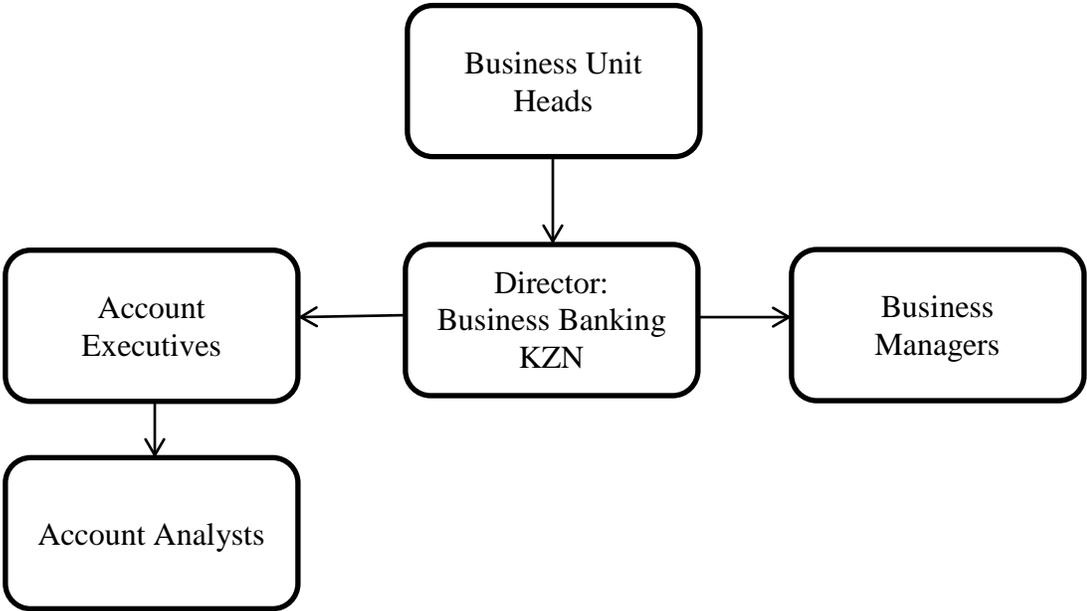


Figure 3.1. Basic Organogram of the KwaZulu-Natal Business Banking Division

Figure 3.1 illustrates the basic structure of the Standard Bank KwaZulu-Natal Business Banking division at the point when the survey was conducted. The specific designations of employees that would be included in the survey are discussed later in this chapter.

3.4. Target Population and Sample Size

The target population were the internal employees of the KwaZulu-Natal Business Banking division which had the specific skills and competencies to take up a position in a non-metro area if it was offered. The designations of these employees were Account Executives, Account Analysts and Business Managers. The number of Account Executives, Account Analysts and Business Managers are constantly changing depending on the Banks staffing requirements. At the point of conducting the research, there were 49 Account Executives, 48 Account Analysts and 31 Business Managers. This meant that the population size at the specific time that the survey was conducted was 128.

Once the population size was established, the sampling technique and sample size needed to be determined. Sampling is the process of “selecting the right individuals, objects, or events as representatives for the entire population” (Sekaran and Bougie, 2013). There are various types of sampling methods available, which includes but are not limited to simple random sampling, complex probability sampling (systematic sampling, stratified random sampling, cluster sampling, area sampling and double sampling), and nonprobability sampling (convenience sampling, purposive sampling). In this case, a probability sampling technique was used, specifically simple random sampling. With simple random sampling every element has a known and equal chance of being selected. (Sekaran and Bougie, 2013). The advantage of simple random sampling is that there is high generalizability of the findings.

3.5. Data Collection Strategy

Sekaran and Bougie (2013) advises that there are several scientific approaches that can be used to conduct research. These include survey research, observation, case studies, grounded theory, action research and mixed methods. For the purpose of this research, survey research was used. A researcher, when using survey research, may

use quantitative methods, qualitative methods or combination thereof. The researcher, in this case, opted to use a quantitative method.

3.6. Choice of Data Collection Strategy

The research was conducted using quantitative methodology. Quantitative methodology presented several advantages that justified the choice. These included the following:-

- qualitative data was not required for this research since the outcomes would be restricted to predefined motivating factors that could be utilised within the banking employee-employer relationship;
- the ability to administer the questionnaires throughout the KwaZulu-Natal geographical area. The respondents were located in different areas in KwaZulu-Natal and it would have proven difficult for the respondent to conduct qualitative research given the localities and availabilities;
- questionnaires could be distributed with ease and rapidly using survey software called QuestionPro. All the respondents had accessibility to the emails and internet which were the requirements for administering the questionnaire via QuestionPro;
- the administration of the questionnaires is relatively inexpensive. The researcher did not have a budget to conduct a more costly form of survey;
- given the sensitivity and confidential information that was being sourced, questionnaires provide high anonymity. The survey allowed for the information to be protected and the analysis to be generalised; and

- questionnaires allowed for respondents to answer at their own pace. This factor was critical given the minimal availability of respondents.

3.7. Description of Survey Instrument

The survey instrument that was used for the data collection was a questionnaire (Appendix 1). A questionnaire “is a preformulated written set of questions to which respondents record their answers, usually within rather closely defined alternatives” (Sekaran and Bougie, 2013).

In order for a questionnaire to be successfully formulated / constructed, certain fundamental principles must be considered. These include the appropriateness of the content of the questions, how the questions are worded and the level of sophistication, the type and form of questions asked, the sequencing of the questions, and the personal data sought from the respondents. The below table describes the format and construct of the questionnaire.

Section of Questionnaire	Content	Link to Objectives
A	Personal Data	i, ii, iii and iv
B	Intrinsic Motivating Factors	i and iii
C	Extrinsic Motivating Factors	ii and iv
D	Other Factors not stipulated	i and iii <u>or</u> ii and iv

Table 3.1. Construct of Questionnaire.

The researcher ensured that the only personal data that was sought was directly linked to the required outcomes. These questions formed a foundation for the factors

that would motivate respondents to accept and remain in the non-metro positions. It also provided data on the demographics of the respondents within the sample which would be critical in the analysis of the data.

The researcher used nominal scales for the purpose of the personal data questions (Section A). Nominal scales allows for the respondents to be grouped into certain categories or groups (Sekaran and Bougie, 2013). Examples of these would be data regarding gender, marital status, etc. In some cases, ratio scales were used. Ratio scales provides insightful information on the magnitude of the differences and there proportion. Examples of these questions were the levels of remuneration, grading levels, etc.

In the case of where questions were used to elicit the predetermined motivating factors (Section B and C), a dichotomous scale was used, followed up by category scales. A dichotomous scale was used to elicit “yes” or “no” answers. The questions followed a simple question format that asked whether the particular factor would motivate the employee to take up or remain in the non-metro area if offered. The follow up question used category scales, which listed multiple sub-factors that emerged in Chapter Two, and allowed for singular responses. Section D, was used as an open ended question to elicit the motivating factors that were not stipulated in sections B and C.

Taking into account the literacy levels of the respondents, the questions simply worded with little sophistication. The questions were made up of short questions which required direct answers and left no possibility of ambiguity. Therefore, the closed parameters of the data required were confined to tick boxes.

3.8. Administration of the Questionnaire

There are various methods that can be used to administer a questionnaire. Questionnaires can be administered personally, by mail or electronically (Sekaran and Bougie, 2013). The reasons for choosing the methods of administering the questionnaire were similar and directly related to the reasons for choosing a quantitative data strategy. The questionnaire proved to be a quick and inexpensive instrument that could be administered across the geographic area rapidly via the QuestionPro system. The online questionnaire also provided the respondents the opportunity to answer at their own pace and availability.

The questionnaire was sent out via the QuestionPro system on the 19th May 2014. The respondents were given two days to respond, where after a reminder email was sent on the 22 May 2014. The responses were closed on the 26th May 2014.

3.9. Validity, Reliability and Bias

Validation is the extent to which the survey instrument was successful in eliciting data necessary, relevant and significant to the study (Sekaran and Bougie, 2013). There are several methods to measure the validity of the data. These include content validation, criterion-related validity and construct validity.

Pretesting is viewed as the final step towards improving survey results (Schindler and Cooper, 2006). The aim of the pretest was to test and thereafter revise the data collection instrument, as may be needed. Pretesting essentially ensures that there is no ambiguity or vagueness in the survey instrument. Schindler and Cooper (2006) suggest that there are several additional advantages of pretesting. It allows the researcher to establish ways of increasing participant / respondent interest. Further, it allows for the identification of problems that may be evident in areas of question wording, content, and sequencing of questions. The pretesting for this survey was done by sending the questionnaire to firstly the director of KwaZulu-Natal Business

Banking and, thereafter, to three managers to review. The pretesting proved to be beneficial since it assisted with clarifying ambiguities that were evident in the questionnaire.

Reliability is the test which is based on the concept that an individual items (or sets of items should produce results consistent with the overall questionnaire. The method that is commonly used as a measure of reliability is Cronbach's alpha. The Cronbach's alpha measure was above 0.70 which is an acceptable measure of reliability

Bias usually occurs when there is a flaw in the survey's research design. It is generally an unknown or unacknowledged error created during the design, measurement, sampling procedure or choice of the problem studied. Bias occurs when a systematic error is introduced into the sampling or testing by selecting or encouraging one outcome or answer over others. Selection or sampling bias was eliminated in this survey by sending the questionnaire to the total population of 125 employees. Testing bias was eliminated prior to sending the questionnaire during the pretesting stage. Analysis bias was eliminated by the utilisation of the QuestionPro and SPSS system which analysed the data without manipulation by the researcher.

3.10. Ethical Issues and Considerations

The questionnaire was vetted and ethical clearance for the study was granted by the University of KwaZulu-Natal Humanities and Social Sciences Research Ethics Committee on the 25th March 2014 (Protocol Reference Number: HSS/0132/014M) (Appendix 2). Part of the requirements of the research questionnaire was that it had to contain no issues of ethical infringements. The respondents were also informed that the participation was voluntary and confidential. The questionnaire was also approved by the Director of the Standard Bank KwaZulu-Natal Business Banking division (Appendix 3).

3.11. Data Analysis

Data were imported from QuestionPro to SPSS program for analysis purposes. The results were summarised using descriptive summary measures such as mean (standard deviation, SD) for continuous variables and percentages for categorical variables. Categorical variables were compared using Chi-squared test or Fisher ' s exact test where necessary. A p value of < 0.05 was considered statistically significant.

3.12. Summary

This chapter provided a background on the methodology that was adopted in conducting the survey. The researcher opted to use a quantitative data collection strategy for the study. There were several distinct advantages that led to the quantitative data collection strategy to be followed. The population incorporated only internal employees that have the necessary skills and competencies to remain in or take up a position in a non-metro area. Within the KwaZulu-Natal Business Banking division, these were individuals employed as Account Executives, Account Analysts, and Business Managers. Based on target population of 128, a sample size of 128 was chosen. The survey instrument that was used was a questionnaire. The questionnaire was designed specifically in line with the research objectives. The questionnaire was pretested adequately to ensure that it is properly designed before it was administered. The questionnaire was administered using an electronic format i.e. QuestionPro, which provided several benefits. The results from the questionnaire were analysed using a combination of software packages i.e. QuestionPro and SPSS. Each software package provided statistical tools that provided valuable insight into the data. Chapter four will provide a comprehensive presentation of the data collected.

CHAPTER FOUR

Presentation and Analysis of Results

4.1. Introduction

Data presentation and analysis is a critical factor of research. It converts raw data into meaningful information that can relate directly to research objectives and recommendations. If this step is done correctly, the results can add tremendously to various areas of study and schools of thought.

This chapter will provide a presentation and analysis of results obtained from the survey conducted. Firstly, the outcome of the survey participation will be presented, whereby certain participation statistics will be highlighted. Thereafter, the socio-demographic information will be presented. The results on the intrinsic and extrinsic motivation factors will then be detailed and an analysis will be provided. Finally, the outcome of the bivariate analysis using Pearson's correlation coefficient will be discussed.

4.2. Outcome of the Survey Participation – Participation Statistics

The questionnaire was administered via an electronic format i.e. QuestionPro Software. The survey period was over 7 days. The participation statistics are illustrated in the below table.

	Count
Number of individuals invited to Participate in the Survey	128
Number of Participants that viewed the questionnaire	94
Number of Participants that started the questionnaire	52
Number of Participants that completed that questionnaire	45
Participation Rate	36%
Completion Rate	86.54%
Drop outs (after starting)	7
Validation Errors	2
Average time to complete questionnaire	14 minutes

Table 4.1. Participation Statistics

4.3. Presentation of Data

The findings are firstly presented based on the socio-demographic information, intrinsic factors and extrinsic factors, which will provide an overview of the results. Thereafter, the bivariate analysis of the pertinent findings will be discussed. This will provide a multi-dimensional view of the data and provide the basis to the recommendations on the study.

4.4. Socio-Demographic Information

Section A of the questionnaire was constructed with fourteen socio-demographic questions of the respondents which would form the basis of the analysis of the extrinsic and intrinsic motivating factors which could motivate the respondents to

remain in or accept a position in a non-metro area. In presenting the socio-demographic information, the distribution of the socio-demographic information will be illustrated in graphical format and a summary will be provided. Figures 4.1 to 4.14 illustrate the distribution of socio-demographic information of the participants.

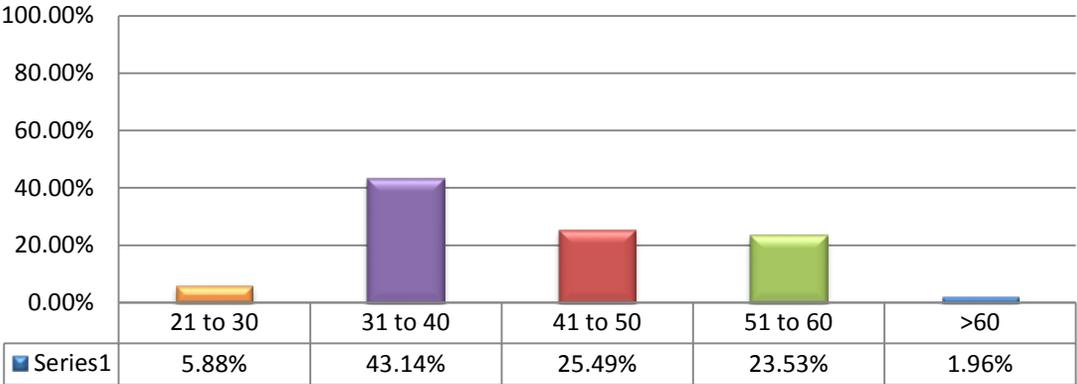


Figure 4.1. Age distribution of the respondents

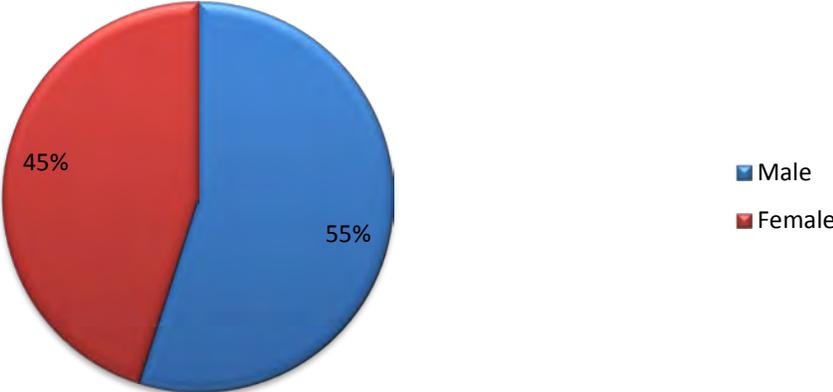


Figure 4.2. Distribution of Gender

The majority of respondents (94.12%) were aged from 31 to 60 years old (Figure 4.1.), while 55% of all respondents compromise of males (Figure 4.2.).

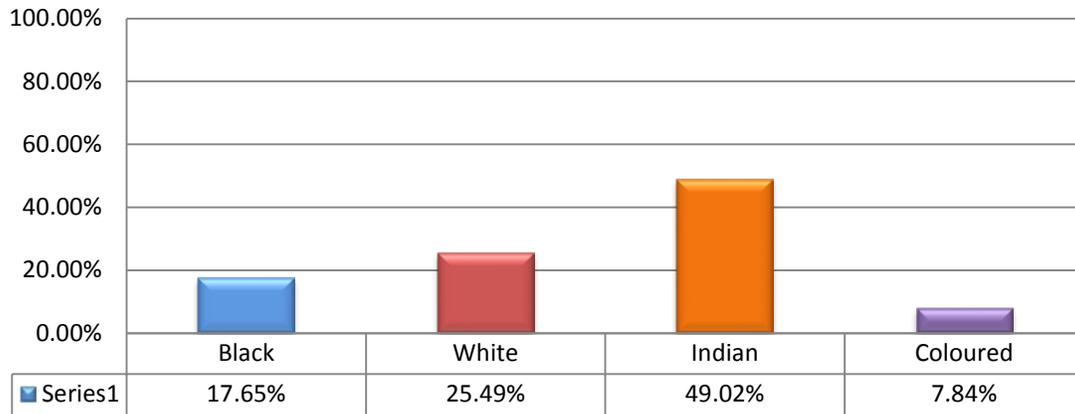


Figure 4.3. Distribution of Race

Almost half of the respondents were Indians (49.02%), and just above a quarter of the respondents were Whites (25.49%) (Figure 4.3.).

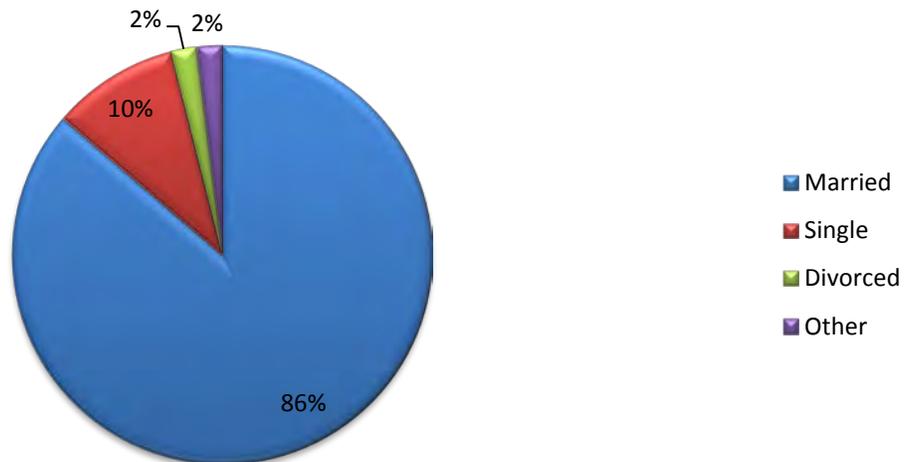


Figure 4.4. Marital Status distribution of respondents

Only 14% of the respondents were not married (Figure 4.4.).

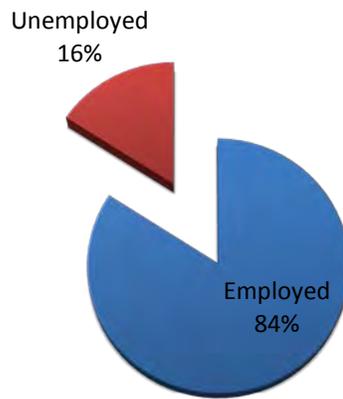


Figure 4.5. Employment Status distribution of respondents' spouse

Eighty four percent of the respondents have spouses that are employed (Figure 4.5.).

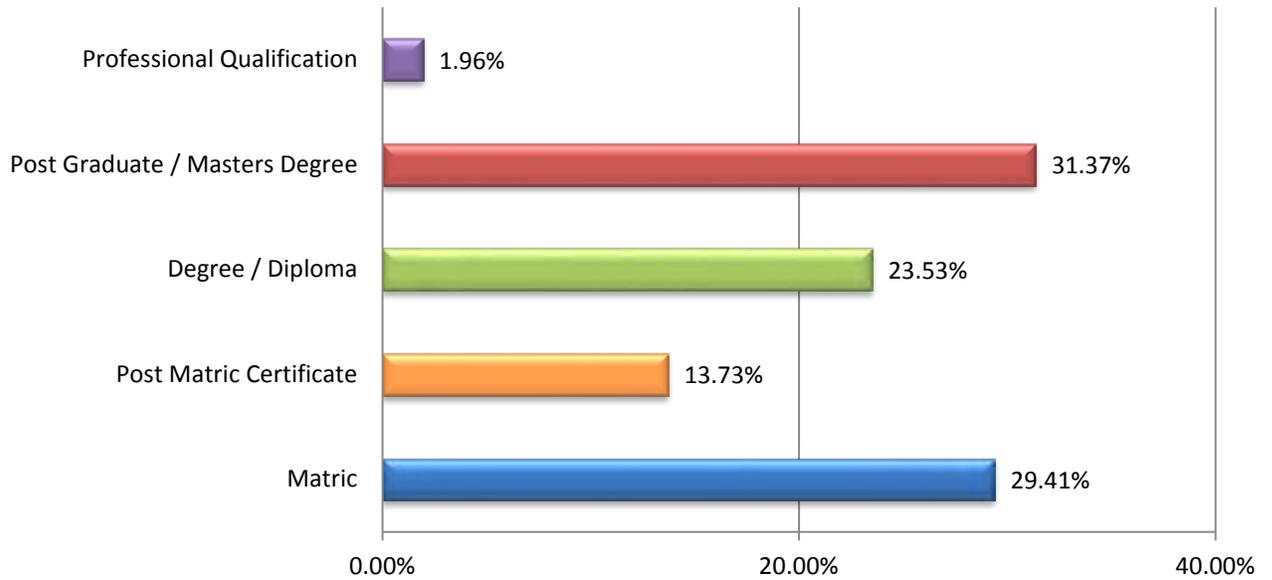


Figure 4.6. Highest Qualifications distribution

Most respondents had qualifications beyond matric (70.59%) (Figure 4.6.).

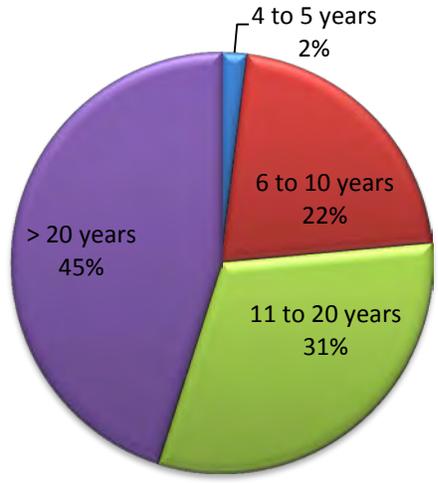


Figure 4.7. Distribution of Experience

The respondents had vast experience in the banking industry, with at least 76% of all respondents having been employed in the banking industry over 10 years (Figure 4.7.).

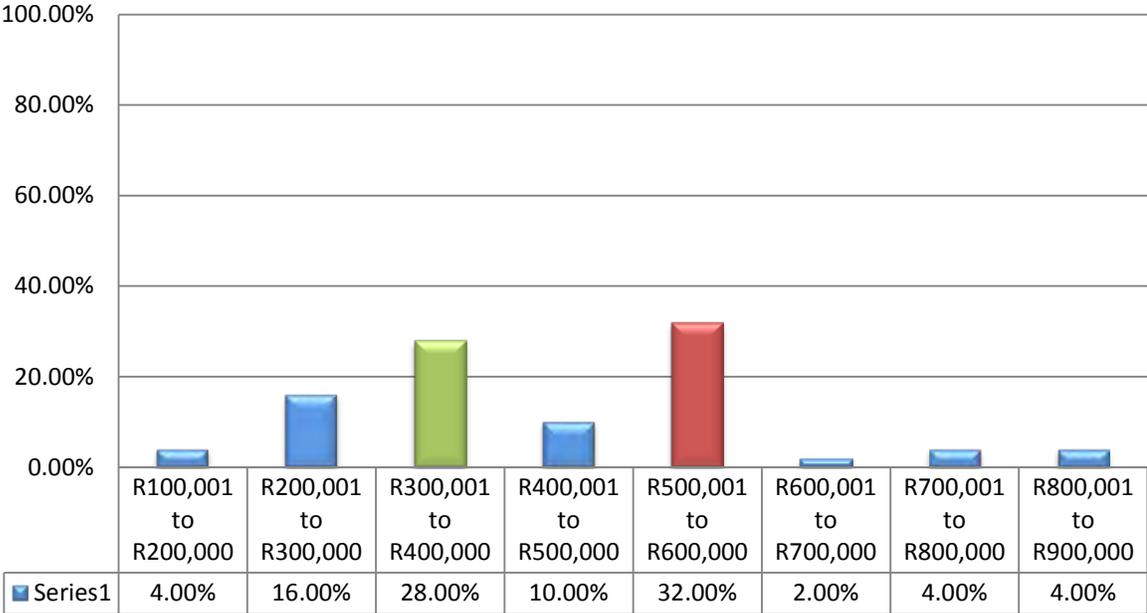


Figure 4.8. Gross Annual Personal Income distribution of respondents

The respondents mainly earned between R300,001 and R600,000 (70%), whereby only 10% of the respondents earned above R600,000 (Figure 4.8.).

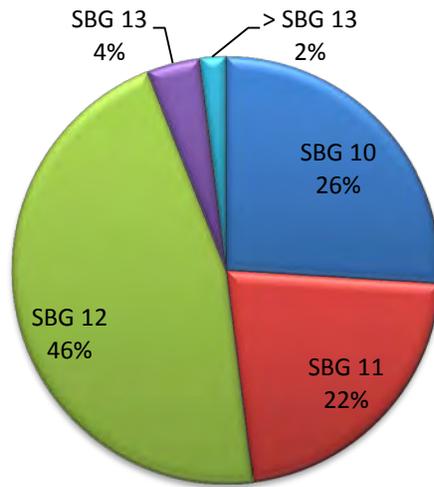


Figure 4.9. Distribution of Grade

Majority of the respondents (74%) were employed at managerial level within the bank (SBG 11 and above) (Figure 4.9.).

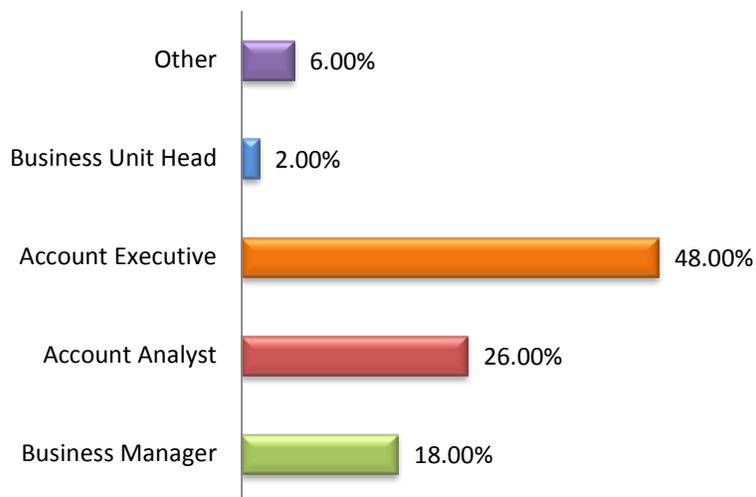


Figure 4.10. Distribution of Role / Designation

The respondents were mainly employed as Account Executives (48%) and Account Analysts (26%) (Figure 4.10.).

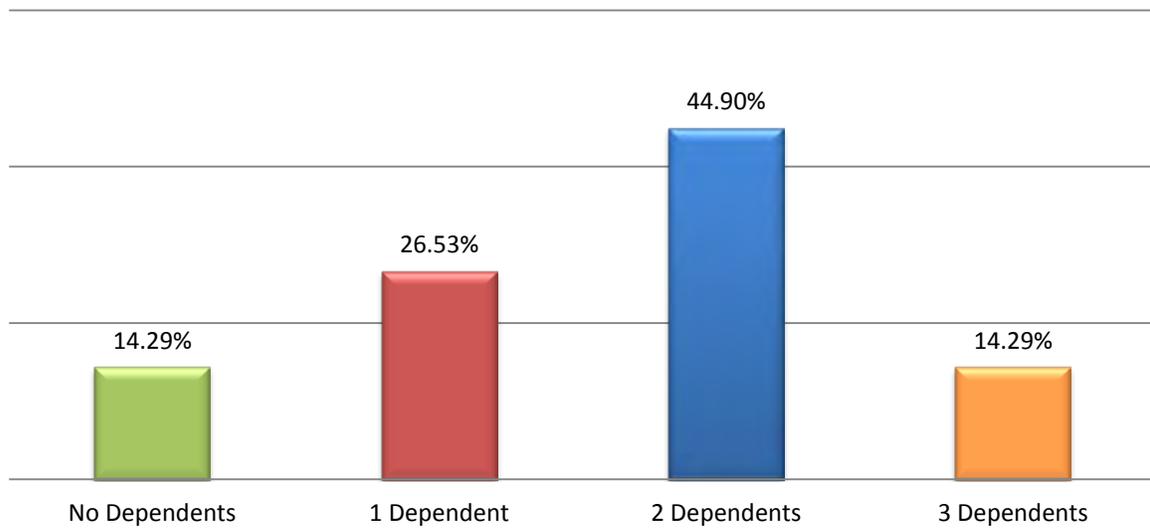


Figure 4.11. Number of Dependents distribution of respondents

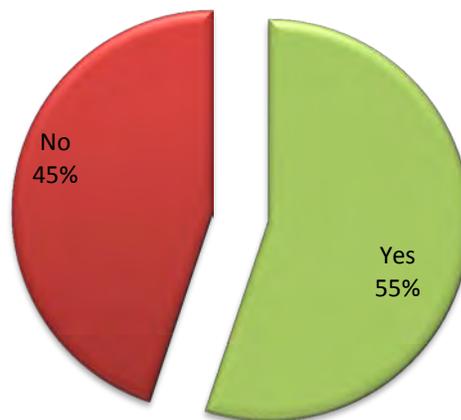


Figure 4.12. Distribution of Number of Children of respondents' in School

Most respondents had at least one dependent (85.71%) (Figure 4.11.), of which 55% had children in school (Figure 4.12.).

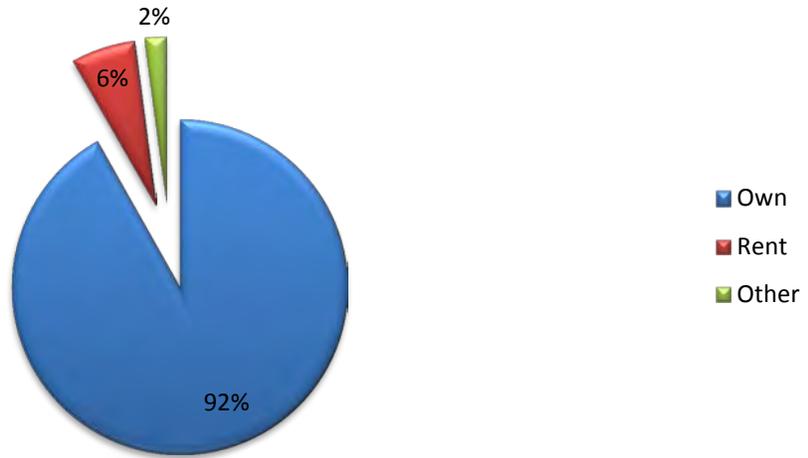


Figure 4.13. Distribution of Status of Respondents Residence

Only 8% of the respondents did not own the premises in which they reside (Figure 4.13.).

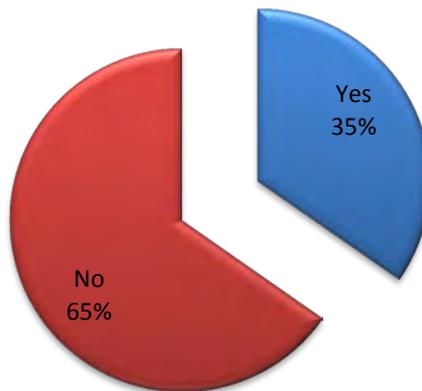


Figure 4.14. Location of Respondents Employment

Only 35% of the respondents already worked in a non-metro area (Figure 4.14.).

4.5. Intrinsic Motivating Factors

Section B of the questionnaire was made up of four questions which were meant to elicit how the intrinsic motivating factors, that emerged in the literature review, would motivate the respondent to either remain in or accept a position in a non-metro area. This would relate directly to the research objectives (i and iii). In presenting the results on the questions pertaining to the intrinsic motivating factors, the distribution of the results will be illustrated in graphical format and a summary will be provided. Figures 4.15 to 4.18 illustrate the distribution of intrinsic motivation factors which would motivate respondents to remain in or accept a position in a non-metro area.

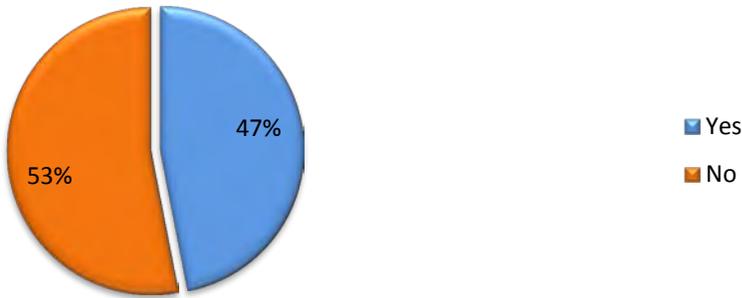


Figure 4.15. Respondents motivated by Job Enlargement / Experience

The majority of respondents (53%) would remain in or accept a position in a non-metro if they were offered an opportunity to gain experience in a desired area (Figure 4.15.).

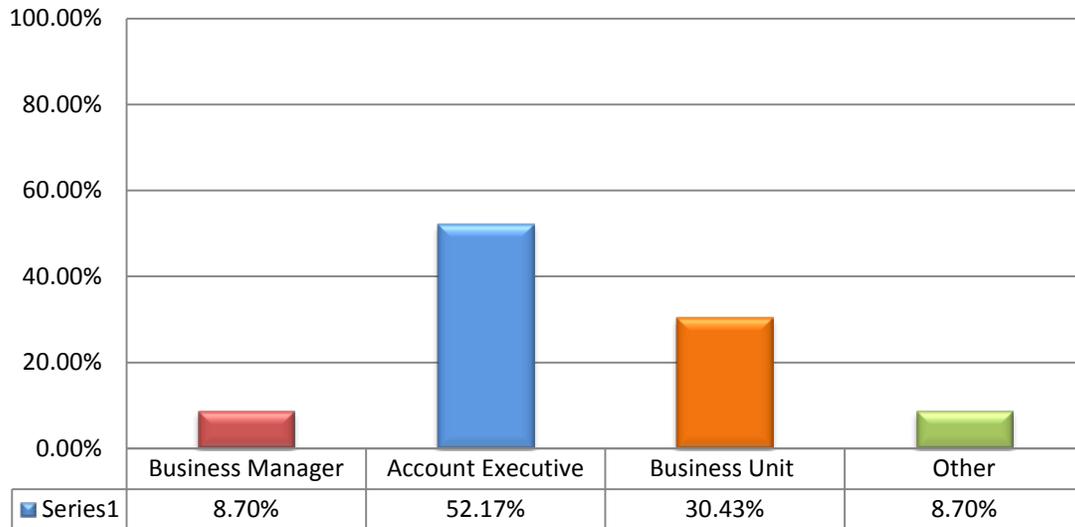


Figure 4.16. Roles in which Respondents desire to gain experience

From these respondents, most respondents desired to gain experience as an Account Executive (52.17%) or as an Account Analyst (30.43%) (Figure 4.16.).

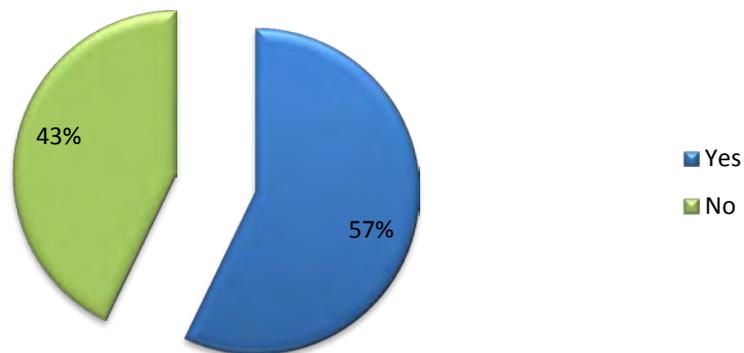


Figure 4.17. Respondents motivated by an offer of Promotion

Further, 57% of the respondents would be motivated to remain in or accept a position in a non-metro area if they were offered a promotion (Figure 4.17.).

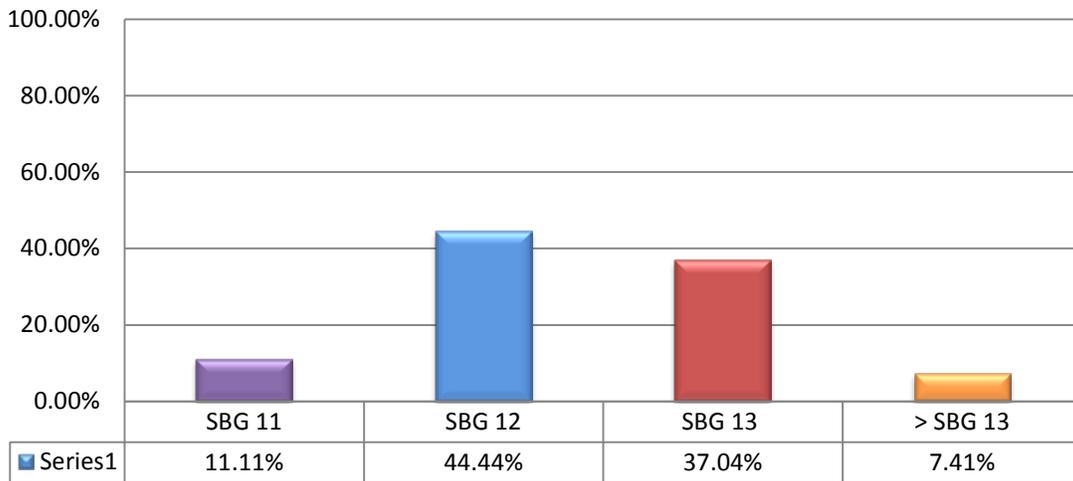


Figure 4.18. Desired Promotion Grade

It was also found that half (44.44%) of the respondents would remain in or accept a position in a non-metro area if they were promoted to grade SBG 12 (Figure 4.18).

4.6. Extrinsic Motivating Factors

Section C of the questionnaire was made up of 16 questions which were meant to elicit how the extrinsic motivating factors, that emerged in the literature review, would motivate the respondent to either remain in or accept a position in a non-metro area. This would relate directly to the research objectives (ii and iv). In presenting the results on the questions pertaining to the extrinsic motivating factors, the distribution of the results will first be illustrated in graphical format and thereafter a summary will be provided. Figures 4.19 to 4.34 illustrate the distribution of extrinsic motivation factors which would motivate respondents to remain or accept a position in a non-metro area.

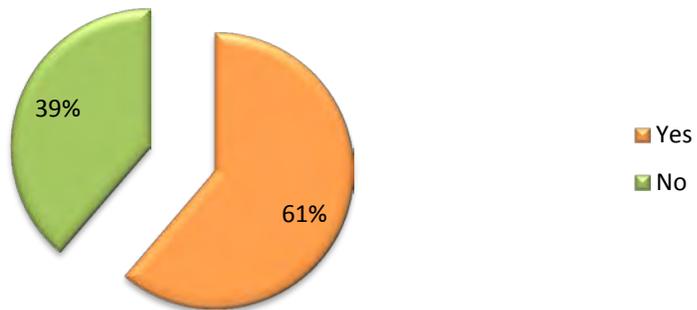


Figure 4.19. Respondents motivated by a Salary Increase

The majority of respondents (61%) would be motivated to remain in or accept a position in a non-metro area for a salary increase (Figure 4.19.).

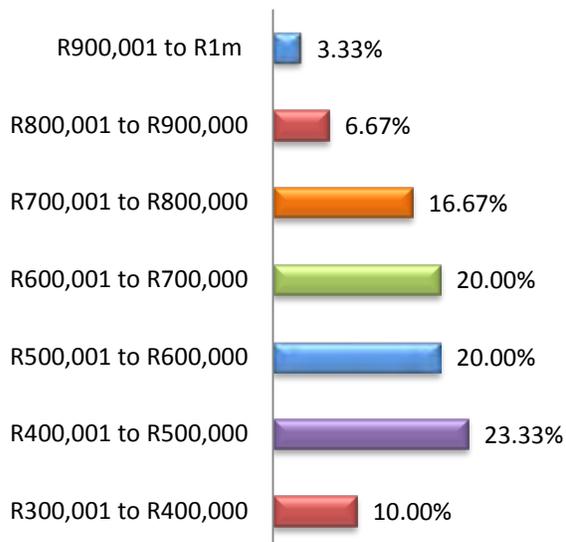


Figure 4.20. Level of Salary that would motivate Respondent

Most respondents (over 90%) were seeking salaries over R400,001 per annum (Figure 4.20.).

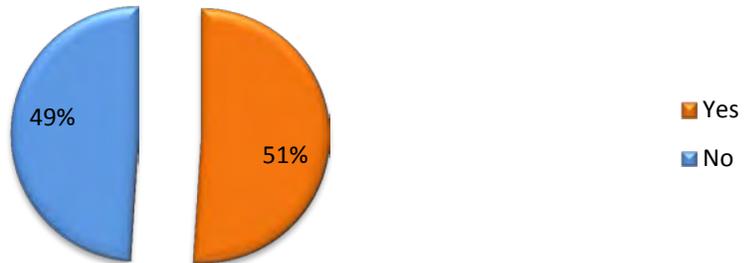


Figure 4.21. Respondents motivated by increase in Existing Benefits

Just over half (51%) of the respondents would be motivated to remain in or accept a position in a non-metro area for an increase of existing benefits (Figure 4.21.).

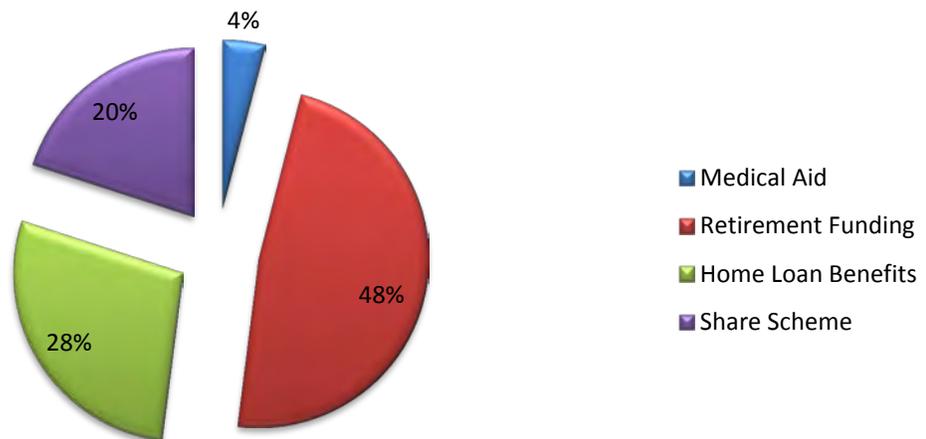


Figure 4.22. Type of Increased Benefit which would motivate Respondent

The existing benefits that featured prominently were an increase in retirement funding at 48% and home loan benefits at 28% of respondents (Figure 4.22.).

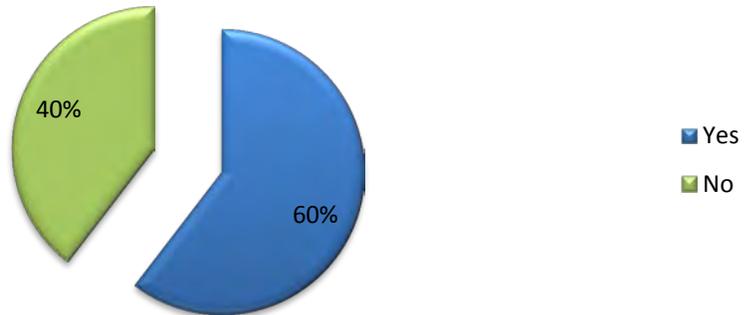


Figure 4.23. Respondents motivated by Additional Benefits

As much as 60% of respondents would be motivated by the lure of additional benefits (Figure 4.23.).

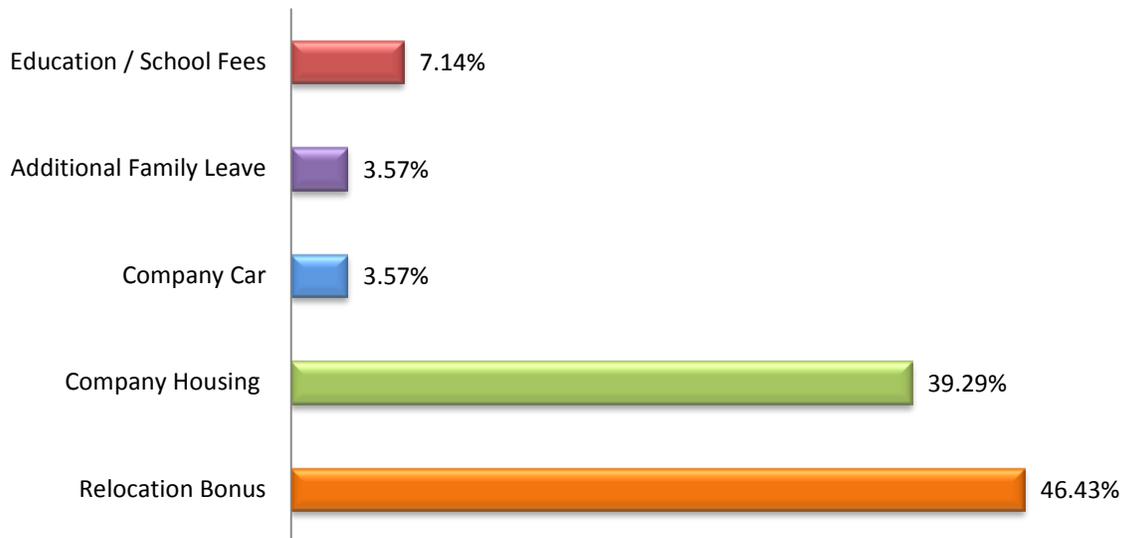


Figure 4.24. Type of Additional Benefit which would motivate Respondent

The two dominant additional features which motivate respondents were relocation benefits (46.43%) and company housing (39.29%) (Figure 4.24.).

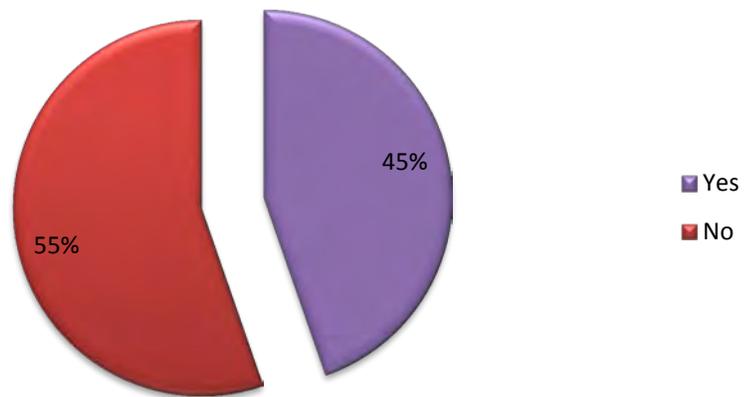


Figure 4.25. Respondents motivated by Managerial Styles

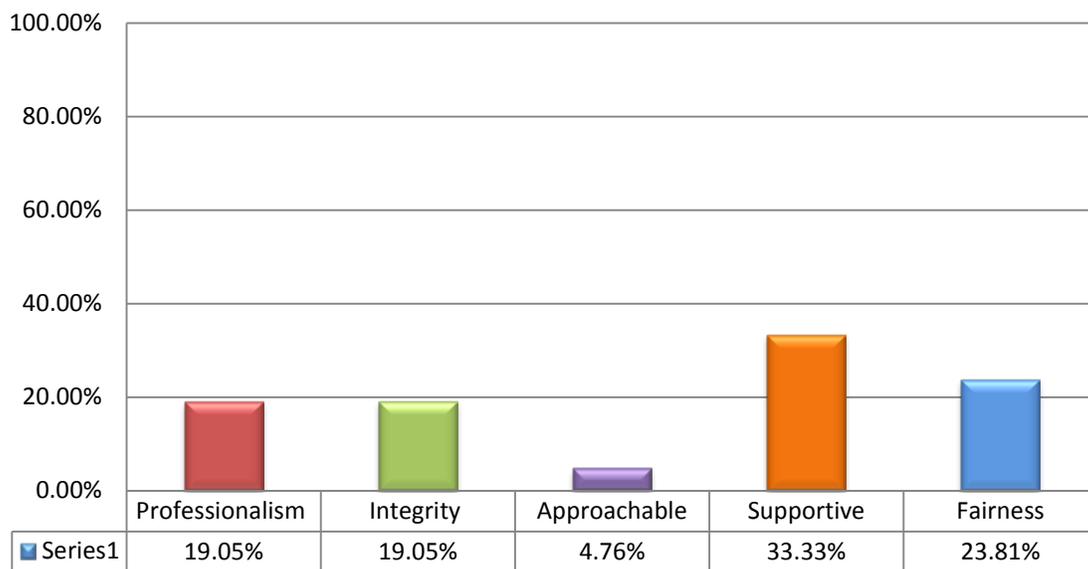


Figure 4.26. Type of Managerial Style which would motivate respondent

Only 45% of the respondents seem to be influenced by managerial styles of the manager / Business Unit Head which they could report to (Figure 4.25). From these respondents, they would be seeking a manager that is either supportive (33.33%) or fair (23.81%) (Figure 4.26).

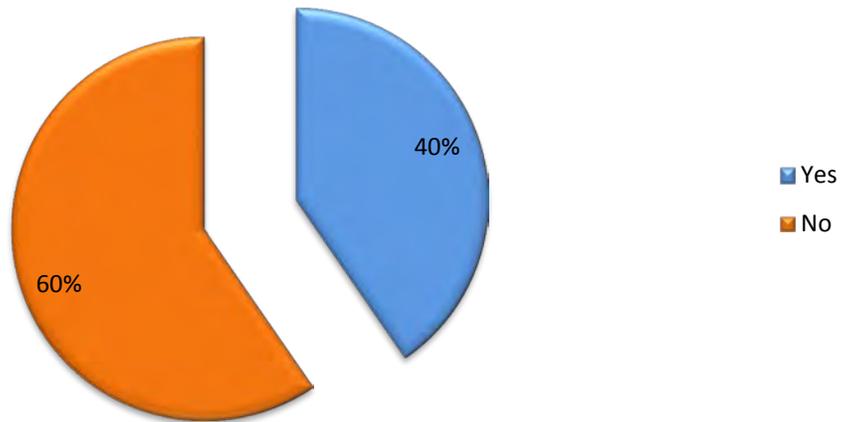


Figure 4.27. Respondents motivated by proximity of Schools

Sixty Percent of respondents were not influenced by the proximity of schools (Figure 4.27.).

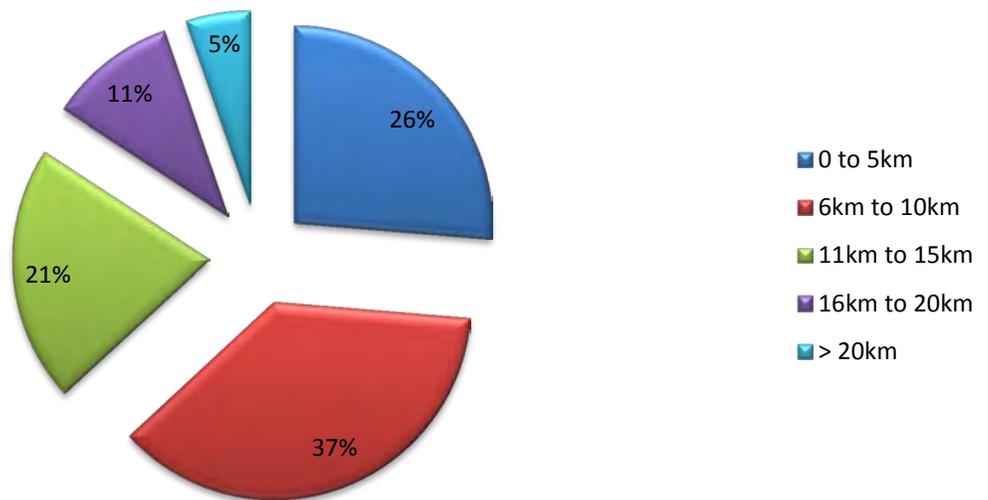


Figure 4.28. Maximum distance to School

Of those who were influenced, 63% were not willing to travel above 10 km to a school (Figure 4.28.).

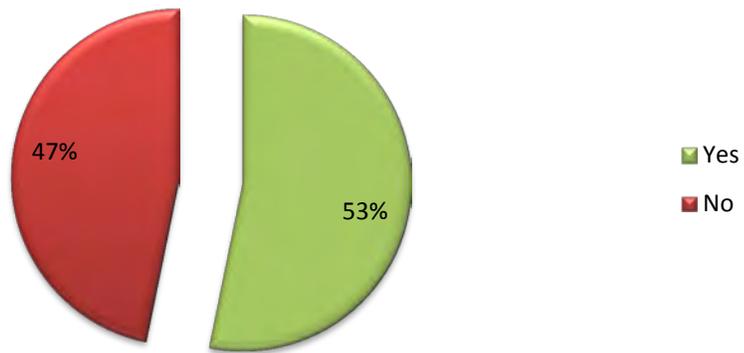


Figure 4.29. Respondents motivated by proximity of Hospitals

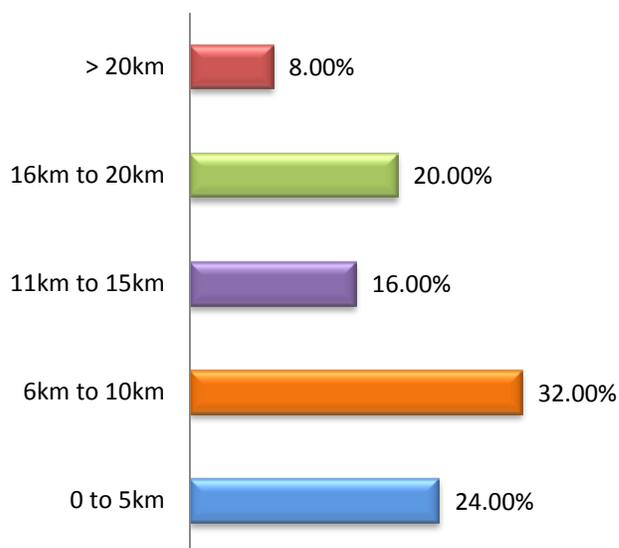


Figure 4.30. Maximum distance to Hospitals

In regards to the proximity of hospitals, 53% of the respondents were influenced by this factor (Figure 4.29.), of which 56% of the respondents were willing to travel over 10 km (Figure 4.30.).

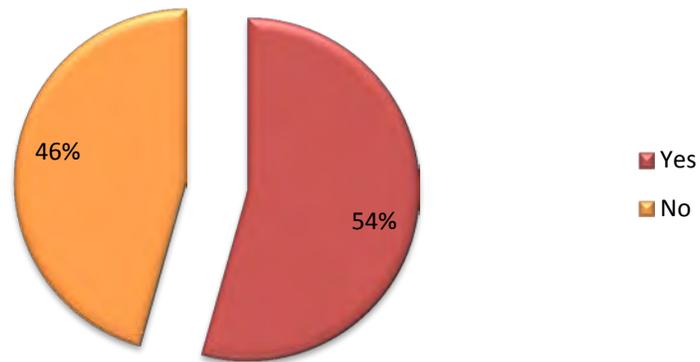


Figure 4.31. Respondents motivated by proximity of Shopping Centres

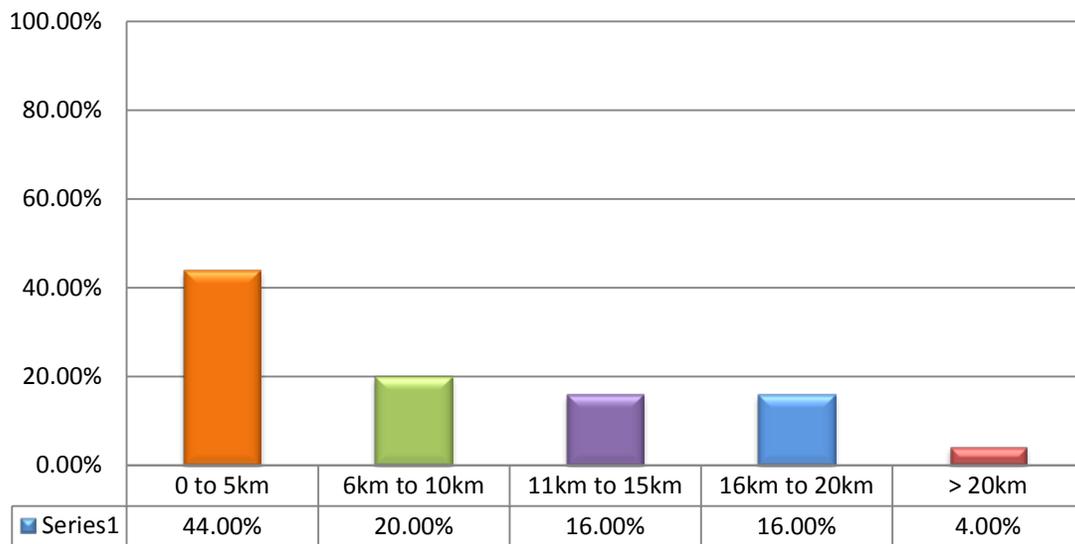


Figure 4.32. Maximum distance to Shopping Centre

The proximity of shopping centres would influence 54% of respondents (Figure 4.31.), with 64% of respondents not willing to travel over 10 km (Figure 4.32.).

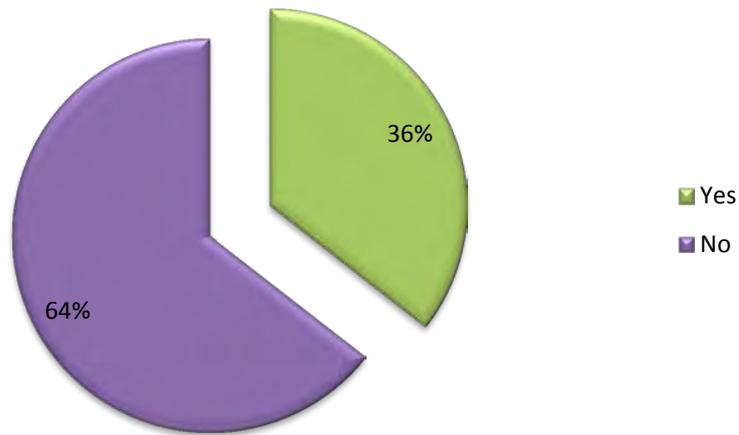


Figure 4.33. Respondents motivated by proximity of Entertainment Areas

Sixty four percent of respondents would not be influenced by the proximity of entertainment areas (Figure 4.33.).

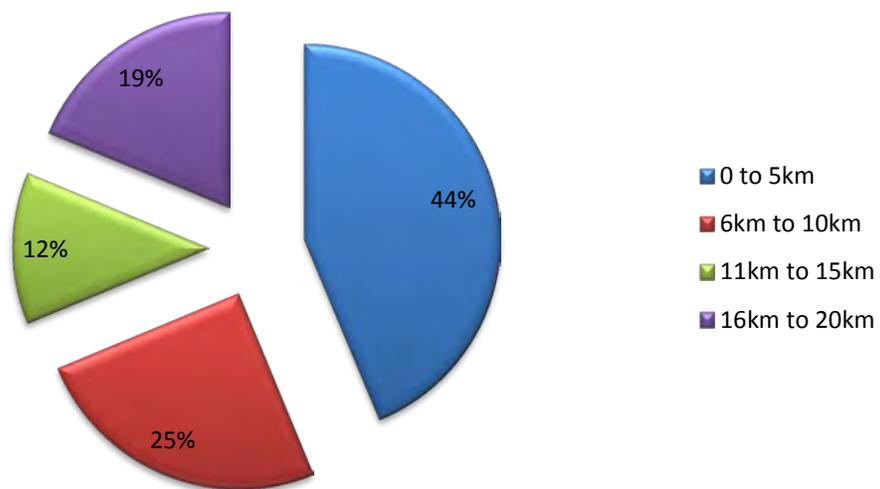


Figure 4.34. Maximum distance to Entertainment Areas

From those who would be influenced, the majority would travel a maximum distance of 5 km (Figure 4.34.).

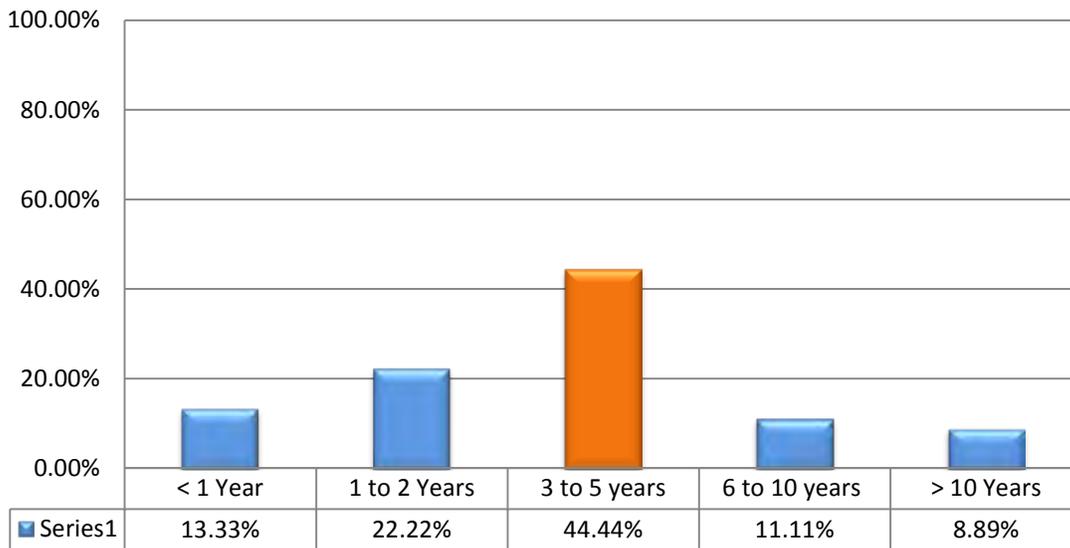


Figure 4.35. Commitment of Respondents

4.7. Findings based on Bivariate Analysis of Results

Chi-squared test of association method was used to find the significant association between intrinsic and extrinsic variables and working in non-metro areas.

It was found that there were statistical significance and associations between certain intrinsic and extrinsic motivators and whether or not a respondent worked in a non-metro area. From an intrinsic motivation perspective these were, an opportunity to gain experience ($p = 0.009$) and a promotion ($p = 0.031$). From an extrinsic motivation perspective, a salary increase ($p = 0.009$), an increase of existing benefits ($p = 0.003$), and the proximity of hospitals ($p = 0.027$) resulted in a statistical significant association with the variable whether or not the respondent worked in a non-metro area.

Table 4.2. Intrinsic and Extrinsic factors for working in non-metro area

		Are you currently working in a position within a KwaZulu-Natal non-metro area		Chi-squared value	P value	Odds Ratio (OR) (95% CI for OR)
		Yes	No			
Would you take up or remain in a position in a non-metro area if there was an opportunity to gain more experience	Yes	12	10	6.774	0.009	5.70 (1.45; 22.36)
	No	4	19			
Would you take up or remain in a position in a non-metro area if you were offered a promotion?	Yes	13	14	4.671	0.031	4.64 (1.09; 19.82)
	No	3	15			
Would you take up or remain in a position in a non-metro area for a salary increase?	Yes	14	14	6.749	0.009	7.50 (1.44; 39.01)
	No	2	15			
Would you take up or remain in a position in a non-metro area if your existing benefits were increased?	Yes	13	10	9.025	0.003	8.23 (1.89; 35.83)
	No	3	19			
Would you take up or remain in a position in a non-metro area if certain additional benefits were offered?	Yes	12	15	2.328	0.127	2.80 (0.73; 10.76)
	No	4	14			
Would the managerial style of the manager / Business Unit Head that you may have to report to in the non-metro area influence your decision to take up or remain in a non-metro position?	Yes	8	12	0.31	0.577	1.42 (0.42; 4.83)
	No	8	17			
Would the proximity of hospitals in the non-metro area influence your decision whether to apply for or remain in a position in a non-metro area?	Yes	5	19	4.865	0.027	0.24 (0.07; 0.88)
	No	11	10			

4.8. Summary

This chapter provided an overview on the participation statistics on the survey conducted. An overview of socio-demographic information was presented which provided some background on the respondents that participated in the survey. The results of the survey relating to the intrinsic and extrinsic motivating factors were presented and summarised. A bivariate analysis was then done on the results using the Chi-squared test of association method. Based on the results, it was found that there was statistical significance and association between certain intrinsic and extrinsic motivators. The intrinsic motivators were the opportunity to gain experience and a promotion. The extrinsic motivators were the opportunity to acquire an increase in salary, the attraction of increased existing benefits and the proximity of hospitals. The next chapter will provide a discussion on how the results link up with literature and the objectives of this study.

CHAPTER FIVE

Discussion of Results

5.1. Introduction

The previous chapter provided a comprehensive presentation of the results of the survey which was conducted for this study. While the conducting of the survey and gathering of data will provide useful information, it would prove meaningless for this study if it is not discussed in conjunction with the literature review conducted and related to the research objectives. Therefore, this chapter will focus on taking the presented results and linking it to the literature and objectives of research.

The chapter will firstly provide a brief overview of what the research objectives were. Thereafter, the major part of the chapter will provide an in-depth discussion on results of the survey undertaken and the analysis of the data. The chapter will further relate the findings of the survey to the relevant literature and demonstrate how the results and literature links back to the objectives of the study. The chapter will conclude by providing an overview of findings.

5.2. Overview of Research Objectives

The research objectives of this study were to firstly identify what were the intrinsic and extrinsic factors that would attract and motivate employees to work in the KwaZulu-Natal non-metro areas within the Standard Bank Business Banking Division. Once this has been achieved, then the study would provide recommendations to the management and human resources department of Standard Bank on how to

effectively utilise the identified intrinsic and extrinsic factors to improve the Bank's succession planning strategies to maintain the competitive advantage in the non-metro areas.

5.3. Discussion of Results of Study

In discussing the results of the study, a structured format which follows the research objectives will be followed. This will allow for a concise discussion on the topic per objective which will ultimately form the foundation on the recommendations made.

5.4. Results of Intrinsic Motivating Factors

The first objective of the study was to identify which intrinsic motivating factors could be utilised to entice employees to either remain or take up a position within the non-metro areas. The intrinsic motivation factors which were investigated were an opportunity to gain experience / job enlargement and a promotion offer (career growth). The findings will be discussed below.

5.4.1 An opportunity to Gain Experience / Job Enlargement

Most of the respondents (53%) who participated in the survey would be intrinsically motivated if they were offered an opportunity to gain experience (Figure 4.15.). There were significant associations ($p = 0.009$) found with this factor and whether the respondent was already employed in a non-metro area (Table 4.2.). This implies that employees based in non-metro areas would be motivated if they were offered an opportunity to gain experience. Conversely, employees based in metro areas would unlikely regard an opportunity to gain experience as a motivating factor that would entice them to take up a position in a non-metro area. From the respondents who

would be motivated by an opportunity, most respondents would require to gain experience as either an Account Executive (52.17%) or a Business Unit Head (30.43%) (Figure 4.16.).

Literature and research supports vast intrinsic factors as strong motivators. The need to gain experience and job enlargement features as a critical motivator in several motivation theories. In Maslow's Hierarchy of Needs, job enlargement feature in the higher level of the needs hierarchy (Figure 2.3.). It relate to a category which is termed Social Needs (Woods and West, 2010). Thomas's Intrinsic Motivation Model is yet another motivational theory that emphasises job enlargement as a fundamental tool that could be utilised to motivate employees (Kinicker and Kreitner, 2009). Herzberg's Two-Factor Theory also provides much support for job enlargement as factor that promotes employee motivation (Kinicker and Kreitner, 2009).

The issue that needs to be investigated is why does the opportunity to gain experience / job enlargement result in an association with employees based in non-metro areas and not employees in metro areas? There may be several reasons for this. Firstly, most employees could possibly not regard the opportunity as an opportunity to gain experience. This is because most respondents (76%) already had as much as 10 years' experience (Figure 4.9.). Others could be view the combination of factors such as selling house, relocating and finding new positions for spouses as outweighing the opportunity to gain experience. Given that most respondents would also want to gain experience either as an Account Executive or Business Unit Head, (Figure 4.16.), respondents may believe that there is a greater chance to gain that experience in a metro area since these types of positions are more verily available in metro areas as opposed to non-metro areas. Therefore, since these opportunities were less likely to come up in non-metro areas, it stands to reason that the existing non-metro would be more enticed to apply for those few positions that do arise.

5.4.2. A Promotion Offer / Career Growth

As much as 57% of respondents would be motivated to remain in or accept a position if they were offered a promotion (Figure 4.17.). It was found that there was a significant association ($p = 0.031$) between a promotion as a motivating factor and whether the respondent was employed in a non-metro area or not (Table 4.2.). It appears that the lure of a promotion acted more as a motivating factor to employees in non-metro areas than respondents in a metro area. Following from this, most respondents would require to be either promoted to grade SBG 12 (44.44%) or grade SBG 13 (37.04%) (Figure 4.18.).

Several motivational theories have regarded career growth and a promotion as an intrinsic motivator which can effectively be used in succession planning. Maslow's Hierarchy of Needs was one of the earliest theories to have emphasised the importance of career growth opportunities like promotions (Grobler and Warnich, 2006). Career growth and promotions feature high in the Needs Hierarchy in a category that relates to Self-Esteem (Figure 2.3.). Other theories such as McClelland's Achievement Motivational Theory have also supported the position that career growth acts as a driving factor in employee motivation, especially in the area where there is need for power (Kinicker and Kreitner, 2009). Herzberg's Two-Factor Theory is yet another theory that emphasises the career growth and promotions as critical motivational factors (Figure 2.4.). Thomas's Intrinsic Motivation Model also focuses on accomplishment rewards like career growth and promotions (Kinicker and Kreitner, 2009).

With regard to career growth and promotions, like the intrinsic factor of job enlargement / experience, found that there was no significant association with persons in metro areas, while there was a significant association with respondents in non-metro areas. This finding suggests that the management of the division should rather focus the use of this motivating factor towards employees in non-metro areas. This position may hold true for several reasons. Employees in non-metro areas have

fewer opportunities to gain promotions, especially to grade SBG 12 or SBG 13 as required by most respondents (Figure 4.18.), therefore respondents would more likely motivated to grasp those few opportunities which do become available. Employees from metro areas, on the other hand, may feel that the chance of obtaining a promotion in a non-metro area would be difficult to take up since it may cause certain difficulties and inconveniences in regards to a combination of personal factors, such as the need to sell existing properties where it has been shown that most respondents do own the property which they reside in (Figure 4.13.), or having to move schools since the majority of respondents have children in school (Figure 4.12.), or having to find employment for spouses (Figure 4.5.).

5.5. Results of Extrinsic Motivating Factors

The second objective of the study was to identify which extrinsic motivating factors could be utilised to entice employees to either remain or take up a position within the non-metro areas. The extrinsic motivation factors which were investigated were an increase in salary, an increase existing benefits, an offer of additional benefits, the managerial style of the manager / Business Unit Head, the proximity of schools, the proximity of hospitals, the proximity of shopping centres and the proximity of entertainment areas. The findings on these extrinsic factors will be discussed below.

5.5.1. An Increase in Salary

It was revealed that most respondents (61%) would be motivated by opportunity to get a salary increase (Figure 4.19.). Respondents (90%) seem to mostly desire a salary in the region above R400,001 (Figure 4.20.) The bivariate analysis on this factor interesting did not find any significant associations with other variables.

The use of money as a motivating factor has been constantly debatable in motivational theories. Maslow's Hierarchy of Needs lists salary as one of the first basic needs in the hierarchy which first needs to be satisfied (Ramlall, 2004). This factor relates directly to Physical Needs and Safety Needs (Figure 2.3.). Based on this theory, a comfortable salary allows individual to meet their basic Physical Needs such as food, housing, clothing, etc (Grobler and Warnich, 2006). It is important to note that when these needs are satisfied, the factor does not act as a critical motivator. Based on the results of the survey, it is evident that most respondents are more likely capable of satisfying the basic needs, as evident by the high income levels of respondents (Figure 4.8.) and the fact that most respondents do own their own house (Figure 4.13.). Based on Maslow's Theory, it stands to reason that in order to motivate the respondents, in this particular study, that the employer would need to go to the next levels of the hierarchy which deals mainly with intrinsic motivators. Herzberg's Two-Factor Theory provides a similar perspective on this factor. The theory categorises salary as a hygiene factor that needs to be satisfied but does not necessary lead to motivation (Woods and West, 2010). The implication is that if an employer requires an employee to perform a certain way, for example to accept a position in a non-metro area, that the employer would rather motivate the employee with intrinsic factors. Maslow's and Hertzberg's Theories goes a long way to clarifying and providing insight behind the findings and supports the findings that an increase in salary had no significant association with any other variable. The finding also refutes and challenges literature by Chaudhry et al (2012) and Tirole and Benabou (2003) which does support salary as a motivating factor.

5.5.2. An increase in Existing Benefits

Standard Bank offers employees several benefits based on their contract of employment. For this study, the benefits which were investigated were retirement benefits, home loan benefits, share incentive schemes, and medical aid benefits. Based on the survey results, just more than half of the respondents (51%) would

remain in or accept a position in non-metro area (Figure 4.21.). Of the benefits investigated, respondents would mainly be motivated by an increase in retirement benefits (48%) or an increase in home loan benefits (28%) (Figure 4.22.). The bivariate analysis found that an increase in existing benefits did not have any significant association with other variables studied. The suggested reason for this is explained below.

Most the existing benefits would fall into the Safety / Security Needs category of Maslow's Hierarchy being mainly made up of fringe benefits offer by Standard Bank (Figure 2.3.). This is the second level of the hierarchy which still leaves much more room for motivation. The theory suggests that if these factors are satisfied, the employees would look at factors on the next level of the hierarchy (Woods and West, 2010). In the case of Standard Bank employees, since these benefits are already being provided to employees, the question that needs to be addressed is whether the increase of such benefit would prove to be enough of an incentive to motivate the employees to accept a position in a non-metro area? In this case, the increase in existing has no significant association with any other factor, as discussed earlier. Herzberg's Two-Factor also deals with fringe benefits whereby they are listed as hygiene factors (Figure 2.4.). In terms of the Two-Factor Theory, hygiene factors are regarded more as job satisfactory factors rather than motivation factors. Therefore, in terms of the theory, the division would need to offer intrinsic factors which should prove to be more effective (Grobler and Warnich, 2006). Adam's Equity Theory also provides some level of explanation why perhaps the existing benefits did not feature as strong motivating factor. This theory explains that the level of inputs and outcome are critical measures to consider (Woods and West, 2010). Where the employer requires extraordinary outcomes, in this case the employer would require the employee to accept a position in a non-metro area, then the inputs need to be regarded as equivalent. Since the existing benefits investigated are rather standard benefits offered by Standard Bank to all employees, it cannot be regarded as an extraordinary input and as such will not result in the extraordinary outcome. Even in

regards to the existing retirement benefits and home loan benefits, they are already quite favourable, so a major increase would be less likely, therefore less motivating.

5.5.3. Additional Benefits

Apart from the normal benefits that Standard Bank provides for its employees, the bank has the option of providing certain additional benefits, should there be a critical need for it. The additional benefits which were investigated in this study were a contribution to educational / school fees, additional family leave, a company car, company housing and relocation bonuses. The results of the survey revealed that 60% of respondents would take up a position in a non-metro area for additional benefits (Figure 4.23.). From these respondents, it was found that company housing (39.29%) and relocation bonuses (46.43%) were the most popular (Figure 4.24.). The bivariate analysis revealed that there was no significant association between additional benefits and the other factors investigated.

Vroom's Expectancy Theory provides a lot of insight as to why the majority respondents selected company housing and relocation bonus as motivating factor. The theory explains that in order to achieve a desired outcome, managers need to understand what the expectancy of the employees are (Kinicker and Kreitner, 2009). In the case of the respondent who would be interested in taking up a position in a non-metro area, it makes sense that the expectancy of the respondent would be linked with the relocation to a non-metro area. From the choice of additional benefits which were investigated, company housing and relocation bonuses were the factors linked to relocating to a non-metro area. However, since this factor had no significant association to other factors, it would suggest that these items alone would unlikely be enough to motivate a respondent to accept a non-metro position. Further, this may also be the case since most respondents may perceive that a relocation bonus and company house do not have sufficient motivation value to make up for inconvenience may be caused to the majority of respondents who would need to dispose of their

existing residential premises (Figure 4.13.) or may be required to go through the tedious process of changing schools for their children (Figure 4.12.).

5.5.4. Managerial Styles

Only 45% of the respondents would be influenced by the managerial style of a manager / Business Unit Head when deciding whether to remain in or accept a position in a non-metro area (Figure 4.25.). From these respondents, 33.33% would be motivated by a supportive manager / Business Unit Head and 23.81% would be motivated by a manager / Business Unit Head which is fair (Figure 4.26.). However, the bivariate analysis did not reveal any significant associations with other variables.

The relationship with management is a prominent item that features in Social Needs level of Maslow's Hierarchy of Needs (Figure 2.3.). Similarly, managerial style is also highlighted in Adlerfer's ERG Theory. This theory includes aspects such managerial styles in a category referred to as Relatedness Needs. The theory proposes that managers need to satisfy all motivational needs simultaneously, but to varying degrees at different given times (Woods and West, 2010). The theory provided a plausible reason for why managerial style does not featuring as a prominent motivating factor. Essentially, respondents could be in particular phase of their working cycle where the factor is of little concern. Most respondents (76%) have been employed in the banking industry for more than 10 years which would imply a sense of maturity of respondents, which could indicate that the respondents may have vast experience in dealing with management and therefore would not be as influenced by managerial styles as lesser experienced respondents. Herzberg's Two-Factor Theory also lists managerial style as a hygiene factor, which would need to be satisfied rather than a motivator. This would also explain why managerial style did not feature as a popular motivating factor. The findings do not support literature by Cho and Perry (2011) who views managerial style a strong source of motivation, or at least this was not the position in this study.

5.5.5. Family Friendly Work-Styles and Work-Life Balance

In regards to family friendly work-styles and work-life balance, variables such as the proximity schools, hospitals, shopping centres and entertainment areas are critical. These were the particular factors which were investigated in this study. When deciding whether to remain in or accept a position in a non-metro area, an overwhelming 60% of respondents would not be influenced by the proximity of schools (Figure 4.27.), while from those who would be influenced, 63% would not be willing to travel over 10 km to a school (Figure 4.28.). Just over half (53%) of respondents would be influenced by the proximity of hospitals (Figure 4.29.), with only 24% of these respondents willing to travel over 10 km (Figure 4.30.). The majority of respondents (54%) would be influenced by the proximity of shopping centres (figure 4.31.), of which 64% would be willing to travel up to 10 km (Figure 4.32.). In regards to the proximity of entertainment areas, only 36% of the respondents were influenced this factor (Figure 4.33.). Only 31% of the respondents, who would be influenced, would travel over 10 km (Figure 4.34.). Based on the bivariate analyse on the above factors, only the proximity of hospitals had a significant association ($p = 0.027$) with whether the respondent was employed in a non-metro area or not (Table 4.2.).

Much support for family friendly work-styles and work-life balance as a motivational factor has come from two distinctive theories. Maslow's Hierarchy of Needs lists this factor within the Physiological / Physical Needs category (Figure 2.3.), which is the first level of the hierarchy. Herzberg's Two-Factor Theory list this factor as a hygiene factor (Figure 2.4.). Literature such as that from Yamamoto (2011) also places much emphasis on family friendly work-styles and work-life balance as a motivator. The only significant association was the proximity of hospitals and whether the respondent was employed or not in a non-metro area (Table 4.2.). Therefore, it appears that the respondents were satisfied by the proximities of suitable schools, shopping centres and entertainment areas in non-metro areas. However, respondents may view

hospitals as a critical factor, since there is a lack of appropriate medical care in non-metro areas. This is especially so given that most respondents (50.98%) were above 40 years old (Figure 4.1.), which is point in an individual's life cycle when medical care becomes of more importance, and given that a large percentage of the respondents (85.71%) have at least one person that is dependent on the respondent (Figure 4.11.).

5.6. Summary

Literature and research have emphasized that several factors can prove to be strategic motivators that can be used successfully in a business's succession plan. These include intrinsic motivating factors such as career growth, job enlargement and promotions. Extrinsic motivators include factors such as increase in salary, increase in existing benefits and proximity of hospitals. Interestingly, these intrinsic and extrinsic factors did not prove to have a significant association to all respondents of the survey. In fact, the motivating factors only emerged as having a significant association to employees within KwaZulu-Natal non-metro areas.

The implications of this finding is that the KwaZulu-Natal Business Banking division would not be likely be in a position to entice employees from metro areas to take up positions in non-metro areas using those particular motivating factors. However, it did mean that they could use the factors to motivate employees located in non-metro areas to remain in and accept other positions within the non-metro areas. However, the challenge that remains is the scarcity of competencies and skills of employees within the KwaZulu-Natal non-metro areas.

The findings in this study have provided much insight into the options which are available to the Standard Bank Business Banking division in the use of succession planning as a strategic tool in maintaining competitive advantage in non-metro areas.

The next chapter will provide an overview of pivotal findings and provide concluding comments and recommendations which will relate to the objectives of the study.

CHAPTER SIX

Conclusion and Recommendations

6.1. Introduction

This case study researched the topic on the strategic use of succession planning as a tool to maintain competitive advantage in KwaZulu-Natal non-metro area. The research was conducted from a Standard Bank Business Banking division perspective. This chapter will recap what the research problem was and establish if the research problem has been solved. The implications of the study in relation to the strategic use of succession planning for KwaZulu-Natal Business Banking division will then be outlined. Further, recommendations will be provided based on the pivotal outcomes linking to the objectives. The chapter will then conclude by providing some meaningful recommendations for future studies.

6.2. Resolution of Research Problem

It was established that the KwaZulu-Natal Business Banking Division of The Standard Bank of South Africa Limited is the leading business banking financial services provider within the KwaZulu-Natal region. The division boasts approximately forty four percent market share in the regions. One of the primary reasons for its dominance is the competitive advantage derived from its human capital especially in non-metro areas. Therefore, should the division wish to remain the market leader in these regions, it would need to ensure that it formulates effective succession planning strategies.

The problem and challenge related to firstly identifying which intrinsic and extrinsic motivating factors would influence employees to either remain in or accept a position in the non-metro area, and thereafter understanding how senior management and human resources could effectively incorporate these factors in the division's succession planning. The research problem has been resolved since it has been established what are the significant intrinsic and extrinsic factors which would motivate employees to remain in or accept a position in a non-metro area are, and further have determined how these can be utilised in the division's strategic succession planning. These findings were detailed in the previous chapter and will be highlighted in the recommendations that follows later in this chapter.

6.3. Pivotal Outcome of the Research

While the research set out to establish what intrinsic and extrinsic factors would motivate employees to remain in or take up positions in non-metro areas, it was found that there was only a significant association between the motivating factors investigated and employees currently based in non-metro areas. This meant that it would be unlikely that the motivating factors, investigated in this study, would entice employees from metro areas to accept a position in a non-metro area. This would also imply that these motivating factors could only be used in the succession planning aimed at enticing employees already in non-metro areas to accept other positions within the non-metro area.

6.4. Implications of Findings to the Succession Planning of the Standard Bank KwaZulu-Natal Business Banking Division

The results have some interesting implications for the Standard Bank KwaZulu-Natal Business Banking division and its strategy formulation. Since the only variable that showed that a significant association to the intrinsic and extrinsic motivators was

whether the employee was based in a non-metro area, the implication is that, based on the motivating factors which were studied in this paper, these motivating factors would unlikely act as a motivating factor for employees, other than those already based in a non-metro area. This would mean that when the KwaZulu-Natal Business Banking division endeavours in developing its strategic succession plan, and specifically relating to non-metro area key positions, that the division should rather focus on employees which are already based within the non-metro areas itself.

However, the problem arises with regards to the scarcity in the level of competence and skills of existing employees in the non-metro areas, given aspects such as an aging staff complement, the possibilities of offers by competitors and the lure of life in the big cities. It is therefore pivotal that the division develop strategies on how to increase the level of competencies and skills of employees in non-metro areas which must be incorporated in the succession planning.

There are various proposed ways that this can be achieved. Firstly, the division would need to proactively identify internal candidates from the non-metro areas who could ideally fill the relevant key positions. The division would then need to focus on establishing specific accelerated training programs that focus on the non-metro candidate's gaps in skills and competencies. In certain cases, these training programs may need to be candidate specific and may entail going beyond standard internal training programs offered within the division. The division could then establish coaching and mentoring programs which could be mandatory in the relevant non-metro area. The accelerated training programs will ensure that the candidates acquire the necessary competency levels required, whereas the mandatory mentoring and coaching programs will assist in skills being passed on by the more experienced staff to the internal candidates. Competency levels and skills sets need to be clearly predefined from the onset and milestones need to be determined so that the candidate's progress can be closely monitored.

The promise of an increase in salary and/or a promotion upon reaching the acceptable competency and skills levels would prove to be an affective motivator as found in the survey. The division could also consider combining the increase in salary and/or promotion with an increase in existing benefits such as retirement benefits and/or home loan benefits. Further, if the position is offered in a non-metro area which is in a close proximity of a hospital, it could further influence the candidate's decision positively. In this way, the division can utilise a combination of intrinsic and extrinsic factors to motivate employees to reach an acceptable level of competence to be able to take on and successfully fulfil the functions of key positions.

If the division manages to incorporate the above criteria into its succession plan for the non-metro it would effectively be moving towards a more sustainable model that would ensure that their competitive advantage, which thus far has been derived from its employees, continues to be sustained. This will go a long way in meeting strategic goals of the division.

6.5. Conclusion

In an extremely competitive South African financial industry, financial institutes need to grasp at any source of competitive advantage that it can find. The KwaZulu-Natal recognises this fact and therefore places much emphasis in remaining a dominant player in KwaZulu-Natal metro areas. One of the primary reasons for its high market share in this area and main source of competitive edge lies in the division's ability to source and retain critical human capital. In order to sustain this strategy, the KwaZulu-Natal Business Banking division continues to strategically use its succession planning as a tool to maintain its existing competitive advantage in non-metro areas.

The aim of the study was to assist the management and human resources division in the KwaZulu-Natal division to understanding what intrinsic and extrinsic motivating

factors could be used in strategic succession planning which would result in existing employees either remaining in or accepting positions in non-metro areas. The study consisted of a survey which would elicit responses to determine which were the most effective motivating factors which could be incorporated in the succession planning. The survey was instrumental in revealing some interesting results. These findings could be result in critical determinations in the formulation of the division's successions plans, in particular for non-metro areas. Even more so, the study goes far to assist the management and human resources of the KwaZulu-Natal Business Banking division to gain insight on how to strategically allocate time and resources in the particular areas of employee motivation. This could ultimately assist the division in the development of a more sustainable strategic model for the future and the existing dominance in the KwaZulu-Natal non-metro areas can be maintained by the division retaining its competitive advantage that cannot be easily imitated by competitors in the financial industry.

6.6. Recommendations emerging from the Study

Based on the research and survey on the topic, the following are recommended:-

- a) that the Standard Bank KwaZulu-Natal Business Banking division continue to establish competitive advantages to maintain its dominance in non-metro areas;
- b) that the division uses succession planning as a strategic tool to maintain its competitive advantage through its human capital in non-metro areas;
- c) that the division focuses on attempting to motivate employees in current positions in non-metro areas to take up key positions in non-metro areas, rather than focusing to attempting to motivate employees from metro areas to accept positions in non-metro areas;

- d) that the division considers implementing candidate specific training programs where competency gaps are found;
- e) that the division considers introducing coaching and mentoring programs where skills gaps become apparent;
- f) that the division uses intrinsic factors such as the opportunity of gaining experience and/or a promotion to motivate employees based in non-metro areas to take up key positions in non-metro areas;
- g) that the division uses extrinsic factors such as salary increases, the increase of existing benefits, and/or positions areas which are in close proximity to hospitals to motivate employees in non-metro areas to take up key positions in non-metro areas.

6.7. Recommendations for Future Studies

The following are recommendations for researchers for future studies:-

- a) The study was conducted based on certain motivating factors that emerged from the literature review on the topic. This is by no means an exhaustive list and could be expanded upon for future studies.
- b) Future researchers could explore other possible motivational theories which would provide much insight to other approaches. These may provide possible associations with employees from metro areas.
- c) Future studies could be extended to external candidates and look at extending the research to other financial institutes.

- d) It would be interesting to explore how a similar research would emerge based on other regions within South Africa, to establish if the findings were unique to South Africa.

- e) Other areas of study could be conducted into the sources of competitive advantage for the division, for example pricing and product lines. The findings of these studies could assist in complementing the findings of this study.

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“APPENDIX 1”

QUESTIONNAIRE

Section A

1. What is your age? * (in years)

< 21	21 to 30	31 to 40	41 to 50	51 to 60	> 60
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2. What is your gender?*

Male	Female
------	--------

3. What is your race group? *

Black	White	Indian	Coloured	Other
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4. What is your marital status? *

Married	Single	Divorced	Widow/er	Other
---------	--------	----------	----------	-------

5. If the answer to the above question is "Married", please specify if your spouse is employed or unemployed?

Employed	Unemployed
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6. Please specify your highest academic / professional qualification? *

Below Matric	Matric	Post Matric Certificate	Diploma / Degree	Post Graduate / Master's Degree	Doctorate Degree	Professional Qualification
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7. For how many years have you been employed within the Banking Industry? *

< 1 years	1 to 3 years	4 to 5 years	6 to 10 years	11 to 20 years	> 20 years
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8. What is your gross personal income per annum? *

< R100,000	R100,001 to R200,000	R200,001 to R300,000	R300,001 to R400,000	R400,001 to R500,000	R500,001 to R600,000	R600,001 to R700,000	R700,001 to R800,000
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R800,001 to R900,000	R900,001 to R1m	> R1m
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9. What is your current grade within the Bank? *

SBG 08	SBG 09	SBG 10	SBG 11	SBG 12	SBG 13	> SBG 13
--------	--------	--------	--------	--------	--------	----------

10. What is your current role within the Bank?*

Branch Manager	Account Analyst	Account Executive	Business Unit Head
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11. How many dependents do you have? *

0	1	2	3	4	5	> 5
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12. Do you have children in school? *

Yes	No
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13. Do you own or rent your residential property? *

Own	Rent	Other
-----	------	-------

14. Are you currently working in a position within a KwaZulu-Natal non-metro area? *

Yes	No
-----	----

Section B

15. Would you take up or remain in a position in a non-metro area if there was an opportunity to gain more experience? *

Yes	No
-----	----

16. If the answer to the above question is "Yes", please specify in which functional area you would want to gain experience?

Branch Manager	Account Analyst	Account Executive	Business Unit Head
----------------	-----------------	-------------------	--------------------

17. Would you take up or remain in a position in a non-metro area if you were offered a promotion?*

Yes	No
-----	----

18. If the answer to the above question is "Yes", please specify what grade you would want to be promoted to?

SBG 08	SBG 09	SBG 10	SBG 11	SBG 12	SBG 13	> SBG 13
--------	--------	--------	--------	--------	--------	----------

Section C

19. Would you take up or remain in a position in a non-metro area for a salary increase?*

Yes	No
-----	----

20. If the answer to the above question is "Yes", please specify at what level of remuneration would you remain or move for?

< R100,000	R100,001 to R200,000	R200,001 to R300,000	R300,001 to R400,000	R400,001 to R500,000	R500,001 to R600,000	R600,001 to R700,000	R700,001 to R800,000
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R800,001 to R900,000	R900,001 to R1m	> R1m
----------------------	-----------------	-------

21. Would you take up or remain in a position in a non-metro area if your existing benefits were increased? *

Yes	No
-----	----

22. If the answer to the above question is "Yes", please specify which existing benefits would need to be increased?

Medical Aid	Retirement Funding	Home Loan Benefits	Share Scheme
-------------	--------------------	--------------------	--------------

23. Would you take up or remain in a position in a non-metro area if certain additional benefits were offered? *

Yes	No
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24.If the answer to the above question is "Yes", please specify which additional benefits would you require?

Relocation Bonus	Company Housing	Company Car	Additional Family Leave	Education / School Fees
------------------	-----------------	-------------	-------------------------	-------------------------

25.Would the managerial style of the manager / Business Unit Head that you may have to report to, in the non-metro area, influence your decision whether to apply for or remain in a position in a Non-Metro area?

Yes	No
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26.If the answer to the above question is "Yes", please specify the main key attribute / managerial style that you would require the Manager / Business Unit Head to have, in order to attract you to apply for or remain in a position in a non-metro area.

Professionalism	Integrity	Approachable	Supportive	Fairness
-----------------	-----------	--------------	------------	----------

27.Would the proximity of schools in the non-metro area influence your decision whether to apply for or remain in a position in a non-metro area?*

Yes	No
-----	----

28.If the answer to the above question is "Yes", what is the maximum distance you would be willing to travel for schools in a non-metro area?

0 to 5km	6km to 10km	11km to 15km	16km to 20km	> 20km
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29. Would the proximity of hospitals in the non-metro area influence your decision whether to apply for or remain in a position in a non-metro area. *

Yes	No
-----	----

30. If the answer to the above question is "Yes", what is the maximum distance you would be willing to travel for hospitals in the non-metro area?

0 to 5km	6km to 10km	11km to 15km	16km to 20km	> 20km
----------	-------------	--------------	--------------	--------

31. Would the proximity of shopping centres in the non-metro area influence your decision whether to apply for or remain in a position in a non-metro area?*

Yes	No
-----	----

32. If the answer to the above question is "Yes", what is the maximum distance you would be willing to travel for a shopping centre in a non-metro area?

0 to 5km	6km to 10km	11km to 15km	16km to 20km	> 20km
----------	-------------	--------------	--------------	--------

33. Would the proximity of entertainment areas in the non-metro area influence your decision whether to apply for or remain in a position in a non-metro area? *

Yes	No
-----	----

34. If the answer to the above question is "Yes", what is the maximum distance you would be willing to travel for entertainment areas in a non-metro area?

0 to 5km	6km to 10km	11km to 15km	16km to 20km	> 20km
----------	----------------	-----------------	-----------------	--------

Section D

35. If you were offered a position or are currently in a Non-Metro area, with the all the factors above being satisfied, how long do you believe that you would be able to work in the Non-Metro area for? *

< 1 Year	1 to 2 Years	3 to 5 years	6 to 10 years	> 10 Years
----------	--------------	--------------	---------------	------------

36. Are there any other factors, that were not specified in this survey, that would motivate you to take up or remain in a position in a non-metro area? If yes, kindly list the factors.



25 March 2014

Mr Alsten Marigadu (983191895)
Graduate School of Business & Leadership
Westville Campus

Protocol reference number: HSS/0132/014M
Project title: The strategic use of succession planning as a tool to maintain competitive advantage in KwaZulu-Natal Non-Metro areas: A Standard Bank Business Banking Division case study

Dear Mr Marigadu,

Full Approval – Expedited

In response to your application dated 18 February 2014, the Humanities & Social Sciences Research Ethics Committee has considered the abovementioned application and the protocol have been granted **FULL APPROVAL**.

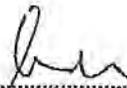
Any alteration/s to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form, Title of the Project, Location of the Study, Research Approach and Methods must be reviewed and approved through the amendment/modification prior to its implementation. In case you have further queries, please quote the above reference number.

PLEASE NOTE: Research data should be securely stored in the discipline/department for a period of 5 years.

The ethical clearance certificate is only valid for a period of 3 years from the date of issue. Thereafter Recertification must be applied for on an annual basis.

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

Yours faithfully


.....
Dr Shonuka Singh (Chair)
/ms

cc Supervisor: Mr Muhammad Hoque
cc Academic Leader Research: Dr E Munapo
cc School Administrator: Ms Zarina Bullyraj

Humanities & Social Sciences Research Ethics Committee

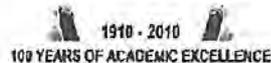
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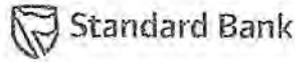
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Founding Campuses: ■ Edgewood ■ Howard College ■ Medical School ■ Pietermaritzburg ■ Westville



**Business Banking
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Date:	Direct telephone Number:	In reply please quote our reference	Your reference
11 February 2014	031 374 1109		

Dear Mr. Marigadu

**RE: PERMISSION TO CONDUCT RESEARCH – THE STANDARD BANK OF SOUTH AFRICA LIMITED
(BUSINESS BANKING KWA-ZULU NATAL)**

As per your request, Standard Bank grants you permission to conduct a survey which will include employees of this company.

We would appreciate exclusivity for the outcome/findings and data collected for a period of 5 years from the date of submission.

Yours sincerely

Derek Kimber
Head: Business Banking KZN

Registration No. 1962/000735/06 Incorporated in the Republic of South Africa

Directors: D E Cooper (Chairman), J H Maree* (Chief Executive), D D B Band, E Bradley, T S Gcabashe, D A Hawton, S E Jonah KBE*, Sir Paul Judge*, K P Kaylan, S J Makoana, R P Merrell, Adv K D Moroka, A C Nissen, M C Ramaphosa, S P Ridley*, M J D Ruck, M J Shaw, Sir Robert Smith* E M Woods

Group Secretary: L Wulfsohn 28/12/07