# UNIVERSITY OF KWAZULU-NATAL

## TITLE

## EMPLOYEE MOTIVATION AND PERFORMANCE MANAGEMENT WITHIN A LARGE BANK IN KWAZULU NATAL

**By**

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# ABSTRACT

Every individual has a different reason to wake up in the morning; the motives are the main determiner of our behaviour. Motive is an outcome that is desirable and does not operate in vacuity, but is affected by the process of perception, learning and thinking. The relationship between employees and their organisations is determined by what motivates them to work, rewards and fulfilment. Line managers need to know and understand what motivates their employees in order to reach their desired goals. The main variables addressed by this study include how employees' perceptions of challenges prevent them from meeting their contracted performance targets, and their attitudes towards the implementation of incentive schemes.

The objectives of this study were to determine the effect of reward and recognition systems on employee motivation, the effectiveness of the performance management system that has been implemented within a large bank in Kwa-Zulu Natal (KZN), and whether performance management is being effectively linked to reward systems. The study followed a quantitative approach, with a web-based questionnaire which was constructed using an online questionnaire which was distributed to the respondents electronically.
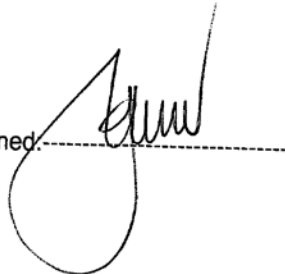
A non-probability sampling method was utilised to achieve the set objectives. According to the findings, most employees are not happy with the current incentive scheme and there is no sense of belonging with the organisation, hence staff morale is very low and it has been identified that even line managers lack motivation. According to employees' comments, there is too much to do with little compensation and incentive. It has been identified that the employees are very loyal hence they have not left the organisation, therefore the way forward is for management to develop a strategy on extrinsic motivation which will develop a drive amongst employees to do more and focus on achieving their desired goals.

# DECLARATION

I .........Gugu Mathebula.................declare that

i. The research reported in this dissertation, except where otherwise indicated, is my original work

ii. This dissertation has not been submitted for any degree or examination at any other university

iii. This dissertation does not contain other persons' data, pictures, graphs or other information, unless specifically acknowledged as being sourced from other persons.

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# ACKNOWLEDGEMENTS

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# CHAPTER ONE

## INTRODUCTION OF THE RESEARCH STUDY

### 1.1 Introduction

Employee motivation and performance management are the most important strategic considerations for organisations, because human capital is the key to an organisation's success. The development of the ability and potential of an organisation's leadership has a fundamental impact on the competence, success, drive and productivity of an organisation. In recent years, one of the most noteworthy developments in the banking sector has been the growing focus on human capital. More and more attention is being paid to motivational aspects of human personality, particularly the need for self-esteem, group belonging and self-actualisation.

Career development and employee motivation are key strategic considerations for all organisations, because when human capital is motivated, strategies are driven with success. An organisation's future and sustainability rely on its staff. According to Simmons and Arnarsson (2009), motivation is the practice by which a person is energised, engaged, and continues toward achieving desired goals. They added that a motivated person puts in more effort. Managers in the South African banking industry today need to understand the diversity of the workforce's demands. Integrative leadership practices and assimilation is being discouraged which brings an added complexity of understanding what motivates employees from different cultures.

### 1.2 Bank Background

The bank discussed in this study is a one of the "big four" consumer banks in South Africa. As one of South Africa's largest financial services institutions, it offers a range of banking services including wealth management, investment management, retail and commercial banking, finance and insurance. The bank operates primarily in South Africa and has its headquarters in Johannesburg; however it has grown its business across

the African continent and has equity holdings in Tanzania and Mozambique as well as representative offices in Namibia and Nigeria. The bank has 36 535 permanent employees (Intranet, 2012).

The bank is represented in all provinces of South Africa, with the focus of the study being on KwaZulu Natal which has total of 8 000 employees - the third largest number of the bank's employees in South Africa. Due to internal policies the researcher was advised not to use the bank's name in the research, therefore the bank is referred to as a "large bank in KwaZulu Natal". As the bank strives towards a high-performance culture, the key objectives are to value and build diversity and to empower all employees to reach their full potential through skills development initiatives (Intranet, 2012).

This chapter will cover the following topics:

- Motivation for the study
- Focus of the study
- Problem statement
- Objectives
- Limitations of the study

## 1.3 Motivation for the Study

The success of a company is determined by how well it is able to mobilise resources to give it the best results. Unlike other resources, human capital has emotions and needs. It is therefore imperative that management recognises these when developing their human capital. In this study, theories of motivation are highlighted as it is important to understand what motivates workers and managers, and it ensures that the reward system is congruent with the employees' motivational needs.

According to Kreitner and Kinicki (2006: 450), the word motivation is derived from the Latin word *movere*, meaning "to move". They added that in the current literature,

motivation represents, "those psychological processes that cause the arousal, direction, and persistence of voluntary actions that are goal directed."  The results of this study will be beneficial to all stakeholders involved as understanding employees' needs helps to improve job performance and morale, as motivated staff get great results in terms of customer service and achieving agreed targets.  Employees will thus have a better understanding of their role in fulfilling the strategy and adding to the overall company profitability. Management will benefit by having a full understanding of employees' expectations in terms of reward and recognition. Shareholders will benefit from this study because the implementation of good relationships between staff and management will give customers exceptional service and result in better productivity, morale and improved relationships amongst employees and will produce sustainable returns on their dividends.

## 1.4 Focus of the Study

The focus of this study is to furthering the understanding of what motivates the employees to perform according to the required standard. The permanent employee turnover rate amongst black employees in the KZN branch of the bank is 4% higher than the average turnover rate, although this margin has reduced. While 78% of new appointments and promotions were black employees, this group also accounted for 68% of all resignations (Intranet, 2012). This study focused on employees in retail banking in KwaZulu Natal, which according to the bank's statistics of July 2012 made up 30% of the number of bank employees countrywide, 22% of whom were front line staff who are expected to be highly motivated and passionate about their job to meet the goal of becoming a customer centric bank. Bank employees in KZN include a group of young, new and old employees from a diverse race. A survey in the form of an electronic questionnaire was sent out to front line/customer focused employees and line managers who are the main focus when it comes to achieving the bank's goal or to fulfil the 'how' of the bank's strategy.

## 1.5 Problem Statement

Service has an extremely important role to play in customer experience, as this is the one of the differentiator between banks and all other financial institutions. The bank in question's KZN strategy is to be a customer and people-centred organisation. The bank seeks to have a customer-centric mind-set in everything it does to deliver a consistent customer service experience, but in order to demonstrate professionalism and integrity in serving its customers' needs, talented, passionate and motivated employees are needed.

This study strives to understand what will motivate the KZN employees to perform up to a desired standard, as the lack of motivation amongst employees has a negative impact on their job performance.

The problem statement for this study is: How can job performance be improved by using reward and recognition systems to motivate employees in a large bank in KZN?

## 1.6 Objectives

The objectives of this study are as follows:
- To determine the effect of reward and recognition systems on employee motivation.
- To determine the effectiveness of performance management that has been implemented within a large bank in KZN.
- To determine whether performance management is being effectively linked to reward and recognition systems.
- To determine whether realistic performance measures were set to gauge progress toward strategic organisational goals.
- To investigate if individual performance is linked directly to organisational goals.

## 1.7 Research Question

How can job performance be improved by using reward and recognition systems to motivate employees in one of the four large South African banks in KwaZulu Natal?

## 1.8 Limitations of the Study

Before the research could be undertaken the researcher had to be granted access to the bank's information. She had to sign a declaration that the research would not mention the bank's name, which is why the bank is referred to "one of KwaZulu Natal's largest banks". In order to participate in this study respondents were required to have access to the internet, therefore some of the potential respondents could not take part due to their limited access to the internet. There were also managers who felt that this survey took time for the employees to complete, and because no action resulted from previous studies they therefore would not grant permission to conduct this study. This study was limited to customer focused employees and line managers within retail banking in one of the four large banks in KZN.

## 1.9 Summary

Employees are the most valuable asset of an organisation; therefore it is important to ensure that issues which negatively affect their productivity are addressed to achieve the best out of them. In this chapter, objectives are listed which helped to ensure that the study was approached systematically and responds to the challenge of low morale in employees and low drive in achieving agreed targets. This chapter provided motivation for conducting this study. Chapter two presents the literature reviewed, which provides different views by various authors on this subject. Chapter three provides the research methodology followed to conduct the research, including the research approach, sampling, questionnaire design and validity. Chapter four presents the results obtained from the questionnaire. Chapter five provides a discussion of the results and compares it to the literature reviewed. Chapter six provides the conclusions and recommendations in relation to the research objectives and research question. It also provides recommendations for future studies.

# CHAPTER TWO

## Literature Review

## 2.1 Introduction

Before attempting to conduct research one needs to establish a clear understanding of the various theories that have been published over time. This research ensures that a comprehensive study is conducted which will add value to the field under discussion. This chapter is dedicated to a review of the relevant literature for the study: the works of scholars and authors on the concept; objectives; techniques; complexity of motivation; management policies and theories of motivation were reviewed. The relationship between an organisation and its members is influenced by what motivates them to work and the rewards and fulfilment they derive from that motivation. Employee motivation and performance are grounded mostly in the research conducted years ago by Maslow (1943) and Herzberg (1959). These theories are based on the statement that individuals are motivated by different types of needs which are graded in order of how they influence human behaviour. Employee performance is closely linked to employee motivation, but differs from one person to another.

A manager needs to know how best to elicit the co-operation of staff and direct their performance to achieving the goals and objectives of an organisation. According to Mullins (2004), the manager must understand the nature of human behaviour and how best to motivate staff so that they work willingly and effectively. Woodworth cited in Mullins (2004: 313) said, "Motives do not operate in a vacuum, and the behaviour in which they do operate is affected by the processes of perception, learning and thinking. Theories of motivation ought to be related to the theories of learning and perception".

HR managers have theories regarding the motivation of employees' performances. Some believe that just one motivational theory is enough to develop productive employees, while others claim that no technique works because employees are either born to be achievers or loafers (Grobler, Warnich, Carrell, Elbert and Hatfield, 2002).

Undoubtedly no single theory will address all motivational problems, however something can be learned from each theory.

## 2.2 The Meaning of Motivation

Motivation is defined as the driving force that makes an individual act to meet a need that will result in either fulfilment or frustration. It encourages individuals to work even harder so as to be rewarded for going an extra mile (Maund, 2007). According to Phatak, Bhagat, and Kashlak (2009, 395), motivation is defined as the amount of effort an employee is prepared to invest in work in order to achieve an organisationally important task. Motivation is not something that usually occurs naturally; it is a thought process that is started by some external or internal factor(s). Motivation is the element that transforms a thought into an action. For example, motivation is what causes an individual to actually get started on a project or task, versus just thinking about it. It's the element that compels individuals to continue working or maybe even to decide to stop working. The concept of motivation is different for everyone and it encompasses many different degrees of intensity. Something that motivates one to produce great levels of effort may only encourage another to barely exert a minimal effort; therefore knowing the specific motivating factors for individuals in an organisation can mean the difference between the success and failure of that organisation.

Simmons and Arnarsson (2009) stated that motivation is the practice by which a person's energies are energised, engaged, and motivated towards achieving desired goals. They continued by saying that a motivated person adds more effort and works harder; intensity is not always enough.

Kreitner and Kinicki (2008) said that the underlying concept of motivation is a driving force within individuals from which they attempt to achieve a goal in order to fulfil some need or expectation. People's behaviour is determined by what motivated them; their performance is a product of both ability level and motivation. Mitchell (cited in Mullins, 2005) defined motivation as the degree to which an individual wants to choose to engage in certain specified behaviours.

**Performance = function (ability x motivation)**

The concept gives rise to the basic motivational model, which is illustrated in figure 2.1
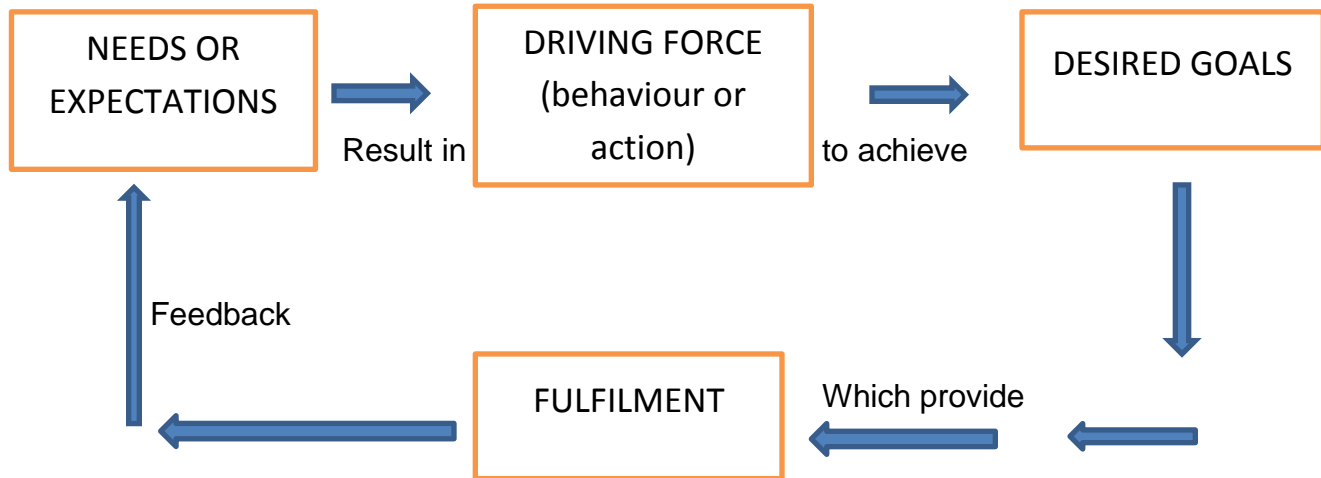


**Figure 2.1 A simplified illustration of the basic motivational model**

Source: Adapted from Mullins (2005, 471)

According to the motivation theory by Mitchell (2002), four characteristics that define the meaning of motivation are as follows:

- Motivation is served as a typical example of an individual phenomenon; every person is unique - motivation allows this uniqueness to be displayed.
- Motivation is intentional, it is assumed to be controllable by employees and behaviours that are influenced by motivation area choice of behaviour.
- Motivation is multi-faceted; it involves what gets people activated and it concerns action with internal and external forces, which influence a person's choice of action.
- The purpose of motivational theories is to predict behaviour; motivation is not the behaviour itself and is not performance.

## 2.3 Needs and Expectation

Human needs vary over time and place; behind the theories of motivation is the idea that unmet needs motivate people to satisfy them. Hellriegel, Jackson and Slocum (2001) defined a need as a strong feeling of deficiency in some aspect of a person's life that creates an uncomfortable tension. This tension becomes a driving force, which makes a person do something about their desire to fulfil their need, decreases the tension and destroys the concentration of the driving force. He further stated that according to Maslow (1943), when a need increases motivational strains, it matures and points towards satisfaction of the desired need. Maslow (1943) assumed that people have five types of needs, which he set in a hierarchy; physiological, security, affiliation, esteem and self-actualisation. He suggested that as a person satisfies each level of need, motivation shifts to satisfying the next level of needs.
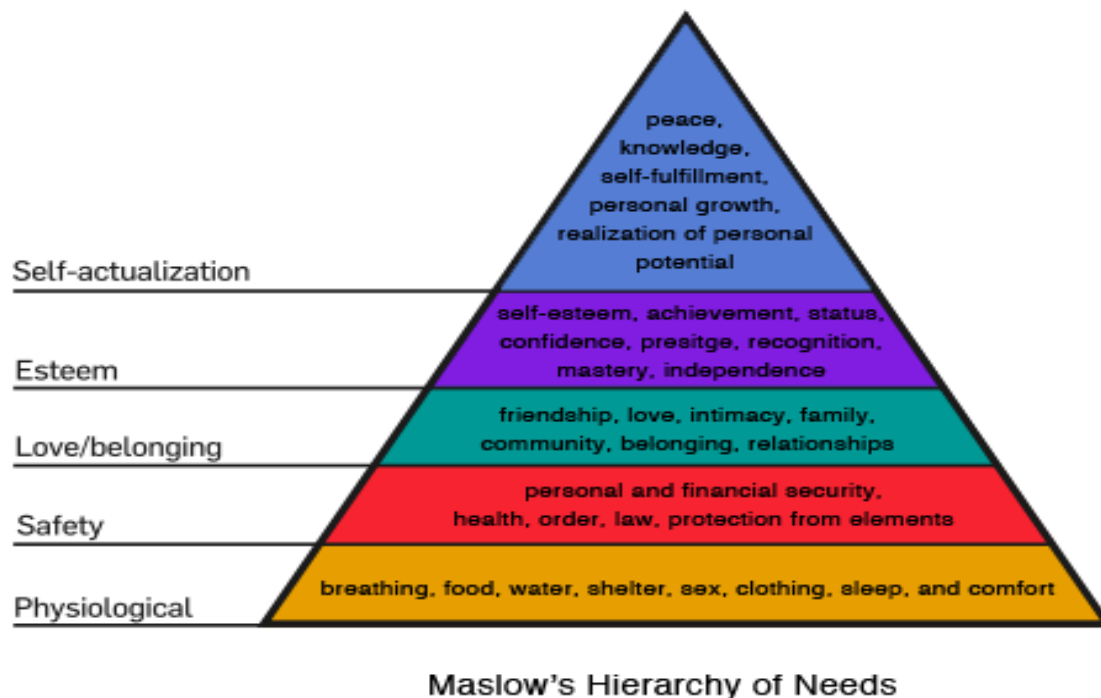


**Figure 2.2 Maslow's Hierarchy of Needs**

Source: Adapted from Perumal (2008)

Kreitner and Kinicki (2008) defined needs as physiological or psychological deficiencies that arouse behaviour; they can be strong or weak and are influenced by environmental forces. Mullins (2005) stated that at the workplace, various needs and expectations can be categorised into simple divisions, which are physiological and social motives or intrinsic and extrinsic motivation.

- <u>Intrinsic Motivation</u> is related to psychological rewards, the ability of an individual given an opportunity or sense of challenge and achievement, receiving positive recognition and being treated in a caring and considerate manner.
- <u>Extrinsic Motivation</u> is tangible rewards like fringe benefits, salary, promotion, security, contract of service, the work environment and work conditions. These rewards are determined by the organisation and are less influenced by the individual.

Mullins (2005, 472) stated that, "The best performing companies possess a set of values that create the right conditions for high performance". The variable nature of needs and expectations, which are useful, are classified as economic reward, intrinsic satisfaction and social relationships. Economic rewards are salaries and wages, fringe benefits, pension rights, material goods, and security. Intrinsic satisfaction is derived from the nature of the work itself, interest in the job and personal development. Social relationships are such things as friendships, working in groups and desire for affiliation, status and independency.

Mullins (2005) continued by saying that a person's motivation, job satisfaction and work performance will determine the comparative strength of the set of needs and expectations and the extent to which they are fulfilled. The diagram below shows how needs and expectations interlink with each other. According to Grobler, Warnich, Carrell, Elbert and Hatfield (2002), the strongest influence of motivation are expectations and attitudes. These influences are driven by the changing nature of the work environment and psychological contracts, which are defined as the beliefs individuals hold regarding the terms and conditions of the exchange agreement between themselves and their organisations. Psychological contracts involve a series of expectations between individuals and an organisation.

**Figure 2.2 Needs and expectations of people at work (Mullins, 2005, 473)**

Kets de Vries (cited in Mullins, 2005) stated that high performing organisations set their values in ensuring the right condition for high performance. He continued by stating that these organisations have great philosophies that touch employees deeper and make them want to produce extra effort. The motivational need system should be wide enough for employees to be able to make choices freely without being led by unknown forces. Organisations that get the best out of their employees are the ones that have high motivational needs systems.

Kreitner and Kinicki (2006) claimed that managers need to use a contingency framework to pick and choose the motivational techniques best suited to their employees and situations. Managers are challenged with a variety of motivational difficulties that could be resolved with different type of theories on motivation. Maund (2007, 431) argued that "there are a number of theories put forward by previous scholars", but none of them are final; none of these theories can be used as a classic example to motivate every employee in all conditions.

## 2.3.1 Culture Theory

Schein (2004) defined culture as the ideas, customs and social behaviours of a particular group of people. This group learns to cope with problems of external adaptation and internal integration, which works well enough to be considered valid and is therefore taught to new members as the correct way to perceive, think and feel in relation to those problems. Perumal (2011) defined culture as the common experiences of individuals which result in shared motives, values, beliefs, identities and interpretations or meanings of significant events. Booysen (2007) confirmed that the level of independence of any cultural influences relates only to one's ability to express needs, feelings and emotions. However, the next level culture determines how one reacts through the way one feels, one's emotions and one's actions to interpretations of the environment. The final level is personality and is specific to how an individual relates to their personal interpretations and the associated adjustments of the environment.

Perumal (2011) continued by stating that there is a link between motivation and culture; especially in South Africa (SA) as there are too many different cultures. One group would respond differently to another that has a direct link to what motivate that group. Currently in SA organisations are trying to correct mistakes of the past; legislated by the government policies such as employment equity which is more looking at previously disadvantaged groups represented by mainly blacks. What motivate black people may not merely motivate other groups such as whites therefore managers has a challenge to get best performance from employees they need to understand each group culture that will help to understand what motivate each group.

## 2.4 South African Background and Motivation

South African history has inflicted high degrees of physiological and psychological confusion on its citizens. When Nelson Mandela was released from prison it marked a milestone in South African history as the beginning of a transformation process that would bring new challenges for the nation, with the benefit of a more equitable 'rainbow nation' (Booysen, 2007). The election in 1994 specifically transferred power, practically

overnight, to blacks. These power shifts came not only in a political sense, but also in an economic, legislative and social form. While equality was the undertone of all the power shifts, South Africa was not starting from a clean slate, as it was simultaneously grappling through traces of discrimination from its previous life. Job-hopping among high calibre blacks, emigration of valuable white talent with scarce skills, concerns over tokenism regarding the recruitment of blacks, black women claiming that white males still held influential positions in business, and coloureds and Indians accusing the new South Africa of implementing reverse apartheid, were among the leading issues (Booysen, 2007) that the current democratic regime needed to resolve during this phase of transformation. However, if the diversity of the South African workforce demands integrative leadership practices but integration is being depressed, then that brings an added complication of understanding what motivates employees from different cultures. The most important social identities of race and gender are not specific to South Africa, however internationally age and organisational levels have also proved to be challenging differentiating characteristics for managers trying to maintain high motivation levels among employees (Wong, Sui and Tsang, 1999).

Employee motivation and performance management is a global concept which, in large organisations, involves dedicated teams who draft strategies and implement them to retain employees. In South Africa, retention strategies are executed against the backdrop of historical sentiments including discrimination, oppression and distrust. These varying degrees of emotion are based on the differentiators that make the South African workforce diverse. Management is tasked to respect the diversity of their workforce and their emotions, as well as appreciating the same diversity (Booysen, 2007) as leverage for employee motivation. One of the key questions in the area of managing and valuing diversity is to ascertain the motivation factors per diversity group. By understanding what motivates the members of each group to perform optimally, managers are more capable of extracting value from the diversity of their employees.

## 2.4.1 Cross-Cultural Dimension of Motivation

According to Schein (2004), the objective of analysing and researching organisational culture is to assist in understanding organisational culture even better. It is important to thoroughly understand the organisational life, as it has huge impact on organisational performance. Alvesson (2002) argued that the extent to which organisational cultures have a direct link upon performance is somewhat ambiguous. It is important to note and understand the definition of the term 'organisational culture' before looking at the relationship between performance, motivation and organisational culture.

Towers (2004, cited in Truskie, 1999) said that culture is by no means a superficial concept, but a term used to describe a dynamic part of all organisations. Cultures exist in all organisations and it stands to reason that some organisational cultures are better than others. In other organisations, said Kotter and Heskett (2004), culture is where employees' goals are aligned to the organisation's goals and is often thought of as a successful culture. The basic values and assumptions are shared by all members of the culture, and the members know what they do and why they do it.

## 2.4.2 The Psychological Contract, Culture and Motivation Factors

Mullins (2005, 474) said that "one of the strongest influences on people level of motivation is attitude and expectations; the motivation to work is also increasingly influenced by the changing nature of the work environment and the concept of psychological contract". The psychological contract involves all parties in the organisation and their expectations. These expectations are not supposed to be discussed formally, but although the employees and employer may not be consciously aware of the expectations, their relationship is still affected by these expectations.

Stajkovic and Luthans (2001) stated that if something breaks the psychological contract between the employee and the organisation, the leadership has to find out exactly what the problem is by looking beyond the symptoms, finding a way forward, focusing on the challenge, then implementing a plan of action. One of the worst situations that a leader

can get into is to get the facts wrong, therefore it is of importance to collect the correct data by documenting what the employee is not doing correctly and what they should be doing.

### 2.4.2.1 Culture and Motivation Factors

Culture has a significant influence on organisational system and process. According to Mullins (2005, 474), culture has the power and authority not only to determine lifestyle, but also to form individual personality traits, behaviours and attitudes. Mullins (2005) revealed nine key motivational factors that form the basis of cultural assessment:

Identification – motivation through influencing others by what one does and says.

Equity – the balance between expectations and rewards, input and outputs, perceptions and reality. Equity is what we think is fair.

Equality – every employee should be treated with equal respect, regardless of their status, for example equal pay for equal work.

Consensus – mutual understanding that is much more inclusive than compromise and is dependent on shared values and social harmony.

Instrumentality – a tool by which something is affected, to achieve an objective.

Rationality – a scientific approach to management and problem solving which is highly motivating.

Development – motivation for self improvement, individual development and organisation through training and development

Group dynamics – positive group motivations are created through individual loyalty to the group, consensus and a mutual understanding of, and commitment towards, achieving group goals.

Internationalisation – values and cultural beliefs determine each group's attitudes, convictions, and behaviours. This is the most powerful and permanent of the nine motivating factors.

## 2.5 Motivation and Organisational Performance

The role of managers within organisations is to get work done by their employees. An organisation's success is based on the employees' efforts and their being motivated to make use of their full potential and talents. According to Latt (2008), large numbers of organisations are competing to survive in this ever-changing market environment. Employee motivation and performance management are powerful tools for long term success in every organisation.

Performance development is a critical characteristic of organisational management as it reflects the progress and achievement by the employees for the organisation. The basics of motivation to achieve an organisation's desired goals or results may vary from one employee to another. The major factors of motivation are needs, monetary and non-monetary rewards, wealth and beliefs.

Cheng (2005, cited in Khan, Farooq and Ullah, 2010) said the biggest challenge for the bank's management today is to motivate employees for the sake of proficiently offering better services according to customers' needs and expectations. One of the major functions of a human resources manager is to enhance and maintain employees' work motivation. Human resource management's function is to assist the general manager or line management to keep the employees satisfied with their jobs by providing motivation of different kinds.

Mullins (2005) said that the best performing companies have inspiring workplaces where the employees feel highly motivated. Top management have to come up with exceptional benefits such as holidays, career advances and share schemes. Mullins continued by stating that the study conducted showed that the major contributor to poor performance is low morale. When employees feel undervalued, poorly rewarded, de-motivated, lack attention, are unwilling to see a job well done and have a poor sense of belonging, their performance automatically drops dramatically.

Dissatisfaction is affected by performance. If employees are not satisfied, they will not perform to expected standards. Workplace dissatisfaction and poor performance may

lead to high employee turnover in an organisation (Carrell, 2006). Individuals who are self-motivated with high goals to achieve seek to excel, but their challenge is that they tend to side-step low and high-risk situations. Those who are high achievers tend to side-step low-risk situations due to success in those cases being achieved effortlessly.

Khan, Farooq and Ullah (2010) explained that high achievers are genuine people, whereas in high-risk projects high goal setters look at the end result as one of opportunity rather than one's own strength. High achievers prefer work that has an adequate possibility of success. They require regular feedback in order to monitor the progress of their accomplishments. An organisation's sustainability is directly linked to human motivation and performance. Howes (2010) said a systematic approach is required to assess an organisation's issues in understanding the business and identifying employees' needs and expectations. Howes (2010) continued by saying that people are basically motivated by what they value most.

Howes (2010) said that the key questions in creating a highly motivated workforce are as follows:

- Does the organisation have a clear and compelling vision?
- Do employees know what their job responsibilities are, what they are accountable for and to whom?
- Do leaders communicate and reinforce the right behaviours?
- Do teams cooperate, coordinate and have fun?
- Are organisational and individual goals clear and aligned?
- Is performance measured and feedback provided?
-  Is there opportunity for growth and development?

Mitchell (2002) said that there are approaches that have a significant positive impact on employee motivation and performance. **Goal Setting:** the fundamental approach to improving employee motivation is by setting goals; by holding each employee accountable and responsible for the goals set. Goals are set not only to align employees' behaviour to the organisation's important goals, but also to drive employee's energies to accomplish meaningful results on their own. Mitchell (2002)

continued by stating that employees often feel their work is routine and not valued. Individual goals that are aligned to the organisation's mission and strategies help reinforce the value of what an employee is accomplishing.

**Measurement and Feedback** is closely related to goal setting; with goals you can track and measure performance. By measuring performance you can provide objective feedback to employees - either to a group or one-on-one, depending on how the goals were set. Employees are motivated by performance feedback with a desire to do well. Mullins (2005) said, most organizations do not have effective performance measurement and feedback systems in place. Performance management tools are available to assist in managing an integrated approach to individual goals and to provide timely and periodic performance assessment feedback.

**Involvement:** the positive effects of involvement have been found to be particularly important when implementing change. Employees involved in making decisions and planning the implementation of changes that affect them implement changes faster with higher performance than employees that merely have changes communicated to them (Mitchell, 2002).

## 2.6 The Motivation Process

According to Smit, Cronje, Brevis and Vrba (2008) the motivation process involves an inner state of mind that moves an employee's behaviour and energy toward the attainment of the organisational goals.

Inner state and disequilibrium, needs, desires or expectancy accompanied by participation → Behaviour Action → Incentive Goal

Modification Inner State
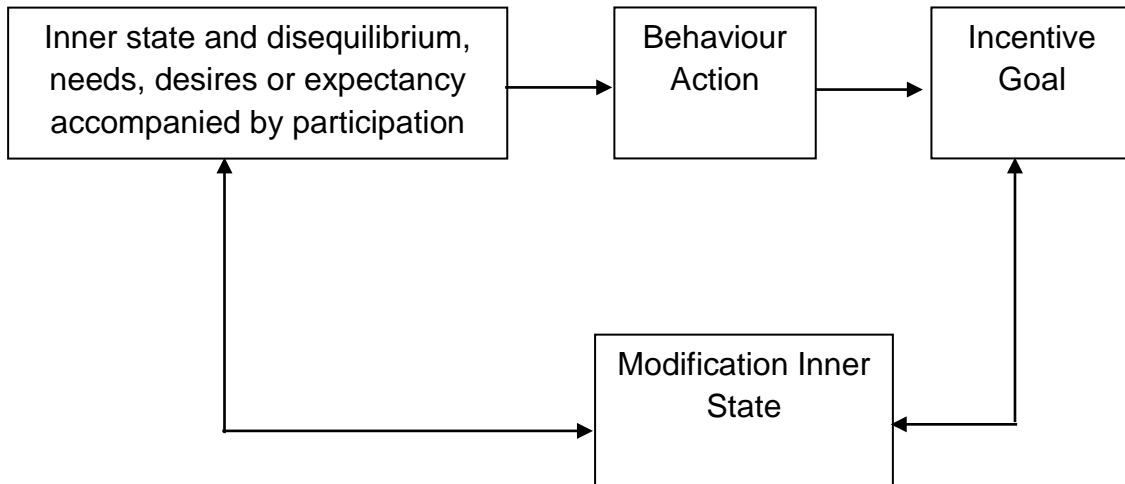
**Figure 2.3 Model of the Process of Motivation**

Source: Smit, Cronje, Brevis and Vrba (2008, 338)

When an employee has a desire for a higher status within their organisation, ideally the motive will be to grow to a management role on the middle level. The need of this employee will be to motivate him to engage in a specific behaviour, and the manager will have to assist him by delegating some task to be fulfilled with constructive feedback at the end of the task. He may also enrol in learnership programmes on the principles of management. Based on the above example, one can observe that motivation is something that originates from the inner state of an individual. Motivation can also arise from the socio-economic environment. This implies that factors within the socio-economic environment trigger a desire to achieve a certain goal in order to meet the expected goals (Smit, Cronje, Brevis and Vrba, 2008). When managers understand what motivates the behaviour of their employees it make it possible to influence their performance. The variables that determine performance are motivation, ability and the opportunity to perform.

## 2.7 Frustration Induced Behaviour
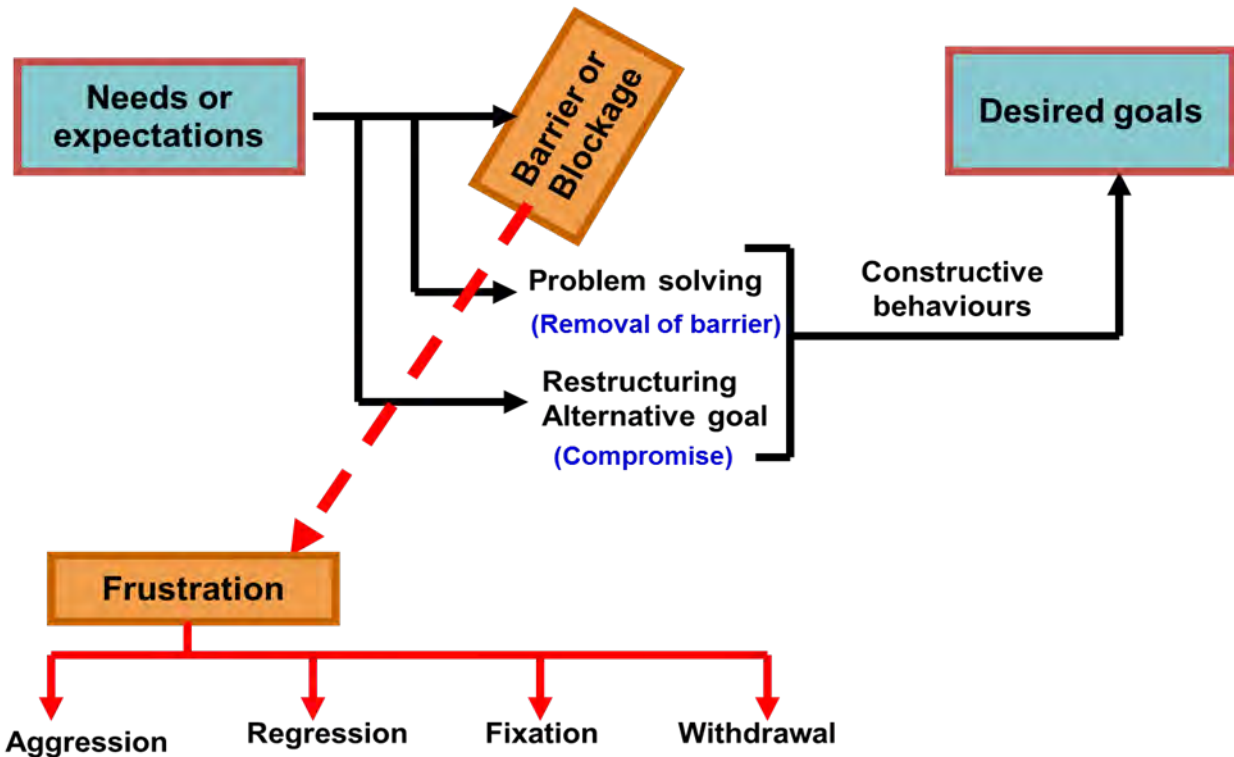


**Figure 2.4 Basic Frustration Model**

Source: Mullins (2005, 475)

Frustration is defined as "a negative response to the blockage of a desired goal and results in a defensive form of behaviour" (Mullins, 2005, 476). There are different possible reactions to frustration cause by failure to achieve a desired goal. Mullins continued by saying that these can be summarised under four broad headings - aggression, regression, fixation and withdrawal. The factors that affect frustration are

level and potency of need, degree of attachment to the particular goal, strength of motivation, perceived nature of barrier and personality characteristics of the individual.

Below are the examples of a real workplace scenario for each frustration, as highlighted by Mullins (2005).

- **Aggression**

Target - Perceived source of barrier

Acts - Physical/verbal attack on supervisor, abusive language, destruction of equipment/document, malicious gossip against superior

- **Displaced Aggression**

Target - Not source of barrier but anyone regarded as weak

Acts - Picking argument with colleagues, short tempered with subordinates

- **Regression**

Reverting to childish or primitive form of behaviour such as crying, sulking, throwing tantrums

- **Fixation**

Persisting in a form of behaviour that has no adaptive value and continuing to repeat actions that have no positive value, such as inability to accept change or new ideas, repeatedly trying a machine that does not work, or applying for promotion even though not qualified

- **Withdrawal**

Giving up or resignation, such as arriving late to work or leaving early, sickness and absenteeism, refusal to accept responsibility, avoiding decision making, passing work to colleagues

- **Frustration Reducing Techniques for managers**
    - Effective recruitment and selection
    - Training and development
    - Job design and work organisation

- Equitable personnel policies

- Recognition and rewards

- Effective communication

- Participative style of management

- Understanding the individual's perception of the situation

## 2.8 Money as Motivator

On the topic of money being a motivator, different scholars have different views and have highlighted that money may help attract top talented employees to organisations. But it is also believed by these scholars that monetary incentives may also have undesired effects on employees' morale. Goshal (2005) argued that monetary incentive schemes secure employees on a temporary basis, but do not build long term commitment or desired behaviour. Phillips and Edwards (2008) stated that recognition is the biggest motivator for employees. Recognition in public, which can be very ad-hoc or regular, is always valued highly by employees. Organisations should place value on learning and innovation by rewarding employees.

Krishnan (2003) said the foundation for most challenges with incentive schemes is that employees think their own performance is above average. There is no incentive plan that can give positive feedback to all employees which threatens individual self-esteem. Employees cope with this by not respecting the importance of a job or by showing a critical attitude towards the source of the reward.

At the workplace, if employees are not happy with the job itself or what the job offers, or the few opportunities for career advancement, growth or personal challenges, it appears that most will be motivated primarily, if not exclusively, by money. Grossman (2010) said that money can be used as an internal motivator, which are factors that last a long time. Grossman continued by stating that most employers may not know that money is

not truly a critical factor as a retention strategy. It is important for companies to look at other benefits to attract top talent to be loyal the company, and the organisation will be able to keep these employees.

Mullins (2005) said that employees' benefits must include giving employees access to financial management tools and benefits to manage finances to make their lives better. According to psychological research, money is called a "deficiency need"; it only motivates people when they feel they do not have as much money as they would like to have. The employer can assist employees in times of financial difficulty. The psychological research continued by saying that if the organisation can teach employees to be debt free, it will help them on the road to financial independence, which will result in motivated, loyal employees.

Grossman (2010) stated that self-discipline is the most important factor in peoples' lives as it assures long term financial success through teaching employees financial stability. Pfeffer and Sutton (cited in Mullins, 2005) claimed that managers assume that attracting employees with high salaries will get good and honest work out of employees. Sutton continued by stating that these managers need to seriously reconsider as granting high salaries does not necessarily keep good and loyal employees.

"We need to recognize that motivators can be intangible as well," explained Jerabek (2010, 326). Good packages are interesting to new employees or to attract employees to join the organisation, but that will not necessarily keep the employees motivated for long. Psychological Test (2011) revealed that employees who are strongly dissatisfied with their roles scored high on desire for a balanced lifestyle, change and financial reward. These employees' scored low on achievement, creativity, inspiration, power and learning.

Jerabek (2010) continued by stating that based on research conducted, employees who are doing the same task, day in and day out, can become disenchanted and even detached. Employees who are more interested in financial rewards are more likely to be dissatisfied with their jobs. A job must have more to offer than just financial reward to keep employees motivated at the workplace. Commitment and loyalty cannot be bought

from employees or emblazoned on a golden plaque, but result from day-to-day interaction between employees and management.

There are different incentive schemes and techniques which organisations can use to motivate employees, which may be divided into monetary and non-monetary incentives. With reference to financial incentives, some individuals are ready and willing to define motivation as money.  Smit, Cronje, Brevis and Vrba (2008) said that most people are motivated by money, and under financial motivation may come such things as compensation, holidays or other financial benefits and remunerations. Monetary reward as a motivator is high in developing economies due to the poor quality of life.

Swanepoel, Erasmus and Schenk (2010) said that non-monetary incentives give personal satisfaction to the individual; they are rewards which give inner joy to the individual but cannot be measured and quantified in terms of money. Non-financial motivations include job security, more responsibility and authority, a sense of belonging and recognition, job enrichment, job loading, job shadowing, pride, praise, prestige and status (Dessler, 2011). Others are participation and delegation, acceptance, communality and competition, better quality of work life both on and off the job, opportunity for growth and promotion, and job rotation.

## 2.9 Performance Management

Grobler, Warnich, Carrell, Elbert and Hatfield (2002) that performance management is a broader term and emphasised that by using all management tools to ensure performance, the goals of an organisation are achieved. They continued by saying that employee performance commonly includes the quantity and quality of output, timelines of all output, and presence at the workplace.  Performance management is defined as an organizational wide system whereby managers integrate the activities of goal setting, monitoring and evaluating, providing feedback and coaching, and rewarding employees on a continuous basis." In other words, "it is a continuous cyclical system to improve job performance amongst individuals with goal setting, feedback to management and rewards for positive reinforcement" (Kreitner and Kinicki, 2008, 244).

Williams (2006) noted that on the subject of performance management different authors approach the subject differently, so the focus is either on organisational performance or employee performance, or combinations of organisational and employee. Organisational and employee performance is linked; it is important for employees to understand organisational goals and how individuals link to the organisation. The performance planning stage involves the organisational vision and strategy while performance management is about managing the organisation's overall performance - it mainly focuses on giving employees direction for future performance and feedback. Such feedback must recognise strength and areas of development in past performance and determine what direction employees should take to improve. Employees want to know specifically how they can improve (Grobler et al., 2006, 263). According to Armstrong and Baron (1999), performance management processes should be part of a holistic approach to managing performance, which is the concern of everyone in the organisation.

Taljaard (2003, 18) said the scope of performance management "should be a natural process where everyone concerned with the business should be involved.  It should be managed taking the organization's internal and external environment into consideration. Managers as well as employees are responsible for the results and therefore should  agree  beforehand what  they need to do and how they need to do it".


Armstrong and Baron (1999) said performance management is therefore concerned with people's work, their behaviour and their results. It also includes how  performance is measured to increase corporate, team and individual effectiveness and the continuous development of knowledge, skill and competence. It is important when designing and operating a performance management system to take into consideration the interrelationships of each process. Grobler et al. (2006) named the following objectives as the main ones that managers need to focus on to improve the performance of their employees and assist them to achieve high standards of performance:

- Coach the employees in identifying the knowledge and skills required to perform the job effectively and efficiently, which will drive focus towards the goal and empower employees by motivating and implementing a good rewards system.

- Encourage a two way communication system and clarify expectations on both sides about roles, responsibilities and accountabilities.

- Regularly provide transparent feedback for continuous coaching. Plan formal and informal coaching and development sessions, and minimise the barriers to good performance.

- Highlight that it is the manager's role to create a platform for employees to understand the strategy, decision making and succession planning.

- Encourage employees to plan their career and help them to acquire the desired knowledge and skills (Grobler et al., 2006).

According to Armstrong and Baron (2009), performance management is concerned with the broader issues facing the business and it is integrated in four senses: vertical integration by aligning business and individual objectives; functional integration by linking functional strategies in different parts of the business; human resource integration by linking different aspects of human resource management; and human resource development and reward integration of individual needs with those of the organisation, as far as possible.

## 2.9.1 Relationship between Performance and Anxiety

Smit et, al (2008) said the main role of managers is to find ways to improve employees' performances; what exactly do managers expect from them to improve the whole organisation's performance?. Motivation is one of the factors that directly affect employees' performance and management can play a huge role in motivating their employees. Swanepoel, Erasmus and Schenk (2010, 323) claimed that the preliminary

aspect of motivated behaviour that needs some clarification is the role of anxiety in the effectiveness of behaviour.

Based on reinforcement theory and McGregor's theory X and theory Y (cited in Swanepoel, Erasmus and Schenk, 2010), anxiety facilitates performance on easy tasks and debilitates performance on demanding tasks. For any task an upside-down curve can be plotted that will show that up to a certain point anxiety will increase effectiveness of performance, but beyond that point anxiety will decrease effectiveness. For easy tasks the level of anxiety can be increased considerably before it becomes incapacitating; in more difficult tasks only a slight increase in the absolute level of anxiety may prove to be incapacitating.

## 2.10 Theories of Motivation and their Relevance

Most theories of motivation were drafted more than 100 years ago, so the question is are they still relevant to 21$^{st}$ century people in the workplace? These theories could be out-dated and are likely to be irrelevant. The most common theories are Maslow (1943) and Herzberg's (1959). Mullins (2005) highlighted that the Chartered Management Institute checklist maintains that these theories are still valid today. A basic understanding of the theories of motivation is invaluable to the principle of building a climate of honesty, openness and trust. The basis of this theory is that people's goals and intentions play an important role in determining their behaviour (Mullins, 2005). The combination of the difficulty of a goal and the extent of people's commitment to achieve that goal regulates the level of effort expended.

According to Mitchell (2002), for employees who are contracted to set goals with deadlines it is more likely that those goals will be achieved, compared to employees who do not. Goal setting is more appropriately viewed as a motivational factor or technique rather than a formal theory of motivation. Mullins (2005) explained that employees with difficult goals will perform better than employees with easier goals, and stated that goal theory has a number of practical implications for line managers within an organisation.  He continued by saying that specific performance goals should be

systematically identified in order to set the desired behaviour and maintain a high level of motivation.

According to Kreitner and Kinicki (2008), employees should know an organisation's strategic goals and how they need to contribute to achieve great results. Management, by incorporating participation in decision making, goal setting and by giving consistent feedback, will assist in achieving objectives. Regardless of the achievement individuals attain at any level in an organisation, there is usually one thing in common among them which is that their lives are goal oriented. Kreitner (2009, 68) stated that goals are what an individual is trying to accomplish – they are the object and aim of an action. Goal setting theory explains how the simple process of setting goals activates a powerful sustainable motivation and produces high performance. In the example below, the diagram shows the process flow of goal theory in a practical manner for managers.
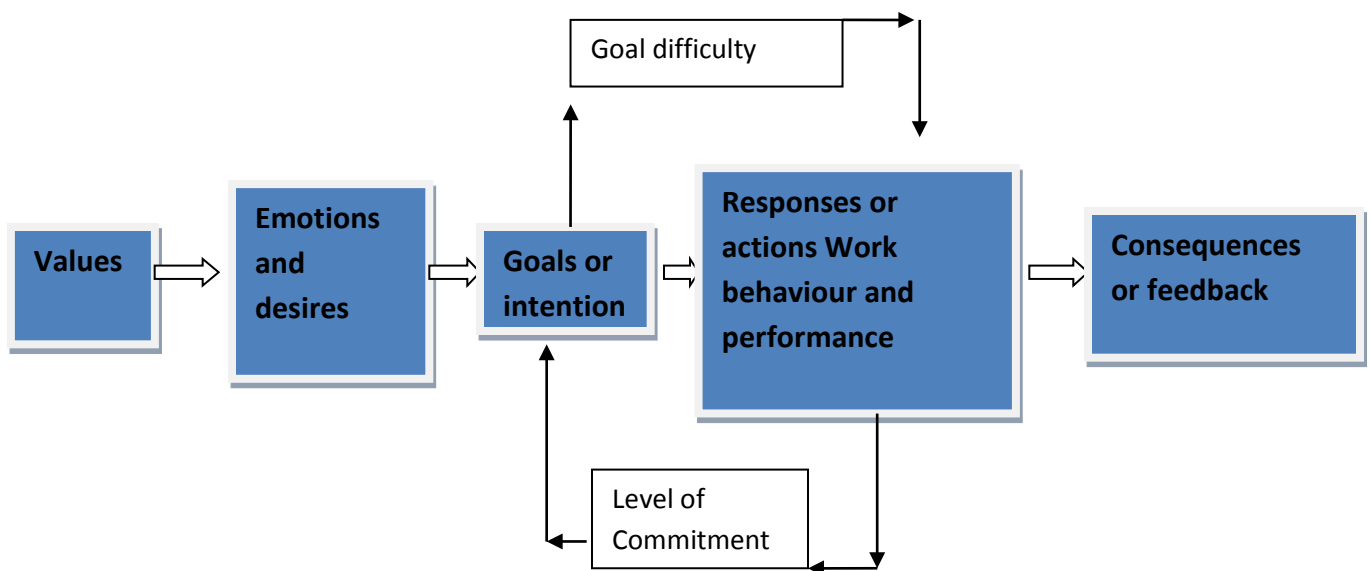


**Figure 2.3 Locke's theory of goal setting (Mullins, 2005, 500)**

**2.10.1 HERZBERG'S TWO FACTOR THEORY OF MOTIVATION**

Herzberg (1959) and his associates developed the work of Maslow (1954) and formulated a theory of work motivation commonly referred to as the hygiene theory of motivation. The idea was to discover what motivates employees and to ascertain what they actually want in their work.

According to Herzberg (1959), intrinsic factors tend to give job satisfaction while extrinsic factors tend to give job dissatisfaction. Intrinsic and extrinsic factors may be divided into two. Motivators are the factors which determine job satisfaction like recognition, achievement, works itself, responsibility and individual growth.

According to Herzberg (1959) the above points are the factors which could bring about job satisfaction; even if the above situations are absent they would not cause dissatisfaction because they are extra provisions which boost motivation. On the other hand, there are situations which Herzberg stated would cause dissatisfaction if they were not present. These are situations relating to organisational policies, for example salaries, superior/subordinate relationships, job security, supervision and general working conditions.

Herzberg (1959) cautioned that the factors leading to job satisfaction are separate and distinct from those that lead to job dissatisfaction, therefore a manager seeks to eliminate factors that can create job dissatisfaction and he can bring about peace, but not necessarily motivation - he would be placating his subordinates rather than motivating them. It is necessary that the satisfiers or motivators be emphasised upon.

### 2.10.2 McGregor's Theory X and Theory Y

McGregor's theory X and theory Y argue that a manager's behaviour towards an employee is based on his assumptions about the nature of human beings and proposes two distinctive types of human beings - Theory X (negative) and Theory Y (positive).

Theory X

- Inherently dislike work and wherever possible will try to avoid

- Must be coerced, controlled or threatened with punishment to achieve goals

- Will avoid responsibilities and seek formal direction wherever possible

- Place security above all other factors and display little ambition

Theory Y

- View work as being as natural as rest or play

- Will exercise self-discretion and self-control if committed to objectives

- Average person can learn to accept or even seek responsibility

- Ability to make innovative decisions is not sole province of managers but is widely dispersed throughout organisation

**2.10.3 Linking Maslow, ERG and Herzberg's 2 factor Theories**

**2.10.4**
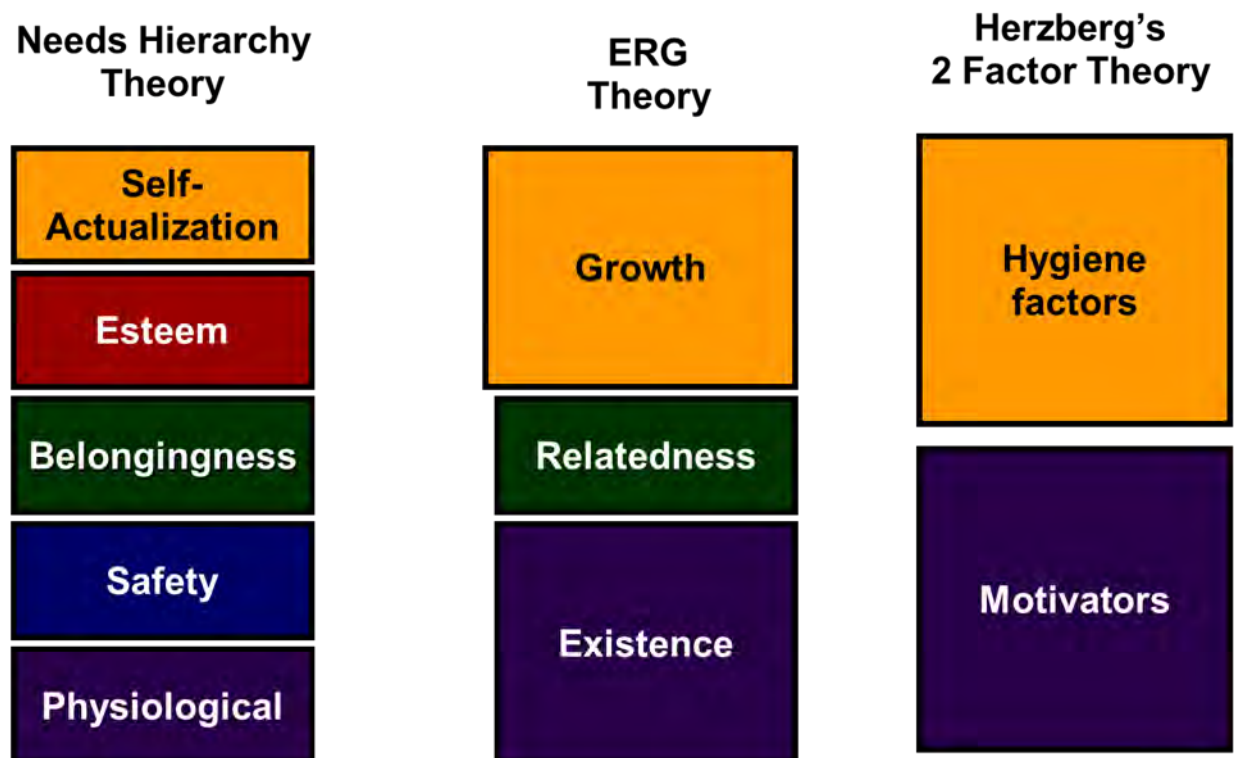


**Figure 2.4 Linking of three theories of motivation**

Source: Robbins (1996)

## 2.10.4 EQUITY THEORY

Equity theory acknowledges the behaviour of individuals to compare the absolute amount of the rewards with their efforts and that received by others. The rewards include salary levels, increases and recognition, while the inputs include effort, experience, education and competence (Ramlall, 2004). Adams' (1963) theory presented in Swinton (2007) is one of the most in-depth studies on social exchange relationships. Equity theory is based on three assumptions:

- People develop beliefs of what is considered equitable reward for their efforts on the job
- People can compare outputs in the exchange with employees
- If people perceive their rewards as unfair compared to others, they will be motivated to take action.

Organisations are therefore continuously challenged to develop systems that are fair and equitable in order to distribute rewards that are aligned to the value that employees associate to themselves for the organisation. When employees believe that they are not being fairly rewarded they have various options, which are to reduce input through directly restricting work output to realign the ratio of expected rewards versus received rewards, increase output in search of salary increases, or withdraw by quitting their job and seeking employment elsewhere.

## 2.11 SOUTH AFRICAN MOTIVATIONAL STRATEGIES

Over the past 11 years, South Africa has introduced different pieces of legislation in an attempt to address the social injustices and inequalities of the past and to transform the economic landscape. According to Booysen (2007), The Labour Relations (Act 66 of 1995), the Constitution of the Republic of South Africa (Act 108 of 1996), and the Basic Conditions of Employment Act (Act 75 of 1997) were key pieces of legislation that were implemented to address social imbalances. These were followed by the Employment Equity Act (Act 55 of 1998) which contained anti-discriminatory provisions that protected previously disadvantaged people (Booysen, 2007).

In South Africa, the implementation of Employment Equity programmes has not been without challenges. Some of these challenges were documented in the Employment Equity Commission reports (2006), also supported by Booysen (2007), who stated that the retention of black recruits has fallen, with a high number of South African organisations losing Black employees as fast as they recruit them. Booysen (2007) identified two key external barriers to Employment Equity implementation. First, head-hunting and the enticement of better external job opportunities, where Black managers are offered well-paid packages that cannot be counteroffered. Second, there are not enough Black females to recruit from; once the organisation has promoted those that are able the resources are then minimal, forcing management to look externally.

**2.11.1 BEE charter and scorecard targets**

The Sector Education and Training Authority (2011) stipulated the following targets for BEE compliance by organisations: a Black enterprise is one that is 50.1% owned by Black persons who have substantial management control. Ownership refers to economic interest while management refers to the membership of any board or similar governing body of the enterprise. A Black Empowered Enterprise is one that is at least 25.1% owned by Black persons who have substantial management control. Ownership refers to economic interests while management refers to executive directors. A Black Woman-Owned Enterprise is one with at least 25.1% representation of Black women within the Black equity and management portion.

The Black Employment Equity scorecard consists of the following seven elements: ownership, management control, employment equity, skills development, preferential procurement, enterprise development, and corporate social investment (Fongoqa, 2011). The target for skills development is 20 and the only element with a higher target is ownership. As part of the skills development element organisations have to have an approved and verified mentorship programme in place (Fongoqa, 2011).

The Auditor-General of South Africa (2010) outlined a number of goals in his Strategic Plan for 2011-2014. One of these was strengthening human resources to achieve a skilled, high-performing and diverse workforce to enable them to deliver on their mandate (Auditor-General of South Africa, 2010). In order to achieve this goal a number of initiatives were envisioned and encompassed improvements to the trainee auditor scheme; a strong focus on leadership development, succession planning and performance management; innovative approaches towards sourcing, developing and retaining talent; and creating prospects for the long-term growth of their workforce (Auditor-General of South Africa, 2010).

**2.11.2 Job Design**

According to a survey by Hackman and Oldham (1975), job design contains a measure of core job characteristics linked to the critical psychological states of employees, which in turns are linked to certain personal and work outcomes. Swanepoel, Erasmus and Schenk (2003) claimed that Hackman and Oldham's (1975) model recognises that the relationships between the core job characteristics and psychological states of individuals are moderated by each growth need strength.

When the organisation structure is in place management has to consider the design of jobs to motivate the employees from different positions in the structure to contribute toward the organisation's goal. Job design is a crucial part of organising as it affects job satisfaction and productivity (Smit, Cronje, Brevis and Vrba, 2008). Empowering employees to be involved in designing their own jobs motivates them and increases their productivity. Jobs can be expanded through job experience, enlargement, sharing and rotation.

- Job experience

Noe, Hollenbeck, Gerhart, and Wright (2011) defined job experience as the combination of relationships, problems, demands, tasks and other features of an employee's job. Organisations should use various job design techniques such as job enlargement, job rotation, transfers and temporary assignments to develop employees

- Job enlargement

Employees are tasked with new responsibilities and challenges, such as completing special projects, switching roles within work teams and researching new ways of customer service. This allows employees to develop new skills and is often equated to multi-skilling (Swanepoel, Erasmus and Schenk, 2003).

- Job rotation

This technique allows employees to move through a series of assignments in one or more functional areas. Organisations could send employees from operation site to headquarters to develop expertise. Noe *et al.* (2011) suggested that job rotation helps employees to appreciate the organisation's goals, increases their understanding of different functions, develops network contacts and improves problem solving.

- Job sharing and flexi-time

A new option in permanent part-time employment is attracting national attention as a viable alternative to more traditional patterns of work. Job sharing is defined by Smit, Cronje, Brevis and Vrba (2008) as an arrangement whereby two employees hold a position together, whether they are as a team jointly responsible for the whole or separately for each half, dividing time, salary, and fringe benefits. Smit, Cronje, Brevis and Vrba (2008) continued by saying research in South Africa indicates that alternative work schedules like flexi-time, job sharing and the compressed work week could be used to respond to the diverse needs of the workforce". Flexi-time increases employee responsibilities in choosing the schedule that meets an individual's needs. Job sharing meets the needs of those employees who cannot work full time but require a permanent job and it allows employees to have more leisure and private time.

- Transfers, promotions and downward moves

Transfer is defined as the lateral assignment of an employee to a position in a different area of the organisation (Booysen, 2007). This may include relocation which might be stressful for an employee and their family; however employees with higher career

ambitions tend to accept transfers. Noe *et al.* (2011) cited promotion as involving the movement of an employee into a position with greater challenges, more responsibility, and more authority than the previous job.

The assignment of an employee to a position with less responsibility and authority is known as a downward move (Noe *et al.*, 2011). This is generally viewed as a demotion resulting from poor performance, but organisations can use this technique to lower an employee's position so that they can learn different skills. This might lead to conflict if the employee feels that they are being punished rather than developed. It is important for organisations to provide clear performance objectives and frequent feedback in such cases.

- Temporary assignments with other organisations

This includes externships and sabbatical techniques. Externship is defined as employee development through a full-time temporary position at another organisation. Through this technique, employees develop expertise from exposure to different kinds of business techniques. Employees can also be offered a sabbatical – a leave of absence from an organisation to develop new skills. Sabbaticals also allow employees more time for personal pursuits and to redefine career goals.

- Assessment

This is defined by Booysen (2007) as collecting information and providing feedback to employees about their behaviour, communication style or skills. According to Jones (2006), competency tests and 360-degree data should be part of a career assessment. Measuring managers' skills can be done using a benchmark tool. This is a measurement tool that gathers ratings of a manager's use of skills associated with success. Supervisors and peers can provide this feedback by completing the instrument.

**2.11.3 Motivational techniques within the Banking Industry in South Africa**

Due to historical factors there are demographic categories that still experience vestiges of inequality and disadvantage due to gender, disability and other forms of being different. The previous economically-misaligned education system has contributed to the labour market still lacking an adequate supply of appropriately qualified and skilled people, particularly among the disadvantaged groups. South African banks have therefore committed themselves to contribute towards redressing these anomalies. In doing so they have to develop a transformation and employment equity strategy to correct the limitations faced by designated groups in the workplace through a comprehensive and robust employment equity and diversity management programme (Unknown, 2010). In embarking on this process each bank has to be fully aware of the challenges of the urgent needs to meet the reasonable expectations of those who were prejudiced by the past and those who are apprehensive about the future. In the spirit of pursuing a common and imperative destiny, leadership will have to demonstrate character and integrity and employees will reciprocate commitment and passion in pursuit of transformed South African banks (Unknown, 2010).

Strategy was defined by Smit, Cronje, Brevis and Vrba (2008) as the long term planning or the long term survival of the organisation in a volatile environment. For the business to survive management needs to focus on planning and choose the best suitable strategy and plan accordingly. A sound knowledge of strategic planning is important for all managers at all levels in an organisation. Planning should provide guidelines so all managers can formulate the plan and goals within business units; it is every manager's responsibility to communicate the strategy, vision and mission to employees for them to understand their level and understand the role they have to play in achieving good results.

Smit, Cronje, Brevis and Vrba (2008) stated that management in all organisations must have an inspiring vision that all stakeholders share in and are excited about. Visions are about creating an expectation in the individual and organisation. Hough et al. (2008) said success of vision depends on how well it is shared by all stakeholders. A mission statement is a perfect reflection of the organisation's future; the dream that the organisation has for itself.

Employees normally understand how to perform correctly; they understand the process and resources that are available, but for one reason or another, choose not to do so, which normally means it is a motivational issue. Tower (2006) claimed that motivational issues could derive from family pressures, financial instability, personality conflicts, a lack of understanding on how their behaviour affects other people or processes, and many more. Tower (2006) advised that observation is ideal when employees are performing a task but not to make a witch-hunt of it - rather have management observe and record what they are doing, compared to the minimum standards required from each employee. The leader should check if there is a trend using past performance appraisals with previous managers the employee might have worked with, to try to find a pattern or if it is something new, then come up with ways to assist the employee to perform better in the role. Once the challenge is known, the way forward should be discussed and agreed with both parties, i.e. employee and employer. Naseer, Robinson, Kraatz and Rousseau (2010) concluded that most employees want to do a good job and that it is in a manager's best interest to work with their employee as long as the business needs are met and it is within the bounds of the organisation to do so.

### 2.11.3.1 Succession Planning

Management should be able to measure the effects of succession planning programmes. Figure 2.5 above provides an example of a framework that can be used to measure the effects of training and development, which could offset the cost of such programmes. Whenever a human capital investment is made, Cascio and Boudreau (2008) advised that management should be able to link it to sustainable strategic success. According to Cascio and Boudreau (2008), effective talent-decision frameworks go beyond costs to encompass 'intangible' investments and value, as evidenced below:

**ANCHOR POINTS**

**LINKING ELEMENTS**

Sustainable Strategic Success

Resources and Processes

Organisation and Talent

Impact

Interactions and Actions

Culture and Capacity

Effectiveness

Policies and Practices

Efficiency

Investments
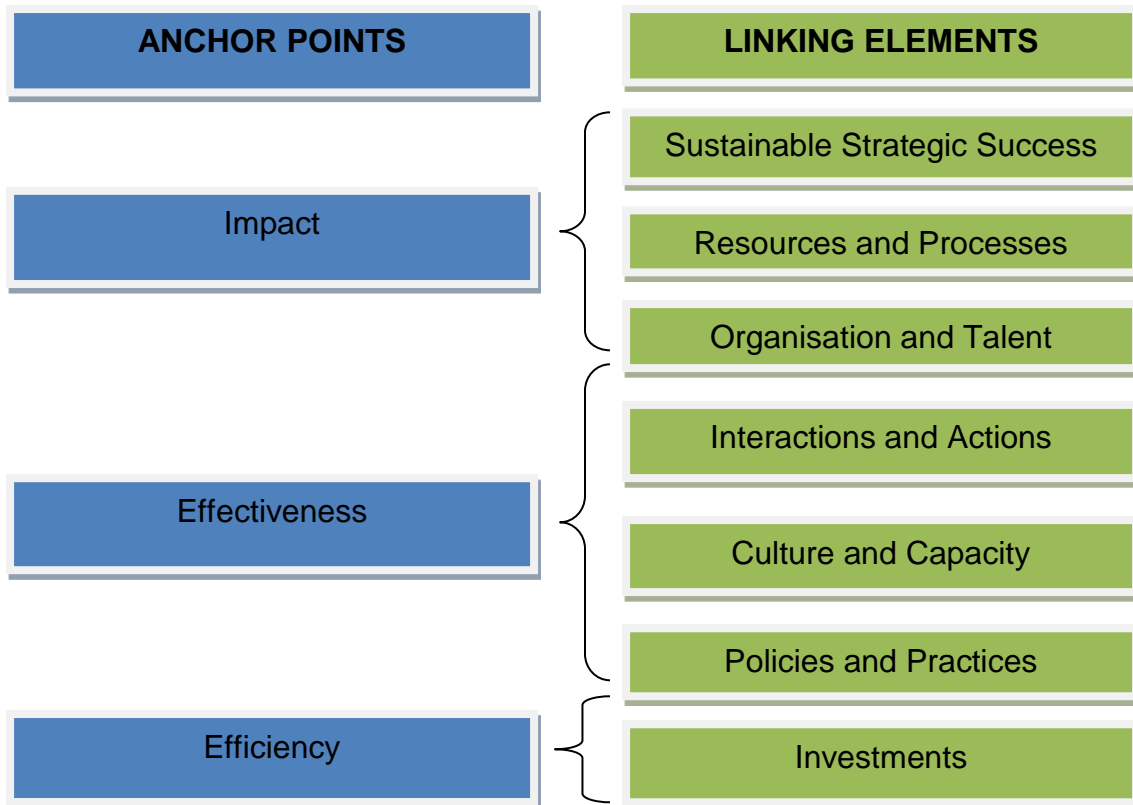
**Figure 2.5 Human Capital Bridge Framework**

Adapted from Cascio and Boudreau (2008)

Sometimes the need for training and development for employees is not clear; it is considered to be a waste of time and there is resistance to be taken away from a job. It is management's role to motivate employees and show them how training will accomplish organisational and personal goals (Grobler, Warnich, Carrell, Elbert and Hatfield, 2002). Personal goals may involve job performance and opportunities for promotion. Grobler et al. (2006) believed that when organisations are drafting strategy it is essential that training efforts be linked. Training and development is strategic when worker capabilities are developed, encouraged and promoted. Success in training involves considerable effort, both before and after the training process, and conduct needs assessment at all levels.

**2.11.3.2 Career Development**

Grobler, Warnich, Carrell, Elbert and Hatfield (2002, 12) said that an organisation's growth is closely linked to an individual's development plan; when employees fail to grow and develop in their work an inactive organisation will mostly probably result. One of the important developmental functions is the appraisal of employee performance. During the appraisal process the employee is made aware of any developmental shortcomings based on contracted performance.

According to Grobler (2004), people have varying expectations about the reward and satisfaction they seek from their jobs. To some employees, work is purely a necessary evil; a painful mechanism for earning money to support a family. Such employees do not expect fulfilment in their work and may in fact feel that work and enjoyment are totally incompatible. There are other employees who are not only looking for payments and benefits at the end of the day, but also desire to be satisfied in their human needs through their work. They want to work agreeably and be friendly to co-workers and receive ego satisfaction from performing their jobs.

Employees' choices are different; a good family life with time to pursue hobbies and other interests may be perceived as being just as important as high status, or highly paying jobs with very high stress levels. Grobler, Warnich, Carrell, Elbert and Hatfield (2002, 12) stated that for other people, work is the biggest part of their lives and they are fully committed and get a great deal of personal pride and satisfaction from their work. To such employees, work comes first and everything else such as family, hobbies, social obligations, and other interests comes second. To these types of employees, spending long hours at the workplace is not an issue but an investment, due to the fact that they pursue higher positions within organisation.

**2.11.3.2  Coaching**

Grobler and Warnich (2006) defined coaching as training and feedback given to employees on a one-on-one basis by an immediate supervisor. The coach, often a line manager or any other manager/leader chosen by the employee, achieves

developmental objectives by setting goals, providing assistance in reaching goals and timeously giving constructive performance feedback. The coach answers questions from employees and lets the employees participate in decision making, which stimulates the employees' thinking ability. Trust and mutual respect is critical between coach and coachee.

Grobler, Warnich, Carrell, Elbert and Hatfield (2002) stated that coaching can be an extremely effective way to develop employee confidence and strong supervisory subordinates. It could be a very effective motivation tool as the employees are given the opportunity to participate in decision making which builds self-esteem. Levisons (2006) suggested that the coach must be willing to give enough time to the development plan and allow employees to make mistakes - to give them a learning curve.

### 2.11.3.3  Reward and Recognition System

Grobler et. al. (2002) said the objectives of reward and recognition systems should include attraction, motivation and retention of employees at all organisational levels. These policies must state or make a decision whether the reward is based on individual performance or group performance. The other decision that may need to be made is to involve employees in designing the reward and recognition system within the organisation. Levisons (2006) suggested that the most effective mix of pay and non-pay rewards to motivate performance is the relationship between employee and employer.

## Summary

It is evident from the literature that there are different perceptions, views and attitudes from different authors regarding employee motivation and performance management. This chapter has provided a brief background to employee motivation and performance management with all the other factors that influence the performance of individuals and the organisation. The literature addressed the elements, key factors, theories and outcomes of motivation within the workplace and gave an understanding of the relevance of motivation. It was highlighted that an organisation's success is dependent on employees who are fully motivated to drive performance and achieve goals.

The next chapter will focus on the research methodology employed in carrying out the study. The chapter will detail the objectives of the study, the sampling technique utilised as well as an overview of the research instrument used.

# CHAPTER THREE
## Research Methodology

## 3.1 Introduction

Phatak (2008) described research as a systematic, objective, reproducible and deliberate attempt which is made to answer meaningful questions pertaining to a field of study or about a phenomenon or events in a given situation.This chapter discusses the research methodology applied in the study. It was critical to establish a research design that would provide meaningful information and data to the research questions and research problem. It begins with an explanation of the selected research design and a discussion concerning the quantitative nature of the study. The population, geographic area and selected sample are discussed as reasons why the target respondents were identified and selected. The questionnaire was devised and administered asking the respondents specific questions about the subject matter, and the data collected showed different views of the respondents' attitudes towards the subject matter.

## 3.2 Aim and objectives of the study

Sekaran and Bougie (2010) stated that scientific research starts with a definite aim or purpose. They further mentioned that to find solutions for identified problems, a problem statement that states the general objectives of the research should be developed. Mitchell and Jolley *(*2010) explained that before the researcher can persuade people that his study is important and interesting, he must let them know exactly what concepts he is studying and then explain why those concepts are important. In this study, the researcher included an introduction at the beginning of the questionnaire to explain to respondents the purpose of this study and allowed them to participate voluntarily and be able to quit at any point should they have decided to do so.

Employment equity is a priority to further entrench inclusivity in the workplace culture. It is a critical component of the bank's business strategy, is integral to employee relations and is one of the banks in question's talent management initiatives. Nonetheless,

employment equity across the South African economy remains a challenge. While more than a quarter of banks' permanent employees are now Black women, the bank is making slow progress toward employment equity targets in KZN (Intranet, 2012) as the permanent employee turnover rate for their black employees in South Africa remains 4% higher than the average turnover rate, although this margin has reduced by half. While 78% of new appointments and promotions were black, this group also accounted for 68% of all resignations (Internal statistics, 2012).

The aim of this study is to explore and establish what motivates employees within the KZN branches of a large South African bank and how better to support the bank's strategy to be a customer and people-centred bank through managing employees' performance. The lack of motivation amongst employees has a negative impact on job performance and is hindering the fulfilment of this goal.

## 3.2.1 Objectives of the research

The objectives of this study are as follows:
- To determine the effect of reward and recognition systems on employee motivation.
- To determine the effectiveness of performance management that has been implemented within a large bank in its KZN branches.
- To determine whether performance management is being effectively linked to reward and recognition systems.
- To determine whether realistic performance measures were set to gauge progress toward strategic organisational goals.
- To investigate if individual performance is linked directly to organisational goals.

## 3.3 Research Methodology

Kumar (2005) stated that research is more than a set of skills - it is a way of thinking and critically examining the various aspects of the day-to-day professional work; understanding and formulating guiding principles that govern a particular procedure; and developing and testing new theories for the enhancement of the practice. According to Walliman (2011), research methods are the techniques used to do research. They represent the tools of the trade and provide ways to collect, sort and analyse data so that conclusions can be drawn.

Kumar (2005) further stated that research is a habit of questioning what we do and a systematic examination of observed information to find answers, with a view to instituting appropriate changes for a more effective professional service. The researcher selected to use a quantitative approach. The aim for using this approach was to develop an in-depth understanding in order to focus on causal aspects of behaviour from the collection of facts that would not change easily.  This was to ensure that the approach utilised a detached and objective view of the facts that would keep the research process hypothetically free from bias. The researcher was not only attempting to identify problems, but also to provide a possible way forward and adding value to the bank's strategy.

### 3.3.1 Types of Research

Kumar (2005) suggested that research can be classified from three perspectives, namely; application of research study, objectives in undertaking the research, and inquiry mode employed.

Figure 3.1 illustrates the different types of research
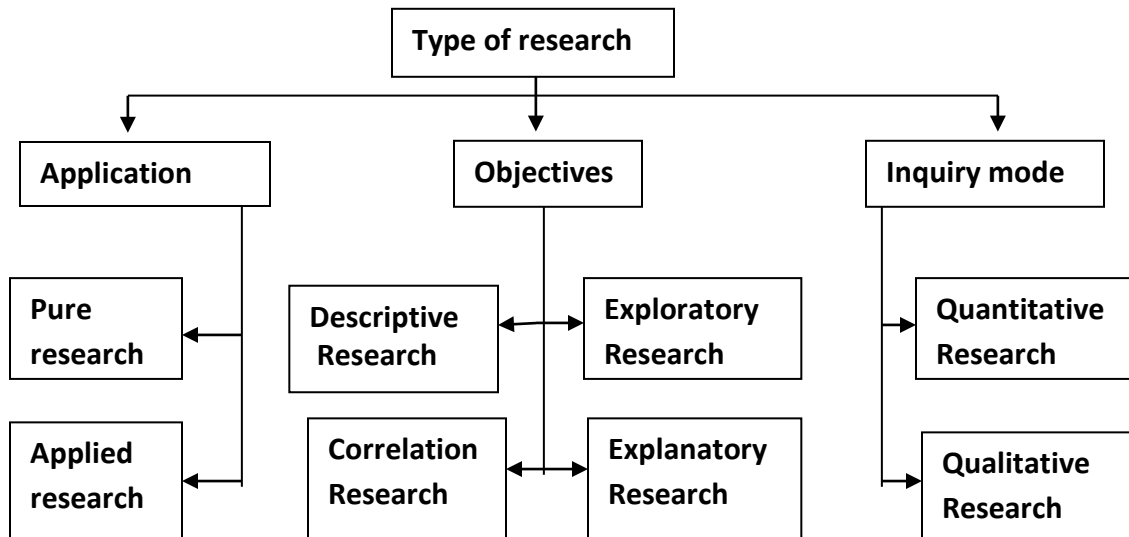


**Figure 3.1 Types of research**

Adapted from Kumar (2005)

Application research consists of two broad categories: pure research and applied research. According to Kumar (2005), pure research is concerned with the development, examination, verification and refinement of research methods, procedures, techniques and tools that form the body of research methodology. Applied research is when the research techniques, procedures and methods that form the body of research methodology are applied to the collection of information about various aspects of a situation, issue, problem or phenomenon so that information gathered can be used, for example, in the enhancement of understanding a phenomenon.

In this study applied research is employed. The information gathered in this study will assist the stakeholders to gain a better understanding of employee motivation in line with performance management and therefore be able to respond appropriately to such views. Kumar (2005) stated that objective research is classified as descriptive, correlational and explanatory.

Descriptive research attempts to systematically describe a situation, problem or phenomenon. The main purpose of such studies is to describe what is prevalent with

respect to the issue/problem under study. Correlational research is about establishing the existence of a relationship/interdependence between two or more variables under consideration. According to Kumar (2005), explanatory research attempts to clarify how and why there is a relationship between two aspects of a situation. In exploratory research, the study is undertaken with the objective either to explore an area where little is known, or to investigate the possibilities of undertaking a particular research study.

This study follows an explanatory research method where the relationship between employee motivation and various variables such as performance development, incentive schemes, career development, money as motivator and rewards are established. It is important for this study to follow explanatory research as the information gained becomes critical for the decision makers in organisations.

### 3.3.2 Quantitative and Qualitative Research

Creswell (2003) stated that quantitative methods involve the processes of collecting, analysing, interpreting, and writing the results of a study. Specific methods exist in survey and experimental research that relate to identifying a sample and population; specifying the strategy of enquiry, collecting and analysing data; presenting the results; making an interpretation; and writing the research in a manner consistent with a survey or experimental study. Quantitative research methods use predetermined instrument-based questions to gather performance data, attitude data, observational data and census data. Quantitative research methods use statistical analysis (Creswell, 2003).

Creswell (2003) further claimed that qualitative approaches to data collection, analysis and report writing differed from the traditional quantitative approaches. Qualitative procedures are informed by the use of purposeful sampling, collection of open ended data, analysis of text or pictures, representation of information in figures and tables, and personal interpretation of findings. Qualitative methods use open-ended questions to gather interview data, document data, and audio-visual data. Qualitative methods use text and image analysis (Creswell, 2003). Sekaran and Bougie (2010) described

qualitative data as data in the form of words. They further stated that the analysis of qualitative data is not easy. The problem is that in comparison with quantitative data analysis, there are relatively few well-established and commonly accepted rules and guidelines for analysing qualitative data.

## 3.4 Problem Statement

Service has an extremely important role to play in customer experience, as this is the one of the differentiator between banks and all other financial institutions. The bank in question's KZN strategy is to be a customer and people-centred organisation. The bank seeks to have a customer-centric mind-set in everything it does to deliver a consistent customer service experience, but in order to demonstrate professionalism and integrity in serving its customers' needs, talented, passionate and motivated employees are needed.

This study strives to understand what will motivate the KZN employees to perform up to a desired standard, as the lack of motivation amongst employees has a negative impact on their job performance.

## 3.5 Sampling

Sampling is a critical aspect of research. Druckman (2005) argued that the critical question for sampling is how well the sample we obtain will resemble the population in which we are interested. Berg (2009) stated that the logic of using a sample of subjects is to make inferences about some larger population from a smaller one – the sample. Druckman (2005) further explained that we use sampling for various reasons: we do not have time to gather data from everyone; we do not have money to pay for data collection from the entire population; and we do not want to ask everyone in the population to take the time to give us information, either out of respect for their limited resources of time or because we do not want the entire population to be exposed to our work.

The sample has to be the model of the population; it should be as similar to the population as possible. However achieving this can be very difficult and costly, and rarely achieves perfection, therefore this study employs the laws of probability sampling. Sekaran and Bougie (2010) simply defined a sample as a subset of the population, i.e. a sample comprises some members selected from the population. They further argued that by studying the sample, the researcher should be able to draw conclusions that are generalisable to the population of interest. The population refers to the entire group of people, events, or things of interest that the researcher wishes to investigate (Sekaran and Bougie, 2010).

The bank has an estimated 8, 000 population (employees) in KZN.  According to the sample size for a given population table by Sekaran and Bougie (2010, 295), the sample target is therefore 368. Due to understanding the limitations and possibility of drop outs the questionnaire was sent to 550 employees. The respondents constituting the sample for this study were randomly drawn from different branches and departments at different levels within the bank's branches in KZN. The results obtained were sufficient to draw conclusions about the population. It was, for an example, observed from the sample results that motivation is highly important for employee performance and growing a business. These results can be generalised to the population and action can be taken to address such issues within the bank.

### 3.5.1  Probability Sampling

There are two major types of sampling designs: probability and non-probability sampling. Sekaran and Bougie (2010) stated that in probability sampling there are elements in the population which have a zero chance or probability of being selected as sample subjects.  Druckman (2005) argued that without probability sampling there is no way to gauge the degree to which the sample actually matches the population. He further stated that probability sampling entails several steps:

The first step is to decide how precise the estimates need to be, that is, how much uncertainty in the findings can be tolerated. This decision may affect the size of the sample needed and may affect decisions on how the sample will be drawn.

The second step involves specifying exactly the population to be represented by the sample. Berg (2009) explained that the concept of probability sampling is based on the notion that a sample can be selected that will mathematically represent sub-groups of some larger population. The most commonly used probability sample is the simple random sample. To accomplish a simple random sample, each element in the full population must have an equal and independent chance of inclusion in the eventual sample to be studied.

### 3.5.2  Non-probability sampling

Sekaran and Bougie (2010) pointed out that in non-probability sampling, elements do not have a known or predetermined chance of being selected as subjects. This means that the findings from the study of the sample cannot be confidently generalised to the population. Sekaran and Bougie (2010) discussed two broad categories of non-probability sampling designs: convenience sampling and purposive sampling. Convenience sampling refers to the collection of information from members of the population who are conveniently available to provide it.

Purposive sampling is when the sampling is confined to specific types of people who can provide the desired information, either because they are the only ones who have it, or who conform to some criteria set by the researcher. Purposive sampling is divided into two major types: judgment sampling and quota sampling. Jackson (2008) explained that non-probability sampling is used when the individual members of the population do not have an equal likelihood of being selected to be a member of the sample. Non-probability sampling is typically used because it tends to be less expensive and generating samples is easier.

Jackson (2008) explained that there are two types of non-probability sampling: convenience sampling – a sampling technique in which participants are obtained whenever they can be found and typically wherever is convenient for the researcher; and quota sampling – a sampling technique that involves ensuring that the sample is like the population in certain characteristics, but uses convenience sampling to obtain the participants.

This study specifically used purposive sampling since it is about employee motivation; therefore respondents had to be employed by the large bank. The questionnaires were sent electronically to all potential respondents; however some respondents did not have internet access and thus could not complete the survey. The population in this study included any employee within the bank's KZN branches, therefore respondents did not have any known or predetermined chance of being selected, and hence it was non-probability sampling.

### 3.5.3 Time horizon

This was a cross sectional study. Sekaran and Bougie (2010) defined a cross-sectional study as a study in which data is gathered just once, perhaps over a period of days, weeks or months in order to answer a research question. In this study, data was collected over a period of 6 weeks from the large bank employees, giving enough time to front line employees to complete questionnaire. The choice of the time horizon was dependent on the time and the budget the researcher had to conduct the study, without compromising data sufficiency.

## 3.6   Sample size

Druckman (2005) explained that in general, a sample should be large enough to provide an acceptable degree of precision not only for estimates about the population as a whole, but also for important sub-groups that are represented in the sample. The precision of a sample is affected by the size of the sample, the variability of the population, and the fraction of the population taken into the sample. Sekaran and Bougie (2010) summarised six factors affecting decisions on sample size as: the research objective, the extent of precision desired, the acceptable risk in predicting that level of precision, the amount of variability in the population itself, the cost and time constraints, and in some cases, the size of the population itself. The sample size for this research N (population) = 8, 000 employees and s (sample) = 367.

## 3.7    Data collection methods

Sekaran and Bougie (2010) stated that data collection methods are an integral part of research design. Data collection methods include interviews: face-to-face, telephonic, and computer-assisted, and interviews through the electronic media – questionnaires, observation of individuals and events with or without videotaping or audio recording, and a variety of other motivational techniques such as projective tests.

This study used an online internet survey as a data collection method. This was a preferred method because it allowed the respondents to do questionnaires in their own time. It was also easy to use and convenient for both the researcher and the respondents. Respondents accessed questions through the link to QuestionPro, which is an online survey software. Statistical Package for the Social Sciences (SPSS) is used for the analysis of the data obtained.

This method provided the researcher with sufficient data to draw meaningful conclusions and it enabled the researcher to present the results in different forms. But there were disadvantages that the researcher encountered while using this method of data collection. Firstly, the researcher did not have any control over the respondents when answering the questions, therefore the researcher could not ensure that all the questions were clearly understood. Secondly, it was noticed that 16 respondents could not finish the survey – the researcher is not able to know and understand why the survey was not finished by these respondents. Thirdly, the researcher could only remind the respondents to complete questions within the timeframe, but could not know as to who had not done so.

## 3.8    Design and description of Questionnaire

Sekaran and Bougie (2010) defined a questionnaire as a pre-formulated written set of questions to which respondents record their answers, usually within rather closely defined alternatives. Questionnaires are an efficient data collection mechanism when the researcher knows exactly what is required and how to measure the variables of

interest. Questionnaires can be administered personally; they can be mailed to the respondents or electronically distributed.

Druckman (2005) pointed out a few key issues in questionnaire construction that are worth reviewing. Firstly, he warned that the initial questions are particularly important because they determine the respondents' willingness to continue beyond the first questions. He added that the way the questionnaires look and sound to respondents can have a big impact on their willingness to undertake the survey or to finish it. Secondly, Druckman (2005) mentioned the importance of sequencing the substantive questions. The context in which questions are asked is often very important in how they are interpreted by respondents. Sekaran and Bougie (2010) explained that online questionnaire surveys are easily designed and administered - several programmes have been developed to administer questionnaires electronically. SPSS has several software programmes for research purposes, including SPSS Data Entry Builder which is used for creating surveys that can be administered over the web, phone, or mail; SPSS Data Entry Enterprise Server which is used for entering the responses; and SPSS 11.0 which is used for data analysis and charts.

The questions were designed to answer to the objectives of the study. When designing these questions, the researcher ensured that they were easy to understand and there was a flow from one question to another. A test was conducted by submitting the questions to a few respondents and asking them for feedback. Amendments were made to the questionnaire before it was electronically distributed to all respondents.

## 3.9   Deciding on research questions

Mitchell and Jolley (2010) explained that a researcher might decide to use fixed-alternative questions. Fixed-alternative questions are questions that require the respondent to choose between two or more answers. Mitchell and Jolley (2010) further stated that the survey might include several types of fixed-alternative questions: true-false, multiple-choice and rating scale.

### 3.9.1 Open-ended questions

According to Sekaran and Bougie (2010), open-ended questions allow respondents to answer the questions in any way they choose. For example, where the researcher asks respondents to state five things that are interesting and challenging in a job, Mitchell and Jolley (2010) stated that there are two major advantages of letting participants respond in their own words. Firstly, the researcher avoids putting words in participants' mouths, and secondly, open-ended questions may let the researcher discover the beliefs behind the respondents' answers.

Mitchell and Jolley (2010) further stated that although there are two major advantages of letting respondents answer in their own words, there are also two major disadvantages. Firstly, open-ended questions are hard for participants to answer. Because of the difficulty of generating their own responses, participants will often skip open-ended questions. Secondly, answers to open ended questions are hard to score. Answers may be so varied that the researcher will not see an obvious way to code them.

### 3.9.2 Closed-ended question

Druckman (2005) suggested that closed-ended questions are ones that offer response options that accurately reflect the way respondents actually think about the issue or topic at hand. At a minimum, the options offered must be exhaustive and mutually exclusive. Druckman (2005) advised that the list of options in a closed ended question should be relatively short – ideally three or four – unless the list is likely to be familiar to the respondents. Sekaran and Bougie (2010) stated that closed questions help the respondents to make quick decisions to choose among the several alternatives before them. They also help the researcher to code the information easily for subsequent analysis. Sekaran and Bougie (2010) suggested that all items in a questionnaire using a nominal, ordinal, Likert, or ratio scales are considered closed.

### 3.9.3 Nominal dichotomous questions

Mitchell and Jolley (2010) defined nominal dichotomous questions as questions that allow only two responses, (usually "yes" or "no"). The fact that nominal dichotomous questions present participants with only two – usually very different – options has at least two advantages. Firstly, respondents often find it easier to decide between two choices than many. Secondly, when there are only two very different options, respondents and investigators should have similar interpretations of the options. Therefore, a well-constructed dichotomous question can provide reliable and valid data.

Although there are advantages of offering only two choices, Mitchell and Jolley (2010) argued that there are also disadvantages. One disadvantage of nominal dichotomous questions is that some respondents will think that their viewpoint is not represented by the two alternatives given.

### 3.9.4  Likert-type and interval questions

Likert type questions typically ask participants to respond to a statement by choosing "strongly disagree" (scored as "1"), "disagree" ("2"), "undecided" ("3"), "agree" ("4"), or "strongly agree" ("5"). Mitchell and Jolley (2010) explained that Likert type questions are extremely useful in questionnaire construction. Whereas dichotomous questions allow respondents only to agree or disagree, Likert type questions give respondents the freedom to strongly agree, agree, be neutral, disagree, or strongly disagree. Thus Likert type questions yield more information than nominal dichotomous questions.

According to Mitchell and Jolley (2010), the major disadvantage of Likert type questions is that some respondents may resist the fixed alternative nature of the question. Jackson (2008) explained that a Likert rating scale presents a statement rather than a question, and respondents are asked to rate their level of agreement with the statement. She suggested that if the researcher wants to force respondents to lean in one direction or another, then an even number of alternatives should be used. Jackson (2008) stated that many researchers prefer to use a Likert-type scale, because it is very easy to analyse statistically.

The questionnaire for this study consisted of a combination of forced Likert (4-point Likert scale), nominal dichotomous, and closed-ended questions. This was necessary to assist the researcher in gathering all the relevant data. Open-ended questions were not used because of challenges they presented during scoring and coding of responses.

The questionnaire for this study was made up of 17 questions. The questions were categorised as follows:

**Section1**: Demographic information (Questions 1 – 6)

**Objective 1:** To determine the effect of rewards and recognition system on employee motivation (Questions 7 – 10)

**Objective 2 and 5:** Individual Performance Management link with Organisation's Performance (Questions 11 – 14)

**Objective 4 and 3**: Effect of the reward and recognition system on employee motivation (Questions 15 - 17);

## 3.10 Pretesting

Berg (2009) suggested that once researchers have developed the instrument and are satisfied with the general wording and sequencing of questions, they must do pretesting. Berg (2009) explained that pretesting involves at least two steps. Firstly, the questionnaire should be critically examined by people familiar with the study's subject matter, such as technical experts or other researchers fitting the type to be studied. This facilitates the identification of poorly worded questions, questions with emotion-laden wording or questions revealing the researcher's own biases, personal values or blind spots.

The second step in pretesting before the instrument can be used in a real study involves several practices to assess how effectively the questionnaire will work and whether the type of information being sought will actually be obtained. Berg (2009) suggested that a careful pre-test of the instrument, although time consuming in itself, usually saves enormous time and cost in the long run.

Berg (2009) suggested the following questions for assessing an instrument:

a) Does the researcher include all of the questions required to test the study hypothesis?
b) Is the language of the study meaningful to the respondents?
c) Are there any problems with the questions, such as multiple issues set in a single question?
d) Do the questions draw out the types of answer that are expected?

For the purpose of this study, the researcher conducted a random pilot study by asking 10 respondents, which included the Regional Manager, Human Resources Business Partner (HRBP) and general employees to complete the questionnaire and provide feedback regarding the structure, clarity and flow of questions. The feedback from pretesting did suggest the necessity to make some changes in the original questionnaire.

## 3.11 Reliability and Validity of a measuring instrument

### 3.11.1 Reliability
In terms of reliability all that is required is that, should the research be repeated by the same or other researchers, there will be certainty that similar results will be obtained. Efforts were made to ensure that the respondents did not feel encouraged to give a response which would please or displease the researcher.

### 3.11.2 Validity
For research to be valid it needs to have measured what it set out to. It is thus crucial that the questionnaires are well designed in order to achieve this. Bias in questioning was avoided and the questions were designed so that they could be answered with ease and the respondents were encouraged to tell the truth when answering questions about an issue (Sekaran, 2003). Respondents were advised that it was imperative that honest answers were given as the aim of the research was to discover the respondents' experiences, perceptions and opinions on the topic. Jackson (2008) stated that the construct validity of a test assesses the extent to which a measuring instrument

accurately measures a theoretical construct or trait that it is designed to measure. This is assessed through convergent and discriminated validity.

## 3.12 Ethical Considerations

Jackson (2008) mentioned that informed consent forms must be given to individuals before they participate in a research study to inform them about the general nature of the study and to obtain their consent to participate. Mitchell and Jolley (2010) discussed ethical guidelines for studies involving human participants. Jackson (2008) explained that when conducting research with human or nonhuman participants, the researcher is ultimately responsible for their welfare.

Thus it is the researcher's responsibility to protect respondents from harm. It was pointed out that researchers should get approval from appropriate committees. Jackson (2008) further stated that when obtaining informed consent, the researcher must inform respondents about:

a) Their rights to participate in and to withdraw from the research once participation has begun
b) The purpose of the research and estimated duration
c) Limits of confidentiality
d) Incentives for participation
e) Who to contact for questions about the research and participants' rights.

Ethical clearance for conducting this study was obtained from the UKZN's Humanities & Social Sciences Research Ethics Committee. All the requirements for ethical considerations such as an informed consent letter, gatekeeper's letter and a copy of the questionnaire were submitted for ethical clearance approval.

## 3.13 Constraints

The questionnaire was administered through QuestionPro which is accessed through the internet; therefore a limitation was that since not all employees had access to internet facilities, the contributions of some of the employees may not be captured in

this study. Employee Motivation and Performance Management issues could have been considered a sensitive issue in the organisation by some respondents and the outcome may have made them feel uncomfortable about completing the questionnaire; while others may have decided to drop out.

## 3.14 Summary

In this chapter, the research methodology was discussed in detail with reference to its application to this research study. Various data collection methods were also discussed, with more emphasis on the questionnaire as the most relevant data collection method for this study. This chapter further discussed the principles of a well-designed and effective questionnaire. These principles were used to scrutinise the questionnaire designed for collecting data on Employee Motivation and Performance Management within a large bank's branches in KZN.

The next chapter will provide the presentation of the data gathered from the survey. The data will be presented in the form of Descriptive Statistics and Inferential Statistics.

# CHAPTER FOUR

# Presentation of results

## 4.1 Introduction

The preceding chapter explained the data gathering process that was implemented for the purpose of the empirical research. The aim of this chapter is to present the primary findings of the research that was gathered through the electronic questionnaire carried out with the participants. This chapter does not reflect any interpretation of the responses made by the respondents as Chapter Five is specifically dedicated to such reflection; rather, it begins with descriptive statistics of the quantitative results. A complete analysis and discussion of the data is undertaken in Chapter Five, as the respondents' responses are discussed in conjunction with the insights gained from the literature review presented in Chapter Two.

In order to recognise the differences or similarities of the opinions of the respondents, the data is presented in a manner whereby all the respondents' views are tabulated below the question posed. The results of the statistical analyses used to test the hypotheses of the study are presented. Bar graphs, pie charts and frequency tables are used to present the information to gain an overview of the perceptions of respondents. An insight into the motivation for each group of questions precedes the question and respondents.

## 4.2 Overall Respondents' Statistics

The data collected using the electronic questionnaire related to the number of participants and respondents. For each of these variables, the findings are presented using figures in the form of graphs and tables with guidance of SPSS. Of the 500 emails sent to respondents, 51% viewed them and 49% were seemingly not interested.

The table below shows that 51% viewed, 23% started and only 20% completed. The overall participant statistics is shown below in Table 4.1 in actual numbers.

**Table 4.1 Questionnaire Completion Data**

| FACTOR | COUNT |
|---|---|
| Viewed | 256 |
| Started | 117 |
| Completed | 101 |
| Completion rate | 86.32% |
| Drops out after started | 16 |

## 4.2.1 Demographics results of the sample

This section consists of the demographical characteristics of the sample population. The targeted population consisted of full-time employed and temporary employees in the large bank's branches in KwaZulu Natal. The results are presented in demographic order to establish the influence and impact of respondents' gender, age, race and qualifications.

**Table 4.2 Demographics representation of the respondents**

| Description | Percentage % |
|---|---|
| *Gender*<br><br>• Male<br>• **Female** | <br><br>46<br>**54** |

| Age of Respondents | |
|---|---|
| • > 25 | 5 |
| • **25 – 30** | **41** |
| • 31 – 35 | 29 |
| • 36 – 45 | 16 |
| • < 45 | 9 |
| Racial Composition | |
| • **Blacks/ Africans** | **51** |
| • Coloureds | 14 |
| • Indians/Asian | 25 |
| • Whites | 10 |
| Respondents' highest qualifications | |
| • Less than Matric | 0 |
| • Matric | 33 |
| • **Diploma** | **41** |
| • Bachelors Degree | 17 |
| • Honours | 8 |
| • Masters | 1 |
| • Doctorate | 0 |

The results in table 4.2 above represent the total of 101 respondents, of which 54% were female and 46% male. The majority of respondents were between the ages of 25 – 30, 51% were black Africans and diplomas were the highest level of education. Although the study did not seek to find out whether employee motivation and performance management within a large bank's branch in KZN was affected by any of the demographics, there was, however, a likelihood that motivation strategy was positively correlated to one or two of the demographics.

### 4.2.2 Level in Organisation

The results in figure 4.1 below show that the majority of respondents were junior staff, representing 57% of total respondents. The composition of the remaining respondents were temporary staff at 3%, 20%were line managers, 11%branch managers, 8% were middle management and 1% were senior managers.

**Levels in Organisation**

| Level | Percentage |
|---|---|
| Senior Managers | 1% |
| Middle Managers | 8% |
| Branch Managers | 11% |
| Line Managers | 20% |
| Junior Staff | 57% |
| Temporary Staff | 3% |
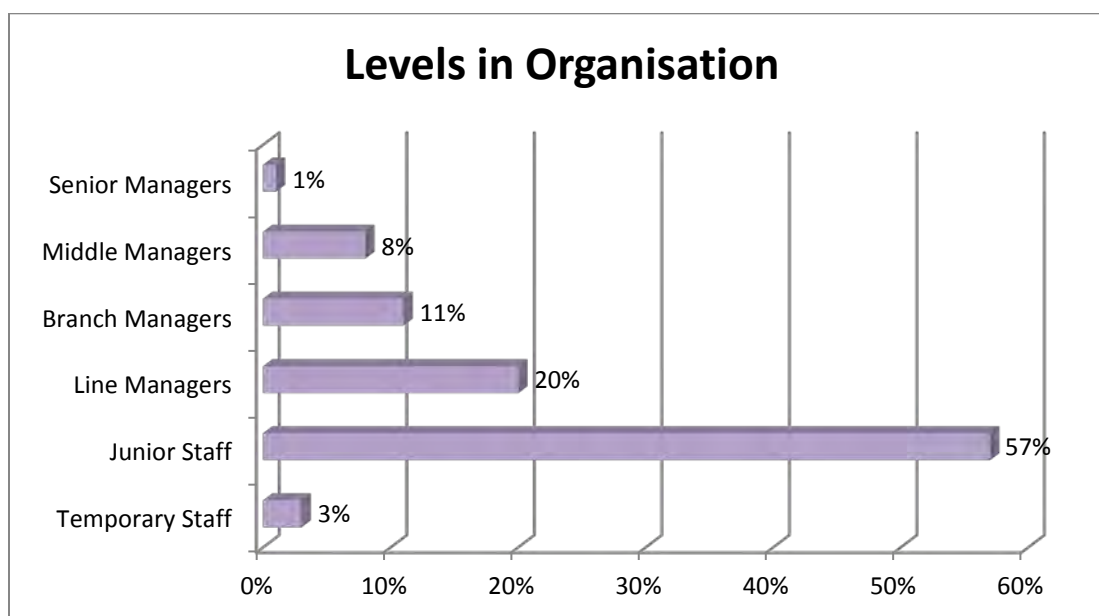
**Figure 4.1 Levels in Organisation**

### 4.2.3 Length of Service in the organisation

**Table 4.3 Length of service in the organisation**

| | | Frequency | Percent |
|---|---|---|---|
| Valid | 1 – 2 years | 5 | 5 |
| | 3 – 5 years | 24 | 23 |
| | 6 - 8 years | 40 | 40 |
| | 9 – 10 years | 20 | 20 |
| | ➢ 10years | 12 | 12 |
| | **Total** | **101** | **100.0** |
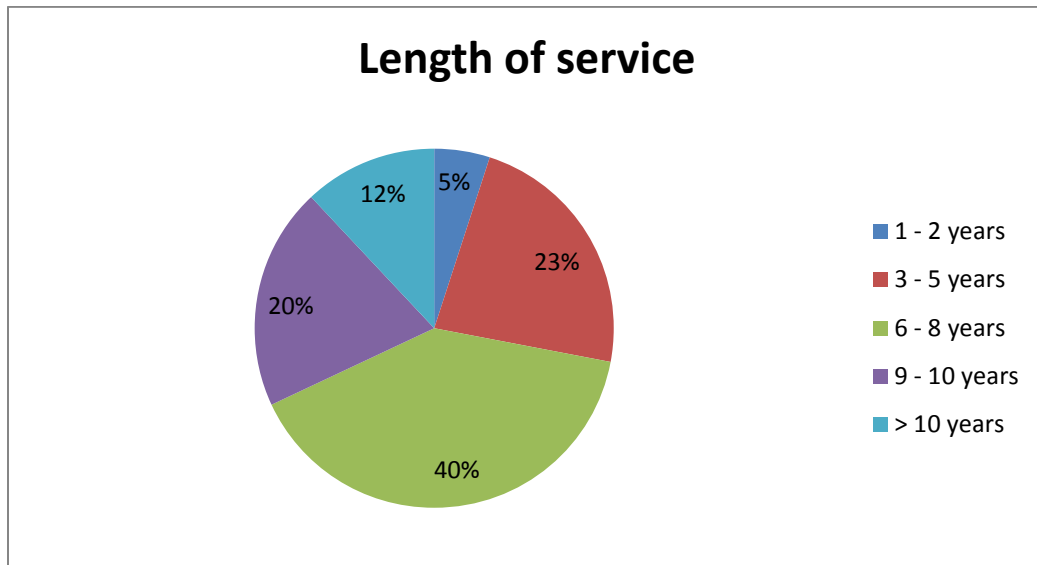
**Figure 4.2 Sample compositions by length of service**

The results in table 4.3 and figure 4.2 indicate that the majority of employees had been in the organisation for over five years.

## 4.3 Motivation background and understanding of employee motivation

**Question:** What motivates you to improve your job performance?

**Table 4.4 Views on what motivates respondents**

<table>
<tr>
<td colspan="2" rowspan="2">n=101</td>
<td colspan="6">What motivates you to improve your job performance?</td>
</tr>
<tr>
<td>Line Manager</td>
<td>Incentive Scheme</td>
<td>Career Development</td>
<td>Monthly Salary</td>
<td>Performance Development</td>
<td>Total</td>
</tr>
<tr>
<td rowspan="3">Race</td>
<td>African</td>
<td>1%</td>
<td>10%</td>
<td>**25%**</td>
<td>12%</td>
<td>3%</td>
<td>51%</td>
</tr>
<tr>
<td>Coloured</td>
<td>0%</td>
<td>**6%**</td>
<td>3%</td>
<td>2%</td>
<td>3%</td>
<td>14%</td>
</tr>
<tr>
<td>Indian</td>
<td>**10%**</td>
<td>0%</td>
<td>1%</td>
<td>8%</td>
<td>6%</td>
<td>25%</td>
</tr>
</table>

| | | | | | |
|---|---|---|---|---|---|
| White | 1% | 0% | 1% | 2% | ==6%== | 10% |
| Total | 12% | 16% | ==30%== | 24% | 18% | 100% |

The results in table 4.4 indicate that the majority of respondents were motivated to improve their job performance by career development (30%). In terms of race, Black Africans were mostly motivated by career development (25%), while coloureds were mostly motivated by incentive schemes (6%), Indians by line managers (10%) and whites by performance development (6%) respectively.

## 4.4 Individual Performance linked with Organisation's Performance

**Question:** Is top management driving the performance at your organisation?

**Table 4.5**

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Strongly agree | 47 | 46% |
| | Agree | 29 | 29% |
| | Strongly disagree | 8 | 8% |
| | Disagree | 8 | 8% |
| | Uncertain | 9 | 8% |
| | **Total** | **101** | **100.0** |



Legend: ■ Strongly Disagree ■ Disagree ■ Uncertain ■ Agree ■ Strongly Agree
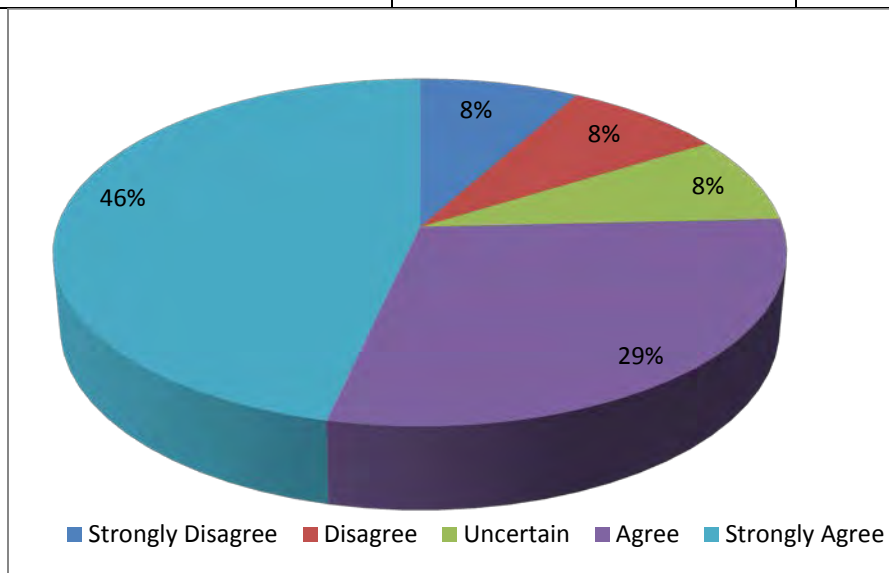
**Figure 4.3**

The results in Table 4.5 and Figure 4.3 indicate that the majority of the respondents strongly agreed and agreed that top management was driving the performance within a large bank's branch in KZN added up to 75%, with 16% disagreeing and 8% being uncertain.

**Question:** Are coaching sessions held in line to boost performance?

**Table 4.6 Coaching Sessions**

|       |                   | Frequency | Percent |
|-------|-------------------|-----------|---------|
| Valid | Strongly agree    | 36        | 36      |
|       | Agree             | 34        | 34      |
|       | Strongly disagree | 7         | 6       |
|       | Disagree          | 14        | 14      |
|       | Uncertain         | 10        | 10      |
|       | **Total**         | **101**   | **100.0** |
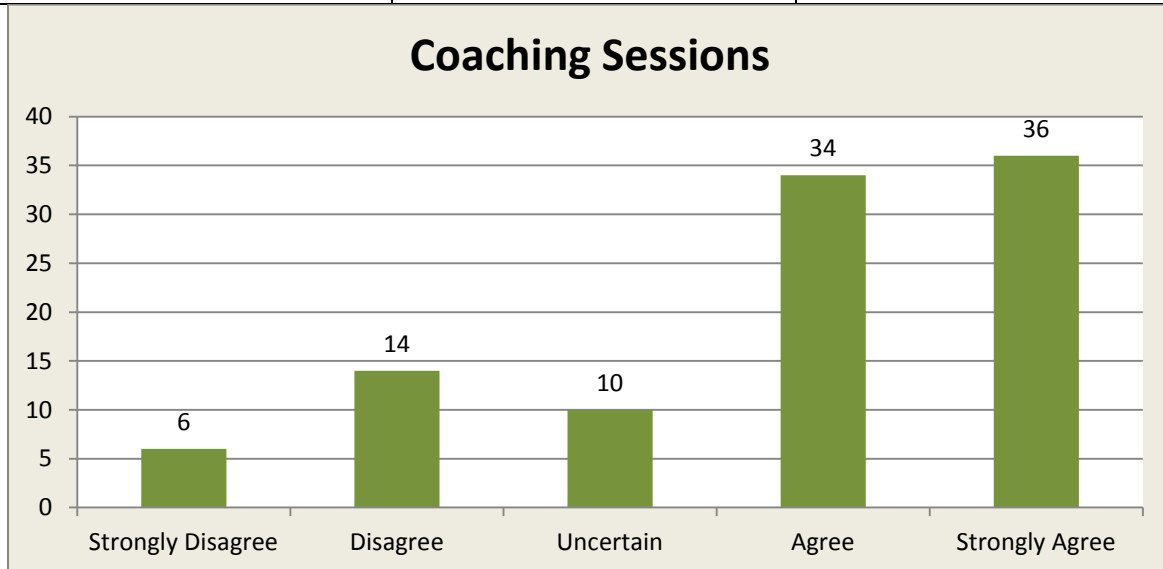


**Figure 4.4 Coaching Sessions**

The results from Figure 4.4 and Table 4.6 indicate that 70% of respondents strongly agreed and agreed that coaching sessions are held to boost performance. 20% of respondents disagreed and strongly disagreed and 10% were uncertain.

**Question:** Are line managers trained to take full responsibility for performance management?

**Table 4.7**

| n=101 | | Are line managers trained to take full responsibility for performance management? | | |
|---|---|---|---|---|
| | | Yes | No | Total |
| Race | African | 27% | **73%** | 57% |
| | Coloured | 100% | 0% | 1% |
| | Indian | 23% | **77%** | 27% |
| | White | 6% | **94%** | 15% |
| | Total | 66% | 34% | 100% |
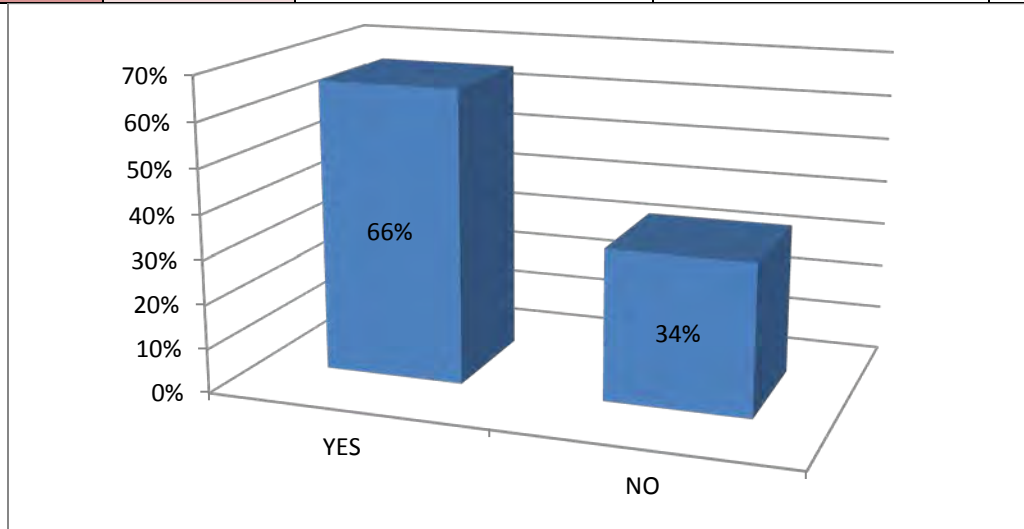


**Figure 4.5**

Figure 4.5 shows that 66% of respondents agreed that line managers are trained to take full responsibility for performance management and 34% disagreed. In Table 4.7, 100% of coloureds agreed that line managers are trained, 94% of whites stated no, 77% of Indians said no and 73% of blacks stated no as well.

**Question:** Does your performance development plan provide a clear link between your performance and the organisation's performance?

**Table 4.8 Frequency and percentage on question above**

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Yes | 63 | 62% |
| | Uncertain | 13 | 13% |
| | No | 24 | 24% |
| | **Total** | **101** | **100.0** |
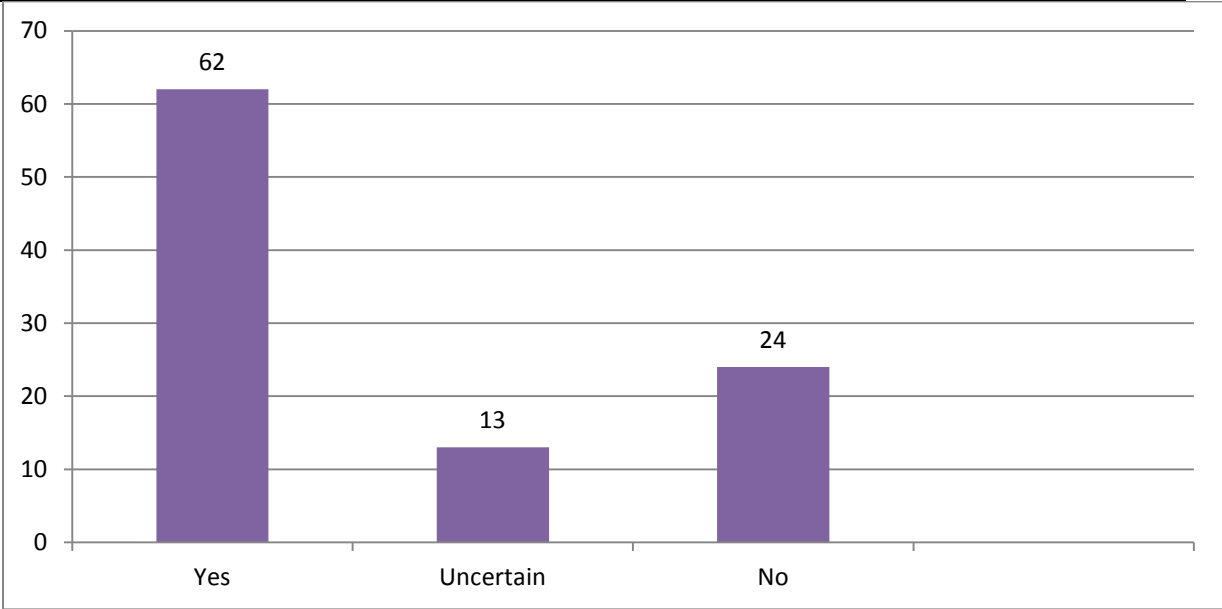


**Figure 4.6 Respondents on the question**

The results indicated that 62% of respondents agreed that there is a clear link between their performance development plan and the organisation's performance. 13% of respondents were uncertain and 24% indicated that there was no clear link.

**Question:** What are the pitfalls of your performance management plan?

**Table 4.9 Representation on the respondents on performance pitfalls**

| n=101 | | Poor Planning (Busyness) | Unclear goals | Over complicating The process | Declaring victory too early | Measuring the wrong things | Total |
|---|---|---|---|---|---|---|---|
| Age | >25 | 1% | 10% | 5% | ==12%== | 3% | 12% |
| | 25 - 30 | 0% | 5% | 7% | 0% | 3% | 32% |
| | 31 - 35 | 10% | 0% | ==13%== | 0% | 6% | 25% |
| | 36 - 45 | 7% | 0% | ==20%== | 0% | 8% | 21% |
| | >45 | 1% | 0% | 7% | 0% | 6% | 10% |
| | Total | 19% | 15% | ==52%== | 1% | 12% | 100% |
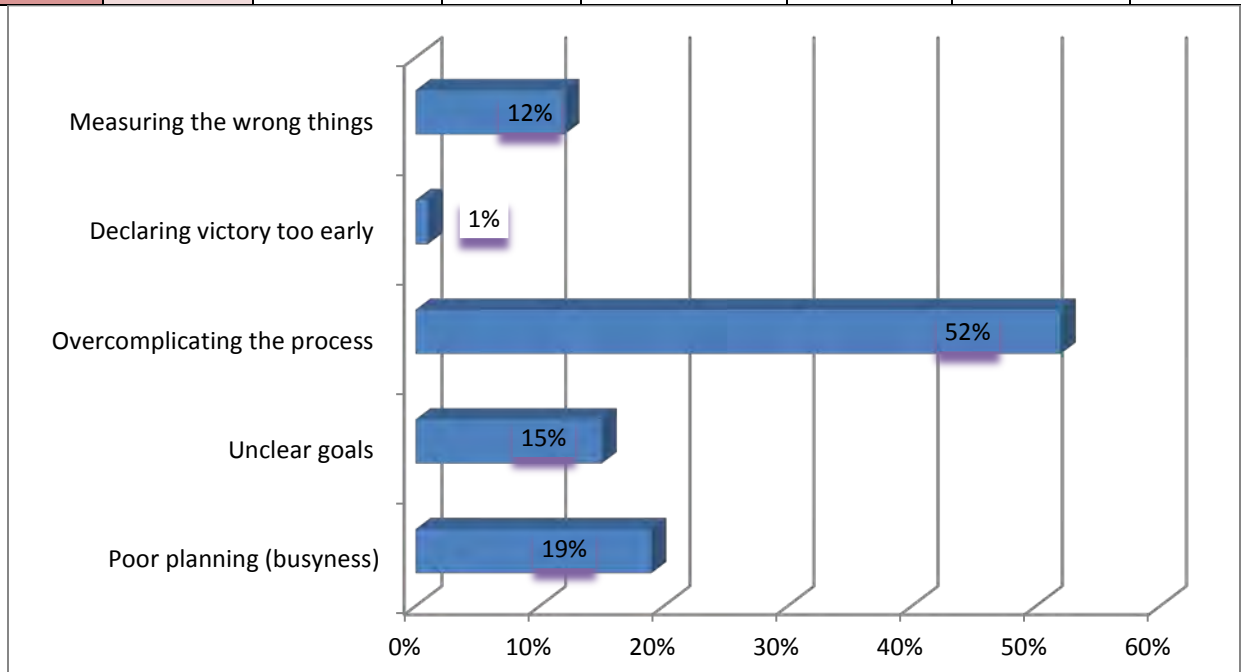


**Figure 4.7**

The results in Table 4.9 show that 12% of respondents less than 25 years old feel that the pitfall is in declaring victory too early; 13% of respondents between the ages of 31 and 35 indicated that the pitfall is over-complicating of the process; 20% of respondents between the ages of 36 and 45 indicated that the pitfall is over-complicating the process. Overall, 52% of the respondents agreed that over-complicating the process is the pitfall of the employees' performance management plan at the large bank's KZN branches.

The results from Figure 4.7 indicate that 19% of the respondents felt that poor planning was the reason for the pitfalls in the performance management plan, 15% felt that it was unclear goals, 52% felt that it was over-complicating the process, 1% felt it was declaring victory too early and 12% felt it was measuring the wrong things.

**Question:** Was there any training provided to you before you started your role?

The results indicated in Figure 4.8 below show that 62% of respondents were trained before they started the job and 38% indicated that they were not.
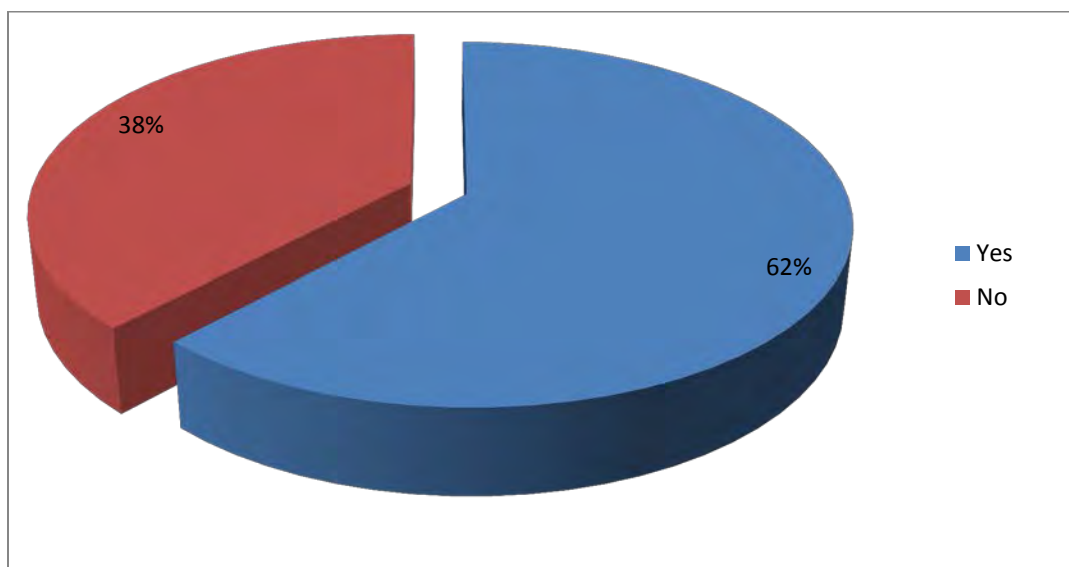


**Figure 4.8**

## 4.5 Effect of reward and recognition systems on employee motivation

**Question:** I know what my organisation's strategy, vision and mission are.

**Table 4.10**

| n=101 | | Strongly Disagree | Disagree | Uncertain | Agree | Strongly Agree | Total |
|---|---|---|---|---|---|---|---|
| Age | >25 | 1% | 7% | 0% | 2% | 7% | 32% |
| | 25 - 30 | 0% | 5% | 0% | 10% | 15% | 22% |
| | 31 - 35 | 0% | 2% | 4% | 9% | 7% | 21% |
| | 36 - 45 | 1% | 0% | 3% | 5% | 8% | 16% |
| | >45 | 1% | 1% | 9% | 2% | 1% | 9% |
| | Total | 3% | 15% | 16% | 28% | 38% | 100% |

*I know what my organisation's strategy, vision and mission are?*
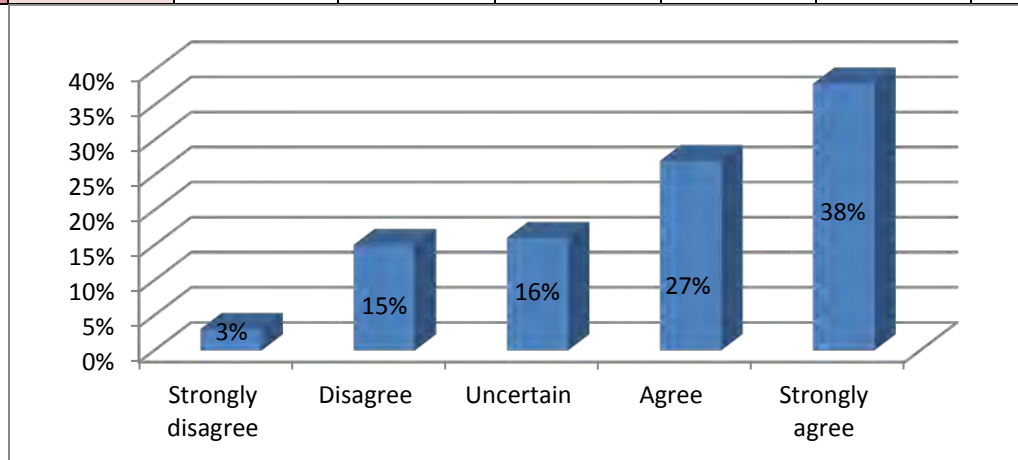


**Figure 4.9**

The results in Table 4.10 indicate that the respondents who were less than 25 years old at 7% disagreed with the statement that they know the organisation's strategy, mission and vision; 25% of respondents between the ages of 25 and 30 agreed and strongly agreed; 16% of respondents between the ages of 31and 35 agreed and strongly agreed and 9% of the respondents older than 45 were uncertain. In Figure 4.9 3% of the respondents indicated that they strongly disagreed with the statement, 15% disagreed, 16% were uncertain, 27% agreed and 38% strongly agreed.

**Question:** I know my organisation's reward and recognition system

**Table 4.11 Frequency and percentage on statement above**

|  |  | Frequency | Percent |
|---|---|---|---|
| Valid | Strongly agree | 9 | 8 |
|  | Agree | 13 | 13 |
|  | Uncertain | 17 | 17 |
|  | Disagree | 27 | 27 |
|  | Strongly disagree | 34 | 34 |
|  | **Total** | **101** | **100.0** |
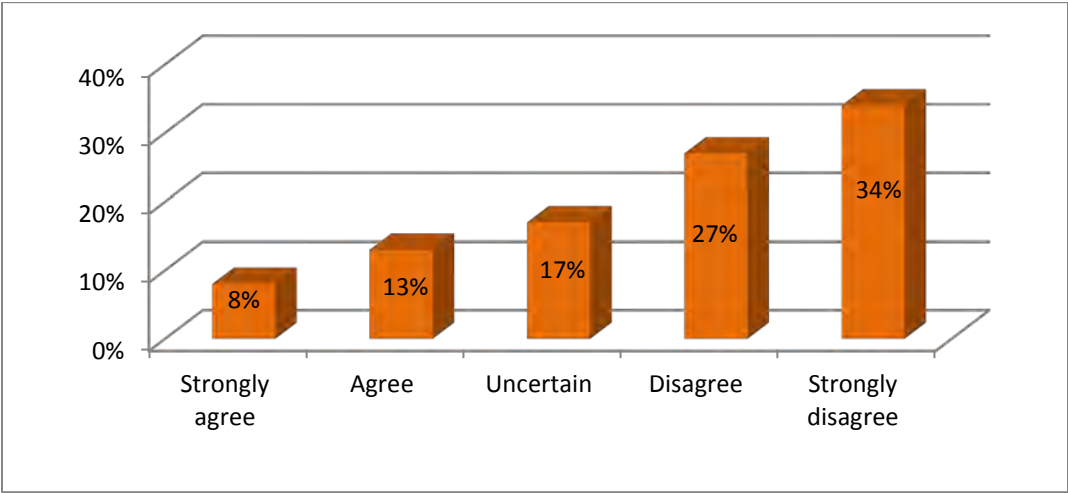


**Figure 4.10 Respondents feedback on statement above**

The results of Figure 4.10 and Table 4.11 indicated that 61% of respondents strongly disagreed and disagreed that they know the organisation's reward and recognition system, 21% of respondents agreed and strongly agreed and 17% were uncertain.

**Question:** My organisation encourages employees to pursue their chosen career paths

**Table 4.12 Frequency and percentage on choosing career paths**

|       |                   | Frequency | Percent |
|-------|-------------------|-----------|---------|
| Valid | Strongly agree    | 30        | 30      |
|       | Agree             | 16        | 15      |
|       | Strongly disagree | 40        | 40      |
|       | Disagree          | 10        | 10      |
|       | Uncertain         | 5         | 5       |
|       | **Total**         | **101**   | **100.0** |
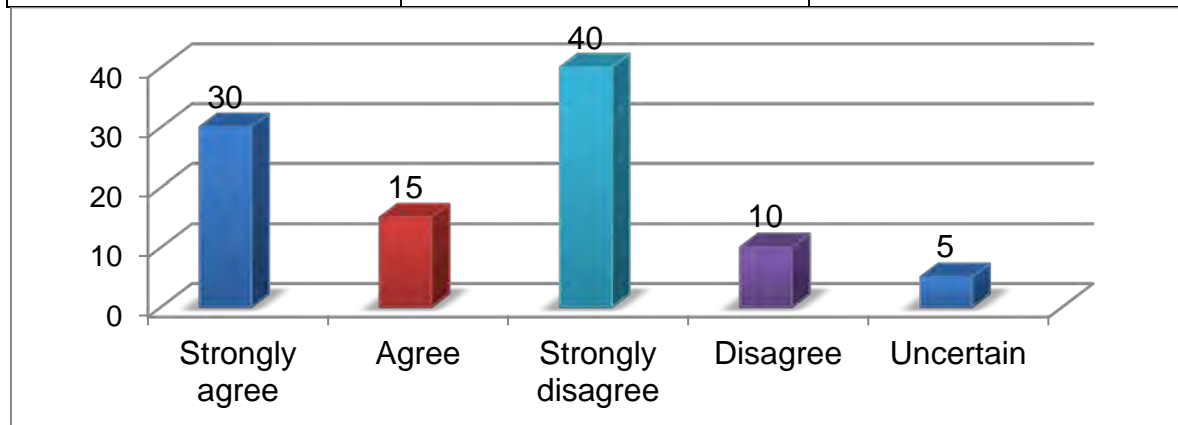


**Figure 4.11: Encouraged to pursue their chosen career paths**

The results in Table 4.12 and Figure 4.11 reflect that the majority of respondents, 40%, strongly disagreed, 10% disagreed, 30% strongly agreed and 15% agreed that employees are encouraged to follow their chosen career paths. 5% of respondents were uncertain.

**Question:** My organisation acknowledges good performance

**Table 4.13 Frequency and percentage on acknowledging of good performance**

|       |                   | Frequency | Percent |
|-------|-------------------|-----------|---------|
| Valid | Strongly agree    | 21        | 20      |
|       | Agree             | 18        | 18      |
|       | Strongly disagree | 42        | 42      |
|       | Disagree          | 20        | 20      |
|       | **Total**         | **101**   | **100.0** |
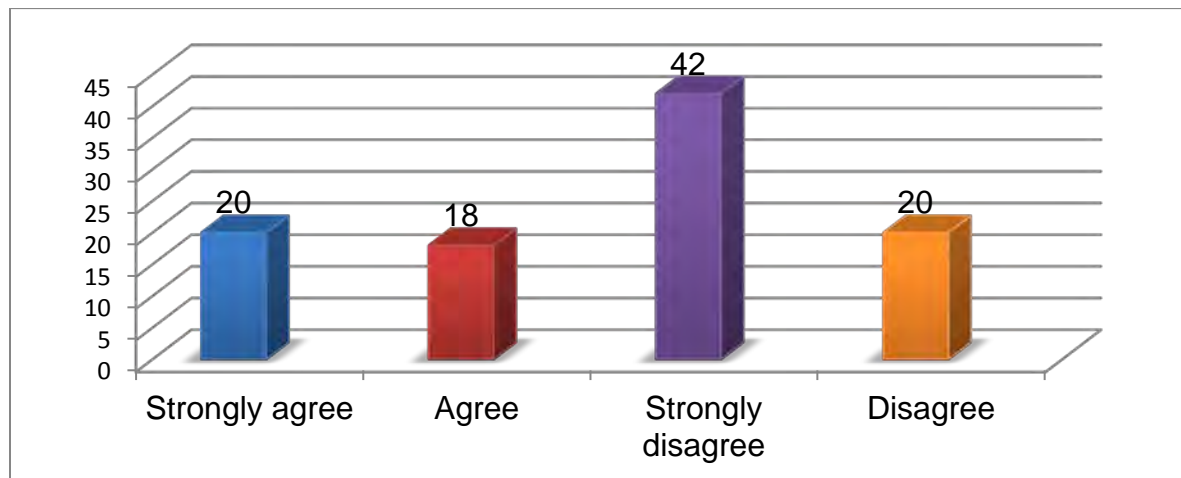


**Figure 4.12 Acknowledgment of good performance**

The results in Table 4.13 and Figure 4.12 reflect that the majority of respondents, 62%, strongly disagreed, while 38% strongly agreed, that the organisation acknowledges good performance.

**Question:** I know my organisation succession plan and I'm part of the talent pool

**Table 4.14 Frequency and percentage of succession plans**

|  |  | Frequency | Percent |
|---|---|---|---|
| Valid | Yes | 63 | 62% |
|  | Uncertain | 10 | 10% |
|  | No | 27 | 27% |
|  | **Total** | **101** | **100.0** |
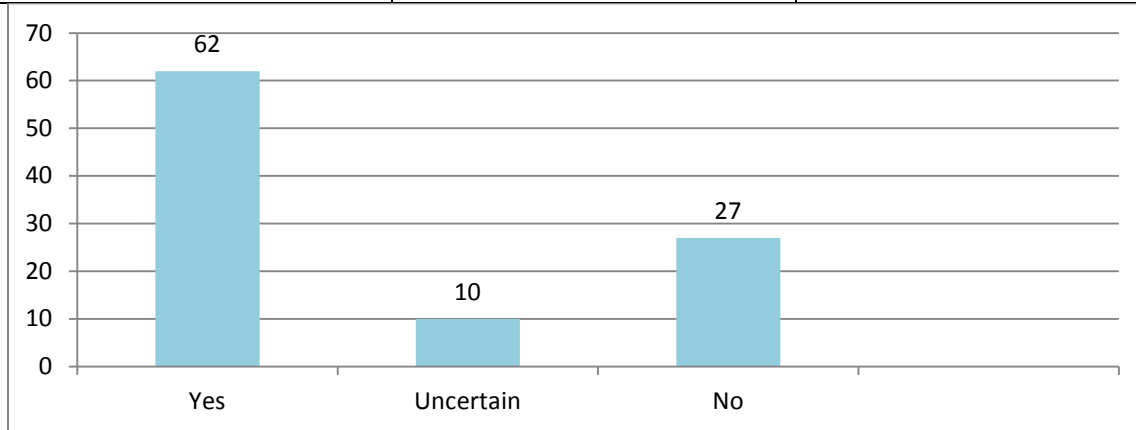


**Figure 4.13 Sample compositions of succession planning and talent**

The results in Table 4.14 and Figure 4.13 depict that the majority of employees know about the organisation's succession plan and they are part of it. A minority represented by 10% uncertain and 27% do not know.

## 4.5 Open ended question

**Question:** What are the issues that prevent you from achieving your agreed targets?

The respondents stated the following:

**Table 4.15 Frequency and percentage on open ended questions**

| FACTOR | FREQUENCY | PERCENTAGE |
|---|---|---|
| Unrealistic targets | 6 | 6% |
| Poor support from management | 2 | 2% |
| **Middle management's constant interference** | **9** | 9% |
| Limited resources and reluctance to operate due to costs | 6 | 6% |
| **Economic influences – unrealistic credit policy** | **9** | 9% |
| Loss of confidence in the organisation through bad publicity | 6 | 6% |
| Training shortfalls | 1 | 1% |
| **High stress levels** | **10** | 10% |
| Under complimented – over worked | 3 | 3% |
| Poor planning | 3 | 3% |
| No strategic link with day to day operational duties | 2 | 2% |
| **Not embracing EE and AA fairly** | **9** | 9% |
| Appointing to fulfil roles not fairly trained for the role | 6 | 6% |
| Managers deciding our future/career paths | 3 | 3% |
| **No recognition on good performance just work to earn salary** | **8** | 8% |
| Micro management by line managers | 1 | 1% |
| **Culture of restructuring and constant change is unsettling** | **9** | 9% |
| **Very low motivation from whole organisation management** | **8** | 8% |
| **Too operational risk orientated – 80% risk > 20% sales** | **9** | 9% |
| **Unclear goals and support – unfair ratings** | **9** | 9% |
| **TOTAL** | **119** | **100%** |

According to the results depicted in Table 4.15, the study findings indicated in terms of frequency what the issues are that prevent employees from achieving their agreed targets. The most frequent factors that would be considered had a frequency of 8 to 10. Those factors considered represented the majority (72) of respondents, as some respondents listed more than one.

## 4.6 Summary

This chapter presented the results of the data analysis. The analysis was based on the objectives that were set out in Chapter One. The demographic analysis showed a skewed employee demographic. The majority of the respondents were black African at 51%, Indians at 24%, then a small percentage of other ethnic groups.

The gender profile showed that the majority of respondents were females. This was attributed to the type of industry to which they belong. Another observation was that although the majority of the respondents were above 25 years old and had been in service for a period of time between 5 and 10 years, they were still holding the same roles as junior staff in the organisation, even though they had been part of the succession planning programme for critical positions.

Respondents' views on the statements regarding succession planning and talent management were conflicted. The majority of respondents knew about the plan and if they were in the talent pool, but 31% were uncertain and did not know about it.  The highlights of these responses indicated that age has a huge impact on the bank's employees; the middle aged group knew about strategies, mission and vision.

# CHAPTER FIVE
## DISCUSSION OF RESULTS

## 5.1 Introduction

Chapter Four presented the results that were collected from the respondents in the research study. The data was collected according to the objectives and aims of the study. In this chapter the findings and results of the study are analysed according to the specific objectives of the research. The aim of this section is to present the relevant analysis in a clear and simple manner.

## 5.2 Quantitative Results

Of the 500 emails sent to full-time and part-time employed people at the bank's branches in KZN, 117 respondents started the survey and 101 responses were completed, which formed the basis of the results showed in Table 4.1 of Chapter Four. This therefore means that of the 117 participants, 16 respondents dropped out during the survey and did not complete the actual questionnaire.

## 5.3 Demographics

The demographics show that of the 101respondents, 52.25% represented themselves as females and 46% represented themselves as males. The bank group published that "The Group's gender distribution has remained stable with 34,8% male and 65,2% female employees at the end of the financial year' (Intranet, 2012). The results could reflect that in terms of gender distribution there are also more females than males in the province of KwaZulu Natal, but they may also reflect that fewer males compared to females chose to participate in the research study. The results could support the view that some of the respondents do not necessary have issues with performance management within a large bank's branches in KwaZulu Natal and the possibility is that they are self-motivators; they rise above all challenges. Moreover, this also reflects that

there may have been more females employed within KwaZulu Natal in one of the large banks in 2012.

The results in Figure 4.2 depict that Blacks and Indians represented the majority of respondents in the sample. These results are consistent with the racial demographics found in the province of KwaZulu-Natal. Since the study was conducted in Durban and surroundings - a city which prides itself on ethnically diverse cultural beliefs and traditions. Blacks form the majority ethnic group and Indians form the second largest ethnic group.

The majority of the respondents fell within the age group of between 25 and 30, as presented in Figure 4.2. This age group consists of people who are still completing and furthering their education, managing their career prospects and starting new families. This age group also has characteristics of financial pressures as they have priorities such as the purchasing of first cars, moving into new homes and having the flexibility to maintain a social lifestyle. The emphasis is that this age group is still acquiring wealth and they have a great desire to fully participate in the economy of the country by being involved in the corporate world.

The results in Table 4.2 also depict that the majority of employees held national diplomas (41%), while 33% of respondents had Matric as their highest level of education. This confirms that the respondents were the actual targets researcher as they are in customer focused roles and the minimum requirement is a Matric NQF4 national diploma. The above statement is also confirmed by the results in the level in the organisation which presented 57% of respondents as junior staff.

## 5.4 Specific Aim of the Study

The study findings will be discussed and analysed in detail in the following section according to the objectives of the study. The results of Chapter Four will be linked to the

literature reviewed in Chapter Two and new literature will also be incorporated where relevant.

## 5.4.1 Objective 1: The effect of reward and recognition systems on employee motivation

The first objective of the study was to determine the effect of reward and recognition systems on employee motivation. The literature in the study stated that there is no incentive plan that can give positive feedback to all employees; it threatens individual self-esteem, and employees cope with this by not respecting the importance of a job or by showing a critical attitude towards the source of the reward (Krishnan, 2003). What was discovered in the literature as well was the fact that authors have a different view when it comes to rewards and recognition. Some have stated that employees are motivated by money while others disagreed and stated that what is important is the relationship between employee and employer, which is a possible point of discussion in another research report as that is a very broad statement.

Prior to establishing the possible effect of reward and recognition systems on employee motivation, it is imperative to determine whether the respondents are aware of the organisation's reward and recognition system. The results of Figure 4.14 and Table 4.10 show that 61% of respondents strongly disagreed and disagreed that they know the organisation's reward and recognition system, while 21% agreed and strongly agreed and 17% were uncertain. These results show that there has been little involvement of employees in decisions on reward and recognition, as these reward systems should be motivating employees. One can argue that employees are responsible enough to know what the organisation's offerings are in terms of reward and recognition. Grobler et al. (2002) was of the view that a decision that may need to be made is to involve employees when designing the reward and recognition systems within an organisation.

The results in Table 4.3 support the statement made by Booysen (2007) who said that the diversity of the South African workforce demands integrative leadership practices and if integration is being depressed, that brings an added complication of understanding what motivates employees from different cultures. These results depict that 25% of Black employees are motivated by career development; 16% of coloured employees are motivated by incentive schemes; 10% of Indians are motivated by their line managers and 6% of white employees are motivated by performance development. Overall, each racial group had a fair representation on monthly salary, but only 12% of black African employees indicated that monthly salary motivates them.

### 5.4.1.1 Money as motivator

Motivation is one of the factors that directly affect an employee's performance and management can play a huge role in motivating their employees. In Table 4.3 for the question asked to the respondents "What motivates you to improve your job performance?", 30% stated career development followed by 24% with monthly salary. This highlights the literature by Grossman (2010) who said that money can be used as an internal motivator.

Analysis of the same results in Table 4.3 depicts that motivation differs between demographics; the results were gathered and respondents' replies summarised as being 40% motivated by rewards as incentive schemes and monthly salary, which are extrinsic motivations. These results are in contradiction with the statement made by Goshal (2005), when he argued that monetary incentive schemes secure employees on a temporary basis but do not build long term commitment or desired behaviour. Therefore the view of Goshal (2005) that there are different views from various scholars on the topic is true, as according to Taylor (cited in Mullins, 2005), if economic needs are met, employees are motivated. Employees would be motivated by obtaining the highest possible salary through working in the most efficient and most productive way.

**5.4.1.2 Performance, Career development and Managers**

Performance management is an organisational wide system whereby managers integrate the activities of goal setting, monitoring and evaluating, providing feedback and coaching, and rewarding employees on a continuous basis. Table 4.3 depicts that 12% of the population is motivated by line managers; this would have been ignored by one not thinking that there are employees who are motivated by line managers. The assumption by the researcher is that these employees view their line managers as being their role models. Therefore the statement made by Grobler and Warnich (2006) is confirmed; where they stated that all managers should encourage a two way communication system and clarify expectations on both sides. Clarifying roles, responsibilities and accountabilities, regularly provide transparent feedback for continuous coaching. They highlighted that it is the manager's role to plan formal and informal coaching and development sessions and minimise barriers to good performance, as well as to create a platform for employees to understand the strategy, decision making and succession planning, and lastly to encourage employees to plan their careers and help them to acquire desired knowledge and skills.

The respondents also indicated that 18% of white employees are motivated by their performance development plan. This group presented the view that employees are motivated by performance development feedback with a desire to do well. Mullins (2005) said most organizations do not have effective performance measurement and feedback systems in place. Therefore if the measures are not in place in the organisation, these groups of employees will lower their performance due to low morale and motivation, as the literature indicated that there is a link between performance and anxiety. In Table 4.14 employees were given an opportunity to state what the issues are that prevent them from achieving agreed targets. 10% of respondents stated high stress levels while 8% stated that there is no recognition for good performance - they just work to earn a salary.

The results are therefore consistent with the literature in that rewards and recognition have a huge effect on employee motivation, low morale within the bank's branches in KwaZulu Natal, with 8 % of the population indicating that there is a very low motivation from the whole organisation's management.

One of the bank's strategies states that "To ensure that every employee of the bank is fully developed and given recognition for their contribution", a number of transformation programmes are in place (Intranet, 2012). For example, the Group has set statutory targets for itself that are more challenging and stretch over a period of five years, ranging from Top Management to Junior Management. The bank strategy is drafted nationally and implemented across all provinces.  Looking at the above statement, it clearly indicates that the bank generally understands that its employees need to be recognised. The researcher assumed that information was gathered by surveys conducted previously. The question then is, what exactly is the reason for employees feeling unrecognised, or is it just a provincial issue?

### 5.4.1.3 Relationship between employee motivation and factors of motivation

| Factors of motivation | Race | N | Correlation (r) |
|---|---|---|---|
| | | | |
| Career Development | Blacks/African | 51 | 0.203 |
| Incentive Scheme | Coloureds | 14 | -0.123 |
| Line Managers | Indian/Asian | 25 | 0.042 |
| Performance Development | Whites | 10 | -0.472 |
| Money/Monthly Salary | | | -0.136 |

## 5.4.2 Objective 2: The effectiveness of performance management that has been implemented within a large bank's branches in KwaZulu-Natal

Performance management is about managing an organisation's overall performance; it mainly focuses on giving employees direction for future performance and giving feedback which recognises strengths and areas of development from past

performances and determines what direction employees should take to improve. The results in Table 4.4 and Figure 4.2 depict that the majority of the respondents (75%) strongly agreed and agreed that the top management is driving the performance within the bank in KwaZulu Natal, with 16% disagreeing and 8% being uncertain.

The assumption is that performance management has been implemented within one of the large bank's branches in KwaZulu Natal as there is a small percentage that stated they don't know if management is driving performance. one cannot argue of the smaller percentage in the population if the percentage was high it would be a call for concern. The results in Table 4.8 and Figure 4.11 depict that 52% of the population feel that the pitfall in their performance management plan is over-complication of the process. The same results are viewed in terms of age; respondents less than 25% their views are declaring victory too early; the rest of the respondents in all ages the high percentage is on over-complicating the process.

Therefore it is clear that the performance management plans are implemented within a large bank's branches in KwaZulu Natal, but the process is over-complicated. Armstrong and Baron (1999) said that performance management processes should be part of a holistic approach to manage performance, which is the concern of everyone in the organisation and it should be simple for all employees to understand. It takes a view of all aspects of performance and how they play a role in the desired outcomes at organisational, departmental, team and individual levels, and what needs to be done to improve these outcomes. This simply means that the implementation of performance management was effective but the challenge is that the process is not simple enough for the employees to understand and follow.

## 5.4.3 Objective 3: Performance management is being effectively linked to reward and recognition systems

The results in Table 4.9 indicate that when the respondents were categorised by age, those aged under 25 year disagreed with the statement that they know the organisation's strategy, mission and vision; 25% of respondents between the age of 25-30 agreed and strongly agreed; 16% of respondents between the ages of 31 and 35

agreed and strongly agreed, and 9% of the respondents older than 45 were uncertain. In Figure 4.13 3% of the respondents indicated that they strongly disagreed with the statement, 15% disagreed, 16% were uncertain, 27% agreed and 38% strongly agreed. Overall, the results indicated that 34% of the respondents did not know the organisation's strategy, vision and mission. According to Kreitner and Kinicki (2008), employees should know an organisation's strategic goals and how they need to contribute in achieving great results. Management incorporating participation in decision making, goal setting and consistent feedback will assist in achieving objectives. If 34% of employees do not know the organisation's strategy then management has a challenge, as these employees do not know the role they need to play to fulfil the strategy.

The results in Table 4.12 and Figure 4.16 reflect that the majority of respondents (62%) strongly disagreed and 38% strongly agreed that the organisation acknowledges good performance. If the majority of respondents indicate that the organisation does not acknowledge good performance, it is interpreted that there is no clear link between performance and the reward and recognition system within the bank's KZN branches. It can, however, be argued that the reason employees say the organisation does not acknowledge good performance is because the performance is not of a standard to be acknowledged.

By the same token, the results in Figure 4.5 indicated that the majority of respondents have been in the organisation system for 5 to 10 years, which indicates that the employees have a good idea if the organisation acknowledges good performance or not. Therefore the employees' responses are considered and provided the researcher with the view that there is no effective and clear link between performance management and the reward and recognition system. This results show a different view of every organization's growth is closely linked to the individual's development plan; when employees fail to grow and develop in their work, an inactive organisation will mostly probably result (Grobler, Warnich, Carrell, Elbert and Hatfield, 2002, 12).

## 5.4.4 Objective 4: Realistic performance measures were set to gauge progress toward strategic organisational goals

The large bank in KwaZulu Natal believes that the key to success lies in highly capable, empowered and motivated employees who, as stakeholders, help shape group's sustainable future. "As we strive towards a high-performance culture, our key objectives are to value and build diversity (both internally through employment equity and externally through leadership programmes), and to empower all employees to reach their full potential through skills development initiatives" (Intranet, 2012).

Due to historical factors, there are demographic categories that still experience vestiges of inequality and disadvantages due to gender, disability and other forms of being different. The previous economically-misaligned education system has contributed to the labour market still lacking an adequate supply of appropriately qualified and skilled people, particularly among the previously disadvantaged groups.

The large bank in KwaZulu Natal has therefore committed itself to contribute towards redressing these anomalies. In doing so, the transformation and employment equity strategy is designed to correct the limitations faced by designated groups at the workplace through a comprehensive and robust employment equity and diversity management programme. In embarking on this process the bank is fully aware of the challenges of the urgent needs to meet the reasonable expectations of those who were prejudiced by the past and those who are apprehensive about the future. In the spirit of pursuing a common and imperative destiny, the leadership will demonstrate character and integrity and employees will reciprocate with commitment and passion in pursuit of a transformed bank (Intranet, 2012).

### 5.4.4.1 Employment equity and transformation

The results in Figure 4.4 indicate that 60% of respondents agreed that line managers are trained to take full responsibility of performance management, while 34% disagreed. In Table 4.6 100% of Coloured employees agreed that line managers are trained, 94% of Whites stated no, 77% of Indians said no and 73% of Africans also stated no. The

view presented by these results has created confusion about whether the challenge is the top leadership is fulfilling the roles to meet the required scores or appointing managers as they meet the minimum role requirement. The researcher tried to get a complete view from the human resources department as to whether formal training is provided to newly appointed line managers, but no one could bring forward evidence that training is provided. In the province of KwaZulu Natal, 52% of black line managers either fulfilling departmental branch management, (Regional Transformation and Diversity Minutes, 2012).

The results in Figure 4.1 revealed that 20% of respondents were line managers whom they given feedback as well whether they are trained to do their job, one might be left with the question left hanging is: ''Is the organisation appointing managers to fulfil the role but setting them up for failure', which would justify the point highlighted by Booysen (2007) who said that there are not enough black employees to fulfil the roles, or the black managers are not equip enough or do they not have coaches who can guide them?

**5.4.4.2 Training and Development**

The results indicated in Figure 4.12 below that 62% of respondents were trained before they started the job and 38% indicated that they were not trained before they started the job. Sometimes the need for training for employees is not clear; it is considered to be a waste of time and there is resistance against being taken away from the job. It is management's role to motivate employees and show them how training will achieve organisational and personal goals (Grobler et al., 2002). Personal goals may involve job performance or opportunities for promotion. According to Figure 4.12, 62% of respondents agreed that managers are trained to do their jobs and 38% percent are not. Grobler et al. (2006) said that when an organisation is drafting their strategy, it is essential that training efforts be linked. Training is strategic when worker capabilities are essentially developed, encouraged and promoted through on-going learning. Success of training involves considerable effort both before and after the training process, and progress needs assessment at all levels. There is cause for concern in the large bank

due to results of line managers' training and training as a whole, as there is a gap that need to be closed.

### 5.4.4.3 Coaching

Training and feedback should given to employees on a one-on-one basis by an immediate supervisor. The coach, often the line managers or any other manager/leader chosen by the employee, achieves developmental objectives by setting goals, providing assistance in reaching goals and timeously giving constructive performance feedback. The coach answers questions from employees and lets the employees participate in decision making, which stimulates the employees' thinking ability. Trust and mutual respect is critical between coach and coachee.

Figure 4.3 and Table 4.5 indicate that 70% of respondents strongly agreed and agreed that coaching sessions are held to boost performance; 24% of respondents disagreed and strongly disagreed that coaching sessions are held, and 10% were uncertain. These results contradicted the results asked with regards to training as the assumption would be that the minority who stated that no training was held is the same minority who stated that coaching sessions were not held.

Based on the results showed in questions answered linked to the objective in this section, there is vast evidence that to a certain degree realistic performance measures have been set to gauge the progress toward strategic organisational goals. The challenge is to make sure that the right process is followed from the top down as seemingly it's on top management not drill down to front line.

## 5.4.5 Objective: 5 Individual performances are linked directly to organisational goals

The results in Table 4.11 and Figure 4.15 reflect that the majority of respondents, 40%, strongly disagreed, 10% disagreed, 30% strongly agreed and 15% agreed that employees are encouraged to follow their chosen career paths, while 5% were uncertain. These results indicate a 50/50 split of the views. Armstrong and Baron (1999)

claimed that performance management is concerned with people's work, their behaviour and their results. It also includes how performance is measured to increase individual effectiveness and the continuous development of knowledge, skill and competence. Grobler et al. (2006) named the following objectives as the main ones that managers need to focus on to improve the performance of their employees: assist employees towards achieving high standards of performance; coach employees in identifying the knowledge and skills required to perform the job effectively and efficiently to focus on goals; and empower employees by motivating and implementing good reward systems.

## 5.8 Summary

This study has pointed out that the majority of the sample was female and was represented by Black, Indian, coloured and White race groups, which is a diverse group. A relatively high number of respondents were frustrated by the process of their performance management plan across all racial groups. It was also noticed that the part time employees participated in the survey which was less expected.

It is evident from the respondents that leadership of the large bank in KZN needs to address a motivational issue among employees; the challenge is knowing the way forward, which should then be discussed and agreed with both parties - employees and employer. Most employees want to do a good job, it will be in their best interest to work with the employer as long as the business needs are met and it is within the bounds of the organisation to do so. It is observed that the past still has a huge effect on the bank's current workforce, and there is still a long way to go until the organisation gets it right, as was highlighted in the literature where some of the racial groups viewed Employment Equity as reverse apartheid. The large bank employees' views seem to be following the same path.

# CHAPTER SIX

## CONCLUSION AND RECOMMENDATIONS

### 6.1 Introduction

The preceding chapter dealt with the analysis of the results and how they are linked to the literature. This chapter has four sections: 1) Outcomes, recommendations and implications of this study; 2) Limitations of the study; 3) Recommendations which will identify possible suggestions on how the large bank can work well with its employees to achieve common ground where both should be comfortable to perform and achieve their desired goals; 4) Make conclusions on the current study.

The research consisted of a quantitative survey in the form of an electronic questionnaire to participants that qualified as full-time and part time employees, who have mainly been targeted by the bank to fulfil the strategy of being a customer- and people-centric bank. These participants then formed the sample from which the general sample was taken, since it was believed that these individuals would yield the most useful data. The overall purpose of the study was to determine the level of employee motivation and if its linked to performance management, as this cannot be taken for granted and assumed it is linked or not without gathering all the data.

### 6.2 Outcomes, recommendations and implications of this study

The objectives set for this study were chosen with the aim of understanding employee motivation and performance management within a large bank's branches in KwaZulu-Natal. The five research objectives were to determine and establish the impact of motivation in achieving agreed targets on the following key business variables: performance management, motivation, money as motivator, training and development, career development and reward and recognition systems, and looking at the

employment equity and transformation strategies that are in place to see if they are effective in the current diverse workforce.

To satisfy these aims, recommendations and implications have been stated in this chapter that will provide the stakeholders with strategies to implement extrinsic motivation for employees to be motivated and feel a sense of belonging in the organisation. As highlighted in the theories of motivation by Maslow (1943), employees need to have a sense of belonging within the organisation that they work for. Theories of motivation were discussed in Chapter Two. It has been noticed that the summary of theories of motivation are relevant in this time and age even though they were outlined years ago.

## 6.3 Recommendations based on findings

The following are recommendations for the implementation of motivation within a large bank's branches in KwaZulu Natal.

### 6.3.1 Reward and Recognition

Grobler et al. (2002) said the objectives of reward and recognition systems should include attraction, motivation and retention of employee's at all organisational levels. These policies must state or dictate whether the reward is based on individual performance or group performance. The other decision that may need to be made is whether to involve employees in designing a reward and recognition system within an organisation.

According to Taylor (cited in Mullins, 2005), if economic needs are met, employees are motivated, i.e. employees would be motivated by obtaining the highest possible salary through working in the most efficient and most productive way. Mullins (2005) argued that in Taylor's statement, performance was limited by physiological fatigue. Taylor's motivation theory was a comparatively simple issue - what employees want from their

employer, more than anything else, are high salaries. Based on the respondents within the large bank, there is a limited reward and recognition system in place, therefore this needs to be taken care of as the findings correspond with Taylor's argument.

## 6.3.2 Performance Development

Stajkovic and Luthans (2001) stated that if something breaks the psychological contract between the employee and the organisation, the leadership has to find out exactly what the problem is by looking beyond the symptoms, finding a way forward and focusing on the challenge, then implementing a plan of action. Tower (2006) advised that observation is ideal when employees are performing a task, but never to start a witch hunt, but rather to observe and record what they are doing compared to the minimum standards required from each employee. The leader has to check the trend using past performance appraisals from previous managers the employee might have worked with, to try to find a pattern, or if it is something new, then come up with ways to assist the employee to perform better in their role. Once the challenge is known the way forward should be discussed and agreed with both employee and employer.

## 6.3.3 Employee Ownership

The recommendation for the large bank in KZN is to establish employee forums and communicate to the employees the existence of such forums in order for them to participate and contribute meaningfully. The forums should strive to: identify common goals, seek consensus, and have a win-win approach. If utilised effectively they can contribute positively to the organisational results. Grobler and Warnich (2006) pointed out that employee forums are aimed at promoting the interests of all employees as well as efficiency in the workplace.

### 6.3.4 Impact of performance management on employee morale

Naseer et al. (2011) stated that employee performance depends on many factors like performance appraisals, employee motivation, employee satisfaction, compensation, training and development, job security, organisational structure and others. Armstrong and Baron (1999) said that performance management is therefore concerned with people's work, their behaviour and their results. It also includes how performance is measured to increase corporate, team and individual effectiveness and the continuous development of knowledge, skill and competence. It is important when designing and operating a performance management system to take into consideration the interrelationships between each process. It takes a view of all aspects of performance and how they play a role in the desired outcomes at organisational, departmental, team and individual levels, and what needs to be done to improve these outcomes. Performance management plays a huge role in employee motivation, when the process is followed and consistent feedback is given, employees perform better and possibilities to grow within the organisation

### 6.3.5 Communication

It has been identified that with some employees there is a communication breakdown, therefore clearer communication is required as communication fosters motivation by clarifying to employees what is to be done and how well they are doing and what can be done to improve their performance. Leaders that develop and communicate a compelling vision of their organisation can have a profound impact on employee motivation. Most managers learn how to manage the logistical aspects of work, but are weaker when it comes to building employee enthusiasm and excitement for the organisation's mission and purpose. Managers who take time to develop positive relationships and communicate well with their employees communicate their vision and

make the connection between what an employee does and how it contributes to the greater whole, and will thereby build greater employee motivation.

**6.3.6 Points to be considered on strategy implementation in KwaZulu-Natal**

It is ideal to look at the following points when implementing a strategy to address the motivational issues and performance management within an organisation. It is clear that some of the points listed below need a clear two way communication and are not issues as such; these points were highlighted from open ended questions and selected as they scored a high number of respondents.

- **Staff movement and flexibility**
  - o Management need to consider other ways of working to accommodate and motivate employees, it is understood that the environment is high demanding but incentive scheme like profit sharing should be brought back as part of motivation to improve performance as employees will be working toward a specific goal.
  - o Another point to be considers; moving staff utilising job sharing, shadowing these will improve and develop those individual who are supposed to be groomed for higher roles especially from disadvantaged background whom previously were not exposed to roles.
- **Economic influences – unrealistic credit policy**
  - o Employees need to understand the operation of credit policy and what exactly influences the system. It was also observed that due to changes in the economy employees become frustrated, therefore management has a role to play either to educate employees or to reduce targets to the minimum that will sustain business, i.e. not a stretched target as at the end it will be not progress to have unhappy human capital, even though it is clear that the organisation cannot have a strategy that motivates all employees, the majority would suffice. These results were presented by 9% of the respondents; hence they need to be considered.

- **Culture of restructuring and constant change is unsettling**
  - This point is interlinked with the above point as employees need consistent communication from their leaders. It has been highlighted that some of the employees are motivated by their line managers so they look up to managers. It is management or leadership's role to promote two way communication. The employees need to understand the industry and its consistent change same as all other industries. One point that needs to be clear is that one differentiator among financial institutions is the service it is every employee to be coached and have a different mindset and be fit enough to embrace change

- **Unclear goals and support – unfair ratings**
  - Human resources need to intervene and assist line managers with guidelines to be followed when doing performance development plans. It is also suggested that line managers themselves need to be granted an opportunity to learn, grow, be coached and be mentored. The point highlighted that no skilled black people are ready to take up senior roles, but how will they be equipped if they are not coached and mentored on the job?.

## 6.3.6.1 What should provincial top management do?

From the open ended question the employees highlighted that middle management keep intervening in their day-to-day activities, which simply means that line managers are not trusted by middle managers to do their job. The following are the suggestions from Mullins (2005, 505):

- Define and create a climate for success to match business objectives.
- Widen opportunities for career development by adopting multiple career streams, effective review systems, personal mentoring, and strive to ensure equality of treatment for all employees.
- Reward managers on their ability to create and sustain a climate for success.
- Devise a fruit bowl of reward options.

- Revise the career expectations of staff so that they value professional and technical skills development and status, as highly as they value climbing up the management ladder.

- Reward the individual rather than the job and reward each according to their contribution, not according to the group or branch contribution.

- Reward employees for enhancing their own knowledge and valuing the collective knowledge of the organisation and contributing to the organisation's core competences.

## 6.4 Limitations of this study

The limitations that arose during this study and ways to overcome these are outlined below:

### 6.4.1 Availability of literature

Motivation and performance management is a very broad topic and there is more than enough literature on the topic generally, but there is very limited literature specifically relating to the banking industry and there are very few books written by South African authors. Therefore some issues specifically relating to banking industry employees are not directly addressed as per the available literature, hence there are some points that were only outlined directly by respondents to the questionnaire.

### 6.4.2 Internet Access

This study required participants to have access to both email and the internet. As the questionnaire used for this study was web-based, only employees with internet access were able to participate; all employees had emails, but not internet access. It is therefore recommended for future web-based studies done within the banks to request permission from the information technology departments to allow targeted respondents access to the research questionnaire, which they can get to via a direct link.

### 6.4.3 Sensitive Subject

Some branches were unable to participate due to the perception that this subject is of a sensitive nature to the organisation. Some employees were not at a stage of openly discussing the issues around their performance development, as they felt that if managers heard about it would become a tool of punishment, so to avoid conflict they would rather keep quiet about it. The researcher had to explain to the participating employees that their responses would be aggregated with other responses and their contributions would be strictly confidential.

## 6.5 Recommendations for future studies

Future studies should consider the following:

6.5.1   The study aimed at enlightening the motivational issues at hand and if performance management is to be utilised to the fullest to achieve great results, future studies should focus on factors that will enable effective implementation of Performance Management with full involvement of Human Resources Business Partners.

6.5.2   As the respondents experienced difficulty in accessing and completing the web-based questionnaires, it is recommended that for future studies the questionnaire be distributed through email and manually.

6.5.3   This study focused on one province, a retail business and mostly front line employees. Future studies should focus not only on retail employees, but also on all departments, line managers, and middle managers so that top management can have a full view of the possibilities line managers and middle managers have and their issues which may be different to front line issues.

## 6.6 Summary

The aim of this study was to determine the effect of reward and recognition systems on employee motivation, the effectiveness of the performance management system that has been implemented within a large bank's branches in KZN, and to establish whether performance management is being effectively linked to reward systems. To determine whether realistic performance measures were set to gauge progress towards strategic organisational goals and to investigate if individual performance is linked directly to organisational goals. The data collected answered the questions for the objectives, with the results confirming that employee motivation has a large impact on performance management; staff morale needs to be attended to in order to make sure organisational goals are achieved by utilising its human resources to the best use. Therefore there is a direct link between employee motivation and performance management. It has also been identified that other employees do look up to their line managers and they are motivated by them. One more highlight is that employees do not give more to the organisation if it is not clear what is in it for them, as was mentioned by authors that said that employees are motivated by what pays the bills at the end of the day, even though there is a high percentage of employees who are motivated by career development.

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**APPENDIX 1**

| Informed Consent Letter |
| --- |

**UNIVERSITY OF KWAZULU-NATAL
SCHOOL**

I am an MBA student, at the Graduate School of Business & Leadership, of the University of KwaZulu Natal and I am currently undertaking research project on "employee motivation and performance management within a large in KwaZulu Natal"

Through your participation I hope to understand the issues around this subject and make informed recommendations to the organization. Your participation in this project is voluntary. You may refuse to participate or withdraw from the project at any time with no negative consequence. There will be no monetary gain from participating in this survey/focus group. Confidentiality and anonymity of records identifying you as a participant will be maintained by the Graduate School of Business & Leadership, UKZN.

If you have any questions or concerns about completing the questionnaire or about participating in this study, you may contact me at the number listed below.

The survey should take you about **10-15** minutes to complete.


Sincerely

Gugu Mathebula

0765496728

Gugumath@yahoo.com

## Questionnaire

Please indicate your choice by ticking in the correct box

Race

☐ Black

☐ white

☐ Coloured

☐ Indian

☐ Asian

Age

☐ less than 25 years

☐ 25-30 years

☐ 31-35 years

☐ 36-45 years

☐ 46+ years

Gender

☐ Male

☐ Female

Highest Level of Education

☐ Matric

☐ National Diploma

☐ Bachelors Degree

☐ Honors Degree

☐ Masters Degree

☐ Doctoral Degree

Level in Organization

☐ Temporary Staff

☐ Junior Staff

☐ Line Management

☐ Branch Management

☐ Middle Management

☐ Senior Management

What motivates you to improve your job performance?

☐ Performance Development(PD Plan)

☐ Monthly Salary

☐ Career Development

☐ Incentive Scheme

☐ Line Manager

My top management is driving the performance at my organization?

☐ Strongly disagree

☐ Disagree

☐ Uncertain

☐ Agree

☐ Strongly agree

Are Coaching sessions held in line to boost your performance?

☐ Strongly disagree

☐ Disagree

☐ Uncertain

☐ Agree

☐ Strongly agree

Are line managers trained to take full responsibility for performance management?

☐ Yes

☐ No

Does your performance development plan provide a clear link between your performance and the organizations?

☐ Yes

☐ Uncertain

☐ No

What in your opinion are pitfalls of your performance management plan?

☐ Poor Planning (busyness)

☐ Unclear goals

☐ Overcomplicating the process

☐ Declaring victory too early

☐ Measuring the wrong things

What are the issues that prevent you from achieving your agreed targets?

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Was there any training provided to you before you started your role?

☐ Yes

☐ No

I know what are my organizations strategy, vision and mission?

☐ Strongly disagree

☐ Disagree

☐ Uncertain

☐ Agree

☐ Strongly agree

I know my organizations reward and recognition system?

☐ Strongly disagree

☐ Disagree

☐ Uncertain

☐ Agree

☐ Strongly agree

My organization acknowledges good performance

☐ Strongly disagree

☐ Disagree

☐ Uncertain

☐ Agree

☐ Strongly agree

My organization encourages employees to pursue their chosen career paths

☐ Strongly disagree

☐ Disagree

☐ Agree

☐ Strongly agree

☐

**APPENDIX 3**

Research Office, Govan Mbeki Centre
Westville Campus
Private Bag x54001
DURBAN, 4000
Tel No: +27 31 260 8350
Fax No: +27 31 260 4609
snymanm@ukzn.ac.za

16 May 2012

Ms G Mathebula (209510764)
Graduate School of Business & Leadership

Dear Ms Mathebula

**PROTOCOL R9FERENCE NUMBER: HSS/0145/012M**
**PROJECT TITLE:  Employee motivation and performance management within a large bank in KwaZulu-Natal**

In response to your application dated 30 March 2012, the Humanities & Social Sciences Research Ethics Committee has considered the abovementioned application and the protocol has 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 school/department for a period of 5 years.**

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

Yours faithfully

............................................................................................

**Professor Steven Collings (Chair)**
**HUMANITIES & SOCIAL SCIENCES RESEARCH ETHICS COMMITTEE**

cc.  Dr N Jumna
cc.  Wendy Clarke

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