

UNIVERSITY OF KWAZULU-NATAL

**THE IMPACT OF MOTIVATION AND JOB SATISFACTION  
ON PRODUCTIVITY WITHIN THE INSURANCE INDUSTRY**

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## DECLARATION

I, Nirven Maharaj, declare that

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## **ABSTRACT**

Motivation, job satisfaction and their links with productivity have been researched for decades, with many researchers producing contradictory findings. This topic has become especially important in recent times as companies struggle in a challenging economic environment. The organisation that successfully implements strategies which address these issues can gain a significant competitive advantage, as a sustainable increase in productivity from their staff will result in running costs being reduced.

This study was carried out on the short-term insurance industry within South Africa and investigated the impact that motivation and job satisfaction have on productivity within the organisation. The study comprised a literature review, which includes the following concepts: a definition of motivation, motivational theories, driving forces of motivation, skills variety, task identity, task significance, autonomy, job feedback and organisational productivity. These topics provided insight into motivation, job satisfaction and productivity. A quantitative research methodology was used for this study to understand the relationship between job satisfaction, motivation and productivity. Due to the research being carried out on one insurance company, which the researcher had access to, a non-probability convenience sampling method was used.

A key finding was that employees who were motivated or satisfied with their job were more productive. However, staff who were not motivated did not believe they were unproductive. The study also found that there was a relationship between motivation and job satisfaction.

One of the recommendations of this study is that companies should empower staff to make decisions, as this is a key factor in them being motivated. Furthermore, job satisfaction is driven by one's personal beliefs about whether or not their job is important to the organisation; therefore, companies should ensure that managers communicate with their staff regarding how their job affects the organisation.

## Table of Contents

Description	Page
Title Page	i
Declaration	ii
Acknowledgements	iii
Abstract	iv
Table of Contents	v-x
List of Figures	ix
List of Tables	x
<b>CHAPTER ONE</b>	
<b>Introduction</b>	1
1.1. Introduction	1
1.2. Motivation for the Study	1
1.3. Focus of the Study	2
1.4. Problem Statement of the Study	2
1.5. Objectives	2
1.6. Research Questions	3
1.7. Limitations of the Study	3
1.8. Summary	3
<b>CHAPTER TWO</b>	
2.1. Introduction	4
2.2. Motivation	4
2.2.1. A Definition of Motivation	4
2.3. Motivational Theories	6
2.3.1. Maslow's Hierarchy of Needs Theory	6
2.3.2. Alderfer's ERG Theory	8
2.3.3. McClelland's Theory	9
2.3.4. McGregor's Theory X and Y	10
2.3.5. Adam's Equity Theory	10
2.3.6. Vroom's Expectancy Theory	11

2.3.7. Skinner's Reinforcement Theory	12
2.3.8. Herzberg's Two Factor Theory	13
2.4. Driving forces of Motivation	13
2.4.1. Intrinsic Motivation	14
2.4.2. Extrinsic motivation	14
2.5. Job Satisfaction	15
2.5.1. Skills Variety	15
2.5.2. Task Identity	17
2.5.3. Task Significance	17
2.5.4. Autonomy	18
2.5.5. Job Feedback	19
2.6. Organisational Productivity	19
2.6.1. Productivity Outputs	20
2.6.2. Productivity Levels	20
2.7. Summary	21

### **CHAPTER THREE**

3.1. Introduction	22
3.2. Statement of the Research Problem	22
3.3. Aim and Objectives of the Study	23
3.3.1. Aim	23
3.3.2. Objectives	23
3.4. Focus	24
3.5. Sampling	24
3.5.1. Non-Probability Sampling	25
3.5.2. Probability Sampling	26
3.6. Sample Size	27
3.7. Data Collection Method and Approach	27
3.8. Questionnaire Design	28
3.8.1. Common sources of error	29
3.8.2. Construction of the questionnaire	29
3.9. Data Capturing Methods	30

3.10. Data Analysis	30
3.11. Summary	31

## **CHAPTER FOUR**

4.1. Introduction	32
4.2. Data Analysis	33
4.2.1. Sample Description	33
4.3. Objective 1 - To Determine the factors which influence the motivation of staff in the insurance industry	34
4.3.1. Motivating Factors	35
4.3.2. Identifying to what extent staff are motivated	37
4.4. Objective 2 - To Determine if job satisfaction is related to personal beliefs	38
4.5. Objective 3 - To Determine if staff motivation and job satisfaction have a complimentary effect on productivity	44
4.6. Summary	52

## **CHAPTER FIVE**

5.1. Introduction	53
5.2. Demographics	53
5.3. Findings of the study	54
5.4. Objective 1 - To Determine the factors which influence the motivation of staff in the insurance industry	54
5.5. Objective 2 - To Determine if job satisfaction is related to personal beliefs	56
5.6. Objective 3 - To Determine if staff motivation and job satisfaction have a complimentary effect on productivity	57
5.7. Summary	60

## **CHAPTER SIX**

6.1. Introduction	61
6.2. Key Findings	61
6.3. Recommendations for Future Studies	62
6.4. Specific Recommendations for this Research	62
6.4.1. Training	63
6.4.2. Job Satisfaction	63
6.4.3. Motivation and Job Satisfaction	63
6.5. Conclusion	63

<b>REFERENCES</b>	65
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<b>Appendix -1</b> Questionnaire	69
<b>Appendix -2</b> Ethical clearance letter	74



## List of Figures

No.	Description	Page
2.1	Maslow's Need Hierarchy	7
4.1	Motivating Factors	35
4.2	Does my manager/supervisor motivate me	36
4.3	I feel positive about my future in the organisation	37
4.4	I feel adequately remunerated for the work I do	38
4.5	I enjoy my job	39
4.6	I look forward to coming to work	39
4.7	My job allows me to use my skills adequately	40
4.8	I believe the job I do is important to the organisation	41
4.9	What percentage of your day is spent being productive	44
4.10	I am given enough work to fill my work day	45
4.11	I perform work related activities to a 100% of my capability	46

## List of Tables

<b>No.</b>	<b>Description</b>	<b>Page</b>
4.1	Demographic information	33
4.2	Cross tabulation of job satisfaction and use of skills	41
4.3	Cross tabulation of job satisfaction and job importance	43
4.4	Cross tabulation between motivation and productivity	46
4.5	Cross tabulation between job satisfaction and productivity	49
4.6	Cross tabulation between job satisfaction and motivation	51

# CHAPTER 1

## INTRODUCTION

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### 1.1 INTRODUCTION

The recent recession (2008 – 2010) has left companies in a precarious position as they struggle to drive down running costs, whilst trying to improve productivity levels to stay competitive. In many cases, productivity is linked to how a staff member performs. Companies that align their reward systems to drive the culture within the organisation can benefit from the resulting company-employee connection that is then formed. Furthermore, reward systems that are aligned with the organisational culture can result in more motivated staff, which, in turn, can result in improved productivity (Harris and Brannick, 1999).

This chapter will discuss the motivation for this study, as well as the focus of this study. It will also discuss the problem statement, the objectives of the study, the research questions and, finally, the limitations of the study.

### 1.2 MOTIVATION FOR THE STUDY

According to Herzberg (cited in Armstrong, 1991:66) “two groups or factors affect job satisfaction, those that are intrinsic to the job such as achievement, recognition, the work itself, responsibility and growth, and those that are extrinsic to the job, which includes pay and working conditions”. According to Gerber, Nel and Van Dyk (1987) motivation in the South African workplace can be achieved if there is democracy in the workplace, and the job satisfaction experienced by an employee is to the advantage of the organisation, the employee’s families and the community as a whole.

This study investigated the relationship between motivation and job satisfaction, in order to determine the impact thereof on productivity within an organisation. The research was conducted in the short-term insurance industry in South Africa, This research was motivated by the fact that the short-term insurance industry and other industries are under huge pressure to provide better service to their markets,

without increasing running costs. In order for them to achieve this, they will need to improve productivity rates among their employees. This study intended to provide insight into what factors influence an employee's productivity, which, in turn, can be used by the industry to develop strategies to improve productivity.

### **1.3 FOCUS OF THE STUDY**

The focus of this study was to determine to what degree motivation and job satisfaction affect productivity amongst employees. This study also focused on what drives motivation and job satisfaction.

### **1.4 PROBLEM STATEMENT**

There has been healthy debate over the years with regard to improving the productivity of employees. Many theories have been developed - some that support each other, whilst others offer an alternative viewpoint. This is reflected in Mitchell, Ortiz and Mitchell (1987), who highlight the differences between the motivational theories published by various authors. This lack of one accepted theory can lead to managers being uncertain of the approach to adopt. Although there are a number of studies related to this topic, this study will try to examine this topic from a local and industry specific perspective.

### **1.5 OBJECTIVES**

In order to gain a better understanding of the relationship between motivation, job satisfaction and productivity, the following objectives were proposed.

- 1 To determine the factors that influence the motivation of staff in the insurance industry.
- 2 To determine if job satisfaction is related to personal beliefs.
- 3 To determine if employee motivation and job satisfaction have a complementary effect on productivity.

## **1.6 RESEARCH QUESTIONS**

From the research objectives, the following questions were developed to ensure alignment between the objectives and the study.

- What are the factors that motivate staff within the insurance industry?
- Is job satisfaction affected by one's personal beliefs?
- Does staff motivation and job satisfaction improve productivity?

## **1.7 LIMITATIONS OF THE STUDY**

The factors limiting this study are listed below.

- It was difficult to gain access to all the short-term insurers, therefore, the results of this study are based on data gained from employees of a few of these companies
- Non-probability convenience sampling does not allow the researcher to ensure that all sectors of the sample population are represented equally which could lead to the research being more biased to one sector of the population.

## **1.8 SUMMARY**

Gaining insight into the relationship between motivation, job satisfaction and productivity is difficult, due to the dependency each factor has with the other factors. However, identifying the relationship and dependencies that exist between these three factors is invaluable in providing managers with insight which can then be used practically. This study will try to provide this insight in a manner which is easily understandable and practical.

## **CHAPTER 2 LITERATURE REVIEW**

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### **2.1 INTRODUCTION**

The literature review in this study included books, articles and the internet. A literature study was undertaken with the aim of assembling and integrating material relating to the impact that job satisfaction and motivation have on productivity within the insurance industry.

The management of staff is a difficult task as there are no short cuts to solving the problem of handling people. To get the enthusiastic co-operation and complete application of skills and abilities, the manager must reach the employee as an individual. This requires an understanding of people and knowing how they can be motivated to do a good job of work.

This chapter will provide insight into the research already conducted in this field and summarise the outcomes reached. This will then provide a base with which to compare the outcomes of the current research study.

### **2.2 MOTIVATION**

#### **2.2.1 A definition of motivation**

According to Alberts (1996) motivation welds together many individuals with differing skills, abilities, attitudes and personalities into a work group that will co-operate willingly toward some common objective. Its basic purpose is to create and maintain the desire of all these people in the organisation to achieve the desired results, in accordance with the organisation's plans.

Robbins (1993:192) defines motivation as “the willingness to exert high levels of effort toward organisational goals, conditioned by the efforts and ability to satisfy some individual need.” A need is a state of psychological deficiency and, as a result, there is an increase in restlessness and activity. This is called a drive. Activity directed towards achieving a goal is called motivated behaviour, so one can therefore say that motivation is the channelling of a drive into goal-orientated behaviour.

Tyson and York (1996) define motivation as the inner force that impels human beings to behave in a variety of ways and is, therefore, an important part of the study of human individuality. The motivational force is aroused as a result of needs which have to be satisfied. This is a state of tension or equilibrium that occurs to stimulate action to obtain satisfaction. Thus, when people are in a state of wanting to achieve their goals, management needs to get involved, participate and encourage positive behaviour amongst staff, which will lead to the company benefiting as a result of increased productivity.

Armstrong (1991:145) defines motivation “as being concerned with the strength and direction of behaviour”. A well-motivated person is someone with clearly defined goals who takes action, which he/she expects will achieve those goals.

Mitchell et al (1987:81) synthesized many definitions of work motivation as “the psychological processes that cause the arousal, direction and persistence of voluntary actions that are goal directed”. This definition makes several important points. Firstly, work motivation pertains to the causes of voluntary behaviour – the nature of nearly all behaviours performed in the workplace. Even in situations where employees feel they do not have a choice, their behaviour reflects their consideration of the perceived consequences of their actions. Secondly, motivation focuses on several processes affecting behaviour, which include the generation or mobilization of effort, applying effort to one behaviour over another, and continuing or ceasing to perform behaviour. Thirdly, motivation at work is usually seen as an individual phenomenon because all people have unique needs, desire, attitudes and goals (Mitchell et al, 1987).

Efere (2005) describes motivation as the driving force which makes people willingly perform to their full capability. According to him, if people are motivated in the workplace there is no need for the use of threats or force to gain productivity. Although motivation can lead to higher productivity levels, it is not a miracle worker, and companies cannot expect motivation to solve skills issues. Motivation will only work if staff have the necessary skills to perform their duties at work. Managers can sometimes become despondent and angry as a result of this, but they need to understand the skills handicaps the members of staff have and spend time correcting these (Efere, 2005).

According to Clark (2003:2) “motivation is the process that initiates and maintains goal-directed performance. It energizes our thinking, fuels our enthusiasm and colours our positive and negative emotional reactions to work and life. Motivation generates the mental effort that drives us to apply our knowledge and skills”. Clark also states that motivation does not have a direct effect on performance. Instead, motivation acts as a catalyst for applying one’s knowledge and skills to work tasks (Clark, 2003).

## **2.3 MOTIVATIONAL THEORIES**

An employee’s performance can be affected by various factors. In many cases these factors are related to certain needs the employee may have. Alberts (1992:39) states “that a person will usually satisfy the lower needs first before moving on to seek satisfaction for the other needs”. Clark (2003) argues that motivation is driven by one’s belief about what makes them successful, and since each individual has their own definition of success it is sometimes difficult to consider motivation generically. The following motivational theories explain and describe factors within the person that energize, divert, sustain and stop behaviour.

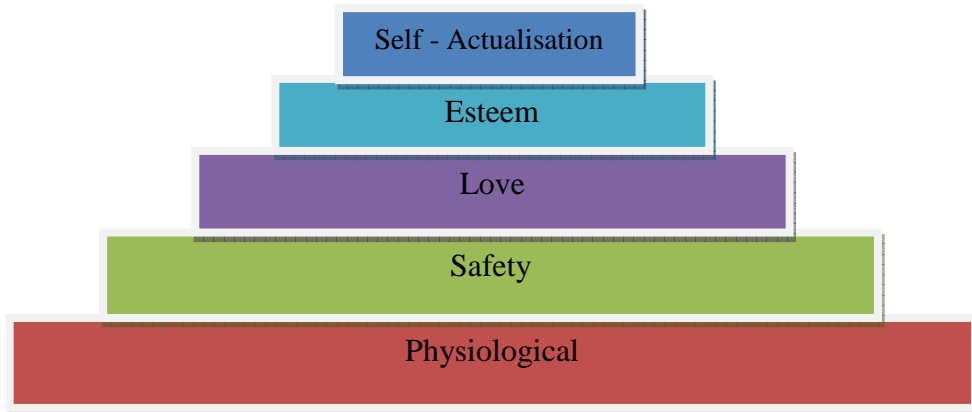
### **2.3.1 Maslow’s hierarchy of needs theory**

According to Tyson and York (1996) one of the most popular motivational theories is the need hierarchy model proposed by Abraham Maslow. According to Tyson



and York (1996:9) “man is a wanting being whose behaviour is goal directed”. Maslow postulated a catalogue of needs at different levels, ranging from the basic physiological and biological needs to the need for esteem and self actualisation.

Maslow’s Hierarchy of needs is illustrated below in Figure 2.1.



**Figure 2.1 Maslow’s need hierarchy**

Adapted from Kreitner, R., & Kinicki, A. 2008:211. *Organisational behaviour*. 8<sup>th</sup> ed. McGraw-Hill, Inc., New York

Figure 2.1 illustrates Maslow’s hierarchy of needs. At the bottom of the hierarchy are the primary needs; these are broken down into physiological needs such as the need for food, drink and shelter, and safety and security needs such as the need to be free of fear, threat, physical pain, danger and anxiety. Finally under primary needs there are social needs: this is the need for love, affection, belonging and friendship (Kreitner & Kinicki, 2008).

At the top of the hierarchy are the secondary needs; these are esteem, which is the need for self-esteem and respect from others, and the need for self-actualisation, which addresses one’s desire for self-fulfilment or maximising one’s potential (Kreitner & Kinicki, 2008).

### 2.3.2 Alderfer's ERG Theory

Clayton Alderfer (cited in Efere, 2005) agreed with Maslow that there is a hierarchy of needs, but instead of Maslow's five layers, Alderfer's hierarchy involves three sets of needs which are explained below:

**Existence Needs** – Highlight the need people have for the exchange of energy and material objects, which help maintain homeostatic equilibrium. Other needs that fall into this category are hunger and thirst as they represent deficiencies. Remuneration and working conditions also fall into this category (Armstrong, 1991).

**Relatedness Needs** – Acknowledge that, although people are independent beings, they have a need to engage and transact with their human environment. A process of sharing or mutuality is one of the basic characteristics of relatedness needs. Other elements of the relatedness process are acceptance, understanding, and confirmation (Armstrong, 1991). According to Efere (2005), relatedness needs include Maslow's love and affiliation needs and part of the ego and self-esteem needs which deal with interpersonal relationships in the work environment.

**Growth Needs** – Result in creativity or productivity on the part of the individual. Satisfaction of growth needs depends on a person realising their full potential (Armstrong, 1991). Growth needs include Maslow's self-actualisation needs and are in line with ego and self-esteem needs (Efere, 2005).

Alderfer's three needs theory corresponds to Maslow's existence needs, and is similar to Maslow's physiological and safety needs. However, unlike Maslow, he did not believe there was a hierarchy of needs, but rather a continuum of needs (Efere, 2005). Relatedness is similar to social needs and growth is similar to esteem and self-actualisation (Armstrong, 1991). According to Armstrong (1991) the need for existence, relatedness and growth (ERG theory) as proposed by Alderfer relates to the subjective states of satisfaction and desire. The outcome of events between people and their environment are directly related to one's level of satisfaction. "It is a subjective reaction, which refers to the internal state of people

who have obtained what they are seeking and is synonymous with getting and fulfilling” (Armstrong, 1991:156). Desire is considered to be more subjective as it is driven by a person’s needs, wants, preferences and motives. This approach suggests that human beings are open systems, which are constantly engaging in transactions with their environment, which inevitably affect their behaviour (Armstrong, 1991).

Alderfer and Maslow’s theories differ because Maslow’s theory states that one must be fulfilled completely for one to move up to the next level; therefore a person will only progress up the need hierarchy if lower level needs are satisfied. In contrast, Alderfer’s ERG theory states that the needs can occur simultaneously and will change during your life stages (Armstrong, 1991).

### **2.3.3 McClelland’s theory**

According to Efere (2005) McClelland believed there were four critical factors which drove motivation:

- **The need for achievement** – Defined as the drive a person has to compete and succeed. Each individual has their own standard for measuring success
- **The need for affiliation** – Defined as the longing for compassionate, warm and friendly interactions with others.
- **The need for power** – This is a need for influence and authority over other people.
- **The need for avoidance** – This is a need to avoid conflict or negativity when relating with others.

All individuals have these four needs; however the need for power may be dominant in certain individuals while the need for achievement, affiliation or avoidance may be dominant in others. Regardless of which need is dominant, the other needs will still exist within an individual (Armstrong, 1991). Therefore, one may have the need for power, affiliation and achievement at the same time. A leader cannot motivate a person if they do not know what is important to that individual. According to Jones and George (2008) the importance of the needs

demonstrated by an individual is dependent on the occupation of that individual. Different occupations will benefit from a different needs set.

#### **2.3.4 McGregor's theory X and Y**

According to Efere, (2005) McGregor's Theory X and Theory Y are two opposing theories, which result in management making one of two assumptions about people. Theory X is seen as a set of traditional beliefs that people are inherently lazy and unambitious and will avoid responsibility. The main incentives to work are provided by the carrot or the stick, and constant supervision is necessary. Theory X attitudes, in McGregor's view, are the main reasons why workers adopt defensive postures and group together to beat the system wherever they can (Tyson and York, 1996).

McGregor's Theory Y is based on the assumption that people are hard working. According to this theory, work is as natural to people as play or rest. People's attitudes depend on experience and work conditions. When given proper encouragement, people will seek rather than avoid responsibility (Tyson & York, 1996).

#### **2.3.5 Adam's equity theory**

According to Efere, (2005) Adam's equity theory states that an individual's level of motivation relates to their perception of how they are treated as compared to others. Being treated equitably means that one is being treated fairly in comparison to others in the same environment. It is difficult for equity to be measured tangibly as it involves people's emotions and it is, therefore, measured comparatively. Equity is different from equality as it is based on the assumption that people should be treated differently if they deserve to be. Equity theory suggests that people would be more motivated if they are treated equitably and de-motivated if they are treated inequitably (Armstrong, 1991).

According to DeSimone and Harris (1994), equity theory suggests that motivation is strongly influenced by the desire to be treated fairly and people's perceptions

about whether they have been treated fairly. The theory, as it has been applied to work motivation, is based on three key assumptions (Carrell & Ditttrich, 1978):

- People develop beliefs about what is fair for them to receive in exchange for the contributions they make to the organisation.
- People determine fairness by comparing their relevant returns and contributions to those of others.
- People who believe they have been treated unfairly (inequity) will experience tension, and they will be motivated to find ways to reduce it.

According to Efere (2005), Adams believed a person who thought they were being treated unfairly may react in one of six ways:

- They may change their work inputs
- They may start having a distorted perception of how hard they work
- They may start having a distorted perception of how hard others work
- They may change their work outputs
- They may start looking for another job.

Adam's equity theory focuses on money as a motivator, and he defines two types of equity. Internal equity is when an individual compares his salary to another individual within the company and external equity is when an individual will compare his salary to another individual outside the company. This implies that the issue of money should be carefully considered when motivating an employee, because giving them more will result in them expecting more (DeSimone & Harris, 1994). Some companies try to prevent this from happening by trying to enforce remuneration secrecy; however this can sometimes backfire as employees can perceive this to indicate inequity and react by intentionally publicising their remuneration (Colella, Paetzold, Zardkoohi & Wesson, 2007).

### **2.3.6 Vroom's expectancy theory**

According to Tyson and York (1996), Vroom proposed that motivation is a product of worth or value that individuals place on the possible results of their actions and

the expectation that their goals will be achieved. The theory is expressed by the formula: Force (F) = Valence (V) x Expectancy (E). The importance of this approach is the emphasis that it places on the individuality and variability of motivational forces, as distinct from the generalizations implied in the theories of Maslow and Herzberg. This theory looks at the individual himself, what the individual values, what he expects, and what will influence his motivation. Therefore, management needs to evaluate a person's expectation if they want to motivate them (Tyson & York, 1996).

According to Mitchell and Daniels (2003), one of the limitations of Vroom's expectancy theory is that it can be perceived as being too calculating in the sense that people in general don't think about the probability of effort resulting in performance and performance resulting in positive outcomes. Another shortfall of the expectancy theory, according to Wilson and Gilbert (2005), is that it doesn't deal with how people change their beliefs over a period of time. This change in beliefs can occur when people realise that a specific outcome has not given them the satisfaction they sought.

### **2.3.7 Skinner's reinforcement theory**

According to DeSimone and Harris (1994) reinforcement theory argues that behaviour is a function of its consequences. Behaviour that is followed by a pleasurable consequence will occur more frequently, and behaviour followed by an aversive consequence will occur less frequently. Reinforcement theory can be applied by using a set of techniques known as behaviour modification to control an employee's behaviour. Skinner believed that feedback is vital, and the individual needs to know how he is performing, so that if he is doing something wrong it can be rectified (DeSimone & Harris, 1994). The different types of reinforcement are explained below (DeSimone & Harris, 1994):

**Positive reinforcement** – Increases the frequency of behaviour by following the behaviour with a pleasurable consequence.

**Negative Reinforcement** – Increases the frequency of behaviour by removing something aversive after the behaviour is performed.

**Extinction** – Seeks to decrease the frequency of behaviour by removing the consequence that is reinforcing it.

**Punishment** – Seeks to decrease the frequency of behaviour by introducing an aversive consequence immediately after the behaviour.

### **2.3.8 Herzberg's two factor theory**

According to Alberts (1992:40), Herzberg identifies motivators and “hygiene” factors. Motivators make employees feel good about their job, whereas the hygiene factors make them feel bad. Motivators include accomplishment on the job, increased job competence, recognition and advancement, responsibility and self-fulfilment. Hygiene factors include inadequate salary, poor working conditions, insufficient job security and poor supervision.

According to Kreitner and Kinicki (2008) motivators can cause a person to move from a state of dissatisfaction to satisfaction, while hygiene factors can cause an individual to be dissatisfied but cannot move them to a state of satisfaction.

According to Alberts (1992) motivation can result in greater productivity, as people who understand what they are doing and why they are doing it tend to produce more at less cost. Motivation can also lead to greater job satisfaction, as effective leadership and good human relations help employees to enjoy their work. Although motivation is concerned with an increase in job satisfaction, this in turn increases productivity. Finally, motivation can foster co-operation amongst employees (Albert's, 1992)

### **2.4 Driving forces of motivation**

Armstrong, (1991) states that there are two types of motivation: intrinsic motivation and extrinsic motivation. People can motivate themselves by seeking, finding and carrying out work that satisfies their needs or at least leads them to expect that their goals will be achieved. Secondly, management can motivate people through such methods as pay, promotion, praise etc. These two types of motivation are described in more detail below.

### **2.4.1 Intrinsic motivation**

Intrinsic motivation relates to the self-generated factors which influence people to behave in a particular way or to move in a particular direction. These factors include responsibility, freedom to act, scope to use and develop skills and abilities, and interesting and challenging work opportunities for advancement (Armstrong, 1991). Some research suggests that intrinsic motivation may be affected by things such as fixed versus variable remuneration and who distributes symbolic awards (Gagné & Forest, 2008).

According to Ryan and Deci (2000), staff require three fundamental psychological needs; these are competence, relatedness and autonomy. Competence refers to an employee having a feeling that they are capable of performing a task effectively, while relatedness deals with an employee feeling they are connected to the organisation and have a sense of belonging. A feeling of autonomy is achieved when an employee believes they can apply discretion in what they do (Ryan & Deci, 2000).

### **2.4.2 Extrinsic motivation**

According to Ryan and Deci (2000) extrinsic motivation is based on a varying degree of autonomous regulation. Four types of extrinsic motivation have been identified. The first is external motivation. This type of extrinsic motivation is based on external punishment and reward mechanisms. The second is introjected motivation and this is based on internal punishment and reward mechanisms. Third is identified motivation which is based on a company's consistency of approach with a personal value. Last is integrated motivation, which results when there is assimilation with an individual's core values.

According to Armstrong (1991) extrinsic motivators can have an immediate and powerful effect, but the effect will not last long. The intrinsic motivators, which are concerned with the quality of working life, are likely to have a more significant effect as they are inherent in individuals and not forced on them from external sources. The concept of intrinsic motivation has influenced the principles of job



design. The effectiveness of pay as an extrinsic motivator is a matter of continuing debate.

## **2.5 JOB SATISFACTION**

There has been significant research done around job satisfaction in recent times, with many researchers trying to understand and define what this term means.

The simplest definition comes from Spector (1997) who described job satisfaction as a feeling people have about the different aspects of the job. Job satisfaction can have an impact on one's attitude towards their job. According to Robbins, Odendaal and Roodt (2003), people who are satisfied with their job will demonstrate a positive attitude towards their work, while people who are not satisfied will demonstrate a negative attitude towards their work. Obtaining satisfaction in one's job, according to Cherrington (1994), is a result of the following factors: colleagues at work, remuneration, managers, and job tasks and variety. According to Kreitner and Kinicki (2008) this results in needs fulfilment, met expectations, value attainment, equity and dispositional or generic components.

Herzberg's Theory stated that satisfaction on the job depends on two issues, namely: Hygiene issues (dissatisfiers) which cannot motivate employees but can possibly minimize dissatisfaction. If handled properly, these issues are directly related to the employees' environment and motivators (Satisfiers) create satisfaction by fulfilling an individual's need for meaning and personal growth (Syptak, Marshland & Ulmer, 1999).

### **2.5.1 Skills variety**

Bottomley (1983) defines skill variety as the degree to which a job requires a variety of different activities, and the use of a number of different skills and talents of the employee. This could also be purely individually based i.e. if an individual prefers to focus on one task that he/she is good at and nothing else, then the job characteristic of skill variety will demotivate the employee, leading to job

dissatisfaction and resulting in a decrease in the productivity/performance of this individual (Bottomley, 1983). However, if the individual prefers a challenge and wants no two days to be the same then this characteristic would result in a motivated and productive employee (Bottomley, 1983). The methods used to increase job variety are:

**Job rotation** – Involves rotating the tasks of an employee, which makes it possible for the movement of workers from one task to another, and also enables workers to perform other's tasks. Job rotation creates variety for an employee, so that the job does not become boring or monotonous (Efere, 2005). This method of job design also enables employees to multiply their skills and to learn many different aspects of the organisation. It is important to note that job rotation can only be effective and successful if it is in the interest of the individual concerned. Job rotation assists in making provision for more flexible job allocations and makes it possible to distribute unpleasant jobs. It deals with transferring an employee from job to job on a systematic basis (Bottomley, 1983).

**Job enlargement** - Involves enhancing the scope and tasks of an employee's job with a combination of activities which are related. Job enlargement will be extremely useful in situations where there is a job under load. Job enlargement results in job tasks becoming larger horizontally; therefore it is often referred to as horizontal job design (Efere, 2005).

According to Bottomley (1983) when a job is structured in a way that makes intrinsic rewards appear to result from good performances, the job itself can become an effective motivator to the employee. The job must allow for meaningful feedback, which assists in testing the individual's varied abilities and which thus allows for a greater amount of self control by the employee. This must be done in relation to other job activities. According to Gerber et al (1987) the principle that applies here is that 'whole' jobs eliminate monotony and give more meaning to the work. Participative management can also aid with job enlargement as it would result in employees being included in areas like strategic planning, which will expose the employee to broader business issues and expand their knowledge base (Kim, 2002).

**Job enrichment** – Involves the expanding of an employee's task set, by providing more stimulating and interesting work that adds variety and challenges to an employee's daily routine (Jones & George, 2008). As it deals with vertically increasing a person's tasks (for example adding supervisory tasks and relocating or automating menial tasks) it increases the depth of the job and allows the employee to have more control over his/her work. This, therefore, allows an employee to have more influence over planning, executing and evaluating the jobs they do. In enriched jobs, people complete activities with increased freedom, independence and responsibility; constant feedback is also given, which allows an employee to assess and correct their own performance (Jones & George, 2008). The central focus of job enrichment is giving people more control over their work. It is a fundamental part of attracting, motivating and retaining talented people, particularly where work is repetitive or boring; thus enriched jobs result in more satisfied and motivated workers (Jones & George, 2008).

### **2.5.2 Task identity**

Task identity is the ability of the individual to perform all the tasks required to complete a job. A simple explanation would be to perform a job from beginning to end with a visible outcome. For example, an individual who builds something from start to finish would most likely be able to identify more with the task than someone who works on a production line (Jones & George, 2008).

### **2.5.3 Task significance**

Task significance means the task must be significant to you as an individual. It is important for an employee to know why he/she is performing the task and its substantial impact on the organisation and other staff. Task significance has been found to give people a sense of personal satisfaction. Methods to increase task significance are to encourage feedback from relevant parties and to provide regular and timely feedback, as well as providing praise and recognition (Bottomley, 1983).

#### **2.5.4 Autonomy**

Autonomy is the degree to which an employee has freedom and independence to make decisions pertaining to his/her job, resulting in empowerment of an employee (Jones and George, 2008). It is important that an employee feels trusted in his/her position; although the employee must be managed it is important to allow for flexibility of autonomy on a day-to-day basis. Ways of providing autonomy would be to provide the employee with the scope to make decisions within the limits of his/her job, supporting decisions made by the employee whether right or wrong within the appropriate parameters, minimising checkups once the employee becomes comfortable with the responsibility, and setting goals for employees to achieve and allowing them to use their own initiative to achieve them (Bottomley, 1983).

### **2.5.5 Job feedback**

Job feedback is the degree to which the job itself gives the individual direct and clear information about the effectiveness of his/her performance with regard to a task performed by the individual. According to Bottomley (1983) it is generally better for an employee to learn from his performance directly as he does his job as this is continuous, rather than from management, as management's feedback occurs on an occasional basis. By placing control in employees' hands, feedback becomes almost immediate, therefore, allowing an employee to rectify any discrepancies between his performance and standards to be attained in his position.

Ensuring the implementation of these five core job characteristics will help promote improved quality of performance, as employees will be motivated to give of their best. Furthermore, employees who find their jobs motivating will be called on to use their skills more and to perform a wider range of tasks, which will result in them gaining more responsibility for the work they do (Jones & George, 2008).

## **2.6 ORGANISATIONAL PRODUCTIVITY**

Charles, Danforth and Veitch (2004) stated that organisational productivity is a measure of the output of goods and services relative to its inputs. The primary goal of an organisation is to decrease cost while increasing outputs, thus ensuring the organisation is as profitable as possible (Charles et al, 2004).

According to Cascio (1995) the more productive a company is, the better its competitive position will be, as its unit costs are lower. Improving organisational productivity simply means getting more out of what is put in. Productivity is a performance measure encompassing both efficiency and effectiveness. High performing, effective organisations have a culture that encourages employee involvement. Therefore, employees are more willing to get involved in decision-making, which results in increasing employee performance (Cascio, 1995).

### **2.6.1 Productivity outputs**

According to Charles et al (2004) people often consider organisational productivity to be the output an individual produces. This approach only provides a partial view of an organisation's productivity as employees jobs have become more complex in the modern work environment, which has made productivity difficult to measure. In the past, output from a job was relatively easy to measure, due to employees having roles which were repetitive.

Charles et al (2004) suggest that, in some cases, it would be easier to measure output at an aggregate level as almost all organisations have data reflecting their sales revenue, market share and other relevant management information. On the other hand, some organisational output variables are hard to measure in financial terms, especially if the output relates to delivery of a service. Without being able to quantify this and other output measures, it is difficult to evaluate the effectiveness of steps taken to improve productivity in an organisation.

### **2.6.2 Productivity levels**

According to (Cascio, 1995) productivity is directly linked to how motivated a person is to perform a task or activity. Many businesses devote much time and effort to finding ways to motivate employees. Work enhancement programmes that are built on ways to motivate workers can optimise productivity (Cascio, 1995). When an employee is satisfied and motivated in what they do, organisational productivity will increase. As long as employees perceive that their total compensation is equitable and that their benefits are fairly priced, productivity can be achieved (Cascio, 1995). According to Miller and Morge (1986), job satisfaction increases productivity through bringing high quality motivation and through increasing work capabilities at time of implementation.

According to Grant (2008), studies have revealed that when people experience the results of their work on a first-hand basis they then perceive their work as being socially valued and as having a tangible impact on society. This makes them feel more loyal to the people who will be the end-users of their work. This results in

them working harder and achieving higher performance and productivity (Grant, 2008).

Charles et al (2004) suggest that organisational productivity is not only dependent on job satisfaction, but on a plethora of factors. These include an employee's commitment to the organisation, interaction with co-workers, creativity in completing tasks, and employee health and well-being. All of the attitudes and behaviours above holistically contribute to organisational productivity.

## **2.7 SUMMARY**

This chapter presented the different theories on motivation and job satisfaction. While it showed how different some theories are, it also gave insight into the commonalities between many of the theories presented. The aim of this study will be to provide a further insight into motivation and job satisfaction and their contribution to organisational productivity. The following chapter will discuss the methodology employed in the current study.

## **CHAPTER 3**

### **RESEARCH METHODOLOGY**

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#### **3.1 INTRODUCTION**

According to Bryman and Bell (2007) there are two aspects to research: research strategy and the research design. As the previous chapter provided insight into the research conducted on similar topics to that of this dissertation, this chapter will evaluate the most appropriate strategy to adopt as well as the design that will fulfil the objectives of this research. Furthermore, the chapter provides insight into the data collection methods used and the ethical considerations. The psychometric properties of the measurement instrument used to gather the data are also discussed.

#### **3.2 STATEMENT OF RESEARCH PROBLEM**

Many human resource managers have theories regarding the motivation of employee's performance. Some believe that motivational theory alone is enough to develop productive employees. Others claim that no technique works, because employees are either born achievers or slackers.

Positive reinforcement is central to most motivation techniques and is the practice of giving valued rewards to someone who has just engaged in a desired behaviour. According to Herzberg (cited in Armstrong, 2001:66) "two groups or factors affect job satisfaction, those that are intrinsic to the job such as achievement, recognition, the work itself, responsibility and growth, and those that are extrinsic to the job, which include pay and working conditions". (). According to Gerber et al (1987) there are two factors which affect motivation in the South African workplace. Firstly, there must be democracy in the workplace and, secondly, the job satisfaction experienced by an employee must be to the advantage of the organisation, the family, and the community as a whole. In order for South Africa to become an economic leader, industries based here have to



achieve extremely high levels of productivity. The aim of this research was to investigate the relationship between motivation and job satisfaction, in order to determine the impact thereof on productivity within an organisation. This research was conducted in the short-term insurance industry in South Africa, as this industry is under huge pressure to provide better service to its market without increasing running costs. In order to achieve this, they will have to improve the productivity of their current workforce. Thus, this research may be highly beneficial to this industry

### **3.3 AIM AND OBJECTIVES OF THE STUDY**

#### **3.3.1 Aim**

This study aimed to determine the impact that motivation and job satisfaction have on productivity. Although one may assume that these two attributes naturally contribute to productivity, there is a need to determine to what extent each factor contributes and whether or not a combination of the two is necessary to achieve productivity.

#### **3.3.2 Objectives**

In order to determine the impact of motivation and job satisfaction on organisational productivity, the objectives listed below had to be fulfilled:

1. To determine the factors which influence the motivation of staff in the insurance industry
2. To determine if job satisfaction is related to personal beliefs
3. To determine if staff motivation and job satisfaction have a complimentary effect on productivity.

### **3.4 FOCUS**

This study primarily focused on the impact that motivation and job satisfaction have on productivity within the short-term insurance industry in South Africa. The study was mainly based on Zurich Insurance Company SA as they are a short-term insurance company which operates in South Africa

### **3.5 SAMPLING**

When conducting research, it is generally impractical to study the entire target population of the research. It is, therefore, imperative that the researcher selects a few individuals to study. This group of individuals becomes the sample for the research (Gupta, 2007). According to Krishnaswamy, Sivakumar and Mathivajan (2006), if the population being researched is small enough, a census can be conducted, but in most cases populations are large and there is limited time and resources available to the individual conducting the research. Therefore, the selection of a sample becomes imperative. Krishnaswamy et al (2006) also state that sampling, by reducing the effort put in to data collection, makes the process more efficient and accurate..

A key attribute to sampling is the sample design. According to Gupta (2007), the first issue when designing a sample is to determine who or what is to be included in the sample. In order to achieve this, a clear definition is needed of the population from which the researcher plans to draw the sample. Secondly, one must determine the method that will be used to select the sample. This can either be a probability or non-probability sampling method. Finally, the researcher must decide on the sample size that is necessary to meet the needs of his/her study (Gupta 2007).

With regard to probability or non-probability sampling, Bryman and Bell (2007) state that probability sampling is considered good practice. However, in most cases, due to the impossibility or difficulty of obtaining probability samples, non-probability sampling is used instead. A further issue is that probability sampling

tends to be costly and time consuming, which makes it impractical to use in many situations (Bryman and Bell).

Below are the different methods used for probability as well as non-probability sampling as described by Bryman and Bell (2007). This list provides insight into the different sampling methods and their applications.

### **3.5.1 Non-probability sampling**

#### **Convenience Sampling**

This type of sampling is sometimes called accidental sampling as the researcher basically gets a sample from whatever group is most easily accessible to them. The issue with convenience sampling is that one has no way of knowing to what extent the sample is biased. In many cases, a convenience sample is acceptable, as long as the researcher acknowledges its limitations (Davies, 2007).

#### **Quota Sampling**

According to Davies (2007), in quota sampling it is the researcher who identifies the key variables as well as the distribution for a relevant population. After this, the sample is then selected to reflect a similar proportionate breakdown. Quota samples are generally arranged according to age, gender, place of residence, ethnicity, social standing and educational background. Quota sampling is an improvement on the previously mentioned convenience sampling as it greatly improves the quality of the data (Davies, 2007).

#### **Purposive sampling**

With this type of sampling, the researcher targets individuals who they believe are typical of the population the research is being carried out on. This method's downfall is that there is no way of knowing whether or not the sample chosen is in fact representative of the population being studied. From a scientific viewpoint it is no different to convenience sampling, and it is inferior to quota sampling because it does not make the qualities being employed explicit (Davies, 2007).

### **3.5.2 Probability sampling**

#### **Simple random sampling**

According to Bryman and Bell (2007) the most basic form of probability sampling is simple random sampling. Using random sampling allows each unit of the population to have an equal chance of being included in the sample. Using simple random sampling also ensures that there is no opportunity for human bias, which is critical in ensuring a “true” outcome. Furthermore, there is no dependency on the individual’s availability as they do not have to be in the same proximity as the person conducting the research (Bryman & Bell, 2007).

#### **Stratified random sampling**

According to Davies (2007) stratified random sampling combines the researcher’s knowledge of smaller subgroups within the population having significantly different views from each other, with the purity of simple random sampling. The advantage of stratified random sampling is that it ensures the sample collected will be distributed in proportion to the stratifying criteria of that population (Bryman & Bell, 2007).

#### **Systematic sampling**

This form of sampling is similar to simple random sampling, but instead of resorting to a table of numbers you select units directly from the sampling frame. The advantage of this approach is that one does not need to assign numbers to the names in the sample frame and then look up the corresponding names of the numbers chosen. In order for this method to be effective, it is important that there is no inherent pattern in the sample frame, as this could lead to the sample being biased (Bryman & Bell, 2007).

### **3.6 SAMPLE SIZE**

The decision regarding sampling size is not a straightforward one according to Bryman and Bell (2007). The size of a sample depends on many factors, which in turn means that there is no “correct” answer. When deciding on sample size one has to compromise between the need for precision and the constraints of the time available for the study, as well as the cost involved (Bryman & Bell, 2007).

According to Davies (2007), when conducting research, the kind of data analysis one plans to carry out, as well as the conclusions one wants to draw, are critical in determining the sample size. A sample in the range of 60-120 is acceptable for a descriptive or exploratory survey. However, if one is testing a hypothesis then the researcher will need a sample that is large enough to observe the differences between certain key variables (Davies, 2007).

Since the research was carried out at Zurich Insurance Company, which the researcher has easy access to, a non-probability convenience sampling method was selected for the purposes of this research study. Zurich has approximately 800 staff members; therefore, a sample of 10% was used which equates to 80 respondents. An email was distributed to all staff with a link to the questionnaire on an online survey website called Questionpro. The email explained the type of research being conducted, as well as the approximate time it would take to complete the survey. The questionnaire had a combination of open-ended, ranking and closed questions. The questionnaire was viewed by 136 people, started by 102 people, and completed by 81 people.

### **3.7 DATA COLLECTION METHOD AND APPROACH**

According to Krishnaswamy et al (2006) the researcher has to either use questionnaires or interviews to obtain information from respondents.. Depending on the research study, one may use single or multiple procedures to collect data (Krishnaswamy et al, 2006).

Data for research comes from two sources: either from a primary source (primary data) or a secondary source (secondary data). According to Krishnaswamy et al (2006) there are three methods of attaining secondary data:

- The data is available in research journals that have been published or in books, reports or publications available to the public.
- One can conduct a search for data that exists within an organisation. This may include such things as reports, minutes of meetings and various other internal communications.
- Lastly, one can do a search of databases that are found on the World Wide Web.

Primary data is collected using questionnaires or by conducting interviews of several kinds. One can also use observation as a primary data collection tool where the researcher observes certain phenomena in subjects (Krishnaswamy et al, 2006).

Although there are many methods of collecting primary data, it was decided to use a web-based questionnaire to collect data for this research study for the following reasons:

- The anonymity of the respondents was guaranteed
- This method was cost and time-effective
- The data could be consolidated efficiently
- The data can be analysed accurately with the tools provided on the website.

### **3.8 QUESTIONNAIRE DESIGN**

According to Bryman and Bell (2007) the research interview is a leading data collection strategy for both qualitative and quantitative research. If one standardises the process of interviewing a respondent, by asking each person the exact same questions and providing a framework for their answers, the results obtained will show true variation and will not be due to the interviewer providing different contexts for each respondent.

### **3.8.1 Common sources of error**

When survey error does occur there are some common sources responsible for this (Bryman & Bell, 2007: 211). The most common sources of error are:

- Questions that are poorly worded
- The way the interviewer asks the question
- The interviewee misunderstanding the question
- The interviewee having problems remembering past experiences
- The way the interviewer records the information
- The processing of information, either when answers are coded or when the data is entered.

### **3.8.2 Construction of the questionnaire**

According to Bhattacharyya (2006) a questionnaire should serve two functions. First, it should translate research objectives into specific questions. Secondly, it should foster cooperation from the respondent to furnish the information correctly.

There are nine steps one should follow when constructing a questionnaire (Bhattacharyya, 2006: 61):

1. Decide what information is needed.
2. Establish what type of questionnaire will be used (personal interview, email etc.).
3. Prepare the content of the individuals' questions.
4. Decide what type of questions the survey will be made up of (open-ended, ranking, closed etc.).
5. Decide how to word each question.
6. Establish the sequence of the questions.
7. Prepare the questionnaire layout and how it will be reproduced.
8. Develop a draft questionnaire and test it.
9. Make revisions and prepare the final questionnaire.

For the purposes of this study, the questionnaire was compiled in a systematic manner. After conducting a literature review, certain areas were highlighted. The questionnaire was then compiled based on this insight. The questionnaire addressed the demographic make-up of the respondents as well as questions relating to motivation, job satisfaction and productivity. The questions were kept short and unambiguous, thus reducing the likelihood of an error occurring. The questionnaire included ranking, open-ended, as well as closed questions.

### **3.9 DATA CAPTURING METHODS**

In order to capture the data efficiently and reduce the possibility of error it was decided to use an internet based survey. The survey was then constructed on the Questionpro website, which is accessed through the following internet address: [www.questionpro.com](http://www.questionpro.com). This is a website that hosts internet surveys. The URL for this survey was then sent to the sample group, who then entered the website and completed the questionnaire electronically.

### **3.10 DATA ANALYSIS METHODS**

According to Gupta (2007) the researcher's own judgement and skill is called upon during the data analysis process. As all the data was captured on the internet-based website, it allowed one to compare one variable to another and to analyse data comprehensively. This was due to the website having the capability to allow one to analyse the data which has been captured.



### **3.11 SUMMARY**

In this chapter, the importance of research methodology was highlighted. The methodology adopted for this research was also explained. The type of sampling used was also highlighted. Finally, the construction of the questionnaire was discussed, as well as the methods that were used to analyse the data collected.

## **CHAPTER 4 DATA ANALYSIS**

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### **4.1. INTRODUCTION**

According to Gupta (2007), data analysis requires the most skills of all stages of the research. Conducting the analysis involves the tabulation and presentation of the captured data in a form which is somewhat attractive and easily comprehensible (Gupta, 2007). This chapter will present the data collected via the internet-based survey done on the Questionpro website and compare variables to establish trends. In this chapter, comparisons will be made between the different variables to establish to what extent each affects the other, if at all.

In order to understand the make up of respondents, a demographic analysis was conducted first. This was followed by the analysis which directly relates to the research being carried out.

## 4.2 DATA ANALYSIS

### 4.2.1 Sample Description

Table 4.1 below presents the sample's demographic makeup. It comprises of the age, race gender and level in the organisation of the respondents.

**Table 4.1: Demographic Information**

Demographic	Percentage
<b>Age</b>	
<= 21	1%
21-30	26%
31-40	35%
41-50	29%
51-60	6%
60 and over	3%
<b>Race</b>	
Black	15%
White	35%
Coloured	17%
Asian	33%
<b>Gender</b>	
Male	55%
Female	45%
<b>Level in the Organisation</b>	
Senior Manager	20%
Middle Manager	12%
Manager	24%
Team leader	1%
Senior Technician	21%
Junior Technician	20%
Assistant	2%

The majority of respondents fell into the 31-40 age category and the 41-50 years age category, with a total of 64% falling between the ages of 31-50. With regard to race, 35% of the respondents were white, followed by Indians who made up 32% of respondents. Blacks were the smallest group at 15%.

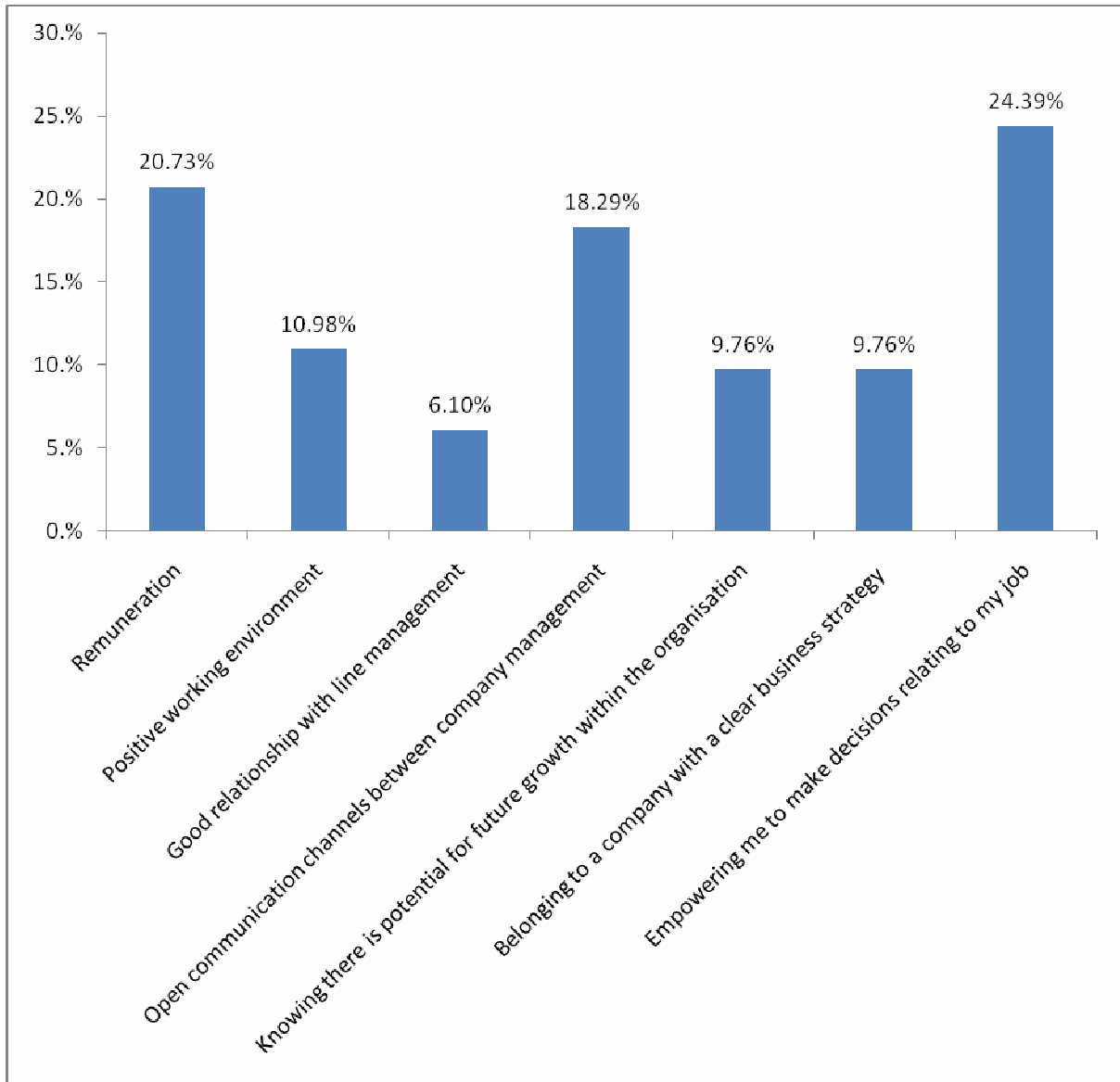
The gender analysis showed that 55.2% of respondents were male, while 44.8% were female. The majority of the respondents were managers, followed by senior technicians. Combined, they made up 45.2% of respondents. Senior managers and junior technicians tied for third, as each comprised 19.8% of respondents. Therefore, their combined total was 39.54%. Team leaders were the smallest group at 1.2%.

#### **4.3 OBJECTIVE 1: To determine the factors which influence the motivation of staff in the insurance industry**

Questions 5 and 6 examined the factors that motivate the individual, while questions 7, 8, 10 and 11 looked at the extent to which respondents are motivated.

### 4.3.1 Motivating Factors

Figure 4.1 illustrates the impact of certain factors on staff motivation.

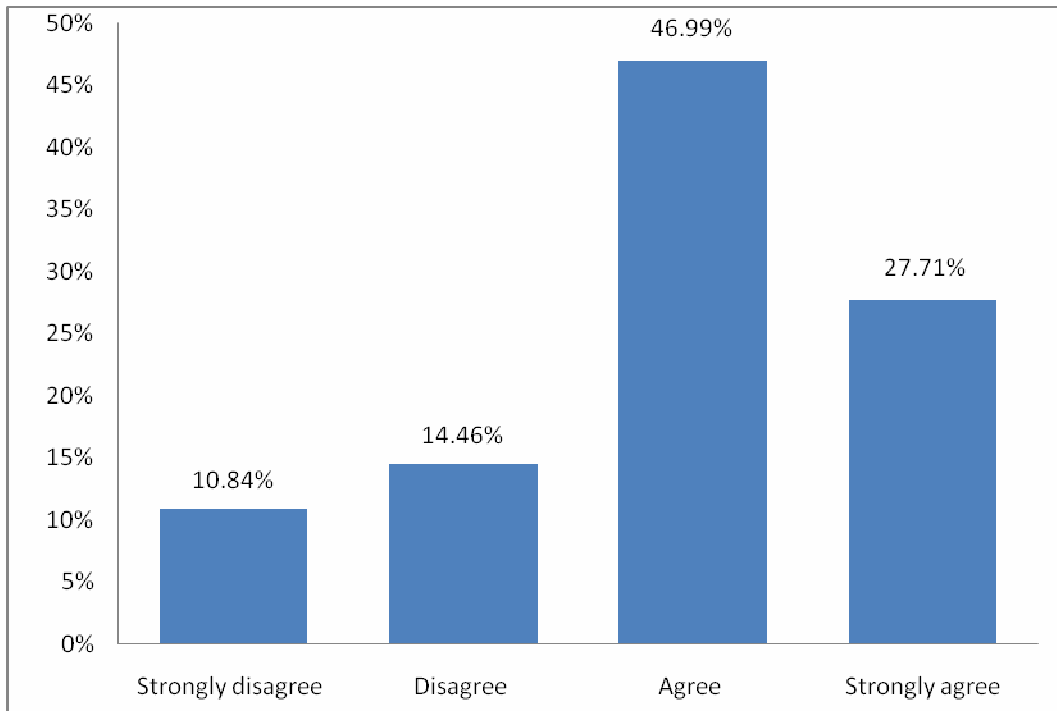


**Figure 4.1: Motivating factors**

The graph above illustrates that almost a quarter of respondents (24.4%) felt that empowering them to make decisions relating to their job was the most prominent factor in motivating them. The next most frequently mentioned factor was remuneration, with 20.7% of respondents stating that remuneration was the most important motivating factor for them. The factor that was least frequently

mentioned was “good relationship with line management”, with only 6.1% of respondents selecting this as a motivating factor.

Figure 4.2 illustrates the reported impact of managers on motivating staff

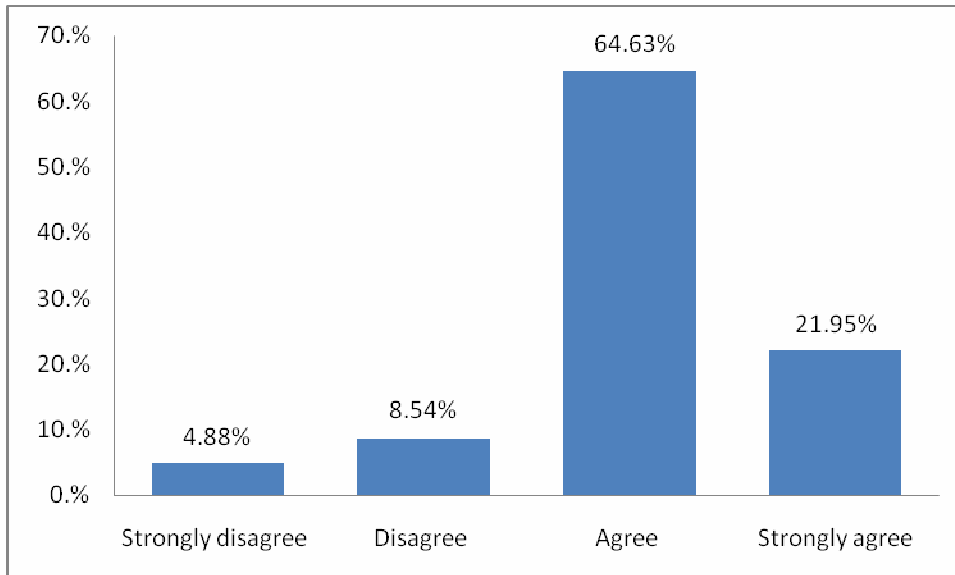


**Figure 4.2: Does my manager/supervisor motivate me**

The graph above illustrates that the majority of respondents (74.7%) agree or strongly agree that their managers motivate them. The remaining 25.3% felt that their managers did not motivate them.

### 4.3.2 Identifying to what extent staff are motivated

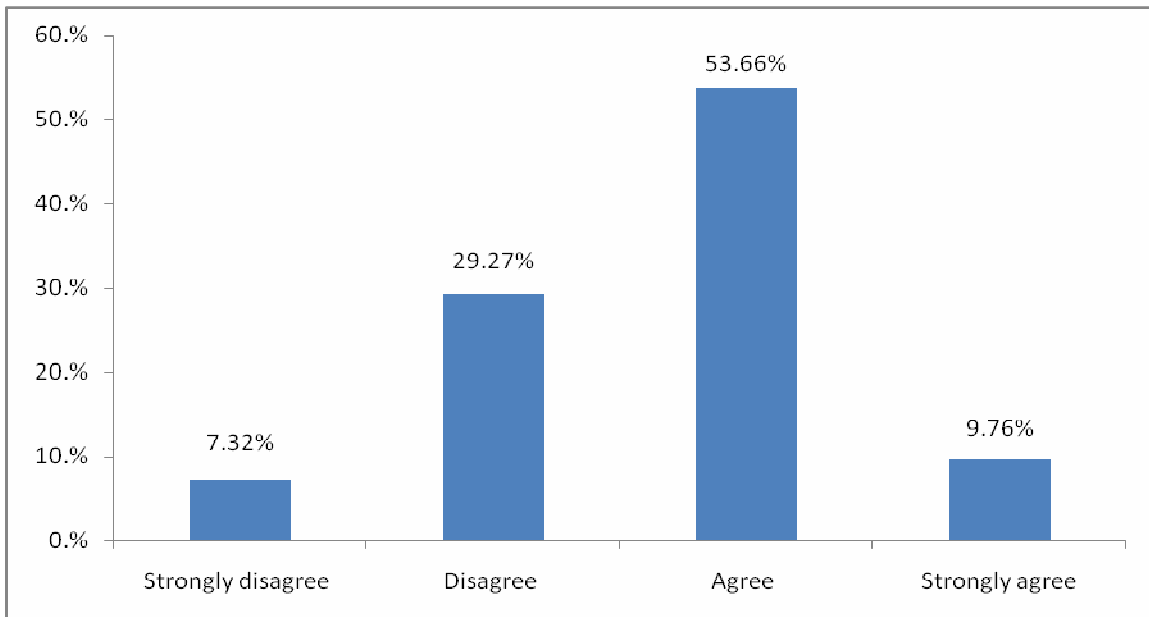
Figure 4.3 illustrates the respondent's beliefs about their future in the organisation.



**Figure 4.3: I feel positive about my future in the organisation**

Figure 4.3 relates to whether a person feels positive about their future in the company. 64.6% of respondents agreed with this statement, while 22% strongly agreed - a total of 86.6% positive replies, while only 13.4% disagreed or strongly disagreed.

Figure 4.4 illustrates whether respondents believe they are adequately remunerated for the work they are doing.



**Figure 4.4: I feel adequately remunerated for the work I do**

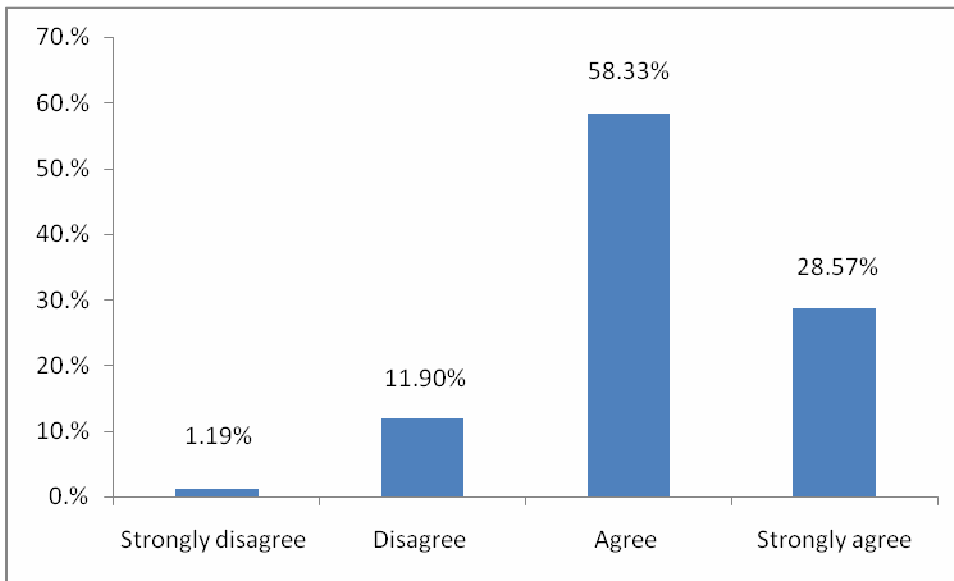
Figure 4.4 shows that 53.7% of staff agree they are remunerated adequately for the job they are performing, while 9.8% strongly agree with this statement. Therefore, in total, 63.5% of respondents agreed with this statement. Only 14.5% disagreed with this statement and 10.8% strongly disagreed - a total of 25.3%.

#### **4.4 OBJECTIVE 2: To determine if job satisfaction is related to personal beliefs**

Question 12 asked if respondents were satisfied in their jobs and questions 9, 10 and 11 explored aspects related to that enjoyment.



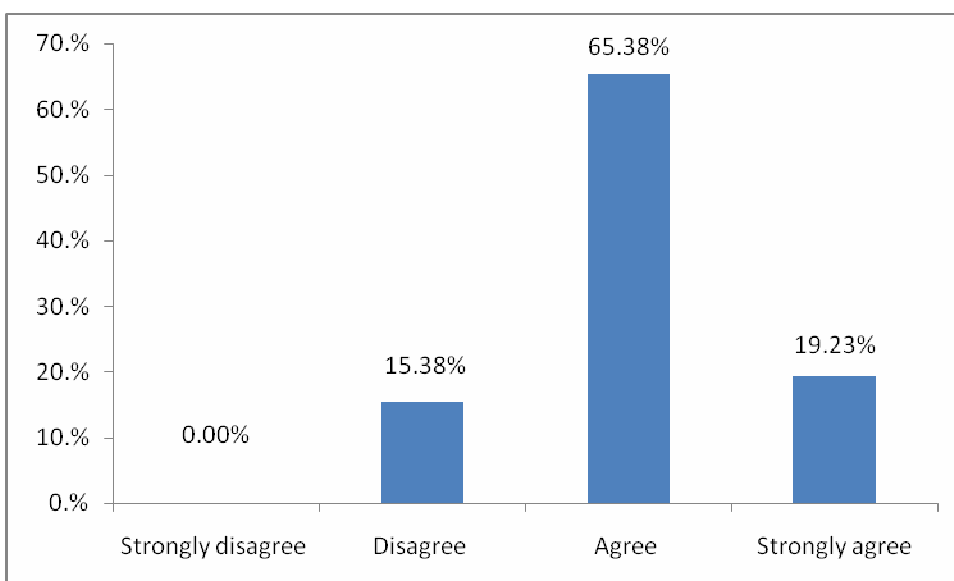
Figure 4.5 illustrates whether respondents enjoy their current job



**Figure 4.5: I enjoy my job**

Figure 4.5 shows that 58.3% of respondents agreed that they enjoyed their job while 28.6% of respondents strongly agreed with this statement. Only 11.9% disagreed with this statement, while 1.2% strongly disagreed. Thus the total of positive responses was 86.9% and the total of negative responses was 13.1%

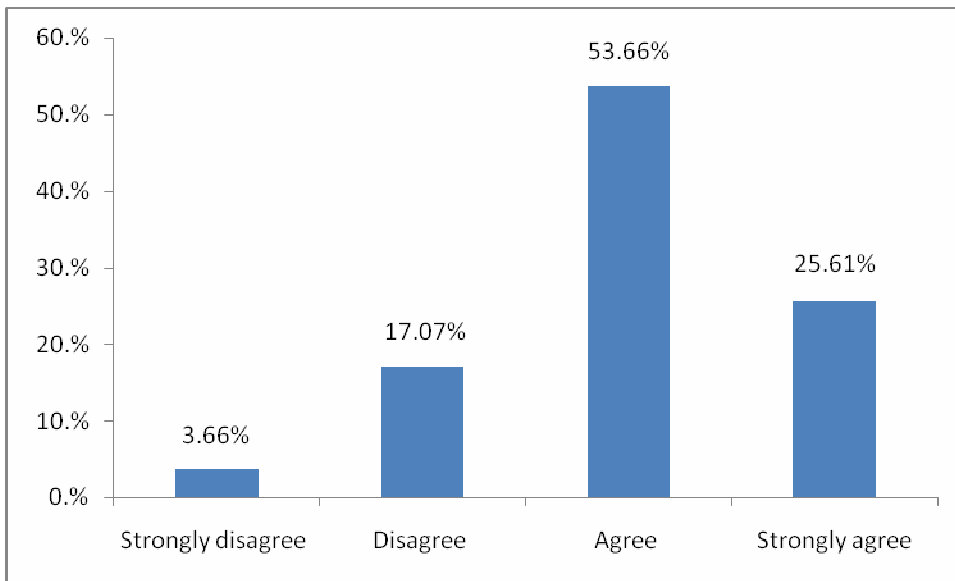
Figure 4.6 shows whether respondents looked forward to coming to work or not.



**Figure 4.6: I look forward to coming to work**

Figure 4.6 shows that the majority (65.4%) of respondents agreed with the statement. The total of positive response, which included respondents who agreed and strongly agreed with the statement, was 84.6%. Although there were no respondents who strongly disagreed with the statement, 15.4% disagreed.

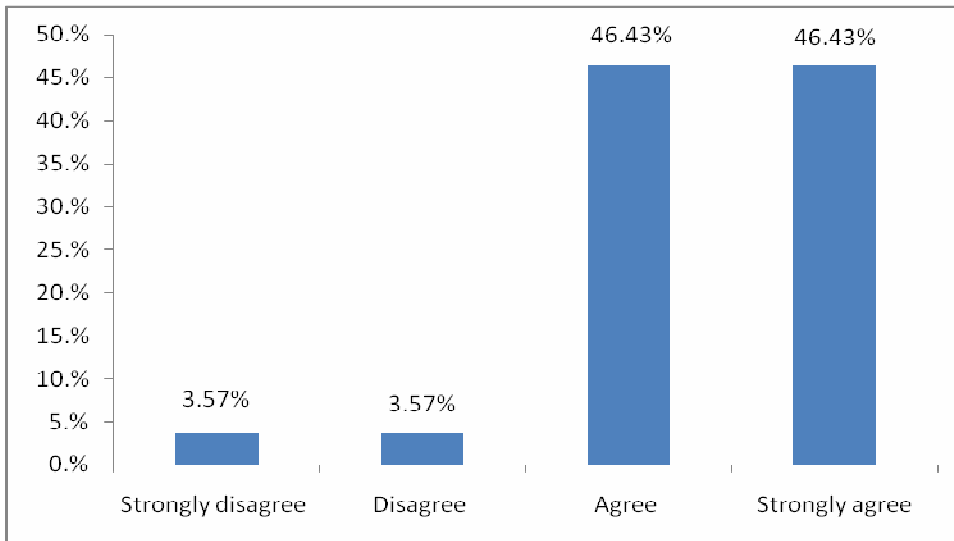
Figure 4.7 overleaf shows whether respondents believe that their skills are used adequately in the job they are currently doing.



**Figure 4.7: My job allows me to use my skills adequately**

Figure 4.7 shows whether respondents believe that their skills are used adequately in their current job. The results showed that 53.7% agreed with this statement while 25.6% strongly agreed. The analysis also showed that 17.1% disagreed and 3.6% strongly disagreed. Therefore, in total, 79.3% had a positive response while the remaining 20.7% had a negative response.

Figure 4.8 illustrates whether respondents believe the work they do is important to the organisation.



**Figure 4.8: I believe the job I do is important to the organisation**

An equal number of respondents agreed or strongly agreed (46.4% respectively) with this statement - a positive response of 92.8%. In total, 3.6% of respondents disagreed with the statement which was also equal to the percentage of respondents that strongly disagreed.

**Table 4.2: Cross tabulation of job satisfaction and use of skills**

		Use of Skills					
		My Job allows me to use my skills adequately					
Job Satisfaction	I enjoy my current job		Strongly disagree	Disagree	Agree	Strongly agree	Row Percent
		Strongly disagree	0.00%	1.20%	0%	0%	1.20%
		Disagree	1.20%	8.50%	1.20%	0%	10.90%
		Agree	1.20%	7.30%	45.10%	4.90%	58.50%
		Strongly agree	0.00%	0.00%	8.50%	20.70%	29.20%
		Column Percent	2.40%	17.00%	54.80%	25.60%	

Table 4.2 provides insight into the relationship between job satisfaction and respondents' beliefs about whether or not their skills are utilised adequately. A cross tabulation was used to identify the relationship between these two variables.

Reviewing the responses revealed that none of the respondents strongly disagreed to both the job satisfaction question and the use of skills question. In fact, only 1.2% of the sample disagreed with the statement that they were satisfied with their job, and strongly disagreed that their skills were used adequately. Of the total sample, 8.5% disagreed with both statements. A further 1.2% agreed that their skills were utilized adequately, but disagreed with the statement on enjoying their current job. From analysing the respondents who agreed that they were satisfied with their job, 1.2% of the total sample strongly disagreed that their skills were used adequately while 7.3% disagreed. The majority (45.1%) both agreed to being satisfied with their job and agreed that their skills were used adequately. A further 4.9% agreed that they were satisfied with their current job and strongly agreed that their skills were being used adequately. From the entire sample, 8.5% of respondents strongly agreed that they were satisfied with their job and also agreed that their skills were used adequately. A further 20.7% of respondents strongly agreed with both statements.

To summarize, 87.7 % answered positively to enjoying their current job, of which 79.2% also answered positively to whether their skills were being utilized adequately. Only 8.5% of the sample who responded positively to the job satisfaction question answered negatively to the use of skills question. If one analyses the negative responses, 12.1% of respondents answered negatively to being satisfied with their job. This was made up of 10.9% who also answered negatively to the use of skills question, and 1.2% who answered positively to use of skills.

**Table 4.3: Cross tabulation of job satisfaction and job importance**

<b>Job Importance</b>							
I believe the job I do is important to the organisation							
<b>Job Satisfaction</b>	I enjoy my current job		Strongly disagree	Disagree	Agree	Strongly agree	Row Percent
		Strongly disagree	0.00%	1.19%	0.00%	0.00%	1.19%
		Disagree	0.00%	2.38%	8.33%	1.19%	11.90%
		Agree	1.19%	0.00%	35.71%	22.62%	59.52%
		Strongly agree	1.19%	0.00%	4.76%	21.43%	27.38%
		<b>Column Percent</b>	<b>2.38%</b>	<b>3.57%</b>	<b>48.80%</b>	<b>45.24%</b>	

Table 4.3 illustrates the relationship between job satisfaction and one’s personal beliefs about the work they do being important to the organisation. A cross tabulation was used to determine the correlation between these factors.

From the table (4.3) it is evident that, from all the responses received, none of the respondents strongly disagreed with being satisfied with their job and also strongly disagreed that their job was important to the organisation. In fact only 1.2% strongly disagreed that they enjoyed their current job and disagreed that their job was important to the organisation. In total 11.9% of respondents disagreed that they enjoyed their current job, of which none strongly disagreed that their job was important to the organisation. However, of the 11.9% who disagreed that they enjoyed their current job, 2.4% disagreed that their job was important to the organisation, while 8.3% agreed and 1.2% strongly agreed.

The majority of respondents (59.5%) agreed that they enjoyed their current job. Of these respondents, 1.2% strongly disagreed that their work was important to the organisation, none disagreed, 35.7% agreed, and 22.6% strongly agreed. In total, 27.4% of respondents strongly agreed that they were satisfied with their job. This was made up of 1.2% of respondents who strongly disagreed that their job was important to the organisation, while 4.8% agreed their job was important. A further 21.4% who strongly agreed that they enjoyed their current job also strongly agreed

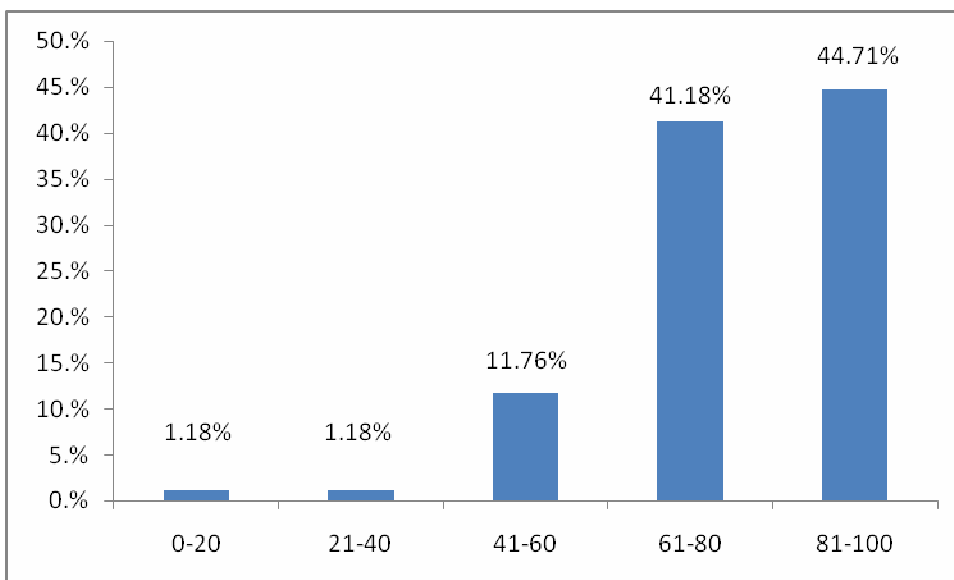
that their job was important to the organisation. Finally, none of the respondents who strongly agreed they enjoyed their current job disagreed that their job was important to the organisation.

In total 13.1% of respondents did not enjoy their current job. Of that 13.1% only 3.6% also believed their job was not important to the organisation. The remaining 9.5% believed that their job was important. The remaining respondents (86.9%) enjoyed their job. Of this group 2.4% believed the job they were doing was not important to the organisation. The remaining 84.5% did believe that their job is important to the organisation.

#### **4.5 OBJECTIVE 3: To determine if staff motivation and job satisfaction have a complimentary effect on productivity**

Questions 13, 14 and 15 examined the level of productivity of respondents. A cross tabulation of question 7 and question 13 was used to test the impact of motivation on productivity. Finally a cross tabulation of question 9 and 13 was used to test the impact of job satisfaction on motivation.

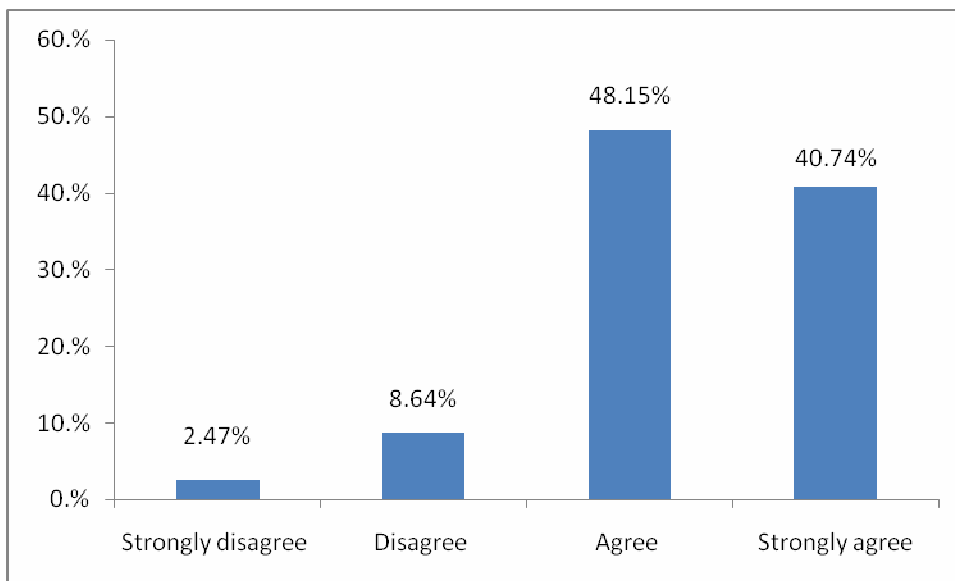
Figure 4.9 below illustrates what percentage of the day respondents are productive.



**Figure 4.9: What percentage of your day is spent being productive**

Figure 4.9 shows that 44.7% of the respondents felt that 81 to 100 percent of their work day was spent being productive. A further 41.2% of respondents believed 61 to 80 percent of their work day was spent being productive, while only 2 respondents (2.4%) felt that less than 41% of their work day was spent being productive.

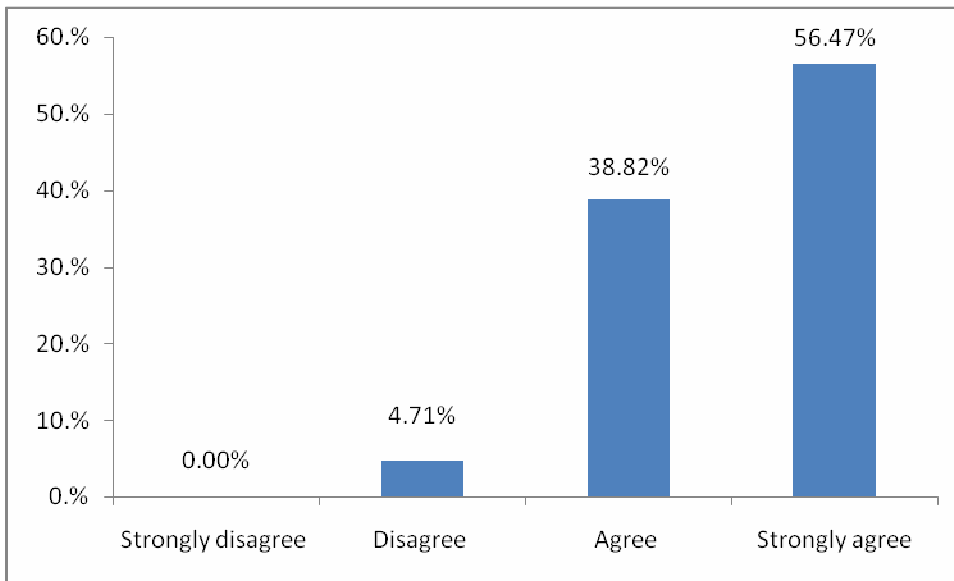
Figure 4.10 illustrates if respondents are given enough work to fill their work day.



**Figure 4.10: I am given enough work to fill my work day**

Figure 4.10 illustrates that the majority of respondents agreed they are given enough work to fill their work day. A total of 88.9% either agreed or strongly agreed with this statement. A total of 11.1% believed they were not given enough work to fill their work day.

Figure 4.11 below illustrates the extent to which respondents felt that they perform work activities to a 100% of their capability.



**Figure 4.11: I perform work related activities to a 100% of my capability**

Figure 4.11 illustrates that 95.3% of respondents believed they perform work related activities to a 100 percent of their capability, while only 4.7% disagreed with this statement.

**Table 4.4: Cross tabulation between motivation and productivity**

		Productivity						Row Percent
		Percentage of the work day being productive	Highly Unproductive	Unproductive	Moderately Productive	Productive	Highly Productive	
Motivation	I feel positive about my future in the company	Strongly disagree	1.23%	0.00%	1.23%	1.23%	1.23%	4.93%
		Disagree	0.00%	0.00%	2.47%	2.47%	3.71%	8.65%
		Agree	0.00%	1.23%	4.93%	28.40%	29.62%	64.18%
		Strongly agree	0.00%	0.00%	3.70%	6.17%	12.35%	22.22%
		Column Percent	1.23%	1.23%	12.33%	38.27%	46.91%	



Table 4.4 is a cross tabulation that was used to identify the pattern between respondents' belief about their future in the company and their productivity rate

From the total number of respondents, 1.23% stated they were highly unproductive and strongly disagreed that they felt positive about their future in their company. None of the respondents who answered that they were highly unproductive agreed or strongly agreed that they were positive about their future in the company. A further 1.23% believed they were unproductive, but agreed that they felt positive about their future in their company. None of the respondents strongly disagreed or disagreed that they were positive about their future in the company and believed they were unproductive.

In total 12.3% of respondents felt they were moderately productive. Of the 12.3% only 1.2% strongly disagreed that they were positive about their future in the company, while 2.5% disagreed. With regard to the remainder of the 12.3%, 4.9% agreed that they were positive about their future in the company and 3.7% strongly agreed. Only 3.7% disagreed that they moderately productive and were not positive about their future in the company, whilst 8.6% were positive about their future in the company although they disagreed that they were moderately productive.

A total of 38.2% of respondents believed they were productive at work. Only 1.2% of the total sample believed they were productive, but strongly disagreed that they were positive about their future in the company. A further 2.4% disagreed that they were positive about their future in the company, but believed that they were productive. From the sample, 28.4% believed they were productive and agreed that they positive about their future. A total of 6.2% of respondents strongly agreed that they were positive about their future in the company and believed that they were productive as well. In total, only 3.7% of the entire sample believed they were productive but were not positive about their future in the company, and 34.6% were positive about their future and believed they were productive.

Close to half of respondents (46.7%) felt they were highly productive. Of these, 1.2% strongly disagreed that they were positive about their future in the company

and 3.7% disagreed. In total 29.6% of respondents believed they were highly productive and agreed that they were positive about their future in the company. 12.4% believed they were highly productive and strongly agreed that they were positive about their future in the company. Therefore, 42% of respondents believed they were highly productive and were positive about their future in the company, while 4.9% of respondents were not positive about their future in the company, but felt they remained highly productive.

In total 97.5% of respondents felt they were either moderately productive, productive or highly productive, while 86.4% of respondents agreed or strongly agreed that they were positive about their future in the company. Of these 86.4%, 85.2% also believed they were moderately productive, productive or highly productive.

**Table 4.5: Cross tabulation between Job Satisfaction and Productivity**

		Productivity						Row Percent
		Percentage of the work day being productive	Highly Unproductive	Unproductive	Moderately Productive	Productive	Highly Productive	
Job Satisfaction	I enjoy my current job	Strongly disagree	0.00%	0.00%	1.20%	0.00%	0.00%	1.20%
		Disagree	0.00%	0.00%	2.41%	6.02%	3.61%	12.04%
		Agree	0.00%	1.20%	4.82%	30.12%	22.91%	59.05%
		Strongly agree	0.00%	0.00%	3.61%	6.02%	18.07%	27.70%
		Column Percent	0.00%	1.20%	12.04%	42.16%	44.59%	

Table 4.5 is the cross tabulation which was used to compare respondents' belief about whether they enjoyed their job and their productivity rate.

None of the respondents who answered the question regarding enjoyment of current job believed they were highly unproductive. Of all the respondents, 1.2% stated they were unproductive but agreed that they enjoyed their job. None of the respondents who stated that they were unproductive strongly agreed, disagreed or strongly disagreed that they enjoyed their job.

Analyzing the moderately productive category reveals that, in total, 12.% of respondents believed they were moderately productive. 1.20% of these respondents strongly disagreed that they enjoyed their current job, followed by 2.4% of respondents who disagreed, 3.6% who strongly agreed and 4.8% who agreed that they enjoyed their current job.

A total of 42.2% of respondents believed they were productive at work. None of the sample believed they were productive and strongly disagreed that they enjoyed their current job. However, 6% disagreed that they enjoyed their job, but believed they were productive. Of the sample, 30.1% believed they were productive and agreed that they enjoyed their job. A total of 6% of respondents believed they were productive and strongly agreed to enjoying their current job.

With regard to being highly productive, 44.6% of respondents felt they were highly productive. This was made up of 3.6% who believed they were highly productive, but disagreed that they enjoyed their job. In total, 22.9% of respondents believed they were highly productive and agreed that they enjoyed their job. 18.1% of respondents believed they were highly productive and strongly agreed that they enjoyed their job. Therefore, 41% of respondents both believed they were highly productive and enjoyed their job, while 3.6% of respondents believed they were highly productive but did not enjoy their job.

In total 98.8% of respondents felt they were either moderately productive, productive or highly productive, while 86.8% of respondents agreed or strongly agreed that they enjoyed their current job. Of the 86.8% who felt they enjoyed their current job, 85.6% also believed they were moderately productive, productive or highly productive.

**Table 4.6: Cross tabulation between Job Satisfaction and Motivation**

<b>Job Satisfaction</b>							
I enjoy my current job							
<b>Motivation</b>	I feel positive about my future in my company		Strongly disagree	Disagree	Agree	Strongly agree	Row Percent
		Strongly disagree	1.25%	2.50%	0.00%	0.00%	3.75%
		Disagree	0.00%	5.00%	3.75%	0.00%	8.75%
		Agree	0.00%	3.75%	43.75%	17.50%	65.00%
		Strongly agree	0.00%	0.00%	11.25%	11.25%	22.50%
		<b>Column Percent</b>	1.25%	11.25%	58.75%	28.75%	

Table 4.6 compares the impact of job satisfaction and motivation on each other.

Of the total sample, 1.3% of respondents strongly disagreed that they enjoyed their current job, and also strongly disagreed they were positive about their future in the company. None of the respondents who disagreed, agreed or strongly agreed that they positive about their future strongly disagreed that they enjoyed their current job. In total, 11.3% of respondents disagreed that they enjoyed their current job, of which 2.5% strongly disagreed that they were positive about their future, 5% disagreed, and the remaining 3.8% agreed that they were positive.

The majority (58.8%) of respondents agreed that they enjoyed their current job, of which 3.8% disagreed that they were positive about their future in the company, 43.8% agreed to being positive and 11.2% strongly agreed. Finally, 28.8% of respondents strongly agreed that they enjoyed their current job. This was made up of 17.5% of respondents who agreed that they were positive about their future in the company and 11.3% of respondents who strongly agreed that they were positive. To summarize, 87.5% of individuals were positive about their future in their company. Furthermore the same percentage (87.5%) also responded

positively to enjoying their current job. From the total sample only 8.8% of respondents answered negatively to both statements.

#### **4.6. SUMMARY**

In order to establish the impact of motivation and job satisfaction on organisational productivity, the current research study investigated what motivates staff, as well as whether job satisfaction is related to one's personal beliefs. The study also investigated whether employee motivation and job satisfaction had a complimentary effect on productivity, and, if so, then which has a more profound effect.

From the responses, there is an indication that staff are motivated, firstly, by being empowered and, secondly, by remuneration. The respondents indicated that they are least motivated by whether or not they have a good relationship with their manager. Some of the findings highlighted in this chapter showed that if staff are motivated, in most cases they will have job satisfaction, and vice versa.

Chapter 4 has structured the data in a manner that is factual and comprehensible. The next chapter provides a more detailed view of the findings and how they can be interpreted within the context of this study and the existing literature.

## CHAPTER 5 DISCUSSION

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### 5.1. INTRODUCTION

The previous chapters in this study provided insight into current available literature on motivation and job satisfaction, as well as findings of previous studies conducted on related topics. The research methodology adopted for this study was also explained, followed by the presentation of the data obtained during the study. The presentation of this data forms the base for the discussion in chapter five. This chapter will endeavour to highlight any relationships between the literature review and the presentation of data in the previous chapter.

### 5.2 DEMOGRAPHICS

The results presented in section 4.1 reveal that less than 1% of respondents were aged less than 21 years, while 26% were aged between 21 and 30 years. 35% were aged between 31 and 40 years, while 29% were aged between 41 and 50 years. Only 6% of respondents were aged between 51 and 60 years, while the remaining 3% of respondents were aged 60 years and over.

Regarding race group, section 4.1 revealed that the majority of respondents were white (35%) followed by Asians (33%). Third were coloureds (17%) with blacks being the smallest group at 15%. These figures do not correlate with the demographics of the country, as the largest population group in South Africa are blacks (79.4%), followed by whites with 9.2%, coloureds with 8.8% and Asians with 2.6% (SouthAfrica.info, 2011).

From the data collected regarding gender, 55% of respondents were male while 45% were female. These figures are inconsistent with the gender composition of the South African population, which is made up of 51.3% female and 48.7% male (SouthAfrica.info, 2011).

### **5.3 FINDINGS OF THE STUDY**

The previous chapters in this dissertation helped provide insight into motivation and job satisfaction in the workplace, and their relation to productivity. Those chapters also aimed to identify to what extent, if any, the different aspects such as remuneration, one's future in the organisation, managerial influences, job enjoyment, working environment, and use of one's skills affect motivation and job satisfaction. The current study also provided insight from other published sources regarding motivation and job satisfaction, and the impact they have on productivity. This chapter will discuss the findings of this study with regard to these factors.

#### **5.4. OBJECTIVE 1: To determine the factors which influence the motivation of staff in the insurance industry**

In order to achieve the first objective of this study, the researcher had to determine which factors motivate individuals, examples of which included remuneration, positive working environment, a good relationship with line management, being empowered to make decisions relating to your job and so on. Figure 4.1 graphically illustrated to what extent these factors influenced whether or not respondents were motivated at work. The data collected showed that 24.4% majority of respondents found that being empowered to make decisions relating to their job was their number one motivating factor, while remuneration was second, with 20.7% of respondents selecting this option as their number one motivating factor. Having open communication channels between company management was the third highest option at 18.3%. A positive working environment was selected by 11% of respondents as the factor that motivated them the most, while future growth in the organisation and belonging to a company with a clear strategy each got 9.8% of responses. Respondents indicated that a good relationship with line management was least likely to motivate them, with only 6.1% selecting this factor. These findings are in line with observations from the Hay Group survey (cited in McCoy, 1992) which found that pay, respect and job challenge were the three key factors of motivation for staff. Furthermore, McCoy stated that factors that affect



quality of work life have become just as important as basic compensation (McCoy, 1992). The results of this study showed that remuneration was not the most important motivator, but rather staff empowerment. This is confirmed by Harris and Brannick (1999) who stated that, for most employees, money is not the primary motivator; however, employee freedom or empowerment is an extremely important factor in motivating staff,

Figure 4.2 illustrated whether managers played a part in motivating staff. According to the results, 74.7% of respondents stated that their managers played a role in motivating them, while 25.3% believed that their managers did not play a role in motivating them. These findings are consistent with research conducted at a number of different institutions by Nohria, Groysberg and Lee (2008) which found that the direct manager plays a role in motivating staff.

Determining if respondents were motivated was critical, as it played a role in determining whether or not motivation resulted in productivity. In order to determine if respondents were motivated, they were asked whether or not they were satisfied with their remuneration. According to McCoy (1992), remuneration is a significant motivating factor. This supports the reasoning for using this factor as a test to determine one's level of motivation. Respondents were also asked if they felt positive about their future in their organisation. This also determined if they were motivated or not. According to the data obtained, a total of 63.4% of respondents stated they were remunerated adequately, while 86.6% of respondents felt positive about their future in their organisation. From this one can deduce that the majority of respondents felt motivated.

This objective has been met as the leading factors which influence motivation have been identified

## **5.5. OBJECTIVE 2: To determine If job satisfaction is related to personal beliefs**

The aim of this objective was to determine if job satisfaction is related to one's beliefs about factors such as the use of the employee's skills and the perceived importance of the work they perform. Figure 4.5 illustrates that 86.9% of respondents enjoyed their job, while the remaining 13.1% did not.

With regard to employees' beliefs, Table 4.2 revealed that, in total, 80.4% of respondents believed that their skills were being used adequately. Of this group 79.2% also answered positively to enjoying their job. Only 1.2% of respondents believed their skills were being utilized, but were not enjoying their job. Table 4.3 illustrated the relationship between enjoyment of current job and perceived job importance. The results revealed that 94% of respondents believed the job they were doing was important to the organisation. This was made up of 84.5% who answered positively to enjoying their current job and 9.5% who did not.

The findings in Tables 4.2 and 4.3 illustrate that the majority of respondents who believed their skills were being used adequately and the work they were doing was important, also enjoyed their current job.

These findings are supported by Syptak, Marshland and Ulmer (cited in Mayhew, 2011) who stated that job satisfaction amongst employees is influenced by their perceptions regarding the importance or value of their work. They also stated that employers can promote job satisfaction by making sure employees are in jobs that utilise their skills sets. Hartman (2011) also supported these statements by saying that staff should be given work which fully utilizes their capabilities. She suggests that people are happiest when they are working to accomplish something. This further supports the findings of the current study, which found that there is a correlation between job enjoyment and one's personal beliefs about utilisation of one's skills.

This objective has been met as the relationship between job satisfaction and personal beliefs has been identified.

### **5.6. OBJECTIVE 3: To determine if staff motivation and job satisfaction have a complimentary effect on productivity**

This objective aims to identify what impact job satisfaction and motivation have on productivity

Table 4.4 illustrated the relationship between productivity and motivation. The data in this table revealed of the total number of respondents, 13.6% answered negatively to being motivated. Of these only 1.2% agreed that they were highly unproductive. None believed they were unproductive, while 3.7% thought they were moderately productive. This showed that more than a third (36.3%) of respondents in this category thought they weren't sufficiently productive. The majority (63.7%) of the respondents who answered negatively to being motivated thought they were either productive or highly productive.

In total, 86.4% of the respondents answered positively to being motivated. Of these respondents none thought they were highly unproductive. Only 1.2% thought they were unproductive, while 8.6% thought they were moderately productive. Therefore, only 11.4% of individuals who answered positively to being motivated believed they were not sufficiently productive. The majority of respondents in this category (88.6%) believed they were productive or highly productive.

The results reveal that there is a link between a lack of motivation and lack of productivity; however, this link is not conclusive. As the data showed, the majority of respondents who were not motivated still thought they were productive, which tends to support the fact that a lack of motivation does not link directly to unproductive behaviour. However, there was a definite link between being motivated and being productive, as the results showed an overwhelming majority of respondents who were motivated were also productive.

From the findings one can deduce that being motivated affects productivity to a much greater degree in a positive manner than demotivation affects it in a negative manner. There has been significant research conducted on this topic

and, according to Mitchell et al (1987), job performance and motivation are linked, in the sense that being motivated raises a worker's energy levels and alters their behaviour, which then improves job performance. This argument reaffirms the findings of the current study that motivation can affect productivity in a positive manner, but does not account for the reduced effect de-motivation has on productivity. Johns (cited in Ostroff, 1992) stated that maintenance of productivity of an employee while they are unsatisfied could be attributed to the company constraining performance and work behaviour of staff. One could argue that this could also affect the productivity levels of demotivated staff, which would then explain the findings of this study.

Table 4.5 illustrated the relationship between job satisfaction and productivity. The data showed that, of all the respondents, 13.2% answered negatively to being satisfied with their job. None of the respondents in this category thought they were highly unproductive or unproductive, 3.6% believed they were moderately productive, while 9.6% thought they were either productive or highly productive. This data shows that all the respondents who reported not being satisfied with their job believed, to some extent, that they are productive. To be precise, 27.3% of respondents in this category thought they were moderately productive, while the remaining 72.7% thought they were productive.

The data from Table 4.5 also revealed that 86.8% of respondents answered positively to being satisfied at work. Of the total number of respondents 1.2% believed they were unproductive, while 8.4% of respondents thought they were moderately productive the majority (77.1%) believed they were productive or highly productive. Therefore from the responses received in this category 1.4% of respondents answered negatively to being productive while 9.7% believed they were moderately productive. The remaining 88.9% thought they were productive.

This reveals that an individual's productivity was not affected by whether or not they were satisfied with their job, as both dissatisfied individuals and satisfied individuals overwhelmingly thought they were productive. Ostroff (1992) found that there was a correlation between job satisfaction and an organisation's performance or productivity. Ostroff's findings contradict the findings of the current

study. The difference in findings could be a result of Ostroff measuring job satisfaction against productivity of the organisation as a whole, rather than the individual. Ostroff (1992) does allude to the fact that although an individual's productivity may not suffer as a result of a lack of job satisfaction these feelings could result in an organisational productivity issue due to interactions and dependencies associated with the work process (Ostroff, 1992). However, Mitchell et al (1987) found that empirical studies have supported the notion that job satisfaction and job performance are linked.

Apart from investigating the relationship between motivation and productivity and job satisfaction and productivity, it was necessary to understand the relationship between motivation and job satisfaction. Table 4.6 provided the data necessary to determine if there is a link between motivation and job satisfaction.

The data revealed that 12.5% of the entire sample answered negatively to being motivated. This was made up of 8.8% who also answered negatively to being satisfied with their job, and 3.8% who answered positively to being satisfied with their job. From this data it can be established that 70% of respondents who answered negatively to motivation also answered negatively to being satisfied with their job. Only 30% answered negatively to being motivated but answered positively to being satisfied with their job.

A large majority (87.5%) of the sample answered positively to being motivated. Of the 87.5% only 3.8% disagreed that they were satisfied with their job. 83.8% agreed to being motivated and to being satisfied with their job. Further analysis showed that, of the respondents who answered positively to being motivated, 95.7% also answered positively to being satisfied with their job. Only 4.3% in this category were dissatisfied with their jobs.

It is evident that there is a definite relationship between motivation and job satisfaction, as an overwhelming percentage of respondents who were motivated were also satisfied with their job. Furthermore, from the respondents who were not motivated, the majority also answered negatively to being satisfied with their jobs. Drucker (cited in Mitchell et al, 1987) argued that job satisfaction can have many

variants. For instance people can be satisfied for different reasons or dissatisfied for different reasons. Someone could be satisfied because they don't have much work to do or some could be dissatisfied due to them not believing they are performing at their maximum.

This objective has been met as a relationship between motivation, job satisfaction and productivity has been established.

## **5.7. SUMMARY**

This chapter related the objectives of this study to the data which was collected and analysed. The literature review, as well as other relevant literature, was used as a point of comparison for the findings of the study. There were some interesting similarities between the findings of this study and that of others; however there were some results that also differed. Where possible, these differences were discussed.

## **CHAPTER 6**

### **RECOMMENDATIONS AND CONCLUSION**

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#### **6.1. INTRODUCTION**

In this chapter the challenges faced, as well as the lessons learnt, will be discussed together with recommendations for future research on this topic or topics similar to this. An attempt will also be made to provide advice on how job satisfaction and motivation affects productivity using the data and findings as a base for the recommendations. In order to achieve this, the key findings will first be discussed.

#### **6.2. KEY FINDINGS**

In this study, various aspects affecting motivation, job satisfaction and productivity were investigated. A literature review was conducted to gain an understanding of what research had been conducted on the topic and the challenges that were faced by the different studies. The literature review also provided insight into the various views on motivation, job satisfaction and productivity and showed how, in some cases, the findings were vastly different. The amount of research conducted on this topic confirms its importance in the business environment.

The current study conducted on the short-term insurance sector provided insights which led to the following key findings.

- The biggest contributing factor with regard to staff motivation is being empowered to make decisions relating to one's job. This factor was selected more by respondents than other factors, like remuneration, as being the factor that motivates them.
- One's personal beliefs about whether or not their skills are being used adequately or whether the work they are doing is important, plays a significant role in them being satisfied with their job.
- Motivation significantly affects productivity in a positive manner; however demotivation does not adversely affect productivity to the same

degree. Furthermore, whether or not a person is satisfied with their job has a significant influence on whether that person is productive or not.

### **6.3. RECOMMENDATIONS FOR FUTURE STUDIES**

Although this study was conducted in the short-term insurance industry within South Africa, the data collected was from one company (Zurich Insurance Company). This was due to the researcher having access to this group. It is important to note that, although the research was conducted on one company, it did span several geographical regions within South Africa. Future studies should expand the sample to include a wider range of short-term insurance companies within South Africa, as this would help improve the diversity and accuracy of the study. It would also identify any differences between the cultures of each company.

Studies conducted in the future could also investigate if there are any specific differences between the factors that motivate different levels of staff within an organisation or different age groups. The study could also be expanded to include job satisfaction as well.

Another interesting area which was highlighted during this study was whether companies can keep staff productive, even if they are demotivated, using strict management mechanisms. Research pertaining to this would be invaluable in understanding why de-motivated staff still believe that they are productive.

### **6.4. SPECIFIC RECOMMENDATIONS FOR THIS RESEARCH**

Using the findings of this study as a base, this section presents some key recommendations.



### **6.4.1. Training**

Companies should not rely on remuneration to motivate staff, as this only drives up expenses within the organisation. As this study showed, empowering staff to make decisions is a key factor in them being motivated; therefore, companies should rather invest in adequately training staff for a specific job and then allow their employees to make decisions regarding that job. Using this approach will lead to staff who are competent and motivated.

### **6.4.2. Job Satisfaction**

Job satisfaction within organisations should be targeted as a key priority when trying to improve productivity, as the research indicated that, unlike motivation, a lack of job satisfaction can lead to reduced levels of productivity. It is for this reason that companies should ensure staff are matched to the job they do, thereby ensuring adequate use of individual skills. Furthermore, staff should be shown how their job affects the organisation. These two factors are important, as they are linked to job satisfaction

### **6.4.3. Motivation and Job Satisfaction**

The study showed that motivation and job satisfaction were linked; more research should be conducted to unpack this link. This will provide greater insight into how they affect each other and hence affect productivity.

## **6.5. CONCLUSION**

With the world economy taking strain, it is imperative that companies run as efficiently as possible without reducing costs. Ensuring one's employees are as productive as they can be is an approach that will achieve this. Therefore, understanding how to improve an employee's level of productivity in a sustainable manner is imperative to any organisation. It is, therefore, vital that organisations

use motivation and job satisfaction as methods to improve productivity, as these methods will result in sustainability. While policing of employees may improve productivity in the short-term, in the long run it will result in employees who are dissatisfied and will thus lead to lower levels of productivity. If organisations implement these solutions effectively it could make a significant difference in the lives of the employees, as well as ensure the survival of the organisation during these trying times.

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## . APPENDIX - 1

### QUESTIONNAIRE

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#### UNIVERSITY OF KWAZULU-NATAL GRADUATE SCHOOL OF BUSINESS

**Proposed Qualification Research Project**  
**Researcher:** Nirven Maharaj (011 370 9255)  
**Supervisor:** Anesh Singh  
**Research Office:** Ms P Ximba 031-2603587

#### **The impact of Motivation and Job Satisfaction on Productivity within the insurance industry**

The purpose of this survey is to solicit information from individuals working in the short-term insurance industry to gain an understanding of the impact that motivation and job satisfaction has on productivity. The information and ratings you provide us with will go a long way to helping us identify what motivates you, what makes you satisfied in your job and how this affects productivity. The questionnaire should only take **10-15** minutes to complete. In this questionnaire, you are asked to indicate what is true for you, so there are no “right” or “wrong” answers to any question. Work as rapidly as you can. If you wish to make a comment, please write it directly on the booklet itself. Make sure not to skip any questions. Thank you for participating.

**Question 1**

Age

<= 21	<input type="checkbox"/>
21 - 30	<input type="checkbox"/>
31 - 40	<input type="checkbox"/>
41- 50	<input type="checkbox"/>
51- 60	<input type="checkbox"/>
60 and over	<input type="checkbox"/>

**Question 2**

Race

Black	<input type="checkbox"/>
White	<input type="checkbox"/>
Coloured	<input type="checkbox"/>
Asian	<input type="checkbox"/>

**Question 3**

Gender

Male

Female

**Question 4**

Your level in the organisation

<b>level</b>	<input type="checkbox"/>
Senior Manager	<input type="checkbox"/>
Middle Manager	<input type="checkbox"/>
Manager	<input type="checkbox"/>
Team leader	<input type="checkbox"/>
Senior Technician	<input type="checkbox"/>
Junior Technician	<input type="checkbox"/>
Assistant	<input type="checkbox"/>



**Question 5**

Rank which of the following factors motivate you. 1 is the factor that least motivates you and 7 is the factor that most motivates you. Do not repeat any numbers.

<b>Factors</b>	
Remuneration	
Positive working environment	
Good relationship with line management	
Open communication channels between the company management and myself	
Knowing there is potential for future growth within the organisation	
Belonging to a company with a clear business strategy	
Empowering me to make decisions relating to my job	

**Question 6**

My Manager/supervisor motivates me

- Strongly disagree
- Disagree
- Agree
- Strongly agree

**Question 7**

I feel positive about my future in my company

- Strongly disagree
- Disagree
- Agree
- Strongly agree

**Question 8**

My total remuneration package matches the responsibilities I have

- Strongly disagree
- Disagree
- Agree
- Strongly agree

**Question 9**

I generally look forward to coming to work.

- Strongly disagree
- Disagree
- Agree
- Strongly agree

**Question 10**

My job allows me to use my skills adequately.

- Strongly disagree
- Disagree
- Agree
- Strongly agree

**Question 11**

I believe the job I do is important to the organisation

- Strongly disagree
- Disagree
- Agree
- Strongly agree

**Question 12**

I enjoy my current job

- Strongly disagree
- Disagree
- Agree
- Strongly agree

**Question 13**

Please select what percentage of your work day is spent being productive

Percentage	
0-20	
21-40	
41-60	
61-80	
81-100	

**Question 14**

I am given enough work to fill my work day

- Strongly disagree
- Disagree
- Agree
- Strongly agree

**Question 15**

I perform work related activities to a 100% of my capability

- Strongly disagree
- Disagree
- Agree
- Strongly agree

**Thank you**

## APPENDIX - 2

### Ethical Clearance Letter

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22 July 2010

Mr N Maharaj  
Suite 716, Private Bag x43  
SUNNINGHILL  
2157

Dear Mr Maharaj

**PROTOCOL: The impact of motivation and Job satisfaction on productivity within the insurance industry**

**ETHICAL APPROVAL NUMBER: HSS/0810/2010 : Faculty of Management Studies**

In response to your application dated 09 July 2010, Student Number: **208518859** the Humanities & Social Sciences Ethics Committee has considered the abovementioned application and the protocol has been given **FULL APPROVAL**.

**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 Steve Collings (Chair)  
HUMANITIES & SOCIAL SCIENCES ETHICS COMMITTEE**

SC/sn

cc: Prof. A M Singh (Supervisor)  
cc: Mrs. C Haddon