

**THE ROLE OF MOTIVATION ON TANZANIA ELECTRIC SUPPLY  
COMPANY ORGANIZATIONAL PERFORMANCE**

**AILEEN MAFURU MANYAMA**

**A DISSERTATION SUBMITTED IN PARTIAL FULFILMENT OF THE  
REQUIREMENTS FOR THE DEGREE OF MASTER OF HUMAN  
RESOURCES MANAGEMENT (MHRM)  
DEPARTMENT OF MARKETING, ENTREPRENEURSHIP  
AND MANAGEMENT  
OF THE OPEN UNIVERSITY OF TANZANIA**

**2025**

### **CERTIFICATION**

The undersigned certify that they have read and recommend for acceptance by the Open University of Tanzania a Dissertation titled “**The role of motivation on Tanzania electric supply company organizational performance**” in partial fulfilment of the requirement of Master of Human Resources Management (MHRM).

.....

Dr. Chacha Matoka

(Supervisor)

.....

Date

.....

Dr. Janeth Isanzu

(Supervisor)

.....

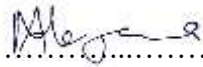
Date

### **COPYRIGHT**

No part of this dissertation may be reproduced, stored in any retrieval system or transmitted in any form, by any means, electronic, mechanical, photocopying, recording or otherwise without prior written permission of the author or the Open University of Tanzania in that behalf.

**DECLARATION**

I, **Aileen Mafuru Manyama**, declare that, the work presented in this dissertation is original. It has never been presented to any other University or Institution. Where other people's works have not been used, references have been provided. It is in this regard that I declare this work as originally mine. It is hereby presented in partial fulfillment of the requirements for the degree of Master of Human Resources Management (MHRM).

  
.....

Signature

.....

Date

**DEDICATION**

This dissertation is dedicated to my beloved Mother Chihiyo M, Kessy, my father Pearson Mafuru Manyama and my lovely Husband Waziri Singano together with my daughter Sasha Waziri Singano for their love and support. Thank you and I love you all.

## **ACKNOWLEDGEMENTS**

I express my gratitude to my supreme deity for granting me strength throughout my pursuit of a Master of Human Resources Management (MHRM). I extend my sincere gratitude to my supervisors, Dr. Chacha Matoka and Dr. Janeth Isanzu, for their meticulous oversight, which was important in the completion of this work. I thoroughly appreciated his technical instruction, challenges, recommendations, observations, and patience.

I express my gratitude to the Open University of Tanzania for my admission to this program. I would like to express my profound gratitude to all professors at the Open University of Tanzania for their invaluable course materials, which provided a solid foundation for my studies.

I would like to express my gratitude to the Tanesco personnel for their time and for completing the surveys. Their contributions in completing the questionnaires have significantly aided the success of this study.

I extend my gratitude to my employer, the Government of Tanzania, via Same District Council, for affording me the chance to undertake this research.

## ABSTRACT

This study assessed the role of motivation on Tanzania electric supply company organizational performance. Specifically, the study focused on the examining the impacts of monetary incentives, non-monetary incentives and flexible working schedule on Tanzania electric supply company organizational performance. The study utilized a quantitative research approach and a positivist paradigm, employing an explanatory research design. The study included a sample size of 133, although only 90 personnel were analyzed for correctness. The study employed a convenience sample strategy to select respondents based on their availability and accessibility in the study area. Data was collected through questionnaires and random sampling technique was involved. Descriptive statistics and multiple regression analysis were applied for quantitative data analysis in this study. The study findings indicated that monetary incentives significantly and positively influenced the Tanzania electric supply company organizational performance. Similarly, it was found that Tanzania electric supply company organizational performance was also significantly and positively influenced by non-monetary incentives and flexible working schedule. These imply that a unit increase in each monetary incentive, non-monetary incentives and flexible working schedule lead to organization performance to increase. The findings suggest that monetary incentives, non-monetary incentives, and flexible working schedules should be prioritized by institutions due to their significant impact. By doing so, personnel will be dedicated to enhancing performance, which will elevate their morale, motivating them to exert greater effort and exhibit self-motivation.

**Keywords:** *monetary incentives, Non-monetary incentives, Flexible working schedule*

## TABLE OF CONTENTS

<b>CERTIFICATION .....</b>	<b>ii</b>
<b>COPYRIGHT .....</b>	<b>iii</b>
<b>DECLARATION.....</b>	<b>iv</b>
<b>DEDICATION.....</b>	<b>v</b>
<b>ACKNOWLEDGEMENTS.....</b>	<b>vi</b>
<b>ABSTRACT .....</b>	<b>vii</b>
<b>LIST OF TABLES .....</b>	<b>xiii</b>
<b>CHAPTER ONE .....</b>	<b>1</b>
<b>INTRODUCTION.....</b>	<b>1</b>
1.1 Overview .....	1
1.2 Background of the Study .....	1
1.3 Statement of the Problem .....	5
1.4 Objectives of the Study .....	8
1.4.1 General Objective .....	8
1.4.2 Specific Objectives .....	8
1.5 Significance of the Study.....	8
1.6 Scope of the Study .....	9
1.7 Organization of the Study.....	9
<b>CHAPTER TWO .....</b>	<b>11</b>
<b>LITERATURE REVIEW.....</b>	<b>11</b>
2.1 Overview .....	11
2.2 Definition of Key Terms.....	11
2.2.1 Monetary Incentives (Extrinsic Reward System) .....	11



2.2.2	Non-Monetary Incentives (Intrinsic Reward System).....	12
2.2.3	Flexible Working Schedule .....	12
2.2.4	Organizational Performance .....	12
2.3	Theoretical Review .....	13
2.3.1	Human Capital Theory .....	13
2.4	Empirical Literature Review .....	14
2.4.1	The Role of Monetary Incentives on Tanzania Electric Supply Company Organizational Performance .....	15
2.4.2	The Role of Non-Monetary Incentives on Tanzania Electric Supply Company Organizational Performance .....	16
2.4.3	The Role of Flexible Working Schedule Incentives on Tanzania Electric Supply Company Organizational Performance .....	17
2.5	Research Gap .....	19
2.6	Conceptual Framework.....	20
1.5	Research Hypothesis .....	22
<b>CHAPTER THREE .....</b>		<b>24</b>
<b>RESEARCH METHODOLOGY .....</b>		<b>24</b>
3.1	Overview .....	24
3.2	Research Philosophy .....	24
3.3	Research Approach.....	25
3.4	Research Design .....	25
3.5	Area of the Study .....	26
3.6	Population of the Study .....	26
3.7	Sample and Sampling Techniques.....	27

3.7.1	Sample Size .....	27
3.7.2	Sampling Technique .....	27
3.8	Data Collection Methods .....	28
3.8.1	Types of Data.....	28
3.8.2	Data Collection Instrument.....	28
3.9	Data Cleaning and Processing .....	28
3.9.1	Quantitative Data .....	29
3.10	Data Analysis.....	29
3.11	Regression Assumptions .....	30
3.12	Measurement of Variables.....	32
3.12.1	Measurement of Organizational Performance .....	32
3.12.2	Measurement of Motivation .....	32
3.13	Validity and Reliability .....	32
3.13.1	Validity .....	32
3.13.2	Reliability .....	33
3.14	Ethical Consideration .....	34
<b>CHATER FOUR .....</b>		<b>35</b>
<b>DATA ANALYSIS, RESULTS AND DISCUSSION.....</b>		<b>35</b>
4.1	Overview .....	35
4.2.	Demographic Characteristics of the Sample .....	35
4.3	Descriptive Statistics Results.....	37
4.3.1	The role of Monetary Incentives on Tanzania Electric Supply Company Organizational Performance .....	37

4.3.2	The Role of non-Monetary Incentives Tanzania electric Supply Company Organizational Performance .....	39
4.3.3	The Role of Flexible Working Schedule on Tanzania Electric Supply Company Organizational Performance .....	42
4.3.4	Tanzania Electric Supply Company Organizational Performance .....	43
4.4	Inferential Statistics .....	44
4.4.1	Assumptions of Multiple Regression Analysis .....	45
4.4.1.1	Normality.....	45
4.4.1.2	Multicollinearity .....	46
4.4.1.3	Linearity Test.....	47
4.4.1.4	Heteroscedasticity Test.....	48
4.4.2	Multiple Regression Analysis.....	49
4.4.2.1	Model Summary .....	49
4.4.2.2	Analysis of Variance (ANOVA) .....	50
4.4.2.3	Regression Coefficients .....	51
4.5	Summary of Hypothesis Testing .....	53
4.6	Discussion of the Findings .....	54
4.6.1	Impact of Monetary Incentives on Tanzania Electric Supply Organizational Performance .....	54
4.6.2	Impact of Non-monetary Incentives on Tanzania Electric Supply Organizational Performance .....	56
4.6.3	Impact of Flexible Working Schedule on Tanzania Electric Supply Organizational Performance .....	57
<b>CHAPTER FIVE.....</b>		<b>59</b>

## **SUMMARY OF THE FINDINGS, CONCLUSION AND RECOMMENDATION**

.....	<b>59</b>
5.1 Overview .....	59
5.2 Summary of the Study .....	59
5.3 Implications of the Study.....	60
5.3.1 Implication to the Managers .....	60
5.3.2 Implication to the Practitioners.....	60
5.3.3 Implication to Employees .....	61
5.4 Conclusion .....	61
5.4.1 Impact of Monetary Incentives on Tanzania Electric Supply Organizational Performance .....	61
5.4.2 Impact of Non-Monetary Incentives on Tanzania Electric Supply Organizational Performance .....	62
5.4.3 Impact of Flexible Working Schedule Incentives on Tanzania Electric Supply Organizational Performance.....	62
5.5 Recommendations .....	62
5.5.1 Monetary Incentives .....	63
5.5.2 Non-Monetary Incentives .....	63
5.5.3 Flexible Working Schedule .....	64
5.6 Limitation of the Study .....	64
5.7 Area for Further Research .....	65
<b>REFERENCE.....</b>	<b>66</b>
<b>APPENDICES .....</b>	<b>69</b>

## LIST OF TABLES

Table 3 1:	Total Population Distribution .....	27
Table 3.2:	Results of the Reliability Test of the Research Instrument .....	33
Table 4.1:	Demographic characteristics of the Respondents .....	37
Table 4.2:	Descriptive Statistics of Monetary Incentives .....	39
Table 4.3:	Descriptive Statistics for Non-Monetary Incentives.....	41
Table 4.4:	Descriptive Statistics for Flexible working Schedule.....	43
Table 4.5:	Descriptive Statistics on Tanzania Electric Supply Company Organizational Performance .....	44
Table 4.6:	Test for Normality .....	46
Table 4.7:	Findings of the Test for Multicollinearity.....	47
Table 4.8:	Findings of the Test for Linearity Variable .....	48
Table 4.9:	Findings of the Test for Heteroscedasticity .....	49
Table 4.10:	Model Summary .....	50
Table 4.11:	Analysis of Variance.....	51
Table 4. 12:	Regression Coefficients .....	51
Table 4.13:	Summary of Hypothesis.....	54

## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1 Overview**

This chapter discusses the setting of the study about the influence of motivation and work satisfaction on organizational performance enhancement. This is a summary of the organization selected for the case study in this research. The document elucidates the background of the issue, the problem statement, research objectives, research questions, significance of the study, constraints and scope of the study, and concludes with an explanation of the proposal's structure.

#### **1.2 Background of the Study**

Human resources management as a profession considers human resources (individuals) as a vital asset within the firm (Luthan, 2018). To achieve organizational success, human resources must be effectively utilized. The effective use of human resources significantly relies on employees' dedication to their roles in achieving corporate objectives. Employee commitment can be attained through motivation and enhanced morale regarding organizational performance. Insufficient motivation adversely affects employee performance and significantly contributes to elevated labor turnover in public service. Ngowi et al. (2015). The success of a firm is significantly reliant on employee motivation (Lee & Raschke, 2018). Motivation is characterized as an employee's readiness to exert substantial effort in their work, contingent upon the ability of that effort to fulfill the employee's own needs and commitment (Buberwa, 2015).

Globally, the prevalent issues afflicting firms and institutions include inadequate compensation, inconsistent promoting frameworks, insufficient acknowledgment of

employee accomplishments, and other substandard working conditions (Mohamad, 2019). Employees are the primary customers of a firm and must be satisfied prior to effectively satisfying external clients. In 2021, empirical studies in utility sectors across multiple countries reveal the critical role of motivation particularly intrinsic factors like autonomy, recognition, career growth on organizational performance, though the emphasis differs by context. In Malaysia, Mohd et al. (2021) found that while a supportive work environment strongly boosted job performance among utility employees, extrinsic rewards had a much weaker effect (Mohd et al., 2021). In Jordan, research on the electricity sector at JEDCO highlighted an overreliance on annual bonuses and insufficient career development programs; shifting to intrinsic motivators like recognition and autonomy could notably improve engagement and performance outcomes (Sustainable HRM and Career Quality in Public Utilities, 2021). Studies specific to China, India, Pakistan, Canada, the UK, and the USA focusing on motivation within utility companies in 2021 were not uncovered, but broader literature suggests that Western particularly North American and British utility firms respond more to financial and performance-based incentives, whereas in Eastern contexts, including India and Pakistan, intrinsic and psychosocial motivators often play a larger role.

From an African perspective, employee motivation is constrained by the lack of motivational incentives, resulting in detrimental employee behavior and subpar performance (Timothy, 2021).Kurdi, Alshurideh, and Alnaser (2020) contend that certain reward schemes can ascertain high performance and loyalty. The study by Osborne and Hammoud (2017) also concluded that in the current tumultuous and

chaotic environment, enhancing employee competency through effective engagement can optimize the utilization of their abilities and enable them to achieve their full potential. The research conducted by Al Aina and Atan (2020) posits that enhanced organizational productivity and performance depend on the capacity to attract, retain, and cultivate skilled individuals. Paul and Vincent (2018) asserted that motivated personnel are more inclined to commit to achieving organizational objectives and are simpler to keep.

Employee performance is characterized by the efficacy with which an employee executes their responsibilities and conducts themselves in the workplace (Pradhan & Jena, 2018). Employee performance is essential for any firm to achieve sustainability and growth (Sungmala & Verawat, 2021). Numerous research have investigated the elements affecting employee performance, with several linking elevated employee motivation to favorable performance outcomes (Rozi & Sunarsi, 2020; Pang & Lu, 2018; Breugh, Ritz, & Alfes, 2018). These studies were not founded on diverse councils, whether district or municipal. Baljoon, Banjar, and Banakhar (2018) examined the motivational factors influencing nurses, identifying organizational elements such as empowerment practices, compensation and financial incentives, work engagement, supervision, career advancement, contingent rewards, workplace relationships, communication, and the nature of work as determinants of nurses' motivation to fulfill workplace requirements. The study by Gunawan, Aunguroch, and Fisher (2019) indicated that healthcare organizations must implement competence-based reward systems, since they substantially enhance nurses' performance in attaining organizational objectives (Prasetyanii et al., 2021).



The Tanzanian government has faced criticism for inadequate performance and ineffective provision of social services (Njunwa, 2016). In numerous communities, residents convey their dissatisfaction with organizational efficacy. They consistently express dissatisfaction over the performance and accountability of personnel in relation to local demands. Citizens express dissatisfaction with the substandard quality of development projects in their localities, primarily citing personnel' inadequate performance of their tasks. Experiences indicate that employees in certain companies or government agencies have participated in unethical actions, including corruption and misappropriation of public finances. Shilling, 2017

Monetary incentives are a prevalent component of the reward system; while not the most critical aspect, they significantly influence employee motivation (Siddiqui, 2019).

Several factors may contribute to inadequate employee performance; nevertheless, this study attempted to explore the influence of motivation on the organizational performance of the Tanzania Electric Supply Company.

Non-monetary rewards are firm-specific variables that influence organizational success, with employee recognition being a critical determinant of strong retention rates and low turnover intentions (Apuko, 2021). Recently, due to economic downturns, firms have increasingly adopted non-monetary awards to maintain employee motivation and enhance performance (OECD, 2020).

Waithira (2018), in her study on the impact of reward techniques on employee performance in Tanzania, specifically examining Farm Concern International, demonstrated that non-monetary rewards utilized by the organization were positively

received and enhanced staff performance. The researcher contends that to attain optimal employee performance, the compensation system must be congruent with company strategies, objectives, and values.

Organizations can attain their strategic objectives solely by upholding superior quality in operations and customer service; consequently, this undertaking will augment organizational performance (Guilbault, 2018) and enable them to secure a competitive advantage (Jeni, 2020). Conversely, most firms inadequately drive customers to fulfill their organizational goals, necessitating attention to these problems. The study will examine the influence of motives on organizational performance via the lens of Human Capital Theory to address the deficiencies in existing research.

The present study grounds its arguments in Becker's (1994) Human Capital theory, examining the influence of motivation on organizational performance, particularly in relation to task and contextual performance.

### **1.3 Statement of the Problem**

The efficacy of a company is influenced by the valuation and remuneration of its employees (Salah, 2018). Inadequate execution of effective reward systems adversely affects employee morale, commitment, and motivation, leading to suboptimal organizational performance. Recent literature and human resource management studies have highlighted the significance of motivating programs as a means to achieve organizational performance (Stewart & Brown, 2019).

Murphy (2017) asserts that reward systems exert diverse effects on employee attitudes toward work. Tumi, Hasan, and Khalid (2022) discovered that an

appropriate compensation system, when effectively targeted, can foster a favorable inclination towards achieving organizational objectives and enhance employee empowerment. Despite the implementation of formalized payment structures, the absence of reward systems in numerous sub-Saharan African nations has led to a decline in the regional workforce, prompting many professionals to migrate to countries with superior compensation frameworks (Moruri, et al., 2018). Workers in underdeveloped nations sometimes receive inadequate compensation and experience heightened stress due to a low employee-client ratio, leading to elevated burnout rates (Khan, et al., 2020). Comprehending the determinants that affect staff performance, particularly within the Moshi District Council, is essential for guaranteeing efficient service delivery.

Stewart and Brown (2019) assert that there is a rise in the volume of investigations exploring the correlation between monetary and non-monetary rewards and employee performance.

The literature is deficient about the synergistic impact of recognition, career development, employee autonomy, and flexible scheduling as non-monetary incentives on employee performance (Cross et al., 2019). Monetary and non-monetary rewards are occasionally utilized in Tanzania, though less frequently than in other sub-Saharan nations. This study aims to assess the impact of non-monetary awards on staff performance within the Moshi Municipal Council. The study aims to examine the working circumstances of municipal employees and mitigate the outmigration of workers from Tanzania, while enhancing our comprehension of the

factors that contribute to employee satisfaction or unhappiness within the Moshi Municipal Council.

A significant task for human resource managers is to ensure that all employees contribute to the organization's performance in an ethical and socially responsible manner. In a dynamic and competitive organizational context, it is imperative for organizations to recognize the significance and worth of their personnel. Employees should not be regarded as an expense; rather, they should be viewed as essential individuals who must be preserved and retained within the firm.

Mohamed (2019) asserts that inadequate organizational performance results from substandard working conditions, insufficient compensation, inequitable business policies, deficient interpersonal relationships, excessive supervision, and lack of security. Subsequently, it has been acknowledged that motivation holds significant value and should be prioritized. All these factors have contributed to the subpar performance of the personnel within the firm. Motivation must be cultivated to enhance employee performance and productivity inside the organization.

The performance of employees is pivotal to the success or failure of any firm (Yang & Ai, 2020).

The high productivity of employees is a positive function of motivation. The primary objective of this study is to examine the relationship between motivation and organizational performance, specifically within the Tanzania Electric Supply Company, as existing research has inadequately demonstrated the impact of employee motivation on organizational performance. This study will address a

knowledge vacuum by examining the impact of motivation through rewards on employee performance. The significant aspects that encourage employees will also be examined.

## **1.4 Objectives of the Study**

### **1.4.1 General Objective**

The primary purpose of the study is to elucidate the impact of motivation on the organizational performance of the Tanzania Electric Supply Company.

### **1.4.2 Specific Objectives**

- i. To determine the role of monetary incentives on Tanzania electric supply company organizational performance
- ii. To determine the role of non-monetary incentives on Tanzania electric supply company organizational performance
- iii. To determine the role of flexible working schedule on Tanzania electric supply company organizational performance

## **1.5 Significance of the Study**

The findings of this study may serve as valuable reference information for educators. This would be beneficial literature for individuals intrigued by human relations. This would serve as valuable reference material for individuals in research institutes who would assume future managerial roles overseeing organizational activities. This material would also be beneficial for policymakers to enhance their future policy formulation and planning. This research would also benefit the workforce. This

would provide them with an idea of management's expectations and serve as a guide to inspire them to pursue enhanced performance through appropriate motivation.

### **1.6 Scope of the Study**

This study focused only on the impact of motivation on the organizational performance of the Tanzania Electric Supply Company. The study focused on the impact of monetary incentives, non-monetary incentives, and flexible working schedules on the organizational performance of the Tanzania Electric Supply Company.

The research was carried out in the Tanzania Electric Supply Company offices at the Same District Council due to familiarity, financial convenience, and enhanced accessibility for data collection.

### **1.7 Organization of the Study**

The initial chapter has an introduction, background of the study, statement of the problem, general and particular objectives, research hypotheses, significance of the investigation, scope of the study, and the organization of the study. Chapter two comprises the literature review, which includes an introduction, definitions of concepts and terms, a theoretical literature review, and an empirical literature review that examines how various authors have integrated comprehensive elements from one another concerning the topic. It also presents the conceptual framework, operationalization of variables, and formulation of hypotheses. Chapter 3 delineates the research methodology, encompassing research design, study area, unit of analysis, target population, sample size, sampling techniques, data collection

methods, and the analytical approach employed, including the statistical model utilized for analysis and testing. Chapter 4 encompassed the analysis and presentation of findings, along with a discussion pertaining to specific objectives, while Chapter 5 comprised a summary, conclusion, and recommendations.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Overview**

This chapter examines literature pertinent to the study. It discloses the theoretical and empirical research conducted by numerous researchers and authors concerning the issues under investigation. It delineates the variables of interest required for the study and elaborates on the theoretical framework that underpins the findings and recommendations, as well as the research need.

#### **2.2 Definition of Key Terms**

##### **2.2.1 Monetary Incentives (Extrinsic Reward System)**

Monetary incentives are financial rewards provided to motivate employees toward high performance and improved organizational outcomes. These include employee stock options, profit-sharing agreements, paid leave, bonuses, and other monetary awards (Jacoby, 2021). They typically stem from direct compensation such as salaries, individual bonuses, and additional perks (Khan et al., 2010). According to Guson (2023), such incentives are employed in workplaces to drive individuals to meet targets and enhance their output. Stacey (2023) further emphasizes that financial rewards significantly improve employee morale, increase productivity, and lower turnover rates. Overall, monetary incentives have consistently proven to be a powerful form of positive reinforcement, encouraging employees to deliver optimal performance in various organizational settings.



### **2.2.2 Non-Monetary Incentives (Intrinsic Reward System)**

This award conferred upon an individual does not entail the use of currency. It is a motivational framework designed to retain employees, enhance their motivation, and recruit exceptional talent to the firm (Putri et al., 2020). A non-monetary system denotes an inherent reward mechanism associated with learning, development, and job experience (Aldag & Kuzuhara, 2001). Lea Cassar (2018) defines non-monetary incentives as non-cash perks provided by employers to their employees. They serve as a means of rewarding individuals beyond the standard monetary compensation and benefits package. Non-monetary rewards are those that do not entail financial compensation. They encompass commendation, gratitude, acknowledgment, and incentives. They are intrinsic or internal advantages derived from an employee's work that assist in fostering a sense of value and motivation among employees.

### **2.2.3 Flexible Working Schedule**

Flextime is an alternate scheduling method that provides employees with increased flexibility in selecting their work hours (Ronen, 1982). Flexible schedules enable employees to adjust their arrival and leave hours or select their working days (Ronen, 1982).

### **2.2.4 Organizational Performance**

Wikipedia defines organizational performance as the actual output or results of an organization evaluated against its expected outputs (goals and objectives). Organizational performance pertains to the effectiveness of an organization in achieving its everyday responsibilities and objectives. Amber Krosel

(2022). Organizational performance measures often entail comparing actual outputs or results with the desired outcomes.

## **2.3 Theoretical Review**

### **2.3.1 Human Capital Theory**

Becker (1994) advocated for the Human Capital Theory (HCT). The theory posits that when firms train individuals to develop essential competencies, it enhances their productivity, subsequently resulting in increased economic returns, including elevated incomes and augmented lifetime earnings. Becker (1994). Mincer (1974) asserts that an employee's formal education or training dictates their earning potential and facilitates the acquisition of specific abilities that augment their productivity and development.

Olaniyan and Okemakinde (2008) asserted that education is essential for a nation's economic prosperity, since a highly educated workforce yields significant benefits for citizens. Conversely, organizations can generate returns on investments (Psacharopoulos, 1994; Cohn & Addison, 1998). Education empowers firms to address difficulties presented by evolving technical breakthroughs (Noe, 2010; Obeidat, 2012; Rajasekar & Khan, 2013).

Formal education and training are essential for enhancing the productive capability of a workforce. Organizations must educate or train their personnel to acquire the necessary information, skills, and competencies to complete given duties successfully (Karikari, Boateng & Ocansey, 2015; Wild, Chambers, King & Harris, 2012). The skills, life experiences, and advanced education of a workforce are

anticipated to enhance productivity, resulting in greater economic benefits such as elevated wages and Gross Domestic Product (GDP) growth, thereby advancing both individuals and society (Hatch & Dyer, 2004).

A significant limitation of human capital theory is its assumption that education and training dictate productivity, while offering minimal understanding of the mechanisms by which formal education converts into increased individual wages and earnings in the labor market (Eide & Showalter, 2010).

Consequently, it is essential for policymakers to explore alternate frameworks alongside human capital theory to effectively comprehend the relationship between education and economic rewards, such as increased wages. Elevated levels of educational achievement and skills confer economic value, as an informed workforce can enhance productivity and increase salaries universally (Hanushek & Wosmann, 2010).

This study employs human capital theory to demonstrate how the electric supply company can enhance performance by equipping employees with essential knowledge, skills, and competencies. Therefore, it is essential to invest significantly in the education and training of employees to achieve a Return on Investment (ROI) and ultimately improve productivity and organizational performance.

## **2.4 Empirical Literature Review**

This section examined many research on a related topic conducted both locally and internationally. Numerous research have examined the impact of motivation on

organizational performance, aiming to enhance production and service for the respective community.

#### **2.4.1 The Role of Monetary Incentives on Tanzania Electric Supply Company**

##### **Organizational Performance**

Gian Carlo (2019) examined the impact of monetary incentives on individual and organizational performance in Italy. Bivariate correlation was employed to analyze the relationship between the variables, and the allocation of monetary incentives among employees was examined. The results indicate that a behavioral adjustment, consistent with the theoretical framework and predictions, was established. The study examined the impact of monetary incentives on the performance of electric supply organizations in Tanzania.

Kelech et al. (2023) conducted a study on the influence of monetary incentives on employee performance within the Nigerian automobile industry. The purpose was to analyze the influence of several monetary incentive variables on employee performance while also exploring potential areas for improvement. The study included 120 questionnaires to identify current patterns and inequalities in the perception of financial incentives among industrial workers. Embracing transparency, ensuring prompt salary evaluations and bonus distributions, implementing performance-based compensation policies, enhancing retirement benefits, and maintaining transparency in financial incentive processes were recognized as crucial measures to foster motivation, job satisfaction, and ultimately, enhanced performance.

Suzan Mfikwa (2022) examined the impact of financial incentives on employee performance in Iringa, Tanzania. The study utilized a quantitative research methodology using a randomly selected sample of 339 employees from a total population of 2,215 employees at the council. The gathered research data were examined utilizing descriptive and inferential statistics, including multiple regression. The findings indicated a positive yet negligible impact of financial incentives on staff performance inside the Iringa Municipal Council.

#### **2.4.2 The Role of Non-Monetary Incentives on Tanzania Electric Supply Company Organizational Performance**

Abdulkhaleq (2021) conducted a study on the impact of non-monetary incentives and the work environment on employee job satisfaction. A stratified random sample of 234 academic personnel was selected from a population of 601 individuals at Erbil Polytechnic University. The study employed an analytical descriptive technique using SPSS to attain its purpose. The results demonstrated a statistically significant positive link between the study's two independent variables, non-monetary incentives and the work environment, indicating that non-monetary incentives are positively correlated with job satisfaction. Moreover, the findings indicate that non-monetary incentives substantially enhance employees' job satisfaction.

Masri and Suliman (2019) conducted a study to examine how talent management and employee recognition variables influence employee performance in research institutes in Qatar. The research employed an online survey featuring a questionnaire. The sample examined comprised full-time employees. This study revealed that talent

management and employee recognition, along with proper rewards, greatly influence employee performance, hence enhancing organizational success and positioning. This study did not derive its conclusions from the medical and health sector, which the present study aimed to investigate.

In 2015, Albeit did a study on the influence of motivation on employee performance at Victoria Commercial Bank in Kenya, employing correlation and regression analyses. The study concluded that a positive association exists between motivation and employee performance. This study will examine the impact of employee motivation on organizational performance within the Tanzanian environment.

Linda Okereke (2022) examined the impact of non-monetary rewards on staff performance at Mount Meru. The research was conducted at Meru Referral Hospital in Arusha, Tanzania. The study aimed to investigate the impact of non-monetary rewards on employee performance. The study utilized a sequential parallel design. The target group consisted of 355 individuals, whereas the sample size of 188 participants, including 8 managerial staff and 180 non-managerial personnel of the hospital. Data collection using a questionnaire and an interview guide. The research demonstrated that non-monetary incentives positively influence employee performance.

#### **2.4.3 The Role of Flexible Working Schedule Incentives on Tanzania Electric Supply Company Organizational Performance**

Marriene et al. (2023) evaluated the impact of flexible working arrangements on employee productivity and performance in the Philippines. The study utilized a

quantitative research approach, and the data was analyzed using SPSS.

The selected targets responded favorably, indicating happiness with the flexible working arrangement. Consequently, employees are likely to be productive and capable of performing effectively when provided with flexible working arrangements that meet the organization's requirements.

Kim and Choi (2018) examined the impact of job mismatch on compensation, work satisfaction, and performance among doctoral-level researchers in South Korea. The research utilized data from prior surveys, revealing that the extent of work mismatch among physicians strongly influences compensation policies, job satisfaction, and performance. Specifically, diminished acknowledgment of outstanding work performance and elevated qualifications led to decreased job satisfaction, adversely affecting job performance. The research called for the formulation of strategies that would promote utilization of staff talent and skills to address the job mismatch that often arises due to improved employee quality evaluation. This study focused on a developed nation and examined research personnel, while the current analysis analyzed the same issue from the viewpoint of nurses in a developing economy.

Salau et al. (2024) examined the influence of flexible work arrangements on worker productivity. The study examined the relationship between flexible work arrangements and employee performance, taking into account the moderating effect of perceived organizational support. The study population consisted of 2,886 private hospitals in Lagos State. An aggregate of 248 surveys were meticulously completed and submitted. The research indicates that flexible work options, including shift work

and flexible hours, enhance employee performance in medical facilities. The study investigated the influence of motivation and the performance of the organization of the Tanzania Electric Supply Company.

Gsar (2023) conducted a study on the impact of work-life balance on employee performance in Tanzania's private health industry. The study aims to investigate the impact of work-life balance on employee performance in private hospitals in Tanzania. The impetus for this study was the growing complexity employees face in reconciling job commitments with personal well-being, including familial, religious, and social obligations. The data was gathered by a standardized questionnaire administered to 133 randomly selected respondents. Data were examined utilizing linear regression analysis.

## **2.5 Research Gap**

Numerous research has examined the impact of motivation on organizational performance; yet, empirical findings about its influence on firm performance have been inconsistent. The findings indicate that monetary incentives, non-monetary incentives, and flexible working schedules have no significant effect on organizational performance (Kelvin Nunwa, 2017), while motives have enhanced organizational performance (Samson John, 2021; Hectory Patrick, 2022). Most studies in Tanzania have concentrated on evaluating the influence of motivation on organizational performance (Elibariki Funga Kahungya 2016, and AJAYI, Johnson Kolawole et al 2018), while the effect of motivation on the organizational performance of the Tanzania Electric Supply Company remains inadequately



addressed; thus, this study aims to bridge this gap.

## **2.6 Conceptual Framework**

The conceptual framework of this study is grounded in the understanding that motivation particularly in the form of monetary and non-monetary incentives directly influences organizational performance at Tanzania Electric Supply Company (TANESCO). The framework posits that various motivational strategies, such as bonuses, recognition, career advancement opportunities, and supportive work environments, act as independent variables that drive improved employee efficiency, job satisfaction, and overall productivity, which represent the dependent variable—organizational performance (Guson, 2023; Jacoby, 2021; Stacey, 2023). This relationship is supported by expectancy theory, which suggests that employees are more likely to perform better when they believe their efforts will lead to desirable rewards (Vroom, 1964). The framework helps guide the study by linking motivation to performance outcomes, emphasizing that well-structured incentive systems can lead to enhanced service delivery and operational efficiency in public utility institutions like TANESCO.

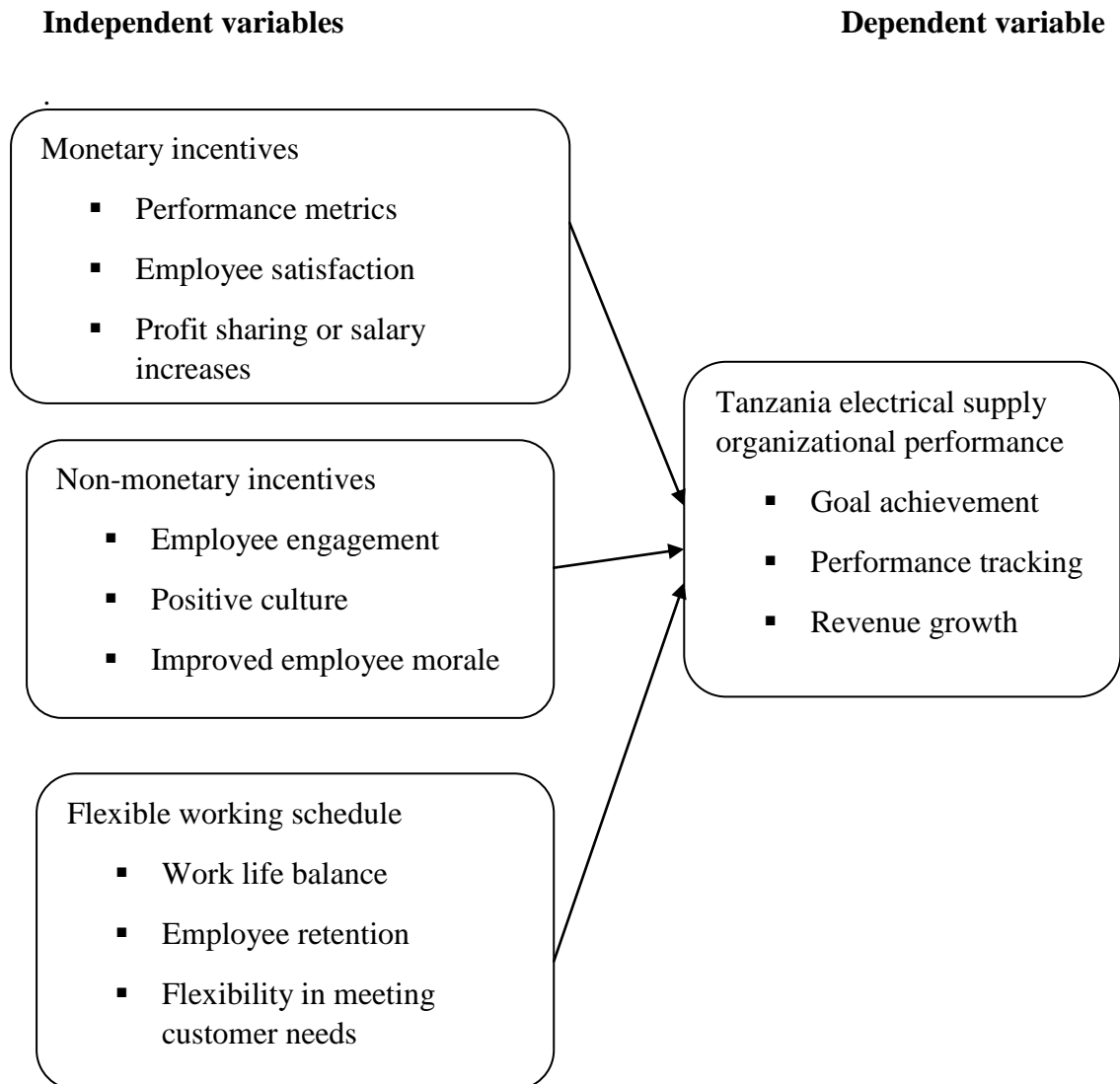
The conceptual frame work shown in figure 2.1 shows how monetary incentives, non-monetary incentives, and flexible working schedule affect Tanzania electric supply company organizational performance (dependent variable), drawing upon Human capital theory. Monetary incentives are cash-based rewards given to motivate employees towards good service delivery hence enhance organization performance (Jacoby, 2021). These incentives include employee' stock options, profit sharing

plans, paid time off, bonuses and cash awards. Therefore, monetary incentives enhance the Tanzania electric supply organizational performance. Non-monetary incentives are rewards given to someone that does not involve the use of cash. It is an incentive system that is meant at retaining employees, motivating them as well as attracting top-notch people to the organization (Putri et al., 2020). They are therefore having positive influence on organizational performance.

Flextime is an alternate scheduling arrangement that provides employees with increased flexibility in selecting their work hours (Ronen, 1982). Flexible schedules enable employees to alter their arrival and leave hours or select their working days (Ronen, 1982). Organizational performance, the dependent variable in this framework, refers to the outcomes and achievements of employees within the organization. It can be measured through productivity, quality of work, efficiency, and effectiveness in achieving organizational goals. According to Herzberg, performance outcomes are directly influenced by the presence of motivation factors such as organizational support, which contribute positively to employee satisfaction and, subsequently, performance (Judge et al., 2001).

Applying Human Capital Theory to this conceptual framework indicates that monetary incentives, non-monetary incentives, and flexible working schedules are essential for enhancing labor productivity. Organizations must educate or train their personnel to acquire the necessary information, skills, and competencies to complete given duties successfully (Karikari, Boateng & Ocansey, 2015; Wild, Chambers, King & Harris, 2012). The skills, life experiences, and advanced education of a

workforce are anticipated to enhance productivity, resulting in increased economic benefits such as elevated wages and Gross Domestic Product (GDP) growth, thereby fostering the advancement of both individuals and society (Hatch & Dyer, 2004).



**Source:** As conceptualized by the researcher (2024).

### 1.5 Research Hypothesis

H<sub>A1</sub>. There is positive relationship between monetary incentives and Tanzania

electric supply organizational performance

H<sub>A2</sub>. There is positive relationship between non-monetary incentives and Tanzania electric supply company organizational performance

H<sub>A3</sub>. There is positive relationship between flexible schedule and Tanzania electric supply company organizational performance

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Overview**

Chapter Three provides an overview of the research methodology used to examine the influence of non-monetary incentives on organizational performance at TANESCO. It outlines the positivism research philosophy, which guided the study's objective and scientific approach, and the quantitative research approach adopted to collect and analyze numerical data. An explanatory research design was employed to identify cause-and-effect relationships between the variables. The target population consisted of 200 employees, from which a sample of 133 respondents was selected using a stratified sampling technique to ensure representative data from different employee groups. Data was gathered using structured questionnaires, and analysis involved both descriptive statistics to summarize the data and linear regression analysis to test hypotheses. The chapter also discusses measures to ensure the validity and reliability of the instruments and ethical considerations adhered to throughout the research process.

#### **3.2 Research Philosophy**

A research philosophy is a framework for analyzing social phenomena, facilitating the acquisition of specific insights and the formulation of explanations (Saunders, 2019). The researcher embraced a positivist philosophy to ensure a value-neutral approach, thereby remaining independent of the data and maintaining objectivity while examining the impact of motivation on the organizational performance of the

Tanzania Electric Supply Company. Additionally, the study employed a quantitative methodology (Thornhill, 2015).

### **3.3 Research Approach**

Quantitative method was employed to quantitatively measure variables such as monetary incentives, non-monetary incentives and flexible working schedule on Tanzania electric supply company organizational performance among employees within the organization. Surveys using structured questionnaires gathered numerical data and provided statistical analyses to examine associations between variables. This quantitative approach aligns with pragmatism's goal of generating empirical evidence that can inform practical decisions and interventions aimed at improving public sector organizational performance (Creswell, 2014).

### **3.4 Research Design**

The research employed an explanatory design. An explanatory research aims to elucidate and account for the descriptive data. Descriptive research inquires about 'what kinds,' but explanatory investigations investigate 'how.' (Grey, 2014) The strategy is favored as it allows the researcher to get data from a substantial population at a designated time (Dawson, 2002; Orodho, 2008). This method enables the researcher to address the inquiries of who, what, when, where, why, and how about the people, as suggested by Kothari (2008). Mugenda & Mugenda (2013) indicate that none of the variables affect the scenario, hence mitigating bias and enhancing the dependability of the collected data.

### **3.5 Area of the Study**

The Same District was selected as the area of the study due to its strategic importance in the operations of Tanzania Electric Supply Company (TANESCO) and its representation of both urban and rural energy service challenges. Same provides a unique environment to assess how motivation influences employee performance in a region facing frequent power supply issues, infrastructure limitations, and customer service demands—factors that directly affect employee morale and productivity (Mwita, 2021). Moreover, previous studies emphasize the importance of studying motivation within decentralized or remote service delivery units to understand the real impact of incentive strategies in challenging work environments (Mkunda & Mwakalobo, 2022). The selection of Same also aligns with recommendations by Msuya (2023), who highlighted the need to explore employee motivation in underrepresented regions to provide more inclusive insights for national utility performance improvement. Therefore, Same offered both practical and research relevance for assessing the role of motivation on organizational performance in Tanzania's energy sector.

### **3.6 Population of the Study**

The study's population comprised 200 individuals. A population is a substantial group from which a sample is extracted (Kothari and Gauvay, 2019). Due to the researcher's inability to encompass the entire population, a target population of 200 employees was selected from the sales and marketing, accounting, operations, transport and logistics, and management departments at Tanesco offices, as they were familiar and engaged in daily activities within the SAME district council.

**Table 3 1: Total Population Distribution**

<b>Departments</b>	<b>Target population</b>	<b>Size of the sample</b>
Sales and Marketing	67	41
Accounting	11	10
Operations	64	52
Transport and logistics	18	12
Management	38	35
<b>Total</b>	<b>200</b>	<b>133</b>

### 3.7 Sample and Sampling Techniques

#### 3.7.1 Sample Size

A sample denotes a limited selection of objects that exemplify the entire population; the chosen respondents should ideally reflect the total population to create a small cross-section (Kothari, 2011). Participants were chosen with a confidence level of 95% and a margin of error of 5%.

Sample size (n) =  $\frac{N}{1 + N(e)^2}$

Where N = Total population (Household heads)

e = Sample error (0.05)

Total population (Household heads) (N) = 200

Therefore; Sample size (n) =  $\frac{200}{1 + 200(0.05)^2}$

$$1 + 200(0.05)^2$$

$$N = 133$$

The sample size is **133** respondents.

#### 3.7.2 Sampling Technique

The study employed convenience sampling to select respondents based on their availability and accessibility within the study area. This sampling strategy involves



including respondents in the sample based on their accessibility and willingness to participate in the study (Stratton, 2021). This sample technique was employed due to the unavailability of staff from the Tanzania Electric Supply Company, who were occupied with their everyday jobs and obligations. Consequently, only individuals who were accessible and had the time to participate in the study were chosen.

### **3.8 Data Collection Methods**

#### **3.8.1 Types of Data**

This study utilized primary data. Consequently, this study employed a questionnaire to get primary data directly from the workforce. The optimal method for data collecting is contingent upon the specific sort of data a researcher intends to gather (Ghauri, 2005).

#### **3.8.2 Data Collection Instrument**

The investigator employed structured questionnaires. A questionnaire is a data gathering method wherein each participant answers the same series of questions in a specified sequence (Saunders, 2003).

### **3.9 Data Cleaning and Processing**

Data processing in this study involved a systematic approach to prepare raw data for meaningful analysis, ensuring accuracy, consistency, and reliability of findings. The process began with data editing, which involved checking completed questionnaires for completeness, clarity, and consistency to identify and correct any errors or omissions (Kothari, 2004). Data coding followed, where responses particularly from

open-ended questions were categorized and assigned numerical values to facilitate statistical analysis (Saunders et al., 2019). Data entry was then conducted using statistical software such as SPSS, which enabled the efficient handling of large datasets and reduced human error (Zikmund et al., 2021). The study then proceeded with data cleaning, involving the identification and correction or removal of outliers and inconsistencies, to ensure valid and reliable inputs for analysis (Sekaran & Bougie, 2020). This rigorous approach to data processing was essential to maintain the integrity of the research and to ensure that the conclusions drawn about the role of motivation on TANESCO's organizational performance were based on accurate and well-managed data.

### **3.9.1 Quantitative Data**

The quantitative data gathered in this study was refined and condensed into a comprehensible format. The procedure entailed meticulous examination of the completed questionnaires to identify any errors or omissions, so ensuring the consistency of the collected data.

### **3.10 Data Analysis**

The gathered data were documented in the SPSS data sheet as they were produced from the questionnaires and analyzed to establish the causal relationships among the study variables, thereby yielding findings that enhance the understanding of the investigated phenomena. The demographic attributes of respondents were examined using descriptive statistics and displayed in frequency tables and figures (Cresswell, 2013).

The correlation among variables was determined by multiple regressions. Consequently, regression analysis was employed to elucidate the relationship between the studied variables. Multiple regression is a statistical method employed to examine the relationship between one dependent variable and multiple independent variables (Peersman, 2014). The aim of multiple regression analysis is to utilize known values of independent variables to forecast the value of a singular dependent variable (Mc. Leod, 2013). Consequently, the model directing the analysis is depicted as follows.

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$$

Where

Y is the Organizational performance

X1 is the monetary motivation

X2 is the non-monetary motivation

X3 is the Flexible working schedule

$\beta_1$ -  $\beta_3$  are coefficients of the independent variables

$\varepsilon$  is the error term.

### **3.11 Regression Assumptions**

A variety of diagnostic tests, including normality, linearity, multicollinearity, heteroscedasticity, and autocorrelation, were performed to assess data applicability and evaluate the assumptions of linear regression models, as recommended by Hair, Black, Babin, and Anderson (2010).

A normality test was performed to ascertain whether the distribution of residuals in the regression model was normal. Santoso (2010) asserts that a normality test

determines if residuals exhibit normal behavior and should be conducted prior to drawing any judgments regarding data normality. According to Field (2009), if the p-value exceeds 0.05 ( $p > 0.05$ ) and the statistic is between zero and one, the residuals have a normal distribution. The study employed the Shapiro-Wilk test to assess whether the data in the regression model adhered to the normality assumption.

A linearity test was performed to ascertain the existence of a linear relationship between the variables in the regression model. The study employed Pearson's Correlation Coefficient, as recommended by Yount (2006), to verify if the data in the regression model satisfied the linearity assumption test. Non-linearity is deemed significant in a study if the p-value for the nonlinear component is less than 0.05 ( $p < 0.05$ ) significance level.

A multicollinearity test was performed to ascertain the presence of correlation among the variables in the model. A tolerance value below 0.10 or a variance inflation factor (VIF) beyond 10 indicates the existence of multicollinearity. VIF assesses the existence of correlations (multicollinearity) among variables. Correlations influence the p-values, rendering the regression model unsuitable for hypothesis testing and regression analysis. The study employed Variance Inflation Factor (VIF) and Tolerance Value (TV) to assess multicollinearity, as advised by Robinson and Schumacker (2009).

A heteroscedasticity test was performed to ascertain whether all random errors exhibit a uniform constant variance across data in the regression model. The study

employed ANOVA, as suggested by Hill, Griffiths, and Lim (2011), to verify compliance with the heteroscedasticity assumption in the regression model data. If p-values exceed 0.05, it signifies that the data in the regression model follows a normal distribution and is therefore not affected by heteroscedasticity.

### **3.12 Measurement of Variables**

The questionnaires used were short in order to be answered in less than ten minutes, which the study assumed it would increase the response rate. In this study, organizational performance is a dependent variable while monetary incentive, non-monetary incentive and flexible working schedule were taken as independent variables, which also cause changes in the dependent variable.

#### **3.12.1 Measurement of Organizational Performance**

Organizational Performance for this study was measured using scale of five and Croanbach's alpha scale was used to measure the internal consistency (reliability) of the questionnaire (Afzali, 2012).

#### **3.12.2 Measurement of Motivation**

Armstrong (2012) scale was used to measure motivation towards the organizational performance. This involves monetary incentives, non-monetary incentives and flexible working schedule.

### **3.13 Validity and Reliability**

#### **3.13.1 Validity**

Validity refers to the accuracy and significance of inferences derived from study

findings. The extent to which conclusions derived from data analysis accurately reflect the phenomena being investigated (Mugenda & Mugenda, 2003). The feedback and direction from research supervisors and other experts in human resources significantly contributed to the validation of the research instruments.

### 3.13.2 Reliability

The researcher cross-verified the collected data to confirm that the utilized instruments accurately measured the intended variables and were sourced from credible origins. Cronbach's alpha was employed to assess and confirm the study's dependability. In this study, reliability pertains to the consistency of a measurement instrument, focusing on the stability of scores acquired over time and across various contexts (George & Mallery, 2003). An alpha of 0.7 or above was deemed credible.

The results of the pilot study are summarized in Table 3 below

**Table 3.2: Results of the Reliability Test of the Research Instrument**

Variable	Number of items	Alpha ( $\alpha$ )	Conclusion
Monetary incentives	15	0.803	Reliable
Non-monetary incentives	12	0.872	Reliable
Flexible working schedule	7	0.827	Reliable
Average score	11.3	0.834	Reliable

**Source.** (Pilot Data Test, 2024)

Table 3 indicates that the overall Cronbach's Alpha was 0.834. This outcome was substantial and indicated that the data were dependable. To assess dependability, the instrument's results were compared to previous studies, including Khashman (2016), who reported an Alpha value ( $\alpha$ ) of 0.750, and Kaygusuz, Akgemci, and Yilmaz

(2016), who obtained an Alpha value ( $\alpha$ ) of 0.61. Consequently, the results demonstrate that the study variables met the necessary criteria for reliability testing, thus rendering them eligible for future examination.

### **3.14 Ethical Consideration**

This research addressed ethical considerations by complying with the Open University Code of Ethics for Research. Furthermore, the subsequent measures were executed: The researcher initially acquired a letter from Open University to introduce themselves to the management of the Tanzania Electric Supply Company's offices before to the study's initiation. Approval to conduct the research was solicited from SAME District Officials, along with their consent to disseminate questionnaires among Tanesco personnel. All respondents provided informed consent before the distribution of the questionnaires.

## **CHATER FOUR**

### **DATA ANLYSIS, RESULTS AND DISCUSSION**

#### **4.1 Overview**

This chapter delineates the response rates and demographic attributes of the participants under examination. Both descriptive and inferential statistics were examined. Content analyses were conducted and presented using a continuous narrative analysis. The chapter concludes with a summary of the research findings.

#### **4.2. Demographic Characteristics of the Sample**

The data on demographic characteristics was displayed in Table 5.

Table 4.2 presents the demographic characteristics and summary statistics for 90 respondents in the research. The distribution of respondents by gender indicates that 62.2% were male and 37.8% were female. The number of male responses significantly exceeded that of female respondents. The distribution of respondents by age indicates that 55.6% were under 30 years, 33.3% were between 31 and 50 years, and 11.1% were beyond 50 years. The results demonstrate that the organization possesses a youthful staff, which is essential as it provides both a robust labor force and continuous training opportunities. Consequently, this can facilitate improved worker development, thereby enhancing productivity and mitigating widespread unemployment.

This research found that 51.1% of respondents possessed certificates, 22.2% held diplomas, 25.6% had first degrees, and 1.1% attained a Master's degree. The findings indicate that the majority of respondents possessed the necessary qualifications for



middle-level managerial roles. This aligns with the carrier path standards established in various service schemes and carrier progression rules for company personnel.

The distribution of responders by tenure in the organization reveals that 44.4% have served for less than 5 years, 38.9% have served between 5 to 15 years, and 16.7% have served for more than 15 years. This indicates job security levels and turnover rates potentially attributable to supportive work environments within the company's departments.

The distribution of respondents by department is as follows: 5.6% in accounting, 13.3% in sales and marketing, 6.7% in human resources, 26.7% in transport and logistics, 37.8% in operations, and 10.0% in management. This signifies that advancement to senior management necessitates extensive work experience in addition to the necessary academic and professional credentials.

**Table 4.1: Demographic characteristics of the Respondents**

<b>Variable</b>	<b>Category</b>	<b>Frequency</b>	<b>Percent (%)</b>
Age	30 years or below	13	14,4
	31-50 years	69	76.7
	Above 50 years	8	8.9
	Total	90	100.0
Level of education	Certificate	18	20.0
	Diploma	21	23.3
	Bachelor	51	56.7
	Masters	0	0
	PhD	0	0
	Total	90	100,0
Length of service	1-20 years	22	24.4
	21-40 years	47	52.2
	41 years and above	21	23.3
	Total	90	100.0
Departments	Sales and Marketing	11	12.2
	Accounting	18	20.0
	Human resources	12	13.3
	Transport and logistics	4	4.4
	Management	20	22.2
	Operations	23	27,8
	Total	90	100.0
Gender	Male	56	62.2
	Female	34	37.8
	Total	90	100.0

**Source:** (Research Data, 2024)

### **4.3 Descriptive Statistics Results**

This section is structured according to the four factors being examined. Descriptive statistics were employed to assess the mean score and standard deviations. The results for each variable are delineated as follows.

#### **4.3.1 The role of Monetary Incentives on Tanzania Electric Supply Company Organizational Performance**

The primary aim of the study was to investigate the impact of monetary incentives on the organizational performance of the Tanzania Electric Supply Company. Findings

suggested that monetary incentives were extensively utilized in the organizational performance of the Tanzania Electric Supply Company, with a mean score exceeding 3.95. The results indicated that the majority of respondents concurred that financial incentives inspire people to perform at their best.

The mean score for the statement on job performance is  $M = 3.89$  ( $SD = 0.827$ ), followed by a mean score of  $M = 4.04$  ( $SD = 0.733$ ) for the statement about receiving a wage raise.

Other respondents concurred that the highest-performing employees in the department receive the most substantial pay raises ( $M = 3.73$ ,  $SD = 1.003$ ). Subsequently, the majority indicated that they exert greater effort for increases and promotions ( $M = 4.13$ ,  $SD = 0.479$ ). Additionally, other respondents affirmed that they labor diligently for the level of compensation they anticipate receiving. The mean score for the perception of good fringe benefits for exceptional performance is 4.3 ( $SD = 0.771$ ), while the mean score for motivation to work more due to stock ownership acquisition is 3.92 ( $SD = 0.768$ ). The assertion that the position offers additional perks for outstanding performance received a mean score of 3.79 and a standard deviation of 0.918, indicating consensus on the statement.

Participants concurred that their working hours are conducive to improving their performance, evidenced by a mean score of 4.2 and a standard deviation of 0.64.

**Table 4.2: Descriptive Statistics of Monetary Incentives**

<b>Statement</b>	<b>Min</b>	<b>Max</b>	<b>Mean</b>	<b>Std. Dev</b>
Financial incentives compel me to perform at my highest level.	1	5	3.89	0.827
I receive equivalent compensation to top achievers.	1	5	2.81	1.491
I excel in my job to secure a salary increase.	1	5	4.04	0.733
The top-performing employees in the department receive the largest salary increases.	1	5	3.73	1.003
I exert greater effort for advancements and promotions.	1	5	4.13	0.479
I exert considerable effort for the remuneration I anticipate receiving.	1	5	4.3	0.771
The position offers substantial fringe perks for outstanding performance.	1	5	4.3	0.626
The acquisition of stock ownership motivates me to work more.	1	5	3.92	0.768
My employment offers additional advantages for outstanding achievement.	1	5	3.79	0.918
The merit compensation offered by management motivates me to exert considerable effort.	1	5	4.08	0.502
Upon receiving an unforeseen bonus for my work, I often deliver my optimal performance.	1	5	4.06	0.505
I am motivated by the rewards linked to outstanding achievement.	1	5	4.28	0.707
My supervisor fosters passion by incentivizing additional efforts for commendable performance.	1	5	3.92	0.877
My workplace is adequately suited to optimize my performance.	1	5	3.84	0.833
I possess flexible working hours to optimize my effectiveness.	1	5	4.2	0.64
<b>Average mean score</b>			<b>3.95</b>	<b>0.79</b>

**Source:** (Research Data, 2024)

#### **4.3.2 The Role of non-Monetary Incentives Tanzania electric Supply Company**

##### **Organizational Performance**

The second purpose of the study was to investigate the impact of non-monetary incentives on the organizational performance of the Tanzania Electric Supply Company. Findings revealed that non-monetary incentives were extensively utilized

in the organizational performance of the Tanzania Electric Supply Company, with a mean score above 3.82. The results indicated that the majority of respondents concurred that they derive satisfaction from performing at their best daily ( $M = 4.07$ ,  $SD = 0.557$ ), followed by the assertion regarding opportunities for involvement in corporate decision-making ( $M = 4.29$ ,  $SD = 0.811$ ).

Other respondents concurred that participation in organizational decision-making motivates them to perform at their best ( $M = 4$ ,  $SD = 0.861$ ). Subsequently, the majority indicated that the company acknowledges their efforts ( $M = 4.07$ ,  $SD = 0.614$ ). Additionally, some respondents affirmed that their supervisors recognize their contributions ( $M = 0.707$ ,  $SD = 0.771$ ). Most respondents expressed a desire for recognition of their endeavors ( $M = 4.07$ ,  $SD = 0.832$ ). Furthermore, the majority reported that they exert effort to compete with others who possess superior skills ( $M = 3.93$ ,  $SD = 0.7$ ). The assertion that my employment offers prospects for advancement had a mean score of 3.39 and a standard deviation of 1.34, indicating general agreement with the statement. Respondents concurred that obstacles encourage them to exert greater effort, with a mean score of 3.79 and a standard deviation of 1.076.

Respondents concurred that the competitive character of their occupations compels them to exert greater effort ( $M = 3.7$ ,  $SD = 0.756$ ). Finally, respondents concurred that management thoroughly elucidates their work assignments to ensure effective performance, with a mean of 4.09 and a standard deviation of 0.63.

**Table 4.3: Descriptive Statistics for Non-Monetary Incentives**

	<b>Min</b>	<b>Max</b>	<b>Mean</b>	<b>Std. Dev</b>
I take pleasure in performing at my utmost capacity daily.		5	4.07	0.557
The opportunity to participate in corporate decision-making	1	5	4.29	0.811
The prospect of participating in organizational decision-making motivates me to perform at my highest level.	1	5	4	0.861
The organization acknowledges my diligence.	1	5	4.07	0.614
My supervisor acknowledges my contributions to the job.	1	5	4.29	0.707
I endeavor to attain recognition for my endeavors.	1	5	4.07	0.832
I exert much effort to compete with others who possess evidently greater skills.	1	5	3.93	0.7
My employment offers prospects for promotion.	1	5	3.39	1.347
Challenges inspire me to exert greater effort.	1	5	3.79	1.076
The competitive environment of my profession compels me to exert greater effort.	1	5	3.7	0.756
Upon achieving a significant objective, I promptly pursue more ambitious aspirations.	1	5	4.11	0.529
The management facilitates the demonstration of my skill and capability.	1	5	4.51	0.691
The encouragement from my colleagues is important in motivating me to perform at my highest level.	1	5	3.5	1.376
The encouragement from my supervisors is crucial in motivating me to perform at my best.	1	5	3.6	1.216
The company's team-building programs boost my professional relationships with colleagues.	1	5	3.82	0.728
The management provides comprehensive explanations of my work assignments to ensure optimal performance. <sup>1</sup>	1	5	4.09	0.63
<b>Average Score</b>			<b>3.95</b>	<b>0.84</b>

**Source:** (Research Data, 2024)

### **4.3.3 The Role of Flexible Working Schedule on Tanzania Electric Supply Company Organizational Performance**

The third objective of the study was to examine the role flexible working schedule incentives on Tanzania electric supply company organizational performance. Findings indicated that flexible working schedule was highly used in Tanzania electric supply company organizational performance organization with almost similar mean score of above 3.84. The finding depicted that most of respondents agreed that the company provides employees with paid parental leave to foster their work productivity with ( $M = 4.34$ ,  $SD = 0.737$ ) followed by the statement that the hospital provides employees with adequate time for leisure activities and personal development with ( $M = 3.58$ ,  $SD = 1.101$ ).

Other respondents agreed that the company allows employees to utilize telemedicine practices which supports work from home option with ( $M = 3.87$ ,  $SD = 0.772$ ), then most respondents said the company ensures there is strict adherence to work rotation schedules to ensure employees are not overburdened with ( $M = 4.07$ ,  $SD = 0.614$ ). Lastly, then other respondents agreed the company provides employees with regular counselling and guidance programs to improve their mental well-being with ( $M = 4.36$ ,  $SD = 0.692$ ).

**Table 4.4: Descriptive Statistics for Flexible working Schedule**

<b>Statement</b>	<b>Min</b>	<b>Max</b>	<b>Mean</b>	<b>Std. Dev</b>
The corporation offers employees compensated parental leave to enhance their work efficiency.	1	5	4.34	0.737
The organization permits employees to acquire compassionate leave and paid time off as stipulated in the human resource policy.		5	3.32	1.49
The hospital allocates sufficient time for staff recreational pursuits and personal growth.	1	5	3.58	1.101
The organization permits employees to engage in telemedicine techniques, facilitating the work-from-home option.	1	5	3.87	0.772
The organization guarantees strict compliance with work rotation schedules to prevent staff overburdening.	1	5	4.08	0.626
The organization offers employees consistent counseling and guidance programs to enhance their mental well-being.	1	5	4.36	0.692
The organization has established flexible work arrangements that assist employees in balancing their professional and personal lives.	1	5	3.31	1.504
<b>Average score</b>			<b>3.84</b>	<b>0.99</b>

**Source:** (Research Data, 2024)

#### **4.3.4 Tanzania Electric Supply Company Organizational Performance**

Measurements of the Tanzania Electric Supply Company's organizational performance, treated as a dependent variable, revealed that its performance was high, with a consistent mean score exceeding 4. The results indicated that the majority of respondents concurred that the company's employees are highly innovative and committed to the purpose and vision, with a mean of 3.53 and a standard deviation of 1.153. This was followed by the assertion that the company's profitability trend is strong in terms of cash over time, with a mean of 3.8 and a standard deviation of 0.837.



Other respondents concurred that the quantity of outputs (electricity) appears to rise with increased demand ( $M = 4.374$ ,  $SD = 0.694$ ), while the majority indicated that a greater number of consumers value the service provided ( $M = 3.98$ ,  $SD = 0.807$ ).

**Table 4.5: Descriptive Statistics on Tanzania Electric Supply Company Organizational Performance**

Statement	Min	Max	Mean	Std. Dev
The employees of this organization exhibit significant innovation and are committed to its purpose and vision.	1	5	3.53	1.153
The company's profitability trend in terms of cash is increasing over time.	1	5	3.8	0.837
This company expeditiously addresses complaints.	1	5	4.1	0.601
The quantity of electricity outputs appears to rise with increased demand.	1	5	4.37	0.694
A greater number of customers value the provided service.	1	5	3.98	0.807
Average Score			4	0.82

**Source:** (Research Data, 2024)

Table 6 presents an average mean score of 4 for organizational performance, with a standard deviation of 0.82, confirming that organizational performance is indeed attainable based on the influence of motivation.

#### 4.4 Inferential Statistics

This section was conducted to formulate conclusions that transcend the immediate results of the descriptive statistics and factor analysis presented. The primary purpose of this study was to elucidate the impact of motivation on the organizational performance of the Tanzania Electric Supply Company. The evaluation of three independent factors (monetary incentives, non-monetary incentives, and flexible

working schedules) on the organizational performance of the Tanzania Electric Supply Company was conducted using a 1-5 point scale. Moreover, each of the three predictors (independent variables) possessed distinct features or sub-variables.

A regression analysis was performed to ascertain the statistical relationship between the predictors and the dependent variable. A factor analysis was employed to determine the highest loaded factors for the multiple linear regression, given three independent variables and several indicators. This analysis employed multiple linear regressions for hypothesis testing in accordance with the specified objectives.

#### **4.4.1 Assumptions of Multiple Regression Analysis**

A multiple linear regression analysis was conducted to examine the relationships between the independent variables (monetary incentives, non-monetary incentives, and a flexible work schedule) and the dependent variable (organizational performance of the Tanzania Electric Supply Company). However, prior to executing numerous regression models, it was essential to evaluate the critical and foundational assumptions of these models. Pallant (2006) identifies three assumptions of multiple regression analysis. These encompass normalcy, outliers, and multicollinearity.

##### **4.4.1.1 Normality**

The research assessed the normalcy of the data intended for use in the study. This test was performed to confirm the normality of data distribution in a regression model. These shape metrics were assessed utilizing the Kolmogorov-Smirnov and Shapiro-Wilk tests. The assumption is that if the P-value (shown under Sig. for

Kolmogorov-Smirnov and Shapiro-Wilk) is less than 0.001 ( $P < 0.001$ ), the data are considered regularly distributed.

Table 4.7 indicates that monetary incentives, non-monetary incentives, and flexible working schedules exhibited a normal distribution, as evidenced by Kolmogorov-Smirnov and Shapiro-Wilk P-values below 0.000.

This indicates that the variables satisfied the criteria for the normalcy test, thereby rendering them appropriate for subsequent analysis and inference.

**Table 4.6: Test for Normality**

	Kolmogorov-Smirnov <sup>a</sup>			ShapiroWilk			conclusion
	Statistic	df	Sig.	Statistic	df	Sig.	
Monetary incentives	0.33	22.3	0.000	0.66	29	0.00	Normally distributed
Non-monetary incentives	0.28	27	0.000	0.72	55	0.00	Normally distributed
Flexible working schedule	0.311	55	0.000	0.72	55	0.00	Normally distributed

#### 4.4.1.2 Multicollinearity

The inquiry analyzed the data for multiple correlations. The study sought to determine the existence of a robust correlation between both the dependent and independent variables in the regression model. Multicollinearity was evaluated using the variable inflation factor (VIF) and Sensitivity Value. The premise states that multicollinearity is present if the Variance Inflation Factor (VIF) surpasses 10 and the tolerance value falls below 0.1; alternatively, the reverse is also true.

Table 4.8 indicates that the men's tolerance score is 0.938, while the Variance Inflation Factor (VIF) is 1.066. The results demonstrate that all research variables had a VIF below 10 and a tolerance value beyond 0.1. This indicates the absence of

multicollinearity among the investigated variables in the model. Consequently, the data gathered for each variable was normally distributed and so appropriate for regression analysis.

**Table 4.7: Findings of the Test for Multicollinearity**

<b>Variable</b>	<b>Tolerance</b>	<b>VIF</b>	<b>Conclusion</b>
Monetary incentives	0.497	7.309	No multicollinearity
Non-monetary incentives	0.936	1.068	No multicollinearity
Flexible working schedule	0.935	1.069	No multicollinearity
<b>Mean Tolerance and VIF</b>	<b>0.938</b>	<b>1.066</b>	

a. Dependent variable: Tanzania electric supply company organizational performance

**Source:** (Research Data, 2024)

#### **4.4.1.3 Linearity Test**

The study evaluated linearity to determine whether the relationship between the independent and dependent variables is linear. Accordingly, Pearson's Correlation Coefficients were employed as recommended by Yount (2006). Table 4.9 illustrates a notable linear correlation between the variable and monetary incentives at 0.732, non-monetary rewards at 0.941, and flexible working schedule at 0.163. The results affirm that the data was normally distributed, therefore rendering it appropriate for subsequent analysis and reporting.

**Table 4.8: Findings of the Test for Linearity Variable**

	<b>Measure</b>	<b>Organizational performance</b>	<b>Conclusion</b>
Monetary incentives	Pearson correlation Sig (2-tailed) N	0.029 0.732 90	Linear relationship
Non-monetary incentives	Person correlation Sig (2-tailed) N	0.006 0.941 90	Linear relationship
Flexible working schedule	Pearson correlation Sig (2-tailed) N	0.056 0.163 90	Linear relationship

\*Correlation is significant at the 0.05 level (2-tailed)

\*\*Correlation is significant at the 0.01 level (20-tailed)

#### **4.4.1.4 Heteroscedasticity Test**

The study examined heteroscedasticity to see if the random errors in the regression model exhibit consistent variance across observations. Heteroscedasticity was assessed utilizing ANOVA.

Table 4.10 presents a mean squared regression of 0.565, accompanied with a statistical significance value of 0.007. The guideline stipulates that an alternative hypothesis (HA) is accepted if the significance threshold is below 0.05. The results demonstrate that the significance value was less than 0.05, leading to the acceptance of the alternative hypothesis, which indicates that the residuals at 0.192 were normally distributed and did not exhibit heteroscedasticity, since the p-values were below 0.05. The alternative hypothesis (HA) was accepted.

**Table 4.9: Findings of the Test for Heteroscedasticity****ANOVA<sup>a</sup>**

<b>Model</b>	<b>Sum of squares</b>	<b>df</b>	<b>Mean square</b>	<b>F</b>	<b>Sig</b>
Regression	3.956	7	0.565	2.940	0.007b
Residual	24.989	84	0.192	-999.000	-999.000
Total		28.946		87	

Predictors: (Constant) = Monetary incentives, non-monetary incentives, flexible working schedule

**4.4.2 Multiple Regression Analysis**

The multiple regression analysis in this study intended to demonstrate the influence of each predictor on the dependent variable. Regression may solely elucidate existing physical relationships; that is, there must be a tangible mechanism via which the independent variable X influences the dependent variable Y.

**4.4.2.1 Model Summary**

Table 4.11 provides a summary of the model, illustrating the correlation between independent and dependent variables.

R is the correlation coefficient that elucidates the relationship between the study variables. The findings from Table 4.9 indicate an R-value of 0.873, corresponding to 87.3%, suggesting a strong relationship between the studied variables. Table 4.9 indicates that the R-squared value is 0.728, corresponding to 72.8%, signifying that the three independent variables account for 72.8% of the variance in organizational performance. The unexplained 27.2% variation arises from additional factors not included in the model. The adjusted R-squared is 0.608, equivalent to 60.8%. This indicates that alterations in the organizational performance of Tanzania's power

supply were affected by modifications in monetary incentives, non-monetary incentives, and flexible working schedules.

**Table 4.10: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.873 <sup>a</sup>	.728	.608	3.37139	.728	16.269	3	100	.000

a. Predictors: (Constant), monetary incentives, non-monetary incentives and flexible working schedule

b. Dependent Variable: Tanzania electric supply company organizational performance

**Source:** Field Data (20224)

#### 4.4.2.2 Analysis of Variance (ANOVA)

Table 4.12 indicates that the model exhibits a significance level of less than 5%, with a numerator degrees of freedom of 3 and a denominator degrees of freedom of 100, resulting in a computed F value of 16.269. Consequently, the regression model demonstrates statistical significance. This indicates that it is a suitable predictive model for assessing the impact of human resource management practices on organizational performance. The study's findings indicate a P-value of 0% (0.000), which is below the 5% (0.05) threshold.

**Table 4.11: Analysis of Variance**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	554.747	3	184.916	16.269	.000 <sup>a</sup>
	Residual	1136.628	100	11.366		
	Total	1691.375	103			

a. Predictors (Constant). Monetary incentives, non-monetary incentives and flexible working schedule

b. Dependent variable. Tanzania electric supply company organizational performance

**Source.** Field data, 2024

#### 4.4.2.3 Regression Coefficients

The study sought to compare the contributions of each independent variable from table 4.13, revealing that the highest B coefficient value is 0.309, corresponding to 30.9%, attributed to a flexible working schedule. This indicates that a flexible working schedule exerts the most substantial unique influence on the dependent variable, which is the organizational performance of the Tanzania Electric Supply Company, and this relationship is statistically significant, as the P-value is below 5% (0.05), specifically 0.001. This is succeeded by non-monetary incentives, which possess a substantial B coefficient value of 0.066, corresponding to 6.6%.

**Table 4. 12: Regression Coefficients**

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	10.264	1.962		5.232	0
	Monetary incentives	0.043	0.125	0.053	2.348	0.009
	Non-monetary incentives	0.066	0.146	0.086	3.455	0.095
	Flexible working schedule	0.309	0.089	0.464	3.454	0.000

a. Dependent variable: Tanzania electric supply company organizational performance

**Source:** Field, 2024



This indicates that a flexible working schedule exerts a distinct positive effect on the dependent variable, namely the organizational performance of the Tanzania Electric Supply Company, and the link is statistically significant, as the P-value is less than 5% (0.05), specifically 0.000. Moreover, regression analysis indicates that the independent variable (non-monetary incentives) positively influences the dependent variable, which is the organizational performance of the Tanzania Electric Supply Company. This relationship is statistically significant, as the P-values are below 0.05: (B value= 0.066, P-value=0.095).

Monetary incentives were statistically significant, as the P-value was below 5%.

A basic regression model was employed to ascertain the extent of influence the independent variable exerts on the dependent variable, as illustrated below: -

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon$$

$$Y = 10.264 + 0.043X_1 + 0.066X_2 + 0.309X_3 + \epsilon$$

Monetary incentives were determined to positively impact organizational performance in Tanzania ( $X_1 = 0.043$ ,  $P = 0.009 < 0.05$ ). This indicates that a one-unit alteration in monetary incentives leads to a 0.043-unit enhancement in organizational performance, with other variables held constant. Non-monetary incentives were observed to positively impact the organizational performance of the Tanzania Electric Supply Company ( $X_2 = 0.066$ ,  $P = 0.095 < 0.05$ ). A one-unit change in non-monetary incentives leads to a 0.066-unit increase in the organizational performance of the Tanzania Electric Supply Company, assuming other parameters remain constant. A flexible working schedule positively impacts the organizational

performance of the Tanzania Electric Supply Company ( $X_3 = 0.309$ ,  $P = 0.000 < 0.05$ ). This indicates that a one-unit alteration in remuneration practices leads to a 0.309-unit enhancement in the organizational performance of the Tanzania Electric Supply Company, assuming other things remain constant.

#### **4.5 Summary of Hypothesis Testing**

The objective of the study was to ascertain the impact of motivation on the organizational performance of the Tanzania Electric Supply Company. The study was guided by three hypotheses, which were evaluated by statistical tests to determine the validity of the research objective, so facilitating the acceptance or rejection of an argument to fulfill the overarching goal. The results indicate that all three null hypotheses were dismissed. In the regression model, flexible working schedules were found to exert a positive and substantial influence on Tanesco's organizational performance, with a B-value of 0.309 and a P-value of 0.000 ( $< 0.05$ ). Furthermore, monetary incentives, flexible work schedules, and non-monetary incentives were observed to positively impact organizational performance, with B-values of 0.043 ( $P = 0.095 < 0.05$ ) and 0.066 ( $P = 0.009 < 0.05$ ), respectively, indicating significant associations.

**Table 4.13: Summary of Hypothesis**

<b>Hypothesis</b>	<b>Model</b>	<b>Coefficient P-Value</b>	<b>Conclusion</b>
HA A positive correlation exists between monetary incentives and the organizational performance of the Tanzania Electric Supply Company.	Multiple Regression model	P=0.009<0.05	<b>Accept H<sub>A</sub></b>
HA A favorable correlation exists between non-monetary incentives, monetary incentives, and the organizational performance of the Tanzania Electric Supply Company.	Multiple Regression model	P=0.095<0.05	<b>Accept H<sub>A</sub></b>
HA A positive correlation exists between flexible working schedules and the organizational effectiveness of the Tanzania Electric Supply Company.	Multiple Regression model	P=0.000<0.05	<b>Accept H<sub>A</sub></b>

**Source:** Field Data (2024)

## 4.6 Discussion of the Findings

This section presents a discussion of the study's findings. The primary aim of this study was to elucidate the impact of motivation on the organizational performance of the Tanzania Electric Supply Company.

### 4.6.1 Impact of Monetary Incentives on Tanzania Electric Supply

#### Organizational Performance

The researcher sought to assess the impact of financial incentives on the overall success at the Tanzania Electric Supply Company. The researcher determined that monetary incentives influence the performance of the organization of the African nation Electric Supply Company, as regression analyses reveal a statistically significant positive effect of monetary incentives on the company's performance.

The results aligned with Kelech et al. (2023), who examined the impact of monetary incentives on worker productivity within the Nigerian automobile industry. The findings revealed that promoting transparency, executing prompt salary evaluations and bonus allocations, instituting performance-linked pay raise policies, augmenting retirement benefits, and ensuring clarity in financial incentive procedures are essential strategies to enhance motivation, job satisfaction, and ultimately, performance excellence.

Suzan Mfikwa (2022) investigated the influence of financial incentives on employee performance in Iringa, Tanzania, revealing a favorable but statistically insignificant effect of these incentives on performance within the Iringa municipal council.

The research demonstrates that a one-unit modification in monetary incentives results in a 0.043-unit enhancement in the organizational performance of the Tanzania Electric Supply Company, assuming all other factors remain equal. This signifies that financial incentives entail a group of employees working together to achieve common goals and objectives designed to accomplish company aims, such as customer satisfaction and company success. Monetary incentives appear in various forms, such as the improvement of employee performance in the global economic market, Dr. Twinkle (2022).

Financial incentives affect performance levels and future job growth opportunities.

#### **4.6.2 Impact of Non-monetary Incentives on Tanzania Electric Supply**

##### **Organizational Performance**

The researcher aimed to evaluate the impact of non-monetary incentives on the performance of the Tanzania Electric Supply Company. The researcher established that non-monetary incentives affect the organizational performance of the Tanzania Electric Supply Company, as regression analyses indicate that the implementation of non-monetary incentives positively influences the dependent variable, which is the organizational performance of the Tanzania Electric Supply Company, and this relationship is statistically significant. Additionally, demonstrate that the B coefficient value for non-monetary incentives is 0.066, which corresponds to 6.6%. This indicates that a one-unit alteration in non-monetary incentives leads to a 0.066-unit enhancement in organizational performance, with other parameters remaining constant.

The findings indicate that non-monetary incentives, including employee recognition, training, growth, and autonomy, positively influence employee performance within the firm studied.

The results aligned with Abdulkhaleq (2021), who investigated the impact of non-monetary incentives and the work environment on employee job satisfaction. He concluded that there exists a statistically significant positive relationship between the two independent variables, indicating that non-monetary incentives are positively correlated with job satisfaction. The results indicated that non-monetary incentives significantly enhanced employees' job satisfaction.

Lea Cassar (2018) defines non-monetary incentives as non-cash perks provided by employers to their employees. They serve as a means of rewarding individuals beyond the standard monetary compensation and benefits package.

Non-monetary rewards are those that do not entail financial compensation. They encompass commendation, gratitude, acknowledgment, and incentives. They are intrinsic or internal advantages derived from an employee's work, which assist in fostering a sense of value and motivation among employees.

#### **4.6.3 Impact of Flexible Working Schedule on Tanzania Electric Supply**

##### **Organizational Performance**

The researcher aimed to evaluate the effect of a flexible working schedule on the organizational performance of the Tanzania Electric Supply Company. The researcher established that a flexible working schedule impacts the organizational performance of the Tanzania Electric Supply Company, as regression analyses indicate that this schedule is a significant predictor of the dependent variable, namely the company's organizational performance, with a statistically significant relationship.

The maximum B coefficient value is 0.309, corresponding to 30.9%, which reflects the organizational performance of the Tanzania Electric Supply Company. A one-unit alteration in the flexible working schedule leads to a 0.309-unit enhancement in organizational performance, assuming other variables remain constant.

The findings were analogous to those of Marriene et al. (2023), who evaluated the impact of flexible working arrangements on employee productivity and performance

in the Philippines. The selected targets responded favorably and expressed satisfaction with the flexible working arrangement.

Consequently, employees are likely to be productive and capable of performing effectively when provided with flexible working arrangements that meet the organization's requirements.

Flextime is an alternate work schedule that provides employees with increased flexibility in selecting their working hours (Ronen, 1982). Flexible schedules enable employees to adjust their arrival and leave hours or select their working days (Ronen, 1982).

## **CHAPTER FIVE**

### **SUMMARY OF THE FINDINGS, CONCLUSION AND RECOMMENDATION**

#### **5.1 Overview**

This chapter summarizes the whole study, highlighting major findings related to the study objectives, succinct conclusions regarding the study's focus, recommendations derived from the lessons learned, and suggestions for future research areas.

#### **5.2 Summary of the Study**

This study aimed to elucidate the impact of motivation on the organizational performance of the Tanzania Electric Supply Company. This study specifically investigated the effects of monetary incentives, non-monetary incentives, and flexible working schedules on the organizational performance of electric supply companies in Tanzania.

The research employed a quantitative design. Data were gathered from employees at the SAME Municipal Council via questionnaire distribution and secondary sources.

The acquired quantitative data were examined using descriptive statistics, factor analysis, and multiple regression analysis, with all analyzed data presented and discussed in relation to specified objectives. The study's major findings indicate that monetary incentives significantly enhance the organizational performance of the Tanzania Electric Supply Company. Conversely, the results indicated that non-monetary incentives and flexible working schedules positively impact the organizational performance of the Tanzania Electric Supply Company, with



significant connections seen. Consequently, alterations in monetary incentives, non-monetary incentives, and flexible working schedules enhance organizational performance in Tanzania.

### **5.3 Implications of the Study**

#### **5.3.1 Implication to the Managers**

The findings of the present study are advantageous for managers, since the empirical research demonstrates that monetary and non-monetary incentives, along with flexible working schedules, positively influence organizational performance in the workplace. Managers must guarantee that their subordinates are adequately provided with monetary and non-monetary incentives and possess the flexibility to adapt to autonomous working situations. Establishing targets is insufficient; it is essential to communicate and guide individuals to commit to missions and goals while ensuring they are aware of the forthcoming incentives to enhance their morale.

#### **5.3.2 Implication to the Practitioners**

Findings suggest that HR practitioners must ensure compliance with human resource strategies, including monetary incentives for teamwork, non-monetary incentives, and flexible work schedules, to effectively engage employees and enhance organizational performance.

Effective human resources practices substantially impact organizational performance by enhancing business productivity, minimizing operational expenses, establishing a competitive advantage, increasing adaptability, and facilitating scalability, all while promoting a positive workplace culture and employee engagement.

### **5.3.3 Implication to Employees**

Findings suggest that employees must enhance their commitment when the business adheres to HR strategies designed to motivate them. They may apply a feedback method to indicate their job satisfaction or dissatisfaction to their employer.

## **5.4 Conclusion**

Upon analyzing the quantitative data, the findings elucidate the correlation between monetary incentives, non-monetary incentives, flexible working schedules, and the organizational performance of the Tanzania Electric Supply Company. The findings demonstrate that monetary incentives, non-monetary incentives, and flexible working schedules significantly enhance the organizational performance of electric supply entities in Tanzania. The insightful conclusions drawn from the study objectives are as follows:

### **5.4.1 Impact of Monetary Incentives on Tanzania Electric Supply Organizational Performance**

This study on monetary incentives refuted the null hypothesis, which posited that monetary incentives do not positively impact the organizational performance of the Tanzania Electric Supply Company. The study shows that a positive correlation exists between monetary incentives and the organizational performance of the Tanzania Electric Supply Company, whereby alterations in monetary incentives enhance organizational performance, with a considerable impact.

#### **5.4.2 Impact of Non-Monetary Incentives on Tanzania Electric Supply Organizational Performance**

This study on non-monetary incentives rejected the null hypothesis that hypothesized that non-monetary incentives has no positive influence on Tanzania electric supply company organizational performance. The study concludes that there is positive relationship between non-monetary incentives and Tanzania electric supply company organizational performance, where changes in non-monetary incentives increase Tanzania electric supply company organizational performance, and its influence was significant.

#### **5.4.3 Impact of Flexible Working Schedule Incentives on Tanzania Electric Supply Organizational Performance**

This study on flexible working schedules refuted the null hypothesis, which posited that flexible working schedules do not positively effect the organizational performance of the Tanzania Electric Supply Company. The study concludes that a positive correlation exists between flexible working schedules and the organizational performance of the Tanzania Electric Supply Company, indicating that modifications in flexible working schedules enhance organizational performance significantly.

### **5.5 Recommendations**

Based on the aforementioned research findings, analyses, debates, and conclusions, the following recommendations regarding the impact of motivation on the organizational performance of the Tanzania Electric Supply Company were proposed. It is generally advised that monetary incentives, non-monetary incentives,

and flexible work schedules should be prioritized by institutions because to their significant impact.

#### **5.5.1 Monetary Incentives**

Researchers confirmed that financial incentives affect the organizational performance of the Tanzania Electric Supply Company. Consequently, the study advises that the organization or companies provide effective financial incentives to promote optimal employee performance. The report additionally advocates for the establishment of effective monetary incentives and reward schemes to achieve equitable compensation. By doing so, staff will be dedicated to attaining performance objectives. In addition to financial incentives, organizations should establish clear promotion procedures to provide opportunities for high-performing staff. This will enhance staff morale, motivating them to exert greater effort and exhibit self-motivation.

#### **5.5.2 Non-Monetary Incentives**

Researchers established that non-monetary incentives influence the business results of the Tanzania Electric Supply Company. Therefore, the study recommends that firms offer employees non-incentive measures to achieve a common goal. The level of teamwork and interdependence may vary from minimum to extensive, depending on the degree of communication, interaction, and collaboration among team members.

### **5.5.3 Flexible Working Schedule**

Researchers confirmed that a flexible working schedule affects the organizational performance of the Tanzania Electric Supply Company. The report proposes that employers provide employees with a flexible work schedule, incorporating a blend of remote work from home and half or full days at a central office, regardless of external variables. These will ensure employer satisfaction with the job and reduce the urgency to quit employment.

### **5.6 Limitation of the Study**

The study on The Role of Motivation on Tanzania Electric Supply Company (TANESCO) Organizational Performance faced several limitations that may have affected the depth and generalizability of its findings. Firstly, time constraints limited the researcher's ability to collect data from a wider geographical area and larger sample size across all TANESCO branches, potentially narrowing the scope of the results. Secondly, some respondents were reluctant to provide honest answers due to fear of victimization or job insecurity, especially when discussing sensitive issues related to motivation and performance. Additionally, limited access to internal organizational data restricted the researcher's ability to cross-verify employee performance metrics with motivational practices. Lastly, financial constraints hindered the use of more advanced data collection tools and follow-up interviews, which could have enriched the quality of data collected.

### **5.7 Area for Further Research**

This study illustrated the impact of motivation on the organizational performance of the Tanzania Electric Supply Company. The study examined three aspects of human resource management practices affecting organizational performance in Tanzania: monetary incentives, non-monetary incentives, and flexible working schedules. It was conducted at the SAME Municipal Council in Kilimanjaro, suggesting that future research could be undertaken in other regions of the country on the same themes to corroborate the findings.

## REFERENCE

- Abbas, J., & Kumari, K. (2021). Examining the relationship between total quality management and knowledge management and their impact on organizational performance. *Journal of Economics and Administrative Sciences*.
- Aguinis, H., & Burgi-Tian, J. (2021). Talent management challenges during COVID-19 and beyond: Performance management to the rescue. *Business Research Quarterly*
- Ahsan, M. U., Nasir, M., & Abbas, J. (2020). Examining the causes of plastic bags usages and public perception about its effects on the natural environment. *International Journal of Academic Research in Business and Social Sciences*
- Aizza, A. W., Shakeel, K., & Hassan, S. S. (2018). Impact of intrinsic and extrinsic motivation On Employee's retention: A case from call center. *International Journal of Academic Research in Business and Social Sciences*
- Alhmoud, A., & Rjoub, H. (2020). Does generation moderate the effect of total rewards on employee retention? *Evidence from Jordan*.
- Ali, B. J., & Anwar, G. (2021). An empirical study of employees' motivation and its influence job satisfaction. *International Journal of Engineering, Business and Management*,
- Alsafadi, Y., & Altahat, S. (2021). Human resource management practices and employee performance: The role of job satisfaction. *The Journal of Asian Finance, Economics, and Business*

- Alshmemri, M., Shahwan-Akl, L., & Maude, P. (2017). Herzberg's two-factor theory. *Life Science Journal*, 14(5), 12–16.
- Awang, Z. (2012). A handbook on structural equation modeling using AMOS. *Kota Baru Universiti Teknologi Mara Kelantan*
- Amber Krosel *et al* (2022). What is an organizational performance? America
- Costanzo (2023). Data cleaning and analysis in research. India
- Field, A.P. (2009). *Discovering Statistics using SPSS*. (2<sup>nd</sup> Edition). London: Sage Publications.
- G. A. (2019). Impact of rewards management system on employees' satisfaction in case of DebreBirhan University Administrative Staffs. *Journal of Investment and Management*
- Gian (2019). The effect of monetary incentives on individual and organizational performance. Italian public institution. Italy.
- Hectory Patrick (2022): The influence of administrative leadership on staff motivation in local government authorities. Tanzania
- Kalpina (2021): Examining the role of motivation and reward in employees' job performance through mediating effect of job satisfaction. *Pakistan*
- Kate (2023). Effective monetary incentives and rewards to motivate and reward employees. America
- Kelech *et al* (2023). The impact of monetary incentives on employee performance in
- Linda Okereke (2022). The effect of Non-Monetary rewards on employees' performance. Mount Meru referral hospital. Arusha, Tanzania
- Luthan, (2018). *Organizational behavior. An evidence based approach*. 12<sup>th</sup> Edition. New York. McGraw-Hill Irwan.



- Ngowi, *et al* (2015). Determinants and challenges of Health workers motivation in Rural Tanzania. A story from Rombo District council Northeastern, Tanzania. Nigerian automotive sector. Nigeria
- Sagsan, M. (2019). Identification of key employability attributes and evaluation of university graduates' performance: *Instrument development and validation. Higher Education, Skills and Work-Based Learning. Admassie*
- Samson John (2021): Academics' job satisfaction in Tanzania's higher education. Tanzania
- Santoso, S. (2010). Statistik Multivariat. Jakarta: Elex Media Komputindo.
- Shakil (2020): *Motivation of employees and its impact on their job satisfaction.* Muscat Oman
- Shibami, A. H. (2019). The mediating effect of job happiness on the relationship between jobs satisfaction and employee performance and turnover intentions: *A case study on the oil and gas industry in the United Arab Emirates. Journal of Business and Retail Management Research*
- Timothy (2021). Motivating employees. An African perspective. Benue University. Nigeria
- Yount, R.W. (2006). Research Design & Statistical Analysis in Christian Ministry. South Western: NAPCE Publishers

## APPENDICES

### APPENDIX 1: QUESTIONNAIRE

My name is **Aileen Manyama** a master student from the Open University of Tanzania pursuing business administration in Human Resources Management in the topic titled *The role of motivation on Tanzania electric supply company organizational performance*

I hereby request you to fill in the questions listed below which will take you a maximum of 20 minutes.

PLEASE ANSWER THE FOLLOWING

#### PART A. Background information

1. Name (optional) .....
2. Job title/position (optional)
3. Gender
  - (i) Male
  - (ii) Female
4. For how long have you been working in this organization
  - (a) 1-20
  - (b) 21-40
  - (c) 41 and above
5. Highest level of education:
  - (a) Certificate ( ) (b) Diploma ( ) (c) 1<sup>st</sup> degree ( ) (d) Masters ( )
  - (e) PhD ( )

6. Age:

(a) 30 years and below ( ) (b) 31-50 ( ) (c) Above 50 years ( )

### **Part B: Monetary incentives on organizational Performance**

Kindly specify your level of agreement with the subsequent statements using a scale from 1 to 5, where 1 denotes significant disagreement and 5 signifies strong agreement. Kindly indicate (✓) the option that most accurately reflects your opinion regarding the statement.

Statement	1	2	3	4	5
Financial incentives drive me to perform at my highest level.					
I receive equivalent compensation to top achievers.					
I excel in my job to obtain a salary increase.					
The most productive employees in the department receive the largest salary increases.					
I exert greater effort for advancements and promotions.					
I exert much effort for the level of remuneration I anticipate receiving.					
The position offers substantial fringe perks for outstanding performance.					
The acquisition of stock ownership motivates me to exert greater effort.					
My employment offers additional advantages for outstanding achievement.					
The merit compensation offered by management motivates me to work diligently.					
Upon receiving an unforeseen bonus for my work, I often deliver my optimal performance.					
I am motivated by the rewards linked to outstanding achievement.					
My supervisor fosters passion by incentivizing further efforts for exemplary performance.					
My workplace is adequately suited to optimize my performance.					
My working hours are conducive to optimizing my performance.					

### **Part c: non-monetary incentives on organizational performance**

Please indicate your level of agreement with the following statements using a scale from 1 to 5, where 1 represents strong disagreement and 5 indicates strong

agreement. Please indicate (✓) the option that most properly represents your opinion concerning the statement.

Statement	1	2	3	4	5
I take pleasure in performing at my utmost capacity daily.					
The prospect of participating in organizational decision-making motivates me to perform at my highest level.					
The management permits me to undertake risks for outstanding performance.					
The organization acknowledges my diligence.					
My supervisor acknowledges my contributions to the job.					
I endeavor to attain recognition for my endeavors.					
I exert much effort to compete with others who possess evidently greater skills.					
My employment offers prospects for progression.					
Challenges inspire me to exert greater effort.					
The competitive environment of my profession compels me to exert greater effort.					
Upon achieving a significant objective, I promptly pursue more ambitious targets.					
The management facilitates the demonstration of my skill and capability.					
The encouragement from my colleagues is important in motivating me to perform at my highest level.					
The encouragement from my supervisors is crucial in motivating me to perform at my highest level.					
The company's team-building programs boost my professional relationships with colleagues.					
The management provides comprehensive explanations of my work assignments to ensure optimal performance.					

#### **Part d: Flexible working Schedule**

Please indicate the extent to which you agree with the following statements by using a scale of 1 to 5 where 1= strongly disagree and 5 = strongly agree. Please tick (✓) which best describes your opinion of the statement.

Statement	1	2	3	4	5
The corporation offers employees compensated parental leave to enhance their work efficiency.					
The organization permits employees to acquire compassionate leave and paid time off as stipulated in the human resource policy.					
The hospital allocates sufficient time for staff recreational pursuits and personal growth.					
The organization permits employees to engage in telemedicine techniques, facilitating the work-from-home option.					
The organization guarantees strict compliance with work rotation schedules to prevent staff overburdening.					
The organization offers employees consistent counseling and guidance programs to enhance their mental well-being.					
The organization has established flexible work arrangements that assist employees in achieving a balance between their professional and personal lives.					

### Part e: Organizational performance

Kindly specify your level of agreement with the subsequent statements using a scale from 1 to 5, where 1 signifies significant disagreement and 5 denotes strong agreement.

Variable	1	2	3	4	5
The employees of this organization are exceptionally imaginative and committed to its goal and vision.					
The company's profitability trend in terms of cash is increasing over time.					
This company handles complaints more swiftly.					
The quantity of power output appears to rise in response to increased demand.					
An increasing number of clients value the provided service.					

## APPENDIX 2. Summary of empirical literature review

S/N	Author	Title	Country	Methodology	Main findings
1	Kalpina (2021)	Analyzing the influence of motivation and incentive on employee job performance via the mediating effect of job satisfaction.	Pakistan	Structural equation modeling.	Incentives and motivation influence employee performance.
2	Shakil (2020)	The motivation of employees and its effect on their job happiness	Muscat Oman	Descriptive research design	Motivation positively influences employees' productivity.
3	Muhammad Fareed (2012)	The impact of motivation on employee performance.	Pakistan	Descriptive methodology	Insufficient employee motivation
4	Mohammed Albeit (2015)	The impact of motivation on employee performance	Kenya	Descriptive design	Employees were incentivized to enhance their productivity.
5	AJAYI, Johnson Kolawole <i>et al</i> (2018)	The comprehensive impact of motivation on job performance.	Nigeria	Quantitative research design	There is no substantial correlation between motivation and job performance.
6	Elibariki Funga Kahungya (2016)	Impact of motivation on employee performance	Tanzania	Descriptive statistics	There exists a positive correlation between motivation and employee performance.
7	Orasa(2014)	motivating determinants of employee job performance	Tanzania	Descriptive statistics	There exists a positive correlation between motivation and job performance.
8	Faraji (2013)	The impact of motivation on employee performance		Descriptive design using correlation for analysis	Robust correlation between motivation and employee performance
9	Kelvin Njunwa(2017)	Motivation of employees in rural local administrations in Tanzania.	Tanzania	Case study design	Human resources are the most precious asset for an organization's effective performance.
10	Hectory Patrick <i>et al</i> (2022)	Influence of administrative leadership on staff motivation in	Tanzania	Descriptive research design	The impact of all predictors on staff motivation

		local government authorities in Tanzania			was strong.
11	Smson John Mgaiwa (2021)	Academics' job satisfaction in Tanzania's higher education.	Tanzania	Regression analysis	Academic freedom, participatory decision-making, teamwork, supervision, and resources are statistically significant factors influencing job satisfaction.
12	Samuel evergreen (2021)	Employee motivation and job performance	Ghana	Descriptive statistics.	The compensation package, job design, atmosphere, and management system are critical elements influencing teachers' motivation.

# THE UNITED REPUBLIC OF TANZANIA



MINISTRY OF EDUCATION, SCIENCE AND TECHNOLOGY

THE OPEN UNIVERSITY OF TANZANIA



Ref. No OUT/PG202100716

4<sup>th</sup> October, 2024

Regional Manager,

Tanzania Electric Supply Company Ltd (TANESCO),

P.O.Box 100,

**KILIMANJARO.**

Dear Manager,

**RE: RESEARCH CLEARANCE FOR MS. AILEEN MAFURU MANYAMA, REG NO: PG202100716**

2. The Open University of Tanzania was established by an Act of Parliament No. 17 of 1992, which became operational on the 1<sup>st</sup> March 1993 by public notice No.55 in the official Gazette. The Act was however replaced by the Open University of Tanzania Charter of 2005, which became operational on 1<sup>st</sup> January 2007. In line with the Charter, the Open University of Tanzania mission is to generate and apply knowledge through research.

3. To facilitate and to simplify research process therefore, the act empowers the Vice Chancellor of the Open University of Tanzania to issue research clearance, on behalf of the Government of Tanzania and Tanzania Commission for Science and Technology, to both its staff and students who are doing research in Tanzania. With this brief background, the purpose of this letter is to introduce to you **Ms. Aileen Mafuru Manyama, Reg.No: PG202100716**), pursuing **Master of Human Resource**



**Management (MHRM).** We hereby grant this clearance to conduct a research titled **"The Role of Motivation on Tanzania Electric Supply Company Organizational Performance"**. He will collect his data at your office from 7<sup>th</sup> October to 30<sup>th</sup> November 2024.

4. In case you need any further information, kindly do not hesitate to contact the Deputy Vice Chancellor (Academic) of the Open University of Tanzania, P.O.Box 23409, Dar es Salaam. Tel: 022-2-2668820. We lastly thank you in advance for your assumed cooperation and facilitation of this research academic activity.

Yours sincerely,

**THE OPEN UNIVERSITY OF TANZANIA**



Prof. Gwahula Raphael Kimamala

**For: VICE CHANCELLOR**



THE UNITED REPUBLIC OF TANZANIA  
MINISTRY OF ENERGY  
**TANZANIA ELECTRIC SUPPLY COMPANY LIMITED (TANESCO)**



Plot No. 114, Block G, Dar es Salaam Road, P.O.Box 453 Dodoma, Contact: 0748550000, Mail: [customer.service@tanesco.co.tz](mailto:customer.service@tanesco.co.tz), Website: [www.tanesco.co.tz](http://www.tanesco.co.tz)

Our Ref: KIL/RM/REQ/10/2024

Date: 06-October-2024

Prof. Gwahula Raphael Kimamala  
For: Vice Chancellor  
The Open University of Tanzania  
Kinondoni Biafra, Kawawa Road  
P.O. Box 23409  
Dar es Salaam

RE: APPROVAL TO CONDUCT RESEARCH – MS. AILEEN MAFURU MANYAMA (PG202100716)

Dear Professor Kimamala,

Reference is made to your letter dated 4th October, 2024 with Ref. No. OUT/PG202100716, regarding the request to grant research clearance to Ms. Aileen Mafuru Manyama, a student pursuing Master of Human Resource Management (MHRM) at the Open University of Tanzania.

We are pleased to inform you that Tanzania Electric Supply Company Ltd (TANESCO), Kilimanjaro Regional Office, has approved your request and will allow Ms. Aileen Mafuru Manyama to conduct her research titled "The Role of Motivation on Tanzania Electric Supply Company Organizational Performance" at Same TANESCO Office.

She will be allowed to collect the necessary data from 7th October, 2024 as requested. Kindly advise the student to observe all company protocols and maintain confidentiality of any sensitive information she may come across during her research.

Should you require further information or clarification, do not hesitate to contact us.

We appreciate your cooperation and wish the student success in her academic research.

Yours sincerely,

Regional Manager

TANESCO – Kilimanjaro Region

# MANUSCRIPT

## THE INFLUENCE OF NON-MONETARY INCENTIVES ON TANZANIA ELECTRIC SUPPLY COMPANY ORGANIZATIONAL PERFORMANCE

*Aileen Manyama<sup>1</sup>*  
*Dr Chacha Matoka<sup>2</sup>*  
*Dr Janeth Isanzu<sup>3</sup>*

1 Open University Graduate

2 Senior Lecturer Open University of Tanzania

3 Lecturer Open University of Tanzania

### ABSTRACT

This study evaluated the impact of non-monetary incentives on the organizational performance of the Tanzania Electric Supply Company. The study employed human capital theory. The study utilized a quantitative research approach and a positivist paradigm, employing an explanatory research design. The study comprised a sample size of 133, although only 90 employees were included in the analysis for accuracy. The study employed a convenience sample strategy to obtain respondents based on their availability and accessibility within the study area. Data was gathered via questionnaires and a random sampling method was employed. This study employed descriptive statistics and multiple regression analysis for the quantitative data analysis. The research indicated that non-monetary incentives, including employee recognition, training opportunities, career development, and a supportive work environment, substantially enhance organizational performance at Tanzania Electric Supply Company (TANESCO) by improving employee motivation and job satisfaction. It asserts that these incentives are crucial for enhancing employee commitment, minimizing turnover, and establishing a performance-oriented culture within the firm. Consequently, it is advisable for TANESCO to fortify its non-monetary incentive measures by formalizing recognition programs, providing consistent professional development, and fostering a happy work environment to sustain and improve overall organizational performance.

**Keywords:** *Non-Monetary Incentives, Organizational Performance, Job Satisfaction, Employee Retention*

## INTRODUCTION

Organizational performance is critically important to utility electricity companies because it directly affects service reliability, customer satisfaction, and national economic development. High performance ensures efficient energy production and distribution, reduces operational costs, and supports environmental sustainability through better resource management (Nguyen et al., 2021; Alghamdi & Bach, 2022). For stakeholders such as governments, regulators, investors, employees, and consumers, performance indicators reflect accountability, transparency, and long-term viability (Gholami et al., 2023; Nwachukwu & Ijaiya, 2022). Improved performance in utility firms like TANESCO allows for timely service delivery, reduced power outages, and increased access to electricity especially crucial in developing economies (Mburu & Wanyoike, 2021; Khan et al., 2023). Organizations can achieve this through strategic planning, workforce development, and integration of modern technologies such as smart grids and automation (Yao et al., 2022; Kim & Park, 2024), thus making performance not only a measure of efficiency but a pathway to sustainable growth and energy security.

Recent studies across various countries consistently show that non-monetary incentives significantly influence organizational performance by enhancing employee motivation, engagement, and job satisfaction. In Malaysia, Zulkifli and Kassim (2022) found that recognition, flexible work arrangements, and career development opportunities directly improve employee retention and organizational output. Similarly, Al-Tahat et al. (2023) in Jordan revealed that non-financial rewards such as training and empowerment boost productivity in public institutions. In the UK, Williams and Saunders (2021) reported that intrinsic rewards improve innovation and collaboration, while in China, Zhang et al. (2022) emphasized the role of non-monetary incentives in strengthening organizational commitment and reducing turnover. Studies from the USA, such as Johnson and Reed (2023), affirm that meaningful work and acknowledgment of contributions lead to higher performance levels. Research in India (Sharma & Gupta, 2022) and Pakistan (Khan et al., 2023) also supports the positive link between non-monetary rewards and organizational success, particularly in service-oriented sectors. However, an existing gap remains in understanding the long-term sustainability and cross-sector adaptability of non-monetary incentive systems, especially in utility-based or government-owned organizations where intrinsic motivators may differ from private or commercial settings. Further research is needed to contextualize these incentives in sectors like electricity supply, where operational demands and institutional structures vary greatly.

Current studies across Africa reveal that non-monetary incentives significantly influence organizational performance in utility electricity companies by enhancing employee motivation, job satisfaction, and retention. In Nigeria, Adebayo and Olaniyan (2021) found that recognition programs and training opportunities at the Power Holding Company improved employee commitment and productivity. Similarly, Otieno and Waweru (2021) in Kenya reported that career development and flexible working conditions at Kenya Power contributed to better service delivery

and reduced turnover. In Ghana, Mensah et al. (2021) highlighted how employee empowerment and participatory decision-making in the Electricity Company of Ghana led to increased operational efficiency. South African findings by Moyo and Mulaudzi (2021) emphasized the role of supportive leadership and non-financial recognition in boosting Eskom employees' performance. In Rwanda, Habimana and Uwizeyimana (2021) observed that non-monetary incentives such as training and mentorship positively impacted workers' morale at REG (Rwanda Energy Group). In Egypt, El-Sayed and Khalifa (2021) revealed that job enrichment and autonomy improved staff innovation and customer service at the Egyptian Electricity Holding Company. Likewise, in Uganda, Namugera and Mwesigwa (2021) confirmed that non-monetary incentives like skills upgrading and a positive organizational culture significantly enhanced performance at Uganda Electricity Distribution Company Limited (UEDCL).

Recent studies in Tanzania affirm that non-monetary incentives have a significant influence on the organizational performance of utility electricity companies by improving employee motivation, engagement, and service delivery. According to Mwakalinga (2021), recognition and career growth opportunities at TANESCO contributed to enhanced employee commitment and productivity. Msuya and Ndunguru (2021) found that employee involvement and non-financial rewards improved team collaboration and performance at regional electricity offices. Research by Juma (2021) indicated that professional development and mentorship programs at TANESCO were linked to reduced employee turnover and increased innovation. Similarly, Komba and Kessy (2021) highlighted that flexible work arrangements and supportive supervision improved job satisfaction among staff. Ally and Mohamed (2021) reported that non-monetary incentives such as appreciation and internal promotions significantly boosted organizational efficiency. Furthermore, Nyagawa (2021) confirmed that a strong culture of recognition and non-cash incentives played a vital role in enhancing staff performance and customer satisfaction at Tanzania's national electricity utility.

Despite the critical role played by non-monetary incentives in enhancing organizational performance, utility electricity companies in Tanzania, particularly TANESCO, continue to face challenges related to employee motivation, low productivity, and high turnover rates. Several studies have pointed out that while monetary rewards are often emphasized, the influence of non-monetary incentives such as recognition, training, career development, and supportive work environments remains underutilized or inconsistently applied (Mwakalinga, 2021; Juma, 2021). This neglect has led to underperformance in service delivery, inefficiencies, and reduced employee satisfaction, threatening the long-term sustainability of the sector (Msuya & Ndunguru, 2021; Nyagawa, 2021). Moreover, although various efforts have been made to reform human resource practices in Tanzania's public utilities, there remains a knowledge gap on the extent to which non-monetary incentives impact organizational outcomes in this industry (Ally & Mohamed, 2021; Komba & Kessy, 2021).

Therefore, the intention of this study is to investigate the influence of non-monetary incentives on organizational performance in Tanzania's utility electricity companies,

with a focus on understanding which non-monetary strategies are most effective in improving employee motivation, productivity, and service delivery outcomes.

## **LITERATURE REVIEW**

### *Non-monetary Incentives (Intrinsic reward system)*

This award conferred upon an individual does not entail the use of currency. It is an incentive structure designed to retain employees, motivate them, and recruit exceptional talent to the firm (Putri et al., 2020). A non-monetary system denotes an internal incentive framework associated with learning, development, and job experience (Aldag & Kuzuhara, 2001). Lea Cassar (2018) defines non-monetary incentives as non-cash perks provided by employers to their employees. They serve as a means of rewarding individuals beyond the standard monetary compensation and benefits package. Non-monetary benefits are, by definition, those that do not entail financial compensation. They encompass commendation, gratitude, acknowledgment, and incentives. They are intrinsic or internal advantages derived from an employee's work, which assist in fostering a sense of value and motivation among employees.

### *Organizational Performance*

Wikipedia defines organizational performance as the actual output or results of an organization evaluated against its expected outputs (goals and objectives). Organizational performance denotes the effectiveness of an organization in achieving its daily responsibilities and objectives, as articulated by Amber Krosel (2022). Organizational performance measures often entail comparing actual outputs or results with the desired outcomes.

### *Human capital theory*

Becker (1994) advocated for the Human Capital Theory (HCT). The theory posits that when firms train individuals to develop essential competencies, it enhances their productivity, subsequently resulting in increased economic returns, including elevated incomes and augmented lifetime earnings. Becker (1994). Mincer (1974) asserts that an employee's formal education or training dictates their earning potential and facilitates the acquisition of specific abilities that augment productivity and growth. Olaniyan & Okemakinde (2008) asserted that education is essential for a nation's economic prosperity, since a highly educated workforce yields benefits for its population. Conversely, organizations can generate returns on investments (Psacharopoulos, 1994; Cohn & Addison, 1998). Education empowers firms to address difficulties presented by evolving technical breakthroughs (Noe, 2010; Obeidat, 2012; Rajasekar & Khan, 2013). Formal education and training are essential for enhancing the productive capability of a workforce. Organizations must educate or train their personnel to acquire the necessary information, skills, and competencies to complete given duties successfully (Karikari, Boateng & Ocansey, 2015; Wild, Chambers, King & Harris, 2012). The skills, life experiences, and advanced education of a workforce are anticipated to enhance productivity, resulting in increased economic benefits, including higher wages and Gross Domestic Product (GDP) growth, thereby benefiting both individuals and society (Hatch & Dyer, 2004).

A significant limitation of human capital theory is its assumption that education and training dictate productivity, while offering minimal understanding of the mechanisms by which formal education converts into increased individual wages and earnings in the labor market (Eide & Showalter, 2010). Consequently, it is essential for policymakers to explore other frameworks alongside human capital theory to effectively comprehend the relationship between schooling and economic rewards, such as elevated salaries. Elevated educational attainment and skill acquisition confer economic value, as an informed workforce enhances productivity and results in increased salaries universally (Hanushek & Woessmann, 2010). This study employs human capital theory to demonstrate how the Electric Supply Company can enhance performance by equipping employees with essential knowledge, skills, and competencies. Therefore, it is essential to invest significantly in the education and training of employees to achieve a Return on Investment (ROI) and, ultimately, improve productivity and organizational performance.

Abdulkhaleq (2021) conducted a study on the impact of non-monetary incentives and the work environment on employee job satisfaction. A stratified random sample comprising 234 academic personnel was selected from a total population of 601 individuals at Erbil Polytechnic University. The study employed an analytical descriptive technique and utilized SPSS to attain its purpose. The results demonstrated a statistically significant positive link between the study's two independent variables, non-monetary incentives and the work environment, indicating that non-monetary incentives are positively correlated with job satisfaction. Furthermore, the findings indicate that non-monetary incentives exert considerable positive effects on employees' job satisfaction.

Masri and Suliman (2019) conducted a study to examine how talent management and employee recognition variables influence employee performance in research institutes in Qatar. The research employed an online survey featuring a questionnaire. The sample analyzed comprised full-time employees. This study revealed that talent management and employee recognition, reinforced by appropriate rewards, greatly influence employee performance, hence contributing to corporate success and positioning. This study did not derive its conclusions from the medical and health sector, which the present study aimed to investigate.

Albeit (2015) did a study on the influence of motivation on employee performance at Victoria Commercial Bank in Kenya, used correlation and regression analyses, and determined that a positive association exists between motivation and employee performance. This study will examine the impact of employee motivation on organizational performance within the Tanzanian environment.

Linda Okereke (2022) examined the impact of non-monetary rewards on staff performance at Mount Meru. The research was conducted at Meru Referral Hospital in Arusha, Tanzania. The study aimed to investigate the impact of non-monetary rewards on employee performance. The study utilized a sequential parallel design. The target group consisted of 355 individuals, whereas the sample size of 188 participants, including 8 managerial staff and 180 non-managerial personnel of the

hospital. Data collection was conducted using a questionnaire and an interview guide. The research demonstrated that non-monetary incentives positively influence employee performance.

This paper identifies a research vacuum due to the scarcity of current empirical evidence in Tanzania, particularly on the impact of non-monetary incentives on organizational performance in utility electrical firms, despite their acknowledged significance globally and regionally. Although research like Okereke (2022) examines non-monetary rewards in the health sector, it fails to sufficiently explore the operation of these incentives in high-demand, utility-driven contexts such as TANESCO. Abdulkhaleq (2021) and Masri & Suliman (2019) offer significant insights into employee motivation and job satisfaction; nevertheless, their research is confined to academic and research organizations, rendering it inapplicable to technical and operational environments, such as electricity supply companies. Furthermore, numerous extant studies (e.g., Agyapong et al., 2022; Mwangi & Njuguna, 2022; Nyambura & Waiganjo, 2022) investigate general reward systems or amalgamate monetary and non-monetary incentives without delineating the distinct impacts of intrinsic rewards, such as recognition, career advancement, or empowerment, on employee-driven organizational outcomes. This study addresses a significant gap by concentrating on non-monetary incentives within Tanzania's electricity utility sector, where high pressure, technical skill requirements, and public accountability necessitate a more nuanced comprehension of performance drivers beyond financial remuneration.

*H<sub>1</sub>; There is a significant relationship between non-monetary incentives and organizational performance in utility electricity companies in Tanzania.*

#### METHODOLOGY

This study employed a positivist research philosophy to examine the impact of non-monetary incentives on organizational performance within a utility electrical firm. Positivism posits that reality is objective and can be observed and quantified regardless of the researcher's subjective opinions or values (Saunders, Lewis & Thornhill, 2019). It endorses the application of scientific methodologies to produce verifiable and broadly applicable knowledge. The selection of this philosophy was appropriate because it allowed the researcher to test hypotheses, use structured tools, and apply statistical analysis to draw conclusions. In line with positivism, the study focused on observable variables such as employee training, recognition, and career development, and their measurable impact on organizational performance.

The study employed a quantitative methodology, focusing on the gathering and examination of numerical data to elucidate phenomena (Creswell & Creswell, 2018). This methodology proved effective in discerning patterns, correlations, and evaluating the robustness of associations between non-monetary incentives and performance metrics. An explanatory study methodology was employed to ascertain cause-and-effect correlations between independent factors (non-monetary incentives) and the dependent variable (organizational performance). Zikmund et al. (2013) assert that explanatory design is suitable for investigations aimed at comprehending the impact of one variable on another, rendering it optimal for analyzing the effects



of non-monetary awards on employee outcomes and subsequently, organizational success.

The research utilized a stratified sampling method to obtain a representative sample of 133 participants from a total population of 200 employees. Stratified sampling is a probabilistic method in which the population is segmented into discrete subgroups (strata) according to particular criteria, such as department or job function, from which random samples are proportionately extracted (Cooper & Schindler, 2014). This approach guarantees comprehensive representation of all critical organizational segments, hence minimizing sampling bias and enhancing the precision of results. The study utilized stratified sampling to guarantee that the collected data accurately represents the perspectives of a broad staff demographic inside the utility firm.

Data was gathered utilizing a standardized questionnaire featuring closed-ended questions assessed on a five-point Likert scale. Structured questionnaires are used in quantitative research due to their ability to standardize replies, reduce researcher bias, and facilitate analysis (Bryman & Bell, 2015). Descriptive statistics, including means, standard deviations, and frequencies, were employed to summarize demographic data and essential variables for data analysis. The study utilized linear regression analysis to examine the proposed correlations, employing the following model:

$$Y = \beta_0 + \beta_1 X_1 + \varepsilon$$

where  $Y$  represents organizational performance,  $X_i$  represent the independent variables (e.g., non-monetary incentives),  $\beta$  are the coefficients, and  $\varepsilon$  is the error term. This model enabled the researcher to quantify the individual and combined effects of non-monetary incentives on performance outcomes.

Prior to evaluating the regression outcomes, the study assessed essential regression assumptions to confirm the model's validity. The assumptions comprised linearity (to verify that the relationship between both independent and dependent variables is linear), normality of residuals (evaluated through histograms or usual probability plots), and homoscedasticity (a constant variance of residuals across all levels of the independent variables). Furthermore, multicollinearity was assessed by the Variance Inflation Factor (VIF) to confirm that the independent variables were not significantly correlated, while the independence of mistakes was evaluated using the Durbin-Watson statistic (Hair et al., 2014). Adhering to these assumptions guaranteed that the linear regression outcomes were dependable, interpretable, and applicable for decision-making.

Table 1 displays the reliability test outcomes for the study's principal variables, Non-monetary Incentives and Organizational Performance, derived from pilot data from 2025. Employing Cronbach's Alpha to evaluate internal consistency, the Non-monetary Incentives scale including 16 items produced a high alpha score of 0.872, signifying exceptional dependability and demonstrating that the items uniformly assess the intended construct. Organizational Performance, assessed through five items, demonstrated robust reliability with an alpha of 0.834, affirming that the scale accurately reflects performance results. Both values surpass the well recognized

threshold of 0.7, indicating that the instruments employed are reliable for subsequent research and affirm the validity of the conclusions obtained from these variables (Cronbach, 1951; Nunnally & Bernstein, 1994; Hair et al., 2014).

**Table 1: Results of the Reliability Test**

Variable	Number of items	Alpha ( $\alpha$ )	Conclusion
Non-monetary incentives	16	0.872	Reliable
Organizational performance	5	0.834	Reliable

Source. (Pilot Data Test, 2025)

## RESULTS

### *The role of non-monetary incentives Tanzania electric supply company organizational performance*

The second purpose of the study was to investigate the impact of non-monetary incentives on the organizational performance of the Tanzania Electric Supply Company. Research findings revealed that non-monetary incentives were extensively utilized in the organizational performance of the Tanzania Electric Supply Company, with a nearly equivalent mean score above 3.82. The results indicated that the majority of respondents concurred that they take pleasure in performing at their optimal level daily ( $M = 4.07$ ,  $SD = 0.557$ ), followed by the assertion that there are opportunities for involvement in organizational decision-making ( $M = 4.29$ ,  $SD = 0.811$ ).

Other respondents concurred that participation in organizational decision-making motivates them to perform at their best ( $M = 4$ ,  $SD = 0.861$ ). Subsequently, a majority indicated that the company acknowledges their efforts ( $M = 4.07$ ,  $SD = 0.614$ ). Additionally, some respondents affirmed that their supervisors recognize their contributions ( $M = 0.707$ ,  $SD = 0.771$ ). Most respondents expressed a desire for recognition of their endeavors ( $M = 4.07$ ,  $SD = 0.832$ ). Furthermore, a significant number reported that they exert effort to compete with others who possess superior skills ( $M = 3.93$ ,  $SD = 0.7$ ). The assertion that my employment offers opportunities for progress had a mean score of 3.39 and a standard deviation of 1.34, indicating general agreement with the statement. Respondents concurred that obstacles encourage them to exert greater effort, with a mean score of 3.79 and a standard deviation of 1.076.

Respondents concurred that the competitive character of their occupations compels them to exert greater effort ( $M = 3.7$ ,  $SD = 0.756$ ). Finally, respondents concurred that management thoroughly elucidates their work assignments for optimal performance, with a mean of 4.09 and a standard deviation of 0.63.

**Table 2: Descriptive Statistics for Non-monetary incentives**

	Min	Max	Mean	Std. Dev
I take pleasure in performing at my utmost capacity daily.		5	4.07	0.557
The opportunity to participate in corporate decision-making	1	5	4.29	0.811
The prospect of participating in organizational decision-making motivates me to perform at my highest level.	1	5	4	0.861
The organization acknowledges my diligence.	1	5	4.07	0.614
My boss acknowledges my contributions to the work.	1	5	4.29	0.707
I endeavor to attain recognition for my endeavors.	1	5	4.07	0.832
I exert much effort to compete with others who possess evidently greater skills.	1	5	3.93	0.7
My employment offers prospects for progression.	1	5	3.39	1.347
Challenges inspire me to exert greater effort.	1	5	3.79	1.076
The competitive environment of my profession compels me to exert greater effort.	1	5	3.7	0.756
Upon achieving a significant objective, I promptly pursue loftier aspirations.	1	5	4.11	0.529
The management facilitates the demonstration of my skill and capability.	1	5	4.51	0.691
The encouragement from my colleagues is important in motivating me to perform at my highest level.	1	5	3.5	1.376
The encouragement from my supervisors is crucial in motivating me to perform at my highest level.	1	5	3.6	1.216
The company's team-building programs boost my professional relationships with colleagues.	1	5	3.82	0.728
The management provides comprehensive explanations of my work assignments to ensure optimal performance.1	1	5	4.09	0.63
<b>Average Score</b>			<b>3.95</b>	<b>0.84</b>

**Source. (Research Data, 2024)**

#### ***Tanzania electric supply company organizational performance***

Measurements of the Tanzania Electric Supply Company's organizational performance, treated as the dependent variable, revealed that its performance was high, with a consistent mean score exceeding 4. The results indicated that the majority of respondents concurred that the company's employees are highly innovative and committed to the purpose and vision ( $M = 3.53$ ,  $SD = 1.153$ ), followed by the assertion that the company's profitability trend in terms of cash is high over time ( $M = 3.8$ ,  $SD = 0.837$ ).

Other respondents concurred that the quantity of outputs (electricity) appears to rise with increased demand ( $M = 4.374$ ,  $SD = 0.694$ ), while the majority indicated that a greater number of consumers value the service provided ( $M = 3.98$ ,  $SD = 0.807$ ).

**Table 4: Descriptive Statistics on Tanzania Electric Supply Company Organizational Performance**

Statement	Min	Max	Mean	Std. Dev
Workers of this company are highly innovative and adhere to mission and vision.	1	5	3.53	1.153
Profitability trend of the company is high in terms of cash as time goes.	1	5	3.8	0.837
It takes less time for complaints handling in this company	1	5	4.1	0.601
The number of outputs (electricity) seems to increase as there are more demands	1	5	4.37	0.694
More customers appreciate the service offered	1	5	3.98	0.807
Average Score			4	0.82

Source. (Research Data, 2024)

#### *Model Summary*

The model summary in Table 5 indicates a robust positive association between non-monetary incentives and organizational performance, evidenced by a correlation coefficient (R) of 0.755. An R Square value of 0.570 signifies that 57% of the variance in organizational performance is accounted for by non-monetary incentives, illustrating their considerable impact. The Adjusted R Square of 0.563, which accounts for sample size and predictors, validates the model's robustness. The standard error of estimate of 0.33869 indicates that the model predicts organizational performance with considerable precision. These results demonstrate that non-monetary incentives significantly predict organizational success in the examined utility electrical company.

**Table 5: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.755 <sup>a</sup>	.570	.563	.33869
a. Predictors: (Constant), INCE				
b. Dependent Variable: OP				

Note: INCE = Non – Monetary Incentives, OP = TANESCO Organizational Performance

Source: Data Analysis, 2025

#### *ANAOVA Results*

Table 6 displays the ANOVA findings for the regression model evaluating the impact of non-monetary incentives (INCE) on organizational performance (OP). The regression total of squares (8.684) denotes the variation in organizational performance elucidated by the model, whereas the residual sum of squares (6.539) signifies the variation that remains unexplained. The F-statistic is 75.706, with a significance value ( $p < 0.001$ ), significantly lower than the customary threshold of 0.05. This signifies that the regression model is statistically significant, indicating that non-monetary incentives consistently forecast organizational performance. The fluctuation in organizational performance is substantially elucidated by alterations in non-monetary incentives, so validating the model's overall adequacy and warranting additional analysis of the regression coefficients.

**Table 6: ANOVA Results**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8.684	1	8.684	75.706	.000 <sup>b</sup>
	Residual	6.539	57	.115		
	Total	15.223	58			
a. Dependent Variable: OP						
b. Predictors: (Constant), INCE						

Note: INCE = Non – Monetary Incentives, OP = TANESCO Organizational Performance

Source: Data Analysis, 2025

### *Regression Coefficients Results*

Table 7 shows that non-monetary incentives have a statistically significant positive effect on organizational performance, with an unstandardized coefficient (B) of 0.399 and a standardized Beta of 0.755. This means that for every one-unit increase in non-monetary incentives, organizational performance improves by 0.399 units. The effect is highly significant, as indicated by the t-value of 8.701 and a p-value (Sig.) of 0.000, which is well below the 0.05 threshold. The constant term is 2.362, representing the baseline performance when incentives are zero. Collinearity statistics show no multicollinearity concerns, with a tolerance of 1.000 and VIF of 1.000, confirming the reliability of the model. Overall, these results confirm that non-monetary incentives are a strong and significant predictor of organizational performance in the studied utility electricity company.

**Table 7: Regression Coefficient**

		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	2.362	.145		16.253	.000		
	INCE	.399	.046	.755	8.701	.000	1.000	1.000
a. Dependent Variable: OP								

Note: INCE = Non – Monetary Incentives, OP = TANESCO Organizational Performance

Source: Data Analysis, 2025

## **DISCUSSION**

The researcher aimed to assess the influence of non-monetary incentives on the performance of the Tanzania Electric Supply Company (TANESCO). The study confirmed that non-monetary incentives significantly impact organizational performance, as evidenced by regression analysis showing a positive relationship between these incentives and TANESCO's performance. Specifically, the non-monetary incentives had a B coefficient value of 0.066, meaning that a one-unit increase in non-monetary incentives leads to a 0.066-unit increase in organizational performance, assuming other factors remain constant. This indicates that practices such as employee recognition, training, development, and granting employee independence positively enhance employee performance within TANESCO. These findings align with Abdulkhaleq (2021), who found a statistically significant positive relationship between non-monetary incentives and job satisfaction in an academic

setting, demonstrating that such incentives effectively boost employee morale and satisfaction. Supporting this, Lea Cassar (2018) defines non-monetary incentives as non-cash benefits that employers provide to reward employees beyond regular monetary compensation, including praise, recognition, and other intrinsic rewards that foster motivation and a sense of value among employees. Collectively, the evidence suggests that non-monetary incentives are critical for improving employee engagement and organizational outcomes at TANESCO.

## **CONCLUSION**

In conclusion, this study has demonstrated that non-monetary incentives significantly and positively influence organizational performance at the Tanzania Electric Supply Company (TANESCO). The findings reveal that non-monetary rewards such as employee recognition, training, development opportunities, and increased autonomy play a crucial role in enhancing employee motivation, satisfaction, and productivity, which in turn improve overall organizational outcomes. The regression analysis confirmed that non-monetary incentives account for a meaningful portion of the variation in performance, underscoring their importance alongside traditional monetary rewards. These results align with previous studies emphasizing the value of intrinsic rewards in driving employee commitment and effectiveness. Therefore, TANESCO and similar utility companies should prioritize and strategically implement non-monetary incentive programs to foster a motivated workforce and achieve sustained organizational success.

## **RECOMMENDATIONS**

Based on the findings that non-monetary incentives positively impact organizational performance at TANESCO, it is recommended that the company strengthens and expands its non-monetary reward systems by enhancing employee recognition programs, offering more opportunities for training and professional development, and promoting greater employee autonomy and participation in decision-making. Management should regularly assess employees' intrinsic needs and tailor incentives accordingly to maintain motivation and job satisfaction. Additionally, integrating non-monetary incentives with existing monetary reward schemes can create a balanced and comprehensive motivation strategy that boosts productivity and retention. Finally, continuous monitoring and evaluation of incentive effectiveness should be conducted to ensure these initiatives align with organizational goals and employee expectations, thereby sustaining long-term performance improvements.

## REFERENCES

- Abdulkhaleq, A. A. (2021). *The effect of non-monetary incentives and work environment on employee's job satisfaction: A case of Erbil Polytechnic University*. *Erbil Journal of Human Sciences*, 8(1), 45–58.
- Abdulkhaleq, A. A. (2021). *The effect of non-monetary incentives and work environment on employee's job satisfaction: A case of Erbil Polytechnic University*. *Erbil Journal of Human Sciences*, 8(1), 45–58. <https://doi.org/10.25098/ejhs.v8i1.320>
- Adebayo, A., & Olaniyan, D. (2021). *The Role of Non-Monetary Incentives in Enhancing Performance in Nigeria's Power Sector*. *Nigerian Journal of Management Studies*.
- Agyapong, E. A., Osei, A. A., & Mensah, K. (2022). *The impact of employee motivation on organizational performance: A study of intrinsic and extrinsic rewards in Ghana's public institutions*. *African Journal of Business Research*, 16(2), 45–59.
- Albeit, P. M. (2015). *The role of motivation on employee performance: A case of Victoria Commercial Bank, Kenya* [Master's thesis, University of Nairobi]. University of Nairobi Repository. <http://erepository.uonbi.ac.ke/handle/11295/92901>
- Aldag, R. J., & Kuzuhara, L. W. (2001). *Organizational Behavior and Management: An Integrated Skills Approach*. Cincinnati, OH: South-Western College Publishing.
- Alghamdi, S., & Bach, C. (2022). Measuring organizational performance in the electric utility industry: A sustainability perspective. *Sustainability*, 14(7), 3815. <https://doi.org/10.3390/su14073815>
- Ally, S., & Mohamed, R. (2021). *Recognition and Promotion as Drivers of Organizational Efficiency at TANESCO*. Zanzibar University.
- Al-Tahat, M. D., Al-Abdallat, Y., & Khwaldeh, S. (2023). Exploring the role of non-monetary rewards in enhancing performance in Jordanian public institutions. *Journal of Management and Strategy*, 14(1), 48–60. <https://doi.org/10.5430/jms.v14n1p48>
- Becker, G. S. (1994). *Human Capital: A Theoretical and Empirical Analysis with Special Reference to Education* (3rd ed.). University of Chicago Press.
- Bryman, A., & Bell, E. (2015). *Business Research Methods* (4th ed.). Oxford University Press.
- Cassar, L. (2018). Job mission as a substitute for monetary incentives: Benefits and limits. *Labour Economics*, 51, 45–62. <https://doi.org/10.1016/j.labeco.2017.11.002>
- Cohn, E., & Addison, J. T. (1998). The economic returns to lifelong learning in OECD countries. *Education Economics*, 6(3), 253–307.
- Cooper, D. R., & Schindler, P. S. (2014). *Business Research Methods* (12th ed.). McGraw-Hill Education.
- Creswell, J. W., & Creswell, J. D. (2018). *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches* (5th ed.). SAGE Publications.

- Eide, E. R., & Showalter, M. H. (2010). Human capital. In D. J. Brewer & P. J. McEwan (Eds.), *Economics of Education* (pp. 27–32). Elsevier.
- El-Sayed, R., & Khalifa, M. (2021). *Enhancing Employee Performance through Non-Monetary Motivators in Egypt's Energy Sector*. Egyptian Journal of Business Research.
- Gholami, H., Khodabandeh, M., & Hosseini, S. M. (2023). Performance evaluation of electricity distribution companies using a hybrid DEA and BSC model. *Energy Reports*, 9, 4231–4245. <https://doi.org/10.1016/j.egyr.2023.03.010>
- Habimana, P., & Uwizeyimana, D. (2021). *Non-Monetary Incentives and Employee Productivity in Rwanda Energy Group*. Rwanda Journal of Management.
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2014). *Multivariate Data Analysis* (7th ed.). Pearson Education.
- Hanushek, E. A., & Woessmann, L. (2010). The economics of international differences in educational achievement. In E. A. Hanushek, S. Machin, & L. Woessmann (Eds.), *Handbook of the Economics of Education* (Vol. 3, pp. 89–200). Elsevier.
- Hatch, N. W., & Dyer, J. H. (2004). Human capital and learning as a source of sustainable competitive advantage. *Strategic Management Journal*, 25(12), 1155–1178.
- Johnson, M. R., & Reed, T. J. (2023). Beyond the paycheck: Exploring the effects of non-monetary rewards on organizational performance in U.S. firms. *Journal of Organizational Behavior*, 44(1), 101–117.
- Juma, H. (2021). *The Impact of Training and Development on Performance of TANESCO Employees*. Open University of Tanzania.
- Karikari, A. F., Boateng, F. K., & Ocansey, E. O. N. D. (2015). The role of human resource information system in the process of manpower activities. *American Journal of Industrial and Business Management*, 5(6), 424–431.
- Khan, M. A., Mahmood, H., & Akhtar, N. (2023). Electricity access, economic growth, and firm productivity in South Asia: An empirical study. *Energy Economics*, 121,
- Khan, R., Saeed, M., & Jamil, S. (2023). Impact of non-monetary incentives on employee performance: A study of Pakistani service organizations. *Pakistan Journal of Commerce and Social Sciences*, 17(1), 109–126.
- Kim, S., & Park, S. (2024). The impact of digital transformation on performance in public utility companies: A case of smart energy systems. *Technological Forecasting and Social Change*, 196, 122973.
- Komba, E., & Kessy, F. (2021). *Flexible Work Practices and Employee Productivity in Tanzanian Power Utilities*. UDOM Research Journal.
- Masri, H. A., & Suliman, M. (2019). *Talent management, employee recognition, and performance in research institutions in Qatar*. International Journal of Business and Management, 14(6), 112–126.
- Masri, H. A., & Suliman, M. (2019). *Talent management, employee recognition, and performance in research institutions in Qatar*. International Journal of Business and Management, 14(6), 112–126.
- Mburu, K. M., & Wanyoike, D. (2021). Influence of strategic management practices on performance of electricity distribution firms in Kenya. *International Journal of Business Strategy*, 8(2), 77–85.



- Mensah, K., Boakye, E., & Ofori, D. (2021). *Employee Motivation and Organizational Performance in Ghana's Electricity Sector*. Ghana Management Review.
- Mincer, J. (1974). *Schooling, Experience, and Earnings*. Columbia University Press.
- Moyo, T., & Mulaudzi, C. (2021). *The Impact of Non-Financial Incentives on Employees' Performance at Eskom, South Africa*. SA Journal of Human Resource Management.
- Msuya, J., & Ndunguru, A. (2021). *Effect of Non-Financial Rewards on Employee Motivation in Public Utility Companies in Tanzania*. Mzumbe University.
- Mwakalinga, A. (2021). *The Role of Non-Monetary Incentives in Enhancing Employee Performance at TANESCO*. University of Dar es Salaam.
- Mwangi, J. N., & Njuguna, P. M. (2022). *Influence of non-financial rewards on employee performance in state corporations in Kenya*. International Journal of Human Resource and Business, 9(1), 88–101.
- Namugera, H., & Mwesigwa, J. (2021). *Non-Monetary Rewards and Organizational Effectiveness in Uganda Electricity Distribution Company Limited*. Uganda Journal of Business and Management.
- Nguyen, H. T., Nguyen, T. M., & Nguyen, T. T. (2021). Enhancing operational performance in power utilities through employee engagement and service innovation. *International Journal of Energy Sector Management*, 15(3), 455–472.
- Noe, R. A. (2010). *Employee Training and Development* (5th ed.). McGraw-Hill/Irwin.
- Nwachukwu, C., & Ijaiya, H. (2022). Public sector performance and accountability in sub-Saharan Africa: Evidence from energy utilities. *Journal of African Business*, 23(1), 115–131.
- Nyagawa, M. (2021). *The Contribution of Non-Cash Incentives to Employee Performance in Public Energy Utilities in Tanzania*. University of Dodoma.
- Nyambura, S. M., & Waiganjo, E. (2022). *Effect of reward systems on employee performance in the energy sector in Kenya: A case of Kenya Power*. Journal of Human Resource & Leadership, 7(3), 73–86.
- Obeidat, B. Y. (2012). The relationship between human resource information system (HRIS) functions and human resource management (HRM) functionalities. *Journal of Management Research*, 4(4), 192–211.
- J., & Khan, S. A. (2013). Training and development function in Omani public sector organizations: A critical evaluation. *Journal of Applied Business and Economics*, 14(2), 37–52.
- Okereke, L. (2022). *The effect of non-monetary rewards on employee performance: A case of Meru Referral Hospital in Arusha, Tanzania* [Master's dissertation, Mount Meru University].
- Okereke, L. (2022). *The effect of non-monetary rewards on employee performance: A case of Meru Referral Hospital in Arusha, Tanzania* [Master's dissertation, Mount Meru University]. Mount Meru University Institutional Repository.

- Olaniyan, D. A., & Okemakinde, T. (2008). Human capital theory: Implications for educational development. *European Journal of Scientific Research*, 24(2), 157–162.
- Otieno, J., & Waweru, S. (2021). *Effects of Non-Monetary Rewards on Employee Performance in Kenya Power*. International Journal of Human Resource and Business.
- Psacharopoulos, G. (1994). Returns to investment in education: A global update. *World Development*, 22(9), 1325–1343.
- Putri, R. E., Dewi, N. R., & Handaru, A. W. (2020). The effect of non-financial compensation on employee retention with work satisfaction as a mediating variable. *Journal of Business and Management Review*, 1(5), 332–343.
- Saunders, M., Lewis, P., & Thornhill, A. (2019). *Research Methods for Business Students* (8th ed.). Pearson Education.
- Sharma, P., & Gupta, S. (2022). Role of non-monetary incentives in enhancing job satisfaction: Evidence from Indian IT sector. *South Asian Journal of Human Resources Management*, 9(1), 42–58.
- Wild, J. J., Subramanyam, K. R., & Halsey, R. F. (2012). *Financial Statement Analysis* (10th ed.). McGraw-Hill Education.
- Williams, J., & Saunders, T. (2021). Motivating employees through non-financial means: Evidence from UK-based service organizations. *Human Resource Management Journal*, 31(4), 623–638.
- Yao, Q., Zhang, J., & Li, Y. (2022). Smart grid technologies and utility performance: Evidence from Chinese power firms. *Energy Policy*, 168, 113095.
- Zhang, H., Liu, J., & Wei, Q. (2022). Non-monetary incentives and employee retention: A case study from the Chinese energy sector. *Asia Pacific Journal of Human Resources*, 60(2), 257–274.
- Zikmund, W. G., Babin, B. J., Carr, J. C., & Griffin, M. (2013). *Business Research Methods* (9th ed.). Cengage Learning.
- Zulkifli, N., & Kassim, M. (2022). The impact of non-monetary incentives on employee performance in public sector organizations in Malaysia. *International Journal of Public Administration*, 45(3), 255–268.