**ASSESSMENT OF MOTIVATION AND ITS IMPACT ON EMPLOYEES’ PERFORMANCE IN GOAL ATTAINMENT: A CASE OF VODACOM TANZANIA LIMITED**

**ROSEMARY W. MUZE**

**A DISSERTATION SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF HUMAN RESOURCE MANAGEMENT OF THE OPEN UNIVERSITY OF TANZANIA**

**2014**

# CERTIFICATION

The undersigned certifies and hereby recommends for the acceptance, by The Open University of Tanzania, a dissertation titled “**Assessment of Motivation and its Impact on Employees’ Performance in Goal Attainment: A Case of Vodacom Tanzania Limited”,** in partial fulfillment of the requirements for the degree of Master of Human Resource Management of The Open University of Tanzania.

**………………………..……………**

**Dr. Augustine Y. Hangi**

(Supervisor)

**………………………..……………**

Date

# COPYRIGHT

This dissertation is a copyright material protected under the Berne Convention, the Copyright Act 1999 and other international and national enactments, in that behalf, on intellectual property. No part of this dissertation may be submitted or reproduced, stored in any retrieval system, or transmitted in any form by any means, electronic or mechanical photocopying, recording or otherwise without prior written permission of the author or The Open University of Tanzania in that behalf.

# DECLARATION

I, **Rosemary W. Muze,** do herebydeclare that this dissertation is my own original work and that it has not been presented to any other university or institution for a similar or any other degree award.

**…………..……………**

Signature

**…………..……………**

Date

# DEDICATION

This report is dedicated to my lovely family who inspired me very much in my academic pursuit till accomplishment of my studies. Indeed all the family members contributed immeasurably and untiringly in their support and encouragement in my entire period of the course study.

# ACKNOWLEDGEMENT

I acknowledge everyone who, in one way or another, has contributed by way of support, advice, cooperation and guidance towards making this study a success. I am greatly indebted to my supervisor, Dr. Augustine Y. Hangi,who has supervised this work from its initial stage up to its completion.

I greatly acknowledge the financial assistance from my employer and his patience during the whole study duration. I, also wish to express my gratitude to all respondents in the study area, for their kindness, great cooperation during the whole period of data collection. They have been a very critical link in facilitating accomplishment of the study.

Special acknowledgement goes to my family, in particular my son, Moses Maira Jr. and mother, Susan Omari for their kindness and moral support during the study period. Further appreciation is extended to all my colleagues who have read this manuscript and advised me in one way or another.

# ABSTRACT

Generally, the study intends to assess the influence of motivation on employees’ performance in goal attainment. The study was carried out in Dar es Salaam. The objectives of the study were: to assess the criteria, which are being used by companies in motivating their employees; to examine the obstacles, which face companies in motivating their employees; and to assess the impact of motivation on employees’ performance.

A case study design was done using a sample of 63 employees. In collecting the primary data, the study used questionnaire and interview tools. Data was analyzed by using Statistical Package for Social Sciences (SPSS) and tables and figures were used to present data.

The study found out that provision of a positive working environment for employees is a major criteria used by the company to motivate its employees. Also, the study also found out that, employee turnover as the main challenge or obstacle in motivating employees at the company.

The study concluded that there are various criteria used to motivate the employees. These involve provision of a positive working environment, recognition, reward and reinforcing the right behavior, employee relationship and developing skills and other potential. The study recommends, among other aspects, that Human Resource Department need to implement motivational activities at the workplace.

# TABLE OF CONTENT

[CERTIFICATION ii](#_Toc405016087)

[COPYRIGHT iii](#_Toc405016088)

[DECLARATION iv](#_Toc405016089)

[DEDICATION v](#_Toc405016090)

[ACKNOWLEDGEMENT vi](#_Toc405016091)

[ABSTRACT vii](#_Toc405016092)

[TABLE OF CONTENT viii](#_Toc405016093)

[LIST OF FIGURES xi](#_Toc405016094)

[LIST OF TABLES xii](#_Toc405016095)

[LIST OF ABBREVIATIONS……………………………………………………. xiii](#_Toc405016096)

[CHAPTER ONE 1](#_Toc405016097)

[1.0 INTRODUCTION 1](#_Toc405016098)

[1.1 Background to the Problem 1](#_Toc405016099)

[1.2 Statement of the Problem 3](#_Toc405016100)

[1.3 Objective of the Study 4](#_Toc405016101)

[1.4 Research Questions 5](#_Toc405016102)

[1.5 Significance of the Study 5](#_Toc405016103)

[1.6 Scope of the Study 6](#_Toc405016104)

[CHAPTER TWO 7](#_Toc405016105)

[2.0 LITERATURE REVIEW 7](#_Toc405016106)

[2.1 Introduction 7](#_Toc405016107)

[2.2 Theoretical Literature Review 7](#_Toc405016108)

[2.2.1 Definition of the Terms 7](#_Toc405016109)

[2.2.2 The Concept of Work Motivation 8](#_Toc405016110)

[2.2.3 Types of Motivation 14](#_Toc405016111)

[2.2.4 The Importance of Motivation to Employees 15](#_Toc405016112)

[2.2.5 Motivation, Retention and Goal Attainment 15](#_Toc405016113)

[2.2.6 Theories of Motivation 23](#_Toc405016114)

[2.2.6.1 Maslow’s Hierarchy of Needs 23](#_Toc405016115)

[2.2.6.2 Herzberg Motivation/Hygiene Theory 24](#_Toc405016116)

[2.3 Empirical Literature Review 25](#_Toc405016117)

[2.4 Conceptual Framework 28](#_Toc405016118)

[CHAPTER THREE 30](#_Toc405016119)

[3.0 RESEARCH METHODOLGY 30](#_Toc405016120)

[3.1 Introduction 30](#_Toc405016121)

[3.2 Area of Study 30](#_Toc405016122)

[3.3 Research Design 30](#_Toc405016123)

[3.4 Study Population 31](#_Toc405016124)

[3.5 Sample Size and Sampling Procedure 31](#_Toc405016125)

[3.6S ources of Data 32](#_Toc405016126)

[3.6.1 Primary Data 33](#_Toc405016127)

[3.6.2 Secondary Data 33](#_Toc405016128)

[3.7 Data Collection Methods 33](#_Toc405016129)

[3.7.1 Interview 33](#_Toc405016130)

[3.7.2 Questionnaire 34](#_Toc405016131)

[3.7.3 Document Review 34](#_Toc405016132)

[3.8 Data Analysis Techniques 35](#_Toc405016133)

[CHAPTER FOUR 37](#_Toc405016134)

[4.0 RESEARCH FINDINGS 37](#_Toc405016135)

[4.1 Introduction 37](#_Toc405016136)

[4.2 Characteristics of the Respondents 37](#_Toc405016137)

[4.2.1 Respondents Distribution by Age 37](#_Toc405016138)

[4.2.2 Respondents Distribution by Gender 38](#_Toc405016139)

[4.2.3 Respondents Distribution by Level of Education 39](#_Toc405016140)

[4.2.4 Occupation of the Respondents 40](#_Toc405016141)

[4.3 Results for Research Objectives 41](#_Toc405016142)

[4.3.1 The Criteria Used to Motivate Employees 42](#_Toc405016143)

[4.3.2 Obstacles in Motivating the Employees 47](#_Toc405016144)

[4.3.3 Impact of Motivation 52](#_Toc405016147)

[CHAPTER FIVE 55](#_Toc405016148)

[5.0 DISCUSSION OF FINDINDS, CONCLUSION AND RECOMMENDATIONS 55](#_Toc405016149)

[5.1 Introduction 55](#_Toc405016150)

[5.2 Discussion of Findings 55](#_Toc405016151)

[5.2.1 What are the Criteria which are being used by Companies in Motivating their Employees? 55](#_Toc405016152)

[5.2.2 What are the Obstacles facing Companies in Motivating their Employees? 56](#_Toc405016153)

[5.2.3 What are the Iimpacts of Mmotivation on Eemployees’’ Pperformance? 57](#_Toc405016154)

[5.3 Conclusion 58](#_Toc405016155)

[5.3.1 Criteria used to Motivate Employees 58](#_Toc405016156)

[5.3.2 Obstacles in Motivating Employees 59](#_Toc405016157)

[5.3.3 The Impacts of Motivation on Employees’ Performance 59](#_Toc405016158)

[5.4 Recommendations 60](#_Toc405016159)

[REFERENCES 62](#_Toc405016160)

[APPENDICES 67](#_Toc405016161)

# LIST OF FIGURES

[Figure 1: Maslow’s Need Hierarchy 24](#_Toc405018475)

[Figure 2: Conceptual Framework 29](#_Toc405018476)

# LIST OF TABLES

[Table 3. 1: Sample Distribution 32](#_Toc399834157)

[Table 4. 1: Age Distribution of the Respondents 38](#_Toc401053705)

[Table 4. 2: Gender Mix of the Respondents 38](#_Toc401053706)

[Table 4. 3: Occupation of the Respondents 40](#_Toc401053707)

[Table 4. 4: Awareness of the Criteria Used To Motivate the Employees 42](#_Toc401053708)

[Table 4. 5: The Criteria Used to Motivate Employees 43](#_Toc401053709)

[Table 4. 6: Motivation Criteria has Positive Impact on Employees’ Performance 46](#_Toc401053710)

[Table 4. 7: Awareness on Obstacles Facing Motivation Programs 47](#_Toc401053711)

[Table 4. 8: Obstacles in Motivating the Employees 48](#_Toc401053712)

[Table 4. 9: Some Effort to Overcome Obstacles Facing Motivation 51](#_Toc401053713)

[Table 4. 10: Awareness on the Impacts of Motivation on Employees’ Performance 52](#_Toc401053714)

[Table 4. 11: The Impacts of Motivation on Employees’ Performance 53](#_Toc401053715)

Table 4.12: Awareness on the Impacts of Motivation on Employees’

Performance…………………………………………….…………………..52

Table 4. 13: The Impacts of Motivation on Employees’ Performance…………………53

# LIST OF ABBREVIATIONS

DBMS - Database Management System

EM - Extrinsic Motivation

EP - Employees’ Performance

HR - Human Resource

IM - Intrinsic Motivation

SPSS - Statistical Package for Social Sciences

# CHAPTER ONE

# INTRODUCTION

# 1.1 Background to the Problem

Early in the 1950’s when the selling process was at its middle stage; most employers treated their employees harshly and did not treat them as a firm’s asset. This was because of many factors such as competition, rise of skilled labor and rise of labor unions (Memmott and Growers, 2012; Salanova and Kirmanen, 2010).

The advancement of labor unions and the worsening working conditions in the industrial age, made it a must for the employers to constantly motivate their employees so as to give them support and encourage their performance (Evans, 2010).

The importance of motivation even led some known marketing researchers and scholars to develop some motivation theories such as; Abraham Maslow’s Hierarchical Arrangement of Needs, Hertzberg’s Motivational Factors and Vroom’s Expectancy Theory. All these scholars tried to explain the concept of motivation both from outside and from within the employees themselves (Salanova and Kirmanen, 2010).

The concept of employee motivation is not at all a new idea, as it has been around for a long time due to employee and employer relations. While the concept itself is not new, new research and awareness have made new aspects of employee motivation not only a possibility, but a reality in the world today. Recent beliefs and ideas have introduced new concepts to the field of employee motivation (Charles and Marshall, 2012). One of the most common *new* areas of growth in the area of employee motivation is through the use of work teams. Employee motivation is one of the important factors that can help the employer to improve employee and organizational performance (Sandhya and Kumar, 2011).

Motivation seems to be one of the most important tools for retaining employees and increases productivity. Organizations design motivation systems are meant to encourage employees to perform in the most effective way but also to attract potential candidates. The key to create the efficient motivation system is an answer to the question what really motivate employees. One of many ways to motivate and retain employees is by giving traditional rewards. The employer cannot and should not wait for the employee to come and ask for a raise or recognition, the employer should be the one to recognize employee performance and should reward good performance with monetary, benefits and compensation incentives (Memmott and Growers, 2012).

A good employer should know how to attract and retain his employees (Alkandari, 2009). There might be many other strategies to keep the employees comfortable in the present job but motivation strategies boost the employees on day to day basis. Contrary to modern belief, monetary compensation is not the highest employee motivator. According to the Cruceru and Mihaela (2009), nine out of ten managers think people stay or go because of money. Open communication tends to keep employees informed on key issues. Most importantly, they need to know that their opinions matter and that management is 100 percent interested in their input. Employee Reward Programs as positive recognition for work boosts the motivational levels of employees. Recognition can be made explicit by providing awards like best employee of the month or punctuality award. Project based recognition also has great significance. The award can

be in terms of gifts or money (Sandhya and Kumar, 2011).

Motivation factors can be arranged in a hierarchical manner with lower level needs being a prerequisite of higher order needs. The bottom tier consists of physiological needs, food and shelter. After an individual has accomplished gratification of the physiological needs, the next tier progresses to needs consisting of safety and security, needs for love, affection, and belongingness exist in the tier above safety and security, then begins to start higher level needs as the two bottom tiers were physical needs. The next tier above social needs consists of ego and esteem needs. After these needs are met the final tier consists of the need for self actualization, to be completely developed as a person (Johnson, 2007). According to Maslow, self-actualization or ego needs can never be fully satisfied (Tesone, 2005).

# 1.2 Statement of the Problem

The importance of employee retention and work motivation is growing all the time for companies. However, most of Tanzanian companies do not emphasize on motivation of an employee, this results into employee’s mobility and poor performance as well as low company’s productivity (Mboya, 2010). Motivation is a crucial factor towards increasing the performance of employees towards achieving the goals of a given organization. In any organization that has well recruited and highly skilled labor force but does not motivate them, then the employees’ performance becomes low and the bottom line is that the achievements of the organization goals will be difficult if not impossible. Low motivation or complete lack of motivation in the current years at any organization within Tanzania or across the world has led to high employees’ turnover, inefficiency, fraud, corruption, and indiscipline at work. The lack of employees’ motivation in the organization will further cause a higher turnover, absenteeism, lack of employee retention, lower service and higher operating costs for recruitment, selection and training. Absenteeism takes place when employees do not report to work (Lee-Ross, 2009). Good Supervisors and Managers try to maintain a positive attitude, by valuing employees and treating them fairly, thus Managers and Supervisors can create a positive and supportive environment, which can result in retaining better employees and motivating employees in their jobs (Memmott and Growers, 2012).

Employee motivation can be investigated in many different ways. Research on employee motivation is thus looking for factors that are most often chosen by employees when they are asked to decide what motivates them at work. It usually consists of a number of motivating factors that are supposed to be ranked or assessed.

Motivation factors include, security, interesting work, opportunity for advancement, appreciation, company and management and intrinsic aspects of the job. Hertzberg’s theory is based on two distinct sets of factors: hygiene factors such as pay, organizations, policies, working environment and motivating factors such as recognition, promotion and achievement. From the intrinsic nature of the work, Managers can learn what kind of motivation factors should be provided to employees (Charles and Marshall, 2012). It is the role of the employers to develop and exercise different motivation policies at all times which in the end provides great benefit towards the organization.

# 1.3 Objective of the Study

Generally, the study intends to assess motivation and its impact on employees’ performance in goal attainment.

# 1.3.1 Specifically, the study intends:

1. To assess the criteria, which are being used by companies in motivating their employees;
2. To examine the obstacles, which face companies in motivating their employees; and
3. To assess the impact of motivation on employees’ performance.

# 1.4 Research Questions

The study was guided by the following questions:

1. What are the criteria which are being used by companies in motivating their employees?
2. What are the obstacles which face companies in motivating their employees?
3. What are the impacts of motivation on employees’ performance?

# 1.5 Significance of the Study

1. The study will add knowledge to the existing knowledge concerning “Assessment of Motivation and its Impact on Employees’ Performance in Goal Attainment”;
2. The study will assist in policy formulation concerning motivation in work places. The study will inform and guide policy makers on obstacles that hinder company motivation; and
3. The study will provide other researchers with areas for future research on related topic areas.

# 1.6 Scope of the Study

The study was conducted in Dar es Salaam. A sample of 63 respondents was used; these respondents were selected purposively from a population of 341 employees. The sample involved Vodacom Tanzania Limited employees and Management. The study identified the criteria that are used to motivate the employees. In addition, the study identified the various obstacles in motivating the employees. The study also examines how an organization can motivate its employees. Finally, the study makes some recommendations on what should be done in order to rectify the situation.

# 

# CHAPTER TWO

# 2.0 LITERATURE REVIEW

# 2.1 Introduction

This chapter will present theoretical and empirical literature review, conceptual framework and finally indicate any research gap.

# 2.2 Theoretical Literature Review

# 2.2.1 Definition of the Terms

Motivation is defined as the force or forces that arouse enthusiasm and persistence to pursue a certain course of action (Daft and Marcic, 2008). Motivation, derived from the Latin word meaning “to move” represents those psychological goal directed processes (Kreitner and Kinicki, 2007). Motivation has been recognized as a dilemma that managers must face because what motivates one individual may not motivate another. Motivation refers to a response to objects, people, or events in either a positive or negative way (Dessler, 2008).

Retention means retaining those employees who share the company values, proving their expertise in business and an appropriate moral profile. Staff retention is the opposite of staff turnover (Cruceru and Mihaela, 2009). A better orientation of employees can reduce turnover. Workers who are given opportunities for training and retraining, which are placed on job matching their training, are less inclined to leave the organization (Miner, 2013).

Attraction refers to process of pulling employees to work with the organization. This involves provision of great pay, creative benefits and rewards. Also, attraction involves provision of fun and safe working environment (Bjorklund, 2011).

# 2.2.2 The Concept of Work Motivation

The term motive usually is explained as desires, needs, emotions or impulses that make someone do something. Following this definition, motivation is thus the state of being incited to action. Work motivation refers to motivation within a work setting. Typically, it refers to employees’ motivation to perform, stay and commitment in a company, cooperation, lead or support a leader, help customers and so forth (Bailey and Clegg, 2008). Some authors define what motivation is by explaining where it comes from. In this approach work motivation has been defined as a psychological process resulting from the reciprocal interaction between the individual and the environment that affects a person’s choices, effort, and persistence (Latham and Ernst, 2006). In other definitions work motivation is associated with the goal attainment. People are motivated to do something if they believe it is likely that it will bring desired result. People who are well motivated take action that they expect will achieve their clearly defined goals (Armstrong, 2007). Motivation is a phenomenon which cannot be directly observed. The only way to infer motivational processes is to analyze streams of behavior caused by environmental or inherited factors which can be observed through their effects on abilities, beliefs, knowledge and personality (Bjorklund, 2011).

There are probably as many definitions of motivation as researchers working on this topic. However, there are some features of motivation that are common for most definitions. It can be observed from the examples presented above that when authors describe motivation they mention an action or behavior that is directed and sustained as a result of motivation. In other words motivation is usually described as an invisible force that pushes people to behave in a certain way (Pinder, 2008).

Pinder (2008) believes that presented definition has some features that make it better than others. Firstly, it is not general as many other definitions, it presents motivation in close relation to work and careers. His definition is intended to apply behavior such as joining or leaving a company, being punctual, respecting or not respecting supervisor’s orders, inventing better ways to perform a job and accepting relocation to another place. One of the key elements that are important in defining motivation is a concept of force. It not only makes the definition consistent with other authors work but also allows motivation level to be weak or strong depending on circumstances. The idea of force suggests that motivation is related to an effort.

Motivation is primarily concerned with how behavior is activated and maintained (Bandura, 2007). In cognitive motivation, people are motivated and guide their actions through the exercise of forethought. They form beliefs about what they can do, anticipate likely positive and negative outcomes, set goals for themselves, and plan future courses of action to attain those goals or avoid aversive ones. Motivation is sometimes acquired through avoiding aversive external stimuli, such as hunger, thirst and pain. Motivation is primarily concerned with how behavior is activated and maintained. A great deal of human motivation, however, is initiated and sustained over long periods in the absence of external stimulation. The capacity to represent future consequences in thought provides one cognitively based source of motivation. Many of the things we do are designed to gain benefits and avert future difficulties. A second cognitively based source of motivation operates through goal setting and self-regulating reinforcement, which are intervening influences (Bandura, 2005).

Motivation is one of the most crucial factors that determine the efficiency and effectiveness of an organization. Motivation is an integral part of management process and every manager must motivate his subordinate to create in them the will to work (Sandhya and Kumar, 2011). High motivation provides the following advantages:

Higher efficiency: Motivation is an effective instrument in the hands of management to maximize efficiency of operations. Motivated employees give greater performance than de-motivated ones. (Sandhya and Kumar, 2011; Samba, 2007).

Optimum utilization of resources: Motivation inspires employees to make best possible use of different factors of production. Reduction in labor turnover and higher motivation leads to job satisfaction of workers. Opportunities for need satisfaction make employees loyal and committed to organizations. As a result, labor absenteeism and turnover are low (Daft and Marcic, 2008).

Facilities change: High motivation helps to reduce resistance to change. An organization has to incorporate change to cope with environmental changes. Proper motivated employees accept, introduce and implement these changes keeping the organization effective (Gupta, 2004).

Failure to satisfy needs may lead to a reduction or redirection of the motivational force towards other goals. The motivational force has three basic elements directions, intensity and duration directed to goals; force varies according to strength of individual’s desire and may last for long or short depending on the nature of the individual (Katz, 2006).

Motivation is aroused as a result of needs, which have to be satisfied. A state of tension occurs, which stimulate action. Recognize individual differences. Almost every contemporary motivation theory recognizes that employees are not homogeneous. They have different needs. They also differ in terms of attitudes, personality and other important individual variables. To this end, there is a need to match people to jobs. There is a great deal of evidence showing the benefits of carefully matching people to jobs. Do not put a high achiever into a job that is consistent with his or provide opportunities to participate in setting moderately challenging goals and that involve autonomy and feedback (Samba, 2007).

There is need to individualize rewards because employees have different needs, what acts as a re-enforcer for one, may not be for another. Managers should use their knowledge of employees’ differences to individualize the rewards over which they have control. Some of the more obvious rewards that managers allocate include pay, promotion, autonomy and opportunity to participate in goal setting and decision-making. Employee motivation can also be achieved through linking rewards to performance. Managers need to make rewards contingent on performance. Rewarding factors other than performance will only reinforce those other factors. Key rewards such as pay increases and promotion should be given (Robbins, 2009).

According to research done by Modesta, Peter in 1997/1998 at Tanesco Kidatu, it was found that, employees could perform better after being motivated. Employee’s motivation is a universal problem. It is not possible to fulfill all peoples’ needs because they differ from one person to another. Non fulfillment of these needs leads to employees’ tension and frustrations which can even affect the level of work performance at different organizations.

Effective employees’ motivation by leaders is to start with understanding peoples’ needs, desires and seeking for ways and means to satisfying the needs. Not only that, employees should get physiological satisfaction which can reduce their tension and hence strive to work efficiently and effectively for their organization. This is according to the research done by Mwakilluma, Peter J.A in 1998/1999 at Sokoine University of Agriculture (SUA) Morogoro.

In another research study by Odongo (2009), which was based on motivation profile and productivity in public enterprises, it was concluded that it has been universally accepted that people can work diligently and efficiently if there is a motive behind such work. People highly motivated assume their responsibilities heartily and it is true that where individuals are de-motivated they cannot work effectively and efficiently thereby affecting the performance of the firm (Ryan and Deci, 2010).

The lack of employees’ motivation in organization will cause a higher turnover, absenteeism, lack of employee retention, lower service, higher operating costs for recruitment, selection, and training. Absenteeism takes place when employees do not report to work (Lee-Ross, 2009). Good supervisors and managers try to maintain a positive attitude, by valuing employees and treating them fairly. Managers and supervisors can create a positive and supportive environment, which can result in retaining better employees and motivating employees in their jobs (Memmott and

Growers, 2002).

Employee motivation can be investigated in many different ways. Research on employee motivation is looking for factors that are most often chosen by employees when they are asked to decide what motivates them at work. It usually consists of a number of motivating factors that are supposed to be ranked or assessed. Motivation factors include, security, interesting work, opportunity for advancement, appreciation, company and management, intrinsic aspects of the job. Hertzberg’s theory is based on two distinct sets of factors: hygiene factors such as pay, organizations policies, working environment and motivating factors such as recognition, promotion, achievement and the intrinsic nature of the work, managers can learn what kind of motivation factors should be provided to employees (Charles and Marshall, 1992).

Generally, motivation can be intrinsic or extrinsic. Intrinsic Motivation (IM) can be described as the process of motivation by work itself in so far as it satisfies the personal needs of the employee. Intrinsic motivation is self-generated and it is thought that people seek for a job they think will most satisfy their needs (Salanova and Kirmanen, 2010).

The factors affecting intrinsic motivation include for example responsibility, freedom to act, courage to use and develop persons own skills, interesting tasks and opportunities for advancement.

Extrinsic Motivation (EM) is the amount of effort other people give to the person to motivate them. Extrinsic Motivation is for example, the rewards that management provide such as pay rise, praise or promotion. Extrinsic motivators are efficient but the influence does not last long (Rosenbloom, 2005).

Intrinsic motivators tend to have a longer effect as they are inherent and not imposed from outside. The effect of money as a motivator is discussed later in this thesis. As the needs of individuals differ a lot, it is important to concentrate carefully on the attachment of goals and incentives given when goals are accomplished. Motivation theories help to understand different motivators. Motivation theories have been examined for decades. These theories can be implemented to the company’s human resource policies to get the best out of the employees. The most efficient strategy motivation should not be based solely on intrinsic motivators neither on extrinsic motivators. By being aware of the factors that are the most important for future business persons and companies can meet the challenge of attracting, motivating and retaining employees (Salanova and Kirmanen, 2010).

# 2.2.3 Types of Motivation

Motivation can be Intrinsic or Extrinsic.Intrinsic motivation can be described as the process of motivation by work itself in so far as it satisfies the personal needs of the employee. Intrinsic motivation is self-generated and it is thought that people seek for a job they think will most satisfy their needs (Armstrong, 2007). The factors affecting intrinsic motivation include for example responsibility, freedom to act, courage to use and develop persons own skills, interesting tasks and opportunities for advancement. Extrinsic motivation is the amount of effort other people give to the person to motivate them. Extrinsic motivation is for example the rewards management provide such as pay rise, praise or promotion. Extrinsic motivators are efficient but the influence does not last long. Intrinsic motivation is defined as the doing of an activity for its inherent satisfactions rather than for some separable consequence. When intrinsically motivated a person is moved to act for the fun or challenge entailed rather than because of external prods, pressures, or rewards. In humans, intrinsic motivation is not the only form of motivation, or even of volitional activity, but it is a pervasive and important one (Ryan and Deci, 2010).

# 2.2.4 The Importance of Motivation to Employees

Rutherford (2010) stated that all managers realize that motivation is important and if employees are enthusiastic about task accomplishments, try to do their jobs at their best, the organization will benefit. Rutherford also noted that organizational goals cannot be effectively attained unless employees work together, so it is obvious that the need for teamwork in the organization is essential. One thing that managers should realize is that their jobs are not just to “motivate an employee”. All employees come to a work situation motivated to attain personal goals which they have established.

One goal for the service manager is to develop motivated employees and increase their morale about their work. Employee morale towards work, such as supervisors and peers, organization, work environment, can be defined as the feelings an employee has about all aspects of the job. There are many benefits to be gained from building good morale. Besides, there are proven relationships between morale levels, turnover, and absenteeism. However, research indicates that high employee morale levels do not always yield high productivity levels (Bjorklund, 2011).

# 2.2.5 Motivation, Retention and Goal Attainment

It is important for a company to review its organizational practices to see whether they are meeting the expectations of employees (Memmott, and Growers, 2012). The labor market continues to tighten and there are less and less available skilled, loyal and motivated employees.

Morale motivates the employee. For example, allowing employees to hold a hot dog feed or a potluck to raise money for a co-worker that has fallen on hard times due to a death of a family member or emergency, giving employee’s balloons on a birthday or sending flowers due to a birth of a child. These types of activities boosts morale, which in turn creates unity, which helps employees, feel as if they are part of a family rather than a part of an organization. It creates a great deal of job satisfaction, and a sense of security. Once an employee has been motivated by morale, retention comes more easily (Memmott and Growers, 2002).

One of many ways to motivate and retain employees is by giving traditional rewards. The employer cannot and should not wait for the employee to come and ask for a raise or recognition; the employer should be the one to recognize employee performance and should reward good performance with monetary, benefits and compensation incentives. Culture differences can create a challenge in motivating and retaining employees (Memmott and Growers, 2002).

Employee retention refers to the various policies and practices which let the employees stick to an organization for a longer period of time. Every organization invests time and money to groom a new joiner, make him a corporate ready material and bring him at par with the existing employees. The organization is completely at a loss when the employees leave their job once they are fully trained. Employee retention takes into account the various measures so that an individual stays in an organization for the maximum period of time (Gayathri and Kamalambal, 2012).

If an employer lost an employee with a great amount of experience, it would take lots of time and money to train a new employee for positive production. Experience is an intangible asset that is relied on heavily (Gayathri and Kamalambal, 2012). Every worker carries with him or her some specific experiences. Employees leave for a variety of reasons including poor supervision, unchallenging position, limited advancement opportunities, lack of recognition, limited control over work, perceived pay in equity and perception of more favorable opportunities in other companies. High employee turnover is one of the greatest causes of declining productivity and decreased morale in organizations. While morale decreases, recruiting and training cost increase and an organization can find itself in a vicious cycle.

Retaining and motivating employees requires strong managerial skills to facilitate a system to working properly: to fit company needs, employees are given the tools and conditions to achieve daily attributions. An equally important aspect is also a performance-based compensation plan that reinforces loyalty to the company employees and to encourage it to make a significant contribution (Miner, 2013). An Employee Retention Program (ERP) is said to be effective when a systematic effort is made to create and foster an environment that encourages and supports employees to remain employed by maintaining strategies and practices in place that addresses their diverse needs (Mayo, 2013). Employee Retention (ER) is a process in which the employees are encouraged to remain with the organization for the maximum period of time or until the completion of the project. Even though ER has now become a tough task, it is beneficial for the organization as well as the employee.

Retention is not only important just to reduce the turnover costs or the cost incurred by a company to recruit and train. But the need of retaining employees is more important to retain talented employees from getting poached. There are many factors which show the importance of the employee retention. They may be the turnover cost which includes hundreds of thousands of rupees to the company's expenses. In fact, it is difficult to calculate the turnover cost which includes hiring costs, training costs and productivity loss, industry experts often quote 25 percent of the average employee salary as a conservative estimate.

Company information loss is the next factor which shows the significance of retention (Alkandari, 2009). When an employee leaves the organization, he takes with him the valuable information about the organization, the customers, the current projects and also the past history of its competitors to the new employer. Lot of time and money has been spent on an employee in expectation that he will work for the organizations future return. When the employee leaves the organization the investment is not realized. Customer services are interrupted where customers and clients do business with a company in part because of the people. Turnover causes to more turnovers because when an employee terminates from the organization the effect is felt throughout the organization where co-workers are often required to pick up the slack. The unspoken negativity from the one who has been terminated often intensifies for the remaining staff (Mayo, 2013).

Company goodwill also plays an important role in retaining the employees. The maintenance of goodwill of a company is possible only if the attrition rates are low. By maintaining higher employee retention rates the employer can motivate potentially talented employees to join the organization by creating a secured environment (Sandhya and Kumar, 2011). The problem of regaining efficiency is also seen if an employee resigns. The good amount of time is lost in hiring a new employee and then training him/her which indulges loss of the company directly which many a time goes unnoticed. And even after recruiting a new employee one cannot assure the same efficiency from the new employee as the training imparted to the old employee according to the employers needs goes waste.

A better orientation of employees can reduce turnover. Workers who are given opportunities for training and retraining, which are placed on job matching their training, are less inclined to leave the organization (Garry, 2008). If people receive more general information on company performance which is desired of them, will think that's good or not remains. If individuals believe that they have the chance to be advanced, will leave the organization. Consequently, internal promotion and career planning can help keep employees in the organization.

In addition, a fair payment system can help prevent turnover. An employee who is paid less than another worker on a job with similar requirements may leave the organization if he was offered a better alternative (Barling and Phillips, 2013). In extreme cases, when a shortage of skilled employees, companies to be competitive, can spend a lot of improvement. Such situations have led to "return the funds agreements" being executed where employees leave the organization in a given period.

Another component of the process of retaining and maintaining human resources is to maintain a low stress. Stress management is to: Identify the causes which produce measures such as: changing individual responsibilities (reducing or increasing them); the empowering tasks; agreeing employee objectives; providing appropriate training (example, in time management techniques); how we select the right people and why should we help the most ambitious employees to develop their career are things whose importance becomes evident when a valuable employee resigns. Unfortunately, it is too late (Garry, 2008).

A company's ability to retain, preserve and develop human capital creates a positive perception in the human resources market, a perception that propelled the top employer brands (Miner, 2013). A high rate that helps to attract top professionals who will contribute through their company's success, staff retention is the opposite of staff turnover (Cruceru and Mihaela, 2009). Retention means retaining those employees who share the company values, proving their expertise in business and an appropriate moral profile.

Maintaining human resources is closely related to their satisfaction, so one way to reduce turnover and thereby to increase staff retention, is control over the correspondence between expected rewards and satisfaction of the employees, which can reduce the problems caused by fluctuation. Another way to eliminate the fluctuation is improving selection in employment, but to dismiss (Miner, 2013).

Apart from the retention success strategies and the different theories of motivation, there are few retention strategies which are classified into three levels bottom level, middle level and high level. The following are some of the primary key aspects that Attract and Retain Talented workforce practiced in different organizations (Sandhya and Kumar, 2011).

According to Alkandari (2009), an organization which retains its experienced hands by maintaining strong values of trust, caring fairness, and respect within the organization, freedom to operate at work, early responsibility in career, training and learning opportunities, visible, transparent and accessible leaders, competitive rewards, innovative HR programs and practices so that it can maintain the reputation.

Another organization which produces body care products for elders assures and retains its employees by performance-driven rewards. Its belief in “Growing our own timber”, comprehensive development and learning programs, flat organization, where performance could lead to very quick progression, challenging work context, competitive rewards, exhaustive induction and orientation program which ultimately attracts the new talent (Alkandari, 2009).

According to Irshad (2009),the employee satisfaction and retention are considered the cornerstone for success of organization. Past study divided it into social, mental or physical dimension. The grouping is based on social contacts at works, characteristics of the work task or the physical and material circumstances associated with work. The retention factors of the mental dimension are work characteristics, employees are retaining by flexible tasks where they can use their knowledge and see the results of their efforts. The social dimension refers to the contact employees have with other people, both internal and external. The physical dimension consists of working conditions and pay. In order to retain employees the organization need to gain information about the dynamics that characterized the motivation to work.

Van Knippenberg (2010), suggested that employee become more loyal and stay in the organization when they identify themselves within a group and contribute to the performance as a group. This suggestion relies on work performed by Locke and the goal setting theory he developed. The goal is team performance and the individual feeling part of the group. The focus of Locke was on the goal, but in order to reach the goal one must associate oneself with the group and task. Irshad (2009), describes another framework a manager can use when communicating with employees to know that the causes of retention which consist of nine different predictors; organizational processes, role challenge, values, work, life balance, information, stake/leverage/recognition, management, work environment and product or service.

Irshad (2009), recognized that not only one factor is responsible in management of employee’s retention, but there are several factors influencing employee’s retention which need to be managed congruently i.e. compensation and rewards, job security, training and developments, supervisor support culture, work environment and organization justice.

The job of human resource personnel is done perfect if it places the right person in a right job at a right place in a right time. But retention is more important than hiring. A talented employee will never fall shortage of the employment opportunities. If a person is not satisfied with the present job, he/she may switch over to another, of his/her choice. The top organizations are on the top because they care for their employees and they know how to keep them glued to the organization. Employees stay or leave organizations for many reasons which may be personal or professional. Employees who are satisfied and happy with their jobs are more dedicated and work for organization’s growth (Mayo, 2003).

# 2.2.6 Theories of Motivation

# 2.2.6.1 Maslow’s Hierarchy of Needs

Maslow’s Hierarchy of Needs must be one of the best known motivation theories in the world (Salanova and Kirmanen, 2010). Maslow is a good starting point to start examining different motivation theories. Maslow starts with the idea that people always tend to want something and what they want depends on what they already have (Rosenbloom, 2005). Maslow proposed that there are five different levels of needs people have to seek for satisfaction of their basic needs.

The first or lowest level is Physiological Needs. Before these needs which include for example food, water, shelter and clothing are fulfilled a person does not have any other needs. When people do not feel hunger, thirst or cold, their needs go to a second level. The second lowest level is Security Needs. In that level a person needs to feel secure in his/her family and in a society, and feel protected against violence (Mullins, 2007). The need for safety is manifested with job security, savings and for insurances of health, mental health, old age and disability. Love and belonging needs is the third level of Maslow’s hierarchy. After feeling secure, people need to feel that they receive and give love, they are appreciated and they have good friendships. The fourth level is esteem needs. It is the need to be unique with self-respect and to enjoy esteem from other individuals. People want to evaluate themselves highly and based on their achievement receive appreciation from other people. Lack of these needs may cause inferiority, helplessness and weakness (Mullins, 2007).

Highest level of Maslow’s Hierarchy of Needs is need of Self-actualization. The development of this need is based on the satisfaction of the other four lower levels. It refers to the need of self-fulfillment and to the tendency to become actualized in what a person is potential. The core of this theory lies in the fact that when one need is fulfilled, its strength diminishes and the strength of the next level increases (Latham, 2007). Maslow does note that one level of needs does not have to be totally fulfilled before a person moves to the next level. The individual can be partly satisfied with one level and still seek for satisfaction at the next level.

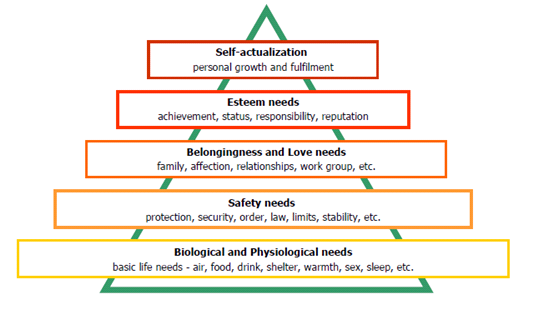


Figure 1: Maslow’s Need Hierarchy

Source: Mullins, 2010

The above diagram illustrates the various levels of needs which Maslow believed all people aspire to.

# 2.2.6.2 Herzberg Motivation/Hygiene Theory

Herzberg’s motivation/hygiene theory is also known as the two-factor theory. Herzberg started to study job satisfaction in the 1950’s in Pittsburg. The basis of Herzberg’s work is in the Maslow’s Hierarchy of Needs. He started with the idea that what causes the job satisfaction are the opposite of those things that cause job dissatisfaction (Salanova and Kirmanen, 2010). However, after studying thousands of books he could not draw any guidelines. He conducted a survey where he asked participants to identify those things that made them feel positive with their job and those that made them feel negative.

As a result Herzberg found out that what makes people happy is what they do or the way they are utilized and what makes people unhappy is the way they are treated. Things that make people satisfied at work are different from those that cause dissatisfaction so those two feelings cannot be opposite. Based on these findings Herzberg created his theory of Motivators and Hygiene factors. Both factors can motivate workers but they work for different reasons. Hygiene factors tend to cause only short-term satisfaction to the workers while motivators most probably cause longer-term job satisfaction (Mullins, 2007).

# 2.3 Empirical Literature Review

Salanova and Kirmanen (2010), made a study on employee satisfaction and work motivation, the main aim was to find out the level of employee satisfaction and to find out possible aspects of motivation for improvements.

Salanova and Kirmanen (2010), found that, work motivation consists of many different aspects. It is very important for the managers to make the employees feel motivated towards the work they do. Motivated workers are less absent from work and the productivity of the company is more likely to grow. The employees are feeling good about enjoying working everyday and performing their best. They also say it usually feels good to come to work every day. According to the results the workers do not feel so optimistic about the future success with the company, although a number of the respondents feel good about it. This might have an effect on the work motivation. Employees who feel that their future is successful at the company work better than those who are insecure about it. Workers get intrinsic motivation from the work itself. Work is supposed to fulfill the employee’s basic needs. In average most of the employees are feeling fairly satisfied with the fulfillment of their basic needs by work.

Finally the study concluded that, the workers are not satisfied with the current salary and the fairness of the wages system compared to the tasks they do. Other aspects of the wages system at the company are fairly satisfying to the employees. The company’s benefit design is done very well, since the employees show quite high satisfaction with it. Also the jobs that are offered to its employees quite satisfy their expectations except for the possibility to be promoted.

Also Riley (2009), did a study on Employee Retention, the general objective of the study was to overview employee retention. In order to identify the issues associated with employee retention, survey of all agency employees was conducted, examining three dimensions of employee satisfaction. The three aspects of employee satisfaction include: the relationship dimension, the personal growth dimension, and the system maintenance dimension. The study found that, staff encouragement is an inexpensive way to boost employee morale and motivation. Larson and Hewitt (2005) state that it is important to recognize good work both verbally and formally. The literature indicates that while it is important to correct negative behavior it is equally important to point out good work. A simple verbal praise or note from a Supervisor can make a big difference in an employee’s morale and sense of belonging to the agency.

Finally Riley (2009), concluded that, employee retention is one of the principal problems that company’s currently faces. In order to provide high quality services to clients, a company must retain an adequate number of well trained employees. Turnover rates for residential services in 2008 measured 34.5% meaning that one in every three employees in the residential program area left the agency in 2008. The high cost of training new staff, as well as service diminishment, make turnover one of the most pressing issues for the company.

Samba (2007), who did a study on Evaluation of Motivational Packages in Tanzanian Public Organizations found that inadequate payment including fringe benefits affects retention as it causes employees to consider leaving the organizations they work in for better jobs elsewhere.

Manase (2008), did a study on Assessment of the Role of Fringe Benefits Scheme in Human Resource Retention. The general objective was to assess the contribution of fringe benefits to human resource retention. Fringe benefits consist of a broad range of special payments or benefits in kinds that are made available to workers. They may include occupational sick pay, maternity pay, pensions, company cars, company canteens, housing, welfare recreation services, access to education and opportunity for personal development.

Finally Manase (2008), concluded that despite the fact that adequate fringe benefits schemes contribute to retention, their effectiveness in retaining employees depends on other factors like salary schemes, good working environment, industrial relations and career development schemes.

# 2.4 Conceptual Framework

The link between employee motivation and retention is made by dependent variable, that is goal attainment and independent variable, that is employee motivation. In order for the company to achieve its goals, it depends much on how employees are motivated.

Apart from employees motivation policy, there should also be factors which will assist motivation process to attain company goals, these are mediating factors, which include achievement, recognition, salary, company policies and work conditions.

The study assumes that employees are motivated by intermediate variables such as recognition, salary, company policy, work conditions and achievement. Employees can be retained once he/she is recognized in the company. If employees are not well retained, these will cause the gaps, that is, high labour turnover and low organizational performance, but the gaps can be filled through employees motivation, and the factors that determine employees’ motivation in organizations includes; high confidence level, morale, performance and increased retention.

Figure 2: Conceptual Framework

**Intermediate variables**

Achievement

Recognition

Salary

Company policies

Work conditions

**Independent variable**

**Employee motivation**

* High confidence level
* Morale
* Performance
* Increase retention

**Dependent variable**

**Goal Attainment**

* Labour turnover rate
* Employee competency

**GAPS**

* High labour turnover
* Low performance

Source: Researcher’s Design, 2014

# CHAPTER THREE

# RESEARCH METHODOLGY

# 3.1 Introduction

Under this chapter various aspects were addressed on the methods that were to apply in carrying out the research study, including ways on how data were collected. It described the study design, study area, sampling technique, sample size, data collection techniques and data analysis.

# 3.2 Area of Study

The study area was Vodacom Tanzania Limited.Vodacom Tanzania Limited is a subsidiary company of Vodacom Group (Pty) Limited, South Africa which is also a subsidiary of Vodafone Group UK. Vodacom Group (Pty) Limited owns a majority shares of 65 percent. The remaining 35 percent is owned by Tanzanian shareholders. The area is chosen because the company has sufficient motivation programs.

# 3.3 Research Design

A case study design research was used. According to Adam and Kamuzora (2007), a case study involves analysis of a single situation. A case study design was used because participants come from a single case. Experimental study design is not appropriate here because the study does not involve random assignment of participants into control and treatment groups. According to Saunders et. Al (2009), a case study is mostly associated with qualitative research method used to study organizations. A case study was used because it allows the use of various data collection methods so as to reach the validity and reliability coverage of the study and is cheaper and less time consuming due to limitation of resources. A case study design was used in this study because the researcher intends to gain a deep and through understanding of the phenomena and because of its flexibility of the data collection methods.

# 3.4 Study Population

This is the totality of objects under investigations (Kamuzora and Adam, 2008). For the purpose of the study, the targeted population of the study will be the Vodacom Tanzanian Limited employees and Management. The total of Vodacom Tanzania Limited employees is 341 employees. Vodacom Tanzania Limited employees were taken as a population of the study because, the study used a case study design. Vodacom Tanzania Limited was the area of the study, therefore only Vodacom Tanzanian Limited employees and Management were considered as the population of the study.

# 3.5 Sample Size and Sampling Procedure

A sample is a subject of the population. It comprises some members selected from it. In other words, some, but not all, elements of the population would form the sample. Kothari (2004), defines a sample size as the number of items to be selected from the population to constitute the sample. The researcher selected 63 respondents as a sample size that was made up by employees and Management of Vodacom Tanzania Limited in the study area. A total of 63 employees were selected purposive from a population of 341 employees. This is representative sample; this minimizes time of data collection.

Sampling is the process of selecting a sufficient number of elements from the population, so that a study of the sample and an understanding of its properties or characteristics would make it possible for us to generalize such properties or characteristics to the population element (Saunders and Thornhill, 2009). Purposive sampling was used to all respondents who participated in the sample; this sampling method involves purposive or deliberate selection of particular units of the universe for constituting a sample which represents the universe. The technique was used because some of the respondents were not available at the time of data collection as others were assigned duties out of the office.

Table 3.1: Sample Distribution

|  |  |
| --- | --- |
| **Department** | **No of employees** |
| Finance | 5 |
| Information Technology | 2 |
| Customer Care | 21 |
| Marketing | 35 |
| T**otal** | **63** |

Source: Researcher, 2014

Table 3.1 presents sample distribution of the study. Sample size of the study was 63 respondents. This is because the sample contains representative number of respondents and save time during data collection and data analysis.

# 3.6 Sources of Data

In order to get reliable data, the study used both primary and secondary data sources of information. From primary data, several data collection techniques namely interviews and questionnaire were employed. Secondary data were collected through, library search from published materials and internet/website.

# 3.6.1 Primary Data

The primary data refers to the information collected afresh and for the first time, and thus happen to be original in character. They are named primary because they are unsullied and have not been manipulated by any other person. Such data have been provided by the subjects in the sample through the scheduled interactions by using the well preferred tools. Various tools were used to obtain primary data (Kothari, 2004).

# 3.6.2 Secondary Data

The data were obtained from literature sources or data collected by other people for some other purpose. The data provide second hand information and include both raw data and published ones. Some of the data collected and stored by organizations include details on the payroll, income statement, and copies of letters and minutes of meetings, newspaper, journals and textbooks (Saunders et al, 2000). According to Kothari (2004), secondary data means data that has already been collected and analyzed by someone else.

# 3.7 Data Collection Methods

The researcher used the following data collection methods which are very useful to extract first hand information as well as second hand information.

# 3.7.1 Interview

The interview method of collecting data involves presentation of oral-verbal stimuli and reply in terms of oral-verbal responses (Kothari, 2004). This involves verbal interaction between the researcher and respondent. The researcher prepared the interview guide questions in connection to research questions. The technique was used because samples are controlled more effectively and more information in greater depth can be obtained. In addition, the technique is associated with greater flexibility, therefore the researcher has the opportunity to restructure questions so as to reach the research objectives. Interviewees were Vodacom Tanzania Limited officers from different departments. Interviews allow participants to provide rich, contextual descriptions of events. According to Saunders and Thornhill (2009), interview helps to get reliable and valid information relevant to the research. Researcher makes appointment with the respondents.

# 3.7.2 Questionnaire

A questionnaire refers to questions printed or typed in a definite order on a form or sets of forms where the respondents have to answer the questions on their own (Kothari, 2004). The researcher prepared the questionnaire, with structured and unstructured questions. Structured questionnaires are those questionnaires in which there are definite, concrete and pre-determined questions. When characteristics are not present in a questionnaire, it can be termed as unstructured (Saunders and Thornhill, 2009). This technique is chosen because it does not exert pressure to the respondents; this means respondents were free and comfortable. It comprised both open ended and close ended questions.

# 3.7.3 Document Review

Documentary review refers to the analysis of documents that contain information about that phenomenon we wish to study (Saunders and Thornhill, 2009). Document analysis consists of analyzing the contents of documentary materials such as company’s policy, company performance reports and the contents of all other verbal materials, which can be either spoken or printed. Thus, reading company’s reports and then reporting on the content, as in a book review, is not document review. This study reviewed a number of documents in relation to the problem and reviewed necessary documents for adding up information obtained from questionnaires and interview method.

# 3.8 Data Analysis Techniques

The study analyzed data by using Statistical Package for Social Science (SPSS) software. Data processing involved editing, coding, tabulation which were used as key factors in the whole process of research. This was done in order to make the research accurate and effective as follows:

Editing; this was done immediately after receiving the filled in questionnaires from respondents. It involved correction of errors that might appear in the whole process of research writing. In addition, to help the researcher to translate and look for clarification on what respondents wrote about.

Coding; after completing data editing the answers from the respondents, the data were given codes. According to Kothari (2008), coding refers to a process of assigning numerals or other symbols to answers so as responses can be put into a limited numbers of categories or classes. Coding allows efficient analysis and through it several replies may be reduced to small numbers which contain the critical information required for analysis.

Tabulation; this was done to assemble data into concise and logical order. The researcher analyzed data collected qualitatively where words were used to explain findings and quantitative analysis where the data used numbers, computation of total and percentages and data analysis base on research objectives.

# 

# CHAPTER FOUR

# 4.0 RESEARCH FINDINGS

# 4.1 Introduction

This chapter contains presentation and discussion of the research findings. The first section of the chapter discusses respondent’s characteristics, section two discusses the criteria used to motivate the employees at Vodacom Tanzania Limited. Section three presents the obstacles in motivating the employees and finally the last section gives the impact of motivation on employees’ performance.

# 4.2 Characteristics of the Respondents

This section presents background characteristics of the respondents; it presents respondents variability in their profiles based on questions asked. This section intended to explore respondents’ composition in terms of age, gender and level of education.

# 4.2.1 Respondents Distribution by Age

The study found out that age of the respondents contains different composition of all age groups as illustrated in Table 4.1. It found out that majority of the respondents (52.4 percent) were aged between 18 to 24 years. The study found out that a significant number of the respondents (31.7 percent) were aged between 25 to 34 years. The results also show that only a tiny portion (6.3 percent) was between 35 to 44 years old. Further, the study found small number of the respondents (6.3 percent) and (3.2 percent) were aged between 45 and 55 and above 55 respectively. This indicates that the study involved all age groups, which brings a sense of reliability. Therefore, respondents’ suggestions and recommendations will be considered.

**Table 4.2: Age Distribution of the Respondents**

|  | **Age** | **Frequency** | **Percent** | **Valid Percent** | **Cumulative Percent** |
| --- | --- | --- | --- | --- | --- |
| Valid | 18-24 | 33 | 52.4 | 52.4 | 52.4 |
| 25-34 | 20 | 31.7 | 31.7 | 84.1 |
| 35-44 | 4 | 6.3 | 6.3 | 90.5 |
| 45-55 | 4 | 6.3 | 6.3 | 96.8 |
| 55+ | 2 | 3.2 | 3.2 | 100.0 |
| **Total** | 63 | 100.0 | 100.0 |  |

Source: Field Data, (2014)

# 4.2.2 Respondents Distribution by Gender

The study examined gender of the respondents. The study contacted both males and females and it was found that a large number of the respondents were males. The study found out that, out of the 63 respondents, 63.5 percent were males whereas minority of the respondents (36.5 percent) was females. Table 4.2 below illustrates gender distribution of the respondents.

**Table 4.3: Gender Mix of the Respondents**

|  | **Sex** | **Frequency** | **Percent** | **Valid Percent** | **Cumulative Percent** |
| --- | --- | --- | --- | --- | --- |
| Valid | Male | 40 | 63.5 | 63.5 | 63.5 |
| Female | 23 | 36.5 | 36.5 | 100.0 |
| **Total** | 63 | 100.0 | 100.0 |  |

Source: Field Data, (2014).

# 4.2.3 Respondents Distribution by Level of Education

The study examined the level of education of the respondents. The study found out that a small number of the respondents (7.9 percent) had postgraduate diploma and masters. In addition, the study found out that of the 63 respondents, 11 (17.4 percent) had primary education, whereas (26.9 percent) of the respondents had secondary education. Figure 4.1 presents respondents distribution by level of education. It is observed that, an average portion of the respondents (23.8 percent) identified had certificate in any training meanwhile (14.2 percent) of the respondents had a first degree/advanced diploma. Moreover another portion of respondents (9.5 percent) had a diploma level of education.

Table 4. 4: Level of Education Attained by Respondents

|  | **Level of Education** | **Frequency** | **Percent** | **Valid Percent** | **Cumulative Percent** |
| --- | --- | --- | --- | --- | --- |
| Valid | Primary Education | 11 | 17.4 | 17.4 | 17.4 |
| Secondary Education | 17 | 26.9 | 26.9 | 44.3 |
| Certificate | 15 | 23.4 | 23.4 | 67.7 |
| Diploma | 6 | 9.5 | 9.5 | 77.2 |
| First Degree | 9 | 14.2 | 14.2 | 91.4 |
| Masters | 5 | 7.9 | 7.9 | 100.0 |
| **Total** | 63 | 100.0 | 100.0 |  |

Source: Field Data, (2014)

# 4.2.4 Occupation of the Respondents

The study examined occupation of the respondents. The respondents were asked to identify their occupation. From their replies the study found out that a large number of the respondents (46 percent) were subordinates employees. Also, the study found significant number of the respondents (11.1 percent) were Human Resource Officers. Further, the study found out that a small number of the respondents (4.8 percent) were Quality Managers and (6.3 percent) were Sales Officers. This indicated that the study involved respondents with sufficient background on employers’ motivation and its impact on the performance of employees towards goal attainment of the organization. Furthermore, the study found out that of the 63 respondents, 20 (31.7 percent) were operational officers, as presented in Table 4.4 below.

**Table 4.5: Occupation of the Respondents**

|  | **Occupation** | **Frequency** | **Percent** | **Valid Percent** | **Cumulative Percent** |
| --- | --- | --- | --- | --- | --- |
| Valid | Subordinate employees | 29 | 46.0 | 46.0 | 46.0 |
| Human Resources Officers | 7 | 11.1 | 11.1 | 57.1 |
| Quality Managers | 3 | 4.8 | 4.8 | 61.9 |
| Sales Officers | 4 | 6.3 | 6.3 | 68.3 |
| Operational Officers | 20 | 31.7 | 31.7 | 100.0 |
| **Total** | 63 | 100.0 | 100.0 |  |

Source: Field Data, (2014)

Table 4.4 presents occupation of the respondents. The study found out that, respondents have different positions. The study found out that large a number of the respondents (46.0 percent) were subordinate employees, as illustrated in Figure 4.4 below.

Table 4. 6: Respondents’ Occupations

|  | **Level of Education** | **Frequency** | **Percent** | **Valid Percent** | **Cumulative Percent** |
| --- | --- | --- | --- | --- | --- |
| Valid | Subordinate employee | 29 | 44.0 | 44.0 | 44.0 |
| HR officer | 7 | 11.1 | 11.1 | 55.1 |
| Quality Managers | 3 | 4.8 | 4.8 | 59.9 |
| Sales officers | 4 | 6.3 | 6.3 | 66.2 |
| Operation officers | 20 | 31.7 | 31.7 | 100.0 |
| **Total** | 63 | 100.0 | 100.0 |  |

Source: Field Data, (2014)

Table 4.5 shows occupation of the respondents. It is revealed that, out of the 63 respondents, 29 (46.0 percent) were subordinate employees. Also, the study found out that a significant number of the respondents 20 (31.7 percent) were Operation Officers. A small number of the respondents, namely 4.8 and 6.3 were Quality Managers and Sales Officers respectively.

# 4.3 Results for Research Objectives

This section presents the findings of the study in line with the objectives of the study.

The first part of this section presents the criteria used to motivate the employees whereas the obstacles faced in motivating the employees are presented in the second part. Part three of the chapter explores how an organization motivates its employees. The last section of the chapter explains the impact of motivation on employees’ performance.

# 4.3.1 The Criteria Used to Motivate Employees

The study identified the criteria used to motivate the employees. Respondents were asked if they were aware of the criteria used by Vodacom Tanzania Limited to motivate employees. The study found out that, majority of the respondents (96.8 percent) were aware of the criteria used to motivate the employees.

Table 4.7: Awareness of the Criteria Used to Motivate the Employees

|  | **Awareness** | **Frequency** | **Percent** | **Valid Percent** | **Cumulative Percent** |
| --- | --- | --- | --- | --- | --- |
| Valid | Yes | 61 | 96.8 | 96.8 | 96.8 |
| No | 2 | 3.2 | 3.2 | 100.0 |
| **Total** | 63 | 100.0 | 100.0 |  |

Source: Field Data, (2014)

Table 4.6 presents respondents awareness of the criteria used to motivate the employees. The study found that, minority of the respondents were not aware of the criteria used to motivate the employees.

Further, respondents were asked to identify the criteria used to motivate the employees. The study found that majority of the respondents (53.9 percent) identified provision of a positive working environment for employee as a major criteria used by Vodacom Tanzania Limited to motivate their employees, as presented in Table 4.7 below.

**Table 4.8: The Criteria Used to Motivate Employees**

|  | **Motivation Criteria** | **Frequency** | **Percent** | **Valid Percent** | **Cumulative Percent** |
| --- | --- | --- | --- | --- | --- |
| Valid | Provide a Positive Working Environment | 34 | 53.9 | 53.9 | 53.9 |
| Recognize, Reward and Reinforce the Right Behavior | 14 | 22.2 | 22.2 | 76.1 |
| Employee Relationship | 5 | 7.9 | 7.9 | 84 |
| Develop Skills and Potential | 7 | 11.1 | 11.1 | 95.1 |
| Evaluate and Measure | 3 | 4.7 | 4.7 | 100.0 |
| **Total** | 63 | 100.0 | 100.0 |  |

Source: Field Data, (2014).

Table 4.7 shows the criteria used to motivate the employees. The study found out that a small number of the respondents (4.7 percent) identified that evaluation and measurement as the criteria used by the company to motivate employees. Further, a small number of respondents (7.9 percent) identified employee relationship as the criteria used to motivate employees at the company. This relates to the study made by Mayo (2013), whereby the study found that employee relations involved the body of work concerned with maintaining employer and employee relationships that contributes to satisfactory productivity, motivation and morale. Essentially, Employee Relations is concerned with preventing and resolving problems involving individuals or that affect work situations. For Vodacom Tanzania Limited, training and advice is provided to Supervisors on how to correct poor performance and employee misconduct. In such instances, progressive discipline and other requirements must be considered in effecting disciplinary actions and in resolving employee grievances and appeals. Information is provided to employees to promote a better understanding of Management's goals and policies. Information is also provided to employees to assist them in correcting poor performance, on or off duty misconduct, and/or to address personal issues that affect them in the workplace. Employees are advised about applicable procedures, regulations, legislation and bargaining agreements. Employees are also advised about their grievance and appeal rights and discrimination.

Meanwhile a good number of respondents (11.1 percent) recognized development of skills and other potential as the criteria used to motivate employees at Vodacom Tanzania Limited. However a good number of respondents (22.2 percent) identified to recognize, reward and reinforce the right behaviour as the criteria used to motivate employees at an organization. This relates to the study made by Mboya (2010), which provides that employee rewards is one of the strategies to motivate employees. In addition to using pay incentives to reward the employee for reaching company goals and demonstrating loyalty to the organization, efforts can be made by the organization to improve job satisfaction. This may also increase the numbers of talented employees who stay in the company. Incentive pay may consist of cash bonuses for employees upon reaching pre-determined goals. The bonus is normally tied to accounting measures and

many times specifically to the employee’s job area.

A large number of respondents (53.9 percent) acknowledged provision of positive working environment as the criteria used to motivate employees at Vodacom Tanzania Limited. This is similar to the study made by Miner (2013), which found out that working environment in terms of office layout is good which leads the company to have better communication among all departments and promotes efficiency as it follows the flow of work. Further the layout provides for joint use of machines and equipment and optimum use, therefore a good layout aims at providing best working conditions. This improves morale of staff. Working environment in terms of working facilities were found to be enough office equipment such as printers, photocopy machines, computer, chairs, tables, adequate lighting and access of internet. These working facilities cause employees to feel comfortable during the working hours. Figure 4.4 illustrates the criteria used to motivate employees.

Figure 4. 1: The Criteria Used To Motivate Employees

Source: Field Data, (2014).

Figure 4.1 presents the criteria used to motivate employees. The study found there are different ways used to motivate employees. The study found out that of the 63 respondents, 34 (53.9 percent) identified that the company provided a positive working environment. This implies that, for large extent the company depends on positive working environment to motivate employees. Also, the study found that, out of 63 respondents, 14 (22.2 percent) suggested that, the company should recognize, reward and reinforce the right behavior.

Furthermore, the study was interested to examine if criteria used by the company has positive impact on employees’ performance. The study found out that majority of the respondents (55.5 percent) agree that criteria used by the company has positive impact on employees’ performance, as presented in Table 4.8

Table 4.9: Motivation Criteria has Positive Impact on Employees’ Performance

|  | **Responses** | **Frequency** | **Percent** | **Valid Percent** | **Cumulative Percent** |
| --- | --- | --- | --- | --- | --- |
| Valid | Strong Agree | 8 | 12.6 | 12.6 | 12.6 |
| Agree | 35 | 55.5 | 55.5 | 68.1 |
| Neutral | 2 | 3.2 | 3.2 | 71.3 |
| Disagree | 11 | 17.4 | 17.4 | 88.8 |
| Strong Disagree | 7 | 11.1 | 11.1 | 100 |
| **Total** | 63 | 100.0 | 100.0 |  |

Source: Field Data, (2014).

Table 4.8 presents responses on whether motivation criteria used by the company has positive impact on employees’ performance. The study found out that, majority of the respondents (55.5 percent) agrees that motivation criteria used by the company has positive impact on employees’ performance. This is similar to the study conducted by Miner, (2013), the study found that, most of the motivation criteria used by the company has positive impact on employees’ performance.

Also, the study found that important number of the respondents (12.5 percent) strongly agree that motivation criteria used by the company has positive impact on employees’ performance. Small number of the respondents (11.1 percent) strongly disagree that motivation criteria used by the company has positive impact on employees’ performance.

# 4.3.2 Obstacles in Motivating the Employees

The study examined the obstacles faced in motivating the employees. Respondents were asked if they were aware of the obstacles facing the company when motivating the employees. The study found that, majority of the respondents (92.1 percent) were aware of the obstacles facing the company when motivating the employees, as presented in Table 4.9.

Table 4. 10: Awareness of Obstacles Facing Motivation Programs

|  | **Awareness** | **Frequency** | **Percent** | **Valid Percent** | **Cumulative Percent** |
| --- | --- | --- | --- | --- | --- |
| Valid | Yes | 58 | 92.1 | 92.1 | 92.1 |
| No | 5 | 7.9 | 7.9 | 100.0 |
| **Total** | 63 | 100.0 | 100.0 |  |

Field Data, (2014)

In addition, respondents were asked to identify the obstacles which face the organization in motivating employees. The study found out that the majority of the respondents (41.2 percent) identified employee turnover as the main challenge or obstacle in motivating employees at the company, as presented in the Table 4.10

Table 4. 11: Obstacles in Motivating the Employees

|  | **Obstacles** | **Frequency** | **Percent** | **Valid Percent** | **Cumulative Percent** |
| --- | --- | --- | --- | --- | --- |
| Valid | Inadequate managerial competence and knowledge | 8 | 12.6 | 12.6 | 12.6 |
| Level of education | 10 | 15.8 | 15.8 | 28.4 |
| Employee Turn-over | 26 | 41.2 | 41.2 | 69.6 |
| Variation in Employee Desire | 12 | 19.0 | 19.0 | 88.6 |
| Consumption expenditure by the company | 7 | 11.1 | 11.1 | 100 |
| **Total** | 63 | 100.0 | 100.0 |  |

Source: Field Data, (2014).

Table 4.8 offers the obstacles in motivating employees. The study found out of 63 responders 7 (11.1 percent) identified consumption expenditure by the company as the obstacle in motivating the employees at an organization. Moreover, a number of respondents (12.6 percent) identified inadequate managerial competence and knowledge as one the major obstacles in motivating employees at an organization. This is similar to the study made by Latham, (2007), the study that found out the Management could be the problem in provision of motivation decisions, the Management of the bank is supposed to provide motivational decision and initiating motivation issues, but small number of respondents identified that the bank Management failed to act effectively to ensure employees were motivated. The effect is that when the bank has effective Management means employees will be enjoying to stay in an organization, therefore increase performance of the organization without an effective Management leads to underperformance. Meanwhile an average number of respondents (15.8 percent) recognized the level of education as an obstacle in motivating employees.

A significant number of respondents (19 percent) acknowledged variation of employees’ desires as an obstacle for motivating employees at the organization. This is similar to the study made by Memmott and Growers, (2012), where the study found variation of the employee’s desire is among the challenges in employees’ motivation to human resource retentions. Employees are motivated by different factors, there is no a single factor for motivating all employees. The study found the employees have different desire, but most of them need high salary while an important number of employees need training and development. The effect of variation of employee desire may cause increase in the rate of labour turnover because of various types of motivation needed by each employees such as salary, recognition, training and development. Management should improve salary, training and development in order to retain their employees otherwise they will not retain their staff.

However, a large number of respondents (41.2 percent) identified employee turnover as the main obstacles in motivating employees. This relates to the study made by Miner (2013), the study found change in work force was among the challenges in employee’s motivation. Low retention rate affect motivational strategic decisions, this means high retention rate favor strategic decisions results to effective motivation strategies, but a significant number of respondents identified the company facing changes in the labour force, affected strategic decisions. These changes in workforce were due to dissatisfied types of motivation offered at the bank such as salary, house allowance, and recognition and overtime allowance. Figure 4.2 illustrates obstacles in motivating the employees

Figure 4. 2: Obstacles in Motivating the Employees

Source: Field Data, (2014).

Figure 4.2 shows obstacles in motivating employees. The study found out that, the large number of the respondents, 26 (41.2 percent) identified employee turnover as a major obstacle in motivating employee. This implies that to same extent the company faces labour mobility problem. Also, the study revealed that out of 63 respondents, 12 (19.0 percent) identified variation of employees desire.

Moreover, the study was also interested to examine if the company has made some effort to overcome obstacles in motivating the employees. The study found out that, a large number of the respondents (46.0 percent) agree that the company has made some effort to overcome obstacles in motivating the employees, as presented in Table 4.11.

Table 4.12: The Company has Made Some Effort to Overcome Obstacles Facing Motivation

|  | **Responses** | **Frequency** | **Percent** | **Valid Percent** | **Cumulative Percent** |
| --- | --- | --- | --- | --- | --- |
| Valid | Strongly Agree | 7 | 11.1 | 11.1 | 11.1 |
| Agree | 29 | 46.0 | 46.0 | 57.1 |
| Neutral | 1 | 1.6 | 1.6 | 58.7 |
| Disagree | 19 | 30.2 | 30.2 | 88.9 |
| Strongly Disagree | 7 | 11.1 | 11.1 | 100 |
| **Total** | 63 | 100.0 | 100.0 |  |

Source: Field Data, (2014).

Table 4.11 presents responses on whether the company has made some effort to overcome obstacles in motivating the employees. The study found out that, a small number of the respondents (11.1 percent) strongly agree that, the company has made some effort to overcome obstacles in motivating the employees. Also, the study found out that, important number of the respondents (30.2 percent) disagree that the company has made some effort to overcome obstacles in motivating the employees. During interview, one respondent revealed that:

*“The company has made some effort to overcome obstacles facing motivation. An effective way of overcoming challenges facing motivations in an organization involves the provision of training to HR officials. The effects of investing in appropriate training for an employee will develop a greater sense of self-worth as they become more valuable to the company. The company, too, will gain specific benefits from training and developing its workers, including increased productivity, reduced employee turnover and decreased need for constant supervision. However, the fear for many companies is that they spend time and money developing people, only to see them take those newly acquired skills to another company.”*

# 4.3.3 Impact of Motivation

The study was interested to examine the impacts of motivation on employees’ performance. Respondents were asked to identify if they were aware of the impacts of motivation on employees’ performance. The study found that majority of the respondents (79.4 percent) were aware of the impacts of motivation on employees’ performance, as presented in Table 4.12 below.

Table 4.13: Awareness on the Impacts of Motivation on Employees’ Performance

| **Responses** |  | **Frequency** | **Percent** | **Valid Percent** | **Cumulative Percent** |
| --- | --- | --- | --- | --- | --- |
| Valid | Yes | 50 | 79.4 | 79.4 | 79.4 |
| No | 13 | 20.6 | 20.6 | 100.0 |
| **Total** | 63 | 100.0 | 100.0 |  |

Source: Field Data, (2014).

Table 4.10 present respondents’ awareness on the impacts of motivation on employees’ performances. The study found out that majority of the respondents (79.4 percent) were aware of the impacts of motivation on employees’ performance. Also, the study found that, minority of the respondents (20.6 percent) were not aware of the impacts of motivation on employees’ performance.

The study also requested respondents to identify the impacts of motivation on employees’ performance. The study found that, there a different outcomes when the company motivates employees. The study found that majority of the respondents (57.1 percent) identified that, motivation programs increase employees’ morale, as presented in Table 4.13.

Table 4. 14: The Impacts of Motivation on Employees’ Performance

|  | **Impacts of Motivation** | **Frequency** | **Percent** | **Valid Percent** | **Cumulative Percent** |
| --- | --- | --- | --- | --- | --- |
| Valid | Increase Retention Rate | 21 | 33.3 | 33.3 | 33.3 |
| Increase Employee Morale | 36 | 57.1 | 57.1 | 90.4 |
| Increase Efficiency | 6 | 9.6 | 9.6 | 100.0 |
| **Total** | 63 | 100.0 | 100.0 |  |

Source: Field Data, (2014).

Table 4.11 presents the impacts of motivation on employees’ performance. The study found that, majority of the respondents (57.1 percent) identified that motivation programs increase employee morale. This is similar to the study conducted by Mayo, (2013), which study found that, motivation play significant role in improving employee morale. A good motivation strategy tends to satisfy employees and increase employees’ morale.

The study also found that a significant number of the respondents (33.3 percent) identified that, motivation programs increase employee retention rate. This relates to the study made by Manase (2008), which found that effective motivation programs retain employees. The study further found that a small number of the respondents identified that motivation increases efficiency.

# 

# CHAPTER FIVE

# 5.0 DISCUSSION OF FINDINDS, CONCLUSION AND RECOMMENDATIONS

# 5.1 Introduction

This chapter provides discussion of findings, conclusion and recommendations of the study. The first section of the chapter provides discussion of the finding. Section two of the chapter gives conclusion while recommendations of the study are discussed in section three.

# 5.2 Discussion of Findings

# 5.2.1 What are the Criteria which are being used by Companies in Motivating their Employees?

The study found that there are various criteria used by the companies to motivate their employees. In addition, the study found out that the majority of the respondents (53.9 percent) identified provision of a positive working environment for employees as a major criteria used by the company to motivate their employees. This is similar to the study conducted by Riley (2009), the study found that, the best way of motivating employees involves the creation of positive working environment for employees. Miner (2013), suggested that, the process of creating positive working environment should ensure employees are empowered. The main driving force of empowerment is having larger control over ‘how’ jobs are done and carried for more growth and productivity (Charles and Marshall, 2012).

Empowering makes employees feel that they are appreciated and for making it possible continuous and positive feedback on their performance is essential (Katz, 2006). According to Pastor (1996), for victorious appliance of empowerment it is essential for an individual to do efforts and take actions in an environment where they are responsible for what they are doing (Manase, 2008). Employee contribution and their energetic participation in configuring up the organization are tremendously essential to the hale and hearty place of work (Matthew, 2009).

Also, the study found out that, important number of the respondents (22.2 percent) identified that recognition, reward and reinforcing the right behavior as another criteria used by the company to motivate employees. According to Alkandari (2009), rewards and recognition are essential factors in enhancing employee job satisfaction and work motivation which is directly associated to organizational achievement. Garry (2008), found that, that deficiency of appropriate recognition and rewarding reduces employees work motivation and job satisfaction. Hence, administration of organizations and institutions should build up the arrangement for giving that rewards and recognition to enhance employee job satisfaction and motivational level

# 5.2.2 What are the Obstacles facing Companies in Motivating their Employees?

The study found out that the majority of the respondents (41.2 percent) identified employee turnover as the main challenge or obstacle in motivating employees at the company. This relates to the study conducted by Charles and Marshall (2012), the study found that, high employee turnover is a major challenge in motivating employees. High employee turnover makes the attainment of goals of organization unrealistic and unachievable.

Also, the study found that, variation in employee desire is one of the obstacle in motivating employees. According to Mullins (2007), human beings are motivated by satisfying their different kind of needs. Needs depend on many factors and vary by the person, situation, organization, nature of works, risk, educational background of employees, experiences and skills, position of work. The factors affecting the employee's motivation working at the company might be different from the factors of other categories in the organization (Latham, 2007).

# 5.2.3 What are the Iimpacts of Mmotivation on Eemployees’’ Pperformance?

The study was interested to examine the impact of motivation on employees’ performance. The study found that, effective motivation programs increase retention rate, employee morale and efficiency. This relate to the study made by Bjorklund (2011), the study found that, employee empowerment and employee motivation towards organizational tasks have direct and positive relationship between them. The motivated employees’ works best in the interest of the organizations which leads them towards growth, prosperity and productivity. Dessler (2008), found thatthe employee motivation and organizational effectiveness are directly related. This is also proven by the study conducted by Latham (2007). So the organizations should work out and make such policies and organizational structures that support employee recognition and empowerment.

An internally satisfied, delighted and motivated worker or employee is actually a productive employee in an organization which contributes in efficiency and effectiveness of organization which leads to maximization of profits. Thus from the literature and various studies the third hypothesis is fully supported that there exists a positive relationship between employee motivation and organizational effectiveness (Johnson, 2007).

According to Ryan and Deci (2010), for achieving prosperity, organizations design different strategies to compete with the competitors and for increasing the performance of the organizations. Very few organizations believe that the human personnel and employees of any organization are its main assets which can lead them to success or if not focused well, to decline. Unless and until, the employees of any organization are satisfied with it, are motivated for the tasks fulfillment and goals achievements and encouraged, none of the organization can progress or achieve success (Miner, 2013).

# 5.3 Conclusion

# 5.3.1 Criteria used to Motivate Employees

The study concludes that there are various criteria used to motivate the employees. These involves providing a positive working environment; recognition, reward and reinforcing the right behavior; employee relations; developing skills and other potential and evaluation and measurement.

The study concludes that, there is a need to provide positive working environment in order to motivate employees. Nature of work and its surrounding environment is the factor that affects the level of motivation of employee significantly. However, good working conditions cannot motivate the employees in themselves, but can determine the employee's performance and productivity. In addition, recognition and empowerment play an essential part in enhancing employee motivation towards organizational tasks. By appreciating the employees for their work done and giving them participation in decision making, internally satisfies them with their job, organization and organizational environment.

The study concludes further that to motivate employees the company should provide employee compensation, social recognition and performance related pay. Finally, the study concluded that to remove obstacles facing motivation, the company should use non monetary rewards to motivate employees.

# 5.3.2 Obstacles in Motivating Employees

The study concludes also that there are different obstacles facing the company when motivating employees. The study concludes that, employee turnover, is a major obstacle facing motivation. High employee turnover affect motivation programs emplaced by the company. This makes the attainment of goals of organization unrealistic and unachievable. Every organization invests time and money to groom a new joiner, make him a corporate ready material and bring him at par with the existing employees. The organization is completely at a loss when the employees leave their job once they are fully trained. Employee retention takes into account the various measures taken so that an individual stays in an organization for the maximum period of time.

# 5.3.3 The Impacts of Motivation on Employees’ Performance

The study concludes that the motivated employees’ works best in the interest of the organizations which leads them towards growth, prosperity and productivity. Thus the employee motivation and organizational effectiveness are directly related.

Motivation is a set of courses concerned with a kind of strength that boosts performance and directs towards accomplishing some definite targets. Motivation has played significant role in improving employees performance. Motivation cause satisfaction of the employee which directly influences performance of the employee.

# 5.4 Recommendations

1. Motivation plays a fundamental role in improving employees’ performance. Therefore employers should be committed to put in place appropriate incentive plans that will encourage workers to be more purposeful and improve their performance.
2. Managers should also give full attention to their employees and take interest in their working process. They should motivate their employee towards tasks.
3. Managers’ attitude plays a vital role in facilitating employee retention and discouraging labour turnover. So Managers’ attitude should be friendly and unbiased with everyone. Similarly employees should behave in a proper manner. They should respect their manager to get the same response.
4. The Managements should improve on the most dissatisfying types of motivations such as positive working environment and recognition, rewarding and reinforcing the right behavior as an effective way for retaining their employees.
5. Based on the strategies worked at Vodacom Tanzania Limited, organizations should employ other strategies such as making the employees own their jobs, recognition, departmental competition, motivation through bonuses and incentives such as good working environment for employees.
6. Organizations should not rely solely on salary, bonus or other monetary and nonmonetary incentives to motivate the diverse workforce due to the limitations it brings. There are various ways for motivating employees.
7. Organizations should put arrangement in place for giving out rewards and recognition to enhance employees’ job satisfaction and motivational levels; since motivation plays a significant role in enhancing employees’ performance.
8. Organizations should provide training to managers in order to improve managerial competence and knowledge; organize various internal and external trainings in order help the managers to learn something extra apart from their routine work.
9. Organizations should design their rules, policies and organizational structures that facilitate the employees to work well and appreciate them in order to achieve tasks fulfillment.
10. Management should improve working conditions. Improving working conditions at work places encourages retention of productive workers in the organizations and reduces their turnover.

# 

# REFERENCES

Adam, J and Kamuzora, (2007). *Research for Business and Social Studies*, Morogoro: Mzumbe Book Project.

Alkandari, Q. (2009) *Employees Retention in Private Sector an Exploratory Study in the State of Kuwait*, Open University Malaysia.

Armstrong, M. (2006), *A Handbook of Human Resource Management Practice 10th edition,* Cambridge, UK, University Press.

Armstrong, M. (2007), *Employee Reward Management and Practice,* London and Philadelphia: Kogan Page.

Bailey, J. and Clegg, S. (2008). *International Encyclopedia of Organization Studies,* Sage.

Bjorklund, C. (2011), *Work Motivation - Studies of its Determinants and Outcomes.* The Ec.

Barling, J. and Phillips, M. (2013), *Interaction, Formal Justice and Distribution in the Workplace*, An exploratory, Research Institute, Publications, Inc.

Bandura, A. (2005). *Self-efficacy in Changing Societies*. New York, NY: Cambridge University Press.

Bandura, A. (2007). *Self-Efficacy: The Exercise of Control*. New York: W.H. Freeman.

Barreiro, P. and Albandoz, J. (2011), *Population and Sample. Sampling Technique,* University of Seville, Management Mathematics for European Schools.

Charles, K. and Marshall, L. (1992), *Motivational Preferences of Caribbean Hotel Workers*: An Exploratory Study. International Journal of Contemporary Hospitality Management.

Cruceru, R. and Mihaela, G. (2009), *Interventions in Human Resources Retention,* Romanian Economic and Business Review.

Daft, R. and Marcic, D. (2008), *Understanding Management* (3rd Ed.), Harcourt College Publishers.

Dessler, G. (2008)*. Management*, Upper Saddle River, New Jersey: Prentice-Hall.

Evans, B. (2010). Job Satisfaction and Promotions. Social science research network (1-2).

Garry, G. (2008), *Organizational Behaviour*, Economic Publishing House, Bucharest.

Gayathri, R. and Kamalambal, R. (2012), *Employee Retention Strategies in BPO’S, Department* of Management Studies Oxford.

Irshad, M. (2009), *Factors affecting Employee Retention: Evidence from Literature Review,* Abasyn Journal of Social Sciences; Vo. 4 No.1.

Johnson, C. (2007), *Employee Motivation,* B.M. Rider University, Orlando, Florida.

Katz, B, (2006), *Global Surveys or Multi-national Surveys? On sampling for global surveys,* Ben Gurion University of the Negev.

Kirstein, M. (2010), *The Role of Motivation in Human Resource Management: Importance of Motivation Factors among Future Business Persons,* Aarhus University.

Knippernberg, V. (2010). People Management: Challenges and Opportunities . New York: Palgrave Macmillan.

Kothari, C. (2004), *Research Methodology: Methods and Techniques*, New Age International (P) Ltd, New Delhi.

Kreitner, R. and Kinicki, A. (2007), *Organizational Behavior*. (7th Ed). New York, New York, McGraw-Hill.

Larson, A., and Hewitt, S. (2005), *Staff Recruitment, Retention & Training Strategies for Community Human Service Organizations*. Baltimore: Paul H. Brooks’ publishing company.

Latham, G. and Ernst, C. (2006), *Keys to Motivating Tomorrow’s Workforce*. Human Resource Management Review.

Latham, G. (2007), *Work Motivation: History, Theory, Research, and Practice*. USA. Sage Publications, Inc.

Lee-Ross, D. (2009), *HRM in Tourism and Hospitality*, British Library Cataloguing- in- Publication Data, New York.

Marshall, C. (2012). *The Motivation to Work*. New York, NY: Wiley & Sons.

Matthew, N (2009). “Human Needs and Consumer Economics: an Implication of Maslow’s Theory of Motivation.’’ Journal for Social Economics 21: 303-338.

Mayo, E. (2003), *The Human Problems of an Industrial Solution*. Routledge, London.

Mboya, W. (2010), *A Model for Determinants of Labour Mobility in the Banking Industry of Tanzania: Employees’ Perspective,* University of Dar Es Salaam Business School, Dar Es Salaam, Phd thesis.

Manase, P. (2008*), An Assessment of the Role of Fringe Benefits Schemes in Human Resource Retention.* A dissertation for Masters Degree Mzumbe University Dar es Salaam Campus College.

Memmott, L. and Growers, S. (2002), *Retaining and Motivating Employees,* WSU, Washington DC.

Miner, J. (2013), *The Rated Importance, Scientific Validity, and Practical usefulness of theories in Organizational Behavior* A Quantitative Review, Academy of Management Learning and Education

Mullins, L. (2007), *Management and Organizational Behavior*, Eighth edition, Prentice Hall.

Mwakilluma, P. (1999) *HRM practices in Large and Small Manufacturing Firms: A Comparative Study*. Journal of Small Business Management.

Odongo, C. (2009), *Assessing the effect of job satisfaction on managers*. International Journal of Value-Based Management,12, 1-12.

Pastor, G. (1996), *Competitive Advantage through People: Unleashing the Power of the Workforce.* Boston, MA: Harvard Business School Press.

Petcharak, P. (2012), *The Assessment of Motivation in the Saint Paul Hotel Employees,* University of Wisconsin- Stout.

Pinder, C. (2008), *Work Motivation in Organizational Behavior.* New Jersey: Prentice Hall.

Riley, B. (2009), *Employee Retention,* State University of New York .

Robbins B. (2009), *The Human Equation: Building Profits by Putting People First*. Cambridge, Mass: Harvard Business School Press.

Rosenbloom, J. (2005), *The Handbook of Employee Benefits: Design, Funding, and Administration.* USA. McGraw-Hill Companies, Inc.

Rutherford M. (2010), *Job Attitude and Employees Performance of Public Sector Organizations*. GITAM Journal of Management, Vol. 6, Issue-2, Pg (66-73).

Ryan, R and Deci, E (2010), *Intrinsic and Extrinsic Motivations: Classic Definitions and New Directions,* University of Rochester.

Salanova, A and Kirmanen, S. (2010), *Employee Satisfaction and Work Motivation,* Mikkeli University of Applied science, Finland.

Samba, M. (2007), *An Evaluation of Motivational Packages in Tanzania Public Organizations*. A Dissertation for Masters Degree University of Dar es Salaam.

Saunders, M. and Thornhill, A (2009), *Research Method for Business Students*, Pearson Education Limited Harlow England.

Sandhya, K. and Kumar, D. (2011), *Employee Retention by Motivation,* Madanapalle Institute of Science and Technology, Madanapalle.

Tenone, M. (2005). *Just For the Money. An Economic Theory of Personal Motivation*. Cheltenham: Edward Elgar Publishing.

# 

# APPENDICES

## Appendix A: Questionnaire

Dear Respondent,

This is an HRM research study on “Assessment of Motivation and its Impact on Employees’ Performance in Goal Attainment: A Case of Vodacom Tanzania Limited.” The questionnaire is seeking your invaluable opinion on this subject. The results of this dissertation could go a long way in providing solution to the problem, with appropriate knowledge when dealing with employees.

Please, answer the questionnaire as fully as possible. Your responses will remain totally confidential and at no time be directly attributed back to you. Instead, they will be aggregated with responses from other subjects in the survey. Please do not write your name on the questionnaire.

Thank you.

**Section A: General information**

1. Age
2. 18-24 [ ]
3. 25-34 [ ]
4. 35-44 [ ]
5. 45-55 [ ]
6. 55+ [ ]
7. Gender
8. Male [ ]
9. Female [ ]
10. Level of education
11. Primary School [ ]
12. Secondary School [ ]
13. Certificate in any training [ ]
14. Diploma [ ]
15. First Degree [ ]
16. Masters/Phd [ ]
17. Occupation
18. Operation Officer [ ]
19. Human Resource Officers [ ]
20. Sales officers [ ]

Others, please specify…………………………………

**Section B: Criteria used for Motivation**

1. Do you understand criteria used by the company to motivate the employees?
2. Yes [ ]
3. No [ ]
4. What are the criteria used to motivate the employees
5. Provide a positive working environment [ ]
6. Recognize, Reward and reinforce the right behavior [ ]
7. Employee Relationship [ ]
8. Develop skills and potential [ ]
9. What are other criteria used to motivate the employees. Please mention?

………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………

1. What is a major criteria used to motivate the employees?

………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………

1. Motivation criteria used by the company has positive impact on employees’ performance?
2. Agree [ ]
3. Strongly Agree [ ]
4. Neutral [ ]
5. Disagree [ ]
6. Strongly Disagree [ ]
7. Motivation criteria used by the company facilitates the company goal attainment?
8. Agree [ ]
9. Strongly Agree [ ]
10. Neutral [ ]
11. Disagree [ ]
12. Strongly Disagree [ ]

**Section C: Obstacles in Motivating the Employees**

1. Do you understand obstacles facing the company when motivating the employees?
2. Yes [ ]
3. No [ ]
4. What are obstacles in motivating the employees?
5. Inadequate managerial competence and knowledge [ ]
6. Level of education [ ]
7. Employee Turn-over [ ]
8. Variation in Employee Desire [ ]
9. Consumption expenditure by the company [ ]
10. What are other obstacles in motivating the employees?

………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………

1. The company has made some effort to overcome obstacles in motivating the employees?
2. Agree [ ]
3. Strongly Agree [ ]
4. Neutral [ ]
5. Disagree [ ]
6. Strongly Disagree [ ]
7. Variation of employees’ desire is a major obstacle in motivating the employees?
8. Agree [ ]
9. Strong Agree [ ]
10. Neutral [ ]
11. Disagree [ ]
12. Strong Disagree [ ]

**Section D: Impact of Motivation**

1. Do you understand the impact of employees’ motivation in your company?
2. Yes [ ]
3. No [ ]
4. What are the impacts of motivation on employees’ performance?
5. Increase retention rate [ ]
6. Increase employee morale [ ]
7. Increase efficiency [ ]
8. How motivations increase employees’ performance?

………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………

1. Employees’ motivation has positive impact on employees’ performance?
2. Agree [ ]
3. Strong Agree [ ]
4. Neutral [ ]
5. Disagree [ ]
6. Strong Disagree [ ]
7. Employees motivation increase the company performance?
8. Agree [ ]
9. Strong Agree [ ]
10. Neutral [ ]
11. Disagree [ ]
12. Strong Disagree [ ]

## Appendix B: Interview Guide

1. What are the criteria which are being used by companies in motivating their employees?
2. What are the best criteria used by companies in motivating their employees?
3. What should be done to improve criteria used by companies in motivating their employees?
4. What are the obstacles which face companies in motivating their employees?
5. Do you think the company is able to overcome obstacles during motivation process?
6. What should be done reduce obstacles which face companies in motivating their employees?
7. What are the impacts of motivation on employees’ performance?
8. Do you think motivation programs increase employees’ performance?