THE EFFECTS OF EMPLOYEE MOTIVATION SCHEMES ON EMPLOYEE PERFORMANCE IN KENYA SUGAR INDUSTRY: A CASE OF CHEMELIL SUGAR COMPANY

BY

NYAWARA CHARLES

REG NO. D53/R1/11413/2004

A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS OF A MASTER OF BUSINESS ADMINISTRATION DEGREE (HUMAN RESOURCE MANAGEMENT) IN THE SCHOOL OF BUSINESS, KENYATTA UNIVERSITY

SEPTEMBER, 2012
DECLARATION

I declare that this research project is my own original work and has never been presented to the University for Examination Purpose.

Signed

Nyawara Charles
Date: 1.12.2012

This is to certify that this research project has been submitted with our permission as University Supervisors.

Signature

Date: 1.12.2012

Robert Daudi Nzulwa
Lecturer
Business Administration Department

Signature

Date: 19.12.2012

Dr. S.M. Muathe
Chairman, Business Administration Department.
ABSTRACT

Kenya’s main economic idea is to become economically independent. As a strategy, to realize this objective the government has stated a mission set towards making her realize the stated objective. The mission is industrialization by the year 2020. One of the critical contributions to this end is the need to have the right management policies, key amongst them is the use of motivation elements to improve performance for maximum production. This study in the Sugar Industry in Kenya will reveal some of the motivation elements, their application and net effect in the industry. It will also offer a critique of application of the elements from the employee’s perspective. It is only through this that the organization can achieve its goals hence management and employees share the same vision of the organization’s goals and work together to achieve them. If the employees are not well motivated in their performance, the organization will be diversely affected and this can be noticed through labour turnover, low morale, strikes, absenteeism and general performance. The purpose of this study is to identify the factors that can determine the level of employee motivation among the employees in the Kenya Sugar Industry in Western Kenya. The design of methodology to be used in the research study will be simple survey. Sample of the study will be drawn from four District and the Sugar Factories randomly selected from a population of 5 (five) Sugar factories in Western Kenya. The subject of the study will be employees in the sugar industry in Western Kenya. The collected data through – questionnaire will be organized and presented descriptively to maintain their originality. The study will attempt to analyze its findings using percentages. This will show the position of the staff over motivation element (s). Some of the responses from the employees will be expressed in ratios and use of tables. The study will examine four motivation theories, viz, traditional theory ‘X’, Theory ‘Y’ Douglas Mc Gregor; Abraham Maslow and Herzbergs Theories from which it will use the documented motivation elements to develop a conceptual framework and the links in the elements used in the industry. The researcher will also offer a critique to the use and application of the motivation elements based on his own observation. Summarily, the main purpose of this document is to focus on motivation schemes effect on employees in Kenya Sugar industry; a case of Chemelil Sugar Company.
ACKNOWLEDGEMENT

I am deeply indebted:

To Almighty, God for enabling me to write this final report on my project. By His Spirit, this work was done.

To all my MBA colleague students whom we struggled with scarce resources for our studies despite hectic programmes as scheduled.

To my supervisor, Mr. Nzulwa Robert for his availability and advice that helped me greatly in completing this project.

To my children, Faith Lydda Achieng', Chirleen Wema Amondi, Dawn Martin Nyawara and Malcomx Descartes Odhiambo whose encouragement and patience in my professional and scholarly prowess motivate me to devote more time to professional authorship in my area of interest.

To Mr. Mendwa, Training officer, Chemelil Sugar Company for organizing data collection from the Company employees.

To my darling wife, Pamela Nyokelo for typesetting the document.

To Almuda Electricals & Computer services for formatting and printing the final manuscript.
DEDICATION

This research project is dedicated to my late father, Martin who did not spare any effort to educate me, and my late mother, Pauline for bringing me up as a responsible and smart personality, and my loving wife Pamela for her moral and encouragement support and my dear children Faith, Chirleen, Dawn Martin and Malcomx who endured moments of loneliness during times of busy study schedules in Nairobi as I travelled every weekend from Kisumu for two years.
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Declaration</td>
<td>ii</td>
</tr>
<tr>
<td>Abstract</td>
<td>iii</td>
</tr>
<tr>
<td>Acknowledgement</td>
<td>iv</td>
</tr>
<tr>
<td>Dedication</td>
<td>v</td>
</tr>
<tr>
<td>Table of contents</td>
<td>vi</td>
</tr>
<tr>
<td>List of figures</td>
<td>ix</td>
</tr>
<tr>
<td>List of tables</td>
<td>x</td>
</tr>
<tr>
<td>List of abbreviations</td>
<td>xi</td>
</tr>
<tr>
<td>Definition of terms</td>
<td>xii</td>
</tr>
</tbody>
</table>

## CHAPTER ONE: INTRODUCTION

1. Background of the study                                             1
2. The Kenya sugar industry                                            2
3. Statement of the problem                                            3
4. Objectives of the study                                             3
   4.1 General Objective                                                3
   4.2 Specific Objectives                                              3
5. Research questions                                                  4
6. Significance of the study                                           4
7. Scope/Limitations of the study                                      5

## CHAPTER TWO: LITERATURE REVIEW

1. Introduction                                                        6
2. Theoretical review                                                  7
3. Empirical review                                                    16
   3.1 Medical services                                                 16
   3.2 Entertainment                                                    18
   3.3 Training programmes                                              19
   3.4 Welfare services                                                 22
4. Conceptual framework                                                24
5. Past studies on employee motivation                                 24
LIST OF FIGURES

Figure 2:1 The Maslow Hierarchy of Needs
Figure 2:2 Systematic training Model
Figure 3: Independent dependent variables
Figure 2:4 The Porter-Lawler Model
Figure 2:5 Responses to job satisfaction
Figure 2:6 Motivation influences conceptual framework
Figure 4:1 Gender
Figure 4:2 Marital status.
Figure 4:3 Academic and professional qualification
Figure 4:4 Are you satisfied with your medical scheme?
Figure 4:5 Are you satisfied with your medical services?
Figure 4:6 Is your medical scheme equivalent to those of other employees in other organizations with similar qualification?
Figure 4:7 Are you satisfied with the provision of entertainment services in the company?
Figure 4:8 Do living conditions influence employee performance?
Figure 4:9 Do you think training affects employee performance?
Figure 4:10 Does provision of welfare services affect employee performance?
Figure 4:11 Are you satisfied with the provision of welfare services by the company?
Figure 4:12 The extent to which entertainment influences employee performance
Figure 4:13 The extent to which training influences employee performance
Figure 4:14 The extent to which housing facilities influence employee performance...
## LIST OF TABLES

<table>
<thead>
<tr>
<th>Number</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>3:1</td>
<td>Target population</td>
</tr>
<tr>
<td>3:2</td>
<td>Sample design</td>
</tr>
<tr>
<td>4:1</td>
<td>Age</td>
</tr>
<tr>
<td>4:2</td>
<td>Length of service</td>
</tr>
<tr>
<td>4:3</td>
<td>Are you satisfied with your medical scheme?</td>
</tr>
<tr>
<td>4:4</td>
<td>Are you satisfied with your medical services?</td>
</tr>
<tr>
<td>4:5</td>
<td>Are you satisfied with the company housing and living conditions?</td>
</tr>
<tr>
<td>4:6</td>
<td>Are you satisfied with the selection method for training?</td>
</tr>
<tr>
<td>4:7</td>
<td>The extent to which medical services influence employee performance?</td>
</tr>
<tr>
<td>4:8</td>
<td>The extent to which welfare services influence employee performance</td>
</tr>
<tr>
<td>4:9</td>
<td>Summary</td>
</tr>
</tbody>
</table>
LIST OF ABBREVIATIONS

ASST- Assistant
DEPT. -Department
HOD- Head of Department
HRM- Human Resource Management
SPSS- Statistical Package for the Social Sciences
SS& H- Social Service and Housing
Pg- Page
PP- Pages
DEFINITION OF TERMS

The definition of terms to be used in the study are as follows:

**Autonomous work teams** - This requires a skilled team and for management to be prepared to let go.

**Burn out** – This is spiritual, physical, emotional and/or mental exhaustion usually resulting from one or more long-term, unsatisfying efforts.

**Coding** - This is a process of assigning numbers to subjects’ responses.

**Demographic factors** - This refers to factors relating to personal characteristics such as gender, age, social class, levels of education, occupation and family status.

**Dependent variable** - This is sometimes called the criterion variable. It attempts to indicate the total influence arising from the effects of the independent variable. A dependent variable therefore varies as a function of the independent variable.

**Entertainment** - This is the act or art of providing amusement for a person or audience, or to show hospitality to guests.

**Facet satisfaction** - This is peoples’ affective reactions to particular aspects of their jobs such as pay, supervision and opportunities for promotion.

**Flexibility** - This is where people work non-traditional hours.

**Independent variable** - This is a variable that a researcher manipulates in order to determine its effect or influence on another variable because it predicts the amount of variation that occurs in another variable.

**Job** – name given to a particular set of tasks allocated to a particular individual or position for which the job holder will be held accountable.

**Job dissatisfaction** – refers to bad feelings that contribute to the employees being demoralized and may result to them quitting their jobs.

**Job Context** – Job in an environment e.g working conditions, ventilation, work hours, socialization etc.

**Job design** – The structural arrangements and organization of jobs to be performed in an organization.
Job Satisfaction – is defined as ability to make significant contribution at work / a pleasurable or positive emotional state resulting from the appraisal of ones job or job experience. It refers to a set of favourable feelings with which employees view their work.

Labour turn over – this is the movement or frequency with which employees join and leave organizations.

Leadership – the ability to involuntarily influence people towards desired end.

Leadership Models-Here the vision of the leader is sufficient to give meaning and significance to everyone, making the jobholder to feel more worthwhile.

Medical services-These are plans related to the science of medicine or to the treatment of patients by drugs, remedies as opposed to surgery.

Motivation - is a process that starts with a physiological or psychological deficiency or need that activates behaviour or a drive that is aimed at a goal or incentive. Used herein refer to the components of motivation that actually make employees to perform. They include, salary allowances, leadership, security, organization policies, job design amongst others.

Motivation schemes – used herein refer to the components of motivation that actually make employees to perform. They include salary, allowances, leadership, security, organization policies, job design amongst others.

Organization – A group of people working together towards an objective.

Overall satisfaction-This is referred to as a person’s affective reaction to his or her total job.

Performance - may have many meanings, for example, “The act of performing; especially, the execution of functions required of one, often, effective operation, as of a motor”, (Webster, 1945), here it is used to mean carrying out assigned duties to the expected standard.

Promotion-This a change of assignment from a job at a lower level to another at a higher level and usually, higher pay within the organization.

Quality movement-This concentrates on the process of the work rather than the people but assumes people will be challenged by the need for constant improvement.
Training - This refers to a process of providing employees with specific knowledge and skills in order to enable them perform specific work tasks better than before.

Welfare services - These are plans or work (health, happiness, property and wellbeing in general) to better the social or economic conditions of various underprivileged groups.

Work Centrality - Importance of work in an individual’s life relative to his or her other areas of interest, family, church and leisure.

Work conditions - These are conditions employees are subjected to in their work place like working hours, physical working environment, working space, tools and equipment.

Work content - what is contained in a task

Work measurement - the knowledge of how long it takes to make a product or perform a service
CHAPTER ONE
INTRODUCTION

1.1 BACKGROUND OF THE STUDY

The sugarcane plant is believed to have been spread by Arab traders during the Middle Ages from East Asia through the Middle East to Southern Europe. It was then spread by the Portuguese to the Canary Islands Madeira, West Indies, Brazil and Southern United States of America. Later Sugarcane was introduced to Natal in South Africa (Northern Pandoland in the Eastern cape Province through the Coastal belt and midlands of Kwa Zulu – Natal to the Mpumalanga Lowveld). An Australian farmer introduced sugarcane in Kenya in 1902. The main areas growing sugar cane in Kenya are at the Coast and in the Lake Victoria Basin and they include Nyanza Belt which covers Muhoroni, Miwani, Chemelil, Songhor, Koru and Awendo in Migori District, Western Province Sugar Belt covers Nzoia in Bungoma, Kabras, Mumias, and Nambale in Busia and Coast Province Sugar Belt which was at Ramisi and consisted of an estate of 4500 hectares and 800 hectares for outgrowers. The production stopped during 1970s but the government is planning to revive sugar production in the Region. However, the Kenya Sugar Industry dates back in 1922. The first Mill White Sugar production Company named Miwani Sugar Company Limited was established in 1927. After independence, the Kenya Government established five additional Sugar factories namely; Muhoroni in 1966, Chemelil in 1968, Mumias in 1973, Nzoia in 1978 and SONY Sugar (South Nyanza Sugar Company) in 1979. West Kenya Sugar Company was established by private entrepreneurs in 1981.

In order to promote and foster effective and efficient development of sugarcane for production of Mill White Sugar, Kenya Sugar Authority (KSA) was established under Agriculture Act, Cap 313 through legal notice number 32 of 17 March 1973. The initial mandate of KSA was to serve as an advisory body to the Government on the Sugar Industry development. Overtime, the Government empowered the Authority with executive responsibilities on Sugar matters and in June 2002, the Kenya Sugar Board (KSB) was established under the sugar Act 2001 with a revised mandate as stipulated in Section 4 (1) and (2) of the Sugar Act 2001 to Regulate, develop and promote the sugar industry, Coordinate the activities of individuals and organizations within the industry, Facilitate equitable access to the benefits and resources of the industry by all interested parties.
1.2 The Kenya Sugar Industry

The Sugar sub-sector has been faced with a myriad of internal and external challenges. These include heavy losses experienced by the Industry Institutions, delayed payment of farmers by millers increased debt portfolio, high cost of raw materials and production, mismanagement, inadequate regulation of imports amongst others. In July 2003, His Excellency the President Hon. Mwai Kibaki mandated the Kenya Sugar Industry stakeholder to develop a Marshal Plan geared to getting it back on track. So far the Ministry of Agriculture, the Kenya Sugar Board and all Industry stakeholders as a team, have developed the draft Strategic Plan. The Kenya Sugar Board is, therefore, organizing a National Sugar Conference to discuss the problems the Industry is facing and to enunciate the best way forward for incorporation into the plan. Indications of Lack of effective employee motivation among the employees in Kenya Sugar Industry especially in Western Kenya have been observed in the Media reports. One of the reports showed that,

The Kenya Sugar Industry faces an uphill battle to gain a competitive advantage over COMESA (Common Market for East and South Africa) imports due to low production. (GAIN (Global Agriculture Information Network) Report on Kenya Sugar update Report Number KE 6004, 2006). Performance of the Sugar Industry has not been impressive. Most companies are loss makers, have accumulated huge debts and are experiencing severe cash flow problems. They have consistently been unable to pay farmers (for the supply of cane) on time. Yet it is these farmers who supply most of the cane that is crushed at the factories. Local costs for production of sugar are high and this has made the local Sugar Industry uncompetitive in the Region and indeed the entire World. This state of affair ought to be reversed if the industry has to survive and prosper. One of the key factors that can contribute towards improving the industry fortunes is good prudent management. Management is key for corporate success (Kenya Sugar Board 2004 Draft Sugar Industry Strategic Plan). The Industry has been accused of mismanagement. The companies in the industry have a history of mismanagement both under local and expatriate management. Specific management issues have been highlighted and need attention is the industry has to proper. These include employee motivation, resource utilization, performance appraisal and management, appointment and promotion of management personnel, bureaucracy, and procurement, competition and farmer entrepreneurial ability. (Kenya Sugar Board 2004: presentation by A.O. Otieno, CEO Kenya Sugar Board at Chemelil Sugar Company Strategy workshop, Nakuru, Kenya 23rd April).
1.3 STATEMENT OF THE PROBLEM
Motivating employees shows the Manager how best to put motivational theories into practice to create and sustain a positive environment in the workplace. The art of motivating employees starts with learning to influence individual’s behaviour. Once this is understood, the Manager is more likely to gain the results that both the organization and its employees want. It is advisable that the managers ask the employees what motivates them to avoid dissatisfaction at work to result into experience of strikes, go – slow, absenteeism, labour turnover and decreased productivity. Since motivation is the will to act in the workplace, the Manager should seek to influence his staff to align their own motivations with the needs of the organization. To increase the full potential of employees, organizations are rapidly moving from “command and control” and towards “advise and consent” as a way of motivating. This change of attitude began when employers realized that rewarding good work is more effective than threatening punitive measures for bad work. For an employee, the chief advantage of being motivated is job satisfaction and for the employer, it means good quality work. The Manager should be able to assess his / her own motivation levels as well as those of this his or her staff. The purpose of this study is to determine and analyze motivation on employee performance in Kenya Sugar Industry; a case of Chemelil Sugar Company. An insight into the Employee motivation influence on performance in the Sugar Industry is hoped to be of help to the employer and the management who can use this information to improve the terms and working conditions of their employees so as to increase their morale to work.

1.4 OBJECTIVES OF THE STUDY
1.4.1 General Objective
The general objective of the study is to examine how motivation influences employee performance standard in Kenya Sugar Industry; a case of Chemelil Sugar Company.

1.4.2 Specific Objectives
1. To establish effect of medical support on employee performance in the sugar industry in western Kenya.
2. To assess the extent to which entertainment is used in the sugar industry in western Kenya.
3. To determine the effect of Training on employee performance in the sugar industry in western Kenya.
4. To find out how provision of welfare services affect the employee performance in sugar industry in western Kenya.

1.5 RESEARCH QUESTIONS
The study will be guided by the following research questions:
1. What are the effects of medical support on employee performance in the sugar industry in western Kenya?
2. What are the effects of provision of entertainments on employee performance in the sugar industry in western Kenya?
3. To what extent do off-job training programmes affect employee performance in the sugar industry in western Kenya?
4. How does provision of welfare services affect the employee performance in the sugar industry in western Kenya?

1.6 SIGNIFICANCE OF THE STUDY
By analyzing employee motivation on employee performance in Sugar Industry in Western Kenya, it is hoped that the finding will be of help to: Kenya Sugar Industry, who can use the finding to come up with regulations to ensure that the concerned employees are motivated and hence improved performance; Top management, who can come up with new strategies to improve the general welfare of employees; Competitors, who may be other employees in sugar exporting countries or even in other government sectors can use the findings to see to it that necessary measures are put in place to ensure that their employees are motivated in their job; Employees, who if the recommendations are taken seriously will be a contented workforce; Stakeholders who are the Government, the farmers the general Public and the Kenya Sugar Industry will feel contented if the necessary actions are taken to reduce levels of employee demotivation hence assurance of continued employment creation, low labour turn over and a good public image; The researcher can help the company identify particular methods and elements for use to motivate their employees when they want a specific performance level; The findings can be a basis for further studies on motivation and performance in industries other than production firms in both public and private sectors of the
economy; If the Human Resources Department of the industry is to modify and adapt motivation practices that are relevant to the organization, it can use the research findings as a basis of such changes; It provides important insights on the survival formula in light of Company competition for market in the liberalized economy. The document has significant leads on what to do to the employees in order to produce the quality products, this can help the Company win and control the illusive selling space at Regional and World markets.

1.7 SCOPE / LIMITATIONS OF THE STUDY

The study will examine the effects of employee motivation schemes on employee performance in Kenya sugar industry, a case of Chemelil sugar company. The employees will be those in Chemelil sugar company. It will focus main independent variables; that is free antiretroviral scheme, off-job training, provision of entertainment, and provision of welfare services and their effects on employee performance in the sugar industry in western Kenya. The study will adopt descriptive research design with target population being 800 employees, that is 300 management staff and 500 Union staff in the company. Data will be presented in table, pie charts, bar graphs, frequencies and percentages.
CHAPTER TWO

LITERATURE REVIEW

2.1 INTRODUCTION

There has been a good deal of work documented in the recent years about declining Employee motivation among employees in most parts of the World. The latest Sugar Industry News of September 26th 2006 (covering global trade issues mergers and acquisitions, crop reports, policy on registration and subscription) by Booker Tate a leading World News website, documents the extent of this dissatisfaction. The news revealed that nearby two in eight employees are now dissatisfied with their jobs over 2003 levels, with some five out of ten employees planning to leave their current employer for other pursuits within the next three years. A similar Survey by the Society for Human Resources Professional revealed that more than eight out of ten employees intend to look for new company when the economy improves.

The Booker Tate News revealed that in Kenya, Consortium won Mumias Tender by bringing together two Investment banks and financial services advisors to advise the Government on the sale of 91 million shares in Mumias Sugar Company. Out of these shares the employees will take a percentage of the shares as the main shareholders hence giving them an opportunity to participate in the management of the Sugar Industry so as to feel they are part of owners of the Company. The report also indicated that Sugar employees in Britain accepted redundancy at the British Sugar factory at Allscott, Shropshire and would not go on strike after voting to accept a redundancy package. In Kenya the report indicated that the Kenya Sugar Board would pay Sugar employees in Miwani Sugarbelt an additional Shs. 7.2 million of their arrears in the next two weeks of the report dated 26th September 2006. As showed in the Booker Tate report, the Mauri (AND) Mauritanian Agro-industry Minister Arvin Boolell had appealed to sugar farmers and employees to join in the battle to shape the industry because the sugar market nolonger belongs to the seller but to the buyer who now dictates the forms under which sugar producing countries have to sell their production and this would only be realized when the sugar industry employees are well motivated to realize good performance for maximum productivity.

The report indicated that Jamaica is a Sugar producing Country and should remain that way. It offers a viable solution to the Country’s massive unemployment and economic needs. The
country shouldn’t be importing sugar or molasses from anywhere because to do this would be a tragedy. Therefore Sugar Industry employees needed to be well motivated in order to improve their performance for high production of sugar to meet the Country’s demand for local consumption. According to Floyd (1998), employees should seek to ensure that employees are happy in their work and that they achieve adequate job motivation. Motivated employees tend to be more productive, creative and committed to their employers. Similarly dissatisfied employees normally resort to high levels of absenteeism, industrial actions (strikes), lateness and labour turn over.

2.2 THEORETICAL REVIEW

2.2.1 MOTIVATION THEORISTS AND THEIR RELEVANCE IN THE WORKPLACE

Although the process of management is as old as history, scientific management as we know it today is basically a twentieth century phenomenon. Also, as in some other fields, practice has been far ahead of theory. This is still true in the field of management, contrary to the situation in some of the pure sciences. Albert Einsteini, formulates a theory, which is later proved by decades of intensive research and experimentation. Not so in the field of management. In fact this field has been so devoid of real fundamental work so far, that Herbet A. Simon is the first management theoretician to win the Nobel Prize for Economics in 1978. His contribution itself gives a clue to the difficulty, bordering on impossibility, of real fundamental work in this field concerned with employee. In order to arrive at a correct decision, the Manager must have all the information necessary relevant to the various factors and all the time in the World to analyze the same. This is seldom, if ever, the case. Both the information available and time at the Managers disposal is limited, but he or she makes a decision. And the decision is, therefore, not the optimum one but a “satisfying” one in effect, a satisfactory compromise under the real conditions prevailing in the management ‘arena’.

2.2.2 TRADITIONAL THEORY ‘X’

This can be best a scribbed to Sigmund Freud who was no lover of people, and was far from being optimistic. Theory X assumes that people are lazy, they hate work to the extent that they avoid it, they have no ambition, take no initiative and avoid taking any responsibility, all they want is security, and to get them to do any work, they must be rewarded, coerced, initiated and punished. This is the “stick and carrot” philosophy of management. If the
theory was valid, managers will have to constantly police their staff, whom they cannot trust and who will refuse to cooperate. In such an oppressive and frustrating atmosphere both for the Manager and the managed, there is no possibility of any achievement or any creative work. But fortunately, as we know, this is not the case.

2.2.3 THEORY ‘Y’ – DOUGLAS MCGREGOR

This is in sharp contrast to theory ‘X’. McGregor believed that people want to learn and that work is their natural activity to the extent that they develop self-discipline and self-development. They see their reward not so much in cash payments as in the freedom to do difficult and challenging work by themselves. The Manager’s job is to “dovetail” the human needs for maximum productive efficiency. The basic objectives of both are therefore met and with imagination and sincerity, the enormous potential can be tapped. Does it sound too good to be true? It could be construed, by some, that Theory “Y” management is soft and slack. This is not true and the proof is the ‘pudding’, for it has already proved it worth in the USA and elsewhere. For best results, the employees must be carefully be selected to form a homogeneous group. A good leader of such may conveniently “absent” from group meetings so they can discuss the matters freely and help select and “groom” a new leader. The leader no longer hanker after power, lets people develop freely, and may even (it is hoped) enjoy watching the development and actualization of people, as if, by themselves. Everyone and most of all the organization, gains as a result.

2.2.4 THEORY ‘Z’ – ABRAHAM MASLOW

This is a refreshing change from the theory X of Freud, by a fellow psychologist, Abraham Maslow. Maslow totally rejects the dark and dingy Freudian basement and takes us out into the fresh, open, sunny and cheerful atmosphere. He is the main founder of the humanistic school or the third force which, holds that all the good qualities are inherent in people at least, at birth, although later they are gradually lost. Maslow’s Central theme revolves around the meaning and significance of human work and seems to epitomize Voltaire’s observation in candied. “Work banishes the three great evils—boredom, vice and poverty”. The great sage Yajnavalkya explains in the Brihadaranyaka unpunished that by good works a man becomes holy, by evil works evil. A man’s personality is the sum total of his works and that only his works survive a man at death. This is perhaps the essence of Maslow’s hierarchy of needs theory, as it is more commonly known.
Maslow’s theory of human motivation (1943) is, in fact, the basis of McGregor’s theory “Y” briefly described above. The basic human needs, according to Maslow are physiological needs (lowest), safety needs, love needs, esteem needs, and self – actualization needs (Highest). Man’s behaviour is seen as dominated by his unsatisfied needs and he is a “perpetually wanting animal”, for when one need is satisfied he aspires for the next higher one. This is, therefore, seen as an ongoing activity, in which the man is totally absorbed in order to attain perfection through self – development. The highest state of self – actualization is characterized by integrity, responsibility, magnanimity, simplicity and naturalness. Self – actualizes focus on problems external to themselves. Maslow’s prescription for human salvation is simple, but not easy: “Hard work and total commitment to doing well the job that fate or personal destiny calls one to do, or any important job that “calls for” doing. Maslow has had his share of critics, but he has been able to achieve a refreshing synthesis of divergent and influential philosophies of Marx (economic and physical needs): Freud (physical and love needs): Adler (esteem needs); Goldstein (self-actualization). Since the 1940s research into human behaviour has suggested that people are motivated by a number of different needs, at work ad in their personal life. Recognizing and satisfying these needs will help one to get the best from people. It is important for a Human Resource Manager to establish what the needs of his or her staff are, and assist in meeting them.

Figure 2.1 The Maslow Hierarchy of Needs. (Robert Heller, 1998)
The diagram above shows how Abraham Maslow believed that satisfying just physiological and safety needs is not enough to motivate a person fully. Once these needs have been appeased, there are others waiting to take their place. Maslow hierarchy can be applied to every aspect of life, and the more ambitious and satisfied the personality, the greater the potential contribution to the organization.

2.2.5 RELEVANCE OF MASLOW HIERARCHY IN THE WORKPLACE

The Maslow hierarchy is particularly relevant in the workplace because individuals do not need just money and rewards, but also respect and interaction. When designing jobs, working conditions and organizational structures, bear in mind the full range of needs in the Maslow hierarchy. Doing this will cost no more, but it will undoubtedly generate higher psychological and economic rewards all round. Managers should therefore try to motivate employees through the use of voluntary social and sports activities. It is also important to balance group needs when attempting to motivate the employees. Individuals acting as part of a group have needs that differ from those of the group. However, it is important for individuals to feel they belong. The manager needs to find a way to balance the needs of the group with those of individuals. For example, tell staff that if the group needs it objectives, you may be able to satisfy individual requirements. Do not, of course, promise that you cannot deliver. Use inter-team competition to help stimulate team spirit. One of the areas in which individuals tend to satisfy their motivational needs outside work is sports activities. It is interesting to note the effort that people put into such endeavours, for which they are unlikely to gain material reward.

The motivating person should try to motivate his staff to apply as much effort in the workplace as they would in a team sport event by making work as much fun as possible. A shrewd motivation strategy is to encourage one’s staff to take up team activities outside the workplace in order to improve their teamwork skills. Some companies like SONY Sugar, Mumias Sugar, Kenya Power and Lighting, Kenya Breweries, Telkom Kenya, Kenya Posta, Kenya Railways, among others find that staff who are involved in regular sports activities are more likely to enjoy cooperative teamwork in the workplace.
2.2.6 HERZBERG’S TWO – FACTOR THEORY

Psychologist Fredrick Herzberg (1957) developed a “two – factor” theory for motivation based on “motivators” and “hygiene factors.” Hygiene favors basic human needs at work—do not motivate but failure to meet them causes dissatisfaction. These factors can be as seemingly trivial as parking space or as vital as sufficient holiday time, but the most important hygiene factor is finance. A manager should try to fulfill staff member’s financial needs. Employees require certain pay levels to meet their needs, and slow income progression and ineffective incentives quickly demotivate. Fear about lack of security in a job also greatly demotivates staff.

It is important to note the following remarks:- The effects of getting hygiene factors right are only temporary; The results of getting hygiene factor wrong can cause long lasting problems; Job insecurity undermines motivation at all levels; The more choice people can exercise over both hygiene factors and motivators, the better motivated they will be; Recognizing good work is as important as rewarding it.

Table 2.1: Basic needs at work

<table>
<thead>
<tr>
<th>HYGIENE FACTORS</th>
<th>SALARY AND BENEFITS</th>
<th>WORKING CONDITION</th>
<th>COMPANION POLICY</th>
<th>STATUS</th>
<th>JOB SECURITY</th>
<th>SUPERVISION N AND AUTONOMY</th>
<th>OFFICE LIFE</th>
<th>PERSONAL LIFE</th>
</tr>
</thead>
<tbody>
<tr>
<td>DEFINITION</td>
<td>These</td>
<td>These</td>
<td>The</td>
<td>A person’s status is</td>
<td>This is the degree of confidence that the employee regarding continued employment in an organization.</td>
<td>This factor concerns the extent of control that an individual has over the content and execution of a job.</td>
<td>This is the level and type of interpersonal relations spent on family, friends and interests — restricted by time spent at work</td>
<td></td>
</tr>
<tr>
<td>include</td>
<td>conditions</td>
<td>include</td>
<td>company</td>
<td>policy is the</td>
<td>determined by their rank</td>
<td>and relationship</td>
<td>and</td>
<td></td>
</tr>
<tr>
<td>basic</td>
<td>income</td>
<td>fringe</td>
<td>rules and</td>
<td>working</td>
<td>regulations</td>
<td>authority</td>
<td>that go</td>
<td></td>
</tr>
<tr>
<td>fringe benefits</td>
<td>bonuses</td>
<td>holidays</td>
<td>working regulations</td>
<td>workplace</td>
<td>and</td>
<td>and relationship</td>
<td>reflecting a</td>
<td></td>
</tr>
<tr>
<td>company</td>
<td>car and similar</td>
<td>items</td>
<td>informal</td>
<td>layout,</td>
<td>to others,</td>
<td>relationship</td>
<td>level of</td>
<td></td>
</tr>
<tr>
<td>equipment</td>
<td>the job.</td>
<td>provided for</td>
<td>employers</td>
<td>facilities and</td>
<td>that go</td>
<td>reflecting a</td>
<td>acceptance</td>
<td></td>
</tr>
<tr>
<td>items.</td>
<td></td>
<td>the job.</td>
<td>employees</td>
<td>company</td>
<td>and</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The second of Herzberg’s two factors is a set of “Motivators” that actually drive people to achieve. There are what a manager should aim to provide in order to maintain a satisfied workforce. How much a person enjoys achievement depends purely on its recognition. The
ability to achieve, in turn, rests on having an enjoyable job and responsibility. The greater that responsibility, the more the individual can feel the satisfaction of advancement. Motivators are built around obtaining growth and “self-actualization” from tasks. A manager can raise motivation in the employees by increasing their responsibility, thereby “enriching” their jobs.

Table 2.2: Heightening workplace

<table>
<thead>
<tr>
<th>MOTIVATORS</th>
<th>RECOGNITION</th>
<th>JOB INTEREST</th>
<th>RESPONSIBILITY</th>
<th>ADVANCEMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>WHY THEY WORK</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reaching or exceeding task</td>
<td>The acknowledgement of achievements by senior staff</td>
<td>A job that provides positive, satisfying pleasure to individuals and groups will be a greater motivational force than a job that does not sustain interest.</td>
<td>The opportunity to exercise authority and power may demand leadership skills, risk taking, decision-making and self-direction, all of which raise self-esteem and are strong motivators.</td>
<td>Promotion, progress and rising rewards for achievement are important here. Possibly the main motivator, however, is the feeling that advancement is possible. Be honest about promotion prospects and the likely timescale involved.</td>
</tr>
<tr>
<td>objectives is particularly important because the “onwards-and-upwards” urge to achieve is a basic human drive. It is one of the most powerful motivators and a great source of satisfaction</td>
<td>because it helps to enhance self-esteem. For many staff members, recognition may be viewed as a reward in itself.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2.2.7 CRITIQUE ON HERZBERG’S THEORY

Herzberg’s two-factors theory has been criticized because no attempt was made to measure the relationship between satisfaction and performance. It has been suggested that the two-factor nature of the theory is an inevitable result of the questioning method used by the interviewers. It has also been suggested that wide unwarranted inferences have been drawn from small and specialized samples and that there is no evidence to suggest that the satisfiers
do improve productivity. In spite of the criticism, the theory continues to thrive; partly because for the layman it is easy to understand and seems to be based on 'real-life' rather than academic abstraction, and partly because it fits in well with the highly respected ideas of Maslow and McGregor in its emphasis on the positive value of the intrinsic motivating factors. It is also in accord with a fundamental belief in the dignity of labour and the protestant ethic—that work is good in itself. As a consequence, Herzberg had immense influence on job enrichment movement, which sought to design jobs in a way that will maximize the opportunities to obtain intrinsic satisfaction from work and thus improve the quality of working intrinsic and extrinsic motivation is also important.
The motivation theories can be summarized as in the table below:

<table>
<thead>
<tr>
<th>Category</th>
<th>Instrumentality</th>
<th>Content (needs) theory</th>
<th>Two factor model</th>
<th>Process / Cognitive theory</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type</td>
<td>Taylorism</td>
<td>Hierarchy of needs</td>
<td>Statistical dissatisfies</td>
<td>Expectancy theory</td>
</tr>
<tr>
<td>Theorist(s)</td>
<td>Taylor</td>
<td>Maslow</td>
<td>Herzberg</td>
<td>Vroom, Porter and Lawler</td>
</tr>
</tbody>
</table>

Summary of theory

- If we do one thing it leads to another.
- People will be motivated to work if rewards and punishments are directly related to their performance.

Implications

- Basic of crude attempts to motivate people by incentives.
- Often used as the implied rationale for performance – related pay although this is seldom an effective motivator.

Focuses attention on the various needs that motivate people and the notion that a satisfied need is no longer a motivator. The concept of a hierarchy has no practical significance.

Identifies a number of fundamental needs, i.e. achievement, recognition, advancement, autonomy and the work itself. Strongly influences approaches to job design (job enrichment).

The key theory informing approaches to rewards i.e. That they must be a link between effort and reward (line of sight), the rewards should be achievable and should be worthwhile.

Provides the rationale for performance for management process, goal setting and feedback.

Need to develop equitable reward and employment practices.

Motivation and performance are influenced by The perceived link between effort and performance.

People are better motivated if treated equitably.
extrinsic motivation and
the fact that intrinsic
motivation mainly
derived from the work
itself will have a longer-
lasting effect. Therefore
underpins the
proposition that reward
system should provide
for both financial and
non-financial rewards.

Table 2.3: Basic needs at work Summary of motivation theories (M. Armstrong, 2008)
The following table summarizes the factors that affect motivational strategies and the
contribution that Human Resource can make to achieving higher level of employee
motivation in any organization.

<table>
<thead>
<tr>
<th>Factors Affecting Motivational Strategies</th>
<th>Human Resource Contributions</th>
</tr>
</thead>
<tbody>
<tr>
<td>The complexity of the process of motivation means that simplistic approaches based on instrumentality theory are unlikely to be successful.</td>
<td>Avoid the trap of developing or supporting strategies that offer prescriptions for motivation based on a simplistic view of the process or fail to recognize individual differences.</td>
</tr>
<tr>
<td>People are more likely to be motivated if they work in an environment in which they are valued for what they are and what they do. This means paying attention to the basic need for recognition.</td>
<td>Encourage the development of performance management process which provide opportunities to agree expectations and give positive feedback on accomplishment.</td>
</tr>
<tr>
<td>The need for work which provides people with the means to achieve their goals, a reasonable degree of autonomy, and scope for the use of skills and competencies should be recognized.</td>
<td>Advise on processes for the design of jobs which take account of the factors affecting the motivation to work, providing for job enrichment in the shape of variety, decision-making.</td>
</tr>
<tr>
<td>The need for the opportunity to grow by developing abilities and careers.</td>
<td>Provide facilities and opportunities for learning through such means as personal development planning process as well as more formal training.</td>
</tr>
<tr>
<td>The cultural environment of the organization in the shape of its values and norms will influence the impact of any attempts to motivate people by direct of indirect means.</td>
<td>Advise on the development of a culture which supports processes of valuing and rewarding employees.</td>
</tr>
<tr>
<td>Motivation will be enhanced by leadership which sets the direction, encourages and stimulates achievement, and provides support to employees in their efforts each goals and improve their performance generally.</td>
<td>Device competence frameworks which focus on leadership qualities and the behaviours expected of managers and team leaders.</td>
</tr>
</tbody>
</table>

Ensure that
leadership potential is identified through performance management and assessment centers. Provide guidance and training to develop leadership qualities.

Develop reward systems which provide opportunities for both financial and non-financial rewards to recognize achievements. Bear in mind, however, the financial rewards systems are not necessarily appropriate and the lessons of expectancy, goal and equity theory need to be taken into account in designing and operating them.

Table 2.4: Motivation strategies (M. Armstrong 2003)

2.3 EMPIRICAL REVIEW

2.3.1 Medical Services

There are no logical reasons why HIV/AIDS should be treated differently from any other disease that employees may be carrying, many of which are contagious and some of which are fatal. However, HIV/AIDS is a frightening and threatening disease which has received enormous publicity, not all of which has been accurate. Because of this fact it is necessary to develop a company policy to assist the employees in performance of their work. Men and women living with HIV reduce the risk of transmitting the virus to their sexual partners by taking oral antiretroviral medicines when their immune systems were relatively healthy. According to findings from a large scale clinical study sponsored by the National Institute of Allergy and Infectious Diseases (NIAID), part of the National Institute of Health (NIH). The clinical trial known as HPTN 052 was slated to end in 2015 but the findings are being released early as the result of a scheduled interim review of the study data by an independent Data and Safety Monitory Board (DSMB). The DSMB concluded that it was clear that use of
antiretroviral by HIV+ individuals with relatively healthier immune systems substantially reduce transmission to their partners. The results are the first from a major randomized clinical trial to indicate that treating a HIV+ individual can reduce the risk of sexual transmission of HIV to an uninfected partner.

Previous data about the potential value of antiretroviral in making HIV+ individuals has less infections to their sexual partners came largely from observational and epidemiological studies, said NIAID Director, Dr. Antony S. Fauci. This new finding convincingly demonstrate that treating the HIV+ individual and doing so sooner rather later can have a major impact in reducing HIV transmission. Led by study chair, Dr. Myron Cohen, Director of the Institute of Global Health and Infectious Diseases (IGHID) at the university of North Carolina at Chapel Hill, HPTN 052 began in April 2005 and enrolled 1763 couples, all at least 18 years of age. The versed majority of the couples, 97% were heterosexual, which precludes any definitive conclusions about effectiveness in men who have sex with men.

The study was conducted at 13 sites in Botswana, Brazil, India, Kenya, Malawi, South Africa, Thailand, The United States and Zimbabwe. The US site collected only limited data because of difficulties enrolling participants in the study. However, data from serodiscordant couple at the site was included in the DSMB’s analysis. At the time of enrolment, the HIV+ partners (890 men, 873 women) had CD4+ T-cell levels (a key measure of immune system health between 350 and 550 cells per cubic millimeter) within 60 days of entering the study. The HIV- partners had tested negative for the virus within fourteen days of entering the study. The investigators randomly assigned the couples to either one of the two study groups. In the first group, the HIV+ partner immediately began taking combination of three antiretroviral drugs. In the second group (the deferred group), the HIV+ partners began antiretroviral therapy when their CD4 counts fell below 250 cell per mm³ or an AIDS related event such as pneumocystis pneumonia, occurred.

Throughout the study, both group received HIV related therapy that included counseling on safe sex practices, free condoms, treatment for sexual transmitted infections, regular HIV testing and frequent evaluation and treatment for any complications related to HIV infections. Each group received the same amount of care counseling. In its review, the DSMB found a total of 39 cases of HIV infections among the previously uninfected partners. Of these, 28 were linked through genetic analysis to the HIV+ partner as the source of infection.
infections were not linked to the HIV+ positive, and four infections are still undergoing analysis. Of 28 linked infections, 27 infections occurred among the 877 couples in which the HIV+ partner did not begin antiretroviral therapy immediately. Only a single case of HIV infection occurred among those couples where the HIV+ partner began immediate antiretroviral therapy.

This finding was statistically significant and means that earlier initiation of antiretroviral led to a 96 percent reduction in HIV transmission to the HIV infected partner. The infection were confirmed by genetic analysis of viruses from both partners. Additionally, 17 cases of extra pulmonary tuberculosis occurred in the HIV+ partners in the deferred treatment arm compared with three cases in the immediate treatment arm, a statistically significant difference. There were also 23 deaths during the study. Ten occurred in the immediate treatment group and 13 in the deferred treatment group, a difference that did not reach statistical significance. The study was designed to evaluate whether antiretroviral use by the HIV+ individual reduced HIV transmission to the uninfected partner and potentially benefited the HIV+ individual as well. Additionally, the study was designed to evaluate the optimal time for a person infected with HIV to initiate antiretroviral support in order to reduce HIV related sickness and death especially among the employees. Based on this analysis, the DSMB recommended that the deferred study arm be discontinued and that the study participants be informed of their trial’s outcome.

Dr. Cohen said that they wanted to thank the study participants for making such an important contribution in the fight against HIV/AIDS. He further suggested that the results from the study will be important to help improve both HIV treatment and prevention. Study participants are being informed of the results. Individuals who became HIV+ during the course of the study were referred to local services for appropriate medical care and treatment. HIV+ participants in the deferred group will be offered antiretroviral therapy. The study investigators will continue following the study participants for at least one year that is the HIV Prevention Trials Network which is largely funded by NIAID with additional funding from several other partners.

2.3.2 Entertainment Services

Employee entertainment services mainly consist of restaurant, sports and social clubs, and nursery facilities, although some companies still support various benevolent societies which
provide additional help and finance in times of need. Company restaurant facilities are obviously desirable in any reasonably sized establishment where there is relatively little choice of facilities in the vicinity. Alternatively luncheon vouchers can be provided. A massive investment in sports facilities is usually of doubtful value unless there is nothing else in the neighbourhood, the company should be prepared to share its facilities with the local community. In a large company in a large town, it is very difficult to develop feelings of loyalty towards the company teams or to encourage people to use the sports club. Why should they support and obscure side when their loyalties have always been directed to the local club? Why should they travel kilometers away when they have perfectly adequate facilities near at hand? Such clubs are usually supported by small cliques who have little or no influence over the feelings of other employees, who leave the enthusiasts to get on with whatever they are doing (Armstrong M., 2008).

The same argument applies to social clubs, especially those run by paternalistic companies. It is difficult when they arise spontaneously from the needs of the employees. If they want to club together, then the company should say good luck to them and provide them with a reasonable amount of support. The subsidy, however, should not be complete. The club should generate their own funds as well as their own enthusiasms. Facilities can be provided within firm’s premises if they are needed and readily available. An investment in special facilities should be made only if there is a real likelihood of their being used regularly by a large proportion of employees. This is an area where prior consultation, before setting up the facility, and self government, when it has been established, are essential. Child care or nursery facilities (cre’ches) have obvious entertainment value as a means of attracting and retaining parents who would not otherwise be able to work on a full or part-time basis.

2.3.3 Training Programmes
Organization learning is concerned with development of the new knowledge or insides that have the potentials to influence behavior (Mabey and Slaman, 1995). It takes place within the institutional contest of inter-organizational relationships (Geppert, 1996), and refers broadly to organization’s acquisition of understanding, know how, techniques and practices of any kind and by any means (Argyris and Schon, 1996). It is emphasized by Harison (2000) that organization learning is not simply the sum of learning of individuals and groups across the organization. She further comments that many studies have confirmed that without effective processes and systems linking individual and organizational learning, the one has no
necessary counterpart with the other. As stated by Ehrenberg and Smith (1994), human capital theory indicates that the knowledge and skills a worker has which comes from education and training, including the training that experience brings, tend to generate productive capital. Pettigrew and Whipp (1991) believe that the focus of organizational learning and training should be on developing organizational capacity and this means paying attention to the intricate and often unnoticed or hidden learning that takes place and influences what occurs within the organization. Hidden learning is acquired and developed in the normal course of work by people acting as individuals and, importantly, in groups or communities of practice (Wenger and Snyder, 2000).

Peddler et al (1991) states that a learning organization is one which facilitates the learning of all its members and continually transforms itself. Wick and Leon (1995) refer to it as one that continually improves by rapidly creating and refining the capabilities required for future success. According to Garvin (1993), a learning organization is skilled at creating, acquiring, transferring knowledge, and at modifying its behavior to reflect new knowledge and insights. He believes that employees learn from experience, develop continuous improvement programmes, use systematic problem solving techniques, and transfer knowledge quickly and efficiently throughout the organization by means of formal training programmes linked to implementation. As Burgoyne (1994), has pointed out that learning organizations have to be able to adopt their context and develop their people to match the context. Many individual jobs could be learned by process of natural discovery rather than formula learning. He further asserts that learning organization channels the carrier and life planning activities of individual managers in a way that allows the organization to meet its strategic needs. This is done by identification of individual needs, organic formulation of business strategy with inputs from training departments on current skills and continual organizational review and learning experience. In 1999, he further suggested that a learning organization provides a healthy environment for natural learning.

However, study by Eraut et al (1998) established that in organizations adopting a learner centered perspective, formal education and training provided only a small part of what is learnt at work. Most of the learning described to the researchers was non-formal, neither clearly specified nor planned. It was naturally from the challenges of work. Effective learning was dependent of employee's confidence, motivation and capability. Some formal training to develop skills (especially induction training) was usually provided but learning
from experience and other people at work predominated. Reynolds (2004) notes that “the simple act of observing more experience colleagues can accelerate learning, conversing, swapping stories, cooperating on tasks and offering mutual support deepen and solidify the process. This kind of learning often very informal in nature is thought to be vastly more effective in building proficiency that more formalized training methods.”

As Reynolds (2004) points out, training has a complementary role to play in accelerating learning. It should be reserved for situations that justify a more directed, expert-led approach rather than viewing it as a comprehensive and all-pervasive people development solution. He also commented that the conventional training model has a tendency to emphasize subject-specific knowledge, rather than trying to build core learning abilities. It has been argued that transfer of expertise by outside expertise is however, risky since their design is often removed from the context in which work is created. Training can see to be remote from reality and the skills and knowledge acquired can appear to be irrelevant. This particularly applies to management or supervisory training, but even the manual skills learnt in a training centre may be difficult to transfer. This problem can be tackled by making training as relevant and realistic as possible, anticipating and dealing with any potential transfer difficulties. Individuals are more likely to apply learning when they do not find it too difficult, believe what they have learnt is relevant, useful and transferable, are supported by line managers, have job autonomy, believe in themselves and are committed and engaged. Transfer is also more likely if systematic training and just-in time training approaches are used, as described below.
2.3.4 Welfare Services

Welfare services may be provided for matters concerning employees which are not immediately concerned with their jobs although they may be connected generally with their performance of work. These matters will include individual services related to employees' welfare such as private help with counseling on personal problems, assistance with problems of health or sickness and special services for retired employees. Group services may include the provision of social and sporting activities and restaurants. Child-care facilities may be provided for individual employees but on a collective basis. The case for providing employee welfare services rests mainly on the abstract grounds of the social responsibility of organizations for those work in them. It is not paternalism in the Victorian sense—turkeys at Christmas—nor in the traditional Japanese sense, where the employee's whole life centres on the employer. Rather, it is simply the realization that in exchange for offering their services, employees are entitled to rather more than their pay, benefits, healthy and safe systems of work.

They are also entitled to consideration as human beings, especially when it is remembered that many of their personal problems arise in the context of work and are best dealt with
there. They may require time off to deal with sick children or partners or care for relatives, or advice on how to solve their problems and so minimize interference with their work. The argument for employee welfare services at work was well put by Martin (1967) who said that staff spend at least half their waking time at work or in getting to it or leaving it. They know they contribute to the organization when they are reasonably free from worry, and they feel, perhaps inarticulately, that when they are in trouble they are due to get something back from the organization. People are entitled to be treated as full human beings with personal needs, hopes and anxieties; they are employed as people; they bring themselves to work, not just their hands, and they cannot readily leave their trouble at home. The social argument for employee welfare services is the most compelling one, but there is also an economic argument. Increases in morale or loyalty may not result in commensurate or, indeed, in any increases in productivity, but undue anxiety can result in reduced effectiveness. Even if welfare services cannot increase individual productivity, they can help to minimize decreases.

Herzberg’s two-factor model, in effect, placed welfare among the hygiene factors, but he did not underestimate the importance of hygiene as a means of eliminating or at least reducing causes of anxiety or dissatisfaction. A further practical argument in favour of employee welfare services to boost performance is that a reputation for showing concern helps to improve the image of the firm as a good employer and thus assists in recruitment. Welfare may not directly increase productivity, but it may increase commitment and help in the retention of key employees. A strong case for employee welfare services therefore exists, and the real question is not ‘why welfare?’ but ‘what sort of welfare?’ to the employee to improve their performance at workplace. Increasingly, however, it is being recognized that employee welfare is the responsibility of line management and supervision. If the management take on their proper role as team leaders rather than their traditional autocratic and directive role, they should be enough to each member of their team to be aware of any personal problems affecting their work and the end general performance. Employee welfare services can be provided for either internally by means of a counseling services or externally through an agency which runs employee assistance programmes (EAPs). Employee assistance programmes originated in the US in the 1960s and the idea was slow to catch on in the UK, but it is now becoming more accepted.

Confidentiality is guaranteed by all EAPs to users, although employers are usually provided with a periodic statistical report on take-up of the services, which may be broken down by
sex, seniority, department or type of problem. Advocates of the programmes argue that the anonymity they offer makes them particularly suitable for use since it helps overcome the traditional reluctance to discuss personal matters. Larger EAPs providers offer clients the option of reports on average statistics based on work for comparable companies.

2.4 CONCEPTUAL FRAMEWORK

The conceptual framework will conceptualize the relationship between independent variables such as in motivation schemes (medical services, entertainment, training programmes and welfare services) and the dependent variable (employee performance).

This relationship is shown diagrammatically as follows:

Figure 2.3: Independent and Dependent variables

<table>
<thead>
<tr>
<th>INDEPENDENT VARIABLES</th>
<th>DEPENDENT VARIABLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical services</td>
<td>Employee Performance</td>
</tr>
<tr>
<td>Entertainment services</td>
<td></td>
</tr>
<tr>
<td>Training Programme</td>
<td></td>
</tr>
<tr>
<td>Welfare Services</td>
<td></td>
</tr>
</tbody>
</table>

2.5 PAST STUDIES ON EMPLOYEE MOTIVATION: MAIN REVIEW

Motivation is quite an interesting subject and therefore has attracted a diversity of scholars. Due to the varied interests and contributions, the subject remains revered. One of such areas is its definition, which is quite limited and situation specific, (Handy, 1985). This research work had particular interest on motivation factors and their use on employee performance. Some of the reported motivators which are of interest to this study include: economic rewards, (salary, wages, allowances, bonuses), recognition, food, safety, security, socialization, sense of belonging, skills of training, job design, job satisfaction and work measurement, (Berkeley, 1993).
Work measurement which is one of the areas of interest in study means, the knowledge of how long it takes to make a product or perform a service. For any efficient operation of a firm, there must be some knowledge of the work time within which a specific task should be accomplished. After repeated time study one can in general terms fit time span within a stated number of people can perform a specific task to a given satisfactory standard, (Chase and Aquilano, 1989). This may be the theory behind timing lessons in learning institutions, for example, in Kenya schools, lessons are usually timed for forty (40) minutes at the end of which some stated objectives would have been achieved. The teacher exert effort towards realization of the objective with the set time limit. This improves teacher performance.

Another motivator of interest is leadership style, here it means the power relationship between the management and the subordinates, the style, includes, dictatorship, democratic and laizez fare. Leadership style like dictatorship is unpopular, in effective and yields revolts in organizations (Wanyama, 2000). It therefore lowers performance. On the contrary, democratic leadership style is tied to improvement of performance of employees in an organization. Studies on leadership styles adopted in organization management point firmly that democratic leadership styles of company administration yields effective performance in many circumstances, that in the long run, democratic approach to company management tend to generate larger improvements in organization productivity and employee satisfaction, (Fiona, 1995). As suggested elsewhere in this research, employee satisfaction has a bearing on increase employee performance.

Another aspect of leadership that affect performance is leadership succession, changes in top Management positions bring in changes in management policies and work procedures, this can affect employee performance and subsequently the performance of the organization, (Grusky, 1963), reports that, at minimum, the appointment of a new leader bring a different person to the head of the organization who is not well integrated with other personnel and who will have some new ways of applying policies and interpreting established procedures, overtime, mostly short time, this creates conflicts and lowered morale, the extent of the disruption effect is likely to lower performance level, (Allan, 1993).

However, some research dispute that above contention, performance study conducted on the impact of frequent managerial changes on their performance at the end of season position in
league tables showed that Managerial change had little impact on team performance. The researchers in fact purported that the replacement of managers represented a form of 'scapegoating' a ritual sacrifice which served to assuage disgruntled influential's, (Gamson and Scotch, 1964). Changing manager did not, however, lead to any consistent change in team performance. Furthermore, research conducted on 122 large U.S. corporation points to the same conclusion on managerial succession, the research examined the measurements of performance in production firms by studying changes in measurement parameters like sales value and return of assets, the outcome was; 'There is very little evidence that changes in top management affect, in important ways, the magnitude of such traditional performance measures as sales, income and rates – of – return’, (Samuelson, Galbraith and Mc’ Guire, 1985).

The Manager should strive to make performance be a goal. Once this is satisfied, then higher performance goal will be set and in the process, performance and efficiency increases. The Manager can only achieve this when he reaches out to the subordinate to be viewed as a colleague, consultant and a resource, rather than a boss (Handy, 1985). This does not apply in devoid of other factors, workers category and the nature of work can determine ones performance, technology for instance is an aspect of the nature of work that may deny one an opportunity to utilize work autonomy.

Job context like socio-technical job design-blending personnel and technology, integrating technology into a job place for employees if accepted and used leads to greater overall productivity, (Hodgetts and Luthians, 1997). The General Food, a known U.S. firm producing Gainess pet food introduced autonomous groups at Topeka and Kansas plants, they allowed workers to share responsibilities and work in a highly democratic environment, they have since inception enjoyed great work success, infact lately published research points to the fact that the concept of multifunctional teams with autonomy for generating successful products innovation is more widely used by successful U.S. Japanese and European firms than any other form of team work concept, (Hodgettes and Luthans, 1997).

Fredrick Herzberg, in his 'motivation-maintenance theory' states that if employees are to be motivated, meaningful changes must be made in their jobs, key amongst the changes is job enrichment, it provides the qualified and cooperative individual the opportunity for achievement, recognition and growth that makes the job satisfying and meaningful
experience at which the worker is motivated to perform well, (Kallaus and Keeling, 1987). Job enrichment grants employees additional authority and more challenging tasks introduced to the job, this interests the worker and makes him work better. In a study of Insurance Company, 75 workers were working in accounting – policy holder services performing three phases of information processing: change coding, payment recording and account reviewing. Each of the jobs was being done by different groups of workers. After re-designing the job, the three separate jobs were combined into a single job now called “account analyst”- the job were all performed by one worker (job enrichment). As a result, the firm achieved increased productivity since less delays were experienced when information processing work flowed from one workstation to another. The company also gained improved quality, increase productivity, raise levels of job satisfaction, reduce absenteeism and turn over and possibility to reduce the size of the work force, (Kallaus and Keeling 1987).

Another form of job enrichment is delegation of duties, it adds tasks to existing ones and makes the employee gain practical experience in participate management. When this management strategy is used, the workers are given a voice in determining work to be done, method of doing work and how they are to be appraised. The employee taking part in the management is greatly motivated since they have authority to make decisions that spell success or failure and then rewarded for what is accomplished. In this way, the employee become involved in identifying and solving office problems, more of their personal needs—especially status, recognition and self-actualization are being met. Participative Management, therefore increases employee motivation because workers identify more closely with the company, develop greater team spirit and most importantly, work harder to achieve the corporate goals they have helped to establish, (Kallaus and Keeling, 1987). Learning and socialization during early life too has a bearing on performance, children whose parents' emphasized early self-reliance in tender ages developed into high achievers and better performers. Emphasis of self–reliance provision of services and socialization at early age is reported to be a fact of performance that is precedent to economic rewards. The early job training by socialization gave inherent motivation which one used at later time to perform, (Chase and Fiona, 1995).

Another socialization aspect that bears on performance is gender characteristics, ‘Man’ and ‘Woman’ research has shown that women perform better alone or when are in an environment where they are convinced that their achievements will not be noticed by or
offend men, (Stake, 1976). Men in a competitive situation would perform better reason; they strive to be viewed as better-while women feel they would offend men if they beat men in performance, (Finigan, 1982). Whether these apply or not, and to what degree is the main interest of this research. Other individual characteristics also affect performance, for example, some people perform when allowed to set moderate goals of difficult ones, the set goals would be the propellant to performance and the consequent achievement of organization goals. To others, immediate and specific feedback of the tasks performed reaps high achievements. This may explain consistent release of results by the production organizations such as United. Repetitive are bad, they are then boring, stressful and may be fatal. Further, it lowers an employee performance. A stressed employee needs time off to do work unrelated activities that can reduce stress, (Hodgetts and Luthans, 1997) adequately imply this when he wrote, ....... “Time off to do work and unrelated activities cuts down on stress which otherwise lowers an employee’s performance and can even cause death. A Japanese Company, Mitsui and Company was sued successfully for having caused death of an employee by ‘work’ –vigorous work process.” If this is true, then “Karashi” – Japanese for ‘stress’ may also be financially costly for an organization. The above Literature review reveals significant motivators suggested to improve performance of employees in organizations. However, they lack adequate information to reveal to what extent the motivators will improve employee performance. This study therefore, intends to find the extent to which the motivators increase employee performance and what level.

MOTIVATING DIFFERENT PEOPLE IN DIFFERENT WAYS
As a Human Resource Manager, it is important to remember that he should use his motivational techniques to influence not only subordinates, but also his colleagues and managers senior to himself. For senior Manager, motivate superiors to perceive that what you request suits their own purposes for instance, improving management information with a new system. For colleagues, motivate them to feel that by helping and supporting you they are pursuing their own ends. For example, putting together a joint plan for office economies. For subordinate, motivate them to think that following your wishes will bring them satisfaction for instance, taking over responsibility for an entire job.
However, doubt have been cast by Herzberg et al (1957) on the effectiveness of money because, they claimed, while the lack of it can cause dissatisfaction, its provision does not result in lasting satisfaction. This really applies to employees on fixed salaries or rates of pay and do not benefit directly from an incentive scheme. They may feel good when they get an increase, a part from the extra money, it is highly tangible form of recognition and an effective means of helping people to feel that they are valued. But this feeling of euphoria can rapidly die away. Other dissatisfactions from Herzberg’s list of hygiene factors, such as working conditions or the quality of management, can loom larger in some people’s minds when they fail to get the satisfaction they need from the work itself.
However, it must be re-emphasized that different people have different needs and wants and Herzberg’s two factor theory has not been validated. Some will be much more motivated by money than others. What cannot be assumed is that money motivates everyone in the same way and to same extent. Thus is naïve to think that the introduction of a performance related pay (PRP) scheme will miraculously transform everyone overnight into well-motivated, high performing individuals. Nevertheless, money provides the means to achieve a number of different ends. It is a powerful force because it is linked directly or indirectly to the satisfaction of many needs. Money clearly satisfies basic needs for survival and security, if it is coming in regularly. Many can also satisfy the need for self-esteem as it is visible mark of appreciation and status money can get one in a grade a part from other fellow employees and can buy one thing they cannot to build up his / her prestige.

Money satisfies the less desirable but still prevalent drives of acquisitiveness and cupidity. Money may in itself have no intrinsic meaning, but it acquires significant motivating power because it comes to symbolize so many intangible goals. Money also acts as a symbol in different ways for different people, and for the same person at different times. Gold Thorpe et al (1968) noted that pay is the determinant factor in the choice of employer and considerations of pay seem most important in binding people to their present job. Financial incentive motivates people who are strongly motivated by money and whose expectations that they will receive a financial reward as high. Money can therefore provide positive motivation in the circumstances, not only because people need and want money but also because it serves as a highly tangible means of recognition. But badly designed and managed pay systems can demotivate. Jaques (1961) emphasized the need for such systems to be perceived as being fair and equitable that is, the reward should not receive less money than they deserve compared with their fellow workers. Jaques called this the “felt-fair” principle.

NON-FINANCIAL REWARDS
Achievement is its own reward- but it is never enough. Achievers also want recognition. Even a simple “thank you” is an important, underused reward that costs nothing. Staff of any organization also value inclusion in events like away-days to discuss company strategy. Such events fit into development programmes that are central to sustaining job satisfaction, increasing responsibility and enhancing career progress and personal growth. Other non-financial rewards such as gifts and holidays may prove cheaper than cash rewards and everyone loves to receive presents. However, these provide less motivation than individual
recognition, and are not substitutes for good, year-round management. Nothing differs more across industry and commerce than the use of money as reward and motivation. Managers in the United States of America may expect large bonuses and stock options, although in Japan, straight salary is dominant, and financial motivators are little used. Europe falls in between mainland Europe being nearer to the Japanese model and the British closer to the United States of America.

Table 2.6: Non – Financial Rewards

<table>
<thead>
<tr>
<th>REWARD</th>
<th>RECOGNITION</th>
<th>SPECIAL EVENTS</th>
<th>PROFESSIONAL TRAINING</th>
<th>SELF-DEVELOPMENT</th>
<th>EQUIPMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Handwritten note, engraved trophy</td>
<td>Weekend away, parties, theatre trips</td>
<td>On-or Off-site courses</td>
<td>Personal, non-vocational training.</td>
<td>Company car, Lap-top computer</td>
<td></td>
</tr>
</tbody>
</table>

FACTORS TO CONSIDER:

- An often overlooked form of reward that is personal as well as being effective in both the short and long term.
- Can involve staff from all levels.
- Effective, focused trained staff brings high returns.
- Enhancing self-image raises performance levels at work.
- Company gains a qualified employee, who feels valued.
- Need to ensure that equipment is fully utilized
- Expensive equipment is highly motivational

According to Spitzer (1995) employees can be motivated without using money. To him 70% of organization employees are less motivated today than they want used to be; 80% of employees could perform significantly better if they want; and 50% of the employees only put enough effort into their work to keep their job. All employees are capable of an unlimited supply of motivation. The organization should offer a great health plan, a retirement plan, and four weeks of vacation each year. A great benefits package, vacation and even a salary increase are not human motivators. Benefits, vacation and salary are employee trainers and...
not employee motivators. The organization offers these benefits in order to attract and retain talented workers, for example the more valuable the employee is to the organization, the more valuable their benefits packages will become. There are also employee morale boosters in an organization that do not increase motivation because they are not directly tied to an increase in performance. An employee with good morale is not necessary a motivated employee. For example, an employee that comes to work and spends one or two hours each day socializing may have great morale, but will also have the worst production levels of any employee in the department. Some of these morale boosters may include free use of company car on weekends, a bimonthly drawing for a designated parking spot, and even a free pizza every Friday afternoon.

RELATIONSHIP BETWEEN MOTIVATION AND PERFORMANCE

The basic requirement for job satisfaction may include comparatively higher pay, an equitable payment system, real opportunities for promotion, considerate and participative management, a reasonable degree of social interaction at work, interesting and varied tasks and a high degree of autonomy: Control over work pace and work methods. The degree of satisfaction obtained by individuals, however, depends largely upon their own needs and expectations, and the working environment. But research has not established any strongly positive connection between satisfaction and performance. A satisfied worker is not necessarily a high producer, and producer is not necessarily a satisfied worker. The claim that good performance results in satisfaction rather than vice versa has not been proved. Performance is therefore considered to be a function of ability and motivation,

\[
\text{Job performance} = f(\text{ability} \ (\text{motivation})
\]

Ability in turn depends on education, experience and training and its improvement is a slow long process. On the other hand motivation can be improved quickly. There are many options and unlimited manager may not even know where to start. As a guideline, there are broadly seven strategies for motivation namely: Positive reinforcement / high expectations; Effective discipline and punishment; Treat people fairly; Satisfying employees needs; Setting work related goals; Restructuring jobs; Base rewards on job performance.

These are the basic strategies, though the mix in the final ‘recipe’ will vary from work place situation to situation. Essentially, there is a gap between an individuals actual state and some desired state and the manager tries to reduce this gap. Motivation is, in effect a means to reduce and manipulate this gap. It is inducing in a specific way towards goals specifically stated by the motivator. Naturally, these goals as also the motivation system must conform to
the corporate policy of the organization. The motivational system must be tailored to the situation and to the organization.

In one of the most elaborate studies on employee motivation, involving 31,000 men and 13,000 women, the Minneapolis Gas Company (U.S.A.) sought to determine what their potential employees desire most from a job. This study was carried out during a 20 year period from 1945 to 1965 and was quite revealing. The ratings for the various factors differed only slightly between men and women, but both groups considered security as the highest rated factor, besides other factors such as advancement, type of work and company proud to work for. Surprisingly, factors such as pay (money), benefits and working conditions were given a low rating by both groups. So often all, contrary to common belief, money is not the prime motivator (though this should be regarded as signal to reward employees poorly and unfairly.

2.6 CRITICAL REVIEW OF MAJOR ISSUES: OTHER RELATED STUDIES

Different theorists have different ideas on what makes a job motivating. The following are some of the studies done on Employee motivation giving an insight into other factors that influence employees motivation.

JOB SATISFACTION

Locke (1976) defines job satisfaction as a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experience. It refers to a set of favourable feelings with which employees view their work. Mumo (2000) says that job satisfaction refers to an individual’s general attitude towards the job that reflects his / her happiness with the situation. The result of this satisfaction is increased commitment to the organization which may or may not result in increased performance.

People working in an organization soon develop a set of attitudes about the work, supervision, co-workers and pay among others. This set of attitudes is usually referred to as a job satisfaction (Szilagyi and Wallace, 1980). Like any other attitude, job satisfaction consists of cognitions (beliefs, knowledge or expectations) emotions (feelings, sentiments, likes or dislikes) and behavioural tendencies. Job satisfaction attitudes also vary in intensity and consistency, depending on the situation and can be affected by factors like an individual’s age, health, marital status and educational levels. According to Rue and Byars
(1993) as quoted in Mumo (2000), job satisfaction is an individual’s mental set with regard to the job. This mental set may be positive or negative depending on the person’s perception with regard to the job. Further, Mumo (2000) quotes Schermerhorn (1993) wherein Lawler (1973) distinguishes between overall satisfaction and facet satisfaction. He said facet satisfaction refers to people’s affective reactions to particular aspects of their jobs such as pay, supervision and opportunities for promotion. Overall satisfaction is referred to as a person’s affective reactions to his total job. Where job satisfaction leads to increased commitment normally, there will be a decrease in problems such as absenteeism, lateness, tardiness, labour turnover, burnout and stress, disputes and strikes.

Keith Davis (1977) quoting R. Kahn says that, Job satisfaction does seem to reduce absence, turnover and perhaps accident rates. One of the surest signs of deteriorating conditions in an organization is low job satisfaction due to poor employee motivation. In its sinister forms, it lurks behind wild cat strikes, slow downs, absenteeism and employee turn over. It may also be part of grievances, low productivity, disciplinary problems and other organization’s difficulties. Weighing the negative effects of job dissatisfaction to an organization, it should be avoided at all costs and where it prevails, measures should be put in place to address it.

Remuneration
This refers to the whole package that is paid to employees. This includes ordinary, basic or minimum wage. Porter and Steers (1973) discuss pay as a prominent determinant of job satisfaction, especially when the pay received is seen as equitable, that is when it is viewed as fair compared to the level of effort and what other people receive. According to Herzberg studies, (1968), if employees feel that they are not compensated well they will be unhappy. Employees normally compare their salaries and benefits to those of other employees in other offices, with similar qualifications. According to Bavendam Research, fair rewards influence job satisfaction. Employees are more motivated when they are rewarded fairly for the work they do. Their responsibilities, the effort they have put forth, the work they have done well and the demands of their jobs are put into consideration. Some of the issues to be addressed:- Making sure rewards are for genuine contributions to the organization; Being consistent in reward policies; If wages are competitive, employees should be made to know this; Rewards can include a variety of benefits and perks other than money; As an added benefit, employees who are rewarded fairly, experience less stress.

Jacques (1961) discovered that questions of equitable payment in relation to an individual or automy available to an individual in the job are a key factor in achieving a sense of fairness at
work. In a subsequent handbook for managers (1964), he commented that: individuals privately possess common standards as to what constitute fair payment for given levels of work. These norms of fair payment are relative; that is, they indicate what differentials in payment are felt to be fair in relation to differentials in levels of work. Depending on how this variable is handled by the employers, employees may either be satisfied or dissatisfied with their job. If employees are properly compensated, their morale will be high hence increased job satisfaction.

**Working Conditions**

These are conditions employees are subjected to in their work place. They refer to working hours, physical working environment, working space, tools and equipment. Steers (1984) asserts that general working conditions have been found to be of cardinal importance in determining employee job satisfaction. Employees would feel satisfied in their job if they working in a clear and orderly work place, with adequate tools and equipment, acceptable levels of environmental quality, temperatures, humidity and noise.

The environment in which people work has a tremendous effect on their level of pride for themselves and for the work they are doing. Poor equipment and facilities and overcrowding, leads to tension among employees. If working conditions are not conducive, hardworking employees who can find jobs elsewhere leave, while mediocre employees would stay and compromise practices success. (Herzberg studies, (1968). Conducive working conditions play a significant role in increasing employees' job satisfaction.

**Demographic factors**

This refers to factors relating to personal characteristics such as gender, age, social class, levels of education, occupation and family status. These personal characteristics influence job satisfaction. Commenting on gender and job satisfaction in the teaching profession, Immonje (1991) asserts that women teachers tend to be more satisfied than male counterparts. As far as age is concerned, Ingolo (1991) say that age influences job satisfaction. The aspect of age in relation to satisfaction varies with the various facets. For example with increase in age, there is satisfaction with opportunities to work without supervision, recognition and opportunity to use own approach (Ingolo 1991).
While discussing personal factors in relation to job satisfaction, Porter and Steers (1973) are of the view that age and job tenure influence job satisfaction since the older one gets the more senior he/she is likely to be in his/her work place. This makes the job to be more challenging with increased responsibilities and higher position which are in turn rewarded by employers thus making employees to be satisfied in their jobs. According to Garrison (1981) research indicates that married employee have fewer absences, undergo less turnover, and are more satisfied with their jobs. Robbins (1989) says that, marriage imposes increased responsibilities that may make a steady job more valuable and important. Potter et al (1973) asserts that, the older one gets, the less likely he or she is to quit the job. According to Kalleberg et al (1983), there is overwhelming evidence indicating a positive association between age and satisfaction, at least up to age sixty.

**Promotion and Training**

Promotion is advancement in a career. Nzuve (1997) as a change of assignment from a job at a lower level to another at a higher level within the organization. Promotion provides an employee with an increase in pay and improved status. If promotion is done from within, it can likely bring job satisfaction. A new comer, no matter how experienced or educated, is always a threat to those already serving in the organization. Promotion from within places high value on the importance of the organization over their employees and if properly done will strengthen employee morale.

Education, ability, qualification, exposure and seniority should be matched with the job requirements to ensure fairness in promotion because promotion must be part of definite plan. Training is concerned with imparting skills, knowledge and attitude to employees in order to enable them perform their duties better than before. It may be on-the-job or off-the-job. In most cases, promotions are determined by training. Sabbaticals are also a form of training. Cole, (1996) says that training usually implies preparation for an occupation or for specific skills; it is more narrow in conception than either education or development; it is job oriented rather that personal. Okumbe (1998) defines training as process of providing junior employees with specific knowledge and skills in order to enable them perform specific work tasks. Training is the process of changing employee behaviour, attitudes or opinions through some type of guided experience. (Kreitner, 1998). According to Graham and Bennet (1998) under favourable circumstances, training has the importance dual functions of utilization and motivation. By improving employees ability to perform the tasks required by the company, training allows better use by giving employees a feeling of mastery over their work and of
recognition by management their job satisfaction is increased. Therefore, training brings
greater job satisfaction showing itself in lower labour turnover and less absence. According to
Appleby (1994), opportunities for promotion may influence the degree of satisfaction a
worker will have in his job. If educational attainments are going to be essential for
promotion, opportunities for study may be essential to retain good worker relations.

According to Okumbe (1998), employees tend to prefer work, which is mentally challenging
and offer a variety of tasks, freedom and feedback on how well they are doing. They prefer
jobs, which give them opportunities to use skills and abilities. Training is a work-related
benefit and can bring about job satisfaction to employees. People with higher-level
occupations tend to be more satisfied with their jobs. People in higher-level occupations are
better paid and have better working conditions and their jobs make fuller use of their abilities
and these in turn make them more satisfied. Therefore, employers should consider providing
training opportunities to the employees to make them eligible to rise higher levels
occupations where there is job satisfaction.

THE PORTER – LAWLER MODEL
Porter and Lawler argued that if rewards are adequate, high levels of performance may lead
to satisfaction. The Porter and Lawler Expectancy Model provides interesting insights into
the relationships between satisfaction and performance. Their model predicts that satisfaction
is determined by the perceived equality of intrinsic and extrinsic rewards for performance
that is, rather than satisfaction causing performance, it is actually performance that eventually
leads to satisfaction.
The model is illustrated diagrammatically as follows:

**Figure 2.4 The Porter-Lawler Model**

- **Value of reward**
- **Abilities & traits**
- **Efforts**
- **Perceived equiery of reward**
- **Satisfaction**
- **Extrinsic rewards**
- **Role Perception**

Source: Figure from Porter, Lyman, W.Q Edward E. Lawler, Managerial attitudes & performance. Copyright 1968

**VROOM'S EXPECTANCY THEORY**

According to Vroom (1964), an individual's behaviour is affected by: What the person wants to happen, his or her estimate of the probability of the thing happening, how strongly the person believes that the event will satisfy a need. Individuals normally base their predictions of what will happen in the future on what has occurred in the past. In consequence, new situations that workers have not previously experienced (for example, Job changes, new working conditions and environments) cause uncertainty and thus may reduce employee motivation, because the individuals involved have no prior knowledge of the likely consequences of altered circumstances.

The main features of Expectancy Theory are:- It takes a comprehensive view of the motivational process; It indicates that individuals will only act when they have a reasonable expectancy that their behaviour will lead to the desired outcomes; It stresses the importance of individual perceptions of reality in the motivational process; It implies that job satisfaction follows effective job performance rather than the other way round; It has led to development in work redesign, where emphasis has been laid on intrinsic job factors, such as variety, task identity and feedback.
EQUITY THEORY
The basis of Equity, in a work context, is that people make comparisons between themselves and others in terms of what they invest in their work (inputs) and what outcomes they receive from it. The theory states that, when people perceive an unequal situation, they experience “equity tension”, which they attempt to reduce by appropriate behaviour. Robbins (1993), in a review of research suggests that when people perceived an inequitable situation for themselves they can be predicted to make one of six choices i.e. Change their inputs (for example, not exerting as much effort); Change their outcomes (for example, individuals paid on a piece rate basis increased their pay by producing a higher quantity of units even is of a lower quality); Distorts their perceptions of self (for example, “I used to think I worked at a moderate pace but now I realize I work a lot harder than everyone else”); Distort perceptions of others (for example, “X’s job isn’t as desirable as I first thought”); Choose a different reference point (for example, “I may not be doing as well as my brother, but I’m doing better than our father did at my age”) or “Leave the field” (that is quit their job!).

BAVENDAM RESEARCH
As part of a larger project whose goal was to create an employee - driven, survey improvement process (our MFI ® Process), Bavendam Research identified six factors that influenced job satisfaction. When these factors were high, job satisfaction was high when the six factors were low, job satisfaction was low. These factors are:-

Opportunity
Employees are more satisfied when they have challenging opportunities at work. This includes chances to participate in interesting projects, jobs with a satisfying degree of challenge and opportunities for increased responsibility. This is not simply promotional opportunity. People have found challenge through projects, team leadership, special assignments as well as promotions. Actions here are, promoting from within when possible, rewarding promising, employees with roles on interesting projects, and dividing jobs into levels of increasing leadership and responsibility.

Stress
When negative stress is continuously high, job satisfaction is low. Jobs are more stressful if they interfere with employees personal lives or are a continuing source of worry of concern.
Actions here will be promoting a balance of work and personal lives while making sure that senior managers model this behavior, distributing work evenly within work teams, reviewing work procedures to remove unnecessary bureaucracy, managing the number of interruptions employees have to endure while trying to do their jobs, some organizations utilize exercise or “fun” breaks at work.

Leadership
Employees are more satisfied when their managers are good leaders. This includes motivating employees to do a good job, striving for excellence or just taking action like ensuring that your managers are well trained as leadership combines attitudes and behaviours that can be learned, people responding to managers that they can trust and who inspire them to achieve meaningful goals.

Work Standards
Employees are more satisfied when their entire workgroup takes pride in the quality of its work which is achievable by encouraging communication between employees and customers as quality gains importance when employees see its impact on customers, developing meaningful measures of quality that is celebrating achievements in quality.

Adequate authority
Employees are more satisfied when they have adequate freedom and authority to do their jobs. When reasonable, let employees make decisions, allow employees to have input on decisions that will affect them, establish work goals but let employees determine how they will achieve those goals as later reviews may identify innovative “best practices.”, ask, “If there were just one or two decisions that you could make, which ones would make the biggest difference in your job?” The Bavendam Research also discusses fair rewards as already quoted as a factor contributing to job satisfaction.

DISCREPANCY THEORY
This proposes that people’s attitudes towards their jobs are a function of the difference between the amount of rewards they receive and the amount which they expect so if people get the outcomes they expect, they will be satisfied, whereas if they get less than what they expected they will be less satisfied. There are two ways of looking at discrepancy (Gilmer and Deci, 1997). One is to take that people’s satisfaction will depend on the difference
between the outcomes they want from their jobs and the outcomes, which they think they are getting. This difference is in the people’s perceptions. The second school of thought asserts that it is not just the discrepancy between outcomes and expectations, which determine satisfaction, but rather it is the discrepancy in relation to the level of expectation. This means that a 4-unit discrepancy when one expects 10 units of outcomes will make the person much more dissatisfied than a 4-unit discrepancy when the expectation is for 100 units. These approaches assume that total job satisfaction is found by adding. Satisfaction with pay to satisfaction with supervision, to with working conditions and so on.

VALUE THEORY
Locke in (1976) considered values to be the primary determinants of both facet satisfaction and overall satisfaction. He differentiated between needs and values – values are what persons consciously want or seek to attain, values have been acquired (learned) and needs are innate. Locke views job satisfaction as being caused primarily by the interaction of one’s values and one’s perceptions of the job and its context. This is a cognitive process. He says all values have two attitudes – content, which is what is wanted or valued – and intensity, which is how much order of importance, would represent his value hierarchy. In addition to the already mentioned factors influencing job satisfaction, Floyd (1998) mentions, nature of the tasks undertaken at work, degree of job security, management styles and organizational culture. Employees who are poorly motivated often score badly on at least one of these factors: an undemanding jobs, unpleasant working conditions and low pay, salary delays, which are all common causes of poor motivation. A lack of motivation – either limited to one area or department or spread throughout the firm, causes employees dissatisfaction. This leads to higher labour turnover, increased incidents of absenteeism and/or sickness, poor timekeeping, and more informal groups within the firm. Luthans (1998) mentions the following as factors influencing job satisfaction, the work itself, pay, promotions, supervision, work group and working conditions.

Harper (1987) reports that despite uncertainty concerning the strength and direction of the job satisfaction – performance relationship many people would argue that job satisfaction is a desirable end in itself. Haralambos (2000) says that the only aspects of the job that were liked by those in a survey conducted by Blauner were levels of pay and security of employment. According to Moorhead and Griffin (1999), extensive research on job satisfaction shows that personal factors such as an individual needs and aspirations determine
this attitude, along with group and organizational factors such as relationship with co-workers and supervisors and working conditions, work policies and compensation. Robbins (2001) says that employees' dissatisfaction can be expressed in a number of ways for example, rather than quit, employees can complain, be insubordinate, steal organizational property, or shirk a part of their work responsibilities. The following figure offers four responses that differ from one another along 2 dimensions: Constructiveness/destructiveness and activity/passivity. They are defined as follows:

Exit: Behaviour directed toward leaving the organization, including looking for a new position as well as resigning.

Voice: Actively and constructively attempting to improve conditions, including suggesting improvements, discussing problems with superiors and some forms of union activity.

Loyalty: Passively but optimistically waiting for conditions to improve, including speaking up for the organization in the face of external criticism and trusting the organization and its management to "do the right thing".

Neglect: Passively allowing conditions to worsen, including chronic absenteeism of lateness, reduced effort, and increased error rate.

Figure 2.5 Responses to Job Dissatisfaction

Rollin son (1998) discusses the potential effects of satisfaction which are employee turnover, absenteeism and productivity. Where job satisfaction is high, labour turnover is reduced. When job satisfaction falls, absenteeism tends to rise. On productivity, he says that rewards results in satisfaction which then leads to greater effort therefore, satisfaction only has a mediating role. He also notes work itself, pay, promotion, supervision and so-workers as potential effects of job satisfaction. Ferris (2002) reports that numerous studies have demonstrated a consistent link between role ambiguity and higher levels of job dissatisfaction, mental strain and intentions to leave an organization. However, he notes that individuals with higher self- efficacy normally have higher job satisfaction even when subjected to psychological and physical strain, long working hours and work overload. Waweru (19984) discusses crude measures of labour satisfaction. The measures are absenteeism, labour turnover, lateness, grievance situation and productivity.

**IMPROVING EMPLOYEE MOTIVATION**

Management literature is replete with actual case histories of what does not motivate Employees. Presented here is a tentative initial selection of the various practices that have been tried in order to draw lessons for the future.

**‘Stick’ or ‘Carrot’ approach**

The traditional Victorian style of strict discipline and punishment has not only failed to deliver the goods, but it had also left a mood of discontent among the working class. Punishment appears to have reduced negative rather than positive results and has increased the hostility between ‘them’ (the management) and ‘us’ (the employees). In contrast to this, the ‘carrot’ approach, involving approval, praise and recognition of effort has markedly improved the work atmosphere, produced the ‘goods’ and given the employees enormous satisfaction.

**Manager’s motivation ‘toolkit’**

The managers’ main task to motivate his or her team, both individually and collectively is so that they can deliver the goods and also drive satisfaction from it. This may appear somewhat contradictory, but it seems to work. The main tools in the manager kit bag for motivating the team include approval, praise and recognition; trust, respect and high expectations; loyalty, given that it may be received; removing organizational barriers that san in the way of
individual and group performance (smooth business processes, systems, methods and resources); job enrichment; good communications; financial incentives. These are arranged in order of importance and it is interesting to note that cash is way down the ladder of motivators. Some examples from real life situations may include the Swedish Shipbuilding Company, Kockums, which turned a 15 million dollar loss into a 100 million dollar profit in the course of ten years entirely to a changed perception of the workplace brought about by better motivation. Also at West Electric there was a dramatic improvement in output after the supervisors and Human Resource Managers started taking greater interest in their employees.

**Don’t Coerce – Persuade!**

Persuasion is more powerful than coercion, just as the pen is mightier than the sword. Managers have a much better chance of success if they use persuasion rather than coercion. The former builds morale, initiative and motivation, whilst the latter quite effectively kills such qualities. The three basic components in persuasion include Suggestion; Play on the person’s sentiments, and Appeal to logic. Once convinced, the employee is so motivated as to deliver the ‘goods’. The Manager on the other hand will have achieved the goal quietly, gently and with the minimum of effort. It is, in effect, an effortless achievement. More contemporary ‘persuaders’ used by advertising and marketing employees also include: Faster talk is found to be more effective, since it is remembered better; Brain emits fast beta waves when a person is really interested in a particular presentation. These waves can be detected by an instrument; Subliminal approach using short duration presentation, whereby the message is transmitted below the level of awareness. It is important to pose a question whether the findings can be used in actual work conditions? The American Telephone and Telegraph Company recognizing the importance of hidden needs, at one time succeeded in promoting long distance calls by use of the simple phrase: “Research out, reach out and touch someone.” Managers will need to adapt this persuasion/motivation technique to their work situations.
Figure 2.6. Motivation influences conceptual framework (Nyawara Charles, 2012)

From the Conceptual framework, one understands that, the motivation elements documented by the Maslow's and Herberg theory when applied on the staff, both Management and Subordinate produce above standard performance of the organization tasks. This makes the organization develop and grow, prosperous organizations generate the motivation elements which are then ploughed back to re-energize the system. In effect therefore, motivation elements operate in an organization in a cyclic manner as shown in the diagram above.

2.7 SUMMARY AND GAPS TO BE FILLED BY THE STUDY

An overview of the studies done on Employee Motivation mentions financial rewards (salary increases, commission and Bonuses, performance-related pay, shares/stock options, special rates and family health benefits) and Non-financial rewards (Recognition, special events, professional training, self-development and equipment), as job motivators. Employee job dissatisfaction due to poor motivation leads to absenteeism, sickness, lateness, high labour turnover, low morale, disputes, strikes, burn out, stress and finally low productivity due to poor performance.
This ultimately results to the following losses in an organization: Poor performance, poor health, reduced production, additional overtime, clerical and supervisory expenses, recruitment and selection, conflicts, sickness, failure to meet deadlines, training and development, processing new employees' payroll, interruption of ongoing group work, payment of terminal benefits and possible demoralization of employees; Employers should endeavour to improve their employees' job motivation through appropriate compensation in both financial and non-financial rewards; Most studies on Employee motivation have been done in the teaching fraternity. This study will go a step further to address the level of Employee motivation of employees outside the teaching fraternity. Further studies can be done on employees of sugar industry working in Sugar companies in Western Kenya.
CHAPTER THREE
RESEARCH METHODOLOGY

3.1 INTRODUCTION
In this chapter, detailed account of the research methodology to be used in the research study will be described. The issues that will be discussed are research design, target population, sample selection, research instruments and methods of Data Analysis.

3.2 RESEARCH DESIGN
Survey research design will be used since it allows collection of data by use of questionnaires and using case study. It will be used to analyze employee motivation influence on employee performance in Kenya Sugar Industry in Western Kenya. The Scope of this study will be limited to employees in Sugar factories. For generalization to be made, proper attention will be given to selected sample that will be a representative of the population. According to Gilbert (2005) a research design is the framework or plan for a study, used as a guide to collect and analyze data.

3.3 TARGET POPULATION
The target population for this study will be 800 employees in Chemelil sugar company in western Kenya. According to Ngechu (2004) a study population is a well defined or specified set of people, group of things, household, firms, services, elements or events which are being investigated. Thus the population should fit a certain specification, which the researcher was studying and the population should be homogeneous.

3.4 SAMPLE SIZE
A sample of 160 will be selected from the sample frame. The sample will be both management staff and union staff of Chemelil sugar company.

3.5 SAMPLE DESIGN
The study will adopt probability sampling approach through stratified random sampling in order to achieve the desired representation. Out of the total population, 60 management staff and 100 union staff will be sampled which is 20% of the target population. This approach is appropriate as it gives every subject in the population of interest on equal chance of being selected. Muganda and Muganda (1999) notes that if there is no estimate available of the
population in the target population, assumed to have characteristics of interest, 20% should be used as sample size. Ngechu(2004) underscores the importance of selecting a representative sample through making a sample frame. A sample frame is a systematic list of subjects, elements, traits, firms or objects to be studied. Sampling will ensure that some elements of a population are selected as a riding representative of the population.

<table>
<thead>
<tr>
<th>Table 3.1 Target population and sample size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population category</td>
</tr>
<tr>
<td>----------------------</td>
</tr>
<tr>
<td>Management staff</td>
</tr>
<tr>
<td>Union staff</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>Source: Researcher (2012)</td>
</tr>
</tbody>
</table>

3.6 DATA COLLECTION

An interview guide (questionnaire) will be developed to obtain important information about the population. The questionnaire items will be developed to address specific objectives and research questions of the study. The questionnaire will have tasks which are intended to give the respondent of the freedom of response and greater depth of response and have an insight into their feelings, attitudes and express what they will consider to be of the importance. The guide will be used to identify motivation factors influencing employee motivators on Employee performance among employees of Chemelil Sugar industry in Western Kenya.

A modified simple global rating method will be used which according to Robins (2001) is less sophisticated. This method requires the individuals to respond to one question such as, all things considered, how motivated are you in your job? Respondents them reply by circling a number between one and five that corresponds to answers from “highly motivated to highly demotivated”.

3.7 PRE-TESTING QUESTIONNAIRES

After preparing the questionnaire, it will be tried out in the field to test its validity. This will be administered to two respondents selected from Kenya Sugar Industry in Western Kenya employees. The procedure which will be used in piloting the questionnaire will be same as that which will be used during the actual research study in collecting data.
The aim of pre-testing questionnaires will be to assist the researcher to detect deficiencies in the questionnaire of vague questions which will be manifested making it possible for the researcher to rephrase them again until they convey the same meaning to all subjects to enhance validity of the instruments and reveal appropriate of the anticipated analytical techniques to be used.

3.8 DATA ANALYSIS TECHNIQUE

The researcher will pursue completed questionnaire and document analysis recording sheets. Data shall be analyzed using descriptive statistics to enable the researcher to meaningfully describe distribution of scores or measures using measures of central tendency. Questionnaire analysis will be used to derive information collected from questionnaire to establish patterns, trends, relations from the information gathered. Where appropriate, SPSS will be used to analyse and interpret the collected data. Data will be presented in frequencies, pie charts, bar charts, and percentages for comparisons, explanations and clarity.
CHAPTER FOUR

DATA ANALYSIS AND PRESENTATION

4.1 Introduction:

This chapter deals with data analysis and interpretation of responses of 145 respondents who filled and surrendered their questionnaires.

The initial study was designed for 160 respondents. The response rate constitutes 90%, however, in the category of non-union staff, responses could not be, for the other categories namely, management staff and Union-members staff, a 100% response rate was achieved.

The SPSS and Ms Excel packages were used to capture the data and conduct analysis to produce the following descriptive statistics presented in this chapter. The responses have been analyzed in form of frequency tables, bar graphs, pie charts and measures of central tendencies and dispersion both quantitative and quantitative analysis have been used to present the analyzed data. The presentation of the findings follows the sequence of the questionnaire.

4.2 Demographic Factors.

In the introduction section of the questionnaire, questions, concerning gender, marital status, age, academic and professional qualification and length of service were asked. The responses were as follows:-
Figure 4:1 Gender

Most of the respondents 100 of them were male as shown by 69% while female were 45 shown by 31%.

Figure 4:2 Marital status.

Source: Author (2012)
On marital status, 120 of them, constituting 82.8% of the respondents were married while only a small number, 25 of them, representing 17.2% were single.

The figure below shows the age of the respondents

Table 4:1 Age

<table>
<thead>
<tr>
<th>Age</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between 21-30</td>
<td>20</td>
<td>13.8</td>
</tr>
<tr>
<td>Between 31-40</td>
<td>45</td>
<td>31.0</td>
</tr>
<tr>
<td>Between 41-50</td>
<td>70</td>
<td>48.3</td>
</tr>
<tr>
<td>Over 50</td>
<td>10</td>
<td>6.9</td>
</tr>
<tr>
<td>TOTAL</td>
<td>145</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Author (2012)

Most of the respondents, 70 of them were aged between 41-50 years as shown by 48.3%
The second group, 45 of the respondents, were aged between 31-40 years shown by 31.0%
then, 21-30 years, 20 respondents which is 13.8% and the least group, only 10 respondents shown by 6.9% was over 50 years old.

Figure 4:3 Academic and Professional qualification.

Source: Author (2012)
On academic and professional qualification of the respondents, most of them, 50 of the respondents as represented by 35% had certificate, 27% had K.C.E/K.C.S.E, 20 respondents, constituting 14% had a diploma, 15 of the respondents, which is 10% had a degree while 10 of the respondents which is 7% had a certificate and 10 of the respondents which is 7% had a master as their highest academic qualification.

The table below shows the length of service of employees in their current place if work;

**Table 4:2 Length of service.**

<table>
<thead>
<tr>
<th>Period</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between 1-5</td>
<td>20</td>
<td>14</td>
</tr>
<tr>
<td>Between 6-10</td>
<td>50</td>
<td>34</td>
</tr>
<tr>
<td>Between 11-15</td>
<td>45</td>
<td>31</td>
</tr>
<tr>
<td>Over 15 year</td>
<td>145</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Author (2012)

On length of service in the current place of work, 50 respondents which is 34% have worked in their current place for 6-10 years, 45 of them, represented by 31% had worked for 11-15 years while those who had worked for over 15 years are 30 represented by 21% and 20 respondents which is 14% had worked in their current place for 1-5 years.

4.3 Medical service

In answering the question "Are you satisfied with your medical scheme? Most of the respondents 95 of them were satisfied with their medical scheme as represented by 65.5%, while 50 of them, which is 34.5% said that they were not satisfied with their medical scheme.

This is as shown in the table below:-
Table 4:3 Are you satisfied with your medical scheme?

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>95</td>
<td>65.5</td>
</tr>
<tr>
<td>No</td>
<td>50</td>
<td>34.5</td>
</tr>
<tr>
<td>TOTAL</td>
<td>145</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Author (2012)

A pie chart has also been used to show responses on medical scheme

Figure 4:4 Are you satisfied with your medical scheme?

Source: Author (2012)

From the above response, it can be noted that most of the employees are satisfied with their medical scheme. This means that a good number of Chemelil Sugar Company employees are satisfied with their medical scheme.

4.3.1 Motivation schemes that influence employee performance in Kenya Sugar Industry a case of Chemelil Sugar Company.

Out of the 145 responses that were got, only 120 gave the motivation schemes that influence employee performance in Chemelil sugar company 55 respondents constituting 48.8%
mentioned medical scheme as crucial scheme in employee performance 40 respondents suggested Training programmes as a scheme that influence employee performance representing 33.3% 20 respondents constituting 16.7% mentioned welfare services as a scheme influencing employee performance.

Only 5 respondents' mentioned entertainment service as a scheme influencing employee performance and this constitutes only 4.2%.

4.4 Medical Services:

Most of the respondents, 80 of them shown by 55.2% said they were not satisfies with their medical services while a relative proportion of 65 respondents, which is 44.8%, said that they were satisfied with the medical services offered.

This information can be illustrated using the figure below:

**Figure 4.5 Are you satisfied with medical services?**

![Figure 4.5 Are you satisfied with medical services?](image)

**Source: Author (2012)**

This information can also be illustrated using the table below:
Table 4: Are you satisfied with your medical services?

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>65</td>
<td>44.8</td>
</tr>
<tr>
<td>No</td>
<td>80</td>
<td>55.2</td>
</tr>
<tr>
<td>TOTAL</td>
<td>145</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Author (2012)

While comparing their medical scheme with their counterparts elsewhere, responses were as shown in the figure below:

Figure 4: Is your medical scheme equivalent to those of other employees in other organizations with similar qualifications?

Source: Author (2012)

A large number of employees, 130 out of 145 shown by 89.7% said that their medical services scheme was not equivalent to those of other employees in other organizations while only 15 employees representing 10.3% said that it is equivalent.
In answering the question, "Do you think medical services influence employee performance?" response were as shown in the table below:

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>70</td>
<td>63.6</td>
</tr>
<tr>
<td>NO</td>
<td>40</td>
<td>36.4</td>
</tr>
<tr>
<td>TOTAL</td>
<td>110</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Author (2012)

According to most of the respondents, 70 out of 110, as shown by 63.6%, medical service influences employee performance. Only a proportion of 36.4% said that it does not influence employee performance. After noting that employee performance needed to be improved through provision of medical support in their workplace, most of the respondents said that management needs to give free medication where necessary, medical scheme be reviewed from time to time and also giving medical scheme as per qualifications, providing medication on time, and making medical services uniform.

4.5 Entertainment Services:

Employees were asked whether they were satisfied with the provision of entertainment services in the workplace. Their responses are shown in the figure below:
In answering the question “Are you satisfied with provision of entertainment services in the company?” 75 out of 145, representing 51.7% of the respondents said that they were not satisfied with their entertainment services in their working place while 48.3% said that they were satisfied with the entertainment services in the company.

On company housing and living conditions the responses were as shown in the table below:

Table 4:5 Are you satisfied with the company housing and living conditions?
Most of the respondents 130 out of 145 said that they were satisfied with the housing facilities and living conditions as shown by 89.7%, while only 10.3% said that they were not satisfied. The question on whether living conditions influence employee performance, 140 out of 145 representing 96.6% of the respondents said that living conditions influence employee performance while only a small portion of 3.4% said that living conditions do not influence employee performance. This is a clear indication that employee performance is influenced by living conditions.

To show that living conditions influence employee performance, the figure below summarizes the responses.

Figure 4:8 Do living conditions influence employee performance?
As indicated by most respondents, management needs to improve living condition by providing good houses, improving water supply, providing electricity, providing transport for the staff, and giving commuter allowance.

4.6 Training

In answering the questions on whether training influence employee performance, 90 out of 145 constituting 62.1% of the respondents said that training influences employee performance while 37.9% said that it does not.

This can be illustrated using the figure below:

Figure 4:9 Do you think training affects employee performance?

Source: Author (2012)

On selection method for training used by the management, most respondents 125 out of 145 as shown by 86.2% said that the selection for training was not fair while only a small percentage of 13.8% said that it was fair.
This can be shown using the table below;

### Table 4:6 Are you satisfied with the selection method for training?

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>120</td>
<td>13.8</td>
</tr>
<tr>
<td>NO</td>
<td>125</td>
<td>86.2</td>
</tr>
<tr>
<td>TOTAL</td>
<td>145</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Author (2012)

According to most respondents, management should do the following on training to improve employee performance consider academic qualifications, provide funds for training, put more efforts on training, train on merit and also use a guideline on whom to train.

### 4.7 Welfare Services.

As far as provision of welfare services is concerned most respondents were of view that provision of welfare services influences employee performance. The figure below shows the relationship between provision of welfare service and employee performance.

#### Figure 4:10 Does provision of welfare service affect employee performance?

On the question whether provision of welfare services affects employee performance, 135 out of 145 representing 93.1% of the respondents said that welfare service affects employee performance, while only 6.9% said it does not. This shows that provision of welfare services should be taken very seriously by employers so as to increase employee performance of their employees in this case Chemelil Sugar Company.

The pie chart below shows responses to the question "Are you satisfied with the provision of welfare services by the company?"
Figure 4.11 Are you satisfied with the provision of welfare services by the company management?

Most of the respondents 140 out of 145 as shown by 96.6% said that they were not satisfied with the welfare services provided by the management while only a small proportion of 3.4% said that they were satisfied.

Source: Author (2012)
According to most respondents welfare services that management should consider to improve employee provision according to employees who need attention to their babies at work, provision according to workload to get leisure out of work.

4.8 The extent to which medical services, entertainment services, Training programmes, welfare services and Housing facilities affect employee performance.

Table 4:7 The extent to which medical services influence employee performance.

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rarely influence employee</td>
<td>25</td>
<td>17.2</td>
</tr>
<tr>
<td>performance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Influence employee</td>
<td>40</td>
<td>27.6</td>
</tr>
<tr>
<td>performance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greatly influence employee</td>
<td>80</td>
<td>55.2</td>
</tr>
<tr>
<td>performance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>145</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Author (2012)

According to respondents, medical services influence employee performance to the following extents, 55.2% greatly influence employee performance, 27.6%, influence employee performance and 17.2% rarely influence employee performance.
Entertainment services influence employee performance to the following extents according to respondents, 60% greatly influence employee performance, 20% influence employee performance and 10% fairly influence employee performance.
Training programmes according to respondents influence employee performance to the following extents; 70% greatly influence employee performance, 20% influence employee performance and 10% do not influence employee performance.

Table 4:8 The extent to which Welfare services influence Employee performance.

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Doesn’t influence employee performance</td>
<td>5</td>
<td>3.8</td>
</tr>
<tr>
<td>Rarely influence employee performance</td>
<td>10</td>
<td>7.7</td>
</tr>
<tr>
<td>Fairly influence employee performance</td>
<td>25</td>
<td>19.2</td>
</tr>
<tr>
<td>Influence employee performance</td>
<td>30</td>
<td>23.1</td>
</tr>
<tr>
<td>Greatly influence employee performance</td>
<td>60</td>
<td>46.2</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>130</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Welfare service provision influences employee performance to the following extents according to respondents; 46.2% greatly influence employee performance, 23.2% influence employee performance, 19.2% fairly influence employee performance, 7.7% rarely influence employee performance and 3.8% does not influence employee performance.
According to the respondents, housing facilities influence employee performance to the following extents; 51.7% greatly influence employee performance, 41.7% influence employee performance and 6.6% fairly influence job satisfaction.

The extent to which medical support entertainment service, training programmes and welfare service affects employee performance can be summarized by use of the table below:

<table>
<thead>
<tr>
<th>Factors</th>
<th>Doesn’t influence</th>
<th>Rarely influence</th>
<th>Fairly influence</th>
<th>Influence</th>
<th>Greatly influence</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Percent</td>
<td>Percent</td>
<td>Percent</td>
<td>Percent</td>
<td>Percent</td>
</tr>
<tr>
<td>Medical support</td>
<td>17.2</td>
<td>27.6</td>
<td>55.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entertainment</td>
<td></td>
<td>10</td>
<td>20</td>
<td>60</td>
<td></td>
</tr>
<tr>
<td>Training programmes</td>
<td>10</td>
<td>20</td>
<td>70</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Welfare services</td>
<td>3.8</td>
<td>7.7</td>
<td>19.2</td>
<td>23.1</td>
<td>46.2</td>
</tr>
<tr>
<td>Housing facilities</td>
<td>6.6</td>
<td>41.7</td>
<td>51.7</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sources: Author (2012)
From the table above, it can be observes that a very small percentage 10% and 3.8 do not influence employee performance. On medical support and welfare services, a few respondents, 17.2% and 7.7% respectively, said that medical support and welfare services rarely influence employee performance.

A small percentage of the respondents said that the factors in question fairly influence employee performance.

Similarly, few respondents said that the schemes affect employee performance except for housing facilities where the percentage of the respondents was 41.7%.

Generally, it can be confirmed from the table that medical support, entertainment services, training programmes, welfare services and housing facilities affect employees’ performance of Chemelil Sugar Company to a reasonable extent.
CHAPTER FIVE
SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS:

5.1 Introduction:
The study focused on the effects of employee motivation schemes on employee performance in Kenya Sugar Industry. A case of Chemelil Sugar Company. The main motivation schemes that influence employee performance were seen to be medical support, Entertainment services, training programme, welfare services and housing facilities. Most of the respondents were not satisfied with all these factors.

5.2 Summary of findings:
It is interesting to note that out of 145 respondents, 120 of them constituting 82.8% said that they were satisfied with their motivation schemes. This means that the majority of the respondents were generally satisfied with their performance. Most of the respondents mentioned the following as motivation schemes affecting employees performance in Chemelil Sugar Company. These are medical, entertainment services training programmes, welfare services and housing facilities. It is worth noting that out of 100 respondents 50 of them representing 34.5% said that they were not satisfied with their medical scheme 27.6% of the respondents also were of the view that medical services influence employee performance.

Out of 145 respondents, 15 of them, constituting 10.3% said that they were not satisfied with the housing facilities in their work place. 96.6% strongly felt that housing facilities influence employee performance.

From the analysis, it was observed that 45 out of 145 respondents agree that lack of entertainment affect employee performance.

51.7% of the respondents said that they were not provided entertainment allowances in any way, even after doing a commendable job through long extra working hours. According to most of the respondents, the method of selecting those who attend training programmes by the management did not satisfy them.
125 out of a total of 145 were not happy with the appraisal method of training needs. Constituting 86.2% The welfare services provided according to the majority was not pleasing. This represented by 140 out of 145 respondents, constituting 96.6%.

5.3 Conclusion:

Using measures of central tendencies and dispersion (as shown in appendix II), it has been observed that medical scheme, entertainment services, training programmes, and Welfare services had a median and mode of 5, medical service had a mean of 4.716667, a standard deviation of 0.78313 and a variance of 0.613277, meaning that medical service greatly influence employee performance. Entertainment had a mean of 4.672727. Medical service uniform. The management should therefore address this issue so as to ensure that the employees perform well in their job.

On housing facilities, the management should endeavour to provide good houses and facilities like clean water and electricity, provide commuter allowance and charge fair economic rents. The management should also acknowledge their employees whenever they do a commendable work by waiving some charges on rents, Electricity and water bills, so as to improve their performance.

On training, the management should select trainees on merit. The management should also consider academic qualifications and demand for work to be done, provide funds for training. This will go along way in improving employee performance of employees of Chemelil Sugar Company. The management should also encourage regular off-job trainings for the employees besides holding regular in-service Departmental Trainings.

5.4 Suggestion for further study:

This study has served as a foundation for further research on effects of employee motivation schemes on employee performance in areas such as other companies, the civil service and private sector. This is because of the pertinent role motivation plays in employee performance in organization.
REFERENCES

Alvanoic MBA (1988), Dictionary Management, Peter Collins Publishing Ltd, Great Britain


Daily Nation (2005) 11th January

Daily Nation (2005) 17th January


USA.

Edward S. et al (1990), People in Organization.


70


Herzberg (1968), *work and the nature of man*. Staples Press, Great Britain


Journal (2005), *Employee motivation, the organizational Environment and Productivity*,


Journal(2005), *Treating PLHIV with antiretrovirals protects partners from HIV infection*,


Standard Newspaper (2005), what others say, your letters column.

Szilagyi, A.D. and Wallace M.J. (19980), Organizational Behaviour and performance, Good Year Publishing Co. California.


Webster M. (1945), Webster Collegiate Dictionary, G & C Merriam Co. U.S.A.
APPENDIX II

MOTIVATION SCHEMES: MEASURE OF CENTRAL TENDENCIES AND DISPERSION:

<table>
<thead>
<tr>
<th>FACTORS</th>
<th>MEDIAN/MODE</th>
<th>MEAN</th>
<th>STANDARD DEVIATION</th>
<th>VARIANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical Services</td>
<td>5</td>
<td>4.71667</td>
<td>0.778312</td>
<td>0.613277</td>
</tr>
<tr>
<td>Entertainment</td>
<td>5</td>
<td>4.67273</td>
<td>0.610238</td>
<td>0.372391</td>
</tr>
<tr>
<td>Training Programme</td>
<td>5</td>
<td>4.23333</td>
<td>1.112546</td>
<td>1.266667</td>
</tr>
<tr>
<td>Welfare</td>
<td>5</td>
<td>4.45226</td>
<td>0.622325</td>
<td>0.387288</td>
</tr>
</tbody>
</table>

Source: Author (2012)
TO WHOM IT MAY CONCERN:

RE: NYAWARA CHARLES - D53/RU/11413/2004

This is to confirm that the above named is a Master of Business Administration MBA (HRM) option Student in the School of Business, Kenyatta University.

He is through with course work and has successfully defended his Masters Degree proposal (The Effect of Employee Motivation Schemes on Employee Performance in Kenya Sugar Industry. A Case of Chemelil Sugar Company) and has done all the corrections that were pointed out by the examiners during the defense. He is now embarking on data collection.

Any assistance accorded him will be much appreciated by this office.

Thank you.

ISAAC P. LOKING
FOR: DOCTORAL AND MBA PROGRAMME COORDINATOR

IPL/nt
November 27, 2012

Mr. Charles Nyawara
P.O. Box 2866
KISUMU

Dear Sir,

RE: REQUEST TO CONDUCT RESEARCH

Refer to letter from Kenyatta University School of Business Doctoral & MBA Coordination Office dated 9th November 2012 on the above subject.

This is to inform you that your request to conduct research within the company on the topic “The Effect of Employee Motivation Schemes on Employee Performance in Kenya Sugar Industry. A case of Chemelil Sugar Company” has been approved.

You will be expected to surrender a copy of your final research to training office for records.

Wishing you success in your research.

Yours faithfully

CHEMELIL SUGAR COMPANY LIMITED

J. KIPKERING
HEAD OF HUMAN RESOURCE
Dear Respondent,

The researcher, Nyawara Charles is a Master of Business Administration MBA (HRM) option student in the school of Business, Kenyatta University. He is interested in finding out the effects of Employee Motivation Schemes on Employee Performance in Kenya Sugar Company: A case study of Chemelil Sugar Company. Please assist him in data collection for the purpose of improving the level of employee motivation of Kenya Sugar Industry, in particular Chemelil Sugar Company.

The information you will give will be treated with strict confidence and will not be used for any other purpose except for the purpose of this project.

Thank you and may God bless you as you serve the company and the entire Nation.

Yours faithfully,

NYAWARA CHARLES

November, 2012
APPENDIX VI
QUESTIONNAIRE

The questionnaire is part of a research requirement for a master in Business Administration. It seeks to investigate into the influence of Employee motivation on employee performance in Kenya Sugar Industry in Western Kenya Sugar factories.

The information given in this questionnaire will be treated with strict and professional confidence.

Your cooperation will be helpful in making the task possible.

SECTION A: BIOGRAPHICAL INFORMATION

Please indicate your honest response by marking a tick (✓) against your response.

1. Please indicate your gender
   - Male
   - Female

2. Please indicate your marital status
   - Married
   - Unmarried

3. What is your age bracket?
   - (a) 20 and below
   - (b) Between 21 to 30
   - (c) Between 31 to 40
   - (d) Between 41 to 50
   - (e) Over 50

4. What is your highest level of education?
   - (a) Certificate
   - (b) Diploma
   - (c) Degree
   - (d) Masters
   - (e) Others (please state)

5. How long have you worked in your current department in the company?
   - (a) 1 – 5 years
   - (b) 6 – 10
   - (c) 11 – 15
   - (d) 16 – 20
   - (e) 21-25
   - (f) over 25 years
6. How many years have you worked in the company?
   (a) Between 1 – 5 years [ ]
   (b) Between 6 – 10 [ ]
   (c) Between 11 – 15 [ ]
   (d) Over 15 Years [ ]

SECTION B: GENERAL ISSUES

1. Is the employee performance in the sugar industry in Western Kenya affected by employee motivation schemes?
   Yes [ ] No [ ]

2. To what extent do you agree with the following statement; the general motivational scheme has an effect and the employee performance in the sugar industry in Western Kenya
   Strongly agree [ ] Agree [ ] Disagree [ ] Strongly disagree [ ] Neutral [ ]

3. What is your level of agreement with the following statements that relate to the effect of employee motivation schemes in the company?
   Use a scale of: 1-5, where 5 = Strongly agree 4 = Agree 3 = Neutral 2 = Disagree 1 = Strongly disagree

<table>
<thead>
<tr>
<th>Motivation Scheme</th>
<th>5</th>
<th>4</th>
<th>3</th>
<th>2</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>The free antiretroviral scheme has no direct effect on the company employee performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision of entertainment has motivation effects on company employee performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The company employee performance is affected by provision of training programmes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The company employee performance is not affected by the motivation schemes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
SECTION C: MAIN ISSUES

To what extent is your company’s department performance affected by the following motivation schemes? Use a scale of 1-5,

where 5=Very great extent, 4=Great extent, 3=Moderate extent, 2=Small extent, 1=Not at all

<table>
<thead>
<tr>
<th>Medical services</th>
<th>5</th>
<th>4</th>
<th>3</th>
<th>2</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Are you aware of the medical scheme?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Have you benefited from the scheme?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Provision of medical helps in boosting morale for work</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. How has the scheme benefited you to perform your work?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. The current medical service treatment encourages performance.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Does the support reflect your performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. To what extent would you recommend the support to continue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

ii) Entertainment

1. Are you aware of the programme?
   Yes [ ] No [ ]

2. What two types of entertainment programmes do you like in the company?
   a) ..................................................................................................................................
   b) ..................................................................................................................................

3. To what extent has the programme benefited your performance?
   Very great extent [ ] Great extent [ ] Moderate extent [ ]
   Small extent [ ] Not at all [ ]

4. The current entertainment system needs to be reviewed.
   Yes [ ] No [ ]

5. Have the entertainment programmes provided boosted your morale for work?
   Yes [ ] No [ ]
6. What types of entertainments would you recommend to be introduced by the company for the employees.

iii) Training Programmes

Please indicate your response about the statements below by placing a tick (✓) under the columns. Use a scale of 1-5, where 5=Strongly agree, 4=Agree, 3=Disagree, 2=Strongly disagree, 1=Neutral.

<table>
<thead>
<tr>
<th>Training programmes</th>
<th>5</th>
<th>4</th>
<th>3</th>
<th>2</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Are you aware of the programme?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Has the programme improved your performance?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Have you been promoted to the next grade after attending the programme?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. The training system badly needs to be reviewed.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. The training needs appraisal scheme is helpful.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. I am motivated by my performance through training review.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Training programme does not help in improving my performance.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

8. What are some benefits of attending seminars in relation to your area of work?
### Welfare Services

Please indicate your response about the statements below by placing a tick (✓) under the columns. Use a scale of 1-5, where 5=Strongly agree, 4=Agree, 3=Disagree, 2=Strongly disagree, 1=Neutral.

<table>
<thead>
<tr>
<th>Welfare Services</th>
<th>5</th>
<th>4</th>
<th>3</th>
<th>2</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>I believe that</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. My welfare needs are adequately rewarded for my contribution.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. The welfare services are clear and easy to understand.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. It is right for the staff to be rewarded according to their contributions.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. The basis upon which my welfare needs are determined are fair.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. My welfare services do not reflect my performance.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. The current welfare services provision encourages better performance.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. The welfare services scheme badly needs to be reviewed.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. The welfare services provided do not help me to improve my performance.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. The management is not really interested in providing funeral expenses for my welfare needs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. What are the implications of provision of welfare services on the performance of the employees in the company?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. How have provision of free housing, water, and electricity affected your performance in the company?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Housing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
b) Water and electricity

Thank You