THE EFFECTIVENESS OF NON-MONETARY INCENTIVES IN MOTIVATING EMPLOYEES IN NGO SECTOR IN KENYA: A CASE OF CONCERN WORLDWIDE

BY

AGNES WANJIRU MUGUCHU

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DECLARATION

This project is my original work and has not been presented for a degree in any other university for academic purpose or for any other award.

Signature ___________________________ Date: ____________

Agnes Wanjiru Muguchu

D53/CTY/PT/23201/2011

This research Project has been submitted for examination with my approval as University supervisor.

Signature ___________________________ Date: ____________

Mr. Nzulwa
Business Administration Department
School of Business, Kenyatta University

For and on behalf of Kenyatta University
Signature ___________________________ Date: ____________

Dr. Muathe SMA ,
Chairman,
Business Administration Department
School of Business, Kenyatta University.
DEDICATION

To my Sister Elizabeth, whose encouragement gave me the motivation to achieve my goal. To Abijah, whose invaluable advice urged me on.
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I thank God for giving me the favour, grace and resources to conduct my research proposal. Further, I thank my supervisor for the leadership, support, patience and availability during the entire proposal writing period.
TABLE OF CONTENTS

DECLARATION........................................................................................................... ii
DEDICATION............................................................................................................... iii
ACKNOWLEDGEMENT.............................................................................................. iv
TABLE OF CONTENTS ............................................................................................. v
List of Tables ........................................................................................................... vii
List of Figures ......................................................................................................... viii
List of Acronyms and Abbreviations ...................................................................... ix
Definitions of Operational Terms .......................................................................... x
ABSTRACT ............................................................................................................... xi
CHAPTER ONE ........................................................................................................ 1
INTRODUCTION........................................................................................................ 1
  1.1 Background of the Study .................................................................................. 1
  1.2 Statement of the Problem ................................................................................ 3
  1.3 Objectives of the Study ................................................................................... 4
  1.4 Research Questions ......................................................................................... 5
  1.5 Significance of the Study ................................................................................ 5
  1.6 Scope of the Study ......................................................................................... 5
  1.7 Limitation of the Study ................................................................................... 6
CHAPTER TWO ......................................................................................................... 7
LITERATURE REVIEW ............................................................................................ 7
  2.0 Introduction ...................................................................................................... 7
  2.1 Theoretical Review ......................................................................................... 7
  2.2 Empirical Review ............................................................................................. 13
  2.2.1 The Concept of Motivation ...................................................................... 13
  2.2.2 Non Monetary Incentives ......................................................................... 15
  2.3 -Literature by Objectives ............................................................................... 17
List of Tables

Table 1 Respondents ................................................................. 30
Table 2 Promotion ................................................................. 35
Table 3 Responsibility ......................................................... 36
Table 4 Experience ............................................................... 36
Table 5 Productivity .............................................................. 37
Table 6 Initiative ................................................................. 37
Table 7 Effectiveness ......................................................... 38
Table 8 Team work ............................................................. 38
Table 9 Problem solving ................................................... 39
Table 10 Performance .......................................................... 39
Table 11 Communication .................................................... 40
Table 12 Conversation ....................................................... 40
Table 13 Innovation ............................................................ 41
Table 14 Career development ............................................. 44
Table 15 Effectiveness ........................................................ 44
Table 16 Knowledge ........................................................... 45
Table 17 Vision ................................................................. 45
Table 18 Affirmative action ............................................... 46
List of Figures

Figure 1 Theory X and Y ......................................................... 9
Figure 2 Maslow’s Hierarchy of Needs ....................................... 11
Figure 3 Hygiene and Motivation Factors ................................. 13
Figure 4 Conceptual Framework ............................................. 26
Figure 5 Demographic Characteristics ..................................... 31
Figure 6 Gender ................................................................... 31
Figure 7 Level of Education .................................................... 32
Figure 8 Level of Service ........................................................ 33
Figure 9 Departments ............................................................. 33
Figure 10 Promotion .............................................................. 34
Figure 11 Team work ............................................................. 41
Figure 12 Teamwork impact .................................................... 42
Figure 13 Career development ................................................. 43
Figure 14 Medical Benefit ....................................................... 47
Figure 15 Impact of Medical Benefit ........................................ 48
List of Acronyms and Abbreviations

NGO – Non Governmental Organization
Definitions of Operational Terms

Non-monetary - Non-monetary are the rewards in the form of opportunities like sabbaticals, training, flexible working hours, letters of appreciation, plagues, tickets to restaurants providing some services for the employees, organizing social activities in the workplace.

Promotion - A promotion is the advancement of an employee's rank or position in an organizational hierarchy system.

Incentives - An incentive is any factor (financial or non-financial) that provides a motive for a particular course of action, or counts as a reason for preferring one choice to the alternatives.
ABSTRACT

Employee motivation has become a key component of performance in organizations as a result of their competitive nature. Greenberg (2009) defines motivation as the psychological process of arousing, directing, and maintaining behavior toward a goal. Arousal involves the drive or energy behind our actions and direction of behavior is concerned with what directs behavior towards a specific goal. The main objective of this study was to establish the effectiveness of non-monetary incentives in motivating employees in NGO sector. The study conducted a case study of Concern Worldwide where the specific objectives of the study were: To establish the influence of promotion on employees motivation in the NGO Sector in Kenya: To establish the extent to which teamwork motivates staff in the NGO Sector in Kenya: To determine the extent to which career development motivates staff in the NGO Sector in Kenya: To assess the effect of fringe benefits in motivating staff in the NGO Sector in Kenya. The descriptive research design was preferred in this study because it allowed for analysis of different variables at the same time and thus enabled the researcher to establish the effectiveness of non-monetary incentives in motivating employees in NGO sector. The population of the research study was 80 employees at Concern Worldwide. A census of all of the employees was used in collecting the data. Data for this study was collected using questionnaires and interview schedules, which were structured, based on the research objectives. The questionnaires were semi structured and contained both closed and open-ended questions. The questionnaires facilitated the determination of the relationship between the independent variables and the effect they had in motivating employees in NGO sector. The researcher sought the permission from the management of the NGO and afterwards got a letter from the University postgraduate department as a confirmation of the purpose of the research. The researcher distributed the questionnaires and a brief introduction for the purpose of the research to the NGOs' staff and collected the questionnaires once the respondents had finished filling them in. This study employed descriptive statistics to analyze the data obtained. At the end of the study, the researcher expected to have established the effectiveness of non-monetary incentives in motivating employees in NGO sector. The findings established that non – monetary incentives are a motivator to staff in the NGO sector, all the four variables tested indicated that they do motivate staff, with medical benefit having the highest rating. Promotion was the second critical factor considered by the respondents as a motivator. This indicates that a promoted employee would be more motivated since this would come with other benefits including even monetary to the staff. Career development and Team work are also key in employee’s motivation in the NGO sector. This calls for good team dynamics that should be set by management and a prudent Team culture. Employees also need to develop in their careers and hence would be motivated by a sound career development environment since positive growth is admirable.
CHAPTER ONE
INTRODUCTION

1.1 Background of the Study

Employee motivation has become a key component of performance in organizations because of their competitive nature. Greenberg (2009) defines motivation as the psychological process of arousing, directing, and maintaining behavior toward a goal. Arousal involves the drive or energy behind our actions and direction of behavior is concerned with what directs behavior towards a specific goal. Maintenance, is concerned with people's persistence, their willingness to continue to exert effort until a goal is met.

Organizations operate in a very competitive environment and are concerned with what should be done to achieve sustained high levels of performance through people (Crouse, 2005). Giving close attention to how people can best be motivated enables organizations to develop motivation strategies and a work environment that encourage people to apply their efforts and abilities in ways that will further the achievement of the organization's goals as well as satisfying their own needs (Levesque, 2007). Incentives are gaining high importance in today's fast growing organizations because salaries may retain the good employee in the organizations but incentives encourage employees to outperform.

Monetary and non-monetary incentives can influence employees differently in their different carrier stages. Monetary incentives are the reward for excellent job performance in the form of money which traditionally helped to maintain positive motivational environment (Kepner, 2003). Non-monetary Incentives are the rewards in the form of opportunities like sabbaticals, training, flexible working hours, encouraging the employees by providing them with autonomy in their job and participation in decision making, assigning challenging duties, improving working conditions, recognizing good work through gifts, letters of appreciation, plagues, tickets to restaurants providing some services for the employees, organizing social activities in the work place (Ryan and Deci, 2000). Non-Monetary incentives help in sustaining the employee
motivation in the long run. Non-monetary incentives do not involve direct payment of cash and they can be tangible or intangible. They are seen as intrinsic motivators of employees. Non-monetary or non-cash incentives do not involve direct payment of cash and they can be tangible or intangible. In psychology, it is widely acknowledged that individuals are both extrinsically and intrinsically motivated to work. Non-monetary awards motivate individuals through their intrinsic value because such awards demonstrate an accomplishment, which promotes pride in one’s work (Bruno, 2007). The expected benefits of implementing a non-monetary awards program to an organization include the potential increase in productivity and innovation in exchange for a minor outlay of resources, the creation of loyalty to the institution, and the signaling of talent within an organization, thereby creating role models for others (Watkins and Beschel, 2010).

When choosing the type of non-monetary incentive to offer, a firm should determine which incentive would be the most motivating for its employees, so that it can receive the most impact for the money spent. This paper aimed at establishing why cash was not always the best extrinsic incentive to use and why non-monetary incentives could accomplish a firm’s objectives better than a cash award of equal market value.

1.1.2 Concern Worldwide.

A small group of determined people started Concern in response to charity appeals from missionaries working in war torn Biafra in 1968. Africa Concern, as it was then known, was formally established in the home of Kay and John O’Loughlin Kennedy on 19 March 1968.

Since then, Concern has gone on to work in over 50 countries, responding to major emergencies as well as working long term development programmes. Today, with more than 3,200 staff of 50 nationalities, Concern operates in 25 of the worlds poorest countries, helping people to achieve major and long-lasting improvements in their lives.

Concern is an international humanitarian organisation dedicated to tackling poverty and suffering in the worlds poorest countries. The organization works in partnership with the people in this countries, directly enabling them to improve their lives, as well as their knowledge and
experience to influence decisions made at a local, national and international level that can significantly reduce extreme poverty.

Concern is supported by generous donors from Governments and other partners. 89.8% of Concern's budget is spent on relief and development. The remainder goes to fundraising, education and governance.

1.2 Statement of the Problem

NGOs are special organizations in their operations following their unique operations, which are different from those of profit making, and public organizations. As such, the human resources developed to handle the duties in such organizations are important and at times well known to donors and other key partners who support the organization.

Concern Worldwide is a unique organization especially considering the areas of its concentration. It works throughout the country to reach people living in poverty. It has a disaster risk reduction programme aimed at preparing people for disaster in vulnerable areas. Due to the nature of their work, employees are exposed to extreme working conditions, which could in itself be a demotivator. However, despite these conditions, many employees would still want to remain with the organization.

Employees within the organization get a sense of satisfaction from being able to make an impact on people's lives. The research sought to find out whether employee motivation was generated by any other factors, which were not linked to monetary incentives. It sought to find out what incentives an organization could offer employees that could influence their decision to stay or to seek other positions elsewhere.

The employees at Concern Worldwide have specialized skills due to the specialized nature of their work. Staff who work in the organization usually have acquired years of experience, a wide network of contacts and strong relationships with people on the ground. Loosing such an employee to another organization affects the effectiveness of the organization to carry out its mandate.
The Chief Executive Officer while making his remarks to employees (Annual report and Accounts 2012) noted that Staff turnover rates had increased by 10% which was quite unprecedented for such an organization. He had directed the Human resources department to look into the issue and find a lasting solution.

The Human Resource department had noted a worrying trend where the labor turnover rate has been steadily increasing. Employees seemed generally unsatisfied with the organization and complained a lot. Employees were discouraged and concentration levels were very low.

The research aimed at finding out what was causing employees to be dissatisfied. It was noted that although the compensation package was relatively good compared to other NGOs, the organization did not offer much in the form of non-monetary incentives.

The research wanted to establish whether employee motivation was generated by any other factor other than monetary incentives. It would determine what incentives could be offered to staff to influence their decision to stay or seek employment elsewhere. This would advise the Human Resource function on suitable retention strategies so as to make Concern Worldwide the employer of choice in the NGO sector.

1.3 Objectives of the Study

1.3.1 General Objective

The general objective of this study was to establish the effectiveness of non-monetary incentives in motivating employees in NGO sector in Concern Worldwide.

1.3.2 Specific Objectives

The study was guided by the following specific objectives:

i. To establish the influence of promotion on employees motivation in the NGO Sector in Kenya.

ii. To establish the extent to which teamwork motivates staff in the NGO Sector in Kenya.

iii. To determine the extent to which career development motivates staff in the NGO Sector in Kenya.
iv. To assess the effect of Medicare benefit in motivating staff in the NGO Sector in Kenya.

1.4 Research Questions

i. How does promotion influence motivation of staff in the NGO Sector in Kenya?

ii. To what extent does teamwork motivate staff in the NGO Sector in Kenya?

iii. What is the Impact of career development in staff motivation in the NGO Sector in Kenya?

iv. What is the effect of Medicare benefit on motivation of staff?

1.5 Significance of the Study

It is the purpose of every organization or employer to motivate their employees to outperform. The findings of this study were to be used to inform the management at Concern Worldwide on the power of non-monetary incentives and how they could utilize them to motivate employees to outperform.

The study would also be important to human resource practitioners, as it will inform the key areas to advice organization on in as far as motivation is concerned and how to have employees outperform.

For researchers and academicians, the findings of this study will be important in providing information on the role non-monetary incentives in motivating employees. The study will further act as a source of reference for future studies besides suggesting areas of future research.

1.6 Scope of the Study

The study covered non-monetary incentives at the Concern Worldwide Kenya Office. A case study was selected because of its ability to elicit organization specific information. The study targeted all the 80 employees at Concern Worldwide.

Concern Worldwide was chosen because of the negative effects the high labour turnover was having on the morale of the employees. The aim was to establish how motivation levels at Concern Worldwide could be established and maintained.
1.7 Limitation of the Study

There are a number of limitations that may have affected or influenced the results of the study. Some respondents were slow in submitting back their questionnaires forcing the researcher to physically and constantly follow them to honor their promises. The terminologies used in the study also posed a challenge to a number of clerical staff. The researcher had to explain some variables in order to get accurate responses.
CHAPTER TWO
LITERATURE REVIEW

2.0 Introduction

This chapter presented the literature review on the subject matter; it summarized the information from other researchers who had carried out their research in the same field of study. The chapter presented theoretical review, empirical review on the concept of motivation, and finally, literature by objectives.

2.1 Theoretical Review

2.1.1 Theory X and Theory Y of managers

Douglas McGregor proposed a Theory X and Theory Y model to explain basic human traits. Theory X assumptions are: The average human being has an inherent dislike of work and will avoid it if he can must be coerced, controlled, directed or threatened with punishment to get them to expand adequate effort towards the achievement of organizational objectives the average human being prefers to be erected, wishes to avoid responsibility, has relatively little ambition, and wants security above all Nandanwar, Surnis and Nandanwar, (2010). On the other hand, Theory Y makes different assumptions about the nature of people; expenditure of physical and mental effort in work is as natural as play or rest. The average human being does not inherently dislike work, which can be a source of satisfaction. External control and the threat of punishment are not the only means of bringing about effort. People can exercise self-direction to achieve objectives to which they are committed Pinker, (2002).

Thrash, (2002). Management assumes employees may be ambitious and self-motivated and exercise self-control. It is believed that employees enjoy their mental and physical work duties. According to them work is as natural as play they possess the ability for creative problem solving, but their talents are underused in most organizations. Given the proper conditions, theory Y managers believe that employees will learn to seek out and accept responsibility and to exercise self-control and self-direction in accomplishing objectives to which they are committed. According to Michael, (2011). If the organizational goals are to be met, theory X managers rely heavily on threat and coercion to gain their employees' compliance. Beliefs of this theory lead to
mistrust, highly restrictive supervision, and a punitive atmosphere. The Theory X manager tends to believe that everything must end in blaming someone. He or she thinks all prospective employees are only out for themselves. Usually these managers feel the sole purpose of the employee’s interest in the job is money. They will blame the person first in most situations, without questioning whether it may be the system, policy, or lack of training that deserves the blame, Greenberg, (2009). A Theory X manager believes that his or her employees do not really want to work, that they would rather avoid responsibility and that it is the manager’s job to structure the work and energize the employee. Many people interpret Theory Y as a positive set of beliefs about workers Ouchi, (2012). Theory Y managers are more likely than Theory X managers to develop the climate of trust with employees that are required for human resource development. Human resource development is a crucial aspect of any organization. This would include managers communicating openly with subordinates, minimizing the difference between superior-subordinate relationships, creating a comfortable environment in which subordinates can develop and use their abilities. This climate would be sharing of decision making so that subordinates have say in decisions that influence them.

Michael, (2011). Theory Y managers are more likely than Theory X managers to develop the climate of trust with an employee that is required for human resource development. Human resource development is a crucial aspect of any organization. Managers communicating openly with subordinates, minimizing the difference between superior-subordinate relationships, creating a comfortable environment in which subordinates can develop and use their abilities. This climate would be sharing of decision making so that subordinates have say in decisions that influence them; Miller, (2012).

Theory Y managers represent organizations which believe that employees need non-monetary incentives to ensure that they enjoy their jobs. Such organizations go an extra mile to make sure that all of aspects of an employees work life are in order so that the monetary given can have more value to the staff.
2.1.2 Hierarchy of Needs

According to Maslow (1993), people are motivated to satisfy their needs and those needs can be classified into the following five categories that are in an ascending hierarchy: Physiological needs, security needs, social needs, esteem and self-actualization needs. The first three are characterized as lower level needs while the last two are higher order needs. Physiological needs are the basic biological needs like air, water, food and shelter. In the organizational setting, these are reflected in the needs for adequate heat, air and a base salary to guarantee survival. Safety needs are the needs for security and protection from danger. Bruno, (2007). Social needs are the
needs for interaction with other people, belongingness, and love. These needs reflect the desire to be accepted by one's peers, have friendships, be part of a group and be loved. In the work environment, these needs affect the desire for good relationships with co-workers, participation in a work group and a positive relationship with supervisors; Rayan, (2000).

Maslow illustrated two versions of esteem needs, a lower one and a higher one. The lower one is the need for the respect of others, the need for status, recognition, attention, reputation, appreciation, dignity among others Bruno, (2007). The higher form involves the need for self-respect, including such feelings as confidence, competence, achievement, mastery, independence, and freedom. Within organizations, esteem needs reflect a motivation for recognition, an increase in responsibility, high status and appreciation for contributions to the organization. Self-actualization refers to the desire for self-fulfillment; it is a drive for individuals for self-development, creativity and job satisfaction. They are related to developing one's full potential, increasing one's competence and becoming a better person. Providing people with opportunities to grow, to be creative, and to offer training for advancement are the means that self-actualization needs can be met with in the organization. Organizational workplace, safety needs refers to the needs for safe jobs, fringe benefits and job security Adams, (2007).

The hierarchy of needs represents the various groups that an employee's needs are grouped into. Esteem and self-actualization needs are seen as the most important. In this case, the employee yearns for recognition and increased competence in order to feel motivated at the workplace. This theory was in agreement with this particular study as it supported the argument that non-monetary incentives were key to satisfaction.
Maslow’s Hierarchy of Needs
(original five-stage model)

- **Self-actualisation**
  - personal growth and fulfilment

- **Esteem needs**
  - achievement, status, responsibility, reputation

- **Belongingness and Love needs**
  - family, affection, relationships, work group, etc

- **Safety needs**
  - protection, security, order, law, limits, stability, etc

- **Biological and Physiological needs**
  - basic life needs - air, food, drink, shelter, warmth, sex, sleep, etc

© alan chapman 2001-4, based on Maslow’s Hierarchy of Needs

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Figure 2 Maslow’s Hierarchy of Needs

2.1.3 Motivation Hygiene Theory

Frederick Hertzberg studied the factors in the work environment that caused satisfaction and dissatisfaction among the workers. He interviewed hundreds of workers about times when they were highly motivated to work and other times when they were dissatisfied and unmotivated at work. He found that the factors causing job satisfaction were different from those causing job dissatisfaction and they cannot be treated as opposites of one another (Hertzberg, 1998). Hertzberg argued that two entirely separate dimensions contribute to an employee’s behavior at work: hygiene factors and motivators. Hygiene factors refer to the presence or absence of job
dissatisfies. When hygiene factors are reduced, work is dissatisfying. They are considered factors that are necessary to avoid dissatisfaction but they do not contribute to the job satisfaction and motivation of personnel. That is, they only maintain employees in the job. Crouse, (2002).

Unsafe working conditions or a noisy work environment will cause employees to be dissatisfied with their job but their removal will not lead to a high level of motivation and satisfaction Greenberg, (2009). Some other examples of hygiene factors are salary, status, security, supervision, company policy. Based on the arguments of the theory, adequate hygiene factors should be provided to meet the basic needs of employees and to prevent dissatisfaction with the job. In addition to this, motivators that are intrinsic to the work itself should be integrated to the process to meet higher-level needs and drive employees towards greater achievement and satisfaction (Alderfer, 1992).

Motivation-hygiene theory had important implications for this study. It constituted a good framework for the validity of the argument that non-monetary incentives could be as effective as monetary incentives in the motivation of personnel. Hertzberg, (1998). Points out that what really motivates employees are the assignment of challenging jobs, achievement, the work itself, recognition, responsibility, and opportunities for growth in the job. They have the power to motivate employees intrinsically. As an external factor, monetary incentives may prevent job dissatisfaction but do not necessarily motivate employees. Likewise, job-related non-monetary incentives such as job with variety of tasks and responsibilities.
2.2 Empirical Review

2.2.1 The Concept of Motivation

Motivation refers to reasons that underlie behavior that is characterized by willingness and volition Emily Lai, (2011). It involves a constellation of closely related beliefs, perceptions, values, interests, and actions. The concept of motivation is related to, but distinct from other concepts, such as instincts, drives, and reflexes. Motivated behavior is usually goal oriented; the goal may be associated with a drive such as hunger or thirst (called primary motivation). However, motivation is also closely tied to sensory stimuli

Intrinsic or extrinsic in nature, Miller, (2002).

It is possible to argue that the variables affecting motivation have intrinsic and extrinsic motivational effects. As the question of how to increase employee motivation focuses on one or more of those variables mentioned above affecting motivation, we can also conclude that any incentive tool, whether it is monetary or non-monetary, is designed to provide extrinsic or intrinsic motivation or both. In the psychology literature, intrinsically motivated behavior is
stated to arise from innate psychological needs, such as needs for competence and autonomy (Ryan and Deci, 2000). Intrinsic motivation means a self-generated urge that comes from inside a person and influences him/her to behave in a particular way or to move in a particular direction.

Intrinsic and extrinsic stimuli are connected to job related and social incentives such as opportunity to use one's ability, interesting work, recognition of a good performance, development opportunities, a sense of challenge and achievement, participation in decision making, and being treated in a caring and thoughtful manner Emily Lai(2011). An employee may be willing to put forth a sustained effort by working extra hours because of the feeling that the project he/she is working on is challenging and worth to complete it at once to see the output. In this situation, the individual takes action because the likely outcome of that action appeals directly to what he/she values. The intrinsic motivators are likely to have a deeper and long-term effect because they are inherent in individuals (Ryan and Deci, 2000). On the other hand, extrinsic motivation is said to exist when behavior is performed to attain externally administered incentives.

Extrinsic motivation is related to “tangible” incentives such as wages and salaries, fringe benefits, cash bonuses, security, promotion, wall plaques, free dinner or movie tickets therefore non- monetary incentives are a motivational tool addresses both intrinsic and extrinsic motivation concepts. Miller, (2002) says that monetary incentives may only be classified as a factor leading to extrinsic motivation; non-monetary incentives with its diversity can motivate employees both intrinsically and extrinsically. For example, tangible nonmonetary incentives such as small gifts, free food or drink, internet access, tickets to movie/theatre/sports facilities among others, or social non-monetary incentives such as company picnics, after-work parties, friendly greetings by the supervisor, recognition of a good job and feedback about performance may have extrinsic motivational powers.

On the other hand, job-related non-monetary incentives such as meaningful work, variety of tasks, more responsibility, teamwork opportunities, training programs, participation in decision making, flexible working hours may motivate employees intrinsically. In other words, they help to produce self-generated motivation; on-monetary incentives provide multi-dimensional
employee motivation in the work place, in contrast to the single dimension of monetary incentives. (Crouse, 2005). The limitations of extrinsic reinforcement led to the development of new approaches to motivate people, including cognitive behavior modification (CBM). This approach recognizes that the effects of reward contingencies are mediated by cognitive variables, such as verbal ability Greenberg (2009). Under this approach, staff takes more responsibility for their own learning by monitoring their behavior, setting goals, deploying met cognitive strategies, and administering their own rewards. Giving the staff such control over their own learning is believed to result in maintenance of learning behaviors over time, the transfer of learning behaviors to new contexts, and more independence in the exercise of such behaviors. There are, however, several disadvantages to this approach, including the fact that in empirical studies, researchers observed people cheat either by setting low performance standards for themselves or by rewarding themselves undeservedly (Speidel & Tharp, 1996).

2.2.2 Non Monetary Incentives
Non-monetary incentives are the tangible rewards, social practices or job related factors that are used in an organization to motivate employees without direct payment of cash. In classifying the non-monetary incentives, the breakdown of on the job rewards proposed by Meacham and Wiesen, (1999). It provides a framework, which is contrived on-the-job rewards and natural rewards. Extrinsic and Intrinsic Motivation, contrived rewards are tangible incentives that are external to the work, generally involving costs for the organization and generating extrinsic motivation; on the other hand, natural rewards are job related and social incentives that exist in the natural occurrence of events leading to intrinsic motivation.

Greenberg, (2009) non-monetary incentives are classified as tangible non-monetary Incentives, social non-monetary Incentives and job related non-monetary incentive his classification, on-the-job rewards breakdown non-monetary incentives refer to the tangible items such as desk accessories, coffee mugs, wall plagues, watches, trophies, rings, tie pins, clothing, gift certificates, key chain, discounted goods, and free tickets to various facilities. Social non-monetary incentives are related with superior-subordinate relationships and the social activities within the organization. Superiors being sincere and caring in communicating with the subordinates and valuing their opinions, the degree of informal or formal recognition for a good
job, various social activities in which employees of the same organization get together in an informal way for celebrating something or just to release the stress of the work Meacham and Wiesen (1999). All contribute to the creation of a working atmosphere that employees feel themselves valuable as part of an entity. This in turn has the potential to motivate employees without offering monetary incentives Palmer, M., & Fulcher, L. (2003)

Job related non-monetary incentives have the potential to motivate employees intrinsically Emily R Lai, (2011). Jobs with variety of tasks, responsibilities, autonomy, flexible working hours, participation in decision making, development opportunities among others are very important in satisfying employees’ certain needs and they may lead to a feeling that the job itself is worth exerting more effort without need to any external incentive and a deliberate, planned process to improve the responsibility and challenge of a job. A job may be enriched by: giving it greater variety, allowing the employee greater freedom to decide how the job should be done, encouraging employees to participate in the planning decisions of their managers, ensuring that the employee receives regular feedback on his/her performance. (Koontz and Weihrich, 2000) identify four elements that are a clear understanding of people’s needs, If the purpose of the incentive is to increase productivity then it must be shown, at the earliest stage, that workers will share in the benefits. People need to be treated as individuals and involved in the planning and introduction of the schemes; they like to feel that managers are committed to the success of the programme. So managers must be seen to be enthusiastic and take part in all stages. A well-designed non monetary incentive should be giving the individual scope for setting his/her own work standards and targets, control over the pace and methods of working, vary the work to encourage efficiency and the staff should get a chance to add his/her comments about the design of the product or of the job, Greenberg (2009).
2.3 Literature by Objectives

2.3.1 Promotion on employee motivation

A promotion is the advancement of an employee's rank or position in an organizational hierarchy system. Robbins, (2005) promotion may be an employee's reward for good performance like positive appraisal. Before a company promotes an employee to a particular position it ensures that, the person is able to handle the added responsibilities by screening the employee with interviews and tests and giving them training or on-the-job experience. A promotion can involve advancement in terms of designation, salary and benefits, and in some organizations, the type of job activities may change a great deal, (Sigler, 1999).

A promotion can involve advancement in terms of designation, salary and benefits, and in some organizations, the type of job activities may change a great deal (Lai, 2011). The amount of salary increase associated with a promotion varies a great deal between industries and sectors, and depending on the parts of the hierarchical ladder, an employee is moving between. In some industries or sectors, there may be only a modest increase in salary for promotions; in other fields, a promotion may substantially increase an employee's salary (Strempel, 2003). The same is true with benefits and other privileges; in some industries, the promotion only changes the title and salary, and there are no additional benefits or privileges (beyond the psycho-social benefits that may accrue to the individual). In some not-for-profit organizations, the values of the organization or the tightness of funding may result in there being only modest salary increases associated with a promotion. In other industries, especially in private sector companies, a promotion to senior management may carry a number of benefits, such as stock options, a reserved parking space, a corner office with a secretary, and bonus pay for good performance (Robbins, 2005).

Workers that are more talented are usually more productive higher up in organizational hierarchies. Promotions assign workers to jobs better suiting their abilities and quickly move up talented workers Gibbons, (1999). Other purposes of promotions can be used to reward past
employee efforts, promote investments in specific human capital and lower job turnover (Lazear, 2000). The simplest form of incentive pay is a promotions ladder this requires recruits to accept lower paid port-of-entry jobs. This early period of employment is a screening process. Good performance leads to promotion. When promotion ladders are used as deferred compensation, almost all junior workers who prove themselves are promoted. The prospect of promotion encourages the good workers to stay and invest in specific human capita (Says, 2005).

Job seekers will self-select by limiting their applications to the type of jobs where they expect to succeed and be promoted out of the less well-paid port-of-entry jobs. Older workers may have reached a career peak in their wages and accumulated human capital. This may reduce their access to jobs that use promotions as incentives (Robbins, 2005). Promotions as motivators for additional effort may not be as effective for older workers because they may not wish to wait in low paid jobs that are the precursor to some promotions once performance is proven (Gibbons, 1999). Promotion is designed to encourage recruits to invest in specific human capital, promotion ladders may not work as effectively with workers with shorter payback horizons on new skill investments and who prefer harvesting their existing human capital. This may reduce access to jobs that use promotions to reward investments in specific capital. Older job changers may prefer jobs whose compensation is made up mostly of wages and less of promises of promotion and on-the-job human capital (Savych, 2005).

Younger rival applicants, both internal and external, may find the promise of more on-the-job human capital and promotions to be attractive given the length of their remaining working lives and may trade this for higher wages. This may lengthen job searches for older job seekers because they may want jobs with different wage and promotion components to comparable younger workers. Job packages with the preferred mixes may be fewer and further between. Adams (2002) found evidence that older workers passed over for promotion were given promotions while younger. The observed lower wage growth towards the end of their careers may mean that their wage growth via promotions ladders had already occurred earlier in their working lives, and their lifetime incomes and output may have been greater because of this pattern of delayed compensation, staged promotions and high levels of work effort and whole of career wages.
Greenberg (2009) inferred that the older workers that were passed over for promotion were in the reward phases of their delayed payment contracts, where their wages may exceed current productivity. The older and younger workers need not differ in productivity - the younger workers were receiving promotions to increase their wages, motivate effort and to move them closer to the reward phases of their own delayed payment contracts, Adams (2002) suggested that older workers stayed in their current jobs because they did not want to give up the high wages implicit of the reward phase of their delayed payment contracts.

Workers enter at one level and are promoted if they win a promotion tournament. The promotions are similar to prizes in sports tournaments. The promotions are prizes for past efforts, not future potential (Lazear and Rosen, 1999). Even if individual output and specific human capital investments cannot be measured with any precision, it is often possible to identify who is the best worker with relative performance evaluation, which is a common reason for running promotion tournaments. Observing the actions and the outputs of competing employees performing similar tasks provides information to employers on what has been done and what could be done. There can be a gap between the contribution of the best worker and that of the next best, and so on, that is large enough to be perceived without being quantifiable (Crouse, 2005). These gaps are indicators of who is exerting most effort and investing more in the specific human capital, albeit often otherwise unverifiable human capital is needed to underpin success. To induce greater employee effort and human capital investment, the best performer (highest scorer) is promoted to a better-paid job. In addition to motivating workers promoted to the higher level, the prospect of future promotion is a prize to motivate those left behind at the lower levels (Waldman, 2007).

To effectively encourage workers to work harder, there must be a fair but not overly generous chance of promotion and a reasonable pay rise or a lower chance of promotion and a much larger pay rise (Lazear, 1998). Higher-level jobs may be handsomely paid not because of a higher output, but to act as a prize to encourage effort at the lower levels. There must be regular job turnover so that follow-up promotions keep hope alive among the junior workers.
2.3.2 Team work on employee motivation

This is job enrichment at the group level. It's to set a goal for a team, and make team members free to determine work assignments, schedules, rest breaks, evaluation parameters, and the like. With this method, one significantly cut back on supervisory positions, and people will gain leadership and management skills. People should know how well, or poorly, they are performing their jobs. The more control one gives them for evaluating and monitoring their own performance, the more enriched their jobs will be (Cole, 2002). As there are many types of teams, it is essential to determine which type this article is concerned with. In basic terms, a team can be defined as a small number of people, with a set of performance goals, who have a commitment to a common purpose and an approach for which they hold themselves mutually accountable (Katzenbach & Smith, 1993). This definition suggests that teams must be of a manageable size and that all team members must be committed to reach team goals. Furthermore, the team members must be jointly accountable for their actions and the outcomes of these actions. Teams are created to achieve specific organizational objectives and are concerned with the co-ordination of work activities Informal - Based more on personal relationships and agreement of group members than on defined role relationship, According to Cohen and Bailey (1999). An employee team is a collection of individuals who are interdependent in the tasks and who share responsibility for the outcomes. Team's enables people to cooperate, enhance individual skills and provide constructive feedback without any conflict between individuals (Jones et al., 2007).

Teamwork is an important factor for smooth functioning of an organization. Most of the organizational activities become complex due to advancement in technology therefore teamwork is a major focus of many organizations. One research study concluded that teamwork is necessary for all types of organization including non-profit organizations (Pfaff & Huddleston, 2003). There has been a sharp divergence in the literature about the benefits of the growth of teamwork, with some claiming that it is solely in the interests of management, others that it is beneficial for employees and yet others that it makes little difference to either productivity or well-being. It shows teamwork did expand between the early 1990s and 2006, this was due primarily to the growth of the type of teamwork that allowed employees little in the way of
decision-making power. Indeed, there was a decrease in the prevalence of self-directive teamwork (Froebel & Marchington, 2005).

At the same time evidence shows that the benefits of teamwork, in terms of both productive potential and employee welfare, are confined to self-directive teams, while non-self directive teams suppress the use of per created to achieve specific organizational objectives and are concerned with the co-ordination of work activities Informal based (Meacham and Wiesen, 1999). Teams can maximize organizational innovation because employees have increased autonomy, increased participation, and ownership regarding decisions. The employees are no longer told what to do. Instead, they are given goals, or they develop goals with their team leader, and are then free to decide how best to achieve the goals. In addition to maximizing innovation, teams can provide a number of other attractions for the organizations in which they operate (Katzenbach & Smith, 1993).

The management should allow team members to participate in decision-making and get involved in strategic planning. This is an excellent way to communicate to members that their input is important. It can work in any organization - from a very small company, to a large company with a huge hierarchy. When people realize that what they say is valued and makes a difference, they will likely be motivated. Redistribute control and grant more authority to workers for making job-related decisions (Marissa, 2007). As supervisors delegate more authority and responsibility, team members' autonomy, accountability, and task identity will increase. Participation is about employees playing a greater part in the decision making process. It is near the concept of employee voice system, which ensures that employees are given the opportunity to influence management decisions and contribute to the improvement of the organizational performance (Scarnati, 2001). The purpose of employee's voice is to articulate dissatisfactions, express collective organization, contribute to management decision making and demonstration of maturity and cooperative relations (Marissa, 2007).

2.3.3 Career development on employee motivation.

In response to increasingly dynamic and turbulent environments, organizations have formulated strategies that have included the adoption of non-traditional organizational structures.
Consequently, dramatic changes in the career patterns of employee’s at all organizational levels, particularly managerial, have occurred (Randall and Schuler, 2000). More effective guidance will assist the development of a knowledge economy and benefit individuals, employers and society at large. Effective career development support is important not only for individuals but also for the organizations that employ them. For both of them it is part of a strategy of achieving resilience to handle change more effectively. Vision of being the foremost knowledge economy (Vision, 2030) will depend on how people are prepared to enter the labor market, the opportunities they are given to develop their skills, and, particularly, how they obtain the information, advice and guidance necessary to develop and manage their careers (Oliver, 2001).

This is especially important if the transformation to a knowledge economy is to be accompanied by greater social cohesion. Organizations need to realize that positive career development for their workforce is a way of helping to attract and retain the best people: by recognizing and responding to the needs of individual employees they will get the best out of them (Scarnati, 2001). Guidance that is more effective will assist the development of a knowledge economy and benefit individuals, employers and the society. It will, however, require a cultural shift in management behavior in organizations towards self-management.

Understanding how to motivate employees, and knowledge workers in particular, is likely to be a critical factor for organizational success (Ouchi, 2007). Paying attention to the career development of individuals will be vital not only for skill development but also to help motivate superior performance at work by giving people a clearer sense of direction and purpose. This will mean that career professionals will need to think in new ways about how they organize and provide career support, work effectively with partners from other professional groups, use informal career support mechanisms, and equip managers and others to give career support more effectively among others (Pfaff & Huddleston, 2003).

Effective career development support is important not only for individuals but also for the organizations that employ them. For both of them it is part of a strategy of achieving resilience to handle change more effectively. The business argument, as (Hirsh and Jackson, 2004). point out, is that careers are: how higher-level and business-specific skills and knowledge are acquired,
through employees undertaking a sequence of work experiences, which progressively improve those skills.

Key writers on careers in organizations see careers and learning as inextricably linked (Schein and Hall, 1996), how skills and knowledge are deployed and spread within organizations by employees moving from one job to another, in response to where they are needed. Such deployment and knowledge sharing is critical to organizational flexibility; career development practitioner when addressing the concerns of managers and professionals in contemporary organizations. Increasingly, these concerns include consideration of career change, which, within traditional career paradigms, has not been treated as a legitimate career development outcome. Contemporary organizational perspectives (Heathfield, 2000), suggesting that career change is an essential element of future career patterns; find little congruence with traditional theoretical models. This lag in empirical research is especially problematic for the career development practitioner when addressing the concerns of managers and professionals in contemporary organizations. Increasingly, these concerns include consideration of career change, which, within traditional career paradigms, has not been treated as a legitimate career development outcome. Contemporary organizational perspectives (Heathfield, 2000) suggesting that career change is an essential element of future career patterns; find little congruence with traditional theoretical models.

There are several areas that management can turn their attention to in order to support employee career development within their organization: Leopold (2010), Develop cross-team and boundary learning with other organizations and professions to support employee career development, share visions of the organization’s future and development with employees, Introduce career planning systems to include succession planning, Provide positive career development within an organization to help management to address issues such as affirmative action, productivity, management selection and equal opportunity (O’Rand, 2006). There are several areas that management can turn their attention to in order to support employee career development within their organization: Offer training in new skills and knowledge to all staff, so that employees can become ‘fit for new jobs’ laterally as well as vertically. Develop and implement learning that takes place throughout the employment period of employees. develop cross-team and boundary
learning with other organizations and professions to support employee career development, Share visions of the organization's future plans and development with employees, Introduce career planning systems to include succession planning, Provide positive career development within an organization to help management to address issues such as affirmative action, productivity, management selection and equal opportunity (Armstrong 2006).

2.3.4 Medicare benefit on employee motivation

Employee benefits and earnings form compensation packages available in different combinations and at different levels to occupations located in different labor markets (O’Rand, 2006). Employee benefit is essential for the development of corporate industrial relations. According to Hertzberg's two-factor theory (motivation and hygiene), an employee benefit programme was a necessary and sufficient working condition. The hygiene factor will affect employees' work-motivation and thus productivity. In the stimulus-response behavior, employees' work-motivation, seen as the response, can be analyzed from absence rate, leave rate, quit rate, get-to-work speed and so on. The quality indices include faults and returns; the quantity indices include completion time and the production hygiene factor. This depends on the individual properties of the employee, who is the medium essential for management, and stimulates employees to enhance their work and productivity (Hertzberg, 1998).

In addition, Vroom maintained in his expectation theory that everyone works in expectation of some rewards (both spiritual and material), and welfare is one of them. In other words, the degree of reward influences the quality and quantity of work, and in turn productivity. Therefore, it is important to explore how to give the stimulus (welfare) in order to promote work motivation and productivity (Vroom, 1964). According to Maslow’s (1993) in the hierarchy theory, the employee benefit programmes could be classified into four types of welfare demands: physical demands; security demands; social demands; self-actualization demands. First, physical-demand benefit includes loans, dividends, year-end bonuses, savings subsidies, emergency subsidies, individual annual vacations, national holidays, paid leaves, dormitories and housing benefits, meal subsidies and laundry service. Security-demand benefit includes day-care service, group dependant insurance (life and medical), pension, occupational disease compensations, child-education benefits, discounted goods supply, medical equipment and subsidies, free commuting
vehicles, commuter subsidies. Third, social-demand benefit includes entertainment equipment and activities (such as clubs and foreign travel), educational equipment and activities, foreign travel subsidies, counseling measures, maternity and paternity leave. Finally, self-actualization-demand (including self-esteem) benefit includes opportunity and subsidies for further education/training and flexible working time.

Benefits are items such as pension, sickness payments and company cars, which are additional to earnings; sometimes known as fringe benefits (Cole, 2002). Employee benefits are virtually any form of compensation other than direct wages paid to employees. It constitutes a major part of almost any individual’s financial and economic security (Rosenbloom, 2001). Employee benefits are commonly used to suggest a peripheral role in the typical pay packet. The substantial growth in the value of most benefits packages over the past ten to twenty years means that the title fringe is no longer appropriate. An increasing proportion of individual remuneration is made up of additional perks, allowances and entitlements, which are mostly paid in kind rather than cash. The total value of benefits paid by the employer to employees commonly represents between 20% and 50% of an organizations salary budget, depending on what is included. Pension alone can easily account for 20 per cent, to which must be added the costs of providing some or all of the following: company cars, sick pay, meals, live-in accommodation, parking facilities, private health insurance, mobile phones, staff discounts, relocation expenses and any holiday or maternity allowances paid in excess of the required statutory maxima (Strempel, 2003).

Fringe benefits can impact job satisfaction in several ways. First, fringe benefits stand as an important component of worker compensation. The National Compensation Survey conducted by the Bureau of Labor Statistics estimated that benefits made up 30% of total compensation for all civilian workers in 2006. Some benefits such as Social Security and Medicare are legally required and make up roughly 27% of all benefit compensation. The remaining 73% of benefit compensation is comprised mostly of paid leave, insurance plans and retirement and savings plans. These benefits are often not subject to taxation and are therefore cheaper to gain through an employer than through the market (Alpert, 1987). Consequently, cheaper benefits should increase worker job satisfaction. Second, fringe benefits can act as substitutes for wages. Baughman, DiNardi and Holtz-Eakin (2003) examined employer survey data and found that
employers decreased wages once several benefits had been offered to employees after a few years. Woodbury (1983) found that workers also view benefits and wages as substitutes, willing to give up wages in exchange for more benefits. This substitution can increase job satisfaction if the worker’s marginal income tax rate increases. The less taxed fringe benefits can be substituted for wages and increase job satisfaction by saving the worker from increased tax burden. Donohue and Heywood (2004) report positively significant estimates for such variables as paid vacation and sick pay but no significance for any of the remaining benefits: child care, pension, profit sharing, employer provided training/education and health insurance.

Medicare is one of the most significant fringe benefits in organizations. Medical care in Kenya is quite expensive. Organizations, which invest in medical insurance for their staff, are considered the best employers. Medicare assures employees of the organizations commitment to their wellbeing, which motivates staff to perform better. It also frees up employees income to other commitment issues.

### 2.3.5 Conceptual Framework

![Conceptual Framework Diagram](image)

**Independent variables**
- Promotion
- Teamwork
- Career development
- Medicare benefit

**Dependent variables**
- Employee motivation
  - Staff Retention
  - Increased Productivity
  - Staff Commitment

Figure 4 Conceptual Framework
CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlined the procedures the researcher followed to realize the research objectives. It included a description of the research design, sampling techniques, instrumentation as well as data analysis techniques.

3.2 Research Design

A research design according to Kumar (2005) is a plan, structure and strategy of investigation so conceived as to obtain answers to research questions or problems. Chandran (2004) describes research design as an understanding of conditions for collection and analysis of data in a way that combines their relationships with the research to the economy of procedures.

The descriptive research design was preferred in this study because it allowed for analysis of different variables at the same time and thus enabled the researcher to establish the effectiveness of non-monetary incentives in motivating employees in NGO sector. The use of the descriptive research design led to a better understanding of the phenomenon being studied and helped to view issues and problems from the perspective of those being studied.

3.3 Target Population

Population is the aggregate of all that conforms to a given specification (Mugenda & Mugenda 2003). Hence, population refers to an entire group of individuals, events or objects having a common observable characteristic. The population of the research study was all the 80 employees at Concern Worldwide.

3.4 Sampling and Sampling Procedures

Sampling procedures provide a valid alternative to a census where it is impossible to survey the whole population. According to Breakwell (2006), there are two types of sampling design;
probability and non-probability sampling. Since the sample size is small the researcher used a census.

3.5 **Data Collection tools and procedures.**

Data for this study was collected using questionnaires and interview schedules, which were structured, based on the research objectives. The questionnaires were semi structured and contained both closed and open-ended questions. The questionnaires helped to facilitate the determination of the relationship between the independent variables and the effect they had in motivating employees in NGO sector.

The researcher prepared a questionnaire and an interview schedule that was used to collect data from the respondents. The researcher sought permission from the management of the NGO to carry out the research. The researcher distributed the questionnaires and a brief introduction for the purpose of the research to the NGOs’ staff and collected the questionnaires once the respondents had finished filling them in.

3.6 **Validity and Reliability**

The researcher verified the validity and reliability of the questionnaire by distributing it earlier to an initial number of ten employees selected randomly. The aim was to analyse how the respondents answered the questions to determine if they had been set well. It also aided in determining if the respondents understood the questions based on the aim of the interviewer.

3.7 **Data Analysis and Presentation**

Data analysis is the process of bringing order, structure and meaning to the mass of information collected. It involves examining what has been collected and making deductions and inferences (Kombo & Tromp, 2006). The study used descriptive statistics to analyze the data obtained. Descriptive statistics involved the collection, organization and analysis of all data relating to the population or sample under study. The information was presented using percentages in comparing the different views. Presentation was also given in form of graphs, tables and charts.
and descriptive statistics (mean, percentiles and standard deviation measures). Software Scientific Package for Social Scientists (SPSS) was used to analyse the data.
4.1 Overview

This Chapter presents the analysis and findings of the study. It provides general information of the sample studied from the organization determining the role of promotion on employees' motivation, the role of teamwork on employee motivation, career development role and medical benefits role on employee motivation.

A census of eighty employees was undertaken since the sample size is small and questionnaires issued. Overall response rate of 70 percent of the targeted population was realized.

The analysis was done using 56 filled and returned questionnaires. This was deemed adequate and sufficient for purposes of data analysis.

Table 1 Respondents

<table>
<thead>
<tr>
<th>Organization</th>
<th>Population Target</th>
<th>Obtained</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concern Worldwide Employees</td>
<td>80</td>
<td>56</td>
<td>70</td>
</tr>
</tbody>
</table>

Source: Survey data 2013

As shown in Table 1, response rate was relatively proportional to the sample target representation, the respondents were quite cooperative. The data provided was taken to be a true representation of the respondents' views due to the independence of the study carried out from the organization. However, it was challenging to get responses from some respondents as they argued that they required more understanding of human resources to answer the questionnaires.
Demographic Characteristics

Out of the respondents 25% were between the age of 20 and 29 years old, 30% between the age of 30 and 39 years old, 30% between 40 and 49 years old and 15% above 50%. The results are represented in figure 5 below:

Figure 5 Demographic Characteristics

45% of the responses received were from Male while 55% were from Females. The results are presented in figure 6 below:

Figure 6 Gender
On the level of education 15% attained secondary school certification, 25% attained Diploma/HND, another 25% Tertiary level, 25% attained Degree and 10% had Masters degree. The results are presented in figure 7 below:

![Pie chart showing levels of education](image)

Figure 7 Level of Education
The length of service was also varied with 20% of employees having worked for between 1-4 years, 20 % between 4-7 years 15% between 8-11 years and 45% above 12 years. The results are represented in figure 8 below:

![Bar chart showing length of service](image)
The data was also collected in varied department of Human resources, Finance, Operations and programs. 15% were from Human resource department, 15% from Finance department, and 40% operations department and 15% in programs department. The results are indicated in figure 9 below.

4.2 Promotion.

The first objective of the study sought to determine the role of promotion in influencing employee’s motivation. The questionnaire had six (6) variables to be marked by the respondent as strongly disagree, disagree, Neutral, Agree, and strongly agree. Out of the responses received, 95% of the respondents perceived that promotions influence employees motivation. In analyzing the extent of these influence, 40% said it influences to a very great extent, 25% great extent, 30% moderately and 5% little extent. The results are represented in figure 10 below:
Figure 10 Promotion

Key

1: Very great extent
2: Great extent
3: Moderately
4: Little extent
5: No extent
For the respondents who filled the questionnaire, the results of the six variables are shown in table 2 below:

Table 2 Promotion

<table>
<thead>
<tr>
<th></th>
<th>Responsibility</th>
<th>Experience</th>
<th>Production</th>
<th>Performance</th>
<th>Initiative</th>
<th>loyalty</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>N</strong> Valid</td>
<td>56</td>
<td>56</td>
<td>56</td>
<td>56</td>
<td>56</td>
<td>56</td>
</tr>
<tr>
<td><strong>Missing</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Mean</strong></td>
<td>3.9000</td>
<td>4.0500</td>
<td>3.5000</td>
<td>3.7500</td>
<td>3.8500</td>
<td>4.1500</td>
</tr>
<tr>
<td><strong>Median</strong></td>
<td>4.0000</td>
<td>4.0000</td>
<td>3.0000</td>
<td>4.0000</td>
<td>4.0000</td>
<td>4.0000</td>
</tr>
<tr>
<td><strong>Mode</strong></td>
<td>5.00</td>
<td>4.00&lt;sup&gt;a&lt;/sup&gt;</td>
<td>3.00&lt;sup&gt;a&lt;/sup&gt;</td>
<td>3.00&lt;sup&gt;a&lt;/sup&gt;</td>
<td>4.00</td>
<td>5.00</td>
</tr>
<tr>
<td><strong>Std. Deviation</strong></td>
<td>1.11921</td>
<td>1.09904</td>
<td>1.35724</td>
<td>1.11803</td>
<td>1.03999</td>
<td>1.03999</td>
</tr>
</tbody>
</table>

<sup>a</sup> Multiple modes exist. The smallest value is shown.

Source: Survey data 2013

The rating was score were represented by 1 being strongly disagree, 2 Disagree, 3 neutral, 4 Agree and 5 strongly disagree. The respondents rated the following aspects of promotion as neutral: That firms can use promotions as reward for highly productive workers, creating an incentive for workers to exert greater effort and that promotion expectations can also play a powerful role in boosting employee performance and overall organizational performance. The respondents strongly agreed with the fact that before a company promotes an employee to a particular position it ensures that the person is able to handle the added responsibilities and that promotion attracts capable individuals; necessitates logical training for advancement and forms an effective reward for loyalty and cooperation.

On whether before a company promotes an employee to a particular position it ensures that the person is able to handle the added responsibilities 15% of respondents disagreed, 20% had neutral feeling 25% agreed while 40% strongly agreed. The results are shown in table 3 below:
Whether promotions are an important aspect of a worker's career and life, affecting other facets of the work experience, 5% of respondents strongly disagreed, 5% disagreed, 10% had neutral feeling, 40% agreed, while 40% strongly agreed. The results are shown in table below.

Table 3 Responsibility

<table>
<thead>
<tr>
<th></th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid Disagree</td>
<td>15.0</td>
<td>15.0</td>
<td>15.0</td>
</tr>
<tr>
<td>Neutral</td>
<td>20.0</td>
<td>20.0</td>
<td>35.0</td>
</tr>
<tr>
<td>Agree</td>
<td>25.0</td>
<td>25.0</td>
<td>60.0</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>40.0</td>
<td>40.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Disagree</td>
<td>5.0</td>
<td>5.0</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Survey data 2013

A question was posed on whether Firms can use promotions as a reward for highly productive workers, creating an incentive for workers to exert greater effort. 10% of respondents strongly disagreed, 10% disagreed, 35% had neutral feeling, 10% agreed, while 35% strongly agreed. The results are shown in table below.

Table 4 Experience

<table>
<thead>
<tr>
<th></th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid strongly disagree</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
</tr>
<tr>
<td>Disagree</td>
<td>5.0</td>
<td>5.0</td>
<td>10.0</td>
</tr>
<tr>
<td>Neutral</td>
<td>10.0</td>
<td>10.0</td>
<td>20.0</td>
</tr>
<tr>
<td>Agree</td>
<td>40.0</td>
<td>40.0</td>
<td>60.0</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>40.0</td>
<td>40.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Disagree</td>
<td>10.0</td>
<td>10.0</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Survey data 2013

A question was posed on whether firms can use promotions as a reward for highly productive workers, creating an incentive for workers to exert greater effort. 10% of respondents strongly disagreed, 10% disagreed, 35% had neutral feeling, 10% agreed, while 35% strongly agreed. The results are shown in table 5 below.
Table 5 Productivity

<table>
<thead>
<tr>
<th></th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>10.0</td>
<td>10.0</td>
<td>10.0</td>
</tr>
<tr>
<td>Disagree</td>
<td>10.0</td>
<td>10.0</td>
<td>20.0</td>
</tr>
<tr>
<td>Neutral</td>
<td>35.0</td>
<td>35.0</td>
<td>55.0</td>
</tr>
<tr>
<td>Agree</td>
<td>10.0</td>
<td>10.0</td>
<td>65.0</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>35.0</td>
<td>35.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Disagree</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Survey data 2013

If promotion provides incentive to initiative, enterprise and ambition; minimizes discontent and unrest effort 5% of respondents strongly disagreed, 30% had neutral feeling 35% agreed while 30% strongly agreed. The results are shown in table 6 below:

Table 6 Initiative

<table>
<thead>
<tr>
<th></th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
</tr>
<tr>
<td>Neutral</td>
<td>30.0</td>
<td>30.0</td>
<td>35.0</td>
</tr>
<tr>
<td>Agree</td>
<td>35.0</td>
<td>35.0</td>
<td>70.0</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>30.0</td>
<td>30.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Disagree</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Survey data 2013

On whether promotion attracts capable individuals; necessitates logical training for advancement and forms an effective reward for loyalty and cooperation effort 5% of respondents strongly disagreed, 15% had neutral feeling 35% agreed while 45% strongly agreed. The results are shown in table 7 below.
### Table 7 Effectiveness

<table>
<thead>
<tr>
<th></th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Valid</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
</tr>
<tr>
<td>Neutral</td>
<td>15.0</td>
<td>15.0</td>
<td>20.0</td>
</tr>
<tr>
<td>Agree</td>
<td>35.0</td>
<td>35.0</td>
<td>55.0</td>
</tr>
<tr>
<td>Strongly</td>
<td>45.0</td>
<td>45.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Disagree</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Survey data 2013

### 4.3 Team Work

An analysis was conducted on how Team work contributes to employee’s motivation. Results are represented in table 8 below:

#### Table 8 Team work

<table>
<thead>
<tr>
<th>Functioning</th>
<th>Problem solving</th>
<th>Performance</th>
<th>communication</th>
<th>Direction</th>
<th>Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>56</td>
<td>56</td>
<td>56</td>
<td>56</td>
<td>56</td>
</tr>
<tr>
<td>Missing</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

| dian        | 5.0000          | 4.0000      | 3.0000        | 3.0000    | 4.0000    | 3.0000    |
| de          | 5.00            | 3.00        | 3.00          | 3.00      | 4.00      | 3.00      |
| l.Deviation | 1.06992         | 1.03110     | .75394        | 1.28145   | 1.22582   | 1.26803   |

The rating was score represented by 1 being strongly disagree, 2 Disagree, 3 neutral, 4 Agree and 5 strongly agree on six variables on Teamwork. From the respondents, a majority strongly agreed that that teamwork is an important factor for the smooth functioning of an organization, having a mode of 5.00, this was followed by the view that teamwork promotes conversation between employees regarding the tasks at hand, possibly preventing employees from working in opposite direction; this test had a mean of 4.00. The individual analysis of the results is shown in analysis tables below:
On whether Teamwork is important due to the problem-solving synergy gained from multiple minds working on a solution. 5% of respondents strongly disagreed, 40% had neutral feeling 30% agreed while 25% strongly agreed. The results are shown in table below

Table 9 Problem solving

<table>
<thead>
<tr>
<th></th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid strongly disagree</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
</tr>
<tr>
<td>Neutral</td>
<td>40.0</td>
<td>40.0</td>
<td>45.0</td>
</tr>
<tr>
<td>Agree</td>
<td>30.0</td>
<td>30.0</td>
<td>75.0</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>25.0</td>
<td>25.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Survey data 2013

On the question if Teamwork is used across many different organizations to increase employee performance, employee unity and company culture, 10% of respondents disagreed, 45% had neutral feeling 40% agreed while 5% strongly agreed. The results are shown in table 10 below

Table 10 Performance

<table>
<thead>
<tr>
<th></th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid Disagree</td>
<td>10.0</td>
<td>10.0</td>
<td>10.0</td>
</tr>
<tr>
<td>Neutral</td>
<td>45.0</td>
<td>45.0</td>
<td>55.0</td>
</tr>
<tr>
<td>Agree</td>
<td>40.0</td>
<td>40.0</td>
<td>95.0</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>5.0</td>
<td>5.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Survey data 2013

On whether Teamwork is the backbone of effective communication within an organization. 10% strongly disagreed, 15% of respondents disagreed, 45% had neutral feeling 5% agreed while 25% strongly agreed. The results are shown in table 11 below:
On if Teamwork promotes conversation between employees regarding the task at hand, possibly preventing employees from working in opposite directions. 10% of respondents strongly disagreed, 5% disagreed, 20% had neutral feeling 40% agreed while 25% strongly agreed. The results are shown in Table 12 below.

Table 12 Conversation

<table>
<thead>
<tr>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>10.0</td>
<td>10.0</td>
</tr>
<tr>
<td>Disagree</td>
<td>5.0</td>
<td>5.0</td>
</tr>
<tr>
<td>Neutral</td>
<td>20.0</td>
<td>20.0</td>
</tr>
<tr>
<td>Agree</td>
<td>40.0</td>
<td>40.0</td>
</tr>
<tr>
<td>Strongly</td>
<td>25.0</td>
<td>25.0</td>
</tr>
<tr>
<td>Disagree</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Survey data 2013

A question was posed on whether Teams can maximize organizational innovation because employees have increased autonomy, increased participation, and ownership regarding decisions. 10% of respondents strongly disagreed, 20% disagreed, 35% neutral feeling 15% agreed while 20% strongly agreed. The results are shown in Table 13 below.

Table 13 Innovation

<table>
<thead>
<tr>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>10.0</td>
<td>10.0</td>
</tr>
<tr>
<td>Disagree</td>
<td>5.0</td>
<td>5.0</td>
</tr>
<tr>
<td>Neutral</td>
<td>20.0</td>
<td>20.0</td>
</tr>
<tr>
<td>Agree</td>
<td>40.0</td>
<td>40.0</td>
</tr>
<tr>
<td>Strongly</td>
<td>25.0</td>
<td>25.0</td>
</tr>
<tr>
<td>Disagree</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Survey data 2013

40
Table 13 Innovation

<table>
<thead>
<tr>
<th></th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>10.0</td>
<td>10.0</td>
<td>10.0</td>
</tr>
<tr>
<td>Disagree</td>
<td>20.0</td>
<td>20.0</td>
<td>30.0</td>
</tr>
<tr>
<td>Neutral</td>
<td>35.0</td>
<td>35.0</td>
<td>65.0</td>
</tr>
<tr>
<td>Agree</td>
<td>15.0</td>
<td>15.0</td>
<td>80.0</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>20.0</td>
<td>20.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Survey data 2013

The research also tested whether Team work had an impact on employee’s motivation. Out of the respondents 85% of the respondents agreed that Team work had an impact on employee motivation, while 15 % said it had no impact: The results are shown in figure below

Figure 11 Team work
Key
1- Agreed that teamwork has an impact on motivation
2-Disagreed that teamwork has an impact on motivation.

A further analysis was done on the extent to which teamwork has an impact on employee motivation. 45% of the respondents said it did to a very great extent 30% to great extent 20% said to a moderate extent and another 5% said to no extent. The results are shown in table below.

![Bar chart showing the impact of teamwork on motivation.](chart.png)

**Figure 12 Teamwork impact**

**Key**

1 - Very great extent
2 - Great extent
3 - Moderate extent
4 - Little extent
5 - No extent
4.4 Career Development.

The research project evaluated the role of career development in motivating staff in the NGO sector in Kenya. A question was asked to the respondents; to what extent does career development motivates staff in the NGO sector in Kenya, 5% of the respondents said it did to a very great extent 60% to great extent 30% said to a moderate extent and. The results are shown in table below

![Bar Chart]

Figure 13 Career development

Key
1 – Very great extent
2 - Great extent
3 – Moderate extent
4 – Little extent
5 – No extent
Four other variables relating to career development was analyzed. The rating was score were represented by 1 being strongly disagree, 2 Disagree, 3 neutral, 4 Agree and 5 strongly disagree. The results are shown in the tables 14 below:

Table 14 Career development

<table>
<thead>
<tr>
<th></th>
<th>Organization</th>
<th>Guidance</th>
<th>Vision</th>
<th>Planing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>N</strong> Valid</td>
<td>56</td>
<td>56</td>
<td>56</td>
<td>56</td>
</tr>
<tr>
<td><strong>Missing</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Mean</strong></td>
<td>3.8500</td>
<td>3.6000</td>
<td>3.4000</td>
<td>3.3500</td>
</tr>
<tr>
<td><strong>Median</strong></td>
<td>4.0000</td>
<td>4.0000</td>
<td>3.0000</td>
<td>3.5000</td>
</tr>
<tr>
<td><strong>Mode</strong></td>
<td>5.00</td>
<td>4.00</td>
<td>3.00</td>
<td>3.00</td>
</tr>
<tr>
<td><strong>Std. Deviation</strong></td>
<td>1.22582</td>
<td>1.18766</td>
<td>1.04630</td>
<td>1.30888</td>
</tr>
</tbody>
</table>

a. Multiple modes exist. The smallest value is shown

Source: Survey data 2013

On the responses, most respondents with a mode of 5.00 strongly agreed that Effective career development support is important not only for individuals but also for the organizations that employ them, this was score of 40%, 25% agreed 20% were neutral on the fact and 10% disagreed, and a final 5% strongly disagreed. The individual analysis of the variables are shown 15 below

Table 15 Effectiveness

<table>
<thead>
<tr>
<th></th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>Strongly disagree</td>
<td>5.0</td>
<td>5.0</td>
</tr>
<tr>
<td></td>
<td>Disagree</td>
<td>10.0</td>
<td>10.0</td>
</tr>
<tr>
<td></td>
<td>Neutral</td>
<td>20.0</td>
<td>20.0</td>
</tr>
<tr>
<td></td>
<td>Agree</td>
<td>25.0</td>
<td>25.0</td>
</tr>
<tr>
<td></td>
<td>Strongly disagree</td>
<td>40.0</td>
<td>40.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Survey data 2013
On whether more effective guidance will assist the development of a knowledge economy and benefit individuals, employers and society at large 25% strongly agreed 35% agreed, 20% were neutral, 15% disagreed, and a final 5% strongly disagreed. The results are shown in table 16 below.

Table 16 Knowledge

<table>
<thead>
<tr>
<th>Percent Valid</th>
<th>Percent Cumulative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid strongly disagree</td>
<td>5.0</td>
</tr>
<tr>
<td>Disagree</td>
<td>15.0</td>
</tr>
<tr>
<td>Neutral</td>
<td>20.0</td>
</tr>
<tr>
<td>Agree</td>
<td>35.0</td>
</tr>
<tr>
<td>Strongly</td>
<td>25.0</td>
</tr>
<tr>
<td>Disagree</td>
<td>5.0</td>
</tr>
<tr>
<td>Source: Survey data 2013</td>
<td></td>
</tr>
</tbody>
</table>

On whether effective career development shares visions of the organization’s future and development with employees, 20% strongly agreed 15% agreed, 55% were neutral, 5% disagreed, and a final 5% strongly disagreed. The results are shown in table 17 below.

Table 17 Vision

<table>
<thead>
<tr>
<th>Percent Valid</th>
<th>Percent Cumulative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid Strongly Agree</td>
<td>5.0</td>
</tr>
<tr>
<td>Disagree</td>
<td>5.0</td>
</tr>
<tr>
<td>Neutral</td>
<td>55.0</td>
</tr>
<tr>
<td>Agree</td>
<td>15.0</td>
</tr>
<tr>
<td>Strongly</td>
<td>20.0</td>
</tr>
<tr>
<td>Disagree</td>
<td>5.0</td>
</tr>
<tr>
<td>Source: Survey data 2013</td>
<td></td>
</tr>
</tbody>
</table>
On whether a good career planning systems, addresses issues such as affirmative action, productivity, management selection and equal opportunity, 20 % strongly agreed 30% Agreed, 30 % were neutral, 5% disagreed, and a final 15% strongly disagreed. The results are shown in table 18 below

Table 18 Affirmative action

<table>
<thead>
<tr>
<th></th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>20.0</td>
<td>20.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Disagree</td>
<td>5.0</td>
<td>5.0</td>
<td>20.0</td>
</tr>
<tr>
<td>Neutral</td>
<td>30.0</td>
<td>30.0</td>
<td>50.0</td>
</tr>
<tr>
<td>Agree</td>
<td>30.0</td>
<td>30.0</td>
<td>80.0</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>5.0</td>
<td>5.0</td>
<td>20.0</td>
</tr>
</tbody>
</table>

Source: Survey data 2013

4.5 Medicare benefits on employee motivation.

The research project evaluated the role of Medical benefit in motivating staff in the NGO sector in Kenya. A question was asked to the respondents; to what extent does medical benefit have an effect in motivating staff in the NGO Sector in Kenya? All the respondents agreed that Medical benefit is a motivator in the NGO sector. The results are shown in the figure below.
A question was asked to the respondents; to what extent does Medical benefit motivates staff in the NGO sector in Kenya, 60% of the respondents said it did to a very great extent, 35% to great extent, 5% said to a moderate extent, and...
Figure 15 Impact of Medical Benefit

The research also tested what the respondents perceived as the advantage of the Medical benefit that motivates staff. Most respondents said it gives them a sense of security and peace of mind in regards to their health.
CHAPTER FIVE
SUMMARY, CONCLUSION AND RECCOMENDATIONS

5.1 Introduction
This chapter summarizes and makes conclusions on the findings of this study in relation to the objectives as indicated in chapter one. It also discusses the limitations of the study and recommendations for further research.

5.2 Summary
The general purpose of the study was to analyzing the effectiveness of Non – monetary incentives in motivating employees in the NGO sector in Kenya. The first objective findings indicated that Promotion is a major motivator of staff in the NGO sector and that in a very great extent. The research also noted that firms can use promotions as reward for highly productive workers, creating an incentive for workers to exert greater effort and those promotion expectations can also play a powerful role in boosting employee performance and overall organizational performance. The respondents strongly agreed with the fact that before a company promotes an employee to a particular position it ensures that the person is able to handle the added responsibilities. This indicates that promotion is not only an incentive to the employee, but also a reward to the organizations performance. Promotion also attracts capable individuals; necessitates logical training for advancement and forms an effective reward for loyalty and cooperation.

The second objective examined the role of Team work on staff motivation. From the respondents, a majority strongly agreed that that teamwork is an important factor for the smooth functioning of an organization and motivation of staff. This indicates that a good Team is both an advantage to the Employee and the Organization too. Teamwork also promotes conversation between employees regarding the tasks at hand, possibly preventing employees from working in opposite direction.

As for the third objective, the findings established that career development motivates staff. On the responses, most respondents strongly agreed that Effective career development support is important not only for individuals but also for the organizations that employ them. Staff need to
understand how they would progress in their career, the support the organization is giving such as training, responsibilities, functions and staff levels. This acts as a motivator.

The final objective was to establish the role of Medical benefit in motivating staff in the NGO sector in Kenya. A question was asked to the respondents; to what extent does medical benefit have an effect in motivating staff in the NGO Sector in Kenya? All the respondents agreed that Medical benefit is a motivator in the NGO sector. This gave a compelling fact that employees give a lot of weight on the medical benefit given to them.

5.3 Conclusion

The findings established that non-monetary incentives are a motivator to staff in the NGO sector, all the four variables tested indicated that they do motivate staff, with medical benefit having the highest rating. Promotion was the second critical factor considered by the respondents as a motivator. This indicates that a promoted employee would be more motivated since this would come with other benefits including a better monetary package for the staff. Career development and Team work are also key in employee's motivation in the NGO sector. This calls for good team dynamics that should be set by management and a prudent Team culture. Employees too need to develop in their careers and hence would be motivated by a sound career development environment since positive growth is admirable.

5.4 Recommendations

Despite the in-depth coverage of this research and its findings, there still exists a gap that future researchers could explore. The concept of staff motivation could vary with the sectors of the industry or nature of employees work. Further research could be done with variances in job type. Motivation would also be affected by global trends and Market opportunities. This can be analyzed in depth.

Further studies should attempt to achieve a large sample across a bigger NGO in the country to determine whether the results can be generalized. The current research being a case study; additional studies can be carried out on a wider scale. This could be through conducting industry research on staff motivation in economic sectors, such as government, private and public sectors.
REFERENCES


Concern worldwide.(2012) annual reports and accounts 2012 retrieved from https://www.concern.net/about/annual-reports
Appendix I: Introduction Letter

Agnes Wanjiru Muguchu
P.O Box 965 – 00200
Nairobi.
Tel : 0722-807238
Email : muguchuagnes@gmail.com

Dear Respondent,

MBA Research Project

I am a postgraduate student at Kenyatta University pursuing an MBA – Human Resource course. In partial fulfillment of the course requirements, I’m undertaking a research on "THE EFFECTIVENESS OF NON-MONETARY INCENTIVES IN MOTIVATING EMPLOYEES IN NGO SECTOR IN KENYA : A CASE OF CONCERN WORLDWIDE."

Being one of the respondents, I kindly request you to fill the attached questionnaire. The information requested is needed purely for academic research purpose and will therefore be treated with utmost confidentiality.

Your assistance in facilitating the same will be highly appreciated.

Thank you.

Yours faithfully,

Agnes Wanjiru Muguchu
Appendix II: Questionnaire

This study is aimed at analyzing the effectiveness of Non-monetary incentives in motivating employees in NGO Sector in Kenya. Kindly provide the most accurate information. It should take you approximately 10 minutes to fill this questionnaire. All feedback shall be treated with the utmost confidentiality.

**Part 1: Demographic Characteristics**

1. Age
   - 20 - 29 years
   - 30 - 39 years
   - 40 - 49 years
   - 50 and above years

2. Sex:
   - Male ( )
   - Female ( )

3. Level of Education
   - Secondary School certificate ( )
   - Diploma/HND ( )
   - Tertiary ( )
   - Degree ( )
   - Masters ( )

4. Length of service at Concern Worldwide.
   - 1 - 4 Years
   - 4 - 7 Years
   - 8 - 11 Years
   - More than 12 years
5. Your department

- Human Resources
- Finance
- Operations
- Programs
Part 11: The influence of promotion on employees' motivation

6. Does promotion influence employees' motivation?

Yes ( )

No ( )

If yes in 6 above, to what extend does promotion influence employees' motivation?

- Very great extent ( )
- Great Extent ( )
- Moderately extent ( )
- Little extent ( )
- No Extent ( )

7. To what extent do you agree with the following statements effects of workplace diversity on employee performance? Where, 1- Strongly Disagree, 3- Neutral, 5- Strongly Agree

<table>
<thead>
<tr>
<th>The influence of promotion on employees' motivation</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before a company promotes an employee to a particular position it ensures that the person is able to handle the added responsibilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Promotions are an important aspect of a worker’s career and life, affecting other facets of the work experience</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Firms can use promotions as a reward for highly productive workers, creating an incentive for workers to exert greater effort</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>promotion expectations can also play a powerful role in boosting employee performance and overall organizational performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
promotion provides incentive to initiative, enterprise and ambition; minimizes discontent and unrest;

promotion attracts capable individuals; necessitates logical training for advancement and forms an effective reward for loyalty and cooperation

**Part III: Teamwork on employee motivation**

8. To what extent do you agree with the following statements effects of workplace diversity on employee performance? Where, 1- Strongly Disagree, 3- Neutral, 5- Strongly Agree.

<table>
<thead>
<tr>
<th>Teamwork on employee motivation</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teamwork is an important factor for smooth functioning of an organization</td>
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<tr>
<td>Teamwork is important due to the problem-solving synergy gained from multiple minds working on a solution</td>
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<tr>
<td>Teamwork is used across many different organizations to increase employee performance, employee unity and company culture.</td>
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<tr>
<td>Teamwork is the backbone of effective communication within an organization.</td>
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<tr>
<td>Teamwork promotes conversation between employees regarding the task at hand, possibly preventing employees from working in opposite directions.</td>
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<tr>
<td>Teams can maximize organizational innovation because employees have increased autonomy, increased participation, and ownership regarding decisions.</td>
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</tbody>
</table>

9. Does teamwork have an impact on employee motivation?
Yes ( )

No ( )

If yes in 9 above, to what extent does teamwork have an impact on employee motivation?

Very great extent ( )

Great extent ( )

Moderately extent ( )

Little extent ( )

No Extent ( )

Part IV: Career development

10. Does career development motivates staff in the NGO Sector in Kenya?

If yes in 10 above, to what extent does career development motivates staff in the NGO Sector in Kenya?

Very great extent ( )

Great extent ( )

Moderately extent ( )

Little extent ( )

No Extent ( )

11. To what extent do you agree with the following statements effects of workplace diversity on employee performance? Where, 1- Strongly Disagree, 3- Neutral, 5- Strongly Agree

<table>
<thead>
<tr>
<th>Career development</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective career development support is important not only for individuals but also for the organizations that employ them.</td>
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<tr>
<td>More effective guidance will assist the development</td>
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</tbody>
</table>
of a knowledge economy and benefit individuals, employers and society at large.

Effective career development shares visions of the organization’s future and development with employees.

A good career planning systems, addresses issues such as affirmative action, productivity, management selection and equal opportunity.

Part V: Medicare benefits on employee motivation

12. Does Medicare benefit have an effect in motivating staff in the NGO Sector in Kenya
   Yes ( )
   No ( )

If yes in 13 above, to what extent does Medicare benefit have an effect in motivating staff in the NGO Sector in Kenya.

- Very great extent ( )
- Great Extent ( )
- Moderately extent ( )
- Little extent ( )
- No Extent ( )

13. Give two Advantages of the Medicare benefits given to you by your organization
   i. __________________________
   ii. __________________________