ASSESSING THE EFFECTIVENESS OF FINANCIAL COMPENSATION, PROMOTIONAL OPPORTUNITIES AND WORKPLACE SPIRITUALITY AS EMPLOYEE MOTIVATIONAL FACTORS

Claudette Ramnarain*, Sanjana Brijball Parumasur*

Abstract

This study aims to determine whether employees are motivated to a greater extent by monetary (financial compensation) or non-monetary (promotion opportunities, workplace spirituality) incentives and, to assess whether biographical influences exist in this regard. The study was undertaken in a large municipality department in eThekweni (Durban), South Africa. A sample of 108 participants was drawn using the cluster sampling technique. In this quantitative, cross-sectional, hypothesis-testing methodology, data was collected using a questionnaire whose psychometric properties of validity and reliability were statistically assessed using Factor Analysis and Cronbach’s Coefficient Alpha. Data was analysed using descriptive and inferential statistics. The results indicate that financial compensation is the main motivating factor for employees in the organisation, followed by workplace spirituality and lastly, promotional opportunities. It is evident that the elements of workplace spirituality have not yet been embraced by this public sector institution and, unhappiness exists with regards to perceptions of unfair and inconsistent implementation of promotional opportunities which are not linked to performance. Biographical influences of gender on financial compensation and, tenure and marital status on promotional opportunities respectively were noted. Recommendations are presented, which when carefully implemented, has the potential to bring about enhanced employee motivation in the organisation.

Keywords: Employee Motivation, Financial Compensation, Promotional Opportunities, Workplace Spirituality, Monetary Incentives, Non-Monetary Incentives

*School of Management, Information Technology and Governance, College of Law and Management Studies, University of KwaZulu-Natal (Westville Campus), Private Bag X54001, Durban, South Africa, 4000

1 Introduction

In today’s, competitive business environment, employees are an organisation’s asset and source of competitive advantage as the potential and drive of an organisation’s workforce will determine its performance, profitability and success. However, a fundamental aspect to achieving these outcomes is motivation because even those employees that possess the knowledge, skills and abilities will not perform effectively if they are not motivated to devote their time and effort into their work. Hence, motivation stimulates and invigorates individuals to reach their goals and improve their performance: hence, a motivated workforce is crucial to increase productivity in the organisation. However, employees are motivated by different factors and will not hesitate to seek these out to attain satisfaction. The implication is that managers play an increasingly important role in understanding the factors that motivate employees and find the best way to motivate their employees on a continual basis in order to utilise their potential effectively and reduce turnover, increase satisfaction and performance and enable them to contribute to the success of the organisation. This study aims to determine whether employees are motivated to a greater extent by monetary (financial compensation) or non-monetary (promotion opportunities, workplace spirituality) incentives and, to assess if biographical influences exist in this regard.

2 The nature of motivation and its benefits

Motivation is a psychological process which drives and directs a person to act in a purposive manner in order to achieve specific unmet goals (Buford, Bediean and Lindner, 1995; Greenberg & Baron, 2003; Lindner, 1998). It is the driving force within an employee which accounts for the persistence and energy put into his/her job and determines his/her commitment to achieve the results (Helepota, 2005). According to Antonioni (1999), the degree to which employees’ needs may be filled determines the amount of effort they are willing to contribute to their
jobs. However, if something in the organisation prevents an employee from achieving his/her goal, he/she may feel de-motivated. Therefore, motivation is concerned with factors or events that lead, move and drive an employee’s action or inaction within the workplace.

Having a motivated workforce and creating an environment which upholds a high level of motivation can be challenging for organisations in the rapidly changing work environment (Ajang, 2007; William, 2010). This may be due to the fact that motivation is not a fixed trait and can change when an employee is faced with psychological, personal, financial or social factors, thereby making motivating employees a key challenge for managers (Lindner, 1998). Apart from the needs of employees constantly changing, what motivates one employee does not necessarily motivate another employee (Ajang, 2007; Kirstein, 2010; William, 2010), and motivational factors of one organisation will not necessarily be effective in another organisation (Stella, 2008) and the situation is further complicated in a diverse workforce. Therefore, it is a complex task in determining what motivates whom and how these factors can be integrated into the organisation’s processes. According to Louw and Venter (2006), the better the manager understands what motivates and drives an employee, the more that employee’s behavior will favour the company.

3 The benefits of employee motivation

There are major advantages for the company when the workforce is motivated. Employers need to be aware of the benefits when steps are taken to keep their staff motivated. An unmotivated workforce results in high turnover, lower productivity, efficiency and profits (Kirstein, 2010; Noe, Hollenbeck, Gerhart & Wright, 2012). In order for organisations to remain competitive in the changing workforce, it is important to motivate employees on a continual basis. Motivating employees is one of the most important parts of the organisation’s strategy. It benefits both the employee and the organisation and has a positive relationship with the organisation’s success (Noe et al., 2012). According to Dutkowsky (2012), companies that motivate their staff receive higher returns on the stock market. When employees are motivated, they become more efficient and effective and productivity in the organisation increases. The organisation can build on employees’ strengths and help them improve on their weaknesses.

An organisation that can retain skilled employees will decrease turnover and expenses and increase their profits. If an organisation can keep their employees motivated, their retention of valuable employees will increase and they will become motivated to excel in their jobs. Employees’ loyalty will also be stimulated and the organisational image will be an attraction for other skilled employees. Furthermore, when an organisation works towards motivating their employees through training opportunities, employees become more effective in their work and will want to improve their performance for themselves and for their organisation (Kirstein, 2010; Noe et al., 2012). Belcourt and McBay (2013) add that a team of motivated employees will feed off each other and perform effectively. Employees will also feel appreciated which will increase their job satisfaction and improve their performance. Developing employees and helping them improve their capabilities will benefit an organisation in a major way. However, with the changing work environment employees’ knowledge and skills need to be improved on a continual basis for the organisation to benefit in the long run. In this regard, researchers emphasise the importance of an effective performance management system that increases employees’ motivation and improves their commitment and engagement levels towards achieving the company’s goals and for eradicating underperformance, unmotivated and disengaged employees (Noe et al., 2012; Walker, 2007). In addition, Armstrong (2007) and Shanks (2012) suggest that motivating employees towards achieving their personal goals is important because by achieving their personal goals, the goals of the company will also be achieved. Employees should also be told the value of their jobs as this will motivate them and show them that they are valued in the company. Hence, employees may be motivated by monetary rewards (financial compensation) and non-monetary rewards which satisfy intrinsic needs (for example, recognition, achievement, personal growth, longer lunch breaks, extra vacation time, support and appreciation in the workplace).

Whilst employees are motivated by several factors, it is the jurisdiction of this study to assess financial compensation as a monetary incentive and, promotional opportunities and workplace spirituality as non-monetary incentives.

3.1 Financial compensation

Fredrick Taylor’s scientific management theory focused on ways in which employees can perform tasks efficiently and, in turn, be given rewards for their efforts and outcomes. Fredrick Taylor’s model suggests that if employees are remunerated for their efforts they will be continually motivated to improve in their work. Money can be given in the form of pay or bonuses and must be given to employees fairly and on time. Payment is expected to correspond to the time and quality of work done (Armstrong, 2007). Hence, money is a significant motivator for many employees. A salary is very important for all employees because it provides a tangible reward for their ‘service’ (Petcharak, 2002). Financial compensation is a fundamental inducement which has a high influence on employees in the workplace (Manzoor, 2011) and has the supremacy to magnetise,
maintain and motivate employees to improve their performance (Tella, 2007; William, 2010). However, if the amount of money does not satisfy the employee then his/her job in that organisation becomes unsatisfactory. According to Rynes, Gerhart and Minette (2004), financial compensation is a motivator for every employee but not in every circumstance. Salanova and Kirmanen (2010) state that financial compensation must be assessed from different perspectives. Firstly, the organisation must determine the effectiveness of money as a motivator. Secondly, the reasons why employees are satisfied or dissatisfied with their current financial rewards must be examined. Finally, the organisation must determine what criteria to use when developing financial compensation systems such as performance related pay or bonus. Stone (2005), Tella (2007) and William (2010) state that employees are motivated by money for many different reasons but most importantly having the basic necessities in life is what drives them. However, some employees feel that money is an instrument to satisfy non-economic needs such as power, status or being affiliated with desired groups.

Compensation programmes were developed to motivate, attract, reward and retain employees (Denisi & Griffin, 2005). Financial compensation can consist of different packages. Employees can get paid by means of compensation (basic salary, bonus pay, individual/group performance pay), benefits (retirement plans, health care, stock plans) or work content (variety, challenge). It is important for organisations to follow compensation policies and treat employees fairly. An employee’s pay must be internally equitable, externally competitive and personally motivating. Through incentives and compensation packages employees are guided to focus their attention and efforts on certain organisational goals. However, Shanks (2012) believes that compensation motivates an employee only to a certain degree, that is, when an employee’s pay is not high enough or is considered to be inequitable, then pay becomes a demotivator. Atchison (2003) adds that as soon as money becomes predictable, it becomes an entitlement and not a motivator.

Numerous studies have shown that human beings judge the fairness of their pay in terms of how it compares with the pay earned by others in the company. This can fuel disappointment, unhappiness, demotivation and jealousy among staff members. This is because financial compensation does not only allow one to support themselves and their families but is also a sign of value and status in the company. Grant and Singh (2011) argue that money should not be the main motivational force. According to recent studies, individual financial incentives increase employee motivation and productivity by 42% to 49% (Grant & Singh, 2011). If financial incentives are increasing employee motivation and performance by half the rate, then what are the other factors of motivation in the workplace? Studies show that executives are more likely to leave organisations that have a high pay inequality (Grant & Singh, 2011) thereby, showing that financial compensation does not necessarily increase retention within the company. Thus, in today’s world of work, money cannot be the only factor to influence employees to give off their best towards the organisation.

3.2 Promotional opportunities

When employees get promoted to higher levels in the structure, they have greater challenges and more responsibility. They are given new tasks and have to improve their skills to rise up to the job and be efficient (Seth, 2011). This motivates employees to perform effectively and do what is expected of them for the success of the business. Identifying the high achievers in the organisation and keeping them challenged for new opportunities and advancements is important (Mondy & Noe, 2008).

The majority of an employee’s life is spent in the workplace. However, many employees may feel ‘stuck’ and lack the motivation to work effectively. Many employees do not choose their jobs but are obligated to be there because of personal issues such as not having the skills, knowledge or experience to be doing what they want to do. Kruger and Rootman (2010) state that organisations need to offer promotional opportunities to employees in order to encourage them to work at their best so that they have a chance of moving up the corporate ladder. Several strategies for developing and providing opportunities for employees exist and these include succession planning (Mondy & Noe, 2008; Coetzee & Schreuder, 2009; Seth, 2011), providing mentors for development (Coetzee & Schreuder, 2009; Du Toit, Erasmus & Strydom, 2010; Noe, Hollenbeck, Erasmus & Strydom, 2010), job enlargement and job rotation (Gagne, 2006; Noe et al., 2010) and performance appraisals (Aguinis, 2009; Barrick & Mount, 1991; Dessler, 2000; Fisher & Walsh, 2005). Several long term problems can arise in the workplace when promotional opportunities are not offered in the organisation. These include turnover or the lack of retention capabilities, the loss of skill, knowledge and experience and decrease in employee morale. Hence, promotional opportunities play a crucial role in keeping employees motivated, engaged and productive.

3.3 Workplace spirituality

Over the past few years, workplace spirituality has been a fundamental area of research in the academic world (Daniel, 2010; Nasina & Doris, 2011; Petchswang & Duchon, 2009). Employees have always had a spiritual culture, but the trend towards establishing and maintaining a spiritual culture in organisations is new. Workplace spirituality is the way in which employees establish a sense of meaning in one’s work. Having meaning in one’s work is a key
factor in human development. Authors contrast spirituality in the workplace with religion in the workplace (Lloyd, 1990; Nasina & Doris, 2011) stating that workplace spirituality has nothing to do with God, religious practices or theology but everything to do with behaviour involving humane approaches towards others in the workplace.

Workplace spirituality unites employees towards a common purpose. A spiritual workplace allows one to cope in today’s demanding and stressful environment. Many organisations fail to cultivate an organisational spirit that influences employees’ creativity, insight and passion. According to Lloyd (1990), workplace spirituality allows an organisation to outperform other organisations with little or no workplace spirituality. Workplace spirituality allows organisations to develop a humanistic work environment that will allow employees to reach their full potential. “If employees bring their physical, intellectual, emotional and spiritual attributes to the workplace, they will become more productive, creative and fulfilled” (Nasina & Doris, 2011, p. 216). On the contrary, if employees were dispirited, their motivation will also result in increased levels of stress and burnout, absenteeism and turnover rates will increase in the organisation and profits will decrease.

Spiritual organisations allow for a more rewarding experience for employees. These organisations have more productive employees with high retention rates. Spiritual organisations tap into inner resources of employees. Employees spend most of their lives in the work environment; therefore, nourishing the spiritual needs of employees and helping them find meaning in their work is important to help employees grow and increase their motivation. The organisational culture must be developed and shaped to target the behaviour of employees. Organisations do not only provide inner levels of personal growth on a psychological level for employees but they also benefit from the personal growth of employees. Spirituality not only fosters the needs of employees but also helps to grow and develop the organisation.

Krishnakumar and Neck (2002) state that there are three main views of the workplace spirituality perspective, namely, the intrinsic-origin view, the religious view and the existentialist perspective. The intrinsic-origin view will be researched in this study. This view avoids religious aspects and implies that the inner search for meaning and fulfillment can be undertaken by anyone regardless of their religious views. It is a framework of organisational values that facilitate the sense of being connected with other employees and becoming fulfilled in one’s workplace. The strongest driver of motivation is not financial compensation but rather the quality of an employee’s relationship with others in the workforce (Grant & Singh, 2011). It facilitates the process of employees becoming energised in their work and expressing themselves in the workplace.

Workplace spirituality subscribes to a success culture and includes trust (Decenzo & Robbins, 2002); teamwork, equality, learning and development, creativity and contribution (Passeran & Tavakoli, 2011; Denisi & Griffin, 2005) and working conditions (Amato, 2011; Barry, 2007; Mohammad, 2006; Mondy & Noe, 2008; Springer, 2011; Tella, 2007). Furthermore, when organisations promote the development of employees they create more complete individuals. Employees are human beings and do not work as machines. A people-centered environment allows employees to grow and flourish. This in turn, allows for organisational growth. Therefore, the elements for a spiritual organisation, namely, basic workplace attributes, organisational climate, perceived benefits, values and performance impact must be identified, communicated and supported throughout the workplace (Fawcett, Brau, Rhoads & Whitlark, 2008). An organisation that does not foster such a culture in the workplace may struggle to motivate their employees and bring out the best in them. A paradigm shift in organisational values is vital. Organisations need to move their cultural structure along the continuum from limiting towards inspiring.

4 Objectives of the study

The study aims:

To determine whether employees are motivated to a greater extent by monetary (financial compensation) or non-monetary (promotion opportunities, workplace spirituality) incentives.

To assess the extent to which the various incentives having the potential to influence employee motivation (financial compensation, promotion opportunities, workplace spirituality) intercorrelate with each other.

To ascertain whether there are significant differences in the perceptions of employees varying in biographical profiles (age, gender, tenure, marital status) regarding the extent to which monetary and non-monetary incentives motivates them and if so, where these differences lie.

5 Research methodology

5.1 Research design

The research follows a quantitative, cross-sectional, hypothesis-testing methodology that uses descriptive and inferential statistics to generate the results of the study.

5.2 Sample

The population comprised of 150 employees in a large municipality department in eThekweni (Durban), South Africa. A sample of 108 participants was drawn using the cluster sampling technique whereby every employee was defined in terms of the
department in which they worked and hence, their nature of work. The adequacy of the sample was further determined using the Kaiser-Meyer-Olkin Measure of Sampling Adequacy (0.874) and the Bartlett’s Test of Sphericity (2773.977; \( p = 0.000 \)), which respectively indicated suitability and significance. The results indicate that the normality and homoscedasticity preconditions are satisfied. In terms of the composition, the largest segment were between 20-29 years (30.4%), females (51.6%), have a tenure of 0-5 years (42.2%) and are single (47.2%).

5.3 Survey Instruments

Data was collected using a partially self-developed and partially established questionnaire consisting of two sections, A and B. Section A collects biographical information relating to age, gender, tenure and marital status using pre-coded option categories and is, therefore, measured using a nominal scale. Section B comprises of 37 items relating to the monetary and non-monetary dimensions having the potential to influence employee motivation. Nine (9) items relating to financial compensation and 7 items relating to promotional opportunities have been self-developed based on recurring themes that surfaced during the literature review which ensured face validity. Twenty one (21) items relate to workplace spirituality and are extracted from an established questionnaire of Milliman, Czaplewski and Ferguson (2003). The items in Section B were measured using a 5-point Likert scale ranging from strongly disagree (1), disagree (2), neither agree/not disagree (3), agree (4) to strongly agree (5). In-house pretesting was adopted to assess the suitability of the instrument. Pilot testing was also carried out using 5 employees, selected using the same procedures and protocols adopted for the larger sample. The feedback from the pilot testing confirmed that the questionnaire was appropriate in terms of relevance and construction and adhered to the principles of wording and measurement.

5.4 Measures

The validity of the questionnaire was assessed using Factor Analysis. A principal component analysis was used to extract initial factors and an iterated principal factor analysis was performed using SPSS with an orthogonal Varimax Rotation. Only items with loadings >0.5 were considered to be significant. Furthermore, when items loaded significantly on more than one factor, only that with the highest value was selected. In terms of the dimensions of the study, three factors with latent roots greater than unity were extracted from the factor loading matrix. The reliability of Section B of the questionnaire was determined using Cronbach’s Coefficient Alpha. The overall reliability of the questionnaire is 0.948, thereby indicating a very high level of internal consistency of the items and hence, a high degree of reliability. The reliability of the dimensions were also computed separately and are: Financial compensation (\( \alpha = 0.723 \)), promotional opportunities (\( \alpha = 0.918 \)) and workplace spirituality (\( \alpha = 0.946 \)) thereby reflecting a strong to very high level of inter-item consistency respectively.

5.5 Administration of the measuring instrument

The questionnaires were personally administered and employees were requested to put completed questionnaires into a box placed in a discrete place on the company premises to ensure confidentiality and anonymity.

5.6 Analysis

Descriptive (means, standard deviations) and inferential (correlation, Kruskal Wallis Analysis of Variance, Mann-Whitney U-Test) statistics were used to analyse the quantitative data.

6 Results

The perceptions of employees regarding employee motivation was assessed by asking participants to respond to various aspects of financial compensation, promotional opportunities and workplace spirituality in terms of their influence on employee motivation using a 1 to 5 point Likert scale. The results were processed using descriptive statistics (Table 1).

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Mean</th>
<th>95% Confidence Interval</th>
<th>Variance</th>
<th>Std. Dev.</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Lower Bound</td>
<td>Upper Bound</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Compensation</td>
<td>3.18</td>
<td>3.06</td>
<td>3.29</td>
<td>0.43</td>
<td>0.66</td>
<td>1</td>
</tr>
<tr>
<td>Promotional Opportunities</td>
<td>2.4</td>
<td>2.23</td>
<td>2.57</td>
<td>0.91</td>
<td>0.95</td>
<td>1</td>
</tr>
<tr>
<td>Workplace Spirituality</td>
<td>3.14</td>
<td>3.01</td>
<td>3.27</td>
<td>0.52</td>
<td>0.72</td>
<td>1</td>
</tr>
</tbody>
</table>

Table 1. Descriptive Statistics: Key dimensions of the study influencing employee motivation
Table 1 indicates that employees hold varying views of the various dimensions having the potential to influence employee motivation. They are most motivated by financial compensation (Mean = 3.18) negligibly followed by workplace spirituality (Mean = 3.14) and least by promotional opportunities (Mean = 2.4). However, against a maximum attainable score of 5, it is evident that items within these factors are currently not critical in positively influencing staff motivation, thereby implying that some improvement is needed. In order to assess where these areas of improvement in each of the dimensions are needed, frequency analyses where undertaken.

With regards to financial compensation, 64.8% of the employees feel that their organisation provides them with appropriate retirement plans. Furthermore, 80.3% (39.3% agreed and another 41% strongly agreed) of the employees are convinced that rewards should be based on performance. However, 59.7% of the employees are not convinced (31.5% disagreed and a further 28.2% strongly disagree) that their pay reflects the extra effort they put into their work. It is no wonder then that 42.4% of the employees express unhappiness with the manner in which their success is measured and rewarded. Furthermore, a large segment of the participants (25%) do not hold a definite view of whether their efforts are rewarded or not. Furthermore, 28.8% express no view on how their success is measured and rewarded. These results, though neutral, reflect negatively because employees failed to report a positive view on the remuneration system implying that financial compensation is not currently leading to positive employee motivation. In fact, only 13.8% (9% that agreed and 4.8% that strongly agreed) of the employees reflect that they are rewarded for their efforts and only 28.8% (24% agreed and a further 4.8% strongly agreed) indicate that they are happy with how their efforts are measured and rewarded.

With regards to promotional opportunities, rather negative views are held by employees on how promotions take place in the organisation. The key finding is that 60.5% of the employees were not convinced that promotions in their organisation are based on performance. In this regard, 21% of the employees disagreed and a further 39.5% strongly disagreed that organisational promotions are performance based. Furthermore, only 12.9% of the employees either agree or strongly agree that promotions in the organisation are based on performance. The negative perception of promotional opportunities are elucidated in, and substantiated by, the following frequency analyses:

- 58.1% of the employees do not accept that in their organisation, promotional opportunities are used to recognise effort and good performance.
- 56% of the employees are not convinced that their organisation provides fair promotional opportunities.
- 55.7% of the employees do not believe that their organisation provides promotional opportunities that motivate them to improve their performance.

With regards to workplace spirituality, it is evident that 50.4% of employees reflect that they experience joy in their work. The implication is that only half of the employees surveyed reflect that their work environment encapsulates workplace spirituality characteristics. In fact, more than 60% of the employees are not convinced that:

- their organisation cares about whether their spirit is energised (84.7%).
- their organisation has a conscience (75.5%).
- employees genuinely care about each other (73.6%).
- they feel positive about the values of my organisation (68%).
- employees, in their organisation, are linked with a common purpose (66.1%).
- in their organisation people support each other (63.4%).
- there is a sense of being a part of a family (63.1%).
- they feel positive about the values of my organisation (61.8%).

Furthermore, only 32% of the employees are convinced (28.8% agreed and another 3.2% strongly agreed) that their organisation cares for all its employees.

Inferential statistics were used to make decisions on the hypotheses to be tested.

Hypothesis 1

There exist significant intercorrelations amongst the dimensions of financial compensation, promotional opportunities and workplace spirituality, having the potential to influence employee motivation, respectively (Table 2).

Table 2 indicates that the dimensions of the study significantly intercorrelate with each other at the 1% level of significance. There, hypothesis 1 may be accepted. The strongest relationship exists between promotional opportunities and workplace spirituality ($r = 0.604$) whilst moderate relationships exist between financial compensation and promotional opportunities and, workplace spirituality respectively. The implication is that if these motivational dimensions, particularly promotional opportunities and workplace spirituality, are ensured in the work environment, there is tremendous potential to enhance the level of employee motivation.
Table 2. Pearson Correlation: Key dimensions of the study

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>r/p</th>
<th>Financial compensation</th>
<th>Promotional Opportunities</th>
<th>Workplace spirituality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial compensation</td>
<td>r</td>
<td>p</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Promotional Opportunities</td>
<td>r</td>
<td>p</td>
<td>0.509</td>
<td>0.000*</td>
</tr>
<tr>
<td>Workplace spirituality</td>
<td>r</td>
<td>p</td>
<td>0.485</td>
<td>0.604</td>
</tr>
</tbody>
</table>

* p < 0.01

Hypothesis 2

There is a significant difference in the perceptions of employees varying in biographical profiles (age, gender, tenure, marital status) regarding the influence of financial compensation, promotional opportunities and workplace spirituality on employee motivation respectively (Table 3 to 9).

Table 3. Kruskal Wallis: Dimensions of the study and Age

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Chi-Square</th>
<th>df</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Compensation</td>
<td>4.645</td>
<td>4</td>
<td>0.326</td>
</tr>
<tr>
<td>Promotional Opportunities</td>
<td>3.792</td>
<td>4</td>
<td>0.435</td>
</tr>
<tr>
<td>Workplace Spirituality</td>
<td>3.385</td>
<td>4</td>
<td>0.496</td>
</tr>
</tbody>
</table>

Table 3 indicates that there is no significant difference in the perceptions of employees varying in age regarding the influence of financial compensation, promotional opportunities and workplace spirituality on employee motivation respectively. Hence, hypothesis 2 may be rejected in terms of the influence of age on the key dimensions of the study having the potential to influence employee motivation.

Table 4. Mann-Whitney U-Test: Dimensions of the study and Gender

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Mann-Whitney U</th>
<th>Z</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Compensation</td>
<td>1349.500</td>
<td>-2.739</td>
<td>0.006*</td>
</tr>
<tr>
<td>Promotional Opportunities</td>
<td>1649.000</td>
<td>-1.222</td>
<td>0.222</td>
</tr>
<tr>
<td>Workplace Spirituality</td>
<td>1657.500</td>
<td>-1.177</td>
<td>0.239</td>
</tr>
</tbody>
</table>

* p < 0.01

Table 4 indicates that male and female employees significantly differ in the extent to which financial compensation influences their level of employee motivation. Gender does not influence employee perceptions on any of the other dimensions. Hence, hypothesis 2 may only be partially accepted in terms of gender and financial compensation and its influence on employee motivation. In order to assess exactly where these differences lie, mean analyses were undertaken (Table 5).

Table 5. Mean Analyses: Gender and Financial Compensation

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Gender</th>
<th>N</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Compensation</td>
<td>Male</td>
<td>60</td>
<td>3.333</td>
<td>0.6434</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>63</td>
<td>3.046</td>
<td>0.6613</td>
</tr>
</tbody>
</table>

From Table 5, it is evident from the mean score values that male employees (Mean = 3.333) are motivated by financial compensation to greater extent than female employees (Mean = 3.046).

Table 6. Kruskal Wallis: Dimensions of the study and Tenure

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Chi-Square</th>
<th>df</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Compensation</td>
<td>4.063</td>
<td>4</td>
<td>0.398</td>
</tr>
<tr>
<td>Promotional Opportunities</td>
<td>11.872</td>
<td>4</td>
<td>0.018**</td>
</tr>
<tr>
<td>Workplace Spirituality</td>
<td>5.461</td>
<td>4</td>
<td>0.243</td>
</tr>
</tbody>
</table>

** p < 0.05
Table 6 indicates that employees with varying levels of tenure differ significantly in their perceptions of the extent to which they are motivated by promotional opportunities. Tenure does not influence employees’ perceptions of any of the other dimensions of the study. Hence, hypothesis 2 may only be partially accepted in terms of tenure and promotional opportunities. In order to assess exactly where the differences lie, mean analyses were undertaken (Table 7).

Table 7. Mean Analyses: Tenure and Promotional Opportunities

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Tenure</th>
<th>N</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotional Opportunities</td>
<td>0 – 5 years</td>
<td>49</td>
<td>2.711</td>
<td>0.9237</td>
</tr>
<tr>
<td></td>
<td>6 – 10 years</td>
<td>19</td>
<td>2.248</td>
<td>0.7880</td>
</tr>
<tr>
<td></td>
<td>11 – 15 years</td>
<td>5</td>
<td>1.833</td>
<td>1.1426</td>
</tr>
<tr>
<td></td>
<td>16 – 20 years</td>
<td>14</td>
<td>2.184</td>
<td>0.9761</td>
</tr>
<tr>
<td></td>
<td>&gt;20 years</td>
<td>29</td>
<td>2.094</td>
<td>0.7572</td>
</tr>
</tbody>
</table>

Table 7 reflects that with regards to promotional opportunities, employees with 0 - 5 years of experience have the highest mean of 2.71 thereby indicating that they are most motivated by promotional opportunities than other employees. This shows that the younger staff are more convinced that promotional opportunities exist in the organisation. However, it is also evident that the mean score values are relatively low against a maximum attainable score of 5. This implies that promotional opportunities are not the key motivating force for these employees or perhaps the manner in which promotional opportunities are currently undertaken is not motivating employees.

Table 8. Kruskal Wallis: Dimensions of the study and Marital Status

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Chi-Square</th>
<th>Df</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Compensation</td>
<td>0.861</td>
<td>3</td>
<td>0.835</td>
</tr>
<tr>
<td>Promotional Opportunities</td>
<td>12.309</td>
<td>3</td>
<td>0.006*</td>
</tr>
<tr>
<td>Workplace Spirituality</td>
<td>6.063</td>
<td>3</td>
<td>0.109</td>
</tr>
</tbody>
</table>

Table 8 indicates that employees with varying levels of marital status differ significantly in their perceptions of the extent to which they are motivated by promotional opportunities. Marital status does not influence employees’ perceptions of any of the other dimensions of the study. Hence, hypothesis 2 may only be partially accepted in terms of marital status and promotional opportunities. In order to assess exactly where the differences lie, mean analyses were undertaken (Table 9).

Table 9. Mean Analyses: Marital Status and Promotional Opportunities

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Marital Status</th>
<th>N</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotional Opportunities</td>
<td>Married</td>
<td>56</td>
<td>2.130</td>
<td>0.8782</td>
</tr>
<tr>
<td></td>
<td>Single</td>
<td>59</td>
<td>2.627</td>
<td>0.9786</td>
</tr>
<tr>
<td></td>
<td>Divorced or Separated</td>
<td>6</td>
<td>2.476</td>
<td>0.8744</td>
</tr>
<tr>
<td></td>
<td>Widowed</td>
<td>3</td>
<td>3.428</td>
<td>0.4285</td>
</tr>
</tbody>
</table>

The results of the Kruskal-Wallis test indicate significant differences in the dimension of promotional opportunities between categories of marital status at the 5% level of significance. With regards to promotional opportunities, employees who are widowed are most convinced that promotional opportunities exist and are more likely to be motivated by its prevalence (Mean = 3.42). However, it is also evident that the mean score values are relatively low against a maximum attainable score of 5. This implies that promotional opportunities are not the key motivating force for these employees or perhaps employees are disillusioned with current promotional practices.

Discussion of results

The results of the study are compared with that of other researchers in the field under the dimensions as analysed in the study.

7.1 Financial Compensation and Employee Motivation

The objective of the study was to determine whether employees are motivated by monetary incentives (financial compensation). According to the results obtained, financial compensation motivates employees the most in the company that was researched. The
finding corroborated with that of Harpaz (1990) who studied employee motivation and noted that employee remuneration was the most important factor. Similarly, Kovach (1995) also indicated in his study that financial compensation was the main motivating factor for employees less than 30 years of age. William (2010) also states that when employees are well paid their motivation to perform better in the organisation increases.

From the research conducted, the majority of employees reflected that rewards should be based on performance. However, a significant segment of them are not convinced that their pay reflects the extra effort they put into their work. Employees were not satisfied with the financial compensation in the organisation. In addition, these employees felt that they were not remunerated sufficiently for their efforts in their jobs. This results in the employee becoming more attracted to pay and less attracted to the job. This shows that employees are motivated by financial compensation and they will improve their performance and increase their productivity if they are properly remunerated.

However, a large number of employees feel neutral about how their efforts are rewarded and how their success is measured. Although these respondents did not have an opinion on their rewards, this reflects as a negative response about the way the organisation remunerates its employees with only a very small segment of employees expressing happiness with the way in which they are remunerated for their efforts. In a study conducted by Negash, Zewude and Mergersa (2014) to determine the effect of compensation on employee motivation, results show that there is a positive relationship between these two factors; however, their employees were also not happy with their financial compensation.

Another objective of the study was to determine whether there is a significant difference in the perceptions of employees varying in biographical profiles (age, gender, race, tenure, marital status) regarding the extent to which monetary factors motivate them and if so, where these differences lie. The findings of the study reflect that gender influences an employee’s perception of the impact of financial compensation on employee motivation. The results display that male employees are motivated by financial compensation more than female employees. This could be because male employees are predominantly the bread winners in the family. They place a higher value on financial compensation and may be driven by financial gains. In Petcharak’s (2002) study it was also found that males and females where not motivated by the same factors.

However, the results also indicate that there is no significant difference in the perceptions of employees varying in age, tenure and marital status regarding the influence of financial compensation on employee motivation. Therefore, age, tenure and marital status do not affect an employee’s view on financial compensation and the level of motivation. Kovach (1995) states that financial compensation as an element of motivation is lower in groups of older employees and employees higher in the hierarchy. Therefore, employees do not necessarily have to be from a particular demographic group to be motivated by financial compensation. Whilst some researchers argue that salary is the main motivating factor, others believe that salary does not have a major impact on employee motivation. William (2010) states that employees are motivated the most when they receive non-monetary rewards.

7.2 Promotional opportunities and employee motivation

The objective of the study was to determine whether employees are motivated by the non-monetary incentive of promotional opportunities. The results reflect that employees hold negative perceptions about promotional opportunities that were being offered in their organisation and, therefore, did not feel motivated by promotional opportunities in the organisation. More than half of the employees sampled reflected that they do not feel that promotions are based on performance. According to the results obtained by Nagesh et al. (2014), the criteria for promotions were inappropriate and not based on performance in the company they had researched. Bull (2014) states that organisation may not have room for progression of employees in their jobs. Johnson (2008) adds that a lack of career growth and advancement causes employees to feel stuck in their job, de-motivates them and causes them to leave the company.

Results obtained from the current study also show that employees are not convinced that their efforts are recognised or that promotional opportunities are fair. Nagesh et al. (2014) had similar responses in their study where employees were not noticed in the company and responsibility was allocated very skewly. According to Bull (2014), one of the most frustrating and de-motivating aspects of a job is when you are not recognised for your work and when you are given more responsibilities with no rewards. Employees also do not feel that promotional opportunities that are offered are enough to motivate them. In a study conducted by Kirstein (2010) to determine the role of motivation in human resource management, the three main motivating factors were financial compensation, interesting work and job enrichment. In addition to this, Petcharak (2002) also found that good wages and interesting work were motivating factors in his study. Evidently, whilst promotional opportunities can be a motivating factor to employees, it is not motivating the employees in the organisation under study, perhaps this may be due to the manner in which promotions takes place rather than the lack of opportunities for progression. Contrary to these findings, Kovach (1995) concluded
that promotional opportunities were a major motivating factor in his study. Ahmad, Wasay and Malik (2012) state that if an organisation cannot motivate its staff, the company cannot exist in a competitive business environment.

Another objective of the study was to determine whether there is a significant difference in the perceptions of employees varying in biographical profiles (age, gender, tenure, marital status) regarding the extent to which the non-monetary factor of promotion opportunities motivate them and if so, where these differences lie. The findings of the study indicate that tenure influences an employee’s perception of promotional opportunities. Younger employees, with 0 to 5 years of experience within the company, are convinced that promotional opportunities exist and are motivated by them. However, Kirstein (2010) states that men place a higher value on promotional opportunities than women in the workplace. In addition, marital status also influences employees’ perceptions of promotional opportunities. In the current study, it was found that widowed employees were convinced that promotional opportunities exist and place a greater value on these. The results of the study also reflect that there is no significant difference in the perceptions of employees varying in age and gender regarding the influence of promotional opportunities on their level of motivation. Therefore, age does not affect an employee’s view on promotional opportunities and the level of motivation. Furthermore, promotional opportunities are not the main motivating factor for these employees, or the organisation may not be providing adequate promotional opportunities or may not be providing them consistently and fairly to motivate their employees.

7.3 Workplace spirituality and employee motivation

Workplace spirituality is a fairly new concept that has been researched. The objective of the study was to determine whether employees are motivated by the non-monetary incentive of workplace spirituality. From the research conducted, the findings reflect that a large amount of employees are not convinced that workplace spirituality is present in the organisation. Workplace spirituality aims to increase levels of satisfaction and productivity by cultivating vision and valuing congruity among employees and the organisation (Fry, Matherly, Whittington, & Winston, 2007). The perceived lack of existence of the factors of workplace spirituality will, therefore, not enable workplace spirituality to be a factor that can largely motivate employees. Balouch, Bolide, Balouchi and Raisi (2015) state that there is a positive relation between spirituality and motivation. However, in the current study it is evident that the majority of employees are dissatisfied with the workplace spirituality in the organisation. In chronological order, 84.7% of employees do not feel that the organisation works towards energising their spirits, 75.5% of employees do not feel that the company has a conscience, and 73.6% do not feel that employees care about each other. In a study conducted by Morris (2009), results show that employees enjoy having the support of their co-workers and a supporting atmosphere. Furthermore, in the current study, 68% of employees also do not feel that the values and purpose of the organisation are aligned, and they do not have a sense of family bond that employees should share. Morris (2009) also states that employees are motivated by flexible work. According to Ke, Qiu and Jiang (2015), employees are motivated when their goals are integrated with the goals of the company. Daniel (2010) adds that when the values of the organisation match the values of the employee, motivation increases. According to Balouch et al. (2015), employees are motivated and spirituality is formed when there are relations with other people.

The organisation is clearly not inculcating and harnessing a work environment and culture that ensures workplace spirituality. This could be a result of the organisation not knowing how to initiate and facilitate a culture of spirituality in the workplace due to its recent debut and realisation of its benefits in attaining organisational goals. Ke et al. (2015) state that there is a shortage of studies confirming the effect of workplace spirituality on employee motivation. Rama (2010) states that workplace spirituality is concerned with helping employees develop and reach their potential. However, findings show that employees in this organisation are highly dissatisfied with the workplace spirituality which is hence, unlikely to be a strong motivating factor. Bull (2014) states that dissatisfaction also occurs when an employee is not the right fit for the company. Brooks (2014) adds that people become de-motivated when their jobs are not in line with their career path they planned to follow.

Another objective of the study was to determine whether there is a significant difference in the perceptions of employees varying in biographical profiles (age, gender, tenure, marital status) regarding the extent to which the non-monetary incentive of workplace spirituality motivates them and if so, where these differences lie. Findings from the study show that there is no significant difference in the perceptions of employees varying in biographical profiles (age, gender, tenure and marital status) regarding the influence of workplace spirituality on employee motivation. Whilst workplace spirituality is valued by the workforce the realisation of its benefits is not unique to specific segments or profiles of employees. In the study conducted by Al-Ajmi (2006), there was no significant association between workplace spirituality and employee motivation; however, there was a significant difference in perceptions of workplace spirituality amongst employees varying in age.
Evidently, workplace spirituality has the potential to motivate all employees to an equal extent. Several authors have noted the positive effects of integrating spirituality in the workplace. Finlayson (2001) investigated activities to improve spirituality in the workplace and states that giving employees more freedom of expression motivates them and gives them a sense of belongingness. Milliman, Czaplewski and Ferguson (2003) add that creating a sense of community and teamwork is effective and, developed a model of a spiritual based value organisation where they looked at people’s attitudes and values rather than their abilities. According to Jurkiewics and Giacalone (2004), organisations that have encouraged spirituality grew at a faster rate and had higher rates of return. Neck and Milliman (1994) found evidence that organisations benefit from workplace spirituality through the generation of increased creativity and intuition.

8 Recommendations

Recommendations based on the results of the study will be discussed focusing on financial compensation, promotional opportunities and workplace spirituality.

8.1 Financial compensation

Results obtained from the study show that financial compensation is the main motivating factor for employees in the organisation. However, employees are not satisfied with the way in which they are remunerated for their efforts. The organisation needs to remunerate employees based on their efforts and recognise them for the extra effort that they put into their work. The organisation needs to sufficiently remunerate its employees to motivate them to work effectively. Financial compensation can be in the form of pay or bonuses and must be given to employees fairly and on time. An employee’s pay must be internally equitable, externally competitive and personally motivating.

The organisation needs to measure the success of its employees and implement a rewards system. The criteria to be used when developing financial compensation systems, such as, performance related pay or bonuses must be explicitly determined. Employees are motivated by money for many different reasons but most importantly having the basic necessities in life is what drives them. Compensation programs are developed to motivate, attract, reward and retain employees. Financial compensation can consist of different packages which can be a combination of compensation (basic salary, bonus), benefits (retirement, healthcare) or work content (variety, challenge).

8.2 Promotional Opportunities

The study shows that employees in this organisation are not motivated by promotional opportunities mainly because of the way in which promotions take place in the organisation. Promotional opportunities need to be created for employees in the organisation. There needs to be room for employees to progress so that they have something to work towards and look forward too. The lack of growth and advancement can cause employees to feel stuck in their jobs. More importantly, the promotional opportunities created need to be implemented based on the performance of employees. It is imperative for employees’ efforts to be recognised and rewarded sufficiently, fairly and objectively or else it can result in being demotivating. Promotional opportunities must be consistent in the organisation and there must be definite criteria based on merit. Organisations can meet the challenge of attracting, motivating and retaining employees by offering adequate promotional opportunities.

Organisations need to have succession plans so that they can retain the best talent. Potential vacancies in the company need to be identified and the skills and abilities needed for that vacancy need to be determined. Employees that possess the correct knowledge, skills and abilities to fulfil that job should be identified at an early stage. Succession plans help the organisation identify potential candidates in the company. The company can train and develop these employees for future positions. Job enlargement should be used in organisations to add new responsibilities to an employee’s current job. They are given new tasks and new roles in the business to allow them to develop and grow. This motivates them to be better and improve their skills. Performance appraisals are used as a tool to identify, observe, measure and develop employees in a company. Performance appraisals can also be used to evaluate an employee’s past or current performance relative to the organisation’s working standards.

8.3 Workplace Spirituality

Workplace spirituality is a fairly new concept that is being researched. The organisation needs to learn how to create and facilitate a culture of spirituality that is motivating to the employee by bringing about characteristics and values that are imperative for its climate and image which include an energised spirit, support and care for each other, positive values, common purpose, unity and trust, openness, teamwork and equality. Organisations need to take the time to understand the factors of workplace spirituality and ways in which to implement them in the organisation. Once this is implemented, employees will have a positive view about their work situation and work environment.

In conclusion, the common imperative to motivate employees, is not just to brainstorm
motivating practices but to ensure that the forms of motivation, irrespective of whether it is financial compensation or promotional opportunities, must be fairly, objectively and consistently implemented. Fairness and consistency must be the guiding principle in the design of any motivational strategy. Only if this is achieved, employees will be motivated and spiritually involved in supporting each other and creating a culture of workplace spirituality.

Based on the findings, employees are motivated by financial compensation (monetary incentive) the most, followed by workplace spirituality (non-monetary incentive) and then promotional opportunities (non-monetary incentive). The study shows that financial compensation spurs motivation in the company perhaps due to the cost of living of employees. Evidently, both the organisation and its employees need further clarity on what workplace spirituality is, how it evolves and what its benefits are to the employees themselves and the organisation as a whole. Workplace spirituality is a fairly new concept and many organisations have not embraced this factor and employees will only play their role in moulding the occurrence of workplace spirituality in an environment of fairness and objectivity and in an organisation that values and channels unity and harmony. Promotional opportunities were the least motivating factor as employees were not convinced that progression is based on merit, fairness and consistency as the main guiding principle.

Employee motivation is vital in order for an organisation to attain its goals. Organisations need to take time to understand their employees and their needs and goals and work towards ensuring that their employees are content in their jobs. Financial opportunities and promotional opportunities need to be fairly undertaken in the organisation. Employees must be recognised for their efforts and remunerated adequately. Workplace spirituality needs to be skilfully nurtured in all organisations. This concept needs to be understood by the company and by the employee and implemented effectively. The inclusion and nurturing of workplace spirituality into the workplace not only improves the lives of employees but also improves the organisation. Taking cognisance of, and stringently implementing, the recommendations has the potential to bring about enhanced employee motivation in the organisation.

9 Recommendations for future research

Based on the findings, it is evident that employees are not yet motivated by workplace spirituality to the extent that they potentially can be and this may be due to both employees and organisations not understanding the nature of workplace spirituality and how it can be harnessed into the organisation’s culture. Perhaps future studies can investigate how best to implement spirituality issues and values such that they positively influence employee motivation.

References

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