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**FACTORS INFLUENCING MOTIVATION OF STAFF IN THE
TRANSPORT INDUSTRY IN KENYA: A CASE OF SIGINON FREIGHT
LIMITED**

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FACTORS INFLUENCING MOTIVATION OF STAFF IN THE TRANSPORT INDUSTRY IN KENYA: A CASE OF SIGINON FREIGHT LIMITED

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Abstract

Purpose: The main objective of the study was to investigate factors influencing motivation of staff in transport industry.

Methodology: The population of the study comprised of the employees of Siginon who worked in the transport and logistics section. Stratified random sampling was done on the employees who were stratified into three strata of senior management, middle management and officers. The respondents were finally identified using simple random sampling. The feedback obtained from the questionnaires was used to gather the data needed for this study. Information was sorted, coded and input into the statistical package for social sciences (SPSS). Data was analyzed by use of descriptive and inferential statistics. SPSS version 17 was used to run the statistical tests on the data. Descriptive statistics included the use of percentages and mean. Inferential statistical tests were also done to derive correlation and regression coefficients. Data was presented in forms tables. The analysis included frequencies, descriptive and inferential statistics.

Results: Study results revealed that employees of Siginon were motivated by salary, pension, bonus and contingent pay. Based on the results and findings it was concluded that despite the short and quick effect on motivation, bonus could be used to direct the energies of employees towards to desire company targets.

Unique contribution to theory, practice and policy: It is recommended to the management of Siginon to regularly conduct salary reviews with an objective of ensure equity and justice in pay with an overall objective of inducing motivation in employees. It is recommended to the management that they review the existing social security benefits including pension benefits with a targeted aim of improving employee motivation. A case in point is the elimination of all forms of discrimination in providing pension benefits. Another study could be carried out to include other potential drivers of motivation like; working conditions, employee transport, medical cover, company image and management style. **Keywords** pension scheme, contingent pay, performance

1.0 INTRODUCTION

According to Butkus and Green (2007) and Kalimullah (2010) motivation is derived from the word “motivate”, meaning to move, push or influence to proceed for fulfilling a want Bartol and Martin (2004), describe motivation as a power that strengthens behavior, gives route to behavior and triggers the tendency to continue .This explanation identifies that in order to attain assured targets; individuals must be satisfactorily energetic and be clear about their destinations. Kombo (2009) employees are the most valuable asset in any organization. A successful and highly productive business can be achieved by engaging them in improving their performance. All employees are not equal in their working and they have different mode of working; some have highest capability regardless of the incentive, but others may need occasional jump-start. If employees are handled effectively well; their morale can be improved, and thus would result into greater productivity.

No one works for free, nor should they. Employees want to earn reasonable salary and payment, and employees desire their workers to feel that is what they are getting .Money is the fundamental inducement; no other incentive or motivational technique comes even close to it with respect to its influential value (Sara, 2007). It has the supremacy to magnetize, maintain and motivate individuals towards higher performance. Frederick Taylor and his scientific management associate described money as the most fundamental factor in motivating the industrial workers to attain greater productivity (Adeyinka, 2008). Research has suggested that reward now cause satisfaction of the employee which directly influences performance of the employee (Kalimullah , 2010). Rewards are management tools that hopefully contribute to firm’s effectiveness by influencing individual or group behavior. All businesses use pay, promotion, bonuses or other types of rewards to motivate and encourage high level performances of employees (Reena, 2009).

To use salaries as a motivator effectively, managers must consider salary structures which should include importance organization attach to each job, payment according to performance, personal or special allowances, fringe benefits, pensions and so on (Adeyinka, 2007). Leadership is about getting things done the right way, to do that you need people to follow you, you need to have them trust you. And if you want them to trust you and do things for you and the organization, they need to be motivated (Baldoni, 2005). Theories imply that leader and followers raise one another to higher levels of morality and motivation (Rukhmani, 2010).

1.2 Research Problem

In the current business environment, organizations are striving for ways and means of attaining and sustaining a competitive advantage over their competitors through the uniqueness of their human resources and systems. The HRMP that are adopted by a firm can affect its performance, which can be manifested in terms of sales growth rate, market share, productivity and profitability attained by the firm

1.2 Statement of the problem

People management is an important aspect of organisational processes. This emanated from the recognition that the human resources of an organisation and the organisation itself are synonymous. A well-managed business organisation normally considers the average employees as the primary

source of productivity gains. These organisations consider employees rather than capital as the core foundation of the business and contributors to firm development. To ensure the achievement of firm goals, the organisation creates an atmosphere of commitment and cooperation for its employees through policies that facilitate employee satisfaction. Satisfaction of human resource finds close links to highly motivated employees. Motivated employees then develop loyalty or commitment to the firm resulting to greater productivity and lower turnover rates.

However, even with the widespread recognition of the importance of facilitating the relationship between job satisfaction and motivation in facilitating organizational commitment, there are varying perspectives on the means of doing this. The earliest strategy is to use wage increases to link job satisfaction and motivation to organizational commitment (Hill & Wiens-Tuers 2002). With the recognition that this is not enough to bring about motivation expressed in job satisfaction, other perspectives emerged giving particular importance to the training and skills development of employees (Woodruffe 2006) applied through the underlying principle of continuous organisational learning. Since this covers only an aspect of human resource management, a holistic approach emerged that targets the development of a certain quality of employment life (Champion-Hughes 2001) that covers fair wages, benefits, other employment conditions, and career development to support the facilitation of motivation and job satisfaction directed towards organisational commitment.

This means that achieving motivation and job satisfaction to develop organizational commitment is not simple or easy and works according to the context of individual firms. Although, there are best practices within industries, it is up to the individual organisations to determine which human resource strategies meet its needs and objectives. To determine the manner that individual industries develop and achieve organizational commitment through job satisfaction and motivation, the study investigated in-depth the motivation human resource strategies Siginon Limited.

1.3 Objective of the study

- i) To establish whether salaries affects performance of employee at Siginon Freight Ltd. ii) To establish whether pension scheme affects performance of employees at Siginon Freight Ltd. iii) To establish whether bonus payment affects performance of employees at Siginon Freight Ltd.
- iv) To determine the extent to which contingent pay affects performance of employees at Siginon Freight Ltd.

2.0 LITERATURE REVIEW

2.1 Theoretical Foundations of the Study

2.2.1 Equity Theory

Equity theory recognizes that individuals are concerned not only with the absolute amount of rewards they receive for their efforts, but also with the relationship of this amount to what others receive. Based on one's inputs, such as effort, experience, education, and competence, one can compare outcomes such as salary levels, increases, recognition and other factors. When people perceive an imbalance in their outcome-input ratio relative to others, tension is created. This tension provides the basis for motivation, as people strive for what they perceive as equity and fairness

(Robbins, 1993). One of the prominent theories with respect to equity theory was developed through the work of J.S. Adams. Adams' theory is perhaps the most rigorously developed statement of how individuals evaluate social exchange relationships (Steers, 1983). The major components of exchange relationships in this theory are inputs and outcomes. In a situation where a person exchanges her or his services for pay, inputs may include previous work experience, education, effort on the job, and training.

Outcomes are those factors that result from the exchange. The most important outcome is likely to be pay with outcomes such as supervisory treatment, job assignments, fringe benefits, and status symbols taken into consideration also. Equity theory rests upon three main assumptions (Carrell, 1978). First, the theory holds that people develop beliefs about what constitutes a fair and equitable return for their contributions to their jobs. Second, the theory assumes that people tend to compare what they perceive to be the exchange they have with their employers. The other assumption is that when people believe that their own treatment is not equitable, relative to the exchange they perceive others to be making, they will be motivated to take actions they deem appropriate. This concept of equity is most often interpreted in work organizations as a positive association between an employee's effort or performance on the job and the pay she or he receives.

2.3 Empirical Literature Review

2.3.1 Motivation

According to Moncrief (2010) motivation basically has two dimensions, one being a factor that makes employees work better, more efficiently and effectively from the point of view of managers, the other being in enabling employees to do their jobs in the best way with enjoyment and desire from the point of view of employees. Motivation and Job Satisfaction has been considered to be affected by economic variables and this fact cannot be denied but are not sufficient enough to have a prolonged effect. However, it is seen that appeal to the motivating economic tools and expecting from them more than needed does not seem to result in success very much. Therefore, in planning rewarding, encouraging economic tools should be employed in accordance with employees' needs. In fact, there are ways of increasing employees' work motivation and satisfaction other than monetary tools (Moncrief, 2010).

2.3.2 Salaries and Motivation

According to Brown (2007) the level of the salary is a secondary variable that cannot stand alone and its influence may be limited when the work quality is unsatisfactory. A study conducted by Brown and his colleagues supports this notion. The researchers surveyed 16266 workers and employees who work in more than 800 institutions to determine the factors of happiness at work. The results indicated that the level of salary influenced job motivation and satisfaction. Yet when the researchers looked at an employee's worker's position in a company, they found a strong link with job satisfaction and concluded that rank increased happiness to a great extent when compared with higher salaries. The researchers explained this relationship and indicate that rank influenced how proud employees were with their professional achievements.

In a similar study conducted on nurses, Shields and Ward (2011) found that the lack of opportunities for career advancement or the possibility of promotion affect the job satisfaction and motivation of employees more than the size of the salary. Other studies indicated that salary raise can only influence jobs with low level income but not the high level ones and in some cases raise might have negative effect on job satisfaction. Bender and Heywood (2004) found that university professors who receive high income –in comparison with other jobs- have low job motivation and satisfaction because they think that PhD holders who work in industry earn more than them. Such comparison may affect job satisfaction because of the feelings of injustice. In another study by Clarke, Oswald and Warr (2005) on the relationship between age and salary and job motivation, the researchers found out that there is a direct correlation between job satisfaction and salary after controlling the age variable. This means that job satisfaction for the salary increases with age due to the low financial responsibilities with the growth of age. In similar study by Clarke and Oswald (2005), the researchers examined data collected from more than five thousands employees. The result was that the job satisfaction declines with high level of education. The theory suggests that education has a negative impact on job motivation because increased education is associated with higher expectations, such a person may become dissatisfied with performing the routine tasks required of most jobs even their salary might be higher than younger employees. Such studies may indicate that the salary does influence job motivation directly, but through other factors.

2.3.3 Pension Schemes and Motivation

Recent Enron scandal involving dubious employee pension schemes has made a new wake-up call on auditors and related to how companies disclose their retirement benefits on their accounts (Henry, Ardnt & Brady, 2007). Some companies craftily hide pension liability and thus successfully made an off-balance sheet financing. Therefore, pension accounting has been under attacked for the last few years especially in the US and the UK. Academics and practitioners accused pension accounting standards as too subjective and in certain aspects a bit vague.

2.4.4 Bonus Payment and Motivation

Human resource is one of the most important resources of gaining competitive advantage over competitors for a firm. And this resource can be retained and optimally utilized through motivating it using different techniques among which rewards and bonus payment is of significance importance. Carraher (2006) advocates that there should be an effective reward system to retain the high performers in the organization and reward should be related to their productivity. A lot of work has been done on evaluating the relationship between bonus payment and employee motivation and there exist a large number of studies in the literature describing impact of bonus on employee motivation. In order to maximize the performance of the employees organization must make such policies and procedures and formulate such reward system under those policies and procedures which increase employee satisfaction and motivation.

2.4.5 Contingent pay and Motivation

Generally, contingent pay cannot be unequivocally recommended or refused. It is impossible to define only one right type or system of contingent pay. Efficiency of this part of total reward always

depends on current situation of a concrete organization. Many people consider contingent pay as the most important, sometimes even as an only way to motivate employees.

However this view isn't correct. The relationship between motivation and reward is a complex issue and it is impossible to assume that long-term motivation is only influenced by external motivators in the form of financial tools. Much bigger influence and longer lasting effect on motivation could have the internal motivators, e.g. work content or quality working Environment (Armstrong & Murlis, 2007).

2.4 Conceptual Framework

Independent Variables

Dependent Variable

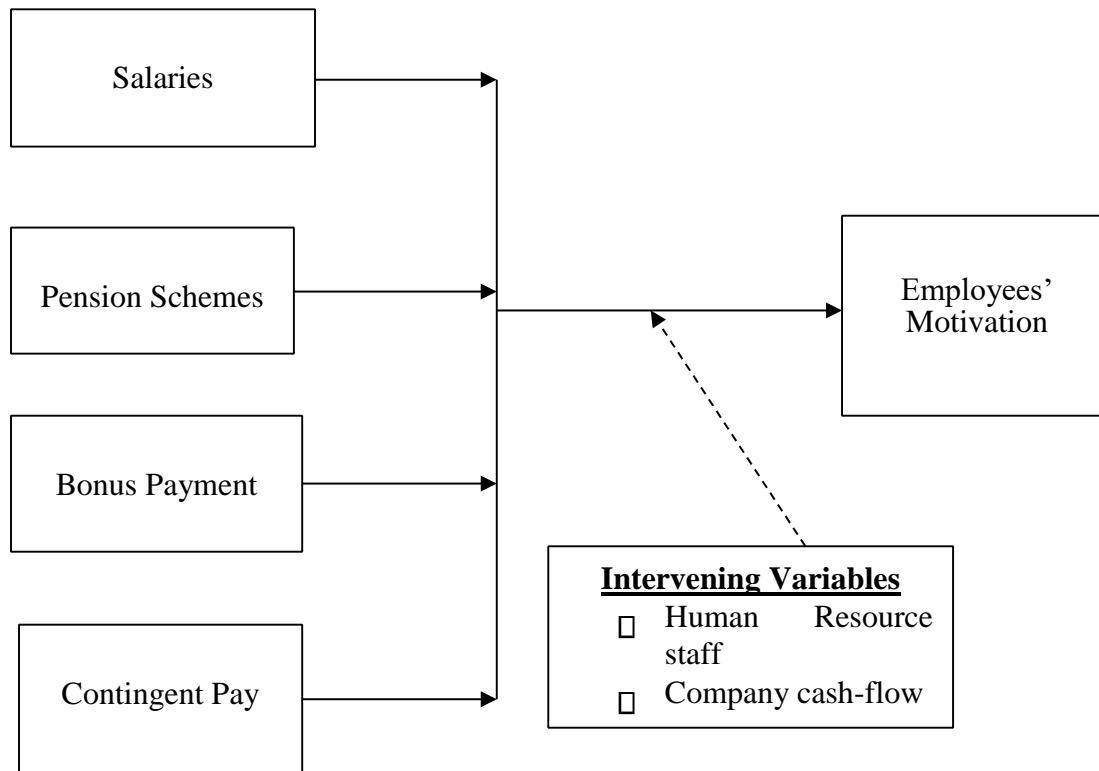


Figure 2.1: Conceptual Framework

3.0 RESEARCH METHODOLOGY

The study utilized a descriptive research design. The population of the study comprised of the employees of Siginon who worked in the transport and logistics section. Stratified random sampling was done on the employees who were stratified into three strata of senior management, middle management and officers. The respondents were finally identified using simple random sampling. The feedback obtained from the questionnaires was used to gather the data needed for this study. Information was sorted, coded and input into the statistical package for social sciences (SPSS).

Data was analyzed by use of descriptive and inferential statistics. SPSS version 17 was used to run the statistical tests on the data. Descriptive statistics included the use of percentages and mean. Inferential statistical tests were also done to derive correlation and regression coefficients. Data was presented in forms tables. The analysis included frequencies, descriptive and inferential statistics.

4.0 RESULTS AND DISCUSSIONS

4.1 Response Rate

The initial target sample for the study was 128 respondents. One hundred and twenty-eight questionnaires were circulated to randomly selected employees based on the organizational strata as shown on Table 4.1. A research assistant was deployed to circulated and follow up on the questionnaires. Out of the 128 self-administered questionnaire, 88 were duly completed and returned. This converts to a response rate of 69% as shown on Table 4.1. According to Mugenda and Mugenda (2003) and also Kothari (2004) a response rate of 50% is adequate for a descriptive study. Based on these assertions from renowned scholars 69% response rate is adequate for the study.

Table 1: response rate

Category	Target Sample	Achieved Sample	Response Rate
Management		11	4
Middle Management		18	6
Officers		99	78
Total		128	88
			69%

4.4 Frequencies and Descriptive Analysis

This section is arranged based on the objectives of the study.

4.4.1 Motivation

This section tested the views of the employees regarding their motivation. Ninety one percent of the employees agreed that they loved their work, 90% agreed that they liked working for Siginon, 85% agreed that their families were happy to be associated with Siginon, 91% agreed that they were contented of their work had a lot of motivational aspects. Eighty three percent disagreed that they had never suffered burn out in my work, 82% agreed that their greatest source of motivation was related to their work achievements and 84% agreed that the company believed in celebrating achievements in order to boost staff morale. The mean score of responses for this section was 3.63 which indicates that majority of the respondents agreed with the statements regarding the existence of motivation at Siginon. These results imply that the respondents were motivated and were happy to work for Siginon and by extension this can be the same trend for the rest of the company employees.

These findings are supported by a study done by Adelabu (2005) who found that motivated, skilled and knowledge employees' can give the glorious position to the institution and nations Another support of the findings is in a study done by Hoy (2005) where it was revealed that Niko insurance used motivational tools like, commissions, recognition, promotions and bonuses for its employees. indicates that unless the worker is motivated performance won't be efficient.

Table 2: Motivation

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Likert Mean Score
I love my work	0%	7%	2%	86%	5%	3.89
I like working for Siginon	0%	7%	3%	76%	14%	3.97
My family is happy to be associated with Siginon	2%	6%	8%	80%	5%	3.78
The content of my work has a lot of motivational aspects	0%	7%	2%	78%	13%	3.97
I have never suffered burn out in my work	5%	78%	8%	9%	0%	2.22
My greatest source of motivation are my work related achievements	0%	16%	2%	74%	8%	3.74
Our company believes in celebrating achievements in order to boost staff morale	5%	8%	3%	69%	15%	3.82
Average Likert Mean Score						3.63

4.4.2 Salary and Motivation

The first objective of the study was to establish the effect of salary on staff motivation at Siginon. Table 4.6 shows that 73% agreed that Annual salary increments provided them with drive to achieve company targets, 79% agreed that they received salary increments every year based on their performance, 82% disagreed that their salary structure was objectively administered, 80% agreed that their salaries were a key driver of their motivation within their work and 79% agreed that lack of salary reviews can force them to look for another job. The mean score of the responses for this section was 3.49 indicating that more employees agreed that salary was a key driver of motivation.

Table 3: Salary and Motivation

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Statement	Disagree	Agree	Mean	gree	ral	e	Score
Annual salary increments provide me with drive to achieve company targets	5%	14%	8%	53%	20%		3.72
I received salary increments every year based on my performance	5%	14%	3%	56%	23%		3.78
Our salary structure is objectively administered	16%	66%	9%	9%	0%		2.11
My salary is a key driver of my motivation within my work	5%	8%	8%	57%	23%		3.85
Lack of salary reviews can force me to look for another job	5%	6%	10%	45%	34%	3.99	
Average Likert Mean Score							3.49

4.4.3 Pension and Motivation

The second objective of the study explored the influence of pension on the motivation of employees. Table 4.7 shows 78% disagreed that the company had a pension scheme for all employees, 71% disagreed that they had worked at Siginon for many years because a good pension scheme, 86% agreed that they believed a pension scheme was more superior than a provident fund in driving employee motivation, 77% disagreed that they looked forward to retirement in order to enjoy their pension money and 84% disagreed that their workmates were happy with the company pension scheme. The mean score of the responses for this section was 2.56 indicating that there was disagreement with most of the statements on pension scheme as a motivator in the company. These results reveal that employees at Siginon are not very comfortable with the pension arrangements in the company.

Reason commonly cited as to having a retirement plan is to attract and retain good quality employees especially in competitive and high skills industries with various schemes (Terry and White, 2005; Taylor, 2006).

Table 4.: Pension and Motivation

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Likert Mean Score
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My company has a pension scheme for all employees	17%	61%	9%	13%	0%	2.17
I have been working at Siginon for many years because of their very good pension scheme	14%	57%	7%	23%	0%	2.39
I believe a pension scheme is more superior than a provident fund in driving employee motivation	5%	6%	3%	58%	28%	4
I look forward to retirement in order to enjoy my pension money	18%	59%	11%	11%	0%	2.16
My workmates are happy with our pension scheme	19%	65%	7%	8%	1%	2.07
Average Likert Mean Score						2.56

4.4.4 Bonus and Motivation

The third objective was to establish whether bonus was a driver of motivation among the employees. Table 4.8 shows that 86% agreed that their bonus was pegged on their performance, 86% agreed that bonus was paid once annually and everybody looked forward to the payment day, 87% agreed that they would prefer quarterly bonus than annual bonus, 79% agreed that bonus motivated them to put extra hours in their work and 84% agreed that individual bonus was better than team based bonus. The mean score for the responses was 4.0 which indicate that many employees agreed that bonus was a key driver of motivations. The results revealed that bonus motivated many employees at Siginon.

Table 5: Bonus and Motivation

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Likert Mean Score
My bonus is pegged on my performance	5%	6%	3%	41%	45%	4.17
Bonus is paid once annually and everybody looks forward to the payment day	5%	6%	3%	69%	17%	3.89
I work prefer quarterly bonus than annual bonus	3%	9%	1%	55%	32%	4.02
Bonus motivates me to put extra hours in my work	6%	11%	3%	51%	28%	3.85
Individual bonus is better than team based bonus	5%	5%	7%	45%	39%	4.09

Average Likert Mean Score

4.00

4.4.5 Contingent Pay and Motivation

The fourth objective of the study was to establish whether contingent pay contributed to employee motivation. Table 4.9 shows that 90% agreed that contingent payments boosted staff morale, 87% agreed that contingent payments keep staff on their toes regarding their performance targets, 88% agreed that payment that were not planned for made employees focus on company goals, 89% agreed that management used contingent payments to surprise employees and keep them on their toes and 91% agreed that contingent payments made management to earn respect among employees especially due to payments on compassionate grounds. The mean score for the responses was 4.10 indicating that many employees agreed that contingent payments were good in influencing employee motivation.

Table 6: Contingent Pay and Motivation

Statement	Disagree	Disagree	Neutral	Agree	Strongly Agree	Likert Mean Score
Contingent payments boost staff morale	5%	5%	11%	39%	41%	4.07
Contingent payments keep staff on their toes regarding their performance targets	5%	5%	5%	56%	31%	4.03
employees focus on company goals	5%	5%	3%	56%	32%	4.06
Management uses contingent payments to surprise employees and keep them on their toes	5%	5%	1%	44%	45%	4.22
Contingent payments have made management to earn respect among	3%	5%	1%	60%	31%	4.1
Payment that are not planned for make employees especially payment on compassionate grounds						

Average Likert Mean Score 4.10

4.5 Inferential Statistical Analysis

4.5.1 Bivariate Correlation

Table 4.10 displays the results of correlation test analysis between the dependent variable (motivation) and independent variables and also correlation among the independent variables themselves. Results on Table 4.10 show that motivation was positively correlated with all the independent variables. This reveals that any positive change in salary, pension, bonus and contingent pay led to improved motivation among Siginon employees.

Table 4.10: Bivariate Correlation

Variable		Motivation	Salary	Pension	Bonus	Contingent Pay
Motivation	Pearson Correlation	1				
	Sig. (2-tailed)					
Salary	Pearson Correlation	0.635	1			
	Sig. (2-tailed)	0.000				
Pension	Pearson Correlation	0.102	0.243	1		
	Sig. (2-tailed)	0.343	0.023			
Bonus	Pearson Correlation	0.455	0.851	0.186	1	
	Sig. (2-tailed)	0.000	0.000	0.084		
Contingent Pay	Pearson Correlation	0.342	0.778	0.219	0.902	1
	Sig. (2-tailed)	0.001	0.000	0.041	0.000	

4.5.2 Regression Analysis

In order to establish the statistical significance of the independent variables on the dependent variable (motivation) regression analysis was employed. The regression equation took the following form.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \mu$$

Where

Y = Motivation

X₁ = Salary

X₂ = Pension

X₃ = Bonus

X_4 = Contingent pay

In the model, β_0 = the constant term while the coefficient $\beta_i = 1 \dots 4$ was used to measure the sensitivity of the dependent variables (Y) to unit change in the predictor variables. μ is the error term which captures the unexplained variations in the model.

Table 4.11 shows that the coefficient of determination also called the R square is 97.8%. This means that the combined effect of the predictor variables (salary, pension, bonus and contingent pay) explains 97.8% of the variations in employee motivation at Siginon. The correlation coefficient of 98.9% indicates that the combined effect of the predictor variables has a strong and positive correlation with motivation. This also meant that a change in the drivers of motivation has a strong and a positive effect on motivation.

Table 4.11: Regression Model Fitness

Indicator	Coefficient
R	0.989
R Square	0.978
Std. Error of the Estimate	0.54923

Analysis of variance (ANOVA) on Table 4.12 shows that the combine effect of salaries, pension, bonus and contingent pay was statistically significant in explaining changes in motivation. This is demonstrated by a p value of 0.000 which is less than the acceptance critical value of 0.05.

Table 4.12: ANOVA

Indicator	Sum of Squares	df	Mean Square	F	Sig.
Regression	1152.8	4	288.201	955.398	0.000
Residual	25.339	84	0.302		
Total	1178.14	88			

Table 4.13 displays the regression coefficients of the independent variables. The results reveal that salaries and pension scheme are statistically significant in explaining the motivation of Siginon employees and bonus and contingent pay were not statistically significant in influencing motivation at Siginon.

Variable	Beta	Std. Error	t	Sig.
Salary	0.776	0.149	5.205	0.000

Table 4.13: Regression Coefficients

Pension	0.369	0.087	4.238	0.000
Bonus	0.155	0.184	0.842	0.402
Contingent Pay	-0.174	0.147	-1.185	0.239

4.6 Summary of Key Results

The summary of the results are shown on Table 4.14 which indicate that salary and pension are key determinants of motivation to Siginon employees. However in general the employees agreed that all the variables of this study were important in forming and driving their motivation.

Table 4.14: Summary of Key Coefficients

Variable	Mean Score	P value
Salary	3.49	0.000
Pension	2.56	0.000
Bonus	4.00	0.402
Contingent Pay	4.10	0.239

5.0 DISCUSSION CONCLUSIONS AND RECOMMENDATIONS

5.1 Discussion

5.2 Summary of Key Findings

One of the key findings was that employees of Siginon valued their motivation. This was demonstrated by the extent of agreement with the statements in the questionnaire in support of motivations.

The first objective was to explore whether salary improved employee motivation. The results revealed salary was a key determinant of motivation. This was demonstrated by the mean score of responses and also the regression coefficient. The correlation between salary and motivation was also found to be strong and positive.

The second objective was to establish whether pension influenced employee motivation. Results showed that pension influenced motivation but it was not structured in the way employees would have liked it to be. However pension was found to be statistically significant in influencing motivations.

The third objective of the study was to explore the influence of bonus on employee motivation. The study findings showed that employees value bonus as an ingredient of their motivation. However it was found not to be statistically significant.

The fourth and final objective was to find out whether contingent pay influenced employee motivation. It was found that contingent pay was important to employee motivation but was not statistically significant.

5.3 Conclusions

Based on the objectives and the findings of the study the following conclusion can be made.

- i) Salary is a key driver to employee motivation at Siginon. This kind of finding is a familiar as it has been supported by other scholars and hence highlighting the intensity of salary in driving motivation.
- ii) Pension was found to motivate employees at Siginon. Pension is therefore important despite it being a long range or long term benefit. Pension is important in employee retention due to its intrinsic value and also being a deferred consumption.
- iii) Bonus though not statistically significant, the employees overwhelmingly agreed with its positive effect on motivation. It can therefore be concluded that despite the short and quick effect on motivation, bonus could be used to direct the energies of employees towards to desire company targets.
- iv) Contingent pay was found to be effective in driving employee motivation. It can be concluded that though contingent pay is not part of company financial plans it was key in expressing compassion from the management to the employees.

5.4 Recommendations

Based on the results, findings and conclusions the following recommendations have been deciphered.

- i) It was found that salary drives motivation. It is recommended to the management of Siginon to regularly conduct salary reviews with an objective of ensure equity and justice in pay with an overall objective of inducing motivation in employees. It is recommended that the management conducts a market survey of salary in order to bring them to par with the market in view of the fact that Siginon is a leading logistics company within East and Central Africa. This effort can lead to better motivation and subsequently lead to better employee productivity and by extension that of the overall company.
- ii) Pension was found to be a motivator but it was not structured in the way employees would like it to be. It is recommended to the management that they review the existing social security benefits including pension benefits with a targeted aim of improving employee motivation. A case in point is the elimination of all forms of discrimination

5.5 Areas for Further Study

Arising from the findings and the gaps in the study a replica study is recommended in another company in order to test whether the conclusions of this study will hold true. Another study could

be carried out to include other potential drivers of motivation like, working conditions, employee transport, medical cover, company image and management style.

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