

# **Assessing Employee Motivation in a South African Construction Company**

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## **Abstract**

It is through their employees, that construction companies can respond to the challenges of the changing economy and the effective management of performance in the organisation. Hence, the increased emphasis on improving employee performance through motivation. The purpose of this study is to identify employee motivating factors in a South Africa construction company. The respondents were purposively selected, which included Human Resource Management Personnel, Senior Management, Departmental Managers, and Union Representatives in the company. Data analysed using the Statistical Package for the Social Science (SPSS). Findings from the analysed data indicated that a motivated employee performs better, provided that the supervisors understands their role and afford mentorship programs. Moreover, a safe and conducive work environment, job security, fair performance appraisal systems and opportunities for promotion are necessary to maintain a high level of employee motivation. Furthermore, employees should be exposed to career development opportunities and motivational talks, as that would enhance their performance. Moreover, motivated employees perform at a higher level making it easy for management to motivate them, thus achieving individual and firm objectives.

## **Keywords**

Employee Motivation, Employee Performance, HRM

## **1. Introduction**

The construction sector is the biggest contributor to many economies worldwide. The prominence of the industry in the economy can be scaled by its contribution to the gross domestic product (GDP), its input to investment and the volume of the workforce employed (Pamulu, 2010). Furthermore, the nature of the construction sector is project-based work for a determined period, hence, economic, and contractual factors have a major impact on workforce strategies (Druker et al., 1996). Moreover, the industry is labour intensive and relies on labour outsourcing (ILO, 2001). This has made relationships between companies and their employees momentary and fluid, unlike in other industrial sectors. Equally, Dainty et al. (2007) observe that the types of construction work required on a project may differ significantly. This means that necessary skills and knowledge needed may change from one project to another.

Human beings naturally take priority over other resources, as it is them and them alone who are capable of directing and utilising other resources. Therefore, employee motivation has become crucial to the realisation of individual, and organisational goals. Armstrong, (2001) observed that motivation is the “factor that impels individuals to behave in a certain way”. More so, Spector et al. (2004), reports that human beings behaviour results from what motivates them, their performance is evident in both their level of ability and the level of motivation. Furthermore, the study by Ganta (2014), notes that employees who are unmotivated are likely to devote little or no effort to their jobs, avoid the workplace as much as possible, leave the organisation if afforded the opportunity and produce low quality work.

## **1. Literature Review**

## **1.1 Defining Motivation**

Coetsee (2002) defines motivation as the relations between employees and environmental factors that create and stimulate positive behaviour. Coetsee (2002) and Robbins et al. (2009) agree that the concept of motivation in the workplace refers to employees' willingness to exercise high levels of determination, to accomplish organisational objectives in combination with the gratification of the needs of the workforce. According to Mitchell (1982), motivation signifies a psychological process that causes individual continuous actions that are goal-orientated. Likewise, Armstrong, (2001) observes that motivation is the "factors that impel individuals to behave in a certain way". Furthermore, Armstrong, (2001) notes that motivation is dependent on three factors: firstly, the environment which includes the workplace conditions, secondly, job-related factors like accessibility of resources and working equipment and thirdly, personal factors like T&D and work promotion opportunities. Kreitner and Kinicki (2008) confirm that motivation is the psychological practice that enhances and directs goal-oriented behaviour.

## **1.2 The Nature of Motivation**

Motivation may be identified in two forms, specifically, intrinsic motivation and extrinsic motivation. Coetsee (2002) states that intrinsic motivation is not driven by an increase in compensation and rewards but by feelings of gratification, significance, interest, and achievement. Furthermore, he maintains that intrinsic rewards cannot be given to individuals by their employers because the rewards are internal to everyone. In other words, each worker grants it to himself or herself because of good performance. Although the company cannot provide the employees' intrinsic rewards, it can create a work environment that facilitates individuals' experiencing these types of rewards. Roberts-Lombard (2008) reiterates that a supportive internal environment must be created for employees. He suggests that the internal environmental development needs of employees should be supported by the company with internal training and development policies. Moreover, the internal environment can be improved by the company, by accurately defining what a specific job requires, how the task relates to the larger scheme of things and how it links with the tasks of co-workers with the clear indication that it is up to the individual to determine how the job will be executed, Roberts-Lombard (2008). Allied to this, is feedback to individuals about their work performance and the outcome of all the tasks.

Extrinsic motivation is the external dynamics that influence a person to do something. According to Coetsee (2002), the following external factors may possibly have an effect on extrinsic motivation: salary, work environment, policy, security and safety, company benefits and relationships. In support of this, Howlett's Hierarchy of Work Motivators shows that extrinsic motivational factors such as salary, work environment, policy, security and safety, company benefits and relationships impact on externally motivational needs. These external factors form part of the first three levels of Howlett's Hierarchy. When the external needs are attained, level four and five of the Howlett's Hierarchy may be realised, (Hill and Howlett, 2013). Failure to achieve the first three levels will result in job dissatisfaction. Job dissatisfaction making employees less productive and this results in job losses through employees resigning or being laid-off. The subsequent two levels of Howlett's Hierarchy are the internal factors or intrinsic factors, specifically factors like achievement, recognition, development, responsibility, and the nature of the job. These intrinsic factors emerge when individuals are self-motivated after the external needs have been satisfied. The organisation that achieves all five levels will have motivated employees and increased productivity.

Frey and Osterloh, (2002) added that although there is a difference between intrinsic and extrinsic motivation, they are not "independent of one another". Naturally, people have intrinsic and extrinsic needs. This indicates that intrinsic and extrinsic motivations may merge as workers are made a part of the company and benefit from its accomplishments. For example, an employee may be motivated intrinsically when the job is made more interesting and may be motivated extrinsically when assured a high bonus or promotion (Frey and Osterloh, 2002). Therefore, to satisfy employees in an organisation, supervisors must make the working environment more thought-provoking to motivate employees intrinsically and provide fair salaries and bonuses to motivate them extrinsically.

## **1.3 Motivational Theories**

### *Herzberg's Two-Factor theory*

There are numerous factors that affect employee motivation such as inadequate incentives wages, salaries or allied benefits, poor reward system and lack of H&S facilities. (Caliskan, (2010); Long et al., (2012). Likewise, there are certain factors which affect employee performance individually or collectively and positively or negatively.

Herzberg's Two-Factor theory states that there are "motivator factors". These motivators consist of recognition, achievement, the work itself, responsibility and personal growth and advancement. On the other hand, there are "hygiene factors": company policy and administration, supervision, relationship with the manager, work environment, salary, interpersonal relations, and relationships with subordinates, status, and security (Herzberg, 1959).

**Table 1: Herzberg's Two-Factor Theory**

<b>Motivators</b>	<b>Hygiene Factors</b>
Nature of Work	Salary
Sense of Achievement	Job Security
Recognition	Working Conditions
Responsibility	Level and Quality of Supervision
Personal Growth and Advancement	Company Policy and Administration
	Interpersonal Relations

Source: Herzberg (1959)

Motivation Factors play a role in encouraging employees to work efficiently for an organisation. They include: (1) Sense of achievement: their ability to prevent problems, solve problems, and to be content when tasks are completed. (2) Recognition: being accepted whether by a supervisor or other colleagues at work and being appreciated, complimented, congratulated, and supported or shown any other gesture displaying recognition of their ability. (3) Nature of Work: a job that entails creativity or special abilities. (4) Responsibility: satisfaction from being given the power to be fully responsible for an assigned task without being micro-managed. (5) Personal Growth and Advancement: personal development and job promotion that follows achievement.

Hygiene factors neither motivate the employee to work efficiently nor enthusiastically. However, they serve as a tool to prevent job dissatisfaction. These factors include: (1) Company policy: management and administration of the company which should maintain clear, fair, non-overlapping job delegation. (2) Level and quality of supervision: the ability of supervisors to perform their duty fairly at work, their problem-solving skills and ability to guide employees. (3) Interpersonal relationships; positive communication between staff members that shows good relationships and working together with understanding. (4) Working conditions: the physical condition of the workspace, such as lighting, noise, air circulation, working hours and the arrangement of the workspace and the equipment or tools used at work. (5) Salary: compensation, fringe benefits or other benefits gained appropriately for the work performed. (6) Job security: feeling secure in the job within the organisation.

#### *Maslow's Hierarchy of Needs*

Benson (2008) explains Maslow's Hierarchy of Needs theory. He says that individuals are motivated by five 'basic needs' that are structured in a pyramidal hierarchy. From bottom to top, physiological needs, safety needs, social needs, self-esteem needs and self-actualisation. The physiological needs are all the basic needs for survival such as food, clothing, shelter. Safety needs take account of fortification from emotional and physical harm. Social encompass the longing for love, friendship, and the feeling of belonging. The self-esteem needs are categorised as responsibility, promotion, job status, and respect from co-workers. The last need is self-actualisation: this is the point where all the needs come together. When all the earlier needs are met, at the self-actualisation stage one will find a wholly satisfied individual. Maslow claims that all individuals want to become self-actualising and that most people's potential is immensely undervalued and underused (Stephens, 2000). Maslow (1943) indicates that human beings are motivated by the yearning to accomplish factors on which their gratification rests, by making use of certain intellectual desires. Maslow (1943) continues, stating that the average individuals in society is partially content and partially discontent through their wants. This theory adds value to companies when management recognises the needs and wants of the workforce. The knowledge gained by organisations from Maslow's Hierarchy of Needs Theory helps them find avenues for motivating their employees, by planning HRM practices that are aimed at the satisfaction of their employees' needs. Similarly, it provides a platform for managers to address unfulfilled needs that cause employee dissatisfaction. Ramlall (2004) observed in agreement, that the need hierarchy notion, when adopted in companies, makes the tasks that need to be carried out by managers clear. Although needs differ from one individual to another, there are, however, commonalities amongst individuals. Additionally, based on the aforementioned, some needs are easily satisfied at no expense, while others will be costly and time-consuming.

#### *Equity Theory*

According to Coetsee (2002), the equity theory relates to the way in which people cultivate their perspective of fairness regarding compensation and benefits in exchange for their input or effort. The experience of fairness (equity) may be viewed as the employees' view of how fair the compensation and benefits system is (Adams, 1963; Carrell & Dittrich, 1978). Management should continually ask the questions, "What is being perceived as fair by employees?" and "What is being experienced by employees as meaningful?" The aforementioned questions are useful to better understand the equity perception and impact on the outcomes of employee performance. Ramlall (2004) states that people are not only concerned about the reward for their efforts, but they are also concerned about their reward compared with their co-workers'. According to Adam's Equity Theory, the major mechanisms are inputs and outcomes. Carrell and Dittrich (1978) note that inputs may be work experience, education, effort on the job, training, and capability, while outcomes are the elements that result from the interchange of the inputs, such as salary, benefits, job tasks, and status. Furthermore, Carrell and Dittrich (1978) indicate that the equity theory rests upon three assumptions: (1) People have beliefs about what is a fair return for their inputs. (2) People tend to liken their perceived worth in relation to their inputs and the company outputs. (3) When employees believe that their treatment is not equal, compared with the perceived outcomes of their co-workers, they are forced to take action pertaining to what they see fit in the situations.

## **2. Methodology**

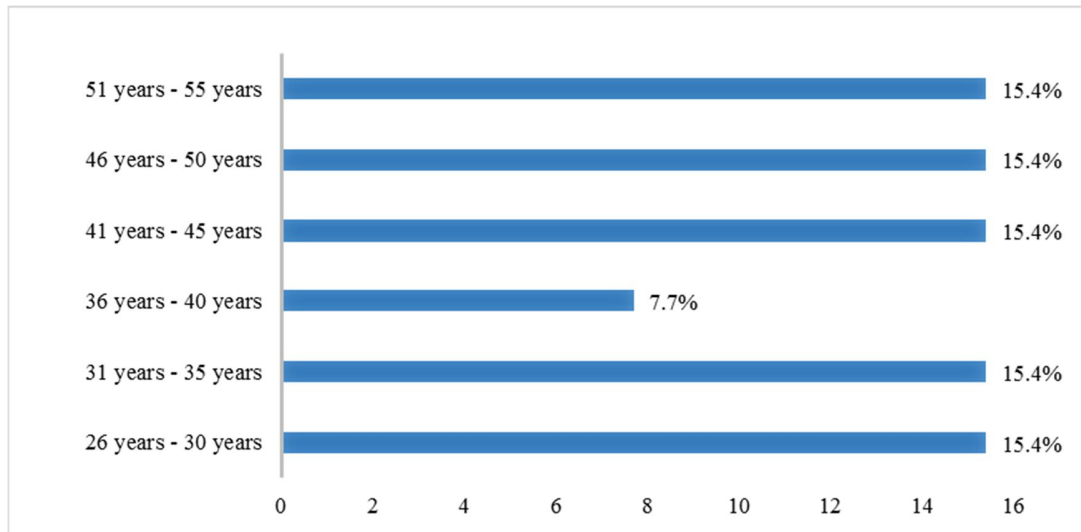
The data used in this study has been derived from both primary and secondary sources. Fifteen questionnaires were circulated to Human Resource Management Personnel, Senior Management, Departmental Managers, and Union Representatives from a Grade 9 (CIDB grading) South African construction company were selected for the study. Since the respondents were purposively selected, a questionnaire was used as the data-collection instrument from fifteen respondents (N=15), thus yielding a return rate of 87%. The questionnaire was adopted because it allows the researcher to be consistent in asking questions and the data yielded was easy to analyse statistically using Statistical Package for Social Sciences (SPSS). The reliability of the research questionnaire was ascertained through Cronbach's Alpha. The data obtained from the questionnaire was imputed on SPSS to measure the reliability of the study.

**Table 2: Consistency Test using Cronbach's Alpha**

<b>Category</b>	<b>Cronbach's Alpha</b>
Motivational Factors	.900

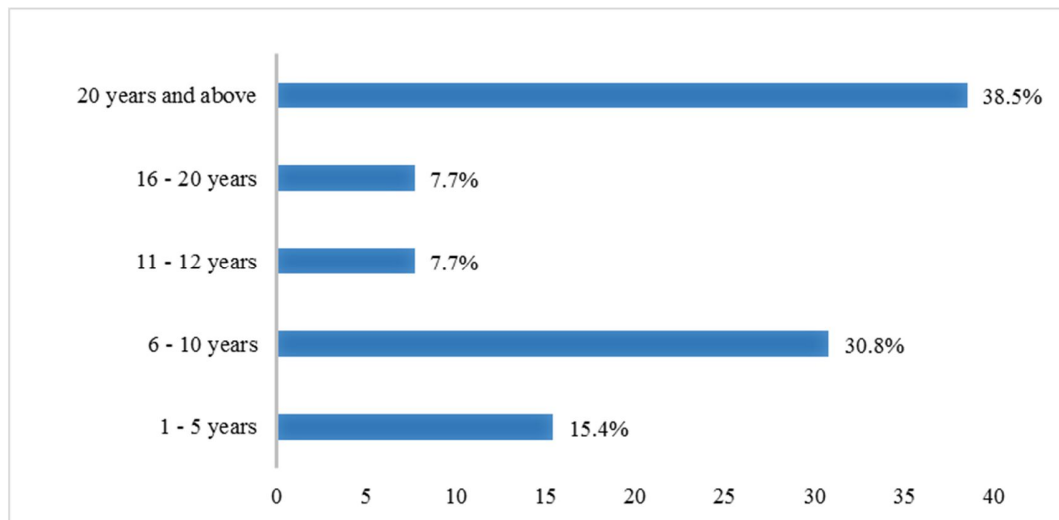
## **3. Findings and Discussion**

Findings relating to the respondents' age groups shown in Figure 1 below reveal that 15.4% of the respondents were over 56 years old, 15.4% between 51 and 55 years old, 15.4% were in the age group of 46 to 50, 15.4% were in the age group of 41 to 45, 15.4% between 31 and 35, 15.4% were between 26 and 30 years old and 7.7% were in the age group of 36 to 40.



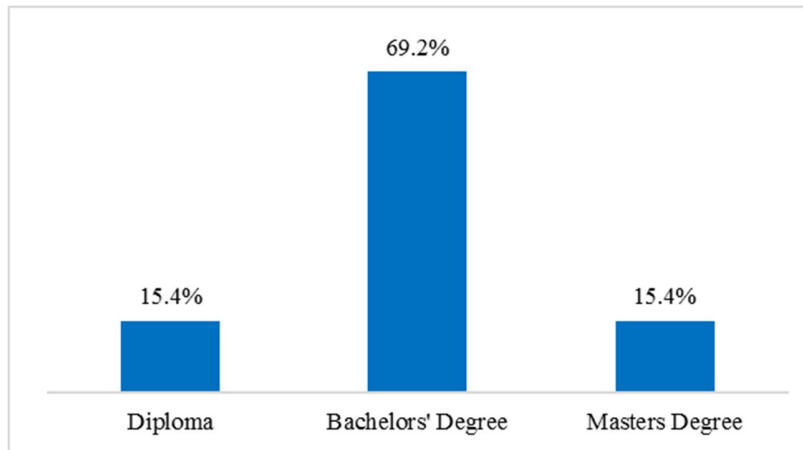
**Figure 1: Respondents' Age Groups**

Figure 2 shows the work experience of the respondents sampled. It shows that 38.5% have had more than 20 years' experience, 30.8% have had experience that ranges from 6 to 10 years, 15.4% have had experience that ranges from 1 to 5 years, 7.7% have had 11-15 years' experience and 7.7% have had experience that ranges between 16 and 20 years in the construction industry.



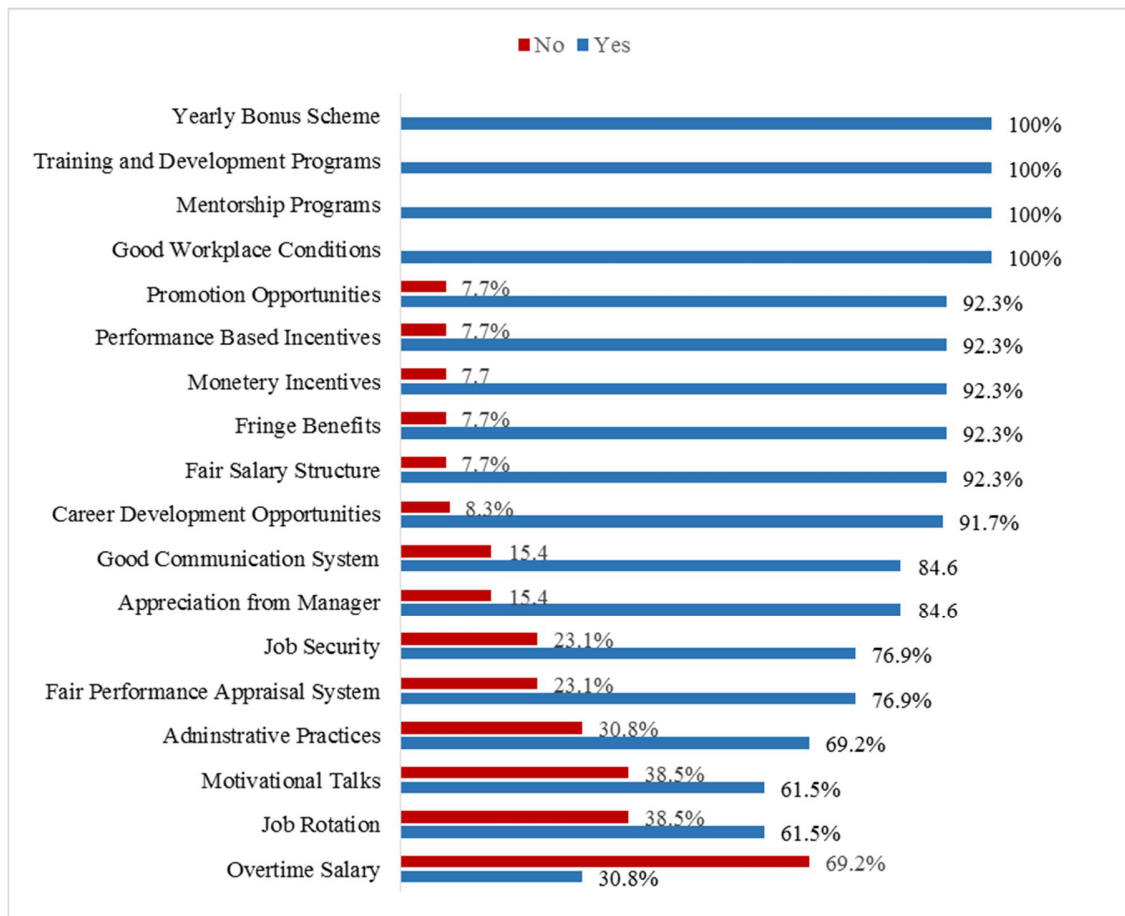
**Figure 2: Respondents' Years of Experience in the Construction Industry**

Figure 3 represents the educational qualifications of the respondents and it shows that 69.2% of the respondents have bachelor's degrees, 15.4% have diplomas, and 15.4% of the respondents have master's degrees.



**Figure 3: Respondents' Educational Qualification**

Figure 4 reveals that Training and Development Programmes, Yearly Bonus Schemes, Mentorship Programmes, and Good Workplace Conditions are the most fully adopted HRM practices, at 100%. They are followed by Fair Salary Structure, Performance Based Incentives, Promotion Opportunities, Fringe Benefits, and Monterey Incentives at 92.3%. Career Development Opportunities follows at 91.7. Following Career Development Opportunities is Appreciation from Manager, Good Communication System at 84.6%; Fair Performance Appraisal System, and Job Security at 76.9%; Overtime Salary and Administrative Practices at 69.2% and, lastly, Job Rotation and Motivational Talks at 61.5%.



**Figure 4: Respondents' view of the adoption of Motivational Factors**

The data in Table 3 indicate that the most implemented motivational factors are as follows:

Yearly bonus scheme (MIS=4.31; SD=0.48) ranks first, training and development programmes (MIS=3.85; SD=0.68) ranks second, monetary incentives (MIS=3.77; SD=1.23) ranks third, fringe benefits (MIS=3.69; SD=1.25) ranks fourth, good workplace conditions (MIS=3.62; SD=0.65) ranks fifth, performance based incentives (MIS=3.54; SD=1.19) ranks sixth, career development opportunities (MIS=3.46; SD=1.26) and fair salary structure (MIS=3.46; SD=1.26) rank seventh, promotion opportunities (MIS=3.38; SD=1.32) ranks eighth, mentorship programmes (MIS=3.25; SD=1.13) ranks ninth, appreciation from manager (MIS=3.08; SD=1.60) ranks tenth, job security (MIS=2.92; SD=1.80) and good communication system (MIS=1.55; SD=1.80) rank eleventh, administrative practices (MIS=2.31; SD=1.65) ranks twelfth, fair performance appraisal system (MIS=2.23; SD=1.42) ranks thirteenth, motivational talks (MIS=2.15; SD=1.81) ranks fourteenth, effective performance appraisal system (MIS=2.08; SD=1.55) ranks fifteenth, job rotation (MIS=1.92; SD=1.65) ranks sixteenth and over time salary (MIS=0.92; SD=1.49) ranks seventeenth.

**Table 3: Employee Motivation**

Employee motivation policies, practices, or incentive have been implemented.	MIS	SD	R
Yearly bonus scheme.	4.31	0.48	1
Training and development programmes	3.85	0.68	2
Monetary incentives	3.77	1.23	3
Fringe benefits	3.69	1.25	4
Good workplace conditions	3.62	0.65	5
Performance-based incentives	3.54	1.19	6

Career development opportunities	3.46	1.26	7
Fair salary structure	3.46	1.26	7
Promotion opportunities	3.38	1.32	8
Mentorship programmes	3.25	1.13	9
Appreciation from manager	3.08	1.60	10
Job security.	2.92	1.80	11
Good communication system.	2.92	1.55	12
Administrative practices (flexible working hours, dress code, vacation schedules)	2.31	1.65	13
Fair performance appraisal system	2.23	1.42	14
Motivational talks	2.15	1.81	15
Effective performance appraisal system	2.08	1.55	16
Job rotation	1.92	1.65	17
Overtime salary	0.92	1.49	18

### 3. Discussion

The data analysis is congruent with Howlett's Hierarchy of Work Motivators, (Hill and Howlett, 2013). The hierarchy indicates that the first three levels are extrinsic (external) motivational factors like salary, working conditions, and work policies, safety and security, benefits, and work relationships, while the last two levels are intrinsic, (internal) factors, namely, achievement, recognition, growth, advancement, responsibility, and job nature.

In addition, the study by Armstrong (2001) indicates that motivation is underpinned by three factors: firstly, the environment including working condition; secondly, job-related factors such as availability of resources and working tools; thirdly, personal factors like opportunities for training and promotions. Moreover, there is consensus with the study by Maslow (1946) that promoting a healthy workforce, providing financial security, opportunities to socialise and recognising employees' accomplishments all help to satisfy the employees' physiological needs which will ultimately improve their performance. Furthermore, the equity theory confirms that the way in which workers perceive fairness regarding the distribution of rewards and recognition in exchange for their input or effort is equivalent to their experience of motivation (Coetsee, 2002).

### 4. Conclusion and Recommendations

The findings of the research study indicate that the company needs to pay more attention to the proper implementation of employee motivation factors in order to realise its full potential and to create and sustain a competitive advantage. Furthermore, employees should be given tasks that they have been well trained for and which are best suited for them so that they can enjoy doing what they know best. Subordinates are also motivated when granted responsibility and some form of authority. Moreover, hardworking, talented, and ambitious workers should be given room to develop their potential. A motivated employee performs better, provided that the supervisors understands their role and provide clear mentoring. Moreover, a safe and conducive work environment is necessary to maintain a high level of employee motivation. Flexible human resource policies and flexible time are also role players in keeping workers motivated. Likewise, employee needs should be identified, and the employees should be given the opportunity to take part in training programmes to help improve their skills and knowledge about the jobs.

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