

The Impact of Monetary and Non-Monetary Incentives on Employee's Motivation: A Case of Non-Teaching Staff of Kumasi Polytechnic

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Abstract: Successful corporate strategies are those executed well by management, however, the execution of the strategies itself rest on the employees involvement in the processes of the business. It is therefore important for management to have a good understanding of factors that influence employees to be motivated in carrying out the necessary task and achieve or exceed management expectation. The study was conducted in Kumasi Kumasi technical university among the non-teaching staff. The sampling method used was the purposive or judgmental sampling. Questionnaires were distributed to 144 non-teaching staff. The data collected was analyzed using both descriptive and inferential statistics. The results of the study show that the monetary incentives used in Kumasi Polytechnic consist of Merit Pay, Bonuses, Salaries and wages, Gain sharing, Accommodation Loan and Scholarship. Whiles the non-monetary incentives consist of Job Promotion, Career Development, Recognition and Fringe Benefit. The study also revealed that generally, the non-teaching staff of Kumasi Polytechnic are motivated. Furthermore, the study revealed that both monetary and non-monetary incentives have impact on motivation, however those that have significant impact were salaries and wages and Merit pay for monetary incentives and crèche for non-monetary. In addition, the study revealed that challenges faced in employee motivation include management not knowing what motivate employee at each time therefore failing to provide what motivates them most. The study recommended that those monetary and non-monetary incentives that have significant impact on employee motivation should be reinforced to enable employees give out their best.

Key words: Monetary; Incentives; Motivation; Employee's Performance; Kumasi

I. INTRODUCTION

Organizational Theorists have generally acknowledged that the key asset that an organization can ever have are its human resources, however the successful achievement of the goals of the organization will be subject to the proper deployment of its human resources. Furthermore, organizational success rests on its employees, therefore the need to stress on elements that will impact on employees' motivation and performance from the perspectives of (Liao et al., 2007). Employees' performance relates to the concept of ability, opportunity and

motivation. Ability is the naturally acquired talent or skill that helps an individual to successfully perform a given task. Opportunity is a set of exploitable circumstances that have uncertain outcome and requires resource commitment and exposure to risk. Lastly, motivation is a reason or reasons for acting or behaving in a particular way. It is the responsibility of managers to ensure that their employees are motivated in such a way that organizational goals will be met in order to stay in competition. Motivation can lead to better performance when other conditions are met. It has a benefit above others in that whereas the opportunity and ability are likely to be constant and challenging to change for the personnel, motivation has versatility, meaning it can be changed when the need arises. It is worthy to note that the nonexistence of willingness to operate; capacity and chance will not create the anticipated results. Both Public and Private organizations, need employees who are motivated to be effective and efficient in their operations, in addition to the other factors.

Motivated employees operate energetically and creatively towards the achievement of organizational goals. They are the greatest inputs to organization's accomplishment. Whenever the issue of motivation comes up, one important thing that comes into mind is incentive. Incentive is something that stimulate to greater action or anything that promise for greater action. It is also anything that is given to employees in addition to their wages. It also serves as anything that gives recognition to any employee for any achievement or better work done. It is natural that anybody acts without a reason behind therefore knowing that there would be an incentive for anything done is great enough to motivate them (Lumumba, 2012). When we talk of incentives, most people or employers consider monetary benefits thus increasing employees' salaries disproportionately. It must be noted that there are other factors that encourage an individual to give off his or her best. These factors include Satisfaction of job, Job Security, Job Promotion, and Pride for accomplishment among others. Since these are not directly related to money they are known as Non-monetary incentives (Yavuz, 2004). Non-monetary incentive has a significant and distinct role that

infuses enthusiasm in a worker to perform. A study by Lawler (1973), which has been explained by Wiscombe (2002), has the ability of reinforcing the conception that non-monetary incentive has a significant outcome of achieving organizational goals. With regards to increasing economic decline, most organizations are considering the use of non-monetary incentives that are not valued in monetary terms (Kepner, 2001). This has also increased the popularity of the usage of non-monetary incentives. There are lots of advantages to the organization when they offer employees with flexible hours, recognition and opportunity to contribute than when employees are rewarded with cash as posited by (Warren, 2007). Most of organizations in Ghana have offered incentives to their employees to enable them achieve their objectives, however most believe in monetary incentives such as pay increases, bonuses and others as compared to incentives such as recognition, opportunities to participate in organization's decision making as postulated by (Aktar et al., 2012).

This study seeks to explore whether monetary and non-monetary incentives actually have an impact in motivating staff at Kumasi Polytechnic specifically the Non-Teaching Staff. Many organizations are considering a strategic approach to motivation management that will help improve their competitiveness, profit and sales. Some of the strategies, according to Bateman and Snell (2007) that are used include ensuring organizational citizenship behavior, ensuring customer loyalty and appropriate incentives. One of the most difficult human resource tasks that are faced by managers is the design and management of motivational incentive systems. Bagraim et al. (2007), says that there is the need to investigate the needs and goals of employees to be able to address them to get the needed motivation. The perspective of Thompson et al (2000), indicates that a properly designed motivational system is a powerful tool for management to mobilize organizational commitment in executing successful strategy and productivity.

According to Arnolds et al. (2007), organizations have a big crisis of motivating employees. Their study showed that billions of money is spent on courses and incentives to help increase employees motivation each year; however it does not always give out higher levels of employees' motivation. This is because there is a different perception between employees and management on how the goals and objectives of the organization must be attained. Management and employees give different importance to the many motivational incentives taking into consideration the situation on the ground. According to Delany and Turvey (2007), managers want employees with high adaptability to change, speed and high productivity, while employees on the other hand may want strong skill development, opportunities for growth, entrepreneurial environment and competitive compensation to be motivated. There has been an organized body of experience, research and theory that has been tasked to research motivational incentives. A research conducted by Arnolds et al. (2007), on the

strategic importance of non-monetary incentive is a good example. Fredrick Taylor as far back as 1911 came up with the fact that monetary incentive is the most important tool to motivate staff to achieve higher productivity. There is however lack of conclusive substantiation on monetary incentive impacting on motivation of employees. A study by Arnolds et al. (2007), showed that employees mostly at the lower level give much importance to recognition therefore the use of only money to motivate this caliber of employees will cause problems since different people are motivated by different factors. Bagraim et al. (2007), also added that there is a category of employees that are motivated by financial goals, others that are motivated by professional goals and others that are motivated by personal goals. In view of this one incentive cannot be used to motivate all staff at all levels.

Considering the above, there are debates on whether monetary incentives should be used to motivate employees disregarding non-monetary incentives or vice versa. The study therefore looks at the need to investigate whether both monetary and non-monetary incentives have an impact in motivating staff (Non-Teaching) of Kumasi Polytechnic.

II. LITERATURE REVIEW

Incentives

Incentive is a deed or a potential possibility that will yield a higher outcome. It is also known as a motivation for greater achievement of an action. Incentives are things given to employees aside their earnings with the view to stimulating them to achieve an institutional objective or goal. It also stands for a reward given by the employer to the employee in respect of better work accomplishment in an organization (Lumumba, 2012). Incentive gives the needed enthusiasm of workers greater output. It is normal that there is no smoke without fire because there is a reason for every human action. Consequently, people's expectation for a reward is an influential incentive to stimulate workers. It becomes difficult to continuously give financial incentives to workers and continually increase wages or remunerations excessively. There exist other driving forces that lead a person to perform better. This may consist of career development, job promotion, work security and recognition for work achievement (Lumumba, 2012). Incentives act effectively in motivating employees in diverse ways. According to Whetten and Cameron (2007), the importance of incentives is to institute a connection between preferred comportment and the consequence that makes the worker have a sense of recognition. Incentives are significant elements which define a particular work characteristic that adds meaningfulness to the institution. According to Armstrong (2007), incentives are divided into two groups; these are monetary and non-monetary. The groups of incentives as mentioned above are discussed below.

Non-Monetary Incentives

Non-monetary incentives are the physical or perceptible incentives, societal practices or work associated element which are used in an institution to encourage workers devoid of direct cash compensation. In categorizing the non-financial enticements, analysis of on-the-job incentives suggested by Meacham and Wiesen (1999), gives an outline which is embedded in on-the-job incentives and accepted compensations. Perceptible, non-financial motivations denote physical substances which include citations, gift, certificates, clothing, key holders and discounted tickets to access different facilities at the workplace. They argue that Non-monetary incentive has the prospects to encourage workers devoid of cash rewards. Work related non-financial compensations have the probability to induce workers inherently. Jobs with different duties, accountability, independence, empowerment and career development prospects are very essential in gratifying worker's particular wants and may arrive at a situation that makes the employee feel that the work in itself is noteworthy of putting more energy devoid of the necessity of any outside compensation. There are various types of non-monetary incentives used to motivate staff in organizations.

In the view of Robbins (2005), upgrading is the progression of a worker's level or position in an institution's hierarchical order. Advancement in work might be an individual's compensation or motivation for a job well done. An event to upgrade or promote an individual to a certain rank guarantees that, that individual employee is capable of handling the extra duties. Career advancement can encompass promotion in terms of grade, income and compensations and in certain institutions the form of work accomplishment may revolve greatly. The extent of pay rise connected with advancement differs greatly among businesses and subdivision, and is contingent on fragments of the worker placement on the organizational chart. In certain institutions or subdivisions there might only be a moderate rise in pay for upgrading and in other employment avenue an upsurge in advancement may greatly affect an individual's income. Identically, it is factual with remunerations and other civil liberties. And in some organizations, career advancement alters only designation and income, and no extra compensations are attached. The extent to which work actions alter or are modified differs among organizations and subdivisions. In some specific work areas, even after an individual has been upgraded, their work activity does not change. The changes may well be in the difficulty of the records that the person is apportioned to or in the thoughtfulness of the subjects that they are requested to perform. From the perspectives of Sigler (1999), there is a considerable modification to work, when an individual has seen career advancement. Stempel (2003), posits that in certain areas of the private working environment, senior members have much veto and control over the preference to give upgrading or promote as

employee progress can be done with going through most of the necessary requirements.

Kirton (2003), as cited by Evans et al., (2008) opines that being extra conscious of an individual's reasoning decision-making attribute may perhaps impact on self-reflection and self-controlled inducement to attention. As a characteristic, an individual's thoughtfulness behavior takes into account a person's desired manner of reasoning and difficulty-resolution. Kirton's philosophy of reasoning style symbolizes cognitive managerial and resourcefulness transversely in a single range from variation to modernization. People who have the tendency to be extra responsive in style focus on collective competence and in compliance with conventional, procedures and power. These personalities desire fulfilling transformation by means of prevailing standards. Individuals who have the tendency to be adaptive like executing a duty at a time and do not accept uncertainty. Individuals who exhibit creativity in their reasoning style have the tendency to create enormous and numerous novice notions or thoughts, operate very well in crises situations, involve themselves in taking risks and performs multiple tasks. Inventors become accustomed to eagerly drastic alteration, in much enhanced manner and create innovative standards. Associating reasoning style philosophy with character, innovator is connected with the behaviors of taking risk and pursuant of sensation, conscientiousness as well as positivity whilst adaptors are concomitant to low level of self-confidence and low forms of insight-detection.

In the view of Moody (2003), characters of divergent classes may perhaps require a challenging period functioning collectively in groups, except supported in being extra careful of the vice versa of problem resolution form of penchants and becoming more aware of the opposite problem-solving style penchants and attitudes to thinking policymaking. Ramlall (2003), assesses that recognizing the comprehensive effects of having emotional impact, disposition, behavior, thinking style and mental policymaking relative to stimulus and the possible influence on employees and motivation is very vital. Positive emotional impact impacts on work stimulus and employees' ability to efficiently involve themselves in awareness-centered policymaking in motivating employees. Giving a helping hand to employees and work groups in being extra conscious of their differences is relative to emotional impact, character, and thinking styles which helps to improve joint effort and open feedback in addressing difficulties. Relative to reasoning and sensitively centered inspirational elements affecting performance of duty, autonomy, self-efficacy, and self-confidence need a critical look since they function to sustain or challenge personal capability at the workplace.

Types of Monetary Incentives

According to Herzberg et al. (1989), behind all ideas of inspiration or motivation for effort was and still is the concept of economic man. Kempner (1983), affirms that whiles this method is now perceived to be too rudimentary, financial motivations continues to have a conclusive impact on

employees. In theory financial incentives have five main concepts of duties of money on impacting work behaviors. Firstly, money is a generalized conditioned reinforce in that financial motivation normally works together with different principal reinforcers such as attainment, accountability and recognition. Again, money is a conditioned incentive because money could repetitively go together with different elements to generate encouraging work performance. Additionally, money as a motivator becomes an anxiety reducer in that it acts in association with some learned needs as an explanatory instrument for motivation.

Pappas et al. (2006), observed the impact of establishment enforced incentive scheme on the stimulus stages of sales persons and established that certain individuals are stimulated by commission centered salary whilst other people are stimulated by permanent income. Organizations employ people in the event of effectively performing duties of the procedures and setups of their firms. Workers who are well-organized and operational in accomplishing responsibilities and objectives are worthy of a better income packet. Workers who are seen at the lower echelons of institutional income schemes generally portray high prospects of career advancements. For example persons at the low level income attain advancements and income rises quickly as Gibbs and Hendricks (2004), accounts. The dispersal of income has an impact on the level of income activities of workers, which is progressive for junior level workers and undesirable for those in higher positions. If supervisors or managers are thoughtful over impacting action and stimulus levels of workers via income, managers must raise the income greatly so that it can be seen as high.

Demos (1988), tags money as a hygiene factor as Herzberg et al. (1989), maintained that cash is a hygiene influence which can possibly generate gratification when it is given in huge quantities, but cannot contribute as a potential motivator. Money or cash is also being labeled as a mechanism for attainment of anticipated outcomes. Money acquires valence – which is an effective coordination in the direction of a specific accomplishments and subsequently gains attainment, acknowledgment and status quo. Campbell (1982), asserts that cash and oral motivations influence greatly on person's inclination to employment on less difficult or hard objectives.

Doyle (1983), describes gain sharing as a combined method to management challenges since it takes an all-inclusive standpoint, addressing the whole institute as a replacement of its branches. Gain sharing consists of three valuable categories which are management practices, employee participation and shared reward. Graham-Moore (1990), correspondingly explained these elements as values of teamwork, an involvement practices and a monetary incentive. The initial factor, management values or practices, explains the idea of the organization's culture which functions as facilitator for superiority. Such forms are accomplished via the

commitment of the institute and sustenance. Lawler (1983), on the other hand explains the commitment to involving superiors as a great participation method. These elements according to, Welbourne and Gomez-Mejia (1988), denotes the important of organization in leadership, assistance and resourcefulness in achieving institutional goals an essential element of gain sharing accomplishment. The second component, which emphasizes on employee involvement, discusses the strategy and the approach which accelerates worker involvement in decision-making processes. Management distributes its activity by engaging workers with the required facts, acquaintance and authority to impact institutional enactment. Moreover, Ewing (1989), points that workers possess the capabilities to impact alteration inside the institutional realms. Institutional objectives will never be complete without the assistance of individual workers and accordingly gain recognition is an important achievement influence as Cascio (1992), supports the same literature. The final component of the gain sharing process is what is termed as shared reward which describes the process which regulates the standards and approach of incentive dispersal. Since individuals perform better on what they gain Berg (1991), asserts that incentives show equality and makes the worker's energy feel valuable as Theisen and Pelfrey (1990), also recognize the same. Other authors, Hesterly and Sebilia (1986), presuppose that such action is needed for surpassing the market environment in contrast to challengers. Mitchell (2002), explains that motivation is the emotional procedure that induces stimulation, way and perseverance of intended activities that are geared towards achieving objective. All these diverse explanations suggest a number of inferences around social or human actions. In the first place, there remain certain needs that propel people to act in the way they do, and secondly, individual actions are concerned with an objective. Motivation, thus, becomes a continuous form of procedures which begins with needs, continues with objective-oriented performance and ends with the level of needs of fulfillment.

Motivation of employees comes in several ways and salary is a major contributory factor to motivation. Bowen et al. (2008), support the notion that salary is a motivating factor. In their research conducted on quantity surveyors in South Africa and their findings indicated that salary, advancement in career, individual satisfaction and acknowledgements were some of the factors that were motivating enough. The quantity of cash an individual gets at the end of the month has the potential of becoming the utmost forecaster of a person's stimulus. As Kowitz (1967), puts it, cash or money has a resolutely ingrained status as the eventual influence or stimulus. Enthusiasm from income occurs between workers, though may perhaps be inspired via contract or assignment besides others may possibly be stimulated by rise in permanent salary.

Motivational Concepts

The word motivation emanates from the expression “motive” which expresses an intention related to behavior. Enormous collection of works exists on exploring the idea of motivation within organizations or institutions. The word has been used according to, Atkinson (1964), to mean the modern-day stimuli on the path, energy as well as persistence of accomplishment. Jones (1955), posits that motivation is the way an action develops, is strengthened, is continued, is focused, is motionless, and the form of personal or independent response which is inhibited within organizations despite the fact all these are ongoing. From the perspectives of Higgins (1994), motivation is inbuilt stimulus to fulfill discontented or unsatisfied need. Motivation has also been defined from the viewpoint of Baron (1983), as a set of procedures connected with the dynamism that strengthens an action and guides it in the direction of achieving some form of objective. Also from the standpoint of Vroom (1964), motivation is a set of foremost selections made by individuals or lesser entities in the midst of different practices of unpaid action. Mitchell (2002), explains that motivation is the emotional procedure that induces stimulation, way and perseverance of intended activities that are geared towards achieving objective. All these diverse explanations suggest a number of inferences around social or human actions. In the first place, there remain certain needs that propel people to act in the way they do, and secondly, individual actions are concerned with an objective. Motivation, thus, becomes a continuous form of procedures which begins with needs, continues with objective-oriented performance and ends with the level of needs of fulfillment. However, a common meaning of motivation can be known by means of the level to which a person desires and decides on engaging in a particular definite action. Motivation therefore, within the working environs denotes the magnitude to which a person wishes and attempts to exert much effort to perform a specified work within an organization, according to (Mitchell, 2002). Motivation of workers or employees is the central theme for the reason that, it may well be a form to reducing and manipulating the space or gap that exists among employees tangible and preferred level or degree of being committed to the institution or organization in addition to encouraging individuals to perform a duty or a task singularly or in teams. The problem associated with motivation for an industry or organization is how to discover what the work force needs and wants are and where it intersects with the organization’s core values and objectives. Variables connected by the exceptionality of a person are in relation to employees’ attitudes, level of interest and wants. There exists certain innate function that emanates from the kind of job, for example independence or autonomy, level of concern in the job and other functions. In addition, there also exist various influences from the work surroundings which include team or group relations, controlling or regulatory practices, income and reward schemes, sincerity

in the level of communication. For motivation to be affective, one or more of these innate variables must be altered or reformed if not all of these variables changed, as per the objectives or goals of this study is to ascertain if monetary and non-monetary incentives can be an effective way of motivating the Non-Teaching staff of Kumasi Polytechnic. Principal to ascertaining the effectiveness of monetary and non-monetary incentive, it is essential to have a critical look into these forms of controlling variables which have an impact on motivational practices. It is vital for the organization to have a consideration on the part of personal characteristics in those diverse personal desires, wants and needs. Individuals are encouraged or motivated by needs that cannot be met and there exist a variation among persons with regards to their specific conditions, morals and philosophies, household, education, behavior, and work experience and so on. Whereas some people may be motivated by to seek value and encouragement in more creative work over high-salaried work, other individual might be interested in working more to acquire much money in their work. These are demonstration that different inhibitions in employees have an effect on their work patterns. Variables emanating from the kind of work employees perform have an impact on their level of motivation because employment associated features in the form of increased independence, the importance of the jobs, variation of accomplishments and joint effort or collaboration have the impetus of improving motivation for particular people. Nonetheless, it is significant to deliberate on the impact of personal features simultaneously, consequently not all employees want the same level motivation to have an enhanced employment, nor accomplish improved work when allotted such an employment (Maslow, 1993).

The working surrounding is also essential for motivation with regards to the superiority of in-group relations, direction, styles, remuneration and incentive schemes. Managers in organizations can have a significant effect in the motivational practices. They have a pivotal part in putting work structure accomplishments and the capability and independence of workers to undertake self-determination objectives on the work performance. Superiors have the ability of providing effective feedback on workers’ output as well as empowering them to take part in decision making. The level of interactions that exists amongst managers and their subordinates, usefulness of communication between them similarly impacts the motivational development. Roethlisberger et al. (1999), put it that the work surroundings, the presence and the level of use of appreciation or reward schemes have effect on employees’ level of action at the work place.

Non-cash enticements have the advantage of seeing to the incorporation of most of these variations impacting motivation. Further, as the categories of non-cash rewards which can be accessible in a government institution like Kumasi Polytechnic are many, such non-monetary incentives

have the prospect of motivating workers in various number of avenues as compared to financial incentives. Per exempli, noncash enticement has been indicated as the principal variable that has an impact on motivation in relation to people having differences in interests and needs. Employees likewise have diverse forms of gaining recognition or appreciation for the work they perform within the organization. Motivation via non-monetary means can take the usage of refining conditions of work, giving recognition to excellent or good work done in the form of gifts, note of appreciation and encouragement, a tap on the shoulder of an employee, lunch tickets and so on, arranging socially inclined activities at the work environment, empowering them to undertake difficult tasks as well as involving employees in decision so that they will feel accepted and work hard towards achieving organizational goals.

Accordingly, interests and needs of individual employees may be met through the use of variety of these non-monetary incentives. Subsequently, certain non-monetary rewards that have a relation with monetary incentives are related with the features of the work or employment which may include giving encouragement to employees by allowing them to have autonomy with their job performance, passing on to them difficult tasks, varying of duties, and making them feel more responsible for their work will be a better platform to have them motivated in functioning well. In these ways work-related factors which impact on motivation will also be used. Furthermore, non-monetary incentives that embed some fundamentals that emanate from the working situation, paying attention to team inter-relations and style of leadership motivates employees across all sectors of working class. It is necessary for superiors to consider work environment characteristics that affect motivation like recognizing a good work performed, seeking opinions of employees, giving them the necessary feedback since all can contribute to enhance work output. As a consequence, it is likely to contend that the changes impacting motivation have intrinsic and extrinsic motivational paraphernalia. In as much as the problem of how to raise worker or employee motivation emphasizes on any or more of the variables talked about impacting on motivation, it can likewise determine any inducement or incentive apparatus, be it financial or non-monetary, geared towards providing extrinsic or intrinsic motivation.

Considering all the above clarifications, it is probable to claim that non-monetary incentives or inducement as a motivating factor has the potential or can cater equally for the motivation concept of both intrinsic and extrinsic. Whereas, non-monetary packages motivate employees both intrinsically and extrinsically with its diverse forms, financial incentives may perhaps be categorized as an aspect which ends up with extrinsically motivated behaviors. For instance, physical non-cash incentives like internet access, movie tickets, lunch coupons or non-monetary social incentives

which may include being recognized for a good work done, feedback on work output and picnics organized by the company may perhaps contain extrinsically motivational influences.

In addition, work-associated non-monetary incentives like empowering employees, giving them training programmes, challenging duties, working in teams and giving more responsibility might induce workers inherently. Thus, they aid in producing self-determined motivation because non-monetary incentives have multiple diversification of employee motivation which exist at the work environs unlike the singular measurement of financial motivations.

III. METHODOLOGY AND DATA

This study investigates the non-teaching staff of Kumasi polytechnic to assess the impact of monetary and non-monetary incentives on motivation. Various variables concerning how the staff of Kumasi polytechnic are being motivated form the basis of this study. The target population of this study was the entire Kumasi polytechnic community constituting teaching staff of 227 and non-teaching staff of 300. This study targeted all the workers in all departments in Kumasi polytechnic because all the people are deemed to have the appropriate information as per the requirements of this study.

In this study, a judgmental or purposive method of sampling was used to select the study sample. The non-teaching staffs of Kumasi polytechnic were used as the basis of the research. They comprised of senior members, senior staffs and junior staffs. In selecting the sample size of the non-teaching staff of Kumasi Polytechnic for the study, the Slovin's (1973), sampling method was adopted. The formula is presented as; $n = \frac{N}{1 + N(e)^2}$ (where n = sample size; N = sample frame; and e = margin of error/confidence level.

Now, using a margin of error of 6%, and applying the Slovin's formula to compute for the

Sample size of the non-teaching staff (300) resulted in the following:

$$n = \frac{N}{1 + N(e)^2} = \frac{300}{1 + 300(0.06)^2} = 144.2$$

Therefore, the sample size selected for the study is 144 people

In order to achieve the objectives of the study, various factors that potentially assess the impact of monetary and non-monetary incentives on motivation among non-teaching staffs of Kumasi polytechnic were studied. The variables that were used in this study included Job Promotion, Recognition, Career Development, Crèche, and Fringe Benefits for Non-Monetary Incentives. The variables used for Monetary Incentives included Merit Pay, Bonuses, Wages and Salaries, Scholarship, Accommodation Loan and Gain Sharing. The collected

questionnaires were comprehensively examined, and checked for completeness. The questionnaires were then coded and entered into the Statistical Package for Social Sciences (SPSS) version 20. SPSS was used because it helps in organizing and summarizing the data to provide important parameters, which were useful for the data analysis. Both descriptive (frequencies, means, minimum, maximum, standard deviations and graphical illustrations) and inferential statistics were used for the analysis.

The presentation of findings was done by the use of charts and graphs, percentages and frequency tables accompanied by appropriate descriptions. Correlation coefficient was used to measure the strength of the linear relationship between two numerical variables. A regression coefficient was applied to determine the relative importance of each of the variables with respect to employee motivation. Saunders et al., 2007 stated that regression coefficient model is used to assess the strength of relationship between dependent variables and independent variables. Using SPSS (version 20), an analysis was made to determine which of the independent variables influence the dependent variables and to what extent they affected them.

IV. FINDINGS AND DISCUSSION

This section presents the analysis of findings based on empirical estimations on assessing the impact of non-monetary incentives and monetary incentives on motivation among non-teaching staffs of Kumasi polytechnic. The study uses a sample size of 144 non-teaching staff of Kumasi polytechnic from which 120 filled in and returned the questionnaires making a response rate of 83% which is very appropriate and excellent for this study (Mugenda and Mugenda, 1999). According to Mugenda and Mugenda (1999) where response rate is 50%, it is suitable for analysis, where the rate is 60% it is good and where the rate is 70% and over it is excellent for analysis.

Table 1 Perception of Monetary and Non-Monetary Incentives

Non-Monetary Incentives	N	Mean	Std. Deviation
Job Promotion	120	4.17	1.125
Fringe Benefits	120	3.98	1.145
Career Development	120	4.12	.989
Recognition	120	3.90	1.148
Pre-Education For My Kids	120	3.38	1.360
Monetary Incentives			
Merit Pay	120	3.85	1.157
Bonuses	120	3.82	1.195
Salaries/Wages	120	4.27	1.115
Gain Sharing	120	3.72	1.277
Accommodation Loan	120	4.18	1.085
Scholarship	120	4.23	1.119

Source: Field work 2016

A section of the questionnaire used assesses the perception of respondent on incentives that motivate them by

indicating on a five point likert scale their level of agreement or disagreement with the statement provided even though it was not part of the objectives. This was done to know what staff perceived motivates them most. The likert scale ranged from 1=strongly disagree to 5 strongly agree. Based on the likert scale a criterion is deemed significant if it has a mean higher than 2.5 than when it is lesser than 2.5. Also for the standard deviation, the higher the number, the more variance it is in agreement while the lesser the standard deviation, the more consistency it is in agreement among the respondents. From table 1 above, most of the respondents think that for non-monetary incentives job promotion should be ranked first because it has the highest mean (4.17) followed by career development with a mean of 4.12 then fringe benefits which also have a mean of 3.98. Recognition is next to fringe benefit because it has a mean of 3.90. Lastly, pre-education had a mean of 3.38. For the level of variability, career development is more consistent in the agreement among the respondents because it had the lowest standard deviation. For the monetary incentives for employee's motivation, the respondents ranked salaries/wages first (it had a mean of 4.27), followed by scholarship with the mean of 4.23, then accommodation loan which has a mean of 4.18. Merit pay was the next with a mean of 3.85 then bonuses with a mean of 3.82. Respondents ranked gain sharing last with a mean of 3.72. The variability in gain sharing was the greatest.

Table 2 Monetary and Non-Monetary Incentives used at Kumasi Polytechnic

Monetary and Non-Monetary incentives	Strongly disagree Freq.(%)	Disagree Freq.(%)	Neutral Freq.(%)	Agree Freq.(%)	Strongly agree Freq.(%)
Non-Monetary Incentives					
My organization provides me with Job promotion	2(1.7)	0	6(5)	48(40)	64(53)
Career development is provided in my organization	1(8.8)	3(2.5)	9(7.5)	59(49.2)	48(40)
Recognition is given as a non- monetary incentive in my organization	2(1.7)	13(10.8)	25(20.8)	55(45.8)	25(20.8)
Fringe benefits are given in my organization	4(3.3)	14(11.7)	31(25.8)	56(46.7)	15(12.5)
Crèche is provided by organization.	76(63.3)	17(14.2)	7(5.8)	9(7.5)	11(9.2)
Monetary Incentives					
Merit pay is provided by my organization	8(6.7)	11(9.2)	26(21.7)	59(49.2)	16(13.3)
Bonuses are provided by my organization	10(8.3)	16(13.3)	24(20)	51(42.5)	19(15.8)
Salaries/wages are given in my organization	2(1.7)	4(3.3)	5(4.2)	42(35)	66(55.8)
Gain sharing is used as an incentive in my organization	6(5)	9(7.5)	32(26.7)	44(36.7)	29(24.2)
Accommodation Loan is an incentive given in my organization	0	6(5)	18(15)	43(35.8)	53(44.2)
My organization provides scholarship	1(0.8)	1(0.8)	4(3.3)	46(38.3)	68(56.7)

Source: Field work 2016

The table 2 above demonstrates the monetary and non-monetary incentives used at Kumasi polytechnic. With regards to the organization providing them with job promotion, 93% of the respondents strongly agree and agree that the organization provides them with job promotion. This is encouraging number that can help to conclude that job promotion is used at Kumasi polytechnic. Furthermore, the issue of career development was raised. Here, 49.2% of the respondents agreed and 40% of the respondents strongly agreed that career development is provided by the organization. The next was about recognition and 80% of the respondents responded that they agree that recognition is given as a non-monetary incentive in the organization. On the issue of fringe benefits, 56 of the respondents agreed those fringe benefits are given in the organization while 15 respondents strongly agreed to that. But for the crèche, majority of the respondents disagreed to that. 76 respondents strongly disagreed while 17 respondents disagreed that crèche is provided by the organization. For the questions associated with monetary incentives, this is what popped up. On the issue of merit pay, 75 of the respondents representing 62.5% agreed to the fact that merit pay is provided by the organization. 70 respondents agreed on the issue of bonuses being provided by the organization. When the respondents were again asked to respond whether or not salaries/wages are given in the organization, their responses suggest that they do have. 55.8% of the respondents strongly agreed that they were given salaries/wages and 35% agreed. The next issue was about gain sharing, which 60.9% of the respondents agreed that gain sharing is used as an incentive in Kumasi polytechnic. Again, on the issue of accommodation loan, 96 of the respondents were in agreement with accommodation loan as an incentive given in the organization. Lastly 95% agreed that the organization provides scholarship.

In conclusion, for the non-monetary incentives, all but crèche was known by the majority of the respondents as incentives used at Kumasi polytechnic. For the monetary incentives, all were known by the respondents as incentives used at the organization.

Table 3 Motivation Level of staffs

Descriptive Statistics	N	Mean	Std. Deviation
Needed equipment to work	120	3.55	1.003
Feedback on my performance	120	2.49	1.366
Decision-making	120	1.94	1.154
Recognition on my performance	120	3.28	.907
Management-worker relationship	120	3.57	1.010

Source: Field work 2016

From table 4.6, on the level of agreement with statements that relate to the motivation level of non-teaching staffs of Kumasi polytechnic, majority of the respondents were in agreement with the management-worker relationship encouraging them to work as shown a mean score of 3.57 and the agreement varies among the respondents. The institution providing them with the needed equipment to work also shows a mean score of 3.55 which means most of the respondents agreed to that. The respondents were however neutral on the fact that their superior giving them recognition on their performance as shown a mean score of 3.28 and their level of agreement among the respondents were consistent. Their superior giving them feedback on their performance also gave a mean score of 2.49. They were also in disagreement on the fact of management involving them in decision-making as shown by a mean mark of 1.94 and the level of agreement among the respondents were not in consistent but rather vary.

Table 3 General Motivational Level

Motivation level	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Demotivated	4	3.3	3.3	3.3
Demotivated	3	2.5	2.5	5.8
Neutral	36	30.0	30.0	35.8
Motivated	73	60.8	60.8	96.7
Strongly Motivated	4	3.3	3.3	100.0
Total	120	100.0	100.0	

Source: Field work 2016

From table 4.7, this research questions focuses on the general motivation level of the respondents within the institution. The analysis revealed that 73 of the respondents representing 60.8% were generally motivated by the incentives used in the institution.

Table 4 Regression Analysis

Coefficients									
Model	Unstandardized		Standardized	t	P-value	95.0% Confidence		Collinearity	
	Coefficients		Coefficients			Interval for B		Statistics	
	B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
(Constant)	2.347	.324		7.246	.000	1.704	2.989		
MP	.165	.061	.317	2.703	.008	.044	.286	.453	2.207
BO	-.006	.064	-.011	-.094	.925	-.134	.122	.437	2.290

SW	.116	.062	.178	1.869	.044	-.007	.240	.688	1.453
GS	.065	.055	.128	1.168	.245	-.045	.174	.521	1.918
AL	-.080	.059	-.141	-1.354	.179	-.197	.037	.576	1.736
SC	-.007	.060	-.011	-.113	.910	-.125	.112	.630	1.586
JP	.067	.071	.107	.935	.352	-.075	.208	.474	2.111
CD	.086	.072	.130	1.196	.234	-.056	.228	.526	1.900
RE	.039	.074	.061	.521	.603	-.108	.185	.450	2.223
FB	-.100	.065	-.185	-1.543	.126	-.229	.029	.433	2.308
CR	.117	.041	.271	2.886	.005	.037	.198	.709	1.411
Dependent Variable: Motivation									

Source: Field work 2016

From the above regression equation, we can clearly observe that, increasing the merit pay of non-teaching staff tends to increase their motivation as well and hence there exist some positive relationship between merit pay and motivation. Similarly increasing the Salaries/Wages (SW) and holding all other predictor variables constant increases the motivation of the sampled staff. In other words, the workers were of the view; they are mostly motivated to work harder to improve upon their work output whenever their salaries and other wages are increased by the management of the institution. Also from the equation we found out that whenever staff members are promoted their status changes and this serves as an incentive to challenge them to work harder to improve upon their performance as well as that of their institution. Career development was also found to be having a positive relationship with motivation as well as recognition and crèche. The significance of each of the independent variables was tested with *t-test* statistics and their respective *p-values* were recorded as shown in 4.9. From the table only three variables namely Merit Pay (MP), Salary/wages (SW) and crèche (CR) were all found to be making significant contribution in increasing the motivation of workers sampled at Kumasi polytechnic. Merit Pay, Salary/Wages and crèche (CR) as an incentive was influencing the workers greatly in increasing their work-output and these three variables were found to be a major determinant that influences the motivation of staff members. The Anova table as shown in Table 4.10 was used to evaluate the strength of the prediction equation. A measure of the strength of the computed prediction equation is the coefficient of determination (R-square).

To test the non-linear relationship between the predictor (monetary and non-monetary incentives) and the dependent variable (motivation), i.e. R-Square=0. From Table 4.10, the F-test statistics of 4.939 which test how well the regression model fits the data recorded a *p-value* of 0.000, hence we reject the hypothesis that there is no linear relationship and conclude that there exists linear relationship between the dependent variable and the independent variables.

Table 5 ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.241	11	.658	4.939	.000 ^b
	Residual	14.128	106	.133		
	Total	21.368	117			
a. Dependent Variable: Motivation						
b. Predictors: (Constant), CR, SW, JP, GS, MP, SC, AL, RE, CD, BO, FB						

Source: Field work 2016

The P-P plot of the regression standardized residual as shown in Chart 4.4 was used to check whether the derived regression model was adequate in explaining the relationships as well as check whether the model fit the data well. From chart 4.4, it is evident that, almost all the data points were around and closed to the line of best fit indicating that there existed strong relationship between the predictors and the dependent variable and hence the model is adequate.

IV. CONCLUSION AND POLICY IMPLICATIONS

From the findings, the study concludes that the monetary incentives used by Kumasi Polytechnic are Merit Pay, Bonuses, Salaries and Wages, Gain sharing, Scholarship and Accommodation Loan. While the Non-Monetary incentives used are Job Promotion, Career Development, Recognition and Fringe Benefit. The study deduced that the general motivational level among Kumasi Polytechnic Non-teaching staff was high as they have the necessary equipment among others to work with. The study further concluded that both monetary and non-monetary incentives had impact on motivation, however, the impact can be positive or negative. Merit Pay, Salaries and Wages and Crèche have significant impact therefore need to be increased in order to increase employee motivation. As said by Bagraim et al. (2007), there is a category of employees that are motivated by financial goals, others that are motivated by professional goals and others that are motivated by personal goals. In view of this one incentive cannot be used to motivate all staff at all levels. There is therefore the need for Kumasi Polytechnic to use both

incentives as they both have impact on motivation. The study lastly concluded that challenges that were faced in motivating employee are management not knowing the level of motivation at each time and that the fact that Management does not know what motivates them most. This can be linked to Bargrain et al. (2007), which says that there is the need to investigate the needs and goals of employees to be able to address them to get them motivated without this, it will be difficult to know what actually motivate employees.

The study recommends that in order to enhance employee's motivation and retention, management should offer increased medical package, scholarship, staff contribution in decision making, transparency in matters relating to staff benefits and accommodation. This study recommends that the government of Ghana formulates labor policies that would ensure that employees are treated with maximum importance in the organizations they work for, and that their needs should be addressed not only in terms of money, but also in non-monetary ways by their organizations recognizing them and allowing independence.

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