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**MOTIVATIONAL PACKAGES AND REVENUE MOBILISATION IN THE GHANA  
REVENUE AUTHORITY: A CASE STUDY OF THE SMALL TAXPAYERS OFFICE  
(STO), ADUM-KUMASI**

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## **DEDICATION**

This Project Work is dedicated to our families especially our husbands and wives who supported us throughout the programme.

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## **ABSTRACT**

The study was an exploratory survey designed to find out the Role of the Motivational packages in enhancing Revenue Mobilisation in Ghana Revenue Authority, (A study in the Domestic Tax Division, Small Tax Office, Adum). Views were sampled through 14 items – type questionnaire from GRA staff. Data was subjected to frequency counts involving simple percentages and content analysis techniques using pie charts, tables and bar graphs. The results were discussed extensively using tables and graphs, and the findings of the study indicated that bonus opportunity, flexibility in job design, promotion to higher rank and empowerment are present in GRA. They indicated however that the bonus incentive is the most cherished by majority of the employees followed by opportunity for further studies. It was realized the bonus system has positive role in influencing revenue mobilisation in the GRA. The study therefore recommended the Revenue Administrators to focus seriously on the Bonus system as a strategy to enhance revenue mobilisation.

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## **CHAPTER ONE**

### **INTRODUCTION**

#### **2.0 Background of Study**

Improving productivity has become a major goal in virtually every organization, therefore, there is considerable interest in productivity both from an organizational standpoint and national standpoint (Stevenson, 2005:53). High productivity can lead to economic growth and development. Haakonsson et al (2008) and Stevenson (2005) are of the view that government leaders are concerned with national productivity because of the close relationship between productivity and a nation's standard of living. This explains why effective leadership and productivity issues seem to be paramount on the agenda of most world leaders especially those in African countries (African Business Leaders Forum, November 19-21, 2008). Experts like Wu et al (2008) have attempted to explain that although new technologies provide governments with opportunities to improve efficiency and responsiveness, it also poses a host of new challenges. They suggest that productivity improvement is an exercise to induce change and improve productivity in the face of resistance, unpredictability, complexities and variability. Success depends on recognizing and dealing with constraints and motivating and influencing actors to cooperate (Naidoo and Lord 2008).

An organization's production capacity is dependent on two important factors. The first is the machine production capacity (Shadare & Hammed, 2000, p. 8). In the event that an organization acquires a machine that is meant to make, say one thousand yarns per hour, then if the machine can only make four hundred yarns, then it is not efficient. There is a lot of energy wasted as the machine consumption is still the same but the production is less. The machine might need

*motivation*, which in this case would be servicing and replacing worn out parts, oiling and greasing to reduce friction and the like.

Looking at the second factor, which is the human capital, the production of an organization, is also dependent on individual efforts of the employees. Employees just need to be understood and revitalised to remain productive (Levoy, 2009, p. 18).

Motivation is a key factor in organizations by which better performance can be achieved with well-motivated people. It has been an important topic not only in the past but also in present organizational settings. Motivation can be described as the direction of behaviour and the factors that influence this behaviour. People feel motivated when they can expect that certain action will lead to certain rewards (Armstrong, 2017).

According to Evan et al. (2006) the time and effort spent by employees in performing job tasks depend on four main categories of factors – the employee's attitude regarding salary, relaxation, benefits and internal motive for working.

As Seiler, Lent, Pinkowska and Pinazza (2012) stated, work motivation can be determined by measuring work performance and satisfaction. In such circumstances, management should focus on identifying an employee's needs and wants regarding the work environment in order to achieve the highest level of motivation possible.

Many studies and surveys have been conducted on the subject of motivation. Different theories of motivation seek to explain why employees act and behave in certain ways attempting to describe the factors and strategies with which organizations can achieve the highest level of commitment from their employees. For the purpose of this thesis, the following theories are considered to be important in connection to the research:

Maslow's hierarchy of needs, ERG theory (Alderfer), Herzberg's motivation-hygiene theory, Vroom's expectancy theory, Latham's and Locke's goal setting theory, and Adams' equity theory.

### **1.1 Statement of the Problem**

Tax Administration the world over has tried to employ various mechanisms towards achieving voluntary tax compliance and revenue mobilisation. In Ghana for instance, various enforcement laws as enshrined in sections 135 to 158 of the Internal Revenue Act 594, Act 2000 were enacted to serve as punitive measures, and to enhance revenue mobilisation prior to the integration in the year 2010. Despite these stringent enforcement laws, revenue mobilisation has not improved remarkably prior to the year 2010. For instance revenue marginally increased from 3,040.22(millions) in 2007, 3,743.76(millions) in 2008 4,625.88(millions) in 2009 and 5,951.45 in 2010 before the integration. In percentage terms revenue mobilisation increased in the threshold of 0.42% from 2007 to 2009(GRA, 2010). In the circumstances, after the integration various policy directions including motivation packages like the bonus system were put in place to enhance revenue mobilisation. The study therefore seeks to establish whether there is a link between motivation and revenue mobilisation.

### **1.2 Aim/Objective of the research**

The main objective of the research is to assess the role of motivational packages in enhancing Revenue mobilisation in Ghana Revenue Authority.

### **1.2.1 Specific Objectives**

The specific objectives of this research include:

- (i) To determine whether there exist motivational packages in the GRA.
- (ii) To establish to type of motivational packages available in the GRA
- (iii) To assess the level of revenue mobilisation for the past 10years.
- (iv) To establish whether motivation packages have an influence on employee performance

### **1.3. Research Questions**

In view of the above the specific research seeks to answer the following questions:

1. Doe there exist motivational packages in the GRA?
2. What forms of motivational packages exist in the GRA?
3. What has been the percentage increase in the revenue collection over the period of 10 years?
4. Do motivational packages have an effect on employee performance

### **1.4. Significance of the Study**

The study will contribute to knowledge building. Policy makers would have the advantage of improving on strategies and laws for tax administration in companies in Ghana and the national level too from the findings and conclusions that will be drawn out from this research. This study will also provide empirical evidence on how far the bonus system has enhanced revenue mobilisation in GRA.

### **1.5. Scope and Organization of the study**

The target population of the study will consist of all the permanent staff members in the Small Taxpayers Office of the Ghana Revenue Authority, Adum Kumasi for the year 2019.

Chapter one constitutes the introduction which includes; the background to the study, the statement of the problem, the objectives of the study, significance of the study, research question, and scope and organization of the study.

Chapter two discusses the literature review which highlights both the theoretical and empirical literatures of the study. It ends with the operational definition of certain technical terms and phrases used in the study.

Chapter three considers the methodology used in the study. This chapter includes the research design, sample size and sampling method used, the research instrument and statistical instrument used in analyzing the data.

The fourth chapter deals with the presentation and discussion of the findings. This chapter presents the findings of the study via frequency table, bar chart and pie charts and discusses the results in relationship to the literature review.

Chapter five summarizes the major findings of the research, the conclusions reached and the recommendations.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

The literature review presents summary of writings and speeches of recognised or accredited authorities like scholars and researches done on the topic; the role of the bonus system in enhancing revenue mobilisation in Ghana Revenue Authority (Domestic tax Division)

The study of rewards systems and motivation is the fascinating study of what drives us as persons; what makes us tick. As much of our lives are spent working in organisations where motivation plays a part in performance, this becomes an important research aspect to explore. How can organisations motivate their members to achieve the goals of the organisation and structure those motivational techniques by means of rewards systems? In an attempt to answer these questions a great deal of research has gone into this field, resulting in greater understanding of human motivation and a greater capability to motivate through organisational rewards systems. However, due to its vast nature, it can be difficult to get an overview of this research, what stages it has gone through and what results have been documented. This research chronicles this evolution of research done on rewards systems and motivation, what stages research has gone through, and offers some thoughts on where we should be looking for new research ideas on the matter.

Even though great deal of research has gone into finding appropriate material, this research is not meant to be an all-inclusive, emptying coverage on the matter, rather it's meant to highlight important theories and research.

### **2.1.1 Types of Motivation**

#### **2.1 Intrinsic motivation**

Intrinsic motivational factors are related to the content of work and the levels of interest and satisfaction that it brings to employees. Individuals create factors of intrinsic motivation by themselves, and they act and behave according to these principles. These factors include job responsibilities, autonomy of negotiation, interest in the work, and possibility of further personal development and growth. These factors can directly influence the workers' motivation and performance. An unfavourable situation causes an employee to be neither satisfied nor reasonably motivated to work. Both financial and non-financial rewards can be used. Internal motivators are characterized by their deeper and longer-lasting effect, as they are part of an individual and are not forced from the external environment (Štikar, Rymeš, Riegel, & Hoskovec, 2003).

Similarly, Linz and Semykina (2010) and Nazir et al. (2014) reported that internal motivation leads to substantially higher job satisfaction and improved employee performance.

#### **2.1.2. Extrinsic motivation**

Extrinsic factors include the overall conditions of the workplace. Such conditions include the system of values and penalties affecting work motivation, such as praise, promotion, financial rewards, but also disciplinary proceedings or criticism (Armstrong & Stephens, 2005).

External motivation can have a relatively immediate and powerful effect. However, this type of motivation may not work on a long-term basis, as opposed to an individual's inner motives (Štikar et al., 2003).

As stated in Linz and Semykina (2010), job satisfaction is positively related to expected extrinsic rewards, such as job security, bonuses, and praise or recognition from a supervisor, but also to



expected intrinsic rewards, such as the chance to accomplish specific goals, education opportunities, and a positive workplace atmosphere.

Both types of rewards are important for understanding the factors which influence both job satisfaction and employee performance. However, as was discovered by Nazir et al. (2014), focusing excessively on extrinsic rewards might eventually displace intrinsic motivation, therefore finding a balance between these two rewards is desirable.

## **2.2 Theoretical Framework**

The study was guided by Herzberg's concept. It is a theory of two hygiene factors which will be applied to the problem of the role of the bonus system in enhancing revenue mobilisation in the Ghana Revenue Authority.

### **2.2.1 Herzberg's two-factor theory**

The authors of this theory are Herzberg, Mausner and Snyderman (Armstrong, 2017). These authors argued that work motivation is influenced by two different groups of factors.

Firstly, there are internal stimuli, i.e. motivators which are derived from an employee's relationship to his/her work. These include, for example, the possibility of promotion, recognition or praise from management, responsibility and workload (Armstrong, 2017).

The second group consists of external stimuli, or hygienic factors. These factors determine the level of employee satisfaction. These include relationships with colleagues, working conditions, job security, and, the most prominent example, salary.

According to the authors, these factors may contribute significantly to dissatisfaction but do not affect satisfaction (Štikar et al., 2003).

According to Herzberg (1987), organizations can reduce dissatisfaction by adhering to the following rules:

- i. Fix obstructive and poor company regulations and policies,
- ii. Provide effective and supportive supervision,
- iii. Create an organizational culture of respect for all team members,
- iv. Ensure that salaries are competitive,
- v. Provide job security, and
- vi. Establish high job status by providing meaningful work for each position.

The motivational-hygiene theory explains that the highest levels of employee motivation can only be achieved when employees have challenging but also enjoyable work where there is a possibility for personal growth and employees can demonstrate responsibility. Furthermore, employees also need to feel like their work is meaningful and enriching (Herzberg, 1987).

This theory is strongly criticized, however, mainly because of the research method applied in Herzberg's original, which was based on an examination of accountants and technicians, who are generally motivated to increase their qualifications. For less qualified workers (e.g. labourers), these results may not apply. Some attempts to verify Herzberg's findings for manual workers have shown that some factors considered by Herzberg to be hygienic factors (salary, job security) are perceived as motivators (Ivancevich et al., 2012).

### **2.3 Factors of Work Motivation**

There are many factors to motivate people, both in positive and negative ways. Each organization creates its own system of work incentives to achieve desirable outcomes.

This system has an impact on motivation, employee satisfaction, work ethics and employee productivity. A work motivation system is designed to strengthen employee behaviour as the company requires. The following factors are used to encourage motivation and performance in organizations (Urban, 2017): material rewards;

- i. Content Of the work: the degree of creativity and autonomy in work activities, the prestige of the profession, etc.; recognition and appreciation of performance by a team leader;
- ii. Team leader competence and skills;
- iii. Overall mood in the workplace and good relations with colleagues;
- iv. Working conditions and environment and organizational efforts to improve them;
- v. Identification with one's work, profession and organization;
- vi. External factors: the prestige and image of the organization on the labour market.
- vii. Factors that have a strong negative impact on motivation at work include:
- viii. Unfair remuneration,
- ix. Inadequate leadership,
- x. Chaos or poor organization of work,
- xi. Lack of work or material, and
- xii. Frequent and unjustified changes.

The above-mentioned factors can serve as a guide for organizing a motivation programme. A motivation programme is used to promote the company and to influence loyalty, improve performance, and increase the motivation and satisfaction of employees. Such motivation programme affects two essential areas of an organization, work environment and rewards system (Urban, 2017).

Work environment is related to managerial style, workplace ambience, relations within the team, and the organization's culture. Managers should recognize the achievements of employees and treat them with appreciation and respect. Moreover, employees should have possibilities for further development and growth. Employee motivation is one of the most important factors contributing to efficiency and performance (Linz & Semykina, 2010).

Exant studies carried out on the perception of factors influencing motivation and job satisfaction among employees. This research has shown that older employees are mostly motivated by flexibility at work, autonomy, respect among employees, good relationships at the workplace, equal treatment of employees, or the possibility of home office. On the other hand, younger employees are motivated mainly by higher wages, promotion possibilities, personal development and education courses, appreciation by the employer, or diversity of work. Thus, positive changes in rewards systems for different age groups of employees will increase work motivation and performance (Rožman, Treven, & Čančer, 2017).

### **2.3.1 Reward System**

An employee reward system covers many aspects within an organization, including incorporated processes, practices and policies for rewarding employees in accordance with their skills, contribution and competence. A strategic concept for a reward management system indicates the importance of linking organizational strategy, objectives and culture in the reward system. The reward system comprises financial rewards and employee benefits. Moreover, it covers non-financial rewards (achievement, recognition, responsibility and personal development) and often also performance management processes (Armstrong, 2017).

Management of employee benefits has become a key process of HR departments in many organizations, and its effective operation can provide a significant competitive advantage in the labour market. Otherwise, an organization may experience employee dissatisfaction, increased fluctuation, and loss of key employees attracted by another employer's offer (Armstrong, 2017). For managers and HR departments, it is a difficult task to create an efficient, motivating, fair and transparent remuneration system. Such a remuneration system should be acceptable to both sides (employees and employers), thereby contributing to shape harmonious relationships within the organization.

d'Ambrosová (2015) describes the system of employee benefits as a convenient tool for motivation of employees and emphasizes the possibility for the employer to determine the key features of the system. The most important tools of the reward system are salaries, bonuses and benefits.

### **2.3.2 Purpose of the Reward**

Every organization should have a well-chosen and established system of employee benefits, which can be a major competitive advantage in the labour market (d'Ambrosová, 2015).

Branham (2009) highlights the difference in the perception of employee benefits between employees and employers. He reports that according to research there is a significant difference in the perception of benefits. As an example, he states that rewards for a well-done job are perceived by employees as very positive while for the employer they are not so important.

Another important aspect of a well-functioning system is the number of offered benefits, because sometimes less can do more. According to the author, a high number of benefits does not automatically mean higher levels of motivation and satisfaction (d'Ambrosová, 2015).

Nazir et al. (2014) found that the positive relationship between job satisfaction and employee benefits, such as pay, fringe benefits, promotions and opportunities to learn new skills, is well recorded among employees in developed market economies.

There are three key components of a reward system: financial rewards, non-financial rewards and employee benefits.

### **2.3.3. Financial Rewards**

Financial rewards include wages, salaries, commissions and various bonuses. Wages serve as a tool according to which employees can evaluate their contribution to an organization or their performance. However, wages alone do not increase performance because they come only after the job is done and reflect rather an evaluation of a position, not the worker him/herself. Therefore, money is not the primary motivation for everyone, and after some time salary loses its motivational character (Latham, 2007).

The following rules should be taken into consideration in a reward system (Latham, 2007):

- i. Reward should be directly related to performance;
- ii. Reward should come as soon as possible after completing the task;
- iii. Employees should clearly know the relationship between effort and reward; and
- iv. Binding rules which define the relationship between performance and reward should be established in advance.

### **2.3.4 Non-Financial Rewards**

Non-financial rewards are provided through recognition, responsibility and achievement, personal growth within the organization, as well as the organization's culture and environment. These can be either intrinsic (related to interesting and challenging work) or extrinsic (such as recognition or

appreciation). Non-financial rewards together with financial rewards and employee benefits create the total reward system.

### **2.3.5. Success and Recognition**

The need for success and recognition are one of the most powerful motivational factors. Employees need to know whether they have done their work well, but they also need recognition from their supervisor. This recognition is linked with the self-esteem need in Maslow's theory. Recognition is closely linked to good leadership and should be based on successfully finished tasks. It should be provided by immediate feedback; however, this is not the only possible form of recognition. Armstrong and Stephens (2005) explained that achievement bonuses should be given accordingly. If work is not well organized, employees do not know what to do and do not have clear goals. In this case, achieving success and recognition might be difficult. There are many ways how to express appreciation. Recognition is also linked to a positive influence on the motivation of employees. Recognition and praise should be a natural part of the everyday routine, and the management should implement it as a part of company culture (Urban, 2010).

Aguenza and Som (2012) stated that organizations should prioritize recognition of employees in order to create a positive, innovative and productive organizational environment, because employees who feel appreciated are linked to higher productivity and willingness to achieve organizational goals.

### **2.3.6 Responsibility**

Employees can be more motivated when they are given more responsibility for their work. Responsibility is related to the organization and division of labour. It is linked to the concept of

intrinsic motivation. If employees are given autonomy to a specific level for doing their tasks and duties, they are motivated to perform better with higher efficiency, quality and productivity and with greater commitment. People likely accept responsibility because they are pleased that something depends only on them (Štikar et al., 2003).

### **2.3.7 Personal growth and development**

Another factor influencing motivation is the possibility for personal growth and development. The workflow relates not only to the vertical approach within the relationship of superiority and subordination, but also to the horizontal approach. It is linked to the expansion of knowledge, skills, empowerment and responsibility.

Employees recognize the importance of further development of their skills. The availability of training opportunities can be a powerful motivator for employees. For example, managers can be motivated by the possibility to acquire further professional qualifications (Urban, 2010).

The absence of training opportunities will result in a lack of information available to managers about employees' skills, competencies and knowledge that are required for future promotion.

## **2.4 Job Satisfaction & Performance**

Job performance and satisfaction are shaped and influenced by a considerable number of factors that contribute in a certain proportion to the overall level of satisfaction. The significance of each factor is individual, and the influence of these factors on the feeling of (dis)satisfaction is very dynamic and is related to the circumstances of the work environment and to individual internal factors (Štikar et al., 2003).



Job satisfaction is defined by Koubek (2002) as the individual level of positive relationship and approach to work. It is influenced by both intrinsic and extrinsic motivational factors and can be described as the individual ratio between an employee's work orientation and their work performance.

Employee job performance evaluation is considered to be a significant activity in human resource management which deals with the systematic description of the worker's strengths and weaknesses and at the same time shows their limits and reserves. Linz and Semykina (2010) believe that an employee's efficiency and performance are the result of their work satisfaction, motivation, interest and skill training. Performance is currently one of the key factors that determine an organization's competitiveness.

#### **2.4.1 Performance factors**

According to the study 'The Hay Group Engaged Performance Model', there are 6 groups of factors which affect job satisfaction and performance. As described in Horváthová, Bláha and Čopíková (2016) these are:

- i. i.Tangible Rewards,
- ii. Quality of Work,
- iii. iii.Work/Life Balance,
- iv. Inspiration and Values,
- v. Enabling Environment, and
- vi. Future Growth Opportunity

### **2.4.2 Employee Motivation and Company Performance**

In the 1960's, there were a number of theorists who performed research studies on an individual's motivation in the workplace. According to majority of these theorists, such motivation can in fact be predicted, explained and influenced. One of these theorists is Maslow (1943), who established the need hierarchy theory. According to this theory, human beings have five needs and their goal is to first satisfy their needs at the lower level. At this level, the needs of an individual are actually quite fundamental. For instance, at this level, human beings seek to fulfill their physiological needs and their security. Higher levels of needs consist of the individual wanting to satisfy his needs for affiliation, gaining self-esteem and self-actualization. Basically, Maslow's work focused on how the attitudes of an individual influence his/her own behaviours.

Making use of Maslow's theory, Porter (1963) conducted a study that showed how people in low level jobs were focused on satisfying their lower level needs. Such needs include job security. They would only move to higher level needs if they are also able to move to a higher job position. Of course, this would only happen once their lower level needs have been satisfied. In a study conducted by Latham & Ernst (2006), it has been suggested by the two researchers that managers should first make sure to provide both salaries and benefits in order to make sure that the basic needs of the employee are met. Examples of basic needs include food and healthcare. Managers should also make sure that the individuals that they hire to work for their company are those that can work and get along with their other colleagues. Once such lower needs are satisfied, there is a highly likely chance that the individual would then focus on building his/her self esteem through garnering personal and professional achievements, in addition to self-actualization. The latter refers to how an individual finds ways to maximize his/her knowledge and skills.

To compare Maslow's theory on motivation, and even Porter's own research findings, Herzberg states that employees would not be content through the satisfaction of their lower-level needs. In other words, acquiring basic salaries and being able to work in satisfactorily or average working conditions would not necessarily make the employee happy with his/her job. Based on Herzberg's theory, employees would highly likely seek for satisfying their higher-level needs (on the psychological level). Examples of this are 1) recognition, 2) increase in responsibility and 3) advancement or development and 4) the nature of the work being done. The Two factor theory, which involved both the hygiene factors and the motivation factors have been considered to be effective in boosting employee performance. According to Herzberg, motivation factors are needed in order to motivate the employee to do his/her job to the best of his/her ability. On the other hand, hygiene factors are required to make sure that the employee is not dissatisfied. Herzberg theorized that individuals have different approaches to tasks. For instance, when an individual decides to work out of necessity, then that kind of approach or action can be concluded to be 'movement.' On the other hand, if an individual decides to work out of a desire, rather than a need, then he/she can be said to be motivated. Basically, it can be said that when an individual wants to perform a task, there is a high chance that these results of the task would turn out to be better. This is in comparison to tasks carried out due to a need (Herzberg, 1968).

## **2.5 Empirical Studies Related to the use of Employee Motivation**

Rewarding with money can be seen as an easy solution, requiring very little extra work by managers and more often than not they get some positive results.

In the article Large Stakes and Big Mistakes, several researchers show that when tasks require cognitive thinking, higher cash bonuses are directly linked to inferior results (Ariely, Gneezy,

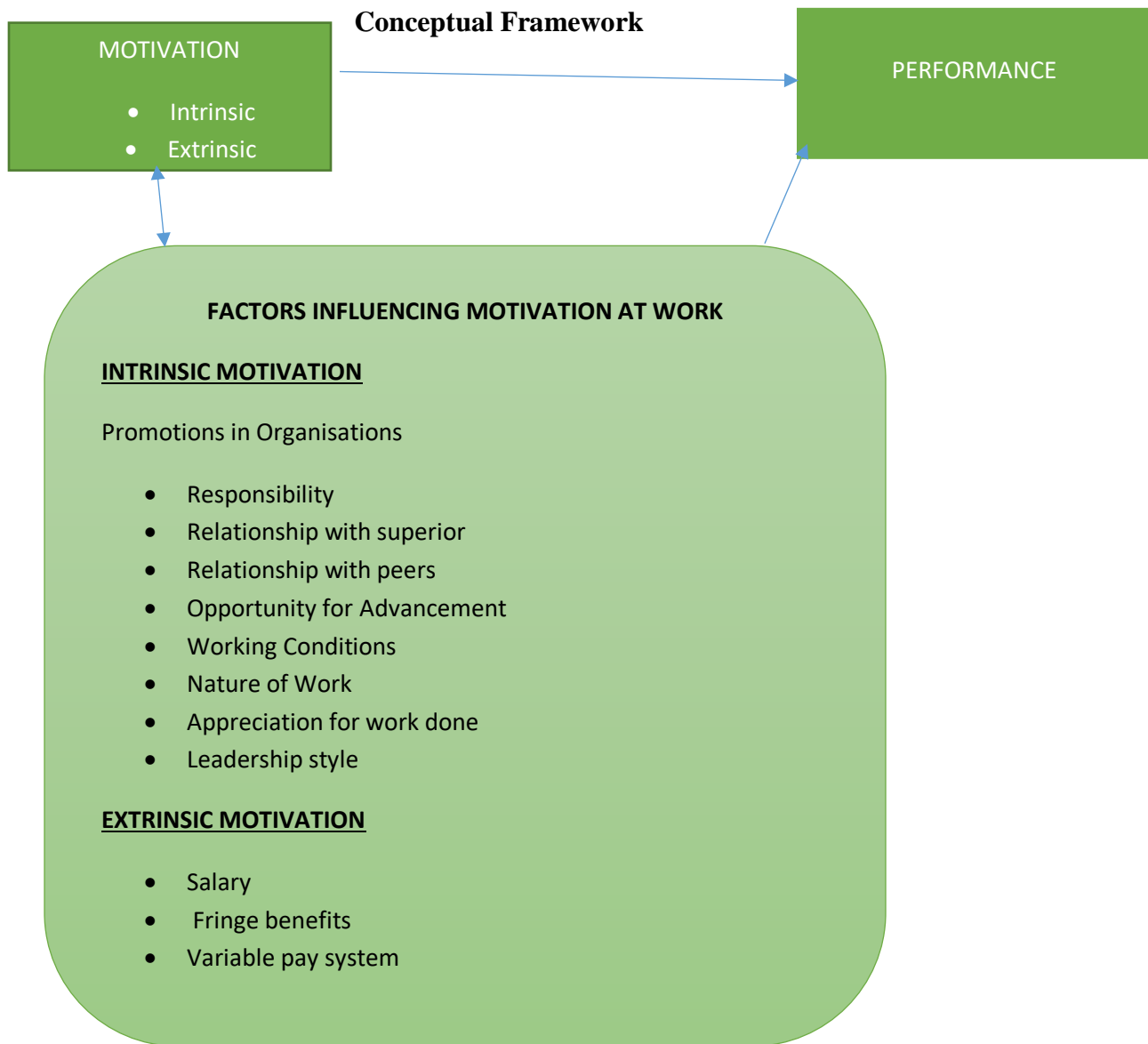
Lowenstein, & Mazar, 2009). With that in mind, one starts questioning if decisions that are made in big companies today are as good as they could be.

In his book *Drive*, Daniel Pink makes an example of high-tech companies like Google and Apple. In these companies intrinsic motivators are used to a greater extent than extrinsic ones, with employees getting to work on personal projects, having control over their work and whom they work with etc. (Pink, 2009).

Of course these are very specific examples and it may very well be that intrinsic motivators are not always suitable given the different nature of industries. For instance, it's true that creating intrinsic motivation requires time and work but research has shown that it makes for happier employees and better performance. In the words of Kohn (1993): "Pay people well and fairly, and then do everything possible to help them forget about money." (Kohn, 1993, p.49).

Picking up on Pink's (2009-) point, it would be interesting to see further research done on companies using non-monetary incentives and their reasons for doing so. This is especially interesting since some industries, e.g. high-tech, seem to be competing for employees on non-monetary bases, such as work environment.

Figure 1 conceptual Framework



**Source: Author's Own Construct, 2020**

From the above discussion, motivation which is the main drive behind effort to satisfy needs can come from within or from external force (intrinsic and extrinsic) respectively. The need theorists“ focuses on the question of what arouses, sustains and regulates goal directed behaviour that is what particular things motivate people and the process theorists“ also emphasize on the process of

motivation and importance of rewards. Performance and determinants of performance were discussed. Factors such as salaries, fringe benefits, responsibility, promotion in the organisation nature of work, recognition of work done; opportunity for advancement, working conditions, and relationships with superior and peers motivates employees, and concluded with a conceptual framework of the study.

## **2.7 Conclusions**

The study of incentive systems and motivation has come a long way. Today incentive systems are no longer just a way to get workers to produce more; they are used to aid in the implementation of strategy, to ensure goal congruence and minimise agency problems.

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.1. Background**

Research methodology provides a systematic and deep insight into the problem and facilitates extraction of scientific and logical explanation and conclusion. The methodology of a research gives the work plan of the research (Creswell, 2003). By so doing, methodology in research helps to build new frontiers of knowledge. This chapter describes the methods, procedures and approaches used to conduct the study. In order to achieve the objectives of the study, a combination of methods and procedures were adopted to investigate the various aspects. These include the study organisation, study design, study population, sampling and sampling procedure, data collection, instrumentation and procedures for data analysis and presentation

#### **3.2 Research Design**

Research design can be explained as a process or a plan that enables a researcher develop and execute a research agenda, including the topic selection and answering questions of why and how a particular problem will be scientifically investigated to its logical conclusion. Types of research designs include descriptive research, explorative research, case study research, etc (Sarantakos, 2006).

The study employed the descriptive design to conduct the study. Descriptive research design is a scientific method which involves observing and describing the situation of a subject without influencing it in any way. Neuman (2003) views descriptive design as representing “a picture of the specific details of a situation, social setting or relationship”. Descriptive designs are used to gain more information about a particular characteristic within a particular field of study. Descriptive research involves gathering data that describe events and then organizes, tabulates,

depicts, and describes the data collected. Creswell (2003) supports the use of descriptive design because it helps to describe, explain, and validate findings of studies. This is done by merging creative exploration and organising the findings in order to fit them with explanations, and then test or validate those explanations.

The descriptive design has been criticised for being narrow in scope and limiting analysis of events, concepts and theories to only what they are without exploring the in-depth components of such concepts (Creswell, 2003).

Notwithstanding the criticism labelled against descriptive design, the method is found to be most appropriate for the study. This is largely due to the fact that the design is considered to be relatively easy to conduct because data are fairly easy to obtain and interpret by the use of simple descriptive statistics (Sarantakos, 2006).

The method also has the advantage of producing good responses from a wide range of respondents including workers and management of the Ghana Revenue Authority. In addition, the method provides a clear description of events and tries to explain people's perceptions and behaviour on the basis of data collected. Hence, the design helped to unearth the effectiveness of motivation as an important tool for satisfying workers and enhancing productivity in the Ghana Revenue Authority.

## **3.2 Population and Sampling Technique**

### **3.2.1 Target Population**

According to Ary, Jacobs and Rezavieh (2002), population is used to refer to the entire group of individuals to whom the findings of a study apply. It is whatever group the investigator wishes to make inferences about. Target Population refers to the empirical units such as persons, objects,



occurrences, etc. used for the study. The target population is the group of interest to the researcher. It is the group from whom the researcher would like to generalise the results of the study. The target population consisted of employees of the GRA Small Taxpayers Office (STO) Adum, totalling 388 employees. Out of this, 350 were males while 38 were females.

In order to determine the sample size, the researcher used a 5% level of significance; the sample size was derived using Taro Yamane formula:

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

Where

n = sample size

N = Population of the study

e = level of significance/Error estimate at 5%

1 = Constant

$$n = \frac{388}{1 + 388(0.05)^2}$$

$$n = \frac{388}{1 + 388(0.0025)}$$

$$n = \frac{388}{1 + 0.97}$$

$$n = \frac{388}{1.97} = 197$$

### **3.3 Research Instruments**

#### **3.3.1 Primary Source of data Collection**

The study used structured questionnaire to collect information for the study. Majority of the items on the questionnaire were closed while few of them were open-ended (un-coded). Saunders *et al.*, (2003) state that the validity and the reliability of the data you collect, as well as the response rate you achieve, depend, to a large extent, on the design and the structure of your questionnaire. In this study, the questionnaire design was approached in two ways:

- By first, adopting questions used in other questionnaires, Irene, (2009).
- Secondly, by adding new set of questions to suit the study area.

The questionnaire was put into three sections. The first section looked at the demographic profile (gender, age, marital status, educational level, tenure of job and position held). The section looked the nature and frequency of training given to the employees and last section sought information on the performance dimensions of the organisation.

The researchers adopted a 5-points Likert Scale (Likert, 1932) in sections B and section C. Items on those sections were answered by circling 1 to 5 with five (5) indicating the highest level of agreement and one (1) the lowest. The importance of the study was explained to the respondents and clear instructions given to them. The rationale behind providing clear instructions and assuring confidentiality of information is based on the fact that this significantly reduces the likelihood of obtaining biased responses (Sekaran, 2003).

### **3.3.2 Secondary sources of data Collection**

Secondary sources of information were obtained. The study relied on both unpublished and published data such as Ghana Revenue Authority corporate plan, its Human Resource Management policy, industry magazines, bulletins, and in-house newsletters, annual reports on training, books and journals on Human Resource Management, and training and development.

### **3.4. Validity and Reliability**

To ensure quality work, data from respondents was coded and categorized in groups. Furthermore, to ensure total quality, the researcher tested for the validity and reliability of questionnaires that were administered on the respondents involved.

Validity is the most important consideration in developing and evaluation of measuring instruments (Ary et al, 2002). It is used to determine if an instrument measures what it is intended to measure. Therefore to ensure the validity of the questionnaire and the interview guides, draft copies were given to two lecturers at the Kwame Nkrumah University of Science and Technology to make the necessary corrections to ensure face validity. After this review the questionnaire and interview guides were sent to researcher's supervisor for further review.

### **3.5 Data Analysis**

After the administration of the questionnaires and the various responses gathered, the data was cleaned, edited for consistency and coded for reducing the answer to a series of code numbers to facilitate tabulation. The analysis of the data was based on simple percentages which were converted into charts and tables using the SPSS software.

**CHAPTER FOUR**  
**RESULTS AND DISCUSSION**

**4.1 Introduction**

This chapter deals with the analysis and findings of the research work and it is divided into three parts. Part I talks about Demographics of the respondents, Part II presents motivational packages available in the Ghana Revenue Authority (Small Taxpayers Office). Part III presents information on employees' performance.

**4.1.1 Part I Demographic Information on Respondents**

**Table 4.1 Gender of Respondents**

Sex	Frequency	Valid Percent
Male	177	90
Female	20	10
<b>Total</b>	<b>197</b>	<b>100</b>

**Source: Field survey 2020**

Table 4.1 shows the sex and the category of respondents for the study. On gender, males dominate as compared to females. Males are made up of 177 (90 percent), while female represents 20(10 percent). This means that the Ghana Revenue Authority should consider a policy of employing more females into their administration in order for the females to be at least at par to their male counterparts for gender based decision making that will well represent the interest of all.

**Table 4.2 Age of Respondents**

Age	Frequency	Percent
18-25	10	5.0
26-35	29	15.0
36-45	89	45.0
45 and above	69	35.0
Total	197	100.0

**Source: Field survey 2020**

From the study, data on age distribution revealed that 5 percent of the respondents are between 18 - 25 years, 15 percent are between the ages of 26 - 35 years, 45 percent between the ages of 36 - 45 years, 35 percent are between the ages of 45 years and above. (See Table 4.2 above). This data shows that the respondents who are between 36-45 years are more than any age group in the Ghana Revenue Authority, which is an indication that there is young generation of professionals handling the business of the day to day activities of the organization in the Ghana Revenue Authority, who can still work for the next 10 years thus suggesting that more is needed in terms of encouraging and motivating them on how to improve on their performance so as to be able to meet the needed objective of the organization.

**Table 4.3 Educational Background of Respondents**

Educational attainment	Frequency	Percent
SHS/Diploma/HND	20	10.0
Bachelor's degree	148	75.0
Master's degree	29	15.0
Doctorate degree	-	0.0
<b>Total</b>	<b>197</b>	<b>100.0</b>

**Source: Field survey 2020**

Education is a crucial variable because it helps in the acquisition of knowledge and the application of basic concepts, skills and regulations. Since the focus of the study was to examine the effects of motivation on employee performance, it was important to find out the level of education of the respondents as this will help to assess the level to which they can appreciate key issues involved in employee motivation. From the study 10.0 percent of the respondents had Diploma, 75 percent of the respondents had first degree and 15 percent had post graduate degree. This means that all the respondents had some sort of educational background, thus can lead to effective and understanding of employee performance in the Ghana Revenue Authority (See table 4.3 above).

**Table 4.4 Marital status of Respondents**

Educational attainment	Frequency	Percent
Single	59	30.0
Married	118	60.0
Widowed	-	-
Divorced	20	10
<b>Total</b>	<b>197</b>	<b>100.0</b>

**Source: Field survey 2020**

Table 4.4 shows the marital category of respondents for the study. On marital status, married employees dominate as compared to females. Males are made up of 118 (60 percent), while single employees represent 59 (30 percent). Divorced employees also constituted 20 (10 percent) of the sample frame. Marriage is an important social obligation that exerts pressure on career professionals. This is in view of the responsibilities that come along with managing the home and family as well as engaging in economic activities to earn a living. That is generally to be expected especially in Ghana where marriage is a very important social obligation and therefore those who have a career or employment may face some pressure from the public and the family to marry. This also implies that respondents that are married will expect to receive adequate rewards (monetary and non-monetary) so as to enable them take care of the needs of their family as asserted by Dartey-Baah (2011)

**Table 4.5 Work Experience of Respondents**

Number of years in Employment	Frequency	Percent
1 - 3	39	20.00
3 - 5	10	5.0
5 - 10	69	35.00
10 – 15	10	5.0
15 – 20	39	20.00
Above 20 years	30	15.0
<b>Total</b>	<b>197</b>	<b>100.0</b>

**Source: Field survey 2020**

Understanding the operations of the Ghana Revenue Authority as well as the conditions of service requires some level of experience which is often acquired as result of being involved in the day-to-day operations of the company for quite a considerable time. Thus, the study sought to ascertain the working experience of respondents in terms of how long they have worked in the Ghana Revenue Authority

Table 4.5 shows the tenure of respondents for the study. About 80% of the respondents have worked for a period of 3 years and above, an indication of the wealth of experience of the employee stock at Adum. The results imply that most of the respondents have gained quite a considerable experience working with the Ghana Revenue Authority. Considering the fact that most of the respondents have been working with the Ghana Revenue Authority from 3 to over 20 years, they would have gained insight into the operations of the company, a factor that can motivate them to

**4.6. Specific Objective 1: To establish whether there exist motivational packages available to the employees of GRA**

**Table 4.6 Are there motivational packages in the GRA**

Are there motivational policies in GRA	Frequency	Percent
<b>Not Well</b>	20	10.00
<b>Slightly Well</b>	10	5.0
<b>Well</b>	29	15.00
<b>Moderately Well</b>	39	20.0
<b>Very Well</b>	99	50.0
<b>Total</b>	<b>197</b>	<b>100.0</b>

**Source: Field survey 2020**



From table 4.6 above majority of the employees constituting 177(80%) of the respondents agreed that there existed motivational packages within the Ghana Revenue Authority. This is a good indication for employee performance. On the contrary the analysis also revealed that 10% of the respondents said not really to the question, indicating that there are no motivational packages in GRA that can enhance performance?

**4.6. Specific Objective 2: To find out the types of motivational packages available to the employees of GRA**

This section of the chapter tackles specific objective two which was to investigate the types of motivational packages available to employees of the GRA. Various studies have recognised some key issues or factors that motivate employees in various organisations (Agyenim-Boateng, 2001; Ayeh-Danso, 2011; Stajkovic & Luthans, 2003). Using a five point Likert Scale statements, the study ascertained the views of respondents on the factors that motivate them on a scale of 1 to 5 as follows: Strongly Agree (SA)= 1; Agree (A)=2; Undecided or Uncertain (U)=3; Disagree (D)=4; Strongly Disagree (SD) =5.

**Table 4.7: Management Leadership Styles**

Management Leadership Style	1	2	3	4	5	Total
Managers encourage staff involvement during decision making	10.0	27.0	42.0	<b>15.0</b>	6.0	100
Managers play a key role in fostering a good work environment through encouraging work-life balance, career	15.0	42.0	26.0	13.0	4.0	100

development, training and development						
The organisational structure and reporting roles create an environment of openness, dialogue and easy access to forums and tools	10.0	17.0	48.0	21.0	4.0	100
Managers trust staff and do not rely on threats and punishment to influence employee efforts	4.0	21.0	38.0	25.0	12.0	100
Management treats employees fairly and accords them the due respect and recognition	10.0	25.0	36.0	17.0	12.0	100
Managers create an all-inclusive work climate that encourages team work and higher productivity.	12.0	44.0	21.0	8.0	15.0	100
Managers facilitate a good organisational culture and organisational values are well understood.	15.0	18.0	44.0	15.0	8.0	100
Managers motivate and encourage innovation and out-of-box thinking for problem solving.	15.0	25.0	38.0	12.0	10.0	100
Managers actively mentor, coach and train employees to maximise an individual's potential and organisational capability.	8.0	57.0	21.0	10.0	4.0	100

**Source: Field data, 2020**

## **Discussion**

The respondents were first asked whether managers encourage staff involvement during decision making. In their response, a majority (42%) of the employees moderately agreed, 15% agreed to a great extent whilst 6% agreed to a very great extent. On the other end of the spectrum, 37% of the employees in aggregate, agreed to low and very low extents. These findings indicate that to a larger extent managers at the organisation do engage staff during decision making and thus this aspect of management styles may not be a contributor to employee turnover.

The second question asked employees to rate the extent to which managers play a key role in fostering a good work environment through encouraging work-life balance, career development, training and development. Majority of the respondents (42%) agreed to a low extent, 15% agreed to a very low extent, with a minor 26% taking the middle ground and a further 17% in aggregate who agreed to a great and very great extent that managers did play a key role in fostering a good work environment at Ghana Revenue Authority. This aspect of management style is concerning with majority inclining towards a low agreement and hence can be a contributing factor to employee turnover.

Thirdly, employees were asked for their rating on whether the organisational structure and reporting roles create an environment of openness, dialogue and easy access to forums and tools. Majority of the respondents were neutral with the statement at 48%. 17% of the respondents agreed to a low extent and a further 10% agreed to a very low extent. On the same, 21% of the employees agreed to a great extent whilst 4% agreed to a very great extent. These results show that to a large extent, the organisation's structure and reporting roles are not directly linked to management related employee turnover at Ghana Revenue Authority.

When questioned whether managers trust staff and do not rely on threats and punishment to influence employee efforts, 12% of the respondents agreed to a very great extent, 25% agreed to a great extent whilst 38% moderately agreed to this view. Finally, 21% of the respondents agreed to a low extent and a small minority of 4% were in strong disagreement. With this analysis, it is safe to say that management at Ghana Revenue Authority do not rely on threats and punishment and this may not directly contribute to employee turnover.

On the question where management treats employees fairly and accords them the due respect and recognition, 12% of the respondents agreed to a very great extent and 17% agreed to a great extent. However, about 35% of the respondents in aggregate agreed to low and very low extents, leaving a majority of 36% to moderately agree with the statement. These results indicate that this aspect of management does not largely contribute to employee turnover.

With regards to whether managers create an all-inclusive work climate that encourages team work and higher productivity, 44% of the respondents agreed to a low extent and a further 12% agreed to a very low extent. 15% of the respondents strongly supported this statement, whilst 8% agreed to a great extent. A small minority (21%) shared a neutral view. This aspect of management style reveals that managers do not play a significant role in creating an all-inclusive work climate and this could be a factor contributing to employee turnover.

On the statement that managers facilitate a good organisational culture and organisational values are well understood, majority of the employees agreed to a moderate extent (44%) while 18% agreed to a low extent and a further 15% agreed to a very low extent. 8% of the population size agreed to a very great extent, leaving a final 15% who agreed to great extent of the same. With majority of the responses ranging from moderate to very low extent, this area of management styles could potentially be a parameter of employee turnover.

The respondents were further asked whether managers motivate and encourage innovation and out-of-box thinking for problem solving. In their response, 38% of the respondents moderately agreed. However, 25% agreed to a low extent, 15% agreed to a very low extent, 10% agreed to a very great extent and 12% agreed to a great extent. Results related to this management area indicate that managers do not motivate and encourage innovation and out of-box thinking and this could be highly contributing to employee turnover.

In regards to whether managers actively mentor, coach and train employees to maximise an individual's potential and organisational capability, a majority (65%) of employees in aggregate agreed to a very low extent and low extent, indicating that this management aspect could be a contributing factor to employee turnover. 21% of the respondents were neutral, 4% agreed to a great extent and 10% agreed to a great extent.

### **Working Environment Parameters**

The respondents were asked to rate various questions on the work environment at Ghana Revenue Authority using the Likert scale. The scale used the rating: -1-Strongly disagree, 2- Disagree, 3- Moderately Agree, 4- Agree and 5Strongly Agree.

**Table 4.8: Work Environment Parameters**

<b>Work Environment Parameters</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>Total</b>
Physical working conditions (e.g. cleanliness, lighting, heating) are good.	2.0	8.0	13.0	<b>42.0</b>	35.0	100
The office layout is comfortable and well structured.	8.0	29.0	33.0	17.0	13.0	100
Workplace policies and procedures are clear to me.	8.0	40.0	38.0	8.0	6.0	100
Individual differences (e.g. gender, age, race, educational background) are well respected.	13.0	15.0	48.0	21.0	4.0	100
It is easy to apply and receive personal leave days.	4.0	33.0	33.0	25.0	5.0	100
Flexible work options are available.	29.0	42.0	10.0	13.0	6.0	100
The work pressure and work hours are reasonable.	31.0	44.0	19.0	4.0	2.0	100
Welfare amenities such as day-care, gym, canteen and in-house clinics are available.	38.0	46.0	8.0	12.0	10.0	100
There is a clear direction that serves as a guide on what is expected from you in the organisation.	15.0	21.0	54.0	4.0	6.0	100
There are staff parties, get-togethers or any other regular staff gatherings for celebrations.	4.0	25.0	46.0	13.0	13.0	100
There is a sense of workmanship and friendship between employees at the organisation.	6.0	44.0	35.0	6.0	8.0	100

**Source: Field data, 2020**

## **Discussion**

Firstly, the researcher was required to rate whether the physical working conditions (e.g. cleanliness, lighting, heating) were good at the Ghana Revenue Authority premises. In their response, 35% of the respondents strongly agreed, 42% agreed and 13% moderately agreed. In contrast, 8% of the respondents disagreed and a further 2% strongly disagreed. From the findings this work environment area does not appear to be a concerning issue for employee turnover at Ghana Revenue Authority.

Secondly, the respondents were questioned about whether the office layout is comfortable and well-structured. Nearly a third of the respondents (33%) moderately agreed, 29% disagreed and 8% strongly disagreed. 17% of the respondents agreed and a final 13% strongly agreed. The findings in this work environment aspect show a substantial number moderately to strongly disagreeing indicating that most employees are not too content and this could potentially lead to employee turnover.

When asked whether workplace policies and procedures are clear to the employees, most employees displayed a neutral agreement (38%), an equal majority (40%) disagreed and a further 8% strongly disagreed. 8% and 6% of the population agreed and strongly agreed respectively. The results show a strong disagreement, making this work environment aspect a significant contributor to employee turnover.

With regards to whether individual differences (e.g. gender, age, race, and educational background) are well respected, about half the employees moderately agreed (48%). On the other hand 4% strongly agreed and a further 21% agreed. At the other end of the spectrum, 15% of the employees disagreed and a further 13% displayed strong disagreement. The analysis shows that

individual differences are mostly respected and this does not pose as a major work environmental factor contributing to employee turnover.

The respondents were also asked whether it is easy to apply and receive personal leave days. In their responses, 33% of the respondents moderately agreed and another 33% disagreed. 25% of the employees agreed, leaving a 4% on each end to strongly disagree and strongly agree. This shows that applying for leave days was not easy for employees and could lead to employee turnover.

On being asked whether flexible work options are available for the employees, 42% of the respondents were in disagreement and a further 29% strongly disagreed. A small minority of 6% strongly agreed, 13% agreed and a final 10% moderately agreed. With a majority disagreeing to this work environment area, availability of work options can be a major cause of work environment related employee turnover.

With regards to whether the work pressure and work hours are reasonable, 44% of the employees disagreed and a further 31% strongly disagreed. 19% of the employees moderately agreed, leaving 4% to agree and a very minor 2% to strongly agree. The findings indicate that the work pressure and hours is unreasonable and this could drive many employees out of the organisation.

The research also sought to know whether there are welfare amenities such as day-care, gym, canteen and in-house clinics in the organization. This was supported with negative views where 38% strongly disagreed, 46% disagreed, 8% moderately disagreed, 4% strongly agreed, and another 4% strongly agreed that the organization had welfare amenities. A large negative response in this area could indicate the potential of this work environment aspect leading to employee turnover.



In response to whether there is a clear direction that serves as a guide on what is expected from the employee in the organisation, 54% moderately agreed, leaving 21% to disagree and 15% to strongly disagree. A small minority of 10% agreed and strongly agreed in aggregate. This implies that most employees appear to be well directed, leading to this area being a low contributor to employee turnover.

When questioned whether there are staff parties, get-togethers or any other regular staff gatherings for celebrations, 46% were in neutral agreement. However, 25% were in disagreement and a further 4% were in strong disagreement. 26% of the population in aggregate displayed agreement and strong agreement towards this statement. With a higher moderate to strong disagreement, this work environment aspect can lead to employee turnover.

In response to whether there is a sense of workmanship and friendship between employees at the organization, a majority of 44% of the respondents disagreed, 35% neutrally agreed, 6% strongly disagreed and 8% strongly agreed, leaving a final 6% to simply agree. This area also appears to have a majority of employees disagreeing contributing it to be an aspect leading to employee turnover.

### **Reward Management Parameters**

The respondents indicated their level of agreement with the statements on the questionnaire using a Likert scale that used the basis: 1- Strongly disagree, 2-Disagree, 3-Neither agree nor Disagree, 4- Agree, 5- Strongly

**Table 4.9: Reward Parameters**

<b>Reward Parameters</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>Total</b>
Your reward package motivates you to dispense your best efforts.	38.0	46.0	8.0	<b>4.0</b>	4.0	100
The organization provides a mixture of financial and non-financial incentives.	25.0	54.0	10.0	6.0	4.0	100
Extra bonus is provided for overtime which includes weekends, overtime, shifts and holidays, year-end bonus	25.0	58.0	10.0	4.0	2.0	100
There is a medical and retirement benefit scheme for the employees and it is satisfactory	15.0	21.0	46.0	13.0	6.0	100
There is payments for time not worked which include pay sick leave, paid death-in family, and severance pay.	2.0	15.0	58.0	13.0	13.0	100
The rewards system in the organization is systematic, predictable and based on employee performance.	33.0	46.0	15.0	4.0	2.0	100
Performance systems are based on clear targets and that are agreed upon by all concerned parties.	38.0	42.0	6.0	8.0	6.0	100

Base pay motivates you more than any other factor.	4.0	8.0	21.0	29.0	38.0	100
Comparable and competitive wages and salaries are paid to employees relative to other organisation members and the market.	19.0	50.0	21.0	6.0	4.0	100
There are group incentive plans for team performance and overall organisational performance.	50.0	40.0	4.0	6.0	0.0	100

Source: Field data, 2020

**Discussion:**

Firstly, when questioned about whether their reward package motivates the employees to dispense their best efforts, most employees appeared to be lower down in the spectrum with most disagreeing (46%) and a further 38% in strong disagreement. Only 8% of the employees moderately agreed, leaving 4% each agreeing and strongly agreeing. These results indicate that the reward package could be a significant contributor to employee turnover.

Secondly, when respondents were asked whether the organisation provides a mixture of financial and non-financial incentives, a large number of employees disagreed (54%) and strongly disagreed (25%). 10% of the employees moderately agreed, 6% agreed and a final minority of 4% strongly agreed. This shows that employees are discontented with the incentive structures and this could drive employee turnover.

Thirdly, respondents were asked whether an extra bonus is provided for overtime which includes weekends, overtime shifts, holidays and a year-end bonus. 10% employees were neutral implying

a moderate agreement, leaving a vast majority (58%) disagreeing and a further 25% strongly disagreeing. However, 4% of the employees agreed and the remaining 2% strongly agreed on receiving these rewards. The significant moderate agreement to disagreement points toward employee turnover.

With regards to whether there is a medical and retirement benefit scheme for employees and it is satisfactory, most employees (46%) displayed a moderate agreement, 21% disagreed and 15% strongly disagreed. In sharp contrast, 13% of the employees agreed and 6% strongly agreed. This reveals that the current medical and retirement benefit scheme may lead to employee turnover.

When asked whether there is payments for time not worked which includes pay sick leave, paid death-in-family and severance pay, the majority (58%) of the employees were neutral to this statement, 15% disagreed whilst 2% strongly disagreed. However, 13% of the employees agreed and another 13% strongly agreed. A majority of moderate to strongly agree responses indicate that this aspect did not contribute largely to employee turnover.

The respondents were also asked whether the rewards system in the organisation is systematic, predictable and based on employee performance. There was a strong response to this question with most employees disagreeing (46%) and strongly disagreeing (33%). A minor 15% moderately agreed, leaving 4% to agree and 2% to strongly agree. These findings reveal that most employees disagreed and this could be a significant factor motivating employee turnover.

In regards to whether the performance systems are based on clear targets and that are agreed upon by all concerned parties, 6% moderately agreed with a majority of 42% disagreeing and further 38% strongly disagreeing. In contrast, 8% agreed and 6% strongly agreed to this question. With a large response in disagreement, the performance systems could be a reward management area affecting employee turnover.

On being questioned whether base pay motivates you more than any other factor, many employees (38%) strongly agreed whilst 29% agreed. 21% of the employees moderately agreed leaving 8% to disagree and a further 4% to strongly disagree. These responses signify the importance that employees give to base pay and this could contribute to employee turnover where employees are dissatisfied with it.

The respondents were also asked whether comparable and competitive wages and salaries are paid to employees relative to other organisation members and the market. Most respondents disagreed (50%) with a further 19% strongly disagreed. 21% of the employees responded to a moderate extent, with 6% displaying agreement and a final 4% strongly agreeing. With a significant portion of the respondents disagreeing, this aspect of employee turnover could be an important contributor to employee turnover.

Finally, when questioned whether there are group incentive plans for team performance and overall organisational performance, a large majority of 50% strongly disagreed and a further 40% disagreed. 4% moderately agreed, 6% agreed and no individual strongly agreed to this question. The analysis on this aspect indicates high employee dissatisfaction in regards to group incentive plans and in turn highly affects employee turnover.

#### **4.7 Organizational Performance Measures**

A standard objective of this research was to study the effects of the different determinants of employee turnover on organisational performance. Employees were questioned on how organisational performance was affected when a work colleague left. A number of different criteria were assessed and employees were asked to rate their answers using a Likert scale. The scale used

was: 1-Very low extent, 2- Low extent, 3- Moderate extent, 4- Great extent and 5-Very great extent.

**Table 4.10: Organisational Performance Parameters**

<b>Organisational Performance Parameters</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>Total</b>
Disruptions to service delivery.	4.0	4.0	13.0	<b>38.0</b>	42.0	100
Internal processes take longer when managed by new staff.	2.0	4.0	6.0	38.0	50.0	100
Increase in workload for current staff where the exiting staff are not immediately replaced or replaced at all.	1.0	4.0	8.0	33.0	54.0	100
Increase in customer dissatisfaction and complains.	2.0	8.0	15.0	31.0	44.0	100
Loss of customers.	6.0	6.0	13.0	29.0	46.0	100
Productivity per employee is low.	4.0	4.0	4.0	40.0	48.0	100
Revenue for current and new products is affected.	4.0	6.0	15.0	21.0	54.0	100
A lot of time and effort is spent in teaching new staff.	2.0	2.0	2.0	42.0	52.0	100
Learning skills and know-how of the organisational work for new staff takes time.	0.0	6.0	21.0	31.0	42.0	100
New employees need to be trained to learn the technical aspects of the job.	4.0	6.0	19.0	38.0	33.0	100

**Source: Field data, 2020**

**Discussion:**

Firstly, respondents were asked whether there were disruptions to service delivery. A majority agreed (42%) to a very great extent and a further 38% agreed to a great extent. 13% of the employees moderately agreed, leaving a 4% each agreeing to a low and very low extent. These results show that employee turnover negatively affects organisational performance through disruptions in service delivery.

When asked whether internal processes take longer when managed by new staff, 50% of the employees agreed to a very great extent. 38% agreed to a great extent, leaving a minor population agreeing to a moderate extent (6%), low extent (4%) and a very low extent (2%). This analysis indicates that every time an employee leaves and is replaced, organisational performance is affected through delayed internal processes.

With regards to increase in workload for current staff where the exiting staff are not immediately replaced or replaced at all, once again a vast majority agreed to a very great extent (54%) followed by 33% agreeing to a great extent. 8% agreed to a moderate extent, leaving the final 4% to agree to a low extent. No members of the sample size agreed to a very low extent. This suggests that employees may not be able to focus on their current load as they have to take up more work, thereby compromising quality on current workload and therefore affecting organisational performance related to employee turnover.

In regards to increase in customer dissatisfaction and complains, 44% agreed to a very great extent followed by 31% agreeing to a great extent. 15% of the employees agreed to a moderate extent, 8% agreed to a low extent and a final 2% agreed to a very low extent. In this case, customer dissatisfaction is caused by employee turnover.

Where employees were asked about the loss of customers, 46% agreed to a very great extent, 29% agreed to a great extent and 13% took on the middle ground by moderately agreeing. 6% of the employees agreed to a low extent and a further 6% agreed to a very low extent. This aspect also follows on customer dissatisfaction where most respondents agreed that customers are lost through employee turnover.

Employees were also questioned on whether productivity per employee is low. 48% of the employees agreed to a very great extent followed by 40% agreeing to a great extent. Only 4% each agreed to a moderate, low and very low extent respectively. These findings indicate that organisational performance is affected through most respondents agreeing that productivity per employee is low when employees leave the organisation.

In response to whether revenue for current and new products is affected, 54% of the population size agreed to a very great extent. 21% of the employees closely followed by agreeing to a great extent, leaving 15% to agree to a moderate extent, 6% agreeing to a low extent and a final 4% agreeing to a very low extent. This shows that the financial performance of the organisation is affected by employee turnover.

The respondents were also asked if a lot of time and effort is spent in teaching new staff. 52% agreed to a very great extent, 42% agreed to a great extent, leaving 2% of the population each agreeing to a moderate, low and very low extent. With a 94% agreement, it is evident that organisational time and effort is spent as an opportunity cost in teaching new staff when existing staff leave.

With regards to learning new skills and know-how of the organisational work for new staff takes time, a large majority agreed (42%) to this statement to a very great extent. 31% agreed to a great extent, followed by 21% moderately agreeing and a final 6% agreeing to a low extent. No



employees were reported agreeing to this statement to a very low extent. Finally, when employees were asked whether new employees need to be trained to learn the technical aspects of the job, 33% agreed to a very great extent and a majority agreed (38%) to a great extent. 19% displayed moderate agreement and finally 6% agreed to a low extent and 4% agreed to a very low extent. This indicates that learning and growth takes time and new employees need to learn the technical aspects in order to reduce error rates every time there is turnover.

## **CHAPTER FIVE**

### **DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter summarises the key findings from the study, draws conclusions based on the findings and then makes recommendations in relation to the objectives of the study. Also presented in this chapter is a recommendation for further studies.

#### **Summary of research**

The main objective of the study was to examine motivation and employee performance at the Ghana Revenue Authority, Adum Small Taxpayers Office in the Ashanti region.

Specifically, the study sought to investigate whether there existed motivational packages for employees of the Ghana Revenue Authority; the types of motivational packages available and the extent to which these motivational packages impacted on employee performance.

Using the descriptive research design and the stratified sampling technique, a sample of 197 respondents was selected for the study. Questionnaires were administered to the respondents to collect data on motivation and performance of employees of the GRA. The SPSS (version 16.0) was used to process and analyse the data and then presented in the form of frequencies and percentages.

#### **Summary of key findings**

Based on the results of the study discussed in the previous chapter, the following key findings were made:

1. On the factors that motivate employees of the GRA, adequate pay, healthy working environment, opportunities for career training and development, and recognition and appreciation by management were found to be the key factors that motivate employees of the GRA.
2. On the other hand, most of the respondents disagreed to the fact that identification and fulfilment of needs, and fair and consistent policies of the GRA constituted motivating factors. To these respondents, the above factors did not motivate them to give off their best on-the-job.
3. On specific ways in which employees were motivated, bonuses obtained from revenue targets and promotions were the dominant ways by which management of the GRA motivated their staff. However, salaries and special allowances were found to be the least means of motivating employees as only a few of the respondents attested to this.
4. On recognition of efforts, most of the respondents felt that their efforts were recognised by their superiors, a situation that made them felt motivated and strived to improve productivity.

## **Conclusions**

The study concludes that there a variety of issues that motivate employees to join a particular organisation. Whereas most of these factors motivated employees of the PBC to improve productivity; others did not motivate them to perform well on the job. Thus, whereas adequate pay, healthy working environment and recognition by management serve as motivating factors to employees of the PBC, fair and consistent policies as well as identification and fulfilment of needs do not motivate them to give off their best on-the-job.

It can also be concluded that management of the GRA used both extrinsic motivators such as bonuses, special allowances and intrinsic motivators such as promotions and awards. This helps to sustain employee interest and urge them to strive hard to improve their performance and enhance productivity.

The study further confirmed that employees who are motivated by management will exhibit a much higher level of productivity. Thus, the provision of better and improved conditions of service for employees is recognised as a form of motivation that leads to a high level of satisfaction among employees which can translate into increased productivity for the organisation.

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## APPENDIX

### CHRISTIAN SERVICE UNIVERSITY COLLEGE

#### DEPARTMENT OF MANAGEMENT AND GENERAL STUDIES

#### TOPIC: MOTIVATIONAL PACKAGES AND REVENUE MOBILISATION IN THE GHANA REVENUE AUTHORITY: A CASE STUDY OF THE SMALL TAXPAYERS OFFICE (STO), ADUM-KUMASI

Dear Respondent This study is being conducted on the above topic for academic purposes and the researcher would be grateful if you could provide answers to the questions below. Your identity will not be disclosed and your responses will be confidentially handled. Please kindly respond as honestly and carefully as you can. Tick [] as appropriate.

#### SECTION A: PERSONAL DATA

1. Male [] Female []

2. What is your age group?

Below 20 years []

20-29 years []

30-39 years []

40-49 years []

3. What is your current position?

Junior Staff []

Manager []

4. Length of years with the bank.

Less than 1 year []



2-5 years [ ]

6-10 years [ ]

11 & above years [ ]

5. What is your highest qualification?

Diploma [ ]

HND [ ]

Bachelor's [ ]

Master's degree [ ]

6. What type of work are you involved in?

Casual [ ]

Permanent [ ]

Contract [ ]

**Motivational packages in the GRA**

Are there motivational policies in GRA	Frequency	Percent
<b>Not Well</b>		
<b>Slightly Well</b>		
<b>Well</b>		
<b>Moderately Well</b>		
<b>Very Well</b>		
Total		

### Part C: Types of motivation

The management style of managers and leaders affects employee performance and turnover. How far are the statements true for your organisation? Kindly use the scale to rate: 1-Very low extent, 2- Low extent, 3- Moderate extent, 4- Great extent and 5-Very great extent.

Management Leadership Style	1	2	3	4	5	Total
Managers encourage staff involvement during decision making						
Managers play a key role in fostering a good work environment through encouraging work-life balance, career development, training and development						
The organisational structure and reporting roles create an environment of openness, dialogue and easy access to forums and tools						
Managers trust staff and do not rely on threats and punishment to influence employee efforts						
Management treats employees fairly and accords them the due respect and recognition						
Managers create an all-inclusive work climate that encourages team work and higher productivity.						

Managers facilitate a good organisational culture and organisational values are well understood.

Managers motivate and encourage innovation and out-of-box thinking for problem solving.

Managers actively mentor, coach and train employees to maximise an individual's potential and organisational capability.

**The work environment is a key determinant of employee turnover. How supportive is your work environment?**

Please answer the questions below using the rating: -1-Strongly disagree, 2- Disagree, 3- Moderately Agree, 4- Agree and 5-Strongly Agree.

<b>Work Environment Parameters</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>Total</b>
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Physical working conditions (e.g. cleanliness, lighting, heating) are good.

The office layout is comfortable and well structured.

Workplace policies and procedures are clear to me.

Individual differences (e.g. gender, age, race, educational background) are well respected.

It is easy to apply and receive personal leave days.

Flexible work options are available.

The work pressure and work hours are reasonable.

Welfare amenities such as day-care, gym, canteen and in-house clinics are available.

There is a clear direction that serves as a guide on what is expected from you in the organisation.

There are staff parties, get-togethers or any other regular staff gatherings for celebrations.

There is a sense of workmanship and friendship between employees at the organisation.

How far do you agree with the following statements regarding rewards in the organization?

Indicate your level of agreement using the scale: 1- Strongly disagree, 2-Disagree, 3-Neither agree nor Disagree, 4- Agree, 5- Strongly agree

<b>Reward Parameters</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>Total</b>
Your reward package motivates you to dispense your best efforts.						
The organization provides a mixture of financial and non-financial incentives.						
Extra bonus is provided for overtime which includes weekends, overtime, shifts and holidays, year-end bonus						
There is a medical and retirement benefit scheme for the employees and it is satisfactory						
There is payments for time not worked which include pay sick leave, paid death-in family, and severance pay.						
The rewards system in the organization is systematic, predictable and based on employee performance.						

Performance systems are based on clear targets and that are agreed upon by all concerned parties.

Base pay motivates you more than any other factor.

Comparable and competitive wages and salaries are paid to employees relative to other organisation members and the market.

There are group incentive plans for team performance and overall organisational performance.

**How far the following factors affected your work performance in your organisation? Use 1- Very low extent, 2- Low extent, 3- Moderate extent, 4- Great extent and 5-Very great extent.**

<b>Organisational</b>	<b>Performance</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>Total</b>
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**Parameters**

Disruptions to service delivery.

Internal processes take longer when managed by new staff.

Increase in workload for current staff where the exiting staff are not

immediately replaced or replaced at all.

Increase in customer dissatisfaction and complains.

Loss of customers.

Productivity per employee is low.

Revenue for current and new products is affected.

A lot of time and effort is spent in teaching new staff.

Learning skills and know-how of the organisational work for new staff takes time.

New employees need to be trained to learn the technical aspects of the job.

**Thank you for your time**