INFLUENCE OF EMPLOYEE MOTIVATION ON NON FINANCIAL ORGANISATIONAL PERFORMANCE:

THE CASE OF TRA TANGA CITY
INFLUENCE OF EMPLOYEE MOTIVATION ON NON FINANCIAL ORGANISATIONAL PERFORMANCE:
THE CASE OF TRA TANGA CITY

By
Baraka Fredrick

Dissertation Submitted in Partial Fulfilment of the Requirements for Award of the Degree of Master of Business Administration (MBA) of the Mzumbe University
2014
CERTIFICATION

We, the undersigned, certify that we have read and hereby recommend for acceptance by the Mzumbe University, a dissertation entitled **Influence of employee motivation on non-financial organisational performance: the case of TRA Tanga city**, in partial/fulfilment of the requirements for award of the degree of Master of Business Administration of Mzumbe University.

Signature

________________________________

Major Supervisor

Signature

________________________________

Internal Examiner

Accepted for the Board of

..............................

Signature

________________________________

DEAN/DIRECTOR,
FACULTY/DIRECTORATE/SCHOOL/BOARD
DECLARATION

AND

COPYRIGHT

I, Baraka Fredrick, declare that this dissertation is my own original work and that it has not been presented and will not be presented to any other university for a similar or any other degree award.

Signature ___________________________

Date ________________________________

© 2014

This dissertation is a copyright material protected under the Berne Convention, the Copyright Act 1999 and other international and national enactments, in that behalf, on intellectual property. It may not be reproduced by any means in full or in part, except for short extracts in fair dealings, for research or private study, critical scholarly review or discourse with an acknowledgement, without the written permission of the Mzumbe University, on behalf of the author.
ACKNOWLEDGEMENT

It is quite natural that, no academic and research work of this nature can be successfully accomplished without the least form of assistance and contribution from others. Thus, I would like to take this opportunity to express my heart-felt gratitude for their contribution in this challenging task of preparing this report. Therefore, I hereby wish to acknowledge the contribution of the following individuals and organisations:

First and foremost, the Almighty God who gave me strength, good health and direction in coming out with this dissertation; to Him be all the Glory.

My special thanks go to Mr. Joseph Sungau, my research supervisor, for his useful comments and contribution and tireless support throughout the research process.

Special thanks also should go to my parents, my brother and sisters whose love, support and encouragement kept me motivated throughout my course.

I also feel obliged to thank the management and staffs of TRA Tanga City for providing me with necessary support and showing real interest in my progress.

My special gratitude also goes to the Management of Mzumbe University for the great idea which they put in practice by opening a centre at Tanga City which made it possible for most of us who are employees to pursue the MBA in a convenient way.

I also extend my thanks to my fellow students from MBA-Mzumbe University, Tanga center for ideas we shared during the whole period of our studies. The list of contributors is so comprehensive that, I cannot mention their names here, I hereby say big thanks to all of them.
DEDICATION

This work is dedicated to my lovely parents Mr. and Mrs. Fredrick Jacob Lauwo for their love, and tireless support. It is also dedicated to my lovely elder Sister, Glory, my young brother, Hilary and my young sister, Eva who also tirelessly encouraged and supported me during the whole period of my study.
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>CED</td>
<td>Custom and Excise Department</td>
</tr>
<tr>
<td>CSRP</td>
<td>Civil Service Reform Program</td>
</tr>
<tr>
<td>DRD</td>
<td>Domestic Revenue Department</td>
</tr>
<tr>
<td>EVA</td>
<td>Economic Value Added</td>
</tr>
<tr>
<td>FD</td>
<td>Finance Department</td>
</tr>
<tr>
<td>HRAD</td>
<td>Human Resource and Administration Department</td>
</tr>
<tr>
<td>ICTD</td>
<td>Information and Communication Technology Department</td>
</tr>
<tr>
<td>IHRPMS</td>
<td>Integrated Human Resources and Payroll Management System</td>
</tr>
<tr>
<td>ISO</td>
<td>International Organisation for Standardisation</td>
</tr>
<tr>
<td>LSD</td>
<td>Legal Services Department</td>
</tr>
<tr>
<td>NSGRP</td>
<td>National Strategy for Growth and Reduction of Poverty</td>
</tr>
<tr>
<td>PSRP</td>
<td>Public Service Reform Programme</td>
</tr>
<tr>
<td>QMS</td>
<td>Quality Management System</td>
</tr>
<tr>
<td>RI</td>
<td>Residual Income</td>
</tr>
<tr>
<td>ROI</td>
<td>Return on Investment</td>
</tr>
<tr>
<td>SPSS</td>
<td>Statistical Package for Social Science</td>
</tr>
<tr>
<td>TSED</td>
<td>Taxpayer Service and Education Department</td>
</tr>
<tr>
<td>TIN</td>
<td>Taxpayer Identification Number</td>
</tr>
<tr>
<td>TRA</td>
<td>Tanzania Revenue Authority</td>
</tr>
<tr>
<td>URT</td>
<td>United Republic of Tanzania</td>
</tr>
<tr>
<td>VAT</td>
<td>Value Added Tax</td>
</tr>
</tbody>
</table>
ABSTRACT
This study intended to examine the influence of employee motivation on organisational non-financial performance at Tanzania Revenue Authority, (TRA) Tanga City. The research was carried out at TRA Tanga City Tanzania. The study was guided by specific objectives which were to: identify factors that influence motivation of employees; determine the effect of motivation on service delivery speed; determine the effect of motivation on service quality at TRA Tanga City, and the last one but not least to determine the effect of motivation on productivity at TRA Tanga City. Data were collected through Questionnaires and documentary review. The questionnaires were administered to TRA Staffs and Traders of Tanga City who were customers of TRA Tanga City. Documentary review was used to collect information on service delivery speed.

The study used descriptive statistics (frequencies, and percentages) to answer one research question of the study. Spearman Rank Correlation Coefficient was also used to test the remained three hypotheses of this study. From the findings, the researcher concludes that extrinsic motivational factors; salary and job security were the most valued factors by employees at TRA Tanga City. However other factors, intrinsic motivational factors; growth opportunities and recognition were found to be next to above mentioned factors in the ranking order. The study also found that, motivation had significant influence on service quality and productivity at TRA Tanga City; but to the contrary motivation was found to have no significant influence on service delivery speed at TRA Tanga City.

The study generally concludes that the management should put enough emphasis on the most valued motivational factors. Applying appropriate motivational factors will lead to the improvement in service quality, productivity and ultimately organisational performance.
# TABLE OF CONTENTS

CERTIFICATION .............................................................................................................. i
DECLARATION AND COPYRIGHT ................................................................................ iv
ACKNOWLEDGEMENT ..................................................................................................... v
DEDICATION .................................................................................................................... vi
ABBREVIATIONS ........................................................................................................ vii
ABSTRACT ..................................................................................................................... viii
TABLE OF CONTENTS .................................................................................................... ix
LIST OF FIGURES .......................................................................................................... xiv

## CHAPTER ONE ......................................................................................................... 1
1.1 Background .............................................................................................................. 1
1.2 Introduction ............................................................................................................ 1
1.3 Problem Statement ............................................................................................... 4
1.4 Objectives .............................................................................................................. 5
1.4.1 Main Objective .................................................................................................. 5
1.4.2 Specific Objectives ........................................................................................... 5
1.5 Research Questions ............................................................................................... 5
1.6 Significance of the Study ...................................................................................... 6
1.7 Scope of the Study ................................................................................................. 6
1.8 Limitation of the study .......................................................................................... 6

## CHAPTER TWO ......................................................................................................... 7
2.1. Literature review .................................................................................................. 7
2.2. Introduction .......................................................................................................... 7
2.3. Research Concepts ............................................................................................... 7
2.3.1. Motivation ...................................................................................................... 7
2.3.2. Non financial organisational performance ....................................................... 9
2.3.3. Service delivery speed .................................................................................... 10
2.3.4. Service quality ............................................................................................... 12
2.3.5. Productivity........................................................................................................... 13
2.4 Relationship between Motivation and Non financial Organizational Performance
...................................................................................................................................... 16
2.4.1 Relationship between Motivation and service quality ........................................ 16
2.4.2 Relationship between Motivation and service delivering speed ..................... 16
2.4.3 Relationship between Motivation and productivity ......................................... 16
2.5. Empirical Literature Review .............................................................................. 17
2.6. Conceptual Framework ...................................................................................... 19
2.7. Hypotheses of the study ..................................................................................... 20

CHAPTER THREE ........................................................................................................ 22
3.1 Methodology ........................................................................................................ 22
3.2 Introduction .......................................................................................................... 22
3.3 Research Design .................................................................................................. 22
3.4 Study Area ........................................................................................................... 22
3.5 Research Variable and their Operationalisation.................................................. 23
3.6. Study Population ................................................................................................. 23
3.7. Sample Size ........................................................................................................ 24
3.8. Sampling Procedure .......................................................................................... 24
3.9. Data Collection .................................................................................................. 24
3.10. Data Analysis .................................................................................................... 25
3.10.1. Preliminary analysis ..................................................................................... 25

CHAPTER FOUR ......................................................................................................... 27
4.1 Presentation of Findings ...................................................................................... 27
4.2. Introduction ......................................................................................................... 27
4.3 Preliminary analysis ............................................................................................. 27
4.3.1 Missing Values ............................................................................................... 27
4.3.2 Outliers............................................................................................................. 28
4.3.3 Normality Test ................................................................................................. 28
CHAPTER FIVE ................................................................. 43
  5.1 Discussion of Findings ............................................... 43
  5.2. Introduction .......................................................... 43
  5.3. Discussion of Findings .............................................. 43

CHAPTER SIX ............................................................................. 46
  6.1 Summary, Conclusions and Policy implications ..................... 46
  6.2 Introduction .................................................................... 46
  6.3 Summary (of findings) .................................................... 46
  6.4 Conclusion ...................................................................... 46
  6.5 Policy implications ........................................................ 47
REFERENCE: ................................................................. 49
APPENDICES ................................................................. 53
LIST OF TABLES

Table 3.5 Definition of Variables and their measurements ................................. 23
Table 4.3.1 Statistics ........................................................................................................ 27
Table 4.3.3a Normality test (1) ....................................................................................... 28
Table 4.3.3b Normality test (2) ....................................................................................... 29
Table 4.5a Characteristics of trader respondents by gender .................................. 30
Table 4.5c Characteristics of trader respondents by Education level ................. 31
Table 4.5e Demographic characteristics of TRA staff respondents by Gender ...... 31
Table 4.5f Demographic characteristics of TRA staff respondents by Age .......... 32
Table 4.5g Demographic characteristics of TRA staff respondents by Education ... 32
Table 4.5h Demographic characteristics of TRA staff respondents by Position ...... 32
Table 4.6.1 Correlations ............................................................................................... 33
Table 4.6.2 Factors influencing motivation of employees at TRA Tanga City ....... 34
Table 4.6.2.1 Regression (Motivation and Productivity) ................................................. 36
Table 4.6.2.2a Regression (Motivation and Service Delivery Speed – TIN issuance) .................................................................................................................. 37
Table 4.6.2.2b Regression (Motivation and Service Delivery Speed – Driving Licence issuance) ........................................................................................................ 37
Table 4.6.2.2c Regression (Motivation and Service Delivery Speed – Audit Assessments) .................................................................................................................. 38
Table 4.6.2.2d Regression (Motivation and Service Delivery Speed – Letter reply) 38
The Table 4.6.2.3 presents the results of regression analysis for Motivation and Service quality. .................................................................................................................. 39
Table 4.6.2.3 Regression (Motivation and Service Quality) ....................................... 39
LIST OF FIGURE

Figure 2.1 Influence of motivation on organizational non financial performance .... 20
CHAPTER ONE

1.1 Background

1.2 Introduction

Organisations have been working hard to improve their organisational performances and successfully position of their organisations ahead of their competitors. According to International Organisation for Standardisation (ISO), 9001:2000, customers’ needs and expectations are always changing; hence, necessitating organisations to ensure that they keep on improving. Furthermore, Hamlett (2014) also notes that there is always an opportunity for improvement for any organisation that needs to maintain its competitive edge.

Performance improvement is a continuous process, which is driven by the gap between the current condition and the desired future condition (Baguley, 1994). The aim of performance improvement is enhancing the ability of an organisation to achieve its desired goals.

In today's dynamic and rapidly changing workplace and globalised economy, organisations are continuously facing the challenges relating to technological advancements, and unstable economic conditions than ever; hence, necessitating improvements in performance so as to remain competitive in the market. However, the ability to achieve and maintain higher performance and productivity in organisations than competitors is a major challenge facing management (Mullins, 2005).

In early 1990’s bigger organisations with larger workforce were considered better organisations. However, it was later learned that, size is sometimes a liability (Cameron, 1994). It was also the case that organisations with slack resources were the ones considered flexible and adaptable in response to threats or opportunities. It was later recognised that efficient economical production and service delivery process increase speed, improve quality and lower costs.

The changes in the above assumptions underlying effective organisations led to a strategy of downsising to majority of organisations in the United States. Surprisingly,
several surveys conducted thereafter in downsised organisations found that instead of performance improvement, the morale, trust and productivity suffered after downsising (Cameron, 1994).

On the struggle to improve organisational performance, some organisations have spent a lot of money purchasing different advanced facilities, but the expected increased organisational performance was not always achieved mostly because the money has been spent on programs based on erroneous assumptions. The ultimate outcomes of spending money based on incorrect assumptions are very little returns for the organisations and the individuals participating in them (Swanson, 2009).

When organisational executive attend seminars, they sometimes hear motivational speakers. Hooked by the fiery delivery and the bold promises of the management evangelists, the executives become enthusiastic about bringing the new messages home to their organisations and demand, “Hire the consultant and see that everyone in headquarters goes through the programme.” Then, after a large investment in time and money, everyone in the organisation has the language of the consultant, but nothing else in the organisation has substantially changed (Swanson, 2009).

Mullins (2005) points out that an employee's performance typically is influenced by motivation and ability. That is organisational performance requires employees who are willing to perform and not only willingly, but also competent in whatever activity of an organisation. Therefore for effective organisational performance both ability and motivation are necessary.

Motivation is a complex subject, it is a very personal thing, and it is influenced by many variables. It has been revealed that, various efforts taken by organisations in improving performance by acquiring advanced facilities since downsising their organisations did not work out as expected and instead distracted productivity, employees’ morale and trust to the organisation (Mullins, 2005; Cameron, 1994; Swanson, 2009). Mullin (2005) points out that if a manager wants to improve the work of the organisation, attention must be given to the level of motivation of its members which will help to ensure that staffs direct their efforts (their driving force) towards the successful attainment of the goals and objectives of the organisation.
In Tanzania, the public service being the strong arm of government as well as engine for growth and development was expected to ensure that the war against the three development enemies identified by political leadership; poverty, disease and ignorance was executed to a successful end. However, by the late 1990s, it was realised that it would take ‘ages’ for the government to combat and eradicate the three development enemies (Bana, 2009). Being the case, a number of reform initiatives in the public service were put in place for the purpose of accomplishing the government’s goals and objectives.

There was a shift from socialist economy which gave the government control of the commanding heights of the economy to a market oriented economy in the mid-1980s, and in 1990s. Also in 1990s the government introduced the National Strategy for Growth and Reduction of Poverty (NSGRP) more popularly referred to as MKUKUTA which aimed at poverty reduction and economic growth. Later on the government introduced political liberalisation and democratisation. (United Republic of Tanzania (URT), 2010).

Despite of the economic and political reforms introduced by the Government, the Public Service of Tanzania continued to face numerous challenges. The challenges faced included massive growth and huge structures in terms of number of institutions and employees; unmanageable public expenditure; poor service delivery to citizens; and poor performance in most of the public service institutions. (Bana, 2009; URT, 2010)

Accordingly, measures were taken in the 1990s under the Civil Service Reform Program (CSRP) to address the above challenges. The CSRP implemented between 1993 and 1998 was largely concerned with cost containment; contracting and streamlining government structures; reduction in the number of employees and wage bill controls; installation of an Integrated Human Resources and Payroll Management System (IHRPMS); improvement of pay structure and enhanced salary levels; restructuring and decentralisation for improved service delivery; capacity building; and improvement of policy and legislative reforms to sustain reforms.
Some achievements were registered, though the problems of poor service delivery to the public, lower productivity in relation to expenditure levels, lower levels of accountability reflected by corruption, in some cases embezzlement and negligence, lower pay and weak management systems remained unresolved. (Bana, 2009; URT, 2010)

The Government embarked on another measure which was Public Service Reform Programme (PSRP) which among other things aimed at improving public service delivery through improved performance management of public service.

In the study by Therkildsen, (2007) who was assessing the Perceptions of public sector staff in Tanzania and Uganda, quoted from Tanzania’s (President’s Office 1999) that “For quite some time now, the public service has been viewed as a liability to the taxpayer rather than an asset.”

The above statements imply that, the organisational performance (public sector), may have not significantly improved despite of various measures taken by the government.

The current study studied the influence of employees’ motivation on non-financial organizational performance. In studying the influence, the study determined the effect of motivation on service delivery speed, service quality and productivity at Tanzania Revenue Authority (TRA), Tanga city. The study also identifies factors that influence motivation of employees at TRA Tanga city.

1.3 Problem Statement
Motivation is very crucial to organisation. Based on literature reviewed, it is evident that motivation affects organizational performance (Mullins 2005). However, there is mixed ideas that the extrinsic motivation improves organisational performance while intrinsic motivation does not. For instance, the study by Muogbo (2013) found that extrinsic motivation do matters a lot and should be a concern of both employers and employees while studies by Uronu (2011) and Manzoor (2012) found non-monetary incentives are among the most important factors that stimulate employees towards working with more energy and dedication to the organisation.
On the other hand, it is evident that, organization managers in today’s rapid changing business environment, managers are continually facing the challenge of achieving and maintaining higher performance on their organizations (Mullins, 2005). The literature has also stressed on the usefulness of non financial organization performance measures as the drivers of future financial performance (Kaplan & Norton, 2001). Despite these, no research work has targeted to investigate the influence of employees motivation on non-financial organization performance in TRA Tanga City.

Following the above debate and lack of enough empirical literature in Tanzania specifically on TRA – Tanga city that link between employees’ motivation and non financial organisational performance, this study empirically examined this relationship

1.4 Objectives

1.4.1 Main Objective
The main objective of this study was to assess the effect of motivation on non-financial organizational performance at TRA Tanga City.

1.4.2 Specific Objectives
Specifically, the study was guided by the following specific objectives:
• To identify factors that influence motivation of employees at TRA Tanga City;
• To determine the effect of motivation on service delivery speed at TRA Tanga City;
• To determine the effect of motivation on service quality at TRA Tanga City; and
• To determine the effect of motivation on productivity at TRA Tanga City

1.5 Research Questions
In order to achieve the above specific objectives, the following research questions were used:
• Which factors influence employees motivation at TRA Tanga City?
• What is the effect of motivation on service delivery speed at TRA Tanga City?
• What is the effect of motivation on service quality at TRA Tanga City?
• What is the effect of motivation on productivity at TRA Tanga City?
1.6 Significance of the Study
The study helps us to understand if employees’ motivation has a significant influence on non-financial organizational performance. It is also expected, to help managers to identify things that they need to do in order to successfully motivate their employees to perform at their best. This study is also expected to stimulate further research in this area by other researchers or academicians. Furthermore, the study adds up to existing literature on the relationship between employees’ motivation and non-financial organisational performance in Tanzania.

1.7 Scope of the Study
The study was conducted at Tanga City. TRA staffs for Custom and Excise Department (CED), Finance Department (FD), Domestic Revenue Department (DRD), Human Resource and Administration Department (HRAD), Taxpayer Service and Education Department (TSED), Information and Communication Technology Department (ICTD), Legal Service Department (LSD) and Value Added Tax (VAT), registered traders all available at the city were involved. Both financial and non-financial motivators were studied in order to get the real picture of the influence of motivation on the non-financial organizational performance.

The non-financial performance measures that were studied include productivity, service delivery speed and service quality. Non financial performance measures were selected for this study due to the fact that they reflected the drivers of future financial performance (Kaplan & Norton, 2001).

1.8 Limitation of the study
This study was limited in time. This is because; the researcher was a full time employee of TRA hence very limited time was available in data collection process and data analysis. Another limitation is relating to generalization of its results since respondents who participated in this study are likely to have different characteristics from those who did not participate in this study somewhere else. Hence, it may be unrealistic to generalize the results of this study to other organizations or Regions. However, it provides a sound framework for further studies.
CHAPTER TWO

2.1. Literature review

2.2. Introduction

The literature section presents different literature that show meaning of different concepts/variables that are used in the study, the description of the variables, the measurement of the research variables, relationships among research variables and similar studies from different areas. The presentation of literature review enables the researcher to come up with theoretical conceptual framework of the study.

2.3. Research Concepts

The concepts defined in this study include motivation, non financial organizational performance, service delivery speed, service quality, and productivity as presented hereunder:

2.3.1. Motivation

Different scholars have defined motivation in different ways.

Kondalkar (2007) defines motivation as “inner burning passion caused by need, wants and desire which propels an individual to exert his physical and mental energy to achieve desired objectives.”

Pinder (1998) defines work motivation as “a set of energetic forces that originates both within as well as beyond an individual’s being, to initiate work-related behaviour, and to determine its form, direction, intensity and duration”

Harris (1996) on the other hand defined motivation as “an educational program which channels the employee’s efforts towards organisational activities and thus increasing the performance of the said boundary spanning roles”.

Mullin (2005) defined motivation as some driving forces within individuals by which they attempt to achieve some goal in order to fulfil some need or expectation.

The need or expectation to be fulfilled as explained by Mullin can be categorised into Extrinsic and Intrinsic motivation whereby extrinsic motivation relate to tangible
rewards such as salary and fringe benefits, security, promotion, contract of service, the work environment and conditions of work while intrinsic motivation relates to intangible (psychological) rewards such as a opportunity to use one’s ability, a sense of challenge and achievement, receiving appreciation, positive recognition, and being treated in a caring and considerate manner.

People are not all motivated in the same way, that is, what has motivated one person will not necessarily motivate another person. For instance, some people will choose to forego intrinsic satisfaction in return to future economic rewards while other people are willing to accept the comparatively low economic reward return in favour of high intrinsic satisfying job Mullins (2005).

On the other hand, according to Crown Management Consultants Ltd (2009), the Tanzania public sector employees considers both monetary and non-monetary rewards very important and they are highly appreciated in improving organisational performances. However, monetary rewards are considered most important motivational factors than others possibly because the public sector for about a decade experienced a significant drop in pay. Budgetary constraints and working tools are also among the highly de-motivational factors which prevents public sector employees to bring about increased organisational performance.

Kondalkar (2007) points out that high employee turnover and absenteeism has been found to be associated with low level of employees’ motivation. It occurs when employees do not enjoy the work assigned to them and as a result they start looking for an alternative job and leave the organisation; whenever, they get an opportunity which negatively affects the organisation performance.

However, the author also points out that the employee turnover declines with increasing age for various reasons such as less job opportunities, getting higher wages due to their seniority and last but not least, because of pension benefits.

From the above literature, it is obvious that the influence of motivation on the overall performance of employees is very significant and managers should be aware of the costs associated with ignoring employees’ motivation in their organisations.
From the literature, the following eight attributes were identified as having an impact on employees’ motivation; (1) Feedback which refers to informing employees the progress towards achieving their goals and of their level of performance, (2) Recognition and appreciation for employee performance and achievements, (3) Job characteristic which refers to whether a job is interesting, challenging and not repetitive, (4) Job responsibility, (5) Opportunities for advancement and growth, (6) Working conditions, (7) Salary, and the last but not least is (8) Job security. The above mentioned attributes have been used to measure the level of employees motivation by using the Likert-type scale ranging from 1-(Strong disagree) to 5-(Strong agree), that is the extent to which the items represent the reasons they are presently involved in their work.

2.3.2. Non financial organisational performance
Potocki, et al., (1995) defines organisational performance as “a true measure of how well a system of management is functioning.”

Business dictionary defines organisational performance as “an analysis of a company's performance as compared to goals and objectives.”

The performance measures can be divided in two main categories which are:

i) financial performance measures; and

ii) non-financial performance measures

Financial performance measures are any of many different mathematical measures used to evaluate how well a company is using its resources to make a profit. It focuses on profit and its components, revenue and costs (Farlex Financial Dictionary, 2012). Such measures include; Return on Investment (ROI), residual income (RI), and economic value added (EVA) (Horngren, 2012)

On the other hand, non-financial performance measures non-financial aspects of the firm. Examples of non-financial performance measures include: workforce development, product quality, customer satisfaction, on time delivery, innovation, attainment of strategic objectives, market share, efficiency, productivity, leadership and employee satisfaction (Gijsel, 2012).
Non financial measures unlike financial measures are considered more superior among other things because they reflect the drivers of future financial performance. “For example, managers may consider that improved quality and customer satisfaction will flow through to improved financial performance” hence direct the attention of managers about the future impact of their actions (Smith, 2009).

Lanen, et al., (2011) point out that many people in organisations do not see how their contributions are translated into financial results. The authors suggest that some employees due to the nature of the job being performed, should be evaluated based on the things they control. They mention an example of a desk clerk at a hotel, and point that measuring performance of the clerk based on customers satisfaction would be more meaningful as it helps to direct the efforts of the clerk towards something she/he can control and ultimately result in improved financial performance.

2.3.3. Service delivery speed

The term “service delivery speed” is very common but most literatures do not provide the direct definition of the term. It is therefore worth getting the meaning of each word making the term and thereafter to come up with a proposed definition for the purpose of this study.

Business Dictionary (2014), define service as “intangible products such as accounting, banking, cleaning, consultancy, education, insurance, expertise, medical treatment or transportation”

According to Investor Words (2014), service is “a type of economic activity that is intangible, it is not stored and does not result in ownership.”

According to the Cambridge dictionary (2014), Service delivery is “the act of providing a service to customers”.

Speed has been defined as “a way of measuring how quickly something is moving or being done, or something moving fast” (Your Dictionary, 2014).

Speed has many definitions, it has also been defined as “the act or quality of acting or moving fast; rapidity” (Collins English Dictionary, 2003).
From the above definitions, the proposed definition of terms service delivery speed for the purpose of this study is “the way of measuring of how quickly a service is being provided to customers or as the “predetermined time length for delivering a particular service in the organisation”

Customers can judge the organisational service as good or bad depending on the time spent during consuming a service at an organisation. (Sungau, et al., 2013)

According to PricewaterhouseCoopers (2007) the time taken to deliver a service should be the shortest possible for both the customer and the organisation delivering the service. This is due to the growing customers expectations whereby efficiency and effectiveness of public service delivery are considered as a metric in public sector and not measured by the generated revenue or employment provided as it was the case.

Services offered by TRA to its stakeholders include: Registration, Tax Assessment, Tax Audits, Customs Clearance, Permits and licenses, Response to enquiries and complaints, Tax relief, Tax refunds, Tax investigation services, Tax education, Provision of statistical data, and Training.

According to TRA (2012), the Taxpayers Charter provides predetermined service level standards by which TRA has to observe while serving its stakeholders. For instance; at the Regional Office, taxpayer registration for Taxpayer Identification Number (TIN) or VAT has to be provided within 1 working day from the date of receipt of the application and after fulfilment of all requirements.

Tax Audits on taxpayer’s business records has to be finalised within 3 months for simple cases and 6 months for complex cases.

Under Permits and Licenses, Motor Vehicle Relicensing has to be completed and issued within 1 working day from the date of receipt of the application.

Under Response to enquiries and complaints TRA shall respond to written correspondence within 5 working days from the date of receiving such correspondence.
Under Tax Investigation Services, eligible informers are to be rewarded within 30 days from the date of receipt of notice of confirmation of payment of tax liability.

Therefore, in measuring service delivery speed, the predetermined service level standards in the taxpayer’s service charter have been used for the purpose of this study.

2.3.4. Service quality
According to the ISO 9000 (2005), quality is defined as the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs.

Parasuraman, et al., (1988) have defined service quality as the ability of the organisation to meet or exceed customer expectations. Quality is not about conformance to company’s specifications, but, it is about conformance to the customer’s specifications.

It is also a discrepancy between customers’ expectations and perception of the service (Zeithaml, et al., 1990). If customer expectations are greater than perceived quality then, customer dissatisfaction occurs (Parasuraman, et al., 1985).

Stevenson (1996) points out general dimensions of quality which include: performance, special features, conformance, reliability, durability, perceived quality, and service after sale.

However, there is the most popular revised service quality (SERVQUAL) model which has only five dimensions. It was developed by a group of American authors, Parasuraman, Zeithaml and Berry in 1985. The revised model allows the use of questionnaires to measure customer expectations of service quality and their perception of the service received in five dimensions.

The five dimensions are:-

1. Reliability which refers to the ability to perform the promised service dependably and accurately;
2. Assurance which is the knowledge and courtesy of employees and their ability to convey trust and confidence;

3. Tangibles which deals with the appearance of physical facilities, equipment, personnel and communication materials;

4. Empathy which focus on the provision of caring, individualised attention to customers and lastly; and

5. Responsiveness which focus on the willingness to help customers and to provide prompt service (Zeithaml, et al., 1990).

Stevenson, (1996) identifies the results of poor service being loss of business for profit businesses and increase in criticism and/or controls to non-profit oriented organisations.

Other results of poor service are liability to the business due to damage which a client suffers as a result of the poor service received; low productivity and increases costs to the business; hence, decline in organisational performances.

2.3.5. Productivity

According to Roy (2005), productivity can be defined in many ways. Some of them are as follows:

- a “reduction in wastage of resources such as labour, machines, materials, power, space, time, capital, etc.”

- a “human endeavour (effort) to produce more and more with less and less inputs of resources so that the products can be purchased by a large number of people at affordable price.”

- “development of an attitude of mind and a constant urge to find better, cheaper, easier, quicker, and safer means of doing a job, manufacturing a product and providing service.”
According to (Suresh, 2008), high productivity refers to “doing the work in a shortest possible time with least expenditure on inputs without sacrificing quality and with minimum wastage of resources”.

Stevenson (1996) defines productivity as “a measure of effective use of resources, usually expressed as the ratio of output to input”.

Productivity measure is useful as it help in tracking performance over time and deciding areas for improvements. It serves as a score card of effective use of resources. That is, if two organisations both offering the same level of output, but one uses less amount of input, the one using less amount of input has high productivity and is in the position to reduce its prices; hence, increasing market share or remain with the same price thus increasing profit both of which are relating to better organisational performance.

However, measuring productivity is more straightforward in manufacturing due to high degree of uniformity of most manufactured items something which is not the case in service operations. An example of two doctors is given, one who attended six patients with minor injuries and the other attending one seriously injured patient by using the same amount of time spent by the first doctor to attend six clients with minor injuries. If someone says, the one who attended six patients has higher productivity would distort the reality of situation (Stevenson, 1996).

The author also identifies various factors that affect productivity. The factors included; methods, capital, quality, technology and management. Suresh (2008) identifies more factors which include product factor, material and energy, and human factor.

Stevenson (1996) notes that method can increase productivity through offering a short course; capital can improve productivity by acquiring and using a more technological advanced facility which will also lead to improved quality. The management may improve productivity through organisation and preparation for the activity to be involved. Suresh (2008) points out that reducing material and energy
consumption will bring out improvement in productivity and also motivated, competent and skilled human factor influences productivity.

Stevenson (1996) also points out that “incentives” and “the pride of doing a good job might also be important”, in improving productivity which is all about employees’ motivation.

There are many theories which attempt to explain the nature of motivation. These theories may all be at least partially true, and help to identify the factors that explain the behaviour of certain people at certain times (Mullin 2005). The theories include Herzberg’s motivation— hygiene theory (two factor theory).

HERZBERG’S MOTIVATION— HYGIENE THEORY (Two factor theory)

This theory is also known as motivator-hygiene theory developed by Herzberg et al., in 1959. Herzberg carried out research in nine different organisations where 203 respondents comprising accountants and engineers were interviewed. Findings of the study led to the two-factor theory of motivation and job satisfaction.

One set of factors are called Motivational factors and are intrinsic in nature, which if present, serve to motivate the individual to superior effort and performance. These factors (achievement, recognition, work itself, responsibility, growth / advancement) have positive effect on morale, productivity, and job satisfaction and over all efficiency of the organisation.

The other set of factors are called maintenance/ hygiene factors and are extrinsic to the job itself, which if present serve to prevent dissatisfaction but their presence do not motivate in a strong way. Such factors are; company policy and administration, supervision, interpersonal relationships, working conditions, salary, status, security. (Mullins 2005 & Kondalkar 2007)

It is often claimed that Herzberg’s theory applies least to people with largely unskilled jobs or whose work is uninteresting, repetitive and monotonous, and limited in scope (Mullins 2005)


2.4 Relationship between Motivation and Non financial Organizational Performance

2.4.1 Relationship between Motivation and service quality
According to Kondalkar (2007), when a manager ensures his/her employees have high degree of motivation, the quality of product will be improved and wastage will be minimum.

Motivated employees who have a clear vision of the importance of service quality to the organisation should provide superior service. (Bowen & Lawler, 1992)

According to Mullins (2005), when an organisation has a positive motivation philosophy in place among other things it will results to increased service quality.

On the other hand, low level of motivation is likely to result in employee turnover and absenteeism which when reaches a critical point, among other consequences the organisation is likely to suffer from poor quality of its products or services (Kondalkar, 2007)

2.4.2 Relationship between Motivation and service delivering speed
Organisational success is dependent upon members being motivated to use their full talents and abilities, and directed to perform well in the right areas (Mullins, 2005).

The author also points out that when an organisation has a positive motivation philosophy and practice in place, among other things service is going to improve.

Responsiveness being among the dimension of quality service, it includes quick response and promptness in providing services to customers (Parasuraman, et al., 1988) From this literature it implies that change in a motivation level will results into a change in service delivery speed.

2.4.3 Relationship between Motivation and productivity
According to (Suresh, 2008), productivity is a function of controllable and uncontrollable factors. The controllable factors are: product factor, plant and
equipment, technology, material and energy, work methods, management style and human factor.

The author points out that productivity is basically dependent upon human competence and skill and further adds that motivation of employees will influence productivity. This means changing the level of motivation will result in change in productivity.

Motivated staffs are more likely to increase productivity and as a result the organisation performance is improved. Lack of staff motivation has been found to be among the factors causing low productivity (Mullins, 2005)

2.5. Empirical Literature Review

A study by Gakure, et al, (2012), with the title of the Influence of Motivation on Performance in the Public Security Sector with a Focus to the Police Force in Nairobi, Kenya had objectives of investigating how motivation influences performance in the public security sector with a focus to the police Force. The study used a descriptive survey design. The study established that there is a strong influence on performance of the regular police officers attributable to units of change in motivation. The study concludes that the current phenomenon of poor performance of the police force can be reversed if the government and other stakeholders ensure that the police are sufficiently motivated.

This study was based in Nairobi, Kenya with a focus to the Police Force; however, the current study is based in Tanga, Tanzania with a focus to TRA to assess whether or not the similar results will be obtained.

Another study conducted by Lotta Laakso (2012), with a title the impact of financial and non-financial rewards on employee motivation had the objective of finding out the reward practices in use in the chosen case study organization and how and why the rewards are impacting the employee motivation. The study used mix of quantitative and qualitative approach and a sample of 43 employees. The paper found that a total reward that is both financial and non financial rewards in use in the studied organisation are positively impacting employee motivation. The study
recommends the management of the studied organisation to not perceive reward practices only as costs which should be reduced, the price tag put on reduced employee motivation due to cutting the employee benefits should be acknowledged.

This study focused on the impact of financial and non-financial rewards on employee motivation; however, the current study has focused on the influence of motivation on non financial organizational performance at TRA-Tanga City.

Another study by Uronu (2011) with the title Non Financial Motivation as Strategy for Improving Performance of Police Force had the objective of to explore the extent of utilisation of non monetary motivations in the police force in Tanzania. To realize the objective, Purposive sampling was used to select the key informants for interview and stratified simple random was used to ensure representation of respondents from different strata. The findings of this study suggest that non-monetary incentives may have a high motivating power in the organisation and they are valued highly by the employees. The study concludes that the level of utilisation of the non-monetary incentives in the organisation is inadequate.

This study focused on the Police Force of Tanzania; however, the current study is focused on TRA-Tanga City, Tanzania to assess whether or not similar results will be obtained.

The study by Muogbo (2013) with the title “The Impact of Employee Motivation on Organisational Performance” had an objective to investigate the place of motivation in increasing organizational productivity among manufacturing firms in Anambra State Nigeria. The study used descriptive survey design. The results obtained from the analysis showed that there existed relationship between employee motivation and the organizational performance. The study reveals that extrinsic motivation given to workers in an organisation has a significant influence on the workers performance. The study concludes that workers reward package matters a lot and should be a concern of both the employer and employee.

This study was based in Nigeria; however, the current study is based in TRA-Tanga City, Tanzania to assess whether or not similar results will be obtained.
2.6. Conceptual Framework
There are a number of variables that have been shown as determinants of organisational performance. These variables include motivation and ability. This study basically concentrated on motivation which has been seen from the literature to comprise of intrinsic and extrinsic motivation (Mullins, 2005).

Further literature review, identified that employees motivation, have significant positive effect on organisational performance (Mullins 2005; Kondalkar, 2007; LottaLaakso; 2012). Employees’ motivation as an independent variable has been found to have influences on service quality, service delivery speed and productivity which are dependent variables in this case (Mullins, 2005; Kondalkar, 2007, Bowen & Lawler, 1992; Suresh, 2008)

However some of the studies have identified extrinsic motivational factors to have the most significant effect on organizational performance (Muogbo 2013) while other studies have identified intrinsic motivational factors to also have the most significant effects on organisational performance (Uronu, 2011).

Most of the findings are based in countries outside of Tanzania and very few in Tanzania but none of them has specifically addressed the influence of motivation on non financial organizational performance in TRA-Tanga City. Based on these findings, the proposed study aimed at investigating the influence of motivation on non-financial organisational performance in Tanzania at TRA-Tanga City. This study also aims at identifying factors that influence motivation of employees at TRA Tanga city.
The relationships among variables of the study are presented in Figure 2.1

**Figure 2.1 Influence of motivation on organizational non financial performance**

![Diagram of relationships among variables]

Source: Researcher’s own Construction

**2.7. Hypotheses of the study**

Based on the above conceptual framework and literature review, the following null hypotheses were generated:

1. Motivational level has no correlation with service delivery speed in TRA Tanga City
2. Motivational level has no correlation with service quality in TRA Tanga City
3. Motivational level has no correlation with productivity in TRA Tanga City

Models of organisational non-financial performance are usually based on production function whereby motivation becomes producer. In this model, organisational non-financial performance is affected by many factors. The factors that may affect organisational non-financial performance may include extrinsic motivational factors, intrinsic motivational factors, ability, and others of the like.

The model of the study can be expressed as shown in equation here under:

\[ A = \alpha + \beta X + \varepsilon \]

Where, 

- \( A \) is an observed organisational non-financial performance, 
- \( \alpha \) is constant, 
- \( X \) is a motivational factor, 
- \( \beta \) is a coefficient of \( X \) and 
- \( \varepsilon \) is other factor that may affect organizational non financial performance.
This general equation can be specifically presented as follows:

\[ Q_{ity} = \alpha + \beta X + \varepsilon \] ...............................................................1

\[ Spe = \alpha + \beta X + \varepsilon \] ...............................................................2

\[ Prod = \alpha + \beta X + \varepsilon \] ...............................................................3

Where by \( Q_{ity} \) is service quality, \( Spe \) is service delivery speed, and \( Prod \) is productivity, \( \alpha \) is constant, \( X \) is a motivational factor that is extrinsic motivational or intrinsic motivational factor, \( \beta \) is a coefficient of \( X \), and \( \varepsilon \) is other factors that may affect organisational non financial performance.
CHAPTER THREE

3.1 Methodology

3.2 Introduction
This chapter presents the research methodology employed in this study. This includes: study design, study area, research variables and their operationalisation, study population, sample size, data collection and instruments for data collection and data analysis.

3.3 Research Design
The proposed study used cross section survey design to provide a systematic description that is as factual and accurate as possible about the studied phenomenon. Similar studies such as (Muogbo, 2013) who investigated the place of motivation in increasing organisational productivity among manufacturing firms in Anambra State Nigeria used cross sectional survey design and also another study by (Gakure et al., 2012) investigating how motivation influences performance in the public security sector with a focus to the police Force in Nairobi, Kenya used a cross section survey design.

3.4 Study Area
The study was conducted in TRA Tanga City. The TRA Tanga City was selected because it was the only agency of the government existing in Tanga mandated to administer central government taxes. TRA Tanga city has also most of the core operations carried out by TRA as compared to District tax offices. The involved core activities are taxpayer registration, tax assessment, tax payment and accounting, debt management, audit and investigation, objections and appeals and taxpayer services and education. The only core activity not carried out in TRA Tanga City is Research and Development which has remained centralised at TRA Headquarter offices in Dar es Salaam. Selecting TRA Tanga City enabled the researcher to collect data from each section responsible for each core operation.
3.5 Research Variable and their Operationalisation

The section presents the variables of the study. The variables of the proposed study are extrinsic motivation, intrinsic motivation, service delivery speed, service quality, productivity and organisational non financial performance.

Table 3.5 Definition of Variables and their measurements

<table>
<thead>
<tr>
<th>Variable</th>
<th>Definition and Measurement of the Variable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational non financial performance</td>
<td>Non-Financial performance measures measure the non-financial aspects of the firm. Non-financial performance measures which will be measured are service quality, service delivery speed and productivity. The way they are going to be measured has been shown at the last three rows in this table.</td>
</tr>
<tr>
<td>Extrinsic motivation</td>
<td>Is related to ‘tangible’ rewards such as salary and fringe benefits, security, promotion, contract of service, the work environment and conditions of work. It is measured by using the Likert-type scale ranging from 1-(Strong disagree) to 5-(Strong agree) that is the extent to which the items represent the reasons they are presently involved in their work.</td>
</tr>
<tr>
<td>Intrinsic motivation</td>
<td>Is related to ‘psychological’ rewards such as the opportunity to use one’s ability, a sense of challenge and achievement, receiving appreciation, positive recognition, and being treated in a caring and considerate manner. It is measured by using the Likert-type scale ranging from 1-(Strong disagree) to 5-(Strong agree) that is the extent to which the items represent the reasons they are presently involved in their work.</td>
</tr>
<tr>
<td>Service quality</td>
<td>It is a discrepancy between customers’ expectations and perception of the service. It is measured by using a revised SERVQUAL service quality model which comprises of five dimensions of quality. These dimensions are; i. Reliability, ii. Assurance, iii. Tangibles, iv. Empathy and v. Responsiveness.</td>
</tr>
<tr>
<td>Service delivery speed</td>
<td>On-Time Delivery measures the timeliness of the delivery of products and services to customers. It is used to evaluate organisations on their on-time delivery performance as they strive to meet expectations on orders of any kind from the customer. This variable is measured as Percentage of set service standards achieved in taxpayer charter.</td>
</tr>
<tr>
<td>Productivity</td>
<td>Productivity is a measure of effective use of resources. It is usually expressed as the ratio of output to input. Attributes used to measure productivity are: product, plant and equipment, technology, material and energy, work methods, management style and human factor.</td>
</tr>
</tbody>
</table>

3.6. Study Population

The population of the study was made up of employees of TRA Tanga and its external customers. However, the targeted population comprised of employees with permanent contract from TRA Tanga City office and VAT traders receiving services at TRA Tanga City. From the population of the study, the unity of analysis was only the permanent contract employees who had worked with TRA for at least three years. The unit of analysis from external customers was only active VAT traders, since they had various transactions and frequently interaction with TRA Tanga City. TRA
employees with permanent contracts and at least three years working experience and active VAT traders served at TRA Tanga City were asked to respond to questionnaires. Questionnaires enabled the researcher to collect information from a larger number of people within a short time and in a relatively cost-effective way.

### 3.7 Sample Size
The population to be studied is 440 people which comprise of 100 employees of TRA Tanga City and 340 VAT traders receiving services at TRA Tanga City office. The sample size was determined by using the formula by Yamane (1967:886) who provided a simplified formula as shown below.

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

Whereby; \( n \) = Sample size, \( N \) = Population size, \( e \) = Precision level

The formula assumed a 95% confidence level and a greater level of variability of the population i.e. 50%

\[
nl = \frac{4+1}{1+4(0.05)^2} \approx 210
\]

### 3.8 Sampling Procedure
The employees of TRA Tanga City to be studied were divided into seven strata, which are: DRD, CED, FD, HRAD, TSED, ICTD, and LSD. From each stratum (non-overlapping homogeneous sub-population) proportionate random sampling was used to get sample of employees (Ndunguru, 2007). For VAT traders, random sampling procedure was applied.

### 3.9 Data Collection
Primary data collection is when information is gathered directly from the respondent. Various techniques for gathering primary data include: questionnaires, and interview (Kombo & Tromp, 2006).

Secondary data collection is when data collected through reviewing relevant documents (Saunnder, 2000). This study collected both primary and secondary data.

Primary data were collected using structured questionnaire. The questionnaires were designed to reflect specific research objectives. Two different sets of questionnaires
were designed and distributed. One set to sampled VAT traders and the other to sampled TRA employees. The set which was distributed to the sampled VAT traders had the portion relevant only to them which was concerning the assessment of service quality; See (Appendix B, Part B). The other set of questionnaires which was distributed to sampled TRA employees also included questions relevant to employees only, relating to assessment of employees’ motivation level and productivity. The two sets were made so as to remain with few necessary questions which are relevant to each respective group.

Secondary data collected for the purpose of this study through reviewing of relevant documents were relating to the assessment of service delivery speed. Various registers such as; TIN certificates, Driving licenses, Audit assessment issuance registers, incoming and outgoing mails registers were used for the purpose of determining the service delivery speed.

3.10. Data Analysis

Data analysis has been divided into three stages;

The first part is comprised of preliminary analysis which involves data cleaning and reliability tests. The second part deals with descriptive statistics such as mean, standard deviations, min, max, and skewness. The third part deals inferential analysis where by; hypothesis were tested, correlation analysis was done to measures the strength of the relationship between different variables, regression analysis conducted to examine how well variables (motivational factors) predicts an outcome variable (organisational non financial performance) and specifies the unique contributions of each predictor.

3.10.1. Preliminary analysis

The collected data were analysed by using Microsoft Office Excel 2007 and the SPSS V.17 after evaluating the Cronbach’s alpha, for the reliability of the collected data. The cronbach’s alpha of 0.836 was obtained which was good enough to meet the required alpha values of 0.70 or greater according to Nunnally (1978).
Furthermore, data were checked for missing values, outliers and normality. The two aspects to normality of a distribution; skewness and kurtosis, were tested in order to establish normality.
CHAPTER FOUR

4.1 Presentation of Findings

4.2. Introduction

This chapter is comprised of presentation of the findings and analysis which are based on the responses from research questionnaires, and secondary data collected. The research findings include: the demographic profile of the respondents, factors that influence motivation of employees, the effect of motivation on service delivery speed, the effect of motivation on service quality and the effect of motivation on productivity at TRA Tanga City.

4.3 Preliminary analysis

4.3.1 Missing Values

Table 4.3.1 Statistics

<table>
<thead>
<tr>
<th>N</th>
<th>Valid</th>
<th>27</th>
<th>27</th>
<th>27</th>
<th>142</th>
<th>43</th>
<th>43</th>
</tr>
</thead>
<tbody>
<tr>
<td>Missing</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Source: Collected Data, 2014

Table 4.3.1 shows the results of the tests for missing data. The data relating to TINs, Driving licences, Audit and Letter reply were tested for missing data and the results indicated that all, 27 tested data were valid with no missing data. Data relating to assessment of service quality were also tested for missing data and the results indicated that 142 cases were valid with no missing data. Finally the data relating to Motivation and productivity which were collected from 43 TRA Staffs were tested for missing data and results indicated that 43 cases were valid with no missing data. The researcher was able to obtain the above mentioned results because of testing sample of questionnaires before distributing which helped the researcher to note any question which provided misleading or ambiguous interpretation to the respondents.
Also the researcher carefully captured the collected data in SPSS to ensure all data were captured and nothing was skipped.

4.3.2 Outliers
Collinearity analysis was performed and data were tested for univariate outlier analysis by assessing Z-score. The scores from the tests were all ranging between -2.50758 and +1.61686 and -1.12129 and +1.80086 which indicated that, there were no univariate outliers because all Z-scores were ranging between the recommended values of ±3.0 (Kline, 2005) for a sample of 142 traders which was larger than 80 cases and also between ±2.5 for a sample of 43 TRA staffs and secondary data which were fewer than 80 cases, respectively.

4.3.3 Normality Test

Table 4.3.3a Normality test (1)

<table>
<thead>
<tr>
<th>Source: Collected Data, 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skewness</td>
</tr>
<tr>
<td>0.772</td>
</tr>
<tr>
<td>Kurtosis</td>
</tr>
<tr>
<td>-1.476</td>
</tr>
</tbody>
</table>

The assessment of normality indicated that, the collected data were normally distributed. According to (Kline, 2005), for normally distributed data, all skewness indices should be less than 3.0 and kurtosis indices less than 10.0 the conditions which were met as indicated in Table 4.3.3a.
Table 4.3.3b Normality test (2)

<table>
<thead>
<tr>
<th>Motivation</th>
<th>Kolmogorov-Smirnova</th>
<th>Shapiro-Wilk</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Statistic</td>
<td>df</td>
</tr>
<tr>
<td>PRODUCTIVITY</td>
<td>3</td>
<td>0.3</td>
</tr>
<tr>
<td>TIME TAKEN IN TIN SECTION</td>
<td>3</td>
<td>0.193</td>
</tr>
<tr>
<td>TIME TAKEN IN DRIVING LICENCE SECTION</td>
<td>4</td>
<td>0.205</td>
</tr>
<tr>
<td>TIME TAKEN IN AUDIT SECTION</td>
<td>3</td>
<td>0.23</td>
</tr>
<tr>
<td>TIME TAKEN IN LETTER REPLY</td>
<td>4</td>
<td>0.2</td>
</tr>
<tr>
<td>SERVICE</td>
<td>3</td>
<td>0.313</td>
</tr>
<tr>
<td>QUALITY</td>
<td>4</td>
<td>0.192</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>0.164</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>0.196</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>0.305</td>
</tr>
</tbody>
</table>

a. Lilliefors Significance Correction
* This is a lower bound of the true significance.

Source: Collected Data, 2014

Table 4.3.3b indicates the results for another assessment for normality. The results indicated that, the collected data were normally distributed. Shapiro-Wilk statistic for assessing normality, which requires the sample size to be greater than or equal to 7 and less than or equal to 2,000 (Shapiro and Wilk, 1965) was also used. The condition was met and the significance values obtained were greater than 0.05 indicating further that the data were normal as indicated in Table 4.3.3b.

4.4 Descriptive Statistics

Descriptive statistics are simply the procedures used to summarise, organise and make sense of a set of scores or observation. It is typically presented graphically, in tabular form or as summary statistics. The common descriptive statistics include: frequencies and percentages. Descriptive statistics have been used in this research to summarise various collected data for easy interpretation as have been presented and described hereunder:

4.5 Demographic profile of the respondents

A total of 185 questionnaires were correctly filled in and returned. One set of 142 questionnaires was for traders while the other set of 43 questionnaires was for TRA Staffs making a total of 185 questionnaires.
In this study, the major demographic information which was analysed included: the gender of the respondents, age of respondents, respondents’ level of education and occupation/job position of the respondents.

The following tables provide overview about the demographic data of the respondents.

**Table 4.5a Characteristics of trader respondents by gender**

<table>
<thead>
<tr>
<th>Gender</th>
<th>Number of Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>94</td>
<td>66.2%</td>
</tr>
<tr>
<td>Female</td>
<td>48</td>
<td>33.8%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>142</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Field data, 2014

The results from Table 4.5a above, provides the gender of 142 trader respondents who responded to the distributed research questionnaires. The results indicate that, most of respondents were males, (66.2%) while females were 33.8%. These results indicate that, most of the businesses are run by males in Tanga City.

**Table 4.5b Characteristics of trader respondents by age**

<table>
<thead>
<tr>
<th>Age in Years</th>
<th>Number of Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>21-30</td>
<td>26</td>
<td>18.3%</td>
</tr>
<tr>
<td>31-40</td>
<td>40</td>
<td>28.2%</td>
</tr>
<tr>
<td>51-60</td>
<td>25</td>
<td>17.6%</td>
</tr>
<tr>
<td>60+</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>142</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Field data, 2014

The results from Table 4.5b indicates that, trader respondents who were involved in this study had the age ranging from 21 years to 60 years. It was found that most of the respondents, (28.2%) had the age ranging from 31 to 40 years. This group was followed by 18.3% age ranging from 21 to 30 years, closely followed by 17.6% of respondents who had the age between 51 to 60 years age group.
Table 4.5c Characteristics of trader respondents by Education level

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Number of Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary/Secondary</td>
<td>113</td>
<td>79.6</td>
</tr>
<tr>
<td>Diploma</td>
<td>14</td>
<td>9.8</td>
</tr>
<tr>
<td>1st Degree and above</td>
<td>15</td>
<td>10.6</td>
</tr>
<tr>
<td>TOTAL</td>
<td>142</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Field data, 2014

The results from Table 4.5c indicate that most of respondents (Traders) who were involved in this study had primary/secondary education (79.6%). Very few respondents about (20%) had higher than primary/Secondary education.

Table 4.5d Characteristics of trader respondents by Position

<table>
<thead>
<tr>
<th>Position</th>
<th>Number of Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner</td>
<td>96</td>
<td>67.6</td>
</tr>
<tr>
<td>Accountant</td>
<td>8</td>
<td>5.6</td>
</tr>
<tr>
<td>Clerk</td>
<td>18</td>
<td>12.7</td>
</tr>
<tr>
<td>Supervisor/Manager</td>
<td>20</td>
<td>14.1</td>
</tr>
<tr>
<td>TOTAL</td>
<td>142</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Field data, 2014

The results from Table 4.5d above indicate that most of trader respondents were business owners (67.6%). This was followed by 14.1% business Supervisors/Managers, followed by business Clerks (12.7%) and least were accountants 5.6% who were very few because a single accountant used to handle a large number of businesses.

Table 4.5e Demographic characteristics of TRA staff respondents by Gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Number of Respondents</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>29</td>
<td>67.4</td>
</tr>
<tr>
<td>Female</td>
<td>14</td>
<td>32.6</td>
</tr>
<tr>
<td>TOTAL</td>
<td>43</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Field data, 2014

The results from Table 4.5e, provides the gender of 43 TRA staffs who responded to the distributed research questionnaires. The results indicate that most of respondents were males, (67.4%) while females were (32.6%). These results indicate that most of the staffs in TRA Tanga City are males.
Table 4.5f Demographic characteristics of TRA staff respondents by Age

<table>
<thead>
<tr>
<th>Age in Years</th>
<th>Number of Respondents</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>21-30</td>
<td>11</td>
<td>25.6</td>
</tr>
<tr>
<td>31-40</td>
<td>6</td>
<td>14.0</td>
</tr>
<tr>
<td>41-50</td>
<td>7</td>
<td>16.3</td>
</tr>
<tr>
<td>51-60</td>
<td>19</td>
<td>44.1</td>
</tr>
<tr>
<td>TOTAL</td>
<td>43</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Field data, 2014

The results from Table 4.5f indicate that TRA staff respondents had the age ranging from 21 to 60 years. It was found that most of the respondents, (44.1%) had the age ranging from 51 to 60 years. This group was followed by 25.6% age ranging from 21 to 30 years, closely followed by 16.3% of respondents who had the age ranging from 41 to 50 years and least group (14.0%) was that of 31 to 40 years.

Table 4.5g Demographic characteristics of TRA staff respondents by Education

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Number of Respondents</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diploma</td>
<td>11</td>
<td>25.6</td>
</tr>
<tr>
<td>1st Degree and above</td>
<td>32</td>
<td>74.4</td>
</tr>
<tr>
<td>TOTAL</td>
<td>43</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Field data, 2014

The results from Table 4.5g above indicate that, most of TRA staff respondents, (74.4%). were first degree or so holders. The remaining group (25.6%) were diploma holders.

Table 4.5h Demographic characteristics of TRA staff respondents by Position

<table>
<thead>
<tr>
<th>Job Position</th>
<th>Number of Respondents</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assistant officers</td>
<td>36</td>
<td>83.7</td>
</tr>
<tr>
<td>Officers</td>
<td>3</td>
<td>7.0</td>
</tr>
<tr>
<td>Senior officers</td>
<td>3</td>
<td>7.0</td>
</tr>
<tr>
<td>Management</td>
<td>1</td>
<td>2.3</td>
</tr>
<tr>
<td>TOTAL</td>
<td>43</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Field data, 2014

Results from Table 4.5h indicate that most of TRA staff respondents were Assistant officers (83.7%). This indicates that most of staffs at TRA Tanga City were involved in operational activities. The first group was followed by 7.0% Officers and another 7% senior officers while Management level was only 2.3%.
4.6 Inferential Statistics

Inferential statistics are procedures used that allow researchers to generalise observations made with samples to the larger population from which they were drawn. Assessment strength of the relationship between the independent variable and dependent variables were conducted.

4.6.1 Correlation analysis

Correlation analysis is used for examination of the linear relationship between variables. Through this analysis can be determined whether a relationship exists between variables. In a situation where the results of correlation between variables are positive or negative and very close to 1, this indicates a strong positive or negative relationship, respectively. On the other hand, in case of the correlation results both positive and negative are very close to zero, that kind of results indicates a very weak linear relationship.

Table 4.6.1 Correlations

<table>
<thead>
<tr>
<th></th>
<th>Motivation</th>
<th>Productivity</th>
<th>Time Taken In Tin Section</th>
<th>Time Taken In Driving Licence Section</th>
<th>Time Taken In Audit Section</th>
<th>Time Taken In Letter Reply</th>
<th>Service Quality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motivation</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Productivity</td>
<td>0.686**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Time Taken in Tin Section</td>
<td>0.09</td>
<td>0.620**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Time Taken in Driving Licence Section</td>
<td>-0.149</td>
<td>0.319</td>
<td>0.831**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Time Taken in Audit Section</td>
<td>-0.092</td>
<td>0.293</td>
<td>0.533*</td>
<td>0.690**</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Time Taken in Letter Reply</td>
<td>0.101</td>
<td>0.304</td>
<td>0.595**</td>
<td>0.521*</td>
<td>0.432*</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Service Quality</td>
<td>0.628**</td>
<td>.461**</td>
<td>0.169</td>
<td>0.014</td>
<td>0.095</td>
<td>0.056</td>
<td>1</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).
Source: Analysis of field data, 2014

From results in Table 4.6.1, the correlations between Motivation and productivity is 0.686, which is significant at P<0.01. The variation of productivity explained by Motivation is 47.06% (0.686)².
Basing on these findings, motivation improves productivity at TRA Tanga City.

From the results in table 4.6.1, the correlations between Motivation and Service delivery speed in TIN Certificate issuance is very small, \( r=0.09 \), which is not significant at \( P<0.05 \). Hence, basing on these findings, motivation does not improve service delivering speed in the TIN certificate issuance at TRA Tanga City.

From the results in table 4.6.1, the correlations between Motivation and Service delivery speed in Driving licence issuance is very small, \( r=-0.149 \), which is not significant at \( P<0.05 \). Hence, basing on these findings, motivation does not improve service delivering speed in the Driving licence issuance at TRA Tanga City.

From results in Table 4.6.1, the correlation between Motivation and Service delivery speed in Audit assessments issuance is very small, \( r=-0.092 \), which is not significant at \( P<0.05 \). Hence, basing on these findings, motivation does not improve service delivering speed in the Audit assessments issuance at TRA Tanga City.

From results in table 4.6.1, the correlation between Motivation and Service quality is 0.628 as seen above, which is significant at \( P<0.05 \). The variation of service quality explained by Motivation is \( 39.44\% (0.628)^2 \).

Basing on these findings, motivation improves service quality at TRA Tanga City.

Table 4.6.2 Factors influencing motivation of employees at TRA Tanga City

<table>
<thead>
<tr>
<th>Factor</th>
<th>Number of Respondents</th>
<th>Expected Total Score</th>
<th>Actual Score</th>
<th>Percentage Scored (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appreciation/Recognition for achievement</td>
<td>43</td>
<td>215</td>
<td>132</td>
<td>61.4%</td>
</tr>
<tr>
<td>Taking Responsibility</td>
<td>43</td>
<td>215</td>
<td>92</td>
<td>42.8%</td>
</tr>
<tr>
<td>Advancement/growth opportunities</td>
<td>43</td>
<td>215</td>
<td>158</td>
<td>73.5%</td>
</tr>
<tr>
<td>Job Security</td>
<td>43</td>
<td>215</td>
<td>193</td>
<td>89.8%</td>
</tr>
<tr>
<td>Good Salary</td>
<td>43</td>
<td>215</td>
<td>206</td>
<td>95.8%</td>
</tr>
<tr>
<td>Treated in a caring and considerate manner</td>
<td>43</td>
<td>215</td>
<td>85</td>
<td>39.5%</td>
</tr>
<tr>
<td>Interesting and challenging work</td>
<td>43</td>
<td>215</td>
<td>93</td>
<td>43.3%</td>
</tr>
<tr>
<td>Good working conditions</td>
<td>43</td>
<td>215</td>
<td>126</td>
<td>58.6%</td>
</tr>
<tr>
<td>Receiving feedback on your performance</td>
<td>43</td>
<td>215</td>
<td>76</td>
<td>35.3%</td>
</tr>
</tbody>
</table>

Source: Analysed data, 2014
Table 4.6.2 depicts the results from TRA staff respondents who were requested to rank the nine motivational factors in order of importance to them through the questionnaire set in part B.

Considering the scores of each motivational factor as ranked by the respondents, below is the list of the Motivational Factors in order of their importance to the respondents:

1. Good Salary – 95.8%
2. Job Security – 89.8%
3. Advancement/Growth opportunities – 73.5%
4. Appreciation/Recognition for achievement – 61.4%
5. Good working conditions – 58.6%
6. Interesting and challenging work – 43.3%
7. Taking Responsibility – 42.8%
8. Treated in a caring and considerate manner – 39.5%
9. Receiving feedback on your performance – 35.3%

Comparing the above results to Hertzberg’s two factor theory, Employee remuneration (Salary) and Job security which were ranked by the respondents as number one and two respectively are classified as hygiene factors. These factors are extrinsic to the job itself and do not contribute to employee motivation; however, they are associated with preventing dissatisfaction to employees about their work. Similar results were obtained by Muogbo, (2013) who found extrinsic motivational factors to have the most significant effect on organisational performance. Other factors falling in this category (hygiene factors), are good working conditions which was ranked as number five (5), being treated in a caring and considerate manner which ranked as number eight (8) followed by receiving feedback on the performance which was ranked number nine (9). Given the high priority given by employees involved in this study, high attention need to be given to these hygiene factors since unsatisfied employee cannot be motivated.

Employee advancement/growth (ranked as number 3) and Appreciation (ranked as number 4) are factors which according to Hertzberg two factors theory are; intrinsic in nature and their presence serves to motivate employees to superior performance.
The high ranks obtained by these intrinsic motivational factors in this study coincide with the study conducted by Uronu, (2011) in whose study intrinsic motivational factors were also found to be valued highly by employees. Other factors falling under this category as ranked by the respondents were: interesting and challenging work which ranked as number six (6) and taking responsibility which ranked as number seven (7).

4.6.2 Regression analysis
Regression analysis is a statistical tool for the investigation of relationship between variables (Hair et al., 1995). It usually seeks to ascertain the causal effect of one variable upon another. It helps to understand how one value of the dependent variable changes when any one of the independent variable is varied while other independent variables are constant.

4.6.2.1 Effect of motivation on productivity
The Table 4.6.2.1 presents the results of regression analysis for Motivation and Productivity.

<table>
<thead>
<tr>
<th>Regressed Variables</th>
<th>Unstandardized regression weight</th>
<th>S.E</th>
<th>P Value</th>
<th>Standardized regression weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Productivity ← Motivation</td>
<td>1.135</td>
<td>0.188</td>
<td>0.000</td>
<td>0.686</td>
</tr>
</tbody>
</table>

Source: Analysis of field data, 2014

From the results presented in Table 4.6.2.1, the regression weight is positive and significant indicating that Motivation was a factor determining productivity at TRA Tanga City. This relationship is presented in the equation 1 below:

\[ \text{Prod} = \alpha + 0.686X + \varepsilon \]  

Whereby; - \( \text{Prod} \) represents productivity, \( \alpha \) is constant, and \( \varepsilon \) any other factor affecting productivity.

4.6.2.2 Effect of motivation on service delivery speed
Table 4.6.2.2a presents the results of regression analysis for Motivation and Service delivery speed in the TIN certificate issuance section, at TRA Tanga City.
From results presented in Table 4.6.2.2a, the regression weight is very small with the standardized beta coefficient of (0.090), indicating that Motivation was not a strong factor determining service delivery speed in TIN issuance at TRA Tanga City. This relationship is presented in the equation 2a below:

\[ T_{Spe} = \alpha + 0.090X + \varepsilon \] ....................................................... (2a)

Whereby; - \( T_{Spe} \) is TIN certificate issuance speed, \( \alpha \) is constant, and \( \varepsilon \) any other factor affecting service delivery speed.

From results presented in Table 4.6.2.2b, the regression weight is very small indicating that Motivation was not a strong factor determining service delivery speed at TRA Tanga City. This relationship is presented in the equation 2b below:

\[ D_{Spe} = \alpha - 0.149X + \varepsilon \] ....................................................... (2b)

Whereby; - \( D_{Spe} \) is Driving licence issuance speed, \( \alpha \) is constant, and \( \varepsilon \) any other factor affecting service delivery speed.
The Table 4.6.2.2c presents the results of regression analysis for Motivation and Service delivery speed in Audit assessments issuance at TRA Tanga City.

**Table 4.6.2.2c Regression (Motivation and Service Delivery Speed – Audit Assessments)**

<table>
<thead>
<tr>
<th>Regressed Variables</th>
<th>Unstandardized regression weight</th>
<th>S.E</th>
<th>P Value</th>
<th>Standardized regression weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service delivery speed (Audit) ← Motivation</td>
<td>-0.317</td>
<td>0.765</td>
<td>0.683</td>
<td>-0.092</td>
</tr>
</tbody>
</table>

Source: Analysis of field data, 2014

From results presented in Table 4.6.2.2c, the regression weight is very small indicating that Motivation was not a strong factor determining service delivery speed in Audit assessments issuance at TRA Tanga City. This relationship is presented in the equation 2c below;

\[ A_{Spe} = a - 0.092X + \varepsilon \]

Whereby; \( A_{Spe} \) is Audit assessments issuance speed, \( a \) is constant, and \( \varepsilon \) any other factor affecting service delivery speed.

Table 4.6.2.2d presents the results of regression analysis for Motivation and Service delivery speed in Letter reply at TRA Tanga City.

**Table 4.6.2.2d Regression (Motivation and Service Delivery Speed – Letter reply)**

<table>
<thead>
<tr>
<th>Regressed Variables</th>
<th>Unstandardized regression weight</th>
<th>S.E</th>
<th>P Value</th>
<th>Standardized regression weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service delivery speed (letter reply) ← Motivation</td>
<td>0.283</td>
<td>0.624</td>
<td>0.655</td>
<td>0.101</td>
</tr>
</tbody>
</table>

Source: Analysis of field data, 2014

From the results presented in Table 4.6.2.2d above, the regression weight is very small indicating that Motivation was not a strong factor determining service delivery
speed in Letter reply at TRA Tanga City. This relationship is presented in the equation 2d below;

\[ LSpe = \alpha + 0.101X + \varepsilon \]  \hspace{1cm} \text{(2d)}

Whereby; - \( LSpe \) is Letter reply speed, \( \alpha \) is constant, and \( \varepsilon \) any other factor affecting service delivery speed.

4.6.2.3 Effect of motivation on service quality

The Table 4.6.2.3 presents the results of regression analysis for Motivation and Service quality.

<table>
<thead>
<tr>
<th>Regressed Variables</th>
<th>Unstandardized regression weight</th>
<th>S.E</th>
<th>P Value</th>
<th>Standardized regression weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Quality</td>
<td>0.911</td>
<td>0.176</td>
<td>0.000</td>
<td>0.628</td>
</tr>
</tbody>
</table>

Source: Analysis of field data, 2014

From the results presented in Table 4.6.2.3, the regression weight is positive and significant indicating that Motivation was a factor determining service quality at TRA Tanga City. This relationship is presented in the equation 3 below;

\[ Qltyservice = \alpha + 0.628X + \varepsilon \]  \hspace{1cm} \text{(3)}

Whereby; - \( Qltyservice \) is Service quality, \( \alpha \) is constant, and \( \varepsilon \) any other factor affecting service quality.

4.6.3. Hypothesis testing

4.6.3.1 Effect of Motivation on productivity at TRA Tanga City

The tentative answer to the above statement in form of hypothesis to be tested is; \( H_0 \): Motivation has no correlation with productivity at TRA Tanga City. The results in the Table 4.7 shows the values of \( \beta = 0.686 \), and \( \alpha = 0.000 \).

Considering the Null hypothesis, \( H_0 \): Motivation has no correlation with productivity at TRA Tanga City, the \( p \) Value indicates that, the standardised regression coefficient \( \beta \) is significant. Hence, the null hypothesis, \( H_0 \) is rejected and we accept the
alternative hypothesis, $H_1$: Motivation affects productivity at TRA Tanga City. Hence, it is concluded that, motivation is an important factor that improve productivity at TRA Tanga City.

4.6.3.2 Effect of Motivation on service delivery speed in TIN issuance at TRA Tanga City
The tentative answer to the above statement in form of hypothesis (Null hypothesis) to be tested is; $H_0$: Motivation has no correlation with service delivery speed in TIN certificates issuance at TRA Tanga City. The results in Table 4.8 shows the values of $\beta = 0.09$, and $\alpha = 0.689$.

Considering the Null hypothesis, $H_0$, the p Value indicates that, the standardised regression coefficient $\beta$ is not significant. Hence, the null hypothesis, $H_0$ is accepted and we reject the alternative hypothesis, $H_1$: Motivation affects service delivery speed in TIN certificates issuance at TRA Tanga City. Hence, it is concluded that, motivation is not an important factor that improves service delivery speed in TIN certificate issuance at TRA Tanga City.

4.6.3.3 Effect of Motivation on service delivery speed in Driving licence issuance at TRA Tanga City
The tentative answer to the above statement in form of hypothesis (Null hypothesis) to be tested is; $H_0$: Motivation has no correlation with service delivery speed in Driving licence issuance at TRA Tanga City.

The results in Table 4.9 shows the values of $\beta = -0.149$, and $\alpha = 0.508$. Considering the Null hypothesis, $H_0$, the p Value indicates that, the standardised regression coefficient $\beta$ is not significant. Hence, the null hypothesis, $H_0$ is accepted and we reject the alternative hypothesis, $H_1$: Motivation affects service delivery speed in Driving licence issuance at TRA Tanga City. Hence, it is concluded that, motivation is not an important factor that improve service delivery speed in Driving licence issuance at TRA Tanga City.
4.6.3.4 Effect of Motivation on service delivery speed in Audit assessments issuance at TRA Tanga City

The tentative answer to the above statement in form of hypothesis (Null hypothesis) to be tested is; $H_0$: Motivation has no correlation with service delivery speed in Audit assessments issuance at TRA Tanga City.

The results in the Table 4.10 shows the values of $\beta = -0.092$, and $\alpha = 0.683$. Considering the Null hypothesis, $H_0$, the p Value indicates that, the standardised regression coefficient $\beta$ is not significant. Hence, the null hypothesis, $H_0$ is accepted and we reject alternative hypothesis, $H_1$: Motivation affects service delivery speed in Audit assessments issuance at TRA Tanga City. Hence, it is concluded that, motivation is not an important factor that improves service delivery speed in Audit assessments issuance at TRA Tanga City.

4.6.3.5 Effect of Motivation on service delivery speed in Letter reply at TRA Tanga City

The tentative answer to the above statement in form of hypothesis (Null hypothesis) to be tested is; $H_0$: Motivation has no correlation with service delivery speed in Letter reply at TRA Tanga City.

The results in Table 4.11 shows the values of $\beta = -0.101$, and $\alpha = 0.655$. Considering the Null hypothesis, $H_0$, the p Value indicates that, the standardised regression coefficient $\beta$ is not significant. Hence, the null hypothesis, $H_0$ is accepted and we reject the alternative hypothesis, $H_1$: Motivation affects service delivery speed in Letter reply at TRA Tanga City. Hence, it is concluded that, motivation is not an important factor that improve service delivery speed in Letter reply at TRA Tanga City.

4.6.3.6 Effect of Motivation on service quality at TRA Tanga City

The tentative answer to the above statement in the form of hypothesis to be test is; $H_0$: Motivation has no correlation with service quality at TRA Tanga City. The results in Table 4.12 shows the values of $\beta = -0.628$, and $\alpha = 0.000$. 
Considering the Null hypothesis, $H_0$: Motivation has no correlation with service quality at TRA Tanga City, the p Value indicates that, the standardised regression coefficient $\beta$ is significant. Hence, the null hypothesis, $H_0$ is rejected and we accept the alternative hypothesis, $H_1$: Motivation affects service quality at TRA Tanga City. Hence, it is concluded that, motivation is an important factor that improves service quality at TRA Tanga City.
CHAPTER FIVE

5.1 Discussion of Findings

5.2. Introduction
In this chapter, the findings reported earlier in chapter four are discussed in relation to each specific research objective. This chapter is divided into three major parts, namely introduction, Discussion of findings, Conclusions and policy implication sections.

5.3. Discussion of Findings
The purpose of the study was to determine the influence of motivation on organisational non-financial performance at TRA Tanga City. Specifically this study focused on four specific objectives which are to determine: (i) factors that influence motivation of employees, (ii) the effect of motivation on service delivery speed, (iii) the effect of motivation on service quality and the last but not least was the (iv) the effect of motivation on productivity.

The first specific objective was to determine the factors that influence motivation of employees of TRA Tanga City. In this objective the factors were ranked where by, Good Salary ranked as the number one, the most influencing factor with 95.8% scores, followed by Job Security – with 89.8% scores, Advancement/Growth opportunities - with 73.5% scores, Appreciation/Recognition for achievement – with 61.4% scores, Good working conditions – with 58.6% scores, Interesting and challenging work – with 43.3% scores, Taking Responsibility – with 42.8% scores, Treated in a caring and considerate manner – with 39.5% scores, and lastly Receiving feedback on your performance – with 35.3% scores.

The above results indicate that extrinsic motivational factors; salary and job security are the most valued factors by employees at TRA Tanga City. However other factors, intrinsic motivational factors; growth opportunities and recognition are found to be next to above mentioned factors in the ranking order.

The results of this study above coincide with Muogbo (2013) who found that extrinsic motivation given to workers in an organisation has a significant influence
on the workers performance. He also concludes that, workers reward package matters a lot and should be a concern of both the employer and an employee. The findings of this study relating to intrinsic motivational factors attaining also higher ranks coincide with the findings of another researcher, Uronu, (2011) who found that, non-monetary incentives may have a high motivating power in the organisation and they are valued highly by the employees.

The second research objective was to determine the effect of motivation on service delivery speed. Service delivery speed was measured by using few selected services such as TIN certificate issuance, Driving Licence issuance, and Audit assessments as per Quality Management System, (QMS) standards documented in Taxpayers Charter. The results of this study indicate that motivation is not significantly correlated with service delivering-speed at TRA Tanga City. Service delivering speed is not significantly affected by motivation, but it might be affected by other factors.

The findings of this study contradict with the findings of the previous researchers (Muogbo, 2013; Uronu, 2011; Gakure et al, 2012; LottaLaakso; 2012) who found that a unit change in the level of motivation would result in change in the organisational performance. However among the above mentioned researchers none of them investigated particularly the influence of motivation on service delivery speed as a specific attribute in organisational non financial performance.

The third research specific objective was to determine the effect of motivation on service quality. The study has found out a significant correlation between motivation and service quality at TRA Tanga City. The study has found that, improving one unit of motivation results in improved service quality by 39.44%. The findings are also supported by various researchers; (Muogbo, 2013; Uronu, 2011; Gakure et al, 2012; LottaLaakso; 2012) as previously indicated in the empirical literature review section.

The last but not least research objective was determining the effect of motivation on productivity. The study has established that there is significant correlation between Motivation and productivity at TRA Tanga City. The study further reveals that motivation improves productivity by 47.06%. These findings are supported by
various researchers; (Muogbo, 2013; Uronu, 2011; and Gakure et al, 2012) who found that, the unit change in motivation lead to improvement in organizational performance although they did not specifically addressed the attribute of productivity.
CHAPTER SIX

6.1 Summary, Conclusions and Policy implications

6.2 Introduction
This chapter gives a summary of findings, draws conclusions from the study and also it provides policy implications. That is how to address the critical issues that have emerged from the study.

6.3 Summary (of findings)
The primary objective of this study was to assess the influence of motivation on non financial organisational performance. The major concerns were on determining factors influencing employees’ motivation; determining the effect of motivation on service quality; determining the effect of motivation on productivity and determining the effect of motivation on service delivery speed at TRA Tanga City. The results from this study indicated that extrinsic motivational factors (Salary and Job Security) were the leading factors that influenced employees’ motivation followed by Intrinsic Motivational factors (growth opportunities and recognition). Motivation was found to correlate positively with both service quality and productivity. However, no significant correlation was found between motivation and service delivery speed at TRA Tanga City.

6.4 Conclusion
This study had the main objective of assessing the influence of motivation on organisational non financial performance. In achieving this objective, the study focused its attention on four specific objectives which are to determine: (i) factors that influence motivation of employees, (ii) the effect of motivation on service delivery speed, (iii) the effect of motivation on service quality and the last but not least was the (iv) effect of motivation on productivity.

The study found that, extrinsic motivational factors; salary and job security were the most valued factors by employees at TRA Tanga City. However other factors, intrinsic motivational factors; growth opportunities and recognition were found to be next to above mentioned factors in the ranking order. This study also found that,
motivational had no significant influence on service delivery speed at TRA Tanga City. This implies that, there might be other factors which significantly affect service delivery speed. Regarding the third objective, motivation was found to have a significant influence on service quality at TRA Tanga City. This implies that, if proper motivational tools are put in place by the management of TRA Tanga City will result in improved service quality. Concerning the fourth objective, the study found motivation has a significant influence on productivity at TRA Tanga City. Hence, changing the level of motivation by the management of TRA Tanga City will result in change in the level of productivity.

Based on the above findings, it is then logical to conclude that, management should put enough emphasise on the most valued motivational factors. Applying appropriate motivational factors will lead into the improvement in service quality, productivity and ultimately organisational non financial performance at TRA Tanga City.

6.5 Policy implications

This study recommends the following to the management of TRA Tanga City:

The management should ensure the employees salaries are being frequently revised to reflect changes taking place in the market such as inflation and currency depreciation in relation to foreign currencies. Offering a fair and competitive salary will help the organisation to avoid having unsatisfied employees who can not be motivated.

The management should ensure it has in place clear established rules and policies which are consistent applied. This will help to increase the sense of security to employees, thus helping them to knowing for sure what they should expect to get in return of their effort to the organisation.

The management should also ensure that, the organisation has in addition to the above mentioned, an attractive career development strategy which is consistently implemented. This is also very important to employees and if consistently implemented will help to retain employees even with less pay as they believe, they work in the organisation which has growth opportunities to its employees.
The organisation should ensure tax education is continually provided to the surrounding society considering that majority of the respondents (traders) 79.6% had only primary/secondary education level. This will help to create awareness about their rights and obligations which will help improve their knowledge on what should be their expectations from service offered by TRA; hence, improve the level of service quality.

Due to limited time and scope of this study, the researcher recommends more studies relating to this topic be carried out in other organizations or places. This will help to establish all factors which influence employees’ performance and determining the relationship between the non-financial organization performance measures and how they are influenced by employees’ motivation. Further more, due to the above mentioned limitations; the generalization of the results of this study is restricted.
REFERENCE:


APPENDICES

APPENDIX I

In partial fulfilment of the requirements for the Masters Degree in Business Administration (MBA) – Corporate Management, offered by the Mzumbe University, I am required to complete a dissertation on a topic of my choice. I have chosen to study the influence of employee motivation on non financial organizational performance at TRA Tanga City.

Part of the study involves obtaining valuable data from a selected group via a questionnaire.

I would be very pleased if you could spare some time and complete this questionnaires. This work is strictly for academic purposes and so information given be treated with confidentiality.

Your assistance is truly appreciated.

Part A: Demographic Information – TRA Staff

Please tick [ √ ] the appropriate answer.

1. Sex: a) Male [ ] b) Female [ ]

2. Age: a) 20-30 [ ] b) 31-40 [ ] c) 41-50 [ ] d) 51-60 [ ]

3. Education: a) Secondary [ ] b) Diploma [ ] c) Bachelor Degree [ ] d) Masters degree [ ] e) Professionals [ ] f) If others (please specify)…………………………

4. For how long have you been working with TRA? a) 3-8 years[ ] b) 9-14 years[ ] c) 15-20years [ ] d) 21 - 16years [ ] e) More than 26 years

5. Department …………………

6. Position a) Assistant Officer [ ] b) Officer [ ] c) Senior Officer [ ] d) Principal Officer [ ] e) Management level [ ] f) Others (please specify) …………………………………
Part B: Motivational Factors

Please complete the questionnaire by circling indicating to what extent each of the following statements is true.

1. You receive adequate feedback from your manager/supervisor regarding your performance?
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

2. You receive recognition for your achievements from your manager/supervisor?
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

3. Employee achievements are publicised throughout the organisation?
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

4. Your job is both interesting and challenging?
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

5. Employees are rotated in the organisation in order to learn new tasks?
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

6. Your manager/supervisor lets you take responsibility for the tasks you perform?
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

7. Your manager/supervisor allows you to make your own decisions on how to perform your tasks in order to achieve your goals?
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

8. There are good promotion opportunities for employees within your organisation?
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

9. The advancement and growth opportunity within the organisation motivates you to perform better?
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

10. You are provided with the necessary equipment to adequately perform your duties?
    a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

11. You have a pleasant working environment?
12. You are of the opinion that your salary is higher than that offered in the market?
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

13. If you would receive less salary, you would remain at the same job?
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

14. You feel that your current salary motivates you to perform?
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

15. You have no fear about the financial stability of the organisation?
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

16. You feel secured about your future within the organisation?
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

17. You have often seriously considered quitting and finding a job elsewhere?
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

18. If it was not pension benefits, I would have quit the job?
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree
Please complete the following table by ranking each factor in order of importance to you. i.e. the most important factor to be ranked as 1 to the least as 9.

Table 1: Factors that Motivate You

<table>
<thead>
<tr>
<th>Motivational Factors</th>
<th>RANK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full appreciation of work done/ Recognition for your achievement</td>
<td></td>
</tr>
<tr>
<td>Taking responsibility for the tasks you perform</td>
<td></td>
</tr>
<tr>
<td>Advancement and growth opportunities within your organisation</td>
<td></td>
</tr>
<tr>
<td>Job security</td>
<td></td>
</tr>
<tr>
<td>Good Salary</td>
<td></td>
</tr>
<tr>
<td>Being treated in a caring and considerate manner</td>
<td></td>
</tr>
<tr>
<td>Interesting and challenging work</td>
<td></td>
</tr>
<tr>
<td>Good working conditions</td>
<td></td>
</tr>
<tr>
<td>Receiving feedback about your performance</td>
<td></td>
</tr>
</tbody>
</table>

Part C: Productivity

Please complete the questionnaire by circling indicating to what extent each of the following statements is true.

1. Plant and equipment
   1.1 There is no computer in my office which is working but not used
      a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree
   1.2 Maintenance for the computers in my office is being done often
      a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree
   1.3 The computers used for work in my office are modern
      a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

2. Technology
   2.1 Availability of high technology facilities has helped me to efficiently handle my inputs.
2.2 Availability of high technology facilities has assisted to a great extent in planning and controlling
a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

2.3 Availability of high technology of facilities in my office has helped in reducing waste
a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

2.4 Availability of high technology facilities in my office has enabled me to get timely and high quality inputs
a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

3. Material and energy

3.1 TRA office at Tanga City has managed to supply quality and right materials
a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

3.2 TRA office at Tanga City has managed to control wastages and scrap
a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

3.3 TRA office at Tanga City has an effective stock control in place
a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

3.4 TRA office at Tanga City has reduced significantly energy consumption
a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

4. Human factor

4.1 TRA Tanga City has competent and skilled employees
a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

5. Work methods

5.1 TRA Tanga City has been continuously improving ways in which work is done
a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree
6. Management style

6.1 The management style of TRA Tanga City is very flexible and dynamic

a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree
APPENDIX II

In partial fulfilment of the requirements for the Master’s Degree in Business Administration (MBA) – Corporate Management, offered by the Mzumbe University, I am required to complete a dissertation on a topic of my choice. I have chosen to study the influence of employee motivation on non financial organizational performance at TRA Tanga City.

Part of the study involves obtaining valuable data from a selected group via a questionnaire.

I would be very pleased if you could spare some time and complete this questionnaires. This work is strictly for academic purposes and so information given be treated with confidentiality.

Your assistance is truly appreciated.

Part A: Demographic Information – VAT Trader

Please tick [ √ ] the appropriate answer.

1. Sex: a) Male [ √ ] b) Female [ ]

2. Age: a) 20-30 [ ] b) 31-40 [ ] c) 41-50 [ ] d) 51-60 [ ]

3. Education: a) Secondary [ ] b) Diploma [ ] c) Bachelor Degree [ ] d) Masters degree [ ] e) Professionals [ ] f) If others (please specify) ……………………………

4. For how long have you been in business? a) 3-8 years[ ] b) 9-14 years[ ] c) 15-20 years [ ] d) 21 - 16years [ ] e) More than 26 years

5. The type of your business …………………

6. Position a) Owner [ ] b) Accountant [ ] c) Messenger [ ] d) Others (please specify) ……………………………

59
Part B: Service Quality

Please complete the questionnaire by circling indicating to what extent each of the following statements is true.

1. Reliability

1.1 TRA Tanga City provide services as they promise to customers
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

1.2 TRA Tanga City employees have been dependably in handling customers’ problems
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

1.3 The service offered to me for the first time was performed right
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

1.4 Employees of TRA Tanga have always been providing services at the promised time
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

1.5 I have never experienced an error from the services I received from TRA Tanga
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

2. Responsiveness

2.1 I normally get informed about the time the service will be performed
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

2.2 The employees of TRA Tanga City have been offering prompt service to customers
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

2.3 The employees of TRA Tanga City are normally willing to help customers
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

2.4 The employees of TRA Tanga City are normally ready to respond to customers’ requests
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree
3. Assurance

3.1 At TRA Tanga City, employees normally instill confidence to customers
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

3.2 Employees of TRA Tanga City make me feel safe in our transactions
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

3.3 Employees at TRA Tanga City are consistently courteous
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

3.4 Employees at TRA Tanga City are knowledgeable to answer customers’ questions
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

4. Empathy

4.1 At TRA Tanga City customers are given individual attention
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

4.2 Employees at TRA Tanga City deal with customers in a caring fashion
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

4.3 Employees at TRA Tanga City have the customer’s best interest at heart
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

4.5 Employees at TRA Tanga City understand the needs of their customers
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

5. Tangibles

5.1 TRA Tanga City has modern equipments in place
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

5.2 The facilities available at TRA Tanga City are visually appealing
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

5.3 Employees at TRA Tanga City have a neat, professional appearance
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree

5.4 TRA Tanga City has visually appealing materials associated with service
   a) Strongly disagree b) Disagree c) Neutral d) Agree e) Strongly Agree