

**THE IMPLICATIONS OF EMPLOYEES MOTIVATION TO  
HUMAN RESOURCE RETENTION AT STANBIC BANK  
TANZANIA LIMITED**

**THE IMPLICATIONS OF EMPLOYEES MOTIVATION TO  
HUMAN RESOURCE RETENTION AT STANBIC BANK  
TANZANIA LIMITED**

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**A Dissertation Submitted to the Mzumbe University Dar es Salaam Campus  
College in Partial Fulfillment of the requirement for the award of the Degree of  
Masters of Science in Human Resource Management (MSc – HRM) of Mzumbe  
University**

**2013**

**CERTIFICATION**

We, the undersigned, certify that have read and hereby recommend for the acceptance by Mzumbe University, a dissertation entitled **The Implications of Employees Motivation to Human Resource Retention at Stanbic Bank Tanzania Limited**, in partial fulfillment of the award of Masters of Science in Human Resource Management of Mzumbe University.

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## **DEDICATION**

I dedicate this work to my beloved grandmother Salome Suzette Kaganda for her moral, spiritual and financial support.

## **LIST OF ABBREVIATIONS**

EM	-	Extrinsic motivation
ER	-	Employee retention
ERP	-	Employee Retention Program
HR	-	Human Resource
HRM	-	Human Resource Management
IM	-	Intrinsic motivation
SBTL	-	Stanbic Bank Tanzania Limited

## **ABSTRACT**

The importance of motivation in retaining employees cannot be over emphasized. Therefore keeping the best employees continue to remain a challenge for most managers. The current study entailed at examining the implications of employees motivation to human resource retention. The study set to address four specific objectives as to identify the types of motivation required by employees, to explore the strategies employed to enhance motivation as a factor to human resource retention to, determine the relationship between employees motivation and human resource retention, and to identify challenges involved in attaining motivation strategies that lead to human resource retention at Stanbic Bank.

The study used Stanbic Bank as a case study whereby the organization has a total number of about 587 employees. However, this study used a cross section sample of 160 employees mainly located in Dar es Salaam due to resources constraints. The research made used primary and secondary data. Opened ended questionnaire and interviews were used to collect data from respondents. A selected number of managers, senior as well as junior staffs were also interviewed as part of the data gathering process. Data collected were subjected to analysis that involved data coding, editing and consolidation and later presented in tables, charts and quotes.

The study found that majority of the respondents was of the opinion that they were not satisfied with their current motivation packages. Respondents strongly agreed that good management to employee relationship enhances employee's retention. Few, respondents certain level of dissatisfaction with the house allowance and has led to feeling of inequity, de-motivation and labour turnover. It is therefore recommended that Stanbic bank should provide both staffs house allowance not depends for the manager and senior staff. The study also recommended that management should provide a competitive and attractive salary in order to retain the employees of Stanbic Bank.

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## CHAPTER ONE

### 1.1 Introduction

This chapter presents background, statement of the problem, objective of the study, research questions, significance of the study, scope of the study and finally provides limitations of the study.

#### 1.2.1 Background

The concept of employee motivation is not at all a new idea, as it has been around for a long time due to employee and employer relations. While the concept itself is not new, new research and awareness have made new aspects of employee motivation not only a possibility, but also a reality in the world today. Recent beliefs and ideas have introduced new concepts to the field of employee motivation (Charles and Marshall, 1992). One of the most common *new* areas of growth in the area of employee motivation is through the use of work teams. Employee motivation is one of the important factors that can help the employer to improve employee and organizational performance (Sandhyaand Kumar, 2011).

Motivation seems to be one of the most important tools for retaining employees and increases productivity. Organizations design motivation systems to encourage employees to perform in the most effective way but also to attract potential candidates. The key to create the efficient motivation system is an answer to the question what really motivates employees. One of many ways to motivate and retain your employees is by giving traditional rewards. The employer cannot and should not wait for the employee to come and ask for a raise or recognition the employer should be the one to recognize employee performance and should reward good performance with monetary, benefits, and compensation incentives (Memcott and Growers, 2002).

A good employer should know how to attract and retain his employees (Alkandari, 2009). There might be many other strategies to keep the employees comfortable in

the present job but motivation strategies boost the employees on day to day basis. Contrary to modern belief, monetary compensation is not the highest employee motivator. According to the Crueru and Mihaela, (2009) nine of ten managers think people stay or go because of money. But, Kaye and Evans (2000) conclude that money and perks matter, but employees are interested in challenging and meaningful work, good bosses, and opportunities for learning and development employee retention can be practiced better by motivating the employees in the aspects of open communication which enforces loyalty among employees. Open communication tends to keep employees informed on key issues. Most importantly, they need to know that their opinions matter and that management is 100% interested in their input. Employee Reward Program whereas positive recognition for work boosts the motivational levels of employees. Recognition can be made explicit by providing awards like best employee of the month or punctuality award. Project based recognition also has great significance. The award can be in terms of gifts or money (Sandhyaand Kumar, 2011).

Motivation and retention factors can be arranged in a hierarchical manner with lower level needs being a prerequisite of higher order needs. The bottom tier consists of physiological needs, food and shelter. After an individual has accomplished gratification of the physiological needs, the next tier progresses to needs consisting of safety and security needs, Needs for love, affection, and belongingness exist in the tier above safety and security, and begins to start higher level needs as the two bottom tiers were physical needs. This next tier above social needs consists of ego and esteem needs. After these needs are met the final tier consists of the need for self-actualization, to be completely developed as a person (Johnson, 1997).According to Maslow, self-actualization or ego needs could never be fully satisfied(Tesone, 2005).

Generally, motivation can be intrinsic or extrinsic. Intrinsic motivation (IM) can be described, as the process of motivation by work itself in so far as it satisfies the personal needs of the employee. Intrinsic motivation is self-generated and it is

thought that people seek for a job they think will most satisfy their needs (Salanova and Kirmanen, 2010).

The factors affecting intrinsic motivation include for example responsibility, freedom to act, courage to use and develop persons own skills, interesting tasks and opportunities for advancement. Extrinsic motivation (EM) is the amount of effort other people give to the person to motivate them. Extrinsic motivation is for example the rewards management provides such as pay rise, praise or promotion. Extrinsic motivators are efficient but the influence doesn't last long.

Intrinsic motivators tend to have a longer effect, as they are inherent and not imposed from outside. The effect of money as a motivator is discussed later in this thesis. (Armstrong, 2006) As the needs of individuals differ a lot, it is important to concentrate carefully on the attachment of goals and incentives given when goals are accomplished. Motivation theories help to understand different motivators. Motivation theories have been examined for decades. These theories can be implemented to the company's human resource policies to get the best out of the employees. The most efficient strategy motivation should not be based solely on intrinsic motivators neither on extrinsic motivators. By being aware of the factors that are the most important for future business persons companies can meet the challenge of attracting, motivating and retaining

### **1.3 Statement of the Problem**

The importance of employee retention and work motivation is growing all the time in the companies. But most of the Tanzanian companies do not emphasis on motivation of employee, this results to employee's mobility and poor performance as well as low companies productivity. Labour mobility is notable in the banking industry of Tanzania and has signs of growing with time, for example it was revealed in one of the commercial bank operating in Tanzania that for three (3) consecutive years there had been a steady increase in the number of employees who had left from the bank and joined other banking institutions, in 2006 attrition rate was 4.31%, 6.85% in 2007 and 12% in 2008 (Mboya, 2010).Motivation is important and if employees are

enthusiastic about task accomplishments, tries to do their jobs the best, the organization will benefit (Petcharak, 2002).

The lack of employees motivation in organization will cause a higher turnover, absenteeism, lack of employee retention, lower service, higher operating costs for recruitment, selection, and training. Absenteeism takes place when employees do not report to work (Lee-Ross, 1999). Good supervisors and managers try to maintain a positive attitude, by valuing employees and treating them fairly, managers and supervisors can create a positive and supportive environment, which can result in retaining better employees and motivating employees in their jobs (Memmott and Growers, 2002).

Employee motivation can be investigated in many different ways. Research on employee motivation is looking for factors that are most often chosen by employees when they are asked to decide what motivates them at work. It usually consists of a number of motivating factors that are supposed to be ranked or assessed. Motivation factors Include, security, interesting work, Opportunity for advancement, appreciation, company and management, intrinsic aspects of the job. Herzberg's is based on two distinct sets of factors: hygiene factors such as pay, organizations, policies, working environment and motivating factors such as recognition, promotion, achievement and the intrinsic nature of the work, managers can learn what kind of motivation factors should be provided to employees(Charles and Marshall, 1992).

#### **1.4 Objective of the Study**

The overall objective of the research was to examine the implications of employees motivation to human resource retention. Specifically the study intends: -

- i. To identify the types of motivation required by employees
- ii. To explore the strategies employed to enhance motivation as a factor to human resource retention
- iii. To determine the relationship between employees motivation and human resource retention.

- iv. To identify challenges involved in attaining motivation strategies that lead to human resource retention at Stanbic Bank.

### **1.6 Research Questions**

The study was addressing the following questions: -

- i. What are the types of motivation required by employees?
- ii. Is motivation important for retaining employees?
- iii. What are the relationship between employee's motivation and human resource retention?
- iv. Are there any challenges during motivating employees?

### **1.7 Significance of the Study**

- i. The study will add knowledge to the existing knowledge of some area of the study, about the implication of employees motivation to human resource retention
- ii. Will be usefully document to the policy formulator or framework, the recommendations and causes that will be identified can be useful in policy formulation
- iii. In relation to the researcher, the achievement of the study will serve as researcher's partial fulfillment of the academic requirements for the Masters of Science in Human resource management
- iv. The study will also provide other researchers with areas for future research and literatures that have been addressed to this topic.

### **1.8 Scope of the Study**

The study focused on the implication of employee's motivation to human resource retention at Stanbic Bank Tanzania Limited (SBTL), with attention on the relationship between employee's motivation and human resource retention. The study was taking an insight on the challenges involved in attaining motivation strategies that lead to human resource retention at Stanbic Bank, strategies employed to enhance motivation as a factor to human resource retention and the study was

identify types of motivation required by employees, only Stanbic bank employees and management was taken as a sample of the study.

### **1.9 Limitation of the Study**

The study encountered by some difficulties or limitations that were limiting the researcher and in one way or another has affected the study. The study encountered by the following limitations.

- i. Time constraints, truly two months period is not enough for data collection, and two month report writing time is not enough to conduct the study effectively.
- ii. Response of response; sometimes the respondents was not responding accurately or return questionnaire at right time something made difficult to collect information in a right time. Likewise other respondents were responding negatively when an interview was conducted.
- iii. Insufficient information; in most cases the data collected was not sufficient to make a research effective because there was little literature concerning the role of employees motivation in human resource retention

The study encountered by resource limitations in terms of funds and time, for that reasons the researcher was concentrated his work at Stanbic Bank, because covering the whole population was to cost more. To overcome time limitation, the researcher used his time effectively so as to finish the study on time.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter shows how the researcher cited different data from other researchers and writers. The chapter present theoretical and empirical literature review, conceptual framework and finally provides research gap

#### **2.2 Theoretical Literature Review**

##### **2.2.1 Definition of the Terms**

**Motivation** is defined as the force or forces that arouse enthusiasm and persistence to pursue a certain course of action (Daft and Marcic, 2008). Motivation, derived from the Latin word meaning “to move” represents those psychological goal directed processes (Kreitner and Kinicki, 2007). Motivation has been recognized as a dilemma that managers must face because what motivates one individual may not motivate another. Motivation refers to a response to objects, people, or events in either a positive or negative way (Dessler, 2008). In short, Dessler (2001), defines motivation as the intensity of a person’s desire to engage in some activity

**Retention** means retaining those employees who share the company values, proving their expertise in business and an appropriate moral profile. Staff retention is the opposite of staff turnover (Cruceru and Mihaela, 2009). A better orientation of employees can reduce turnover. Workers who are given opportunities for training and retraining, which are placed on job matching their training, are less inclined to leave the organization (Miner, 2003).

##### **2.2.2 The Concept of Work Motivation**

The term motive usually is explained as desires, needs, emotions or impulses that make someone do something following this definition, motivation is the state of being incited to action. Work motivation refers to motivation within a work setting. Typically, it refers to employees’ motivation to perform, stay and commit in a

company, cooperate, lead or support a leader, help customers and so forth (Bailey and Clegg, 2008). Some authors define what motivation is by explaining where it comes from. In this approach work motivation has been defined as “a psychological process resulting from the reciprocal interaction between the individual and the environment that affects a person’s choices, effort, and persistence” (Latham and Ernst, 2006). In other definitions work motivation is associated with the goal attainment. People are motivated to do something if they believe it is likely that it will bring desired result. People who are well motivated take action that they expect will achieve their clearly defined goals (Armstrong, 2007). Motivation is a phenomenon that cannot be directly observed. The only way to infer motivational processes is to analyze streams of behavior caused by environmental or inherited factors, which can be observed through their effects on abilities, beliefs, knowledge and personality (Bjorklund, 2001).

There are probably as many definitions of motivation as researchers working on this topic. However, there are some features of motivation that are common for most definitions. It can be observed from the examples presented above that when authors describe motivation they mention an action or behavior that is directed and sustained as a result of motivation. In other words motivation is usually described as an invisible force that pushes people to behave in a certain way (Pinder, 1998).

Pinder (1998), believes that presented definition has some features that make it better than others. Firstly, it is not general as many other definitions, it presents motivation in a close relation to work and careers. His definition is intended to apply behavior such as joining or leaving company, being punctual, respecting or not supervisor’s orders, inventing better ways to performing a job and accepting relocation to another place. One of the key elements that are important in defining motivation is a concept of force. It not only makes the definition consistent with other authors work but also allows motivation level to be weak or strong depending on circumstances. The idea of force suggests that motivation is related to an effort.

Motivation is primarily concerned with how behavior is activated and maintained (Bandura, 1997). In cognitive motivation, people are motivated and guide their actions through the exercise of forethought. They form beliefs about what they can do, anticipate likely positive and negative outcomes, set goals for themselves, and plan future courses of action to attain those goals or avoid aversive ones. Motivation is sometimes acquired through avoiding aversive external stimuli, such as hunger, thirst, and pain, Motivation is primarily concerned with how behavior is activated and maintained. Motivation is sometimes acquired through avoiding aversive external stimuli, such as hunger, thirst, and pain. A great deal of human motivation, however, is initiated and sustained over long periods in the absence of external stimulation. The capacity to represent future consequences in thought provides one cognitively based source of motivation. Many of the things we do are designed to gain benefits and avert future difficulties. A second cognitively based source of motivation operates through goal setting and self-regulating reinforcement, which are intervening influences (Bandura, 1995).

### **2.2.3 Types of Motivation**

Motivation can be intrinsic or extrinsic. Intrinsic motivation can be described, as the process of motivation by work itself in so far as it satisfies the personal needs of the employee. Intrinsic motivation is self-generated and it is thought that people seek for a job they think will most satisfy their needs (Armstrong, 2007). The factors affecting intrinsic motivation include for example responsibility, freedom to act, courage to use and develop persons own skills, interesting tasks and opportunities for advancement. Extrinsic motivation is the amount of effort other people give to the person to motivate them. Extrinsic motivation is for example the rewards management provides such as pay rise, praise or promotion. Extrinsic motivators are efficient but the influence doesn't last long.

Intrinsic motivation is defined as the doing of an activity for its inherent satisfactions rather than for some separable consequence. When intrinsically motivated a person is moved to act for the fun or challenge entailed rather than because of external prods, pressures, or rewards. In humans, intrinsic motivation is not the only form of

motivation, or even of volitional activity, but it is a pervasive and important one (Ryan and Deci, 2000).

#### **2.2.4 The Importance of Motivation to Employees**

Rutherford (1990), stated that all managers realize that motivation is important and if employees are enthusiastic about task accomplishments, try to do their jobs the best, the organization will benefit. Rutherford also noted that organizational goals could not be effectively attained unless employees work together, so it is obvious that the need for teamwork in the organization is essential. One thing that managers should realize is their job is not just to “motivate an employee”. All employees come to a work situation motivated to attain personal goals, which they have established.

One goal for the service manager is to develop motivated employees and increase their morale about their work. Employee morale towards work, such as supervisors and peers, organization, work environment, can be defined as the feelings an employee has about all aspects of the job. There are many benefits to be gained from building good morale. Besides, there are proven relationships between morale levels, turnover, and absenteeism. However, research indicates that high employee morale levels do not always yield high productivity levels (Bjorklund, 2001).

#### **2.2.5 Retaining and Motivating Employees**

It is important for company to review organizational practices to see if are meeting the expectations of our employees (Memmott and Growers, 2002). The labor market continues to tighten and there are less and less available skilled, loyal, and motivated employees.

Morale motivates the employee. For example, allowing employees to hold a hot dog feed or a potluck to raise money for a co-worker that has fallen on hard times due to a death or emergency of a family member, giving employee’s balloons on a birthday or sending flowers due to a birth of a child. These types of activities boosts morale, which in turn creates unity, which helps employees, feel as if they are part of a family rather than a part of an organization. It creates a great deal of job satisfaction,

and a sense of security. Once an employee has been motivated by morale retention comes more easily (Memmott and Growers, 2002).

One of many ways to motivate and retain your employees is by giving traditional rewards. The employer cannot and should not wait for the employee to come and ask for a raise or recognition, the employer should be the one to recognize employee performance and should reward good performance with monetary, benefits, and compensation incentives. Culture differences can create a challenge in motivating and retaining employees (Memmott and Growers, 2002).

Employee retention refers to the various policies and practices, which let the employees stick to an organization for a longer period of time. Every organization invests time and money to groom a new joiner, make him a corporate ready material and bring him at par with the existing employees. The organization is completely at loss when the employees leave their job once they are fully trained. Employee retention takes into account the various measures taken so that an individual stays in an organization for the maximum period of time (Gayathri and Kamalambal, 2002).

If an employer lost an employee with a great amount of experience, it would take lots of time and money to retain a new employee for positive production. Experience is an intangible that is relied up heavily (Gayathri and Kamalambal, 2002). Every workers carries with him or her at least three basics types of experience, every worker possesses a certain amount of industry, company and position specific experiences. Employees leave for a variety of reasons including poor supervision, unchallenging position, limited advancement opportunities, lack of recognition, limited control over work, perceived pay in equity and perception of more favorable opportunities in other companies. High employee turnover is one greatest causes of declining productivity and decreased morale in corporate. While morale decreases, recruiting and training cost increases and an organization can find itself in a vicious cycle.

Retaining and motivating employees but requires strong managerial skills to facilitate a system working properly as fit company needs employees, so they need

and are given the tools and conditions to achieve daily attributions. An equally important aspect is also a performance-based compensation plan that reinforces loyalty to the company employees and to encourage it to make a significant contribution (Miner, 2003). An Employee Retention Program (ERP) is said to be effective when a systematic effort is made to create and foster an environment that encourages and supports employees to remain employed by maintaining strategies and practices in place that addresses their diverse needs (Mayo, 2003). Employee retention (ER) is a process in which the employees are encouraged to remain with the organization for the maximum period of time or until the completion of the project. Even though ER has now become a tough task, it is beneficial for the organization as well as the employee.

#### **2.2.6 Significance of Employee Retention**

Retention is not only important just to reduce the turnover costs or the cost incurred by a company to recruit and train. But the need of retaining employees is more important to retain talented employees from getting poached. There are many factors, which show the importance of the employee retention. They may be the turnover cost which includes hundreds of thousands of rupees to the company's expenses. In fact, it is difficult to calculate the turnover cost, which includes hiring, costs, training costs and productivity loss, industry experts often quote 25% of the average employee salary as a conservative estimate. Company information loss is the next factor that shows the significance of retention (Alkandari, 2009).

When an employee leaves the organization, he takes with him the valuable information about the organization, the customers, the current projects and also the past history of its competitors to the new employer. Lot of time and money has been spent on an employee in expectation that he works for organizations future return. When the employee leaves the organization the investment is not realized. Customer services are interrupted where customers and clients do business with a company in part because of the people. Turnover causes to more turnovers because when an employee terminates from the organization the effect is felt throughout the organization where co-workers are often required to pick up the slack. The unspoken

negativity from the one who has been terminated often intensifies for the remaining staff (Mayo, 2003).

Company goodwill also plays an important role in retaining the employees. The maintenance of goodwill of a company is possible only if the attrition rates are low. By maintaining higher employee retention rates the employer can motivate potentially talented employees to join the organization by creating a secured environment (Sandhya and Kumar, 2011). The problem of regaining efficiency is also seen if an employee resigns. The good amount of time is lost in hiring a new employee and then training him/her, which indulges loss of the company directly, which many a time goes unnoticed. And even after recruiting a new employee one cannot assure the same efficiency from the new employee as the training imparted to the old employee according to the employers needs goes waste.

A better orientation of employees can reduce turnover. Workers who are given opportunities for training and retraining, which are placed on job matching their training, are less inclined to leave the organization (Garry, 1998). If people receive more general information on company performance, which is desired, of them, will think that's good or not remains. If individuals believe that they have the chance to be advanced, will leave the organization. Consequently, internal promotion and career planning can help keep employees in the organization.

In addition, a fair payment system can help prevent turnover. An employee who is paid less than another worker on a job with similar requirements may leave the organization if he was offered a better alternative (Barling and Phillips, 1993). In extreme cases, when a shortage of skilled employees, companies to be competitive, can spend a lot of improvement. Such situations have led to "return the funds agreements" where employees leave the organization in a given period.

Another component of the process of retaining and maintaining human resources is to maintain a low stress. Stress management is to: Identify the causes which produce and measures such as; changing individual responsibilities (reducing or increasing

them), the empowering tasks - agreeing employee objectives - providing training appropriate (example, in time management techniques), how we select the right people and why should we help the most ambitious employees to develop their career are things whose importance becomes evident when a valuable employee resign. Unfortunately, it is too late (Garry, 1998).

A company's ability to retain, preserve and develop human capital creates a positive perception in the human resources market, a perception that propelled the top employer brands (Miner, 2003). A high rate that helps to attract top professionals who will contribute through their company's success, Staff retention is the opposite of staff turnover (Cruceru and Mihaela, 2009). Retention means retaining those employees who share the company values, proving their expertise in business and an appropriate moral profile.

Maintaining human resources is closely related to their satisfaction, so one way to reduce turnover and thereby to increase staff retention, is control over the correspondence between expected rewards and satisfaction of their employees, which can reduce the problems caused by fluctuation. Another way to eliminate the fluctuation is improving selection in employment, but to dismiss (Miner, 2003).

### **2.2.7 Employee Retention Strategies**

Apart from the retention success strategies and the different theories of motivation there are few retention strategies, which are classified into three levels, bottom level, middle level and high level. The following are some of the primary key aspects that Attract and Retain Talented workforce practiced in different organizations (Sandhya and Kumar, 2011).

According to Alkandari (2009), an organization which produces Baby product retains its experienced hands by maintaining Strong values of trust, caring fairness, and respect within the organization, Freedom to operate at work, Early responsibility in career, Training and learning opportunities, Visible, transparent and accessible

leaders, Competitive rewards, Innovative HR programs and practices so that it can maintain the reputation in its product usage.

Another organization, which produces body care products for elders, assures its employees and retains by Performance-driven Rewards. Its belief in “Growing our own timber”, Comprehensive development and learning programs, Flat organization, where performance could lead to very quick progression, Challenging work context, Competitive rewards, Exhaustive induction and orientation program which ultimately attracts the new talent also (Alkandari, 2009).

### **2.2.8 Factors Affecting Employee Retention**

According to Irshad (2009), the employee satisfaction and retention are considered the Cornerstone for success of organization. Past study divided it into social, mental or physical Dimension. The grouping is based on social contacts at works, characteristics of the work task or the physical and material circumstances associated with work. The retention factors of the mental dimension are work characteristics, employees are retaining by flexible tasks where they can use their knowledge and see the results of their efforts. The social dimension refers to the contact employees have with other people, both internal and external. The physical dimension consists of working conditions and pay. In order to retain employees the organization need to gain information about the dynamics that characterized the motivation to work.

Van Knippenberg (2000), suggested that employee become more loyal and stay in the organization when they identify themselves within a group and contribute to the performance as a group. This suggestion relies on work performed by Locke and the goal setting theory he developed. The goal is team performance and the individual feeling part of the group. The focus of Locke was on the goal, but in order to reach the goal one must associate oneself with the group and task. Irshad (2009), describes another framework manager can use when communicating with its employees to know that the cause of retention consist of nine different predictors; organizational processes, role challenge, values, work, life balance, information, stake/leverage/recognition, management, work environment and product or service.

Irshad (2009) recognized that only one factor is not responsible in management of employee's retention, but there is several factors influenced in employee's retention which need to manage congruently i.e. compensation & rewards, job security, training and developments, supervisor support culture, work environment and organization justice.

The job of human resource personnel is done perfect if it places a right person for a right job at a right place in a right time. But retention is more important than hiring. A talented employee will never fall shortage of the opportunities. If a person is not satisfied with the present job, he may switch over to another, of his choice. The top organizations are on the top because they care for their employees and they know how to keep them glued to the organization. Employees stay or leave organizations for many reasons the reasons may be personal or professional. Employees who are satisfied and happy with their jobs are more dedicated and work for organization's growth (Mayo, 2003).

From literature re, it is recognized that human resource management play pivotal role in employee's retention. Researchers found that human resource management practices in compensation & rewards, job security, training & developments, supervisor support culture, work environment and organization justice can help to reduce absenteeism, employee retention and better quality work, (Meyer and Allen, 1991; Solomon, 1992; Snell and Dean, 1992; Arthur, 1994; Snell and Youndt, 1995; McDuffie, 1995; Delaney and Huselid, 1996; Ichniowski, Shaw and Prennushi, 1997). According to Accenture (2001), study on high performance issue found that organization strategy regarding employee retention primarily stated from US, Europe, Asia then Australia.

According to Osteraker (1999), the employee's satisfaction and retention is considered the cornerstone for success of organization. Previous study divided it into social, mental or physical dimension. The grouping is based on social contacts at work, characteristics of the work task or the physical and material circumstances

associated with work. The retention factors of the mental dimension are work characteristics, employees retaining by flexible tasks where they can use their knowledge and see the results of their efforts. The social dimension refers to the contact employees with each other, both internal and external. The physical dimension consists of working conditions and pay. In order to retain employees, the organization need to gain information about the dynamics that characterized the motivation to work.

Van Knippenberg (2000), suggested that employee can become more loyal and stay in the organization when they identify themselves within a group and contribute to the performance as a group. This suggestion relies on work performed by Locke and developed good setting theory. The goal is team performance and the individual's feeling part of the group. The focus of Locke was on the goal, but in order to reach the goal one must associate oneself with the group and task. Glen (2006), described another framework that manager can use when communicating with its employees to know that the cause of retention consist of nine different predictors: organizational processes, role challenge, values, work, life balance, information, stake/leverage/recognition, management, work environment and product or service.

## **2.2.9 Theories of Motivation**

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

Maslow's Hierarchy of needs must be one of the best known motivation theories in the world (Salanova and Kirmanen, 2010). Maslow is a good starting point to start examining the different motivation theories. Maslow starts with the idea that people always tend to want something and what they want depends on what they already have (Rosenbloom, 2005). Maslow proposed that there are five different levels of needs people have to seek for satisfaction of their basic needs.

The first or lowest level is Physiological needs. Before these needs, which include for example food, water, shelter and clothing, are fulfilled a person doesn't have any other needs. When people don't feel hunger, thirst or cold, their needs go to a second level. The second lowest level is Security needs. In that level a person needs to feel

secure in his/her family and in a society, and feel protected against violence (Mullins, 2007).

The need for safety is manifested with job security, savings and for insurances of health, mental health, old age and disability. Love and belonging needs is the third level of Maslow's hierarchy. After feeling secure, people need to feel that they receive and give love, they are appreciated and they have good friendships. The fourth level is Esteem needs. It is the need to be unique with self-respect and to enjoy esteem from other individuals. People want to evaluate themselves highly and based on their achievement receive appreciation from other people. Lack of these needs may cause inferiority, helplessness and weakness (Mullins, 2007).

Highest level of Maslow's hierarchy of needs is need of self-actualization. The development of this need is based on the satisfaction at the other four lower levels. It refers to the need of self-fulfillment and to the tendency to become actualized in what a person is potential. The core of this theory lies in the fact that when one need is fulfilled, its strength diminishes and the strength of the next level increases (Latham, 2007). Maslow does note that one level of needs doesn't have to be totally fulfilled before a person moves to the next level. The individual can be partly satisfied with one level and still seek for satisfaction at the next level.

#### **2.2.9.2 Herzberg Motivation/Hygiene Theory**

Herzberg's motivation/hygiene theory is also known as the two-factor theory. Herzberg started the study job satisfaction in the 1950's in Pittsburg. The basis of Herzberg's work is in the Maslow's Hierarchy of Needs. He started with the idea that what causes the job satisfactions are the opposite of those things that cause job dissatisfaction (Salanova and Kirmanen, 2010). However, after studying thousands of books he couldn't draw any guidelines. He conducted a survey where he asked participants to identify those things that made them feel positive with their job and those that made them feel negative.

As a result Herzberg found out that what makes people happy is what they do or the way they're utilized and what makes people unhappy is the way they're treated. Things that make people satisfied at work are different from those that cause dissatisfaction so those two feelings can't be opposite. Based on these findings Herzberg created his theory of Motivators and Hygiene factors. Both factors can motivate workers but they work for different reasons. Hygiene factors tend to cause only short-term satisfaction to the workers while motivators most probably cause longer-term job satisfaction (Mullins, 2007).

### **2.3 Empirical Literature Review**

Salanova and Kirmanen (2010), made a study on Employee satisfaction and work motivation, the main aim was to find out the level of employee satisfaction and to find out possible aspects of motivation for improvements.

Salanova and Kirmanen (2010), found that, work motivation consists of many different aspects. It is very important for the managers to make the employees feel motivated towards the work they do. Motivated workers are less absent from work and the productivity of the company is more likely to grow. The employees are feeling good about enjoying working everyday and performing their best. They also say it usually feels good to come to work every day. According to the results the workers don't feel so optimistic about the future success with the company, although a number of the respondents feel good about it. This might have an effect on the work motivation. Employees who feel that their future is successful at the company work better than those who are insecure about it. Workers get intrinsic motivation from the work itself. Work is supposed to fulfill the employee's basic needs. In average most of the employees are feeling fairly satisfied with the fulfillment of their basic needs by work.

Finally the study concludes that, the workers are not satisfied with the current salary and the fairness of the wages system compared to the tasks they do. Other aspects of the wages system at the company are fairly satisfying to the employees. The company's benefit design is done very well, since the employees show quite high

satisfaction with it. Also the jobs that Prisma supermarket offers to its employees quite satisfy their expectations except for the possibility to be promoted.

Also Riley (2009), did a study on Employee Retention, the general objective of the study was to overview employee retention. In order to identify the issues associated with employee retention, survey of all agency employees was conducted, examining three dimensions of employee satisfaction. The three aspects of employee satisfaction include: the relationship dimension, the personal growth dimension, and the system maintenance dimension, the study found that, Staff encouragement is an inexpensive way to boost employee morale and motivation. Larson and Hewitt (2005) state that it is important to recognize good work both verbally and formally. The literature indicates that while it is important to correct negative behavior it is equally important to point out good work. A simple verbal praise or note from a supervisor can make a big difference in an employee's morale and sense of belonging to the agency.

Finally Riley (2009), concludes that, Employee retention is one of the principal problems that achieve currently faces. In order to provide high quality services to clients, achieve must retain an adequate number of well trained employees. Turnover rates for residential services in 2008 measured 34.5% meaning that one in every three employees in the residential program area left the agency in 2008. The high cost of training new staff, as well as service diminishment, make turnover one of the most pressing issues for achieve

Samba (1997), did a study an evaluation of motivational packages in Tanzania public organizations found that in adequate payment which includes fringe benefits affects retention as it cause employees to consider leaving the organizations they work in for better jobs elsewhere.

Manase (2008), did a study on assessment of the role of fringe benefits scheme in human resource retention. The general objective was to Asses the contribution of fringe benefits to human resource retention fringe benefits consists of aboard of

range of special payments or benefits in kinds that are made available to workers. They may include occupational sick pay, maternity pay, pensions, company cars, company canteens, housing, welfare recreation services, access to education and opportunity for personal development.

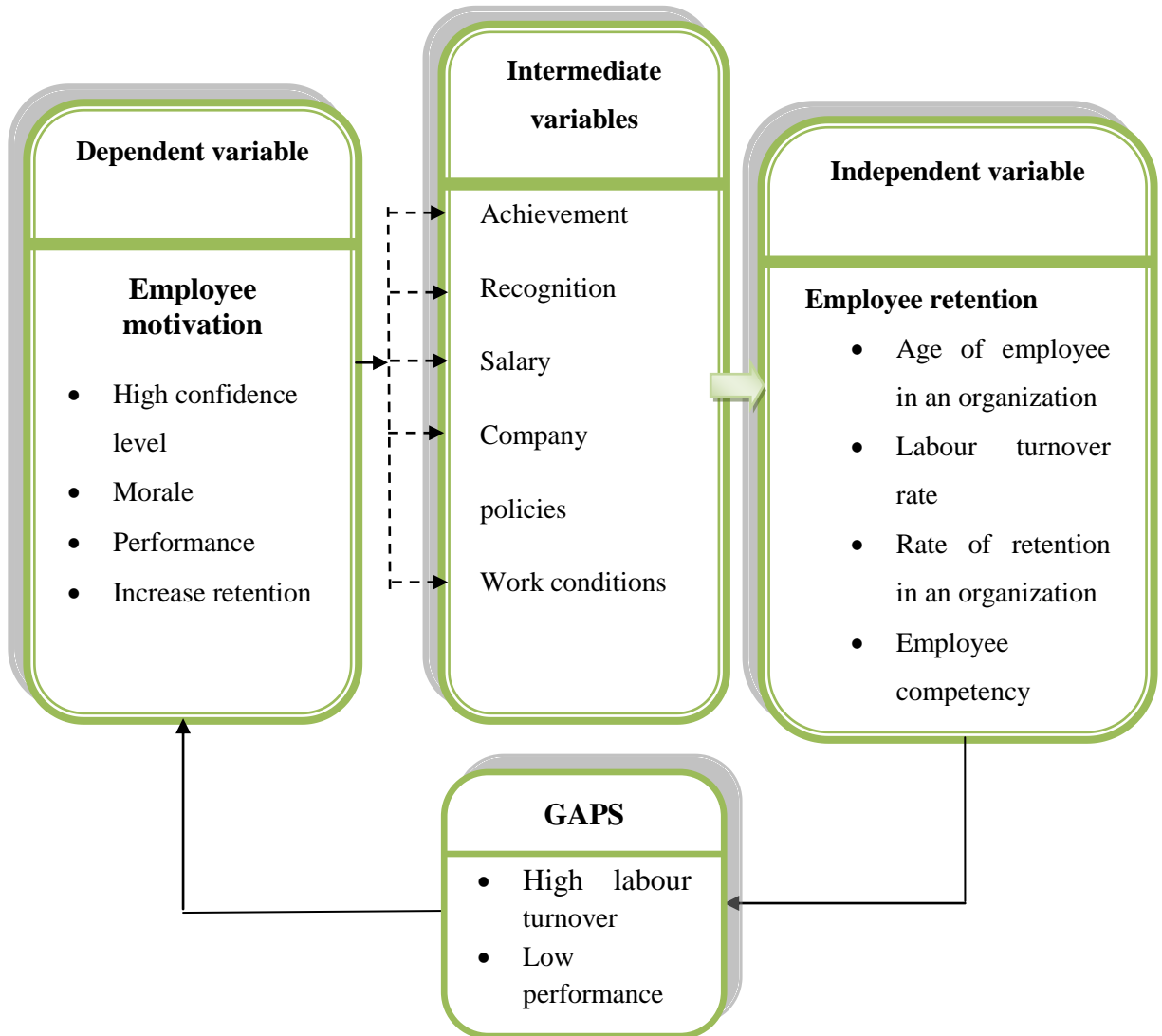
Finally Manase (2008), conclude that despite the fact that adequate fringe benefits schemes contribute to retention their effectiveness in retaining employees depends on other factors like salary schemes, good working environment, industrial relations and career development schemes.

#### **2.4 Conceptual Framework**

The links between employee motivation and retention is made by independent variable that will be employee retention and dependent variable, which will be employee motivation. The act of employee retention in every company depends on how employees are motivated. Therefore, in order for the employees to be retained they must be a good employees motivation policy, but in addition there should also be factors which will assist motivation process for employees to be retained in the company, these are mediating factors, these factors include achievement, recognition, Salary, company policies and work conditions.

The framework assume that the company motivation can be made through intermediate variables such as recognition, salary, company policy, work conditions and achievement, employees can be retained once he/she is recognized in the company. If employees are not well retained, these will cause the gaps, that is, high labour turnover and low organizational performance, but the gaps can be filled through employee's motivation, and the factors that determines employees motivation in an organizations includes, high confidence level, morale, performance and increase retention

**Figure 2.1 Conceptual Framework**



Source: Researcher's Design, 2013

## **2.5 Research Gap**

By considering the above empirical literature review its evident that a good number of similar research have been done, but there is no published documents that indicate that the same research have been done at Stanbic Bank. Therefore the data to be collected for this study the conclusion and recommendation will cover the gape and provides strong suggestion for managements of the companies on the implication of employee's motivation to human resource retention.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

Under this chapter various aspects have been addressed on the methods that were applied in carrying out the research study, including ways on how data was collected as well as general conduct of the study. This chapter described the study design, study area, sampling technique, sample size, and data collection techniques as well as data analysis.

#### **3.2 Area of the Study**

The study was conducted at Stanbic Bank Tanzania Limited, Stanbic Bank Tanzania Limited is a full commercial service bank with a well-defined emphasis on providing facilities and services to the public and to private sector corporations. Stanbic Bank Tanzania Limited came into being in May 1995 when the Standard Bank Group acquired the operations of Meridien Biao Bank Tanzania Limited. The area is chosen because it is familiar to the researcher, the employees were easily accessible so it facilitates data collection process and come up with relevant information's as indicated by the researcher.

#### **3.3. Study Design**

The study used only qualitative research approach, Qualitative research approach refers to all non-numeric data or data that have not been quantified and can be a product of all research strategies (Saunders and Thornhill, 2009). The study used Qualitative research approach because one disadvantage of quantitative research is that the more structured data collecting approach may cause stress to the participants, thus not showing an accurate reflection of the true results, this disadvantage therefore be overcome by using qualitative data collection methods which allows much flexibility to participants. The data collection tools that were used to collect primary data are questionnaire and interview, and documentary analysis was used for secondary data collection. A case study design was used because participants were

come from a single case; also an experimental study design is not appropriate because there was no random assignment of participants into control and treatment groups. Also case study is mostly associated to qualitative research method use to study organization (Saunders et al, 2009). Case study was opted because it allows the use of various data collection methods so as to reach the validity and reliability coverage of the study and also it was cheaper and less time consuming due to limited of resources, it also gave a researcher the possibility of having much focused study because unity under the study was intensively studied.

### **3.4 Study Population**

The targeted population of the study was basically fall to Stanbic Bank employees and management, the total of Stanbic employees is 587 employees, Stanbic employee was taken as a population of the study because, the study use case study design and Stanbic Bank was the area of the study, therefore only bank employees and management was considered as the population of the study.

### **3.5 The Sample Size**

The study was included about four (4) Bank Branches and Bank headquarters, 20 respondents were taken from each bank branch and give a total of 80 respondents and 80 respondents were taken from Head office. The total of 160 respondents was considered to be the sample of the study, which is (27%) of the total Stanbic Bank employees.

**Table 3. 1: Sample Size Distribution**

<b>Department</b>	<b>Number of respondents</b>
Finance	20
HR	20
Marketing	15
Legal	5
Operation	100
<b>Total</b>	<b>160</b>

**Source:** Field Data, (2013)

### **3.6 Sampling Techniques**

This is the process of choosing the elements of the sample so as to make it representative of the population (Barreiro and Albandoz, 2001).The selected respondents constitute what is technically called a ‘sample’ and the selection process is called ‘sampling technique (Kothari, 2004). The study was used purposive sampling and Snowball sampling technique

#### **3.6.1 Purposive Sampling**

Purposive sampling is the one in which the person who is selecting the sample is who tries to make the sample representative, depending on his opinion or purpose, thus being the representation subjective (Barreiro and Albandoz, 2001). Purposive sampling was used to employees to participate in the sample, this sampling method involves purposive or deliberate selection of particular units of the universe for constituting a sample, which represents the universe. When population elements are selected for inclusion in the sample based on the ease of access, it can be called convenience sampling (Kothari, 2004). The technique was used because some employee was not be available at the time of data collection, other were assigned out of the office task, and some of them was too busy, therefore the employees available were selected to take part in the study.

**Table 3. 2: Purposive Sampling**

<b>Department</b>	<b>Operational staff</b>	<b>Percentage</b>
Finance	18	12.1
HR	17	11.4
Marketing	14	9.4
Legal	4	2.7
Operation	96	64.4
<b>Total</b>	<b>149</b>	<b>100</b>

**Source:** Field Data, (2013)

### 3.6.2 Snowball sampling

Snowball sampling is a special non probability method for developing a research sample where existing study subjects recruit future subjects from among their acquaintances. This sampling technique is often used in hidden populations, which are difficult for researchers to access, or in cases where a sampling frame is hard to establish and it is assumed (Katz, 2006). Snowball sampling was used in selecting key informant and management, the each manager as a key informant was asked to identify another informant among their acquaintances, the technique used because its difficulty for the researcher to access managers, but one manager can direct a researcher to another manager and senior employee.

**Table 3. 3: Snowball Sampling**

<b>Department</b>	<b>Management</b>	<b>Percentage</b>
Finance	1	9.1
HR	4	36.4
Marketing	2	18.2
Legal	1	9.1
Operation	3	27.3
<b>Total</b>	<b>11</b>	<b>100</b>

**Source:** Field Data, (2013)

### **3.7 Data Collection and Technique Used**

To obtain accurate data the researcher was using interview as a data collection technique because it was difficult to involve other techniques

#### **3.7.1 Interview**

The interview method of collecting data involves presentation of oral-verbal stimuli and reply in terms of oral-verbal responses (Kothari, 2004). This involves verbal interaction between the researcher and respondent. The researcher was preparing the interview guide questions in connection to research questions. The technique were used because, sample was controlled more effectively, more information and that too in greater depth can be obtained, also the technique associated with greater flexibility, therefore the researcher has the opportunity to restructure questions so as to reach the research objectives. Interviewees were Stanbic Bank officers from, five departments (Finance, Human Resource, marketing, Legal and Operation department). Interviews were allowing participants to provide rich, contextual descriptions of events. According to Saunders and Thornhill, (2009), interview helps to get reliable and valid information relevant to the research. Researcher was make appointment with respondents; each respondent was interviewing separately.

#### **3.7.2 Questionnaire**

A questionnaire refers to questions printed or typed in a definite order on a form or sets of forms, the respondents have to answer the questions on their own (Kothari, 2004). The researcher was preparing questionnaire, structured and unstructured questionnaires. Structured questionnaires are those questionnaires in which there are definite, concrete and pre-determined questions. When characteristics are not present in a questionnaire, it can be termed as unstructured (Saunders and Thornhill, 2009). This technique is chosen because it was not exerting pressure to the respondents; this meant they were free and comfortable. It comprised both open ended and close ended questions. The questionnaires were administered to Stanbic bank employees and management, two categories of questionnaires are prepared, one for senior manager and another for operational staff.

### **3.7.3 Document Review**

Document analysis consists of analyzing the contents of documentary materials such as company's policy, company performance reports and the contents of all other verbal materials, which can be either spoken or printed. Thus, reading company's reports and then reporting on the content, as in a book review, is not document review. This study was reviewing a number of documents in relation for the problem reviewed necessary for adding up information obtained from questionnaires and interview method. The researcher was using only related documents such as motivation document, strategic policy and Stanbic magazines. The purpose of documentary analysis in this study was to supplement primary data.

### **3.8 Data processing and Analysis**

Qualitative data was collected and processed, Qualitative data refers to data representing qualitative phenomenon, example phenomena relating to or involving quality or kind. For instance, when investigating the reasons for human behaviour (Kothari, 2004). Data processing were involving editing, coding, tabulation which was used as a key factor in whole process of research. This was done in the area in order to make the research be accurate and effective as follows;

Editing; this was done immediately after receiving questionnaire from respondents. It involved correction of errors that might have appeared in the whole process of research writing. Also to help the researcher to translate and look for clarification on what respondents wrote about.

Coding; this was done in order to ensure whether the response categories were appropriately classified and exhausted to the problem under the study and arrange data collected according to group or classes they base on the basis of their common characteristics.

Tabulation, this was done to assemble data into concise and logical order. The researcher was analyze data collected qualitatively where words were used to explain

findings and quantitative analysis where the data used numbers, computation of total and percentages, data analysis were based on research objectives

## CHAPTER FOUR

### RESULTS AND DISCUSSION

#### 4.1 Introduction

This chapter describes the results of the study based on quantitative and qualitative analysis. Quantitative results are presented using tables, charts and narrations respectively. While qualitative results are presented in summary to enhance the understanding of quantitative information.

#### 4.2 Respondents Demographic Characteristics

##### 4.2.1 Age Group

The study was interested to assess the age of respondents in order to identify if were capable to provide responses, and to establish the influence of age on motivation and retention of employees. Management and employees were asked to identify the age group, in their reply the study found that majority of the respondents (56%) were aged between 20 to 29 years, as presented in Table 4.1

**Table 4.1: Age Group**

<b>Variables</b>	<b>Number of Respondents</b>	<b>Percentage</b>
20 – 29	89	56
30 – 39	55	34
40 – 49	14	9
50 +	2	1
<b>Total</b>	160	100

**Source:** Field Data, (2013)

Table 4.1 shows the age groups of the respondents, majority of the respondents (56%) were aged between 20 to 29 years, minority of the respondents (43%) were aged between 30 to 49 years, insignificant number of respondents (1%) were aged 50 years and above. This implies that majority of the respondents were capable to provide responses for study.

#### 4.2.2 Gender

The study examines gender of the respondents in order to establish its influence on retention and motivation of employees. Management and employees were required to identify gender, in their replay the study found that majority of the respondents (56%) were female, as presented in table 4.2

**Table 4.2: Gender**

<b>Variables</b>	<b>Number of Respondents</b>	<b>Percentage</b>
Male	71	44
Female	89	55
<b>Total</b>	<b>160</b>	<b>100</b>

**Source:** Field Data, (2013)

Table 4.2 shows gender that majority of the respondents (56%) was female, and minority of them (44%) was male. This implies that majority of the Stanbic bank employees are female.

#### 4.2.3 Occupation

The study was interested to examine occupations of the respondents in order to determine the influence of occupation on motivation and retention of employees. Management and employees identified their occupations. The study found that majority of the respondents (51%) was bank teller, as presented in Table 4.3 below.

**Table 4.3: Occupation**

<b>Variables</b>	<b>Number of Respondents</b>	<b>Percentage</b>
Bank officer	29	18
Bank teller	81	51
Accountant	7	4
Reconciliation officer	4	2
Human Resource officer	9	6
Legal officer	5	3
Marketing officer	10	6
Receptionist	4	3
Managers/Directors	11	7
<b>Total</b>	<b>160</b>	<b>100</b>

**Source:** Field Data, (2013)

The study found majority of the respondents (51%) were bank tellers, and (18%) were bank officers. Insignificant percentage of respondents were; Accountant, Reconciliation officer, Human Resource officer, Legal officer, Marketing officer, Receptionist and Managers/Directors.

#### 4.2.4 Level of Education

The study examined education level of the respondents in order to identify if it has any influence on motivation and retention of employees. Both managers and employees were asked to identify their education level. The study found that majority of the respondents (54%) was bachelor degree holders. As presented in Table 4.4

**Table 4.4: Level of Education**

<b>Variables</b>	<b>Number of Respondents</b>	<b>Percentage</b>
Certificate	14	9
Diploma	27	17
Degree	87	54
Masters	32	20
<b>Total</b>	<b>160</b>	<b>100</b>

**Source:** Field Data, (2013)

Table 4.4 shows the level of education of the respondents, majority of the respondents were first degree holders. This implies that most of the employees at Stanbic Bank limited are degree holders. The study found that insignificant number of respondents (26%) were a diploma and certificate holder.

#### 4.2.5 Experience

The study was interested to identify the experience of the respondents for the purposes of determine its influence on motivation and retention of employees. Managers and respondents identified their experience, in their replay the study found that majority of the respondents (57%) have the experience of 1 to 5 years, as presented in Table 4.5 below

**Table 4.5: Experience**

<b>Experience (Years)</b>	<b>Number of Respondents</b>	<b>Percentage</b>
1 – 5	92	57
6 – 10	53	33
11 – 15	12	8
16 – 20	3	2
<b>Total</b>	<b>160</b>	<b>100</b>

**Source:** Field Data, (2013)

With respect to respondents experience (Table 4.5) the study found that majority of the employees (57%) have the experience of 1 to 5 years. This implies that the company experience low retention rate, with high labour turnover as most of the respondents have short experience.

### **4.3 Types of Motivations in the Study Area**

The respondents from Stanbic bank identified different types of motivation offered by the bank these types were salary, training and development, recognition, good working conditions, medical insurance, loans, house allowances, extra duty, allowances and fringe benefits.

The study was interested to assess types of motivation in Stanbic Bank Limited, respondents were asked to identify types of motivation used by the bank, in their reply the study found that, most of the respondents (48%), stated that, the bank use salary to motivate employees, and significant number of respondents (17%) indicated the conduct training and development to motivate employees, as presented in Table 4.6 below.

**Table 4.6: Types of Motivations**

Types of Motivations	Respondents		Number of Respondents	Percentage
	Senior manger	Operational staff		
Salary	5	72	77	48
Training and development	2	25	27	17
Recognition	-	5	5	3
Good working condition	1	9	10	6
Medical insurance	1	10	11	7
Loans	-	16	16	10
House allowances	-	2	2	1
Extra duty allowances	-	6	6	4
Fringe benefits	2	4	6	4
<b>Total</b>	11	149	160	100

**Source:** Field Data, (2013)

Table 4.6 present types of motivation used in Stanbic Bank Limited, most of the respondents (48%) identified that, that the bank used salary as a primary motivator, and (17%) of the respondent stated the bank use training, while (10%) of the respondents indicated the bank provides loans to employees. This implies that the bank mainly used salary, training and development, and loans as primary motivators to employees. This is similar to responses obtained during interview one of the interviewed bank officer revealed that....

*“We are motivated by loans, the company provides sufficient loans services to staffs, this motivate or working performance. The bank provide sufficient annual salary payments apart prom overtime and other payments, these influence our working performance”*

Also the study found insignificant number of respondents (1%) identified the bank provides house allowance to some employees, (3%) stated the banks offer recognition to motivate employees.

The effect is that different types of employees motivations techniques and their effect on the different aspects of the organizational performance based on the some of the main organizational performance measures to emphasis on how important is the role of the employees motivation in the organizational effectiveness and success

#### **4.3.1 The Most Satisfying Types of Motivation**

Employees were mentioned most satisfying types of motivation offered at Stanbic bank these types were Training and development, Loans, Bonus and Working Condition.

Employees were asked to identify the most satisfying types of motivation, in their replay the study found that, most of the employees (38%) were satisfied by training and development, as shown in Table 4.7.

**Table 4.7: The Most Satisfying Types of Motivation**

<b>Variable</b>	<b>Number of Respondents</b>	<b>Percentage</b>
Training and development	57	38
Loans	23	16
Bonus	30	20
Working Condition	39	26
<b>Total</b>	<b>149</b>	<b>100</b>

**Source:** Field Data, (2013)

Table 4.7 shows the most satisfying types of motivation, significant number of respondents (38%) stated they were satisfied by training and development, one respondent stated that ...

*“I am interested with training and development because it helps me to develop my career and at the same time enable the organization to achieve its objectives. By doing training you will develop the knowledge and skills for your employees toward achieving the organization goals”.*

Also the study found small number of respondents (16%) were satisfied by loans, respondents stated they receive personal loans, house loans and car loans, this is similar to responses obtained during interview, respondent revealed that ...

*“I am satisfied with loans services, in terms of loan amount, repayment schedule and interest rate, the bank provide a long repayment time and small interest rate to employees compared to customers. For personal loans the bank charge 7% of interest rate and we pay 5% for house loans.”*

Furthermore, the study found that (20%) of the sample employees were satisfied by bonus, the bank provides bonus to department/ employee who meet or exceed target. Finally the study found important number of employees (26%) was satisfied by working condition of the bank, one of the interviewed employees stated that ...

*“The bank has attractive working condition. Having provided with good working condition an employee is highly encouraged to work hard and increase productivity and efficiency in an organization”.*

Generally most of the employees (38%) were found to be motivated by training and development provided by the bank, and important numbers of respondents (26%) stated were satisfied by working condition. This implies those employees were highly satisfied by working condition, training and development provided by the bank. Minority of the respondents (16%) and (20%) were found to be motivated by

loans and bonus respectively. The effect is that better satisfying types of motivation leads to effective performance of an employees, therefore increase in production level of an organization and decrease the rate of labour turnover, without satisfying types of motivation as mention above may cause the rate of labour turn over to increase hence the bank became under performance.

### 4.3.2 Most Dissatisfying Types of Motivation

With regard to dissatisfying motivations employees mentioned most dissatisfying types of motivation offered at Stanbic bank were salary, House allowance, Recognition and Overtime allowance.

Employees were asked to identify the most dissatisfying types of motivation, in their replay the study found most of the respondents (46%) were not satisfied by salary as presented in Table 4.8.

**Table 4. 8: Most Dissatisfying Types of Motivation**

Variable	Number of respondents	Percentage
Salary	68	46
House allowance	32	21
Recognition	21	14
Overtime allowance	28	19
<b>Total</b>	149	100

**Source:** Field Data, (2013)

Table 4.8 shows the most dissatisfying types of motivation, most of the employees were not satisfied by salary, this implies that the bank salary is insufficient to motivate employees, during interview employees were not disclosed their salaries, but one employee revealed that ...

*“My salary is not sufficient, due to economic conditions changes. I spend my salary for basic needs only, I can’t save my salary”.*

The study found important number of respondents (21%) was not satisfied by house allowances, most of the respondents stated the house allowances are provided to the top management, and during interview one respondent stated that ...

*“I am not satisfied with the way the bank provides house allowances, the allowance is provided to the top management, this reduces our work morale”.*

Moreover, the study found minority of the respondents (14%) and (19%) were not satisfied by recognition and overtime allowances respectively, most of the respondents stated there is no clear guideline for provision of overtime allowances.

Cause of high employee turnover rates is low pay package. When a worker is employed in a low wage position with limited benefits, there is little incentive to stay if a similar employer offers even a slightly higher rate of pay. Workers who make more, but whose salaries fall short of the going market rate, may feel undervalued at their current companies and look for a company that will pay them what they're worth. Highly skilled workers often can be lured from a well paying position by a higher offer from a company that desperately needs the employee's skills. Therefore increases in dissatisfying types of motivations leads to under performance which cause decrease in production level at the bank hence increases the rate of labour turn over.

#### **4.4 Motivation Strategies**

Management mention the motivation strategies used at Stanbic Bank were working environment, employees relationship, employees growth, employees compensations and employees support.

The study examined the motivation strategies applied by Stanbic Bank Limited, only managers and senior officers were asked to identify the motivation strategies used by the bank, in their reply the study found that most of the respondents (36.36%) stated the bank use working environment as a motivation strategies, also significant number

of respondents identified that, the bank promote employees growth, as presented in Table 4.9.

**Table 4.9: Motivation Strategies**

<b>Variables</b>	<b>Number of Respondents</b>	<b>Percentage</b>
Working environment	4	37
Employees relationship	2	18
Employees growth	3	27
Employees compensations	1	9
Employees support	1	9
<b>Total</b>	<b>11</b>	<b>100</b>

**Source:** Field Data, (2013)

Table 4.9 shows responses on motivation strategies, majority of the respondents (37%) and (27%) identified that the bank use working environment and employees growth respectively. This implies that the bank motivations strategies focused more on improving working environment and employee's growth. Minority of the respondents (18%) identified the bank use employee's relationship as a motivation strategy, (18%) stated the bank use employees compensation and employees support as a motivation strategies.

#### **4.4.1 Working Environment**

The study found that working environment in terms of office layout is good which leads the bank to have better communication among all departments, promotes efficiency as it follows the flow of work, the layout provides for joint use of machines and equipment, optimum use therefore a good layout aims at providing best working conditions. This improves morale of staff.

Working environment in terms of working facilities were found to be enough office equipment such as printers, photocopy machines, computer, chairs, table, adequate

lighting, and access of internet. These working facilities cause employees to feel comfortable during the working hours

Also the bank had better infrastructures in terms of buildings, physical security, decor, cleanliness Ventilation, heating, natural lighting which attract both employees and their customer

Managers/senior staffs were asked to identify motivation strategies at Stanbic bank, in their reply the study found most of the respondents (37%) identified the bank improve working environment. In the implementation of this strategy different actors were involved, the study found the board of directors, management and employees were involved formulating the working environment decisions. The study found the management achieved its target to enhance the bank working environment. During interview one respondent revealed that ...

*“The bank working environment is attractive, the working environment is one of the factors that increase the bank employees retention rate, compared to the past five years, a lot of changes have been done by the management to improve the company working environment”.*

Generally attractive office layout working facilities and infrastructures retain the employees, which leads to increase productivity of the bank. One of the senior staff leveled that ...

*“People working under inconvenient conditions may end up with low performance and causing high absenteeism and turnover. There are many organizations in which employees encounter with working conditions problems related to environmental”.*

Therefore Workers employed by companies with strong employee retention programs and open communications policies are often happier at work and may even be content with lower salaries. On the other hand, employees of companies that do not provide adequate safety measures or fail to appreciate the value of employees

may be more likely to seek employment with companies that offer more stable and comfortable environments.

#### **4.4.2 Employees Relationship**

Employee relations involved the body of work concerned with maintaining employer and employee relationships that contribute to satisfactory productivity, motivation, and morale. Essentially, Employee Relations is concerned with preventing and resolving problems involving individuals who arise out of or affect work situations.

At the Stanbic Bank advice is provided to supervisors on how to correct poor performance and employee misconduct. In such instances, progressive discipline and regulatory and other requirements must be considered in effecting disciplinary actions and in resolving employee grievances and appeals. Information is provided to employees to promote a better understanding of management's goals and policies. Information is also provided to employees to assist them in correcting poor performance, on or off duty misconduct, and/or to address personal issues that affect them in the workplace. Employees are advised about applicable regulations, legislation, and bargaining agreements. Employees are also advised about their grievance and appeal rights and discrimination.

Employee's relationship was the among identified strategies adopted by Stanbic Bank Limited to motivate employees, managers and senior staffs were asked to identify the strategies used by the bank to motivate employees, only management employees were evolved because they are aware of the strategic issues, in their replay the study found small number of the respondents (18%) identified the bank applying employees relationship strategy to motivate employees, though this strategy respondents stated the bank cooperate with employees in different situations, such as family day and departmental competition. During interview one revealed that ...

*“Strong employee relation depends upon safe work environment, involvement and commitment of all employees, incentives for employee motivation, and effective*

*communication system in the organization which further lead to increase in production level”.*

Employee relations strategies change throughout the life of an organization to maintain fresh, timely attention to employees' needs. Beware of how employee relations strategies can negatively impact your company by tuning in to employee opinion, observation and workforce patterns to create a positive impact on your workforce.

Generally strong employee relationship leads to increase production level of the organizations, without strong employee relationship the organization will not retain the talent employees therefore decline production level.

#### **4.4.3 Employees Growth**

Stanbic bank training includes required skills and knowledge the employee needs to efficiently conduct their tasks. Training at the bank also helps their employees gaining problem solving skills, which helps them dealing with challenges under pressure.

Stanbic bank Training Need Assessment Practices the key need assessment method includes archival, work sample, test, and performance based assessment methods. The archival method mainly based on the bank organizational strategy, which focused on the product and service. The work sample mainly focused on the bank everyday task description. For instance it aims at identifying employees' weakness at their regular task. The practice of testing is not conducted in general aspect. For instance, testing assessment are used when recruiting or selecting employees for particular overseas assignment. Finally the performance based method is also similar with work sample method. The key difference is that it measures performance of the employees on a yearly basis.

Managers were asked to identify motivation strategies used by the bank, in their replay the study found (27%) of the respondents identified the bank provides

employees growth to motivate employees, the study found the bank offer training and development of employees, for employees with short working experience the bank provides in-job training, this is the short term training, but for employees with long experience to bank offer in-job training as well as out of the job training which is mostly conducted South Africa.

Also the study found the bank does not provide education support, but this does not mean the bank does not offer employees growth to employees, the bank provide training to employees.

Genellay through effective training needs assessment the bank increase skills and knowledge to their employees, which leads to better performance to their organizations hence productivity increase. Without an effective training needs assessment both individuals and organizations leads to decline of productivity, which leads to increase rate of labour turnover.

#### **4.4.4 Employees Compensations**

Compensation is recompense, reward, wage or salary given by an organization to persons or a group of persons in return to a work done, services rendered, or a contribution made towards the accomplishment of organizational goals. Wage, bonus and other allowance are examples of monetary compensation, while transport facilities, come under non-monetary compensation. The bank provides an employee compensations incase of any employees contribution made towards the accomplishment of organization goal or incase of any contingences occurs. Small number of respondents (9%) identified the bank offer employee's compensation the study found that the compensation is provided through base wage, incentives and benefits.

The fringe benefit systems purported to develop a climate for healthy employer to employee relationship, minimize excessive labor turnover costs and provide a feeling of individual security against hazards and problems of life with a view to eventually enhancing employee loyalty to the company and improving productivity. Fringe

benefits provided by the employers to their employees such as, retrenchment compensation, employment injury, compensation, maternity benefits, gratuity, pension, and contribution toward pension and gratuity claims. In addition, other facilities enjoyed by the workers include medical and health care, restaurants, cooperative credit societies, house rent allowance for senior staff. Recreational and cultural services, clubs, transport facilities cash assistance for some operational staffs.

The finding of this study assist literature as it indicated that incentive compensation is one of the best methods which is used to reduce the problems surrounding the effort to retain employees. By aligning the interests of the employees with the owners of the firm through pay incentives, the agency problems of excessive perquisite consumption, shirking and poor investment decision making may be reduced. Incentive pay may also give the employee the incentive to stay in the organization, provide a competitive wage so the employee is paid fairly, and encourage the employee to comply with organizational practices. In addition to using pay incentives to reward the employee for reaching company goals and demonstrating loyalty to the organization, efforts can be made by the organization to improve job satisfaction. This may also increase the numbers of talented employees who stay in the company. Incentive pay may consist of cash bonuses for employees upon reaching pre-determined goals. The bonus is normally tied to accounting measures and many times specifically to the employee's job area.

#### **4.4.5 Employees Support**

The Bank provides support to their employees when there is serious sickness and death of the staff member. In order to be eligible for getting employee support at Stanbic Bank, the employee should contribute TZS 5000 per monthly from their salary, which is deducted automatically, and its voluntary not compulsory. For those who are willing they collect forms from the human resource department and fill it.

Stanbic Bank Limited provides employees support as one of its strategies to motivate employees this was stated some senior staffs. The study was interested to identify

motivation strategies adopted by the bank to motivate employees, only management employees were asked, in their reply the study found insignificant number of respondents (9%) identified the bank offer employees support to motivate employees.

The study found the target of the bank is to provide employees support to all employees in case of any contingent, or to support employees development, but eventually the bank provide employees support to some of the employees especially top management, this is similar to what obtained during interview, one of the interviewed respondent revealed that ...

*“Our incentives is poor compared to the managers and directors, we have to contribute 5,000 per month for support”.*

The bank should establish different employees support in order to retain their employees because other members of staff they are not willing on that kind of employee support.

#### **4.5 Relationship between Employees Motivation and Human Resource Retention**

The study was interested to assess the relationship between employee's motivation and human resource motivation at Stanbic Bank limited. Only managers and senior officers were asked to explain the relationship between employee's motivation and human resource retention, in their reply the study found that, majority of the respondents (55%) explained, motivation does not increase company retention rate, as presented in Table 4.10

**Table 4.10: Relationship between Motivation and Retention**

<b>Variables</b>	<b>Number of Respondents</b>	<b>Percentage</b>
Motivation increase company retention rate	5	45
Motivation does not increase company retention rate	6	55
<b>Total</b>	11	100

**Source:** Field Data, (2013)

#### **4.5.1 Motivation Increase Company Retention Rate**

Satisfied motivation offered at Stanbic bank such as Training and development, Loans, Bonus and Working Condition increase the company retention rate

The study found minority of the respondents identified the company motivation increases retention rate. Only management and senior officials were asked to state the relationship between motivation and retention, in their replay the study found minority of the respondents (45%) stated motivation increases company retention rate. This implies for some extent the motivational efforts made by the bank management results to increase retention rate of the company. This means when employees motivated they stay and work effectively with the company. The study found minority of the senior officials stated the bank motivation issues cause the company retention rate to increase.

The effect on employee retention rate of a company helps to identify what it is doing poorly or well. Companies with low retention can attract better employees. Employees who enjoy their work can become better employees and tell others about their jobs. Before a company can improve its employee retention rate, it must perform research and make adjustments by perform regular reviews to keep the rate high.

Generally this indicate the motivation efforts made by the management of the bank has increases the retention rate, because without motivation employee will not be satisfied and will increase the rate of labour turnover.

#### **4.5.2 Motivation does not Increase Company Retention Rate**

Dissatisfied motivations offered by the Stanbic Bank were salary, House allowance, and Recognition and Overtime allowance these motivations does not increase company retention rate this leads employees shift to other organizations to seeks for satisfying kind of motivations such as high salary, house allowance, recognitions and overtime allowance therefore cause decline productivity level of the organizations.

The study was interested to examine the relationship between motivation and retention rate, managers and senior staffs were asked to identify the relationship, in their replay the study found majority of the respondents (55%) stated motivation does not increase the company retention rate.

This does not means motivation does not increase the bank retention rate, because significant number of respondents reported the bank motivational efforts enhance the company retention rate. It is clear that when employees motivated and satisfied with the company working environment, the employees will stay and lower the labour turnover of the company

Generally the bank should improve these dissatisfied motivations salary, House allowance, and Recognition and Overtime allowance. By reviewing their company police in order to solve the problem of dissatisfaction, which cause employees to leave the organization therefore organization, become under performance. As indicated in figure 4.1.

**Figure 4. 1: Relationship between Motivation and Retention**

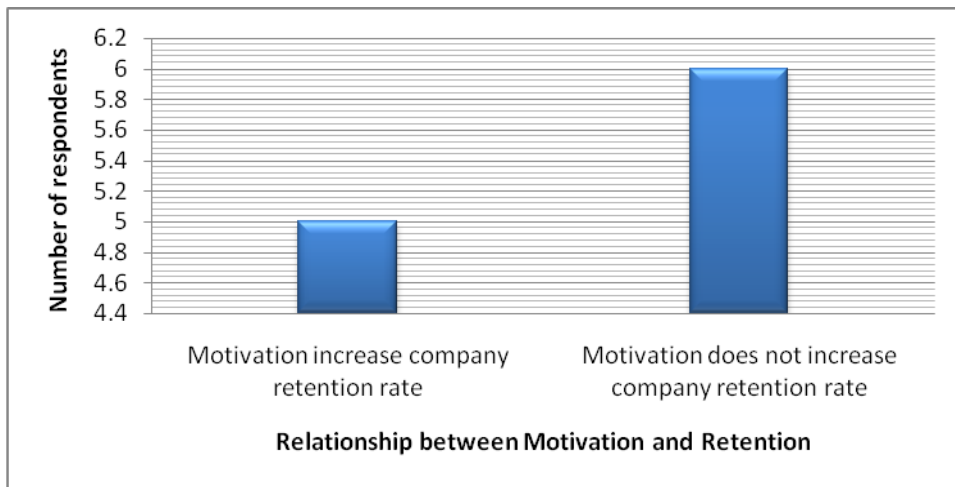


Figure show responses on the relationships between employees motivation and human resource retention, majority of the respondents (55%) explained that, motivation of employees does not increase the company retention rate. Also the study found that, insignificant number of the respondents (45%) stated employees motivation increase the company retention rate.

#### **4.6 Challenges in employees motivation to human resource retentions**

The respondents mentioned different challenges on employees motivations to human resource retention these challenges were lack of employee support, variation of employee desire, management, company policy, working condition, further training, change in workforce, lack of employee recognition and employee culture.

The study was interested to assess the challenges in employees motivation to human resource retentions at Stanbic Bank limited, both managers and employees were asked to identify the challenges in employees motivation to human resource retentions, in their reply study found that most of the respondents (29%) identified variation of employee desire is a challenge in attain motivation strategies, significant number of respondents (21%) identified training as a challenge, also (14%) of the respondents stated employees culture is a challenge in employees motivation to human resource retentions, as presented in table 4.11

**Table 4.11: Challenges in employees motivation to human resource retention.**

Variables	Respondents		Number of Respondents	Percentage
	Senior manager	Operational staff		
Lack of employee support	3	5	8	5
Variation of employee desire	4	42	46	29
Management	-	9	9	6
Company policy	-	3	3	2
Working condition	1	7	8	5
Further training	2	31	33	21
Change in work force	-	23	23	14
Lack of employee recognition	-	16	16	10
Employees culture	1	13	14	8
<b>Total</b>	11	149	160	100

Source, Field Data, (2013)

#### **4.6.1 Lack of employee support**

The study was interested to identify challenges in employees motivation to human resource retentions., small number of respondents (5%) identified lack of employees support as a challenge in attaining motivation strategy, the study found some employees they not corporate with the management in implementation of the strategies, during interview one of the respondents revealed that...

*“Some employees failed to corporate with management in implementation of strategic issues, this is due to lack of appropriate training, some employees complaining about the monthly charges for provision of compensations in case of contingences”.*

This indicate lack of employees support affect the implementation of motivation strategies at Stanbic Bank, some of the employees fail to cooperate with management for effective implementation of the strategies

#### **4.6.2 Variation of employee desire**

Variation of the employee's desire is among the challenges in employees motivation to human resource retentions, respondents were asked to identify the challenges in their replay the study found significant number of the respondents (29%) identified variation of employees' desire as a challenge in motivating employees. This implies variation of employees desire is among the major factors affect motivational strategic decisions at Stanbic Bank, employees are motivated by different factors, there is no a single factor for motivating all employees. The study found the bank employees have different desire, but most of them need salary high salary, and important number of employee need training and development. The effect of variation of employee desire may cause increase the rate of labour turnover because of various types of motivation needed by each employee such as salary, recognition, training and development. Management should improve salary, training and development in order to retain their employees without doing that means they will not retain their staff.

#### **4.6.3 Management**

Also the study found management is the challenge in employees motivation to human resource retentions, although small number of respondents (6%) identified management as a challenge in employees motivation to human resource retentions, there is no manager or senior officials identified management, this implies the management could be the problem in provision of motivation decisions, the management of the bank is supposed to provide motivational decision and initiating motivation issues, but small number of respondents identified the bank management failed to act effectively to ensure employee were motivated. The effect is that when the bank has effective Management means employees will be enjoying to stay in an organization, therefore increase performance of the organization without effective management leads to underperformance.

#### **4.6.4 Company policy**

The study found company policy was the among the challenge in employees motivation to human resource retentions, small number of employees (2%) identified company policy as challenge, the company policy restrict the provision of some incentives to employees such as education support and attractive salary to low level employees. This indicates the company policy in not attractive to lower level employees, some employees complaining the bank favor management with higher incentives. Management should review their policy within half or in a year for improving some of the incentives within the bank such as bonus and even the salary employees motivation to human resource retentions, by doing that will retain their employees hence increase productivity level of the bank.

#### **4.6.5 Working condition**

Furthermore the study found the study found working condition was among the challenges in employees motivation to human resource retentions, respondents were asked to identify the challenges in their replay the study found important number of respondents (5%) identified working condition as the challenge in employees motivation to human resource retentions, the study found the bank working condition does not provide a chance for employees to be free to express their requirement. This indicates some of the decisions were implemented without the employee's involvement also some of the employees were not interested with the office layout, infrastructure and working facilities.

The effect is that better working environment like office layout, infrastructure and working conditions will retain the employees without better working environment bank cause to rate of labour turnover to increase.

Working conditions can also drastically affect employee turnover rates. Workers employed by bank with strong employee retention programs and open communications policies are often happier at work and may even be content with lower salaries. On the other hand, employees of the bank that do not provide adequate safety measures or fail to appreciate the value of employees may be more

likely to seek employment with companies that offer more stable, comfortable environments.

#### **4.6.6 Further training**

The study found significant number of respondents (21%) stated further training is among the challenge in employees motivation to human resource retentions. Effective strategy implementation should go simultaneous with training, when employees were not trained this will affect the implemented strategy. The study found some employees were not trained enough.

The effects were by investing the appropriate training in an employee, they will develop a greater sense of self-worth as they become more valuable to the company. The company, too, will gain specific benefits from training and developing its workers, including increased productivity, reduced employee turnover, and decreased need for constant supervision. Also the fear for many companies is that they spend time and money developing people, only to see them take those newly acquired skills to another company.

#### **4.6.7 Change in work force**

Change in work force was among the challenge in employees motivation to human resource retentions, respondents were asked to identify the challenge, after their replay the study found important number of respondents (14%) stated change in work force is a challenge the bank facing in employees motivation to human resource retentions. Low retention rate affect motivational strategic decisions, this means high retention rate favor strategic decisions results to effective motivation strategies, but significant number of respondents identified the bank facing changing in labour force, this affect strategic decisions. These changes in workforce were due to dissatisfied types of motivation offered at the bank such as salary, house allowance, and recognition and overtime allowance.

In order to reduce the change in workforce of the bank both satisfying (loans, bonus, working condition, training and development) and dissatisfying (salary, house

allowance, and recognition and overtime allowance) should be improved effectively in order the bank to retain their employees therefore productivity level of the organization will increase without doing that organization became under performance.

#### **4.6.8 Lack of employee recognition**

Lacks of employee's recognition also affect the bank; small number of respondents (10%) identified lacks effective recognition policy, when employees were not recognized for their contribution made to the company they are under motivated. The study found the bank does not provide recognition for some contributions made by employees. This is among the challenges facing the bank in employees motivation to human resource retentions.

The effects is that When employees believe they have a well-defined place within the organization and their contribution is fully appreciated, they are more apt to dedicate themselves to their work and feel motivated to do their best. Motivation drives action, in some sense, and determines work behaviors. Recognition also fosters a feeling of competency and gives employees a certain sense of satisfaction. By contributing to employee satisfaction and motivation, recognition has a positive impact on company productivity and performance.

#### **4.6.9 Employee culture**

Finally the study found employees culture is the challenge in attaining motivation strategies by the bank. Respondents were asked to identify the challenges in their replay the study found small number of respondents (8%) stated employee's culture affect motivation strategies adopted by the bank. Each employee has different culture; this is the challenge for management of the bank. The study found variation of culture affect the company motivation strategies. The effect is that Strong culture has almost considered as a driven force to improve the performance of the employees. It enhances self-confidence and commitment of employees and reduces job stress and improves the ethical behavior of the employees without that means

organization will not improve the performance of employees. These challenges are well illustrated in Figure 4.2.

**Figure 4. 2: Challenges in Attaining Motivation Strategies**

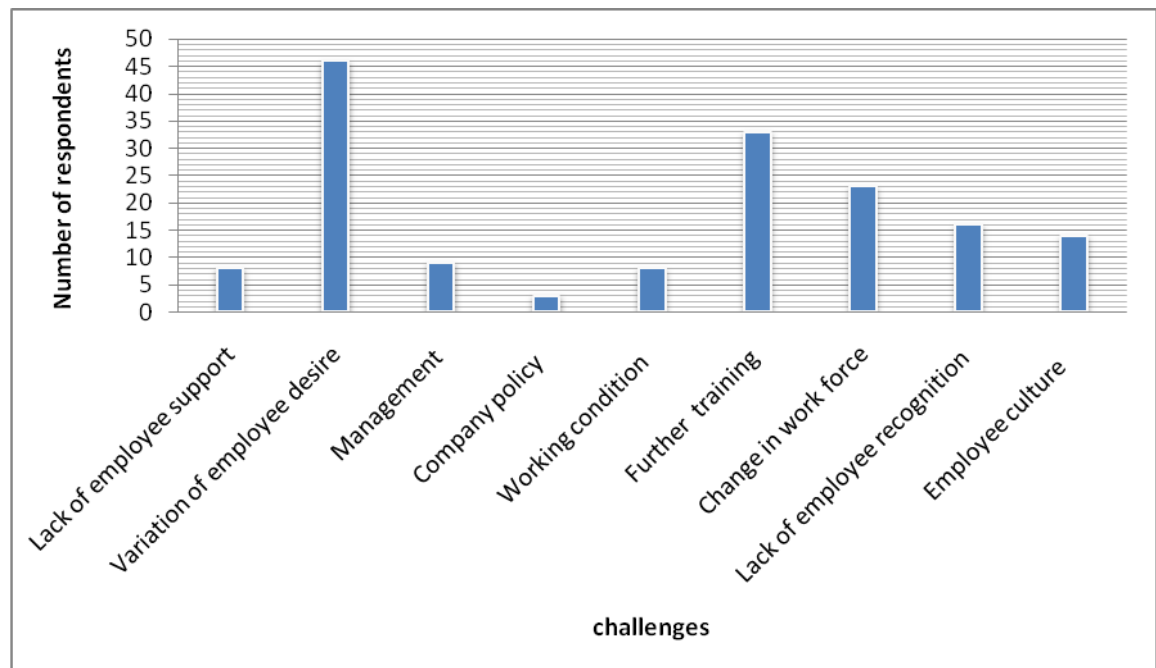


Figure show the challenges in employees motivation to human resource retentions by Stanbic Bank limited, most of the respondents (29%) identified variation of employee desire is a challenge in attain motivation strategies, (21%) of the respondents identified training is a challenges and (14%) of the respondents stated employees culture is a challenge in employees motivation to human resource retentions, this implies that; variation of employee desire, training and change in work force are strong challenges inemployees motivation to human resource retentions. This is similar to responses obtained during interview one of the interviewed senior revealed that...

*“In attaining motivating strategies variation of employee’s desire is a challenge for our company, most of the employees prefer money as a primary motivator, but some of the employees are not motivated by good working condition and recognition”.*

Also the study found that the lowest number of the respondents (2%) identified that company policy is a challenge in employees motivation to human resource retentions. This implies that company policy at Stanbic Bank limited it's not a strong challenge in attaining motivation strategies. Also (5%) of the respondents stated working condition is a challenge in employees motivation to human resource retentions.

#### **4.7 Chapter Summary**

This chapter present finding of the study based on research objective, the study was done at Stanbic Bank Tanzania limited, 160 respondents participated in the study these staffs were accountant, bank officer, bank teller, reconciliation officer, human resource officer, legal officer, marketing officer, and receptionist.

The researchers use case study research design, qualitative approach was used. The methods used to collect data were observation, questionnaire and documentary reviews were interviews were used to collect data as supporting instruments in data collection.

## **CHAPTER FIVE**

### **CONCLUSION AND RECOMMENDATION**

#### **5.1 Introduction**

This chapter covers the conclusion based on the findings and recommendation on how to improve motivation for retaining the employees at Stanbic Bank.

#### **5.2 Conclusion**

The aim of this paper is to examine the implications of employees motivation to human resource retention. The theoretical part of the thesis showed that a nature of motivation is very complex and there are no simple answers to the question what motivate employees for retaining them. The results of the research conducted in order to find the types of motivations required by employees at Stanbic bank shows that most of the respondents (48%) identified that, the bank used salary as a primary motivator, and (17%) of the respondent stated the bank use training, while (10%) of the respondents indicated the bank provides loans to employees.

Based on the strategies employed to the bank to enhance motivation as a factor to human resource retention results show responses on motivation strategies, majority of the respondents (37%) and (27%) identified that the bank use working environment and employees growth respectively.

On the determine the relationship between employees motivations and human resource retention results shows responses on the relationships between employees motivation and human resource retention, minority of the respondents (45%) explained that, motivation of employees increase the company retention rate. This implies that employees motivation at Stanbic Bank Limited has increased company retention rate despite of high labour turn over. Also the study found that, majority number of the respondents (55%) stated motivation does not increase retention.

The results of the research conducted in order to identify challenges involved in attaining motivation strategies that lead to human resource retention at Stanbic Bank shows, most of the respondents (29%) identified variation of employee desire is a

challenge in attain motivation strategies, (21%) of the respondents identified training is a challenges and (14%) of the respondents stated employees culture is a challenge for attaining motivation strategies, this implies that; variation of employee desire, training and change in work force are strong challenges in attaining motivation strategies

### **5.3 Recommendations**

Based on the findings and conclusion of the study some recommendations have been made to Stanbic Bank Tanzania limited to improve employees motivation for retaining their employees.

The human resource department must conduct motivational activities at the workplace. Organize various internal as well as external trainings, which help the employees to learn something extra apart from their routine work. Make them participate in extracurricular activities important for their overall development. Encourage them to interact with each other so that the comfort level increases.

Based on the strategies worked at Stanbic Bank. Management should employs other strategies like make their employees own their jobs, recognition, departmental competition, motivation through bonus and incentive apart from much depends on Working environment, Employees relationship, Employees growth, Employees compensations and Employees support

The Human Resource must launch various incentive schemes for the top performers to motivate them. This way the employees feel important for the organization and strive hard to perform even better the next time. The employees who show promise should be awarded with cash prizes or certificates to make the individual stand apart from the crowd. Send a mail wishing the employees on their congratulating them when they perform exceptionally well or come out with something innovative. Arrange a small part for them as a gift from the organization's side. This way the employees feel attached to the organization and are reluctant to look for a change. A

friendly atmosphere is essential for the employees to feel safe and secure. Make them participate in various management decisions making.

Appraisals are also an important way to motivate the employees. The salaries of the employees must be appraised at regular intervals an effective way to retain the employees. Career growth is an important way to retain the employees. Give them power to take some decisions on their own but the management must have a close watch on them so that they do not misuse their power. Without motivation, it is not fair to expect the best out of the employees. No individual likes to leave an organization where he is being treated well.

Besides using compensation, retaining skilled employees may also be accomplished through improving organization culture. Management can give capable employees the autonomy in their job functions, and they can give them meaning full assignments as well. Manager should allow partially their employees to be involved in the decision making for their area of expertise. Improving the working conditions can also inveigle productive workers to exist in their organization and reduce their turnover. In addition to compensation, the study shows that offering these talented employees training to keep them current on their job functions and allowing them to have the opportunities to develop their skills can also be utilized to improve employee satisfaction with the organization.

The results of this research suggest that the most appropriate motivation and reward system should try to satisfy a variety of needs from more than one category. Companies can meet the challenge of attracting, motivating and retaining employees by being prepared for a variety of the Expectations they have.

The management should improve the most dissatisfying types of motivations such as salary, house allowance, and recognition and overtime allowance as an effective ways for retain their employees

#### **5.4 Area for the Future Research studies**

The purpose of this study was to examine the implication of employee motivation to human resource retention. Therefore researcher recommends a similar study to be done in other bank institutions so as to investigate the same phenomena. This will enable researchers to have comparative analysis, which will lead to formulate a global policy for best practice on employee motivations to human resource retention.

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## APPENDIX

### APPENDIX 1: QUESTIONNAIRE: For Operational staff

My name is Albert R. Kyaruzi a Master's Student from Mzumbe University. I am conducting a research on the **implications of employees motivation to human resource retention**. Your participation on answering this questionnaire could make this research be effective and complete. Therefore I am kindly requesting your attention to read and answer the question below to the best of your knowledge and ability.

Please I request your attention and respond to the questions below so as to facilitate my research.

#### Section A: Demographic characteristics

Tick or write answers in full where applicable

1. Gender
  - a) Male
  - b) Female
2. Age group
  - a) 20-29
  - b) 30-39
  - c) 40-49
  - d) 50+
3. Occupation .....
4. Qualifications
  - a) Certificate
  - b) Diploma
  - c) Degree
  - d) Masters
  - e) PhD

5. Length of services

- a) 1-5
- b) 6-10
- c) 11-15
- d) 16-20
- e) 21+

**Section B: motivation factors**

6. What kind of motivation do you like the bank to provide to employees?

Please mention

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7. Types of motivation incentives being offered now

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8. Identify the most satisfying types of motivation at your work place

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Reasons for your choice

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9. Identify the most dissatisfying types of motivation

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10. How does a motivation scheme offered by the bank meet your expectations?

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11. What are the company challenges in motivating employees? Please mention

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12. Please recommend what the company should do to improve employee motivation at the work place?

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## **APPENDIX 2: QUESTIONNAIRE: For senior managers**

My name is Albert R. Kyaruzi a Master's Student from Mzumbe University. I am conducting a research on the **implications of employee's motivation to human resource retention**. Your participation on answering this questionnaire could make this research be effective and complete. Therefore I am kindly requesting your attention to read and answer the question below to the best of your knowledge and ability.

Please I request your attention and respond to the questions below so as to facilitate my research.

### **Section A: Demographic characteristics**

Tick or write answers in full where applicable

1. Gender
  - c) Male
  - d) Female
2. Age group
  - e) 20-29
  - f) 30-39
  - g) 40- 49
  - h) 50+
3. Occupation .....
4. Qualifications
  - f) Certificate
  - g) Diploma
  - h) Degree
  - i) Masters
  - j) PhD
5. Length of services
  - f) 1-5
  - g) 6-10
  - h) 11-15
  - i) 16-20

j) 21+

**Section B: motivational factors**

6. What are the strategies employed to enhance human resource retention?

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7. Show the trends of labour turn over with the reasons for the past three years

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8. Who are the Actors involved in formulating Human resource retention scheme?

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9. How does a motivation scheme offered by the bank meet your expectations?

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10. What is your opinion on relationship between employee's motivation and human resource retention?

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11. What are the company challenges in motivating employees? Please mention

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12. Please recommend what the company should do to improve employees  
motivation at the work place?

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### **APPENDIX 3 : INTERVIEW GUIDE: for operational staff**

1. What motivation techniques more appropriate to the bank employees? Why?
2. What kind of motivation is more required by the bank employees?
3. Explains the importance of motivation for retaining bank employees?
4. Are there any relationship between employee's motivation and human resource retention? Explain
5. What are the challenges facing the company in motivating employees?
6. What are the company barriers in motivating employees?
7. What the bank should do to improve employees motivation at the work place?