

Efficacy of motivation strategies in addressing employee motivation needs in Kenya's hotel sector

Ms. Caroline K. Wasike,
School of Hospitality and Tourism Management, Kenyatta University, Kenya

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Dr Rayviscic Mutinda Ndivo*,
School of Hospitality and Tourism Management, Kenyatta University, Kenya;
Visiting post-doctoral researcher, Università della Svizzera Italiana, Switzerland,
P.O Box 43844-00100, Nairobi, Kenya. Email: raymutinda@yahoo.com

*Corresponding author

Abstract

This study examined the extent to which the motivation strategies used in Kenya addressed employees' motivation needs in the face of the prevailing socio-economic trends. The study found out that while hotels in Kenya had devised a number of strategies geared towards motivating employees, such strategies did not adequately respond to the expectations of the targeted employees. As a result, the hotels continue to experience a high employee turnover resulting into a relatively youthful workforce. This paper thus recommends that there is need for the managers of hotels in Kenya to investigate the expectations of the employees in order to tailor the motivation schemes to meet these needs and expectation for optimal results.

Key words: Employee motivation; motivation theories; tourism in Kenya; service charge; hotel employment



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Introduction

Motivation has been defined as the internal processes that activates, guides and maintains behaviour, especially the goal-directed behaviour (Baron, 1991). Steers and Porter (1983) see motivation as the arousal, direction and persistence of behaviour or action. Accordingly, motivation therefore can be said to be concerned with why people choose a particular course of action in preference to others and why they continue with a chosen action, often over a long period.

A wide range of theories have been documented on employee motivation. Among the general ones include the Maslow's hierarchy of needs theory (1954); Alderfer's ERG theory (1972); Adam's theory of Equity (1963) and Herzberg's two factor theory (1959). Others have attempted to link management and motivation including the Scientific management by Fredrick W. Taylor (1911); Theory X and Y (also referred to as The Human Side of Enterprise) by Douglas Mc Gregor (1960); Leadership and Organization theory by Tannenbaum et al (1961); and Theory Z by William Ouchi (1981) among others. As Blum (2004) observes however, employee motivation is complex and unpredictable as evident in the disparity of what motivates individual employees noting that, whereas some employees may be motivated by factors present at the work place, others are motivated by factors that are not part of work. This given, employees' motives could be easily predicted if the motivators from within and outside an individual could be known. Further, Berning et al. (2008) asserts that for an individual to be motivated, human behaviour has to be understood. However, the author cautions that understanding human behaviour is difficult given that human behaviour keeps changing.

In an effort to motivate employees, organizations have used a number of tools both monetary and non-monetary. Of the

non-monetary strategies, employee empowerment has been noted as one of the most common tool used to motivate employees. This involves giving the employees more responsibility and decision-making authority to carry out their given tasks. As Madura (2007) contends, empowerment intrinsically motivates the employees to contribute creative and innovative ideas for selling the company products or services. In addition, flexibility in job design has also been used by many organizations that have consequently reported increased employees' retention, productivity, and better morale (Encyclopedia of Business, 2014). Further, mentoring or coaching has also been found to be a useful employee motivation tool. This involves development-oriented relationship between senior and junior colleagues or peers for purposes of advising, role modelling, sharing contacts, and giving general support (Gomez-Mejia, et al, 2007). Job enrichment has also been identified as another effective tool in employee motivation. This involves the vertical expansion of jobs which increases the degree to which the worker controls the planning, execution, and evaluation of the work (Robbins and Judge, 2009). In addition, strategies to ensure job security have also been adopted as a motivator for employees. These addresses employees' search for more secure jobs in terms of stability and certainty, as well as safety and protection from physical and emotional harm (Maslow, 1954).

Different forms of monetary incentives have also been utilized in organizations as a means of stimulating workers to higher performance, commitment, and eventually satisfaction (Kinicki and Williams, 2008). These have particularly been identified as an effective motivator for frontline staffs to generate higher quality, productivity and profitability (Armstrong, 2003). Among the most commonly used monetary incentives include: pay for performance (also known as merit pay) (Kinicki and Williams, 2008;

Pfeffer, 2006) and bonuses or profit sharing (Kinicki and Williams, 2008).

Within the hotel industry, the most common used form of monetary incentive pay is the service charge. This takes the form of gain-sharing incentives (also known as productivity incentives) which generally refer to incentive plans that involve many or all employees in a common effort to achieve a company's productivity plan (Armstrong, 2003). According to Caruth, Middlebrook and Frank (1982), relating compensation to output induces workers to turn out a greater volume of work thereby lowering the cost of producing a single unit of output. As Armstrong (2003) advises, the link between employee efforts and the payout can usefully be utilized by involving them in analyzing results and identifying areas for improvements. However, Schmidt (2010) cautions against overreliance on monetary incentives as a way to motivate employees and refers to the incentive-intensive companies as "mercenary organizations", or companies whose distinguishing feature is near-complete reliance on financial rewards and controls. A number of studies have actually found a weak relationship between performance and incentives (Bailey, et al., 1998). Bailey, et al (ibid) for instance argue that though incentives may result in increased overall and initial performance, improving initial performance may be easier than improving subsequent performance.

Challenges to employee motivation and satisfaction in the hotel industry

The service intensive nature of the hotel sector implies that the quality of a hotel's products relies heavily on its employees. As such, the quality of employees remain an organization's service foundation making it rather critical for hotels to retain their valuable employees (Jones, 2008). However, as Branham (2005) asserts, attracting and retaining a skilled workforce can be challenging especially for the hotel sector that has long been plagued by high turnover rates than most industries.

Employee motivation is therefore an important managerial task for the hotel and catering industry where members of the workforce are in direct contact with the customer, and that people are part of the finished product which the customer is paying for (Mullins, 2007).

In today's work environment, employee motivation has remained a challenge to the hotel management given the various factors within the work environment and outside work that affect employee motivation (Horwitz, 2008). Further, employees appear to have changed and look for more benefits from work than their earlier counterparts who would content with employment and salary only. A number of factors have been identified as driving this change. Broadly, the advent of the internet, globalization, and rise in the cost of living and lifestyle trends have been noted to contribute to the changing employee job expectations (Crick and Spencer, 2011). The formal knowledge-based economy; the World Wide Web; and increasing communication that the Internet has made possible have influenced the changing patterns of employment hence impacting on human resource policies within organizations. As such, employees have increased their quest for more training, increased need for medical attention and formed social groups to share issues that affect them, among others (Crick and Spencer, 2011).

More so, changes in the global human relations policies which appear to have given a new focus on employee's welfare at work might have further created a new paradigm in the employee welfare at the work place (Horwitz, 2008). Consequently, such changes have had an adverse influence on individual employee value system hence creating new challenges for management of employee motivation. This is of particular interest to the hospitality industry noting that employees are part of the hospitality service for which the customer pays, as earlier noted (Mullins, 2007).

The dynamic nature of human beings and their desires that keep changing from one person to another and even within the same person at different times thus seem to be the source of challenges that face the management of employee motivation today (Aamodit, 2010). Unfortunately, most organizations rely on traditional employee motivation policies which are misplaced in view of today's workforce expectations (Estreicher, 1995). As Drucker (2008) notes, management strategies in organizations should be formulated with social realities in mind noting that the success of an organization depends on whether employees prefer to work for the organization over and above all other opportunities. In the hotel sector however, the management rarely conducts assessment to establish the effectiveness of the motivation strategies used despite of the rapidly changing work environment (Blum, 2004).

In the Kenyan context, Wadongo et al (2011) noted that hotel managers faced challenges in running the institutions and that the source of these challenges was the failure to correctly recognize values in human relations competencies. This study thus sought to examine the extent to which the employee motivation strategies used in Kenya's hotel sector actually motivated the employees taking into consideration the prevailing socio-economic circumstances.

Methodology

This cross-sectional survey was carried out in the city of Nairobi between June and November, 2012 and involved a total of 324 respondents drawn from the employees and management in twelve 3-5 star hotels in the city. The sample was made up of 216 operational employees and 78 heads of departments. Structured questionnaires were used to collect data from the operational employees while the semi-structured questionnaires were used to collect data from heads of departments.

Study Findings and Discussion

Demographic characteristics of the respondents

Majority (92.1%) of the operational employees were aged below 35 years while the most common age groups for the heads of departments were between 26-35 (42.2%) and 36-55 (43.4%). The study findings indicate large proportion of young operational employees as compared to heads of departments, a possible pointer to high employee turnover within this level. Pertaining to their level of education, most heads of departments (98.8%) had attained a diploma-level qualification with a few having university degrees (1.2%). Majority of the operational employees (84.1%) had attained college certificate and 15.9% had only attained secondary school certificate.

On the gender of the respondents, male employees were generally more than the female ones across the two respondent groups with as high as 81.9% for the heads of departments and 70.7% among the operational staff. This may imply that the working conditions in the hospitality industry may not be conducive for female employees as noted by UNCTAD (2008) report that women employees in the hotels in Kenya are underrepresented and that there is a high turnover of employees, a fact also noted by Salih (2003) who found out that there is a smaller ratio of women in the hospitality and tourism sector in developing countries than in the developed ones. Characterized by excessive job demands, irregular and incompatible schedules, and long work hours, the hotel industry disfavours the female employee (Spinks, 2004). In addition, as Wayne *et al.* (2004) observes, because of the higher priority they place on family roles, women employees experience greater family-work conflict. For instance, Posig and Kickul (2004) found out that the relationship between family-work conflict and emotional exhaustion was stronger among female employees compared with male employees.

The prevailing socio-economic trends that may have a bearing on employee motivation

The study sought to examine the prevailing socio-economic trends that had a significant influence on employees' level of motivation.

The employees were asked to indicate the significance of each one of the identified trends on their morale to work. A regression coefficient was computed to establish the correlation between the trends and employee motivation (Table 1).

Table 1: Significance of the prevailing socio-economic trends on employee motivation.

Socio-economic trends	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
Increase in cost of living	4.070	1.053	0.371	3.866	0.000
Need for higher salaries	0.201	0.070	0.241	2.863	0.005
Need for fitness activities	0.078	0.069	0.117	1.129	0.260
Ease of getting a job in other parts of the world	0.036	0.114	0.031	0.315	0.753
Criteria of promotion	0.028	0.075	0.027	0.371	0.711
Medical needs	0.025	0.166	0.016	0.151	0.880
Social groups at work	0.005	0.104	0.004	0.045	0.964
Flexible working hours	-0.013	0.063	-0.018	-0.201	0.841
Terms of service	-0.036	0.151	-0.020	-0.242	0.809
Need for leave and holiday	-0.058	0.110	-0.058	-0.528	0.598
Need for new incentives	-0.044	0.060	-0.060	-0.727	0.468
Need for job rotation	-0.036	0.044	-0.082	-0.824	0.411
Ever changing customer needs	-0.208	0.112	-0.169	-1.865	0.064
Need for skill upgrade in the hotel sector	-0.184	0.091	-0.173	-2.028	0.044

p<0.05

The results showed that the 'increase in cost of living' (0.371), 'need for higher salaries' (0.241), and 'need for fitness' (0.117) were the socio-economic trends that were strongly correlated to employees' motivation. Other factors with a significant positive correlation were the 'ease of getting a job in other parts of the world' with a β value of 0.031, 'the criteria for promotion' (0.027), 'medical needs' (0.016) and 'social groups at work' (0.004). On the other hand, 'the need for flexible working hours', 'terms of service', 'need for leave and holiday', 'need for new incentives', 'need for job rotation', 'ever changing customer needs', and 'the need for skill upgrade' were not

positively correlated to the level of employee motivation.

Perception of hotel managers on employee motivation needs

The study sought to understand what the management considered to be the key needs of their employees as this is expected to inform the choice of motivation strategies. The study established that management perceived the 'terms of service' (38.2%), 'staff development' (22.3%) and 'salary' (19.1%) as the most important motivation needs for the staff (Figure 1). Other factors noted were 'flexible working hours' (13.5%), 'welfare' (8%), and 'promotion' (4.2%).

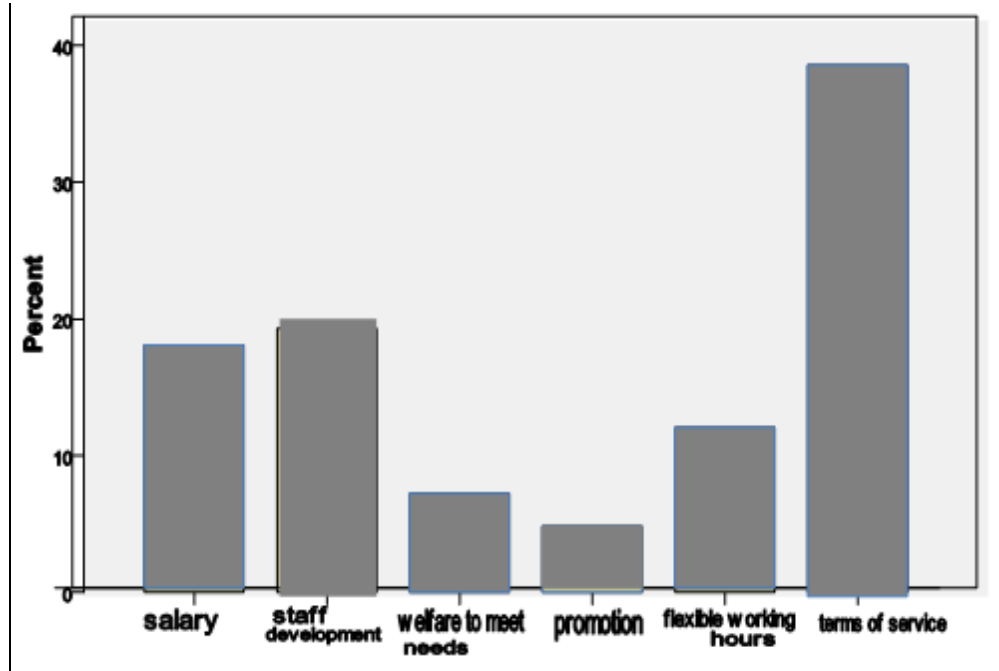


Figure 1: Hotel managers' perception of employee motivation needs

It is important to note that the perception of the management on employee motivation needs differs substantially from that of the employees. For instance, while the 'terms of service' was considered by the management as the most important need, the employees' urgent need was the 'higher salaries' probably to enable them mitigate the increased cost of living and finance their need for fitness. This therefore demonstrates a lack of understanding on the part of management on what exactly is the

motivation need for employees in Kenya's hotels. This was also reflected in the strategies employed by the management to motivate employees. As presented in figure 2, 'bonus payment' in the form of service charge was the most used strategy with 44.6% of the operational staff respondents indicating that it was being used in their hotel. Promotion (19.3%) was the second most used strategy after bonus payments. Others included: Terms of service (14.5%), paid vacations (12%) and Gifts (9.6%).

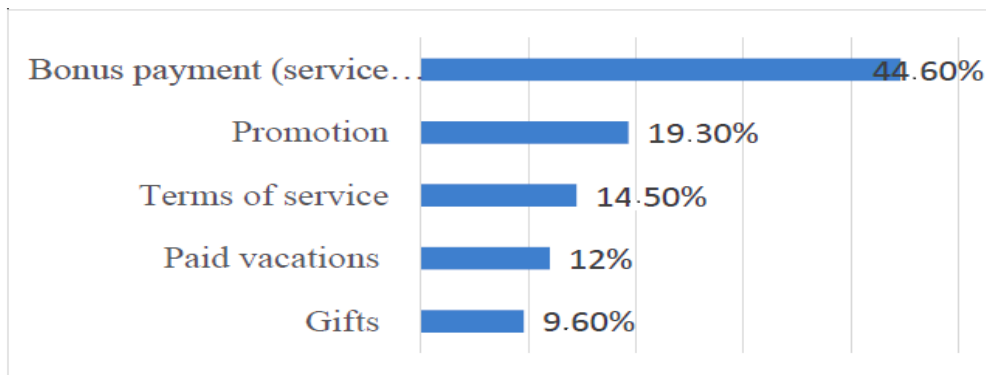


Figure 2: Strategies used by hotels in Kenya to motivate employees

Relationship between the socio-economic trends and the motivation strategies used by hotels

The above motivation strategies were further correlated with the socio-economic trends in order to identify their significance in addressing the concerns of the employees. Table 2 presents the

significance of the relationship between the most important socio-economic trends and the motivation strategies employed by hotels.

Table 2: Relationship between socio-economic trends and the motivation strategies used by hotels in Kenya

Socio-economic trends		Bonus (Service charge)	Promotions	Terms of service	Paid vacations	Gifts
Rank	Trend					
1	Increase in cost of living	0.042	0.055	0.064	0.082	0.038
2	Need for higher salaries	0.234	0.656	0.000	0.001	0.000
3	Need for fitness	0.134	0.539	0.000	0.042	0.073
4	Ease of getting a job in other parts of the world	0.006	0.880	0.000	0.899	0.393
5	Criteria of promotion	0.054	0.745	0.068	0.773	0.745
6	Medical needs	0.003	0.945	0.859	0.877	0.992
7	Social groups at work	0.147	0.922	0.957	0.029	0.241

p<0.05

Using the trends that had a positive correlation with employee motivation (Table 1 above), the study found out that ‘bonus payments’ appealed to those employees concerned with the ‘need for higher salaries’ (0.234), ‘need for fitness’ (0.134), and ‘social groups at work’ (0.147). ‘Promotions’ appealed strongly to all concerns except the concern on ‘increased cost of living’ which recorded a very weak significance. The third most preferred motivation strategy was the use of ‘terms of service’ as an employee motivation tool. This strategy significantly appealed to only those concerned with ‘medical needs’ (0.859) and ‘social groups at work’ (0.957) and none of the important concerns of employees particular the ‘increase in the cost of living’ (0.064), ‘the need for higher salaries’ (0.000) and ‘the need for fitness’ (0.000).

‘Paid vacations’ was strongly correlated with the ‘ease of getting a job in other parts of the world’ (0.899) probably out of employees’ exposure to the practices in

other countries on this areas of paid holidays plus the ‘medical needs’ and ‘criteria for promotion’ that also strongly correlated to this strategy (p values of 0.877 and 0.773 respectively).

The use of ‘gifts’ as a motivation strategy was strongly significant to specifically those concerned with the ‘medical needs’ (0.992), the ‘criteria of promotion’ (0.745), ‘ease of getting a job in other parts of the world’ (0.393), and ‘social groups at work’ (0.241).

Of importance to note was the finding that out of the three most significant socio-economic trends, the only important motivation strategies were ‘bonus payments’ (service charge) and ‘promotions’ that at least appealed to the ‘need for higher salaries’ and ‘need for fitness’. None of the motivation strategies was strongly significant to the ‘concern on the increased cost of living’.

Conclusion

This study demonstrates a clear disconnect between the perspectives held by the hotel management and the employees concerning employee motivation needs in the face of the prevailing socio-economic trends. As a result, the motivation strategies employed by hotels today do not address the real needs of the employees and by extension, do not result in the envisioned staff motivation. This disconnect has been acknowledged in literature. For instance, Salih (2003) notes that according to hotel managers, the employees are concerned with job security, money, bonuses, promotion and terms of service in that order. Employees on the other hand, rank their concerns with salary taking the first position followed by fringe benefits, terms of service, and promotion. The findings of this study thus indicate that hotel managers in Kenya do not use the appropriate strategies in managing employee motivation. For instance, while employees were more concerned with higher salaries in order to respond to the increasing cost of living, management widely used bonus payments in the form of service charge. It is important to note that the service charge received by employees in the hotels is based on the amount of sales the hotel makes and thus not a permanent solution to the concern on the cost of living and need for higher salaries.

From the findings of this study it is clear that while hotels in Kenya, just like anywhere else have devised a number of strategies geared towards motivating employees, such strategies have not adequately responded to the real needs and aspirations of the employees. As a result, the hotels continue to experience a high employee turnover resulting into a relatively youthful workforce. In line with this, this study observes the need for the management of hotels in Kenya to investigate the expectations of the employees in order to tailor the motivation schemes to meet these needs and expectation for optimal results.

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