

UNIVERSITY FOR DEVELOPMENT STUDIES

**THE EFFECTS OF MOTIVATION ON REVENUE MOBILISATION IN
KUMASI METROPOLITAN ASSEMBLY**

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BY

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MANAGEMENT OPTION)**

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DECLARATION

Student

I hereby declare that this submission is my own work and to the best of my knowledge, it contains no material which has been accepted for the award of any other degree of the University or elsewhere except where due acknowledgement has been made in the text.

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I hereby declare that the preparation and presentation of this thesis was supervised in accordance with guidelines on supervision of thesis laid down by the University for Development Studies.

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DATE



DEDICATION

Glory and thanks be to the Almighty God for his guidance and protection throughout this work. I dedicate this thesis to four beloved people who have meant and continue to mean so much to me.

First and foremost, to my father whose love for me knew no bounds and, who taught me the value of hard work. Thank you so much.

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ABSTRACT

The rates of revenue mobilization by the Metropolitan, Municipal and District Assemblies have declined over the years, constraining most Metropolitan, Municipal and District Assemblies to pursue developmental projects in their various jurisdictions. Extant literature shows that, staff of the assemblies are not well motivated especially the revenue collectors; which has contributed to low revenue mobilization. This study assessed the impact of motivation on revenue mobilization of Kumasi Metropolitan Assembly by specifically looking at the impact of non-financial motivational packages on revenue mobilization, impact of financial motivational packages on revenue mobilization and challenges hindering revenue mobilization of Kumasi Metropolitan Assembly. The study employed survey design and utilized ordinary least square regression and Kendall's coefficient of concordance to achieve the three specific objectives. The study reveals that there is significant positive impact of non-financial motivational packages on revenue mobilization where the impact is higher than financial motivational packages. Also, it was revealed that, there is significant positive impact of financial motivational packages on revenue mobilization. The researcher noticed that the composite effect of financial and non-financial motivational packages is huge and actually more significant than the standalone motivational packages. The challenges faced by the assembly in mobilizing revenue are lack of linkage between the tax payment and the provision of services to taxpayers, poor tracking of economic activities, lack of education on tax responsibility, poor record keeping with lack of linkage between the tax payment and services being the topmost problem. The study recommends a combination of financial and non-financial motivational packages to motivate revenue collectors of the Kumasi Metropolitan Assembly.



CHAPTER ONE

INTRODUCTION

1.1 Background to the study

There is general agreement among psychologists that man experiences a variety of needs, but there is also considerable disagreement as to what these needs are and their relative importance (Bob 1997). There have been a number of attempts to present models of motivation which list a specific number of motivating needs, with the implication that these lists are all-inclusive and represent the total picture of needs. Unfortunately, each of these models has weaknesses and gaps, and we are still without a general theory of motivation (Robinson, 2004).

All organisations are concerned with what should be done to achieve sustained high levels of performance and increased productivity through people. Consequently the subject of adequate motivation of workers as derived from the so many attempts made by management practitioners is to look for the best way to manage so as to accomplish an objective or mission with the least inputs of materials and human resources available (Robinson, 2004).

According to Dutton and Gail (2005), there are a lot of theoretical concepts, principles and techniques of management that have evolved in response to these challenges. In general, management authors have tended to view motivation as a key component of the managerial function of leading or directing. However, leading or leadership style, although an important factor in determining the attitude of employees towards assigned job responsibilities is not the only determinant, other managerial functions such as



planning, controlling, staffing and organizing also play a role. In any serious and competitive society workers are one of the tools for economic progress. Their welfare is taken into serious consideration because, without a dedicated workforce an organization crumbles; (Robinson, 2004). It is therefore apparent that the issue of adequate motivation of worker has relevance in managerial function and activities that are aimed at directing the productive effort of the workforce toward achieving organisational objectives (Robinson, 2004).

Knotz et al (2003) holds that management strives to create and maintain an environment that is conducive to the performance of individuals who are working together in groups towards the accomplishment of pre-selected objective. Workers in organisation work in-groups and group dynamics often result in the conflict of goals between individuals and their groups.

Conversely Motivation according to Strauss and Sayles, can be provided for workers, using the following methods,

1. The traditional approach
2. Human relations approach.
3. Implicit bargaining.
4. Competition, and
5. Internalised motivation

The traditional approach to motivate, which is often referred to as the economic man model assumes the following,

- (a)The only reason why people work is to earn money and that they will work only if driven to it by fear of losing their jobs.



- (b) Since no one likes to work, people will try to get away with doing as little as they can. Management must tell every worker exactly what to do, spell out every rule and give the worker the narrowest possible range for discretion.

Secondly the human relations approach emphasizes motivation basically through satisfying the worker's security and benefits that provide some protection against illness, old age and unemployment. The social need for belonging should be met by various recreational activities and by the development of strong cohesive work groups.

The third approach to motivation is the implicit bargaining approach. When using this approach, management encourages workers to do a reasonable amount of work by agreeing to be more flexible in terms of supervision. This bargain is usually a matter of implicit, unspoken understanding.

The fourth approach to motivation is around competition for the pay increases and promotion that accompany outstanding work. This is important because it helps the worker to satisfy various forms of needs. Some of these include a sense of accomplishment, and added social prestige.

The last of the approaches under consideration is internalised motivation. This deals with providing opportunities for need satisfaction through doing the job itself. This approach uses Herzberg's motivators, which means that management should create conditions under which workers will willingly and voluntarily work towards organisational objectives because they enjoy the work.



Economic motivation is de-emphasized and more stress is put on age mode. These methods according to status and styles can either be used alone or in combination. It is further stated that usually most managers use a combination of all five methods. It is important to consider the issue of motivation in organizations because of the interleave desire of people to pursue their own personal aspirations while the organizational objects are being met (Bryans and Crouin, 2012).

Certain problems of inadequate motivation however do arise as it concerns certain individuals who come into the work situation with differences in expectation, behavior and outlook. These problems of individual motivation inadequately may be divided into two categories.

Firstly, the inability of certain individuals to be motivated may stem from the fact that there is a deficiency in their personality. For such people, the desire to avoid failure may be too strong while paradoxically, the motive to produce positive results may be too weak. This could produce a general resistance to achievement-oriented activity that should naturally be overcome by other extrinsic modes of motivation if there is to be any spur to achievement oriented activity at all (Bryans and Crouin, 2012).

Secondly, even when the achievement motive is relatively strong, the challenges before the individual worker may be proved to be inadequate or too difficult, whichever of these that apply to the individual worker will usually manifest themselves in different ways such as lack of enthusiasm or premature surrender.



Bryans and Crouin (2012) contend that effective group functioning depends on the development of supportive relationships. This is important because it makes provisions for different views to be put forward and carefully studied, thus minimising the development of conflicts, which could be destructive to the establishment. Bryan and Crouin further stated that discussions, collective problem solving and decision-making could all benefit from a genuinely supportive atmosphere.

This is because the individual could derive a sense of acceptance from being a member of the establishment. This could serve as a powerful motivating force in influencing his behaviour towards other members of the establishment. At the base of all these, is the issue of individual differences which go a long way to determine the extent to which an individual is motivated. Some of the factors, which are responsible for individual differences include genetic, make up, upbringing and current influences.

In spite of all these apparent attendant problems of motivation and productivity, every organisation do necessarily seek means of ensuring continuous productivity, which would be geared towards the accomplishment of organisation goals. The organisational system under study cannot be said to be different in any way, in terms of producing the results for self-sustenance, a reason for which it was set up. In all these processes the corporate organisation business (the local government set up, Metropolitan, Metropolitan and District Assemblies (MMDAs) have thus helped to make Ghana the country it is today.

Motivation also finds relevance in the behavioural sciences especially in psychology where attempts are made to find out the, what, when, how and why of human



behaviour. Gbadamosi and Adebakin (2000) posit that motivation is an aspect of the behavioural sciences that attempts to answer the question of why human beings behave the way they do.

This study will also examine to what extent the non-economic factors such as achievement, job security, recognition, advancement, job enrichment or the job itself, responsibility, decisional participation and management style are needed to raise the morale of the worker for high productivity. These factors are referred to in this study as non-economic motivators in the sense that their incentive power is not necessarily derived from money.

Adequate motivation (high morale), leadership style and the success of an organization are closely inter-twined (Gbadamosi & Adebakin, 2000).

The good leader is he who is able to motivate his workers to maximise production and efficiency. A man however only gives what he has. To be able to motivate, a leader must know what a motivator is and how to use it. I believe that pay packers and fringe benefits are taken for granted and do not serve as primary motivators. On the other hand, certain factors, which contribute to human dignity, may not entail any monetary gains but to the individual may mean much and when they are present may create a very good and healthy atmosphere to induce adequate motivation but when they are absent, the result is frustration and de-motivation (Gbadamosi & Adebakin, 2000).

The study identifies these elements that promote human dignity and thus raise the morale of the worker for higher productivity. The study further investigates the effect



of these factors here referred to as ‘non-economic motivators’ on the workers and the consequent output of the Kumasi Metropolitan Assembly in revenue mobilisation.

For the purpose of this study then, non-economic motivators is used to refer to those factors which are not necessarily computable in monetary terms but which; drive’ the human mind from within to behave in a desired way and to the maximum realization of the organizational objectives while adequate motivation is simply defined as contentment, fulfilment or job satisfaction. I should perhaps explain that the title “examining the effects of motivation on Revenue Mobilisation” is my own coinage, which may be likened to Herzberg’s hygiene factors. Herzberg had concluded from his studies that achievement; recognition, the work itself, responsibility, advancement and growth are major satisfiers because their positive influence is far more frequently an element in satisfaction than is their negative effect an element in dissatisfaction. More recent studies have advanced on Herzberg’s position (Gbadamosi & Adebakin, 2000).

While there are studies to support Herzberg’s list of satisfiers in his sequence, there are questions as to the position or order of these satisfiers. All these studies however, have been carried out in the developed highly industrialized societies. It is therefore not certain whether the findings can be applied to the Ghanaian local Governance situation. Local governments in developing countries derive their revenues from two principal sources:

- A) funds transferred to them from a higher level of government, and
- B) funds collected and retained in the locality itself.

Funds coming from higher levels of government (national, regional, and/or state/provincial) are referred to as transfer payments. The rules governing the flow of



transfer payments are part of the laws on intergovernmental fiscal relations. Transfer payments are typically allocated from a specific revenue source that is controlled by the higher level government (e.g. Value added tax, income tax, or oil revenues). Transfer payments may be allocated downward on an established formula basis (the District Common Fund Formula), or an ad hoc basis. Transfer payments may be stable and predictable over time, or they may vary substantially from year to year. Regardless of their characteristics, transfer payments are not “own source revenue” because they are not under the direct control of the local government.

Funds collected and retained in the locality itself are the local government’s own source revenues. In developing countries and transitional middle income countries such as Ghana, it is typical to find that own source revenues are a small (or very small) portion of a local government’s total revenue.

This can be due to a variety of factors including: restrictions imposed from higher levels of government on the types of revenue sources available to the local government and the rates that can be charged; a history or culture of dependency in the relationship of local government to higher levels; local politics that oppose local revenue collection; poor revenue collection technology or effort at the local level; and corruption. Whatever the combination of causes, the result is that local government is usually over dependent on transfer payments and less able to exercise decentralized leadership for development (Chukwuma, 2010).



Fees are a revenue source directly associated with a local government service such as registrations, permits, or approvals. They are usually imposed on a per transaction basis, e.g. a fee of a fixed amount to register a property/marriage/birth.

User charges are another revenue source linked to specific services, but unlike most fees, user charges typically vary with the amount of service consumed, e.g. a consumer's water bill will vary with the volume of water used. In some cases, user charges will vary according to the type of consumer, e.g. charges for garbage collection may be different for residential, commercial, and industrial establishments.

The important point about these different types of revenue sources is the degree to which the source of funds is tied to a particular use of funds. There is a continuum. It starts with general taxes, such as the property tax, which provide funds that can be used to fund any aspect of the local government budget. It continues with general fees that can also be used across the entire budget even if they are generated by a particular service. Then more specific fees for services are usually used to fund the operating budgets of these specific services and only if there is a surplus (unlikely) might the fee contribute to the general budget. Finally, user charges are normally dedicated specifically to funding their related service and (even in the unlikely event of a surplus) they are not normally available to support the general budget of the local government. These distinctions are important because increasing revenue from the different types of sources will have different impacts on the creditworthiness of a local government and their ability to motivate those in charge of the mobilisation activities (David, 2005).



Inflation ordinarily affects the standard of living of people. This in turn adversely affects productivity. Low productivity in most cases is a by-product of dissatisfaction, which could manifest itself in various ways. Some of these ways include indiscipline and general apathy. To contain these traits it is important to understand the individuals to be motivated, and the society itself. This is because of the number of factors, which influence individuals in different societal set ups differs (Gbadamosi & Adebakin, 2000).

In some cases, such a method could prove to be counter- productive because the issue of adequate motivation and consequently workers' productivity is a product of a person's set up of needs, goals, drive and experience. By implication, this means that factors which govern motivation, job satisfaction, workers productivity and attitude to work differ from one society to another.

However, the issue of the implication of adequate motivation on worker's productivity is entirely embedded in the various theories of motivation. People are motivated by various factors at different times, according to Wilkinson et al, the first factor is the combination of the individual perceptions of the expectations other people have of them, and their own expectations of themselves. This happens because people come into work situations with various expectations (Chukwuma, 2010).

When they arrive at the work place, they meet other people who also have expectations of them; positive individual and group expectations serve as positive motivational factors for the worker. This is why a balance must be struck as much as possible between organizational objectives and individual aspirations. The essence of this is to



ensure a situation where the individual is motivated while the organization is achieving established objectives (Goal Congruence).

The second factor deals with the issue of self-images and concepts as well as life experiences and personality. These factors have to be positively motivated in the worker to yield proactive behaviour. This can be achieved through a carefully planned reward system, which is a type of reinforcement directed at modifying people behaviour. Those who occupy management positions in organisations encourage behaviour basically through the means of positive reinforcement. Positive reinforcement boosts favourable consequences that go a long way to encourage the repetition of particular behaviour.

The management of people at work is a very important aspect of attaining the set organizational objective, with a peculiar reference to the Kumasi Metropolitan Assembly, this research project will explain the meaning and underlying concept of motivation, Identify main types of needs and expectations of staff at work, explain possible reactions to frustration at work. Outline different approaches to work motivation, explain the nature of different theories of motivation, examine the main theories of motivation and evaluate their relevance to particular organisational work situations; appreciate the complex nature of work motivation.

1.2 Statement of the Problem

The Constitution of Ghana provides that each District Assembly shall have a sound financial base with adequate and reliable sources of revenue. Most of the revenues of the District Assemblies consist of transfers. In 2004, 86 per cent of the District



Assemblies' total revenues consisted of transfers from the central government and donors. The remaining 16 per cent originated from the District Assemblies own source revenues (ghanadistricts.com). The high dependency on transfers from the central government and donors indicates that the District Assemblies have limited authority to set local expenditure priorities. The autonomy of the District Assemblies is limited by the fact that they have to submit their annual budgets to the Ministry of Finance for approval (Nkrumah, 2000).

The Local Government Act of 1993 prescribes ten categories of own source revenues, which in Ghana are called internally generated funds, to the District Assemblies. These taxes, rates, levies, fees and licences are listed in the Sixth Schedule of the Local Government Act. The Minister responsible for local government, in consultation with the Minister responsible for Finance, may amend the Sixth Schedule with a legislative instrument. The Local Government Act establishes the District Authorities as rating authorities in their respective districts.

The District Authorities have the power to borrow. However, the level of borrowing is quite low. District authorities have three sources of revenue: The District Assemblies' Common Fund (DACF), Ceded revenue and own revenue generated through local taxation. Ceded revenue refers to revenue received from a number of lesser tax fields that the central government has ceded to the District Assemblies. Finally, there is the collection of own revenue through some local taxes. This does not, however, amount to much as the so called "lucrative tax fields" (for example the income tax, sales tax, import and export duties) all belong to the Central Government. Owing to the inability of the District Assemblies to mobilise enough revenue to undertake some of the



important local projects, motivating their workers responsible for the collection of these revenues remains their bane. Public sector workers and for that matter district assembly revenue collectors remain agitated for enthrusting packages, both financially and or nonmaterial, as they do not want to be selling pomade/cosmetics and their bodies remain dried and wrinkled. From the time of the introduction of the Single Spine Salary Structure (SSSS), some workers have moved up on the Salary Scale, while others are still at the negotiation table with the fair wages and salaries commission, a body mandated to migrate all public sector workers on to the SSSS (Chukwuma, 2010).

Money only plays the role of common denominator of all things. There is a general notion that if only management can identify other things that can motivate the workforce apart from money, perhaps there will be a dramatic reduction in the demand by workers for pay rises. Less time will be spent on the annual ritual of management/workers union negotiation meetings (Nkrumah, 2000).

It is in light of this that this research work is expedient to be carried out in order to ascertain the extent to which adequate motivation affects enhanced revenue mobilisation in the Assembly.

1.3 Research Objectives

The purpose of this Research work is to assess the implication of motivation on revenue mobilisation, especially in the Ghanaian decentralised organizational setting.

Specifically, the study seeks;

1. To explore the relationship between financial motivational factors and revenue mobilisation for the staff of Kumasi Metropolitan Assembly.



2. To establish the relationship between non-financial motivational factors and revenue mobilisation for the staff of Kumasi Metropolitan Assembly.
3. To identify the challenges that hinders the Assembly's ability to mobilize enough revenue.

1.4 Research Questions

The questions the researcher seeks answers to, so as to provide solutions to the problems of the study are as follows:

1. What is the between financial motivational factors and revenue mobilisation for the staff of Kumasi Metropolitan Assembly?
2. What is the between non-financial motivational factors and revenue mobilisation for the staff of Kumasi Metropolitan Assembly?
3. What are the challenges that hinder the Assembly's ability to mobilize enough revenue?

1.5 Significance of the study

The study proffered answers to the question agitating the minds of management of the Assembly, as to what to do to adequately motivate their workers to contribute their quota towards the assembly's revenue mobilization drive and growth.

The results from this study have highlighted the concept of group dynamics and staff behaviour to work. Through such understanding, the administrative scope of the Metropolitan chief executive, that of Metropolitan Coordinating Director and the Director of personnel (Human Resource Director) could be broadened and this would put them in a better position to review and over-haul their orientation to administration



in terms of better motivating staff and thus achieving better results by fully utilizing the human resource potentials available to the Assembly.

Furthermore this study is of immense benefit to policy makers in the human resources functions of the Decentralised local Authorities. It provides empirical information on the motivational packages that stimulates revenue mobilization and the key challenges facing the MMDAs. This will enable Ministry of Local Government and Ministry of Finance to collaborate to address the identified challenges while employing the right mix of intrinsic and extrinsic motivational tools to entice the employees of the assembly.

It has provided framework for understanding what actually motivates the staffs of the MMDAs while serving as a premise based on which future studies could be conducted. It also adds up to the growing literature on motivation and job performance. The unique contribution of this study is employing inferential statistics to assess the impact of various motivational components and it's composite on revenue mobilization in the public sector. The study provides policy makers the precise impact of the individual motivational packages and it's composite on revenue mobilization hence facilitating better decision making.

1.6 Delimitation of the Study

The bond between the organization and its members is strengthened by what motivates them to work and the fulfilments both (the workers and the organization) derive from it. The Metropolitan/ Municipal / and District Chief Executives or the Coordinating



directors need to understand how to elicit the cooperation of staff and direct their performances to achieving the goals and objectives of the Assemblies.

However, this study is delimited to the Revenue section of the Kumasi Metropolitan Assembly, in the Ashanti Region of the Republic of Ghana. The work force to be covered within the context of the research includes contract (if any), permanent and casual staff.

1.7 Organization of the Study

Chapter one, provides overall introduction and background to the research work by examining and presenting the aim, objectives, research questions, significance of the study and delimitation. Chapter two focused on the review and critical examination of previous works in published and unpublished literature was done in this chapter. Chapter three explains and justifies the overall approach, strategy, techniques, design and method of analysis used in the study. Chapter four provide analysis and discussions of the data obtained from the respondents and Chapter five deals with the summary, conclusions and recommendation.



CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Work is an important event, a fact that is inevitable in the life of an individual whatever form, it is done; it is an activity and source of satisfaction ones needs in terms of the expected rewards. Employees try to find satisfaction in what they do and as a result the manager should be able to understand the problems faced by his workers and find a way of satisfying their needs and aspirations.

The general assumption is that an adequately motivated worker will in turn give in his or her best towards the attainment of a general consensus. Consequently when a worker is motivated the question of poor performance and inefficiency will be a forgotten issue in an organisation. Managers who are successful in motivating employees are more often providing an environment in which appropriate or adequate goals called incentive are made available for the needed satisfaction of the employee.

A good number of workers are adequately paid in their jobs so as to work hard and maintain a high standard of productivity while some even work hard but do not receive much material gains to show for it. The issue under consideration is how a worker in an organisation with a particular set of does needs achieve the reward he desires? Generally management do withhold rewards to motivate employee to achieve high performance or productivity. Today manager cannot rely solely on the manipulation of pay, benefit or working conditions to encourage workers to perform effectively and efficiency.



Campbell and Richard (1980) came up with the following assumptions about human behaviour.

1. All human behaviour has a course, which can be traced to the effect of the environment.
2. The root of human behaviour is also traceable to needs wants and motives.
3. Human behaviour is goal seeking people would release their effort in the direction they believe will help to satisfy their personal needs.

This chapter shall attempt to look at how the subject of motivation has evolved over the years and some known literature that have been written and that have relevance to the subject. An attempt will also be made to find out any knowledge gap that exists in current literature on the subject and how this research can bridge some of this gap.

2.2 Concept of Decentralization

The meaning of decentralization is inclusive as various scholars define decentralization based on their experience in their jurisdiction or their perception. For instance Cheema (2003) viewed decentralization as the transfer of some powers held by central government agencies to local districts, regional institutions and other government agencies operating outside the central government for decision making, proper planning and management. Mawhood (2003) is defined decentralization as sharing part of the powers wield by central government agencies with other agencies at the regional and district units for use within the allocated jurisdiction. Ribot (2001) also viewed decentralization as a series of steps taken by central government to officially transfer administrative, executive and revenue mobilization powers to local institutions.



Basically, decentralization involves the transfer of administrative, political, and revenue mobilization powers from a higher state institutions to a lower state institutions.

2.3 Historical Development of District Assembly in Ghana

Ghana's decentralization can be traced from 1748 by the British colonial masters through the use of indirect rule. The indirect rule applied by the colonial masters involve exercising political powers through the native chiefs (traditional institution) by making the chiefs and elders at various jurisdiction (districts) heads with political power to perform some functions of local government such as collecting of levies (tax), and recruitment of staff. The traditional/local authorities were empowered to determine the amount to be charged as taxes as well as developing bye laws that govern the activities of their area of authority (Ayee, 2000).

The appointment of chiefs as the local political heads during the period of indirect rule made chiefs to relegate their accountability obligations to their subject as they see the colonial powers more powerful hence the chiefs were doing their bidding. The chiefs were now accountable to the colonial powers than their subject. This replaced the downward accountability with upward accountability. The shift in the accountability was the beginning of the sufferings our traditional system face today. It was obvious that decentralization during the indirect rule period was used by the colonial powers to strengthen their grip of power in Ghana through the chiefs who were seen as powerful institution in Ghana. For this reason decentralization which is viewed as bringing governance closer to the people maybe another mechanism to weaken the traditional institution to strengthen the authority or control of the political elite class in Ghana (Nkrumah, 2000).





The indirect rule applied by Ghana's colonial masters is seen as a form of decentralization by transferring administrative, financial and other functions to the chiefs at the local level but this approach weakened the local government structure after Ghana gained independence in 1957. The post-independence period saw the decentralization system of Ghana on its knees as the chiefs who were revered by their subjects were bought by the colonial masters with power and authority to the detriment of their subjects. For this reason, in 1974 attempts were made by the government to restructure or reform the weakened local government system in Ghana by transferring some key functions such as administration responsibility at the local level to the districts which were aimed at giving life to the local government system and to further strengthen it. This is called de-concentration (Nkrumah, 2000).

The local government system also called decentralization received a major boost during the PNDC era led by Jerry John Rawlings between 1981 and 1982, the period of military rule. The PNDC government transferred some administrative powers held by central government to the local level and established People's Defence Council (PDCs) as well. The PDCs were mandated to ensure successful implementation of Ghana policies and programs in their various towns and villages because it was town or village based. The PDCs were initiating and supporting the successful implementation of self-help projects in their towns or villages.

The approach adopted by the PNDC government though welcomed by many Ghanaians with the introduction of PDCs but were viewed as similar to what were done by the Acheampong regime in the 1970s. The PNDC government also transferred only administrative power with political power still in the hands of the central government.

During the pre-1988 period the decentralization structures were not explicit as parallel power structures were noted with power central ministries occasionally taking over the administrative authority transferred to the local level.

The new era of decentralization was espoused in 1988 with the introduction of Local Government Law 1988 (PNDCL 207). The aim of PNDCL 207 was to encourage mass participation in the governance system and ownership of the government machinery through the transfer of power and resources to the local levels with the local people responsible for exercising that power while utilizing the resources to meet their development needs. The law dealt with some of the problems inherent in the previous decentralization arrangement and gave the local government system a legal backing. During this period administrative, political and revenue mobilization authority were transferred to the local levels. This gave birth to district assemblies across the ten regions in Ghana where 100 district assemblies were created through the PNDCL 207.

The district assembly became the highest political authority at the local level conferred with executive, legislative and deliberative power. These powers to the district assemblies were strengthened through the 1992 constitution (Article 24 I (3)). The highest local political bodies were made of Metropolitan, Municipal and District Assemblies with the metropolitan operation in the major cities. The district assemblies had two-thirds of their members elected through non-partisan method while one-third was appointed by the president through the minister of local government. The elected officers are called assembly members with a four year mandate; the assembly members then elect presiding officer. The chief executive who is the head of the district is



appointed by the president to ensure successful implementation of government programs and policies at the local level.

2.4 Types of Decentralisation

Decentralization which involves the transfer of administrative, political, revenue mobilization and decision making power from a higher national institution to a sub national institutions operating at regional and districts levels can be categorised into administrative decentralization, fiscal decentralization, political decentralization, economic decentralization and environmental decentralization (Ribot,2001) as detailed below;

2.4.1 Administrative Decentralisation

Goel (2010) indicated that administrative decentralization is about the arrangement of the local government system. The Ghana local government systems is made up of regional coordinating council, metropolitan assemblies, municipal assemblies and district assemblies. The assembly's arte the political heads of the administrative jurisdiction empowered with executive function to formulate and implement programs and policies as well as medium to long term development plans. The district assembly is further disaggregated into zones, and unit committees. Zonal council oversees the administrative activities of the Zonal area by implementing policies of assembly.

Administrative decentralization is the process of transferring administrative responsibilities from national institutions to sub national institutions to empower sub national to deliver services such as education, health, housing, security and social welfare to the local people. It involves the delegation of administrative authority and



responsibility to local units (Ahwoi, 2010). This makes central government ministries to establish offices at various structures of the local administrative units such as regional and districts to quickly address the minor needs of the locals. These administrative offices have the capacity to address only defined problems beyond which it refers it to the central government ministry for it to be addressed.

The district assemblies have less control over the operations of these offices as they do not directly operate under them. Administrative decentralization can be seen from two folds; firstly, delegation of administrative powers exercised by the district chief executives and other staff of the assemblies on the locals. Second the establishment of central agency office at the districts to undertake the devolved administrative function on behalf of the central agencies.

2.4.2 Fiscal Decentralisation

Fiscal decentralization is the power to mobilize and utilized financial resources to meet the pressing needs of the local members. Yaw-Nsiah (2005) observed that fiscal decentralization is the transfer of revenue mobilization, allocation and management power from national government agencies to the local authorities. This empowers local authorities to development mechanisms to raise revenue to meet their development needs expenditures. Fiscal decentralization is crucial as it gives practical meaning to the local government by facilitating its policy and programs implementation at the local levels. The decentralize institutions cannot work effectively without resources hence fiscal decentralization empowers the local authorities to raise revenues from the locals who are outside the tax bracket (CIDA, 2002).



Fiscal decentralization enables local authorities to deal with the issue of transferring task from central government agencies without resources to execute those tasks. Through fiscal decentralization local authorities are able to levy and raise revenues from other acceptable sources to execute the transferred task assigned by the central government agency.

Smoke (2003) also observed that central government agencies transfer responsibilities or task to be performed by the local authorities without the needed resources. Smoke indicated that when government transfer a particular activity to be executed with resources, it takes away the decision making power of the MMDAs as the central dictate what should be done by the local authority. On this note Smoke (2003) opined that fiscal decentralization empowers the local authority to mobilize their own resources to execute centrally assigned task as well as fixing the pertinent problems facing the locals with the surplus resources. Expanding the exposition of Smoke (2003), Adedokum (2004) noted that fiscal decentralization becomes meaningful and practical when local tiers are given legal backing to raise revenues and to decide on their expenditures within the acceptable scope. This gives local administrative unit the power to impose taxes and to decide when and how to utilize those taxes.

Fiscal decentralization empowers the local administrative units who are closer to the local people and understand their needs the power to mobilize revenue to solve their problems. Akudugu (2013) observed that the current nature of fiscal decentralization is not enough as most local economies are very bad hence the local authorities find it difficult to raise revenue to meet the needs of the locals. Adedokum (2004) adds the inability of the local administrative units to raise enough revenue limits their capacity



and ability to properly execute their development role for the benefits of the local citizens. Gemmell et al. (2009) suggested that the deficit faced by local authorities should be met by the central government through the allocation of enough district common funds.

Gemmell et al. (2009) further espoused that district in areas with weak economic activities have never raised enough revenue hence must be allocated more financial resources from the central government to mitigate the revenue shortfall. Decentralization becomes meaningless if there is a mismatch between local administrative unit expenditure requirements and financial resources available coupled with weak decision making. Fiscal decentralization is about giving the local government structures the statutory powers to raise revenue through levies, taxes both internally and externally as well as expenditure powers.

2.4.3 Political Decentralisation

Political decentralization is the process whereby powers to make decisions, develop and implement policies and programs are transferred to local administrative units from the central levels. The political power is limited to the geographic location and decision making scope of the local administration unit beyond which the local administrative unit will exceed its powers called ultra vires.

Political decentralization empowers the locals to develop or formulate their own policies and programs that best address their needs. It is based on this district are required to submit budget which contains their plans and programs for each financial



year. The budget is expected to identify and deal with the problems prevalent at the local levels.

Vikas (2000) observed that because of taste for power, holders of political powers at the central level are unwilling to transfer part of the power to the local authorities. According to Vikas (2000) political decentralization requires amendment of some laws, establishing new political units and realignment of decision making powers which have not been done over years. This attitude by the holder of powers hinders the full realization of political decentralization. This is evidence in Ghana where the grassroots are side-lined on the appointment of MMDAs heads. The appointments are purely in the hands of the president which has often led to agitations and destruction of state properties by irritates locals.

2.4.4 Environmental Decentralisation

Environment is the most important component that influences human survival. The growing rate of environmental pollution which threatens living species have made the need for stronger regulation and monitoring. Environmental decentralization is the transfer of power to regulate the environment to the local administrative units (Cistulli, 2002). The local administrative units are empowered to protect their local natural resources and ensure effective and efficient use of their natural resources. In Ghana the destruction of the natural environment by the galamsey activities have forced government to decentralized the mining supervision through the establishment of district mining committees which empowers them to identify minable areas, ensure mining are done in a sustainable manner to protect the environment (Mining and Minerals Act, 2015).



Environmental decentralization means moving the environmental regulations officer and offices closer to the people to better understand the environmental problems facing the local administrative unit for it to be addressed swiftly. This empowers the locals to monitor and exposed an activity that threatens the environment while encouraging environmentally friendly activities. Environmental decentralization makes it possible to formulate bye- laws and other necessary regulations needed to protect the local environment. This brings local inclusion into environmental protection and regulation.

2.5 Theoretical Framework

Two incompatible conceptions of human nature appear in philosophical literature. One holds that man is essentially rational hence he knows the sources of his conduct or is aware of the reasons for his conduct and hence is responsible for that conduct. The other viewpoint sometimes holds that man, by nature, is irrational and that his impulses and desires must be held in check by the force of society's sanctions. Another way of saying this is that man is pushed and pulled by the forces of his constitution and the stresses of his environment and that he is largely unaware of the sources of his actions and may therefore not have personal responsibility for his actions.

Adequate motivational factors have little or no place in a rationalistic account of conduct, because man's reason is the overriding factor in the determination of what he does. His will is free to choose whatever course of action his reason dictates. If his choices are unwise, unethical, or immoral, he is responsible for them because his reason and his will have freely selected them. On the other hand, motivational factors would explain the behaviour of man in particular circumstances if it were accepted that he is irrational.



2.6 Evolution of Motivational Theories

Notions of motivation have their roots in the philosophical principle of hedonism – namely that individuals tend to seek pleasure and avoid pain. Hedonism assumes a certain degree of conscious behaviour on the part of individuals whereby they make intentional decisions or choices concerning future actions.

In theory, people rationally consider the behaviour alternatives available to them and act to maximise positive results and to minimise negative results. These assumptions were however not testable and with a spirit of inquiry, motivational theory gradually moved from the realm of philosophy to the more empirically based science of psychology.

Even then, motivation is relatively a new concept in psychological theory it entered the discipline as ‘instinct’, only to be reformulated as ‘drive’. There are basically four (4) theories of motivational concept and a brief comment on each of them will enhance the understanding of the nature of motivation. The theories are: - Instinct Theories; Drive Theories; Hedonic Theories; and Cognitive Theories.

One of the greatest exponents of instincts theories was McDougall and he defined instinct as ‘an inherent or innate psychophysical disposition which determines its possessor to perceive, and to pay attention to, objects of a certain class, to experience an emotional excitement of a particular quality upon perceiving such an object, and to act in regard to it in a particular manner, or at least, to experience an impulse to such actions.



According to McDougall, man is moved solely by his instinct and under such a situation he wondered why man ever behaved rationally. He saw the problem of man as that of accounting for the control over instincts and he regarded personality as developed in the interest of such control. He therefore accorded great importance to motive forces in man's behaviour.

Instinct is purposively directing or guarding the organism to suitable objects or actions in the interest of its needs. Another notion of instinct was that of unconscious motivation or behaviour and this was the basis of the work of Freud who argued that most behavioural tendencies were not necessarily those of that individuals 'consciously' determined would be in their best interests.

He saw a major factor in human motivation as resulting from forces unknown even to the individual himself. Criticisms about these positions brought about the concept drive and writers like Woodworth and Sherrington wrote of instinctive behaviour and preparatory and consummatory reactions which were termed drive.

Drive theorists were concerned with two things: the mechanisms of action; and the forces which energise the mechanism into action. We have many potential acts or behaviours in our repertoire but they do not reach expression continuously or simultaneously in the typical case. They occur individually, sporadically, or episodically, yet the mechanisms that underlie them when they do appear are presumably always present in our nervous systems.



It takes some special conditions for the mechanism underlying a given act to be activated, and Woodworth used the word 'drive' as one condition necessary to power the mechanism into action. Drive refers to general energy supply and tissue needed as source of drive. Thus drive concept came quickly to use in reference to the physiological conditions, which seem to underline the occurrence of preparatory behaviours and consummator reactions like in hunger, thirst and sex.

Behaviour was thought to vary in amount or quantity as drives varied. When drive increased there was moral general activity, consummators behaviour was enhanced and so on. The concept drive was soon replaced with incentive otherwise called hedonic. Hedonic as the name implies mean devoted to pleasure and there was talk of positive and negative incentives. Incentives were thought to have two functions: -

1. To instigate approach toward it or avoidance (withdrawal) from it;
2. To evoke a state of arousal in the animal so that it will be moved (motivated) to approach or withdraw from the incentive.



The state of arousal is like that envisaged for drive theory, but here the arousal is evoked by the incentive, rather than being due to conditions of deprivation, as in drive theory. Incentive thus became an alternative to drive as the major motivational construct.

Perhaps one of the most scientific approaches to motivation was that provided by proponents of cognitive theories. McClelland was one of the foremost men in this area. McClelland and his colleagues dealt with the study of the need for achievement and other needs in human beings.

According to McClelland, all motives are considered to be learned and motivated behaviour falls along appetite or adapted ability. Motivated behaviour takes the form of approach to a situation or withdrawal from stimuli. A motive is defined as a “strong affective association characterized by an anticipatory goal reaction and based on past association of certain cues with pleasure or pain”.

They saw affective process as fundamental to motivation and held that direction and not arousal of behaviour is the proper function of motivation. They gave external stimuli a greater role in motivation than did drive theories. Reinforcement has been proposed as an alternative to drive and also to incentive theory. It may be necessary to examine how it differs from incentive theory. It has been argued that the reinforcement account of motivational phenomena is a non-motivational one (Gbadamosi & Adebakin, 2000).

That the properties of behaviour of interest can be explained in terms of the conditions existing at the time of reinforcement e.g., that they are learned and that no special processes such as drive or arousal by incentives are necessary. This may be a more scientific explanation of the process of behaviour changes than the concepts of instincts or drive. The basic concept of behaviour modification or reinforcement theory assumes that human behaviour can be shaped or altered by manipulating the reward structures of various forms of behaviour.

The process of doing this is called ‘positive reinforcement’. Under this process, performance standards are clearly set and improvements are supposed to result from the application of frequent ‘positive’ feedback and from recognition for satisfactory



behaviour. Negative feedback is not used and it is assumed that an employee's desire for the rewards of positive feedback and recognition will, to a large measure, motivate him or her to perform satisfactorily in anticipation for such rewards. From the foregoing we can say that motivational concepts have had at least 2 major functions with respect to behaviour:

1. To energize response, either in general or specific and control their vigour and efficiency;
2. To guide behaviour to specific ends, i.e. to give direction to behaviour.

We could also say that motivation provides the conditions for reinforcing behaviour or weakening it. Some learning psychologists have however raised some theoretical problem, namely, that there are other mechanisms, especially learning, which are available to guide behaviour.

According to these learning psychologists, when an animal develops the tendency to turn one way in a maze rather than another, he is said to have learned to go that way. They saw Habits as structures, which guide and control the direction of behaviour, so that motivation is perhaps not necessary as a concept to account for directional aspects of behaviour.

Phenomena of choice and preference they pointed out may be given an interpretation based on habit rather than on motivation. Though there are a lot of controversial views on this objection, I believe in motivational concepts and this is in-fact the essence of this study and I agree that the hallmark of the presence of and the need for motivational concepts in behaviour is the energising of response and the control of their vigour and efficiency (Gbadamosi & Adebakin, 2000).



2.7 Origin of the Word Motivation

The word ‘motivation’ was originally derived from the Latin word ‘movere’ which means ‘to move’ though this could be an inadequate description for what it is meant. Some definitions include that by Vroom, 1964 “a process governing choices made by persons or lower organisms among alternative forms of voluntary activity” and Atkinson, 1964 “the contemporary (immediate) influence on the direction, vigour, and persistence of action “and Campbell and Pritchard, 1976 “motivation has to do with a set of independent and dependent variable relationships that explains the direction, amplitude and persistence of an individual’s behaviour, holding constant the effects of aptitude, skill, and understanding of the task, and the constraints operating in the environment.

Perhaps we can distinguish common factors to all these definitions, namely: - What energizes human behaviour; what directs or channels such behaviour; and how such behaviour is maintained or sustained. And it is also possible perhaps to say that these are the three components of motivation and each would appear a very essential part or factor in understanding human behaviour at work. From these three components we can characterize motivation as:

1. An energizing force within an individual that ‘drives’ him to behave in some ways, and environment forces that often triggers these drives;
2. Goal oriented on the part of the individual- behaviour is directed toward something (and)
3. Systems oriented – a process of feedback from the environment to the individual, which either reinforces the intensity of their drive and the direction



of the energy or dissuades them from their course of action and redirects their efforts.

2.8 Process Theories of Motivation

Process theories attempt to identify the relationships among the dynamic variables, which make up motivation. They provide a further contribution to our understanding of the complex nature of word motivation. Many of the process theories cannot be linked to a single writer, but major approaches and leading writers under this heading include: Expectancy-based model – Vroom, and Porter and Lawler, Equity theory – Adams, Goal theory – Locke, Attribution theory – Heider, and Kelley.

Motivational processes from the above views, assume that there are four basic building blocks in the **motivational process** namely: - Needs or expectation; behaviour; goals; and feedback. Figure 2.1 is a representation of these blocks and their relationships.

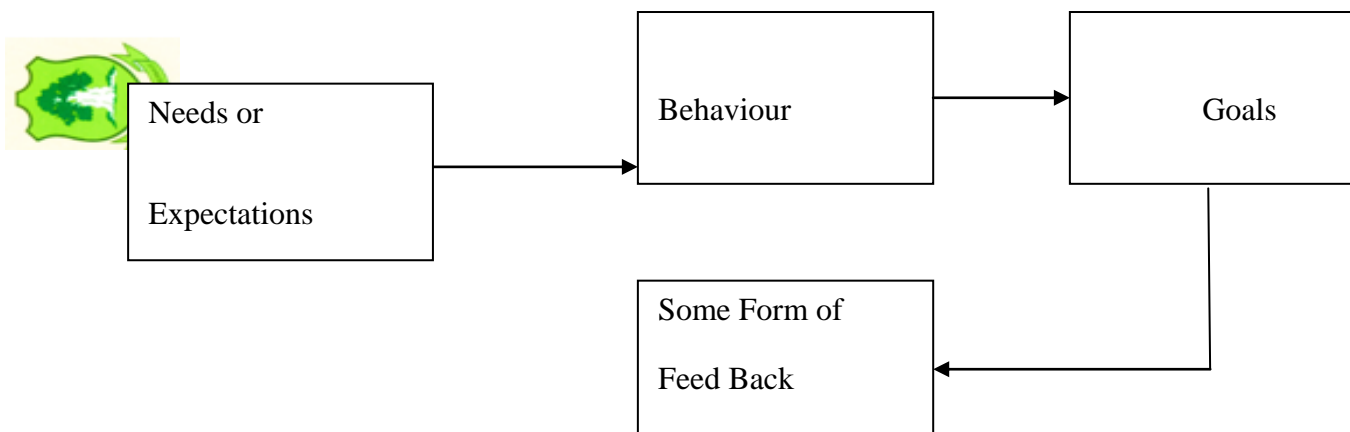


Figure 2.1 A Motivational Process

(Source: Robinson, 2004)

2.8.1 Vroom's Expectancy Theory

Victor H. Vroom was the first person to propose an expectancy theory from his study on the motivation behind decision-making and was published in 1964 (William, 2010). His model is based on three key variables: valence, instrumentality and expectancy (VIE theory or expectancy/valence theory). The theory is founded on the idea that people prefer certain outcomes from their behaviour to others. They anticipate feelings of satisfaction should the perceived outcome be achieved.

Expectancy (E)

"Expectancy refers to the "effort-performance" relation. Thus, the perception of the individual is that the effort that he or she will put forward will actually result in the attainment of the "performance". This cognitive evaluation is heavily weighted by an individual's past experiences, personality, self-confidence and emotional state.

The Instrumentality (I)

Instrumentality refers to the "performance-reward" relation. The individual evaluates the likelihood or probability that achieving the performance level will actually result in the attainment of the reward.

Valance (V)

Valance is the value that the individual associates with the outcome (reward). A positive valance indicates that the individual has a preference for getting the reward as opposed to, vice-versa, a negative valance that is indicative that the individual, based on his perception evaluated that the reward doesn't fill a need or personal goal, thus he or she doesn't place any value towards its attainment. The feeling about specific



outcomes is termed valence. This is the attractiveness of, or preference for, a particular outcome to the individual.

Vroom distinguishes valence from value. A person may desire an object but then gain little satisfaction from obtaining it. Alternatively, a person may strive to avoid an object but finds, subsequently, that it provides satisfaction. Valence is the anticipated satisfaction from an outcome. This may differ substantially from value, which is the actual satisfaction provided by an outcome. The valence of certain outcomes may be derived in their own right, but more usually, they are derived from the other outcomes to which they are expected to lead. An obvious example is money. Some people may see money as having an intrinsic worth and derive satisfaction from the actual accumulation of wealth. Most people however see money in terms of the many satisfying outcomes to which it can lead. The valence of outcome derives, therefore, from their instrumentality. This leads to a distinction between first-level outcomes and second-level outcomes (William, 2010).



The first-level outcomes are performance-related. They refer to the quantity of output or to the comparative level of performance. Some people may seek to perform well for self-sake and without thought to expected consequences of their actions. Usually, however, performance outcomes acquire valence because of the expectation that they will lead to other outcomes as unanticipated source of satisfaction – second level outcomes. The second-level outcomes are need-related. They are derived through achievement of first-level outcomes that is through achieving high performance.

Many need-related outcomes are dependent upon actual performance rather than effort expended. People generally receive rewards for what they have achieved, rather than for effort alone or through trying hard. On the basis of Vroom's expectancy theory it is possible to depict a general model of behaviour.

Vroom also tackles three beliefs and brings out with some clarity and applicability. Each of the beliefs deals with what employees think will happen if they put out effort to perform. The first (B1) comprises of the relationship between effort and performance, that is, (B1) is the employee's belief about the probability that effort will lead to performance. Another definition is that, B1 is the expectation that effort will lead to success. (B1) can be seen as the employee's belief about whether or not what is expected can be done. The second (B2) comprises of the relationship between performance and outcome. That is, the employee's belief about the probability that performance will lead to an outcome. B2 can be stated in different ways, that is the employee's belief about the relationship between "what you do" and "what you get. It is the belief about outcomes following performance and the third (B3) looks at the relationship between outcomes and satisfaction. The third belief (B3) is the employee's belief about how satisfying or gratifying the outcomes will be. It is the belief about how fulfilling or worthwhile they will be. It is the belief about how much value the outcomes will have in the future when they are received, rather than what their value is now (William, 2010).

The strength of the valence of an outcome is dependent upon the extent to which the outcome serves as a means to other outcomes. An outcome with a high valence is likely to be one that is perceived to be instrumental in leading to the achievement of a larger



number of need-related outcomes. Instrumentality is the association between first-level outcomes and second-level outcomes, measured on a range between +1.0 – 1.0.

For example, if it is believed that good work performance (a first-level outcome) always results in a pay increase (a second-level outcome) instrumentality will be constant at +1.0. If the person believes a pay increase is certain to be obtained without good performance, or impossible even with it, instrumentality will be – 1.0. When a person chooses between alternative behaviours, which have an uncertain outcome, the choice is affected not only by the preference for a particular outcome, but also by the probability that such an outcome will be achieved. People develop a perception of the degree of probability that the choice of a particular action will actually lead to the desired outcome.

This is expectancy. It is the relationship between a chosen course of action and its predicted outcome. Expectancy relates effort expended to the achievement of first-level outcomes. Its value ranges between 0, indicating zero probability that an action will be followed by the outcome, and 1 indicating certainty that an action will result in the outcome.

The combination of valence and expectancy determines the person's motivation for a given form of behaviour. This is the motivational force. The force of an action is unaffected by outcomes, which have no valence, or by outcomes that are regarded as unlikely to result from a course of action.



Expressed as an equation, motivation (M) is the sum of the products of the valences of all outcomes (V); times the strength of expectancies that action will result in achieving these outcomes (E). Therefore, if either, or both, valence or expectancy is zero, and then motivation is zero. The highest attractiveness score indicates the choice between alternative behaviours.

$$M = \sum E \cdot V$$

There are likely to be a number of different outcomes expected for a given action. Therefore, the measurement of E. V is summed across the total number of possible outcomes to arrive at a single figure indicating the attractiveness for the contemplated choice of behaviour.

Among the studies to test Vroom's model was an investigation undertaken by Galbraith and Cummings. They studied 32 workers in a firm, manufacturing heavy equipment. Productivity figures were compared with measures of job related (second-level) outcomes such as pay, fringe benefits, promotion, style of supervision, and popularity with co-workers. The overall results suggested little significant support for the model as a whole.

They did, however, indicate a remarkable interaction between valence and instrumentality in the case of support and consideration from supervisors, and high performance. Where workers wanted support from their supervisors, and believed this would be achieved by good performance, the workers had a high level of productivity (William, 2010).



2.8.2 Porter and Lawler Expectancy Model

Porter and Lawler (1968) have provided an extension on Victor Vroom's expectancy/valence theory. Their model goes beyond motivational force and considers performance as a whole.

They point out that effort expended (motivational force) does not lead directly to performance. It is mediated by individual abilities and traits, and by the person's role perceptions. They also introduce rewards as an intervening variable. Porter and Lawler see motivation, satisfaction and performance as separate variables, and attempt to explain the complex relationships among them. These relationships are expressed diagrammatically (Fig. 2.2) rather than mathematically. In contrast to the human relations approach, which tended to assume that job satisfaction leads to improved performance, Porter and Lawler suggest that satisfaction is an effect rather than a cause of performance, it is performance that leads to job satisfaction. Value of reward (Box 1) is similar to valence in Vroom's model. People desire various outcomes (rewards), which they hope to achieve from work.



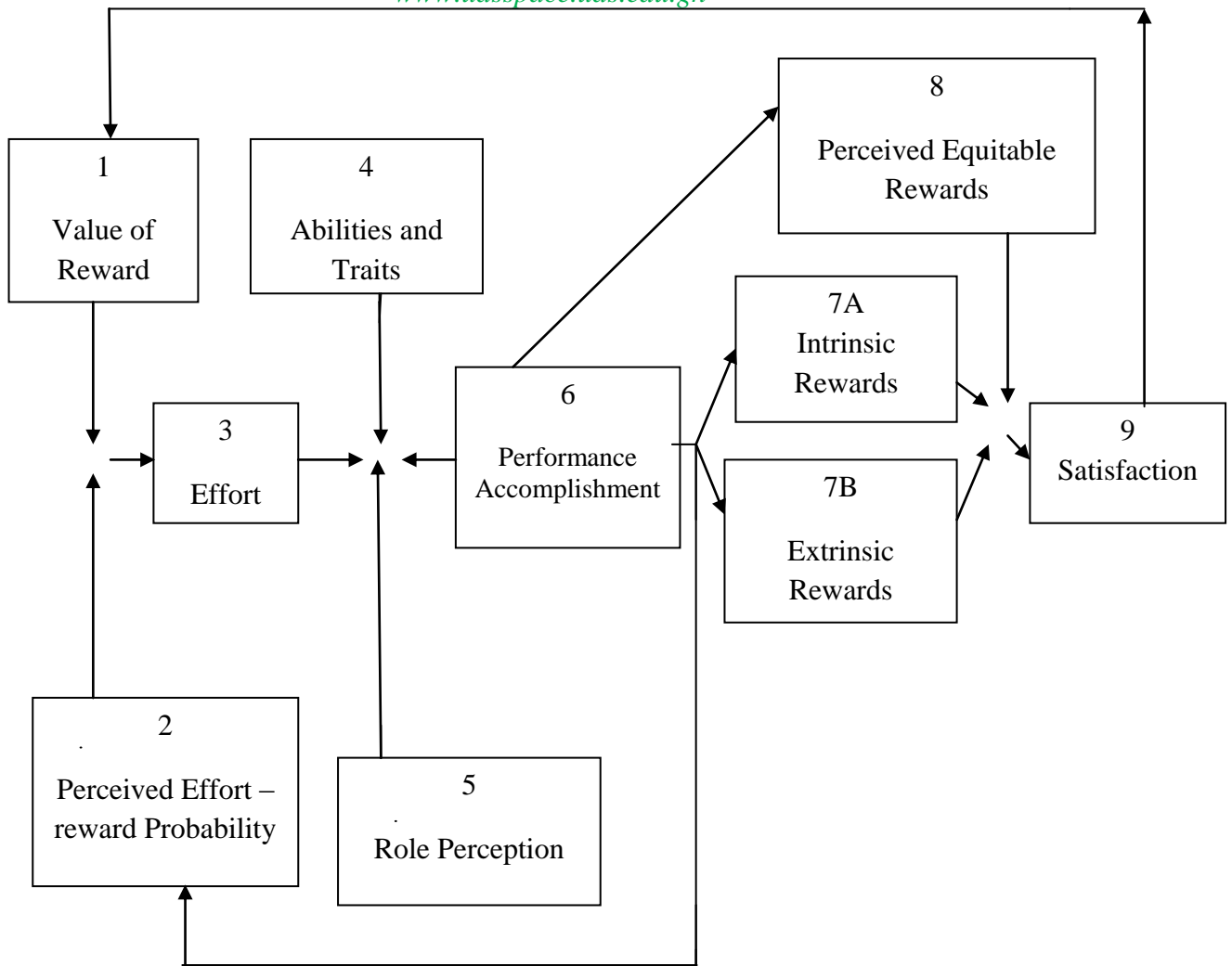


Figure. 2.2 Porter and Lawler Expectancy Model

Source: Mullins, (2009)



Perceived effort-reward probability (Box 2) is similar to expectancy. It refers to a person's expectation that certain outcomes (rewards) are dependent upon a given amount of effort.

Effort (Box 3) is how hard the person tries, the amount of energy a person exerts on a given activity. It does not relate to how successful a person is in carrying out an activity. The amount of energy exerted is dependent upon the interaction of the input variables of value of reward, and perception of the effort reward relationship.

Abilities and traits (Box 4): Porter and Lawler suggest that effort does not lead directly to performance, but is influenced by individual characteristics. Factors such as intelligence, skills, knowledge, training and personality affect the ability to perform a given activity.

Role perceptions (Box 5) refer to the way in which individuals view their work and the role they should adopt. This influences the type of effort exerted. Role perceptions will influence the direction and level of action, which is believed to be necessary for effective performance.

Performance (Box 6) depends on not only the amount of effort exerted but also on the intervening influences of the persons abilities and traits, and their role perception of what is required, then the exertion of a large amount of energy may still result in a low level of performance, or task accomplishment.



Rewards (Boxes 7A and 7B) are desirable outcomes. Intrinsic rewards derive from the individuals themselves and include a sense of achievement, a feeling of responsibility and recognition (for example Herzberg's motivators). Extrinsic rewards derive from the organization and the actions of others, and include salary, working conditions and supervision (for example Herzberg's hygiene factors).

The proportion of intrinsic and extrinsic reward will vary among individual and indifferent work situations, but there must be a minimum of both. Porter and Lawler see both intrinsic and extrinsic rewards to be important and desirable outcomes. They

suggest, however, that intrinsic rewards are more likely to produce job satisfaction related to performance than are extrinsic rewards. Perceived equitable rewards (Box 8): this is the level of rewards people feel they should fairly receive for a given standard of performance. Most people have an implicit perception about the level of rewards they should receive commensurate with the requirements and demands of the job, and the contribution expected of them.

Satisfaction (Box 9): this is not the same as motivation. It is an attitude of an individual's internal state. Both actual determine satisfaction rewards received, and perceived level of rewards from the organization or a given standard of performance. If perceived equitable rewards are greater than actual rewards received, the person experiences dissatisfaction. The experience of satisfaction derives from actual rewards, which meet or exceed the perceived equitable rewards. The Porter and Lawler model recognizes that job satisfaction is more dependent upon performance than performance is upon job satisfaction.



Satisfaction only affects performance through a feedback loop to value of reward. When satisfaction follows receipt of a reward it tends to influence the value of the reward. Also to the extent that performance results in reward, this tends to increase the effort-reward relationship. Originally, Porter and Lawler included rewards as a single variable. After empirical testing the model was redrawn to divide reward into two variables –intrinsic rewards and extrinsic rewards. The relationship between performance and intrinsic rewards is shown as a line. This is because the extent of the relationship depends upon the nature of the job. If the design of the job permits variety

and challenge, so that people feel able to reward themselves for good performance, there is a direct relationship.

Where job design does not involve variety and challenge, there is no direct relationship between good performance and intrinsic reward. The line between performance and extrinsic rewards indicates that such rewards do not often provide a direct link to performance.

A second revision to the original model involved drawing a link between performance and perceived equitable rewards. Self-rating performance links directly with the perceived equitable reward variable. Higher levels of self-rated performance are associated with higher levels of expected equitable rewards. The heavily arrowed line indicates a relationship from the self-rated part of performance to perceived equitable rewards. Porter and Lawler conducted an investigation of their own. This study involved 563 questionnaires from managers in seven different industrial and government organizations. The main focus of the study was on pay as an outcome. The questionnaires obtained measures from the managers for a number of variables such as value or reward, effort-reward probability, role perceptions, perceived equitable rewards, and satisfaction.

Information on the managers' effort and performance was obtained from their superiors. The results indicated that where pay is concerned, value of reward and perceived effort-reward probability do combine to influence effort. Those managers who believed pay to be closely related to performance outcome received a higher effort and performance rating from their superiors (William, 2010).



Those managers who perceived little relationship between pay and performance had lower ratings for effort and performance. The study by Porter and Lawler also demonstrated the interaction of effort and role perceptions to produce a high level of performance. Their study suggested, also, that the relationship between performance and satisfaction with their pay held good only for those managers whose performance was related directly to their actual pay.

My Criticisms of Vroom's and Porter and Lawler's Expectancy Theory

1. The Expectancy theory does not take the emotional state of the individual into consideration.
2. The individual's personality, abilities, skills, knowledge as well as past experiences are factors affecting the outcome of the model.
3. The Expectancy theory of motivation is a "perception" based model
4. The manager needs to guess the motivational force (the value) of a reward for an employee.
5. Can be difficult to implement in the group environment.

2.9 Equity Theory of Motivation

One of the major variables of satisfaction in the Porter and Lawler expectancy model is perceived equitable rewards. This leads to consideration of another theory of motivation – equity theory. Applied to the work situation, equity theory is usually associated with the work of Adams. And group among the process theories.

In the 1960s many related theories of motivation emerged that deal with social comparison processes. Such theories generally assume that an Individual's motivation



is largely influenced by how the individual feels he or she is being treated compared to others around him/her. And these theories have been referred to by various names such as 'equity theory' (Adams, 1963, 1965, Weick, 1964) and 'distributive justice' or exchange theory' (Homans, 1961, Jaques, 1961, Patchen, 1961).

The general thrust of all such theories is similar and is based on an argument that a major determinant of job effort performance and satisfaction is the degree of equity or inequity that an individual perceives in the work situation. The degree of equity is explained in terms or a ratio of an individual's input (such as his pay) as compared with a similar ratio for a colleague's or relevant other.

Each of these models, however, differs in some respects from the other; but Adams' (1963) formulation of the theory is about the most highly developed and heavily researched model of the social comparison of equity theory. One major distinction between the equity theory and need theory is that whereas need theory is individual based, equity theory, places much emphasis on group influences and individual's perceptions of others. Another distinguished factor is the fact that whereas need theories focus on the identification of specific factors in the individual which determine behaviour, equity theory just as valence /expectancy theory focuses on an understanding of the processes by which behaviour is energized and sustained.

Students of motivation see the equity theory as a more dynamic approach to the study of motivationally relevant variables in a work situation. This is why Campbell et al (1970) refer to equity theory as a "process" theory while the more static need theories of Maslow, Murray and Alderfer have been called 'content theories'. One other major



distinction between Equity Theory and Need theory is the fact that Equity Theory suggests that motivated behaviour depends largely on the 'perceived' situation and not necessarily on the actual sets of circumstances where Maslow and Murray saw behaviour and satisfaction.

The implication of this model in management is that the manager must always ensure not only that he is fair but equitable. This calls for a more dynamic approach to problem of employee motivation in an organization. The notice of equity is the major force.

When there is an unequal comparison of ratios the person experiences a sense of inequity. The feeling of inequity might arise when an individual's ratio of outcomes to inputs is either less than, or greater than, that of other people. For example, Adams suggests that workers prefer equitable pay to overpayment.

Workers on piece-rate incentive payment scheme who feel they are overpaid will reduce their level of productivity in order to restore equity. A feeling of inequity causes tension, which is an unpleasant experience. The presence of inequity therefore motivates the person to remove or to reduce the level of tension and the perceived inequity. The magnitude of perceived inequity determines the level of tension. The level of tension created determines the strength of motivation. Adams identifies six broad types of possible behaviours as consequences of inequity.

1. **Changes to input** - a person may increase or decrease the level of his or her inputs, for example through the amount of quality of work, absenteeism, or working additional hours without pay.





2. **Changes to outcomes** – a person may attempt to change outcomes such as pay, working conditions, status and recognition, without changes to inputs.
3. **Cognitive distortion of inputs and outcomes** – in contrast to actual changes, people may distort, cognitively, their inputs or outcomes to achieve the same results. Adams suggests that although it is difficult for people to distort facts about themselves, it is possible, within limits, to distort the utility of those facts: for example, the belief about how hard they are really working, the relevance of a particular qualification, or what they can or cannot obtain with a given level of pay.
4. **Leaving the field** – a person may try to find a new situation with a more favourable balance, for example, by absenteeism, request for a transfer, resigning from a job or from the organization altogether.
5. **Acting on others** – a person may attempt to bring about changes in others, for example is lower their inputs or accept greater outcomes. Or the person may cognitively distort the inputs and outcomes of others. Alternatively, a person may try to force others to leave the field.
6. **Changing the object of comparison** – this involves changing the reference group with whom comparison is made. For example, where another person with a previous similar outcome – input ratio receives greater outcomes without any apparent increase in contribution, that other person may be perceived as now belonging to a different level in the organization structure. The comparison needs not necessarily be made with people who have the same inputs and outcomes. The important thing is a similar ratio of outcomes to inputs.

The manager may seek to remove or reduce tension and perceived inequity among staff by influencing these types of behaviour, for example by attempting to change a person's inputs or encouraging a different object of comparison.

However, there are likely to be only two courses of action under the direct control of the manager. Outcomes can be changed by for example increased pay, additional perks or improved working conditions; or by instigating a person to leave the field through transfer, resignation or, as an extreme measure, dismissal.

2.10 Need Theories

Several need theories are identifiable in the literature of motivation and most of the later theories of motivation deal essentially with human needs or are need based. Need theorists while differing in some respects, argue that human needs represent the primary driving force behind employee behaviour in organizational settings.

2.10.1 Abraham Maslow's Theory

Abraham Maslow (1954) attempted to synthesize a large body of research related to human motivation. Prior to Maslow, researchers generally focused separately on such factors as biology, achievement, or power to explain what energizes, directs, and sustains human behaviour. Maslow posited a hierarchy of human needs based on two groupings: deficiency needs and growth needs. Within the deficiency needs, each lower need must be met before moving to the next higher level. Once each of these needs has been satisfied, if at some future time a deficiency is detected, the individual will act to remove the deficiency.





Maslow's needs hierarchy theory is one of the most popular theories of work motivation in our time but it was not always so. Though the theories were introduced in the mid-1940s and until 1950s, it remained primarily in the realm of clinical psychology where Maslow did most of his development work. However, as more attention began to be focused on the role of motivation at work, Maslow's need matching theory emerged in the early 1960s as an appealing model of human behaviour in organizations. And as a result of its popularisation by Douglas McGregor (1960, 1967), the model became widely discussed and used not only by organizational psychologists but also by managers.

As early as 1954, Maslow had discussed two additional needs in his work, namely, cognitive and aesthetic. Cognitive needs are the needs to know and understand and these examples include the need to satisfy one's curiosity, and the desire to learn. Aesthetic needs include the desire to move toward beauty and away from ugliness.

These two needs were not however included in Maslow's hierarchical arrangement and have therefore been generally omitted from discussions of his concepts as they relate to organization settings. Maslow developed the theory that human beings are motivated, i.e., stirred to action by their needs. He contrasted two (2) broad categories of human motives – 'growth motives' and 'deprivation motives'. The first kind is characterized by a push toward actualisations of inherent potentialities, while the other is oriented only toward the maintenance of life, not its enhancement.

Deprivation motives he says are arranged in a developmental hierarchy. They are five in number and structured as in figure 2.3 explanation as follows: -



- i. **Physiological needs** (Biological needs). These include homeostasis (the body's automatic efforts to retain normal functioning) such as satisfaction of hunger and thirst, the need for oxygen and to maintain temperature regulation. Also sleep, sensory pleasures, activity, maternal behavior, and arguably sexual desire.
- ii. **Safety needs**. These include safety and security, freedom from pain or threat of physical attack, protection from danger or deprivation, the need for predictability, law, limits and orderliness.
- iii. **Social needs** (often referred to as love needs). These include affection, sense of belonging, social activities, friendships, and both the giving and receiving of love.
- iv. **Esteem needs** (sometimes referred to as ego needs). These include both self-respect and the esteem of others. Self-respect involves the desire for confidence, strength, independence and freedom, and achievement. Esteem of others involves reputation or prestige, status, recognition, attention and appreciation.
- v. **Self-actualization needs**. This is the development and realization of one's full potential. Maslow sees this as: 'what humans can be, they must be', or 'becoming everything that one is capable of becoming.'

Self-actualisation needs are not necessarily a creative urge, and may take many forms, which vary, widely from one individual to another and include personal growth and fulfilment.

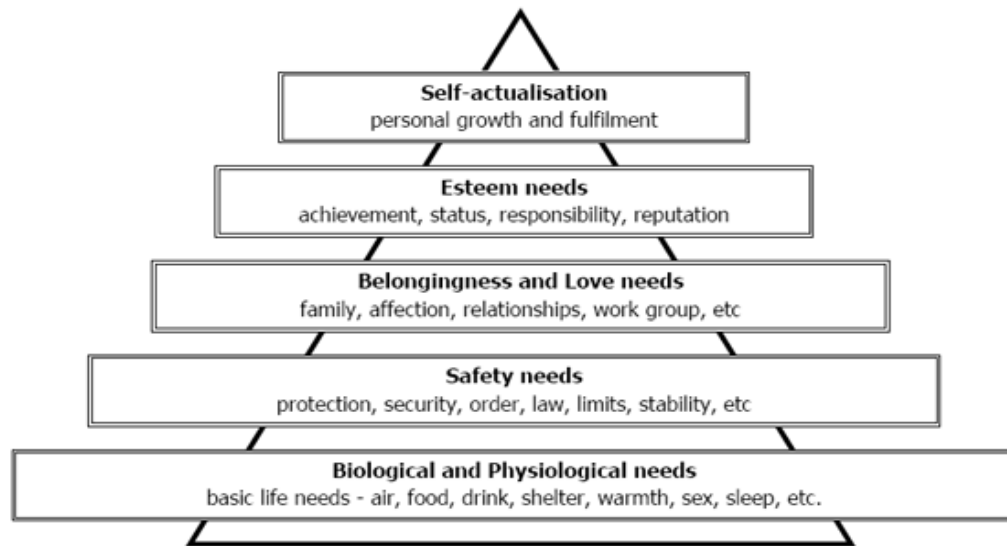


Figure 2.3 Maslow Hierarchy of Needs

Source: Chapman (2001)

The normal person is characterized by spontaneity, creativeness and appreciation of others. People who fail to achieve self-actualisation, he says, tend to be hostile and disastrous. Maslow conceived a human being developing the five groups of needs, in sequence; from one to five. The survival needs are present at birth. During childhood, one becomes aware of each of the higher groups of needs. A man takes all five needs to work. The manager who wishes to motivate his management subordinates is faced with the fact that his subordinates are attempting to satisfy all five levels of needs.

If a man experiences nagging insecurity, because redundancies are being anticipated or because he feels there is an absence of order and equity in the organization (which would be caused by an irrational wage or salary structure), he will not be interested in the organization's policies and plans designed to assist him in fulfilling higher needs. If he cannot see an easy, straightforward way to satisfy these needs, he is liable to behave irrationally, obstructing or sabotaging the work of the firm or organization, breaking work agreements and going on strike.

Maslow's hierarchy of needs is widely accepted as a convenient simple analysis of human motivation and which can assist us, therefore, to understand why men behave the way they do in any given situation and to anticipate how they will behave in future situations.

My Evaluation of Maslow's theory

Based on Maslow's theory, once lower level needs have been satisfied (say at the physiological and safety levels) giving more of the same does not provide motivation. Individuals advance up the hierarchy as each lower-level need becomes satisfied. Therefore, to provide motivation for a change in behaviour, the manager must direct attention to the next higher level of needs (in this case, love or special needs) that seek satisfaction.

However, there are a number of problems in relating Maslow's theory to the work situation. These include the following:

People do not necessarily satisfy their needs, especially higher-level needs, just through the work situation. They satisfy them through other areas of their life as well. Therefore the manager would need to have a complete understanding of people's private and social life, not just their behaviour at work. There is doubt about the time, which elapses between the satisfaction of lower-level need and the emergence of higher-level needs. Individual differences mean that people place different values on the same need. For example, some people prefer what they might see as the comparative safety of



working in a bureaucratic organization to a more highly paid and higher status position, but with less job security, in a different organization (William, 2010).

Some rewards or outcomes at work satisfy more than one need. Higher salary or promotion, for example, can be applied to all levels of the hierarchy. Even for people within the same level of the hierarchy, the motivating factors will not be the same. There are many different ways in which people may seek satisfaction, for example, their esteem needs. Maslow viewed satisfaction as the main motivational outcome of behaviour. But job satisfaction does not necessarily lead to improved work performance. Hall and Nougaim (2012) undertook an examination of Maslow's need hierarchy theory in an organizational setting. This was a longitudinal study, over a five-year period, of 49 young managers in the American Telephone and Telegraph Company.

The top four levels of Maslow's hierarchy were used, with physiological needs excluded. An attempt was made to test the developmental change aspect of Maslow's theory. Researchers conducted lengthy interviews, each year, with the managers. Part of the study involved an analysis, for each, of a comparison between the satisfaction score for one need with the strength score of the next higher level need. Independent coders undertook the comparison.

Although a positive relationship was found between need strength and need satisfaction, there was only a low statistical significance. Hall and Nougham (2012) suggest the results indicate needs changed more because of developing career concern



than the strength of need satisfaction. This study appears to provide only very limited support for the developmental theory of Maslow.

Lawler and Suttle (2001) undertook a somewhat similar study on 187 managers in two organizations. They used different samples and somewhat different methods of analysis from Hall and Nougham (2012). But, again, although some positive relationship of Maslow's theory was found, there were few findings of statistical significance. Maslow's theory is difficult to test empirically and has been subjected to various interpretations by different writers. Reviews of the need hierarchy model suggest little clear or consistent support for the theory and raise doubts about the validity of the classification of basic human needs.

However, it is important to stress that Maslow himself recognizes the limitations of his theory and did not imply that it should command widespread, empirical support. He suggested only that the theory should be considered as framework for future research and points out: 'it is easier to perceive and to criticize the aspects in motivation theory than to remedy them.'

Although Maslow did not originally intend that the need hierarchy should necessarily be applied to the work situation, it still remains popular as a theory of motivation at work. Despite criticisms and doubts about its limitations, the theory has had a significant impact on management approaches to motivation and the design of organizations to meet individual needs (William, 2010).



It is a convenient framework for viewing the different needs and expectations that people have, where they are in the hierarchy, and the different motivators that might be applied to people at different levels. The work of Maslow has drawn attention to a number of different motivator's and stimulated study and research. The need hierarchy model provides a useful base for the evaluation of motivation at work.

2.10.2 Alderfer's Modified Need Hierarchy Theory

Clay Alderfer produced a modified need hierarchy theory that converts Maslow's five levels of needs into three levels. This model became known as the ERG theory (or Existence – Relatedness and Growth Theory). Alderfer (1969) suggests.

1. Existence Needs – are concerned with sustaining human existence and survival, and cover physiological and safety needs of a material nature.
2. Relatedness Needs – This class concerns how people relate to their surrounding social environment and includes Maslow's need for meaningful social and interpersonal relationships
3. Growth Needs – This group is thought to be the highest need category and includes Maslow's needs for self-esteem and self-actualization.

Like Maslow, Alderfer suggests that individual's progress through the hierarchy from existence needs, to relatedness needs, to growth needs, as the lower-level needs become satisfied. However, Alderfer suggests these needs are more a continuum than hierarchical levels. More than one need may be activated at the same time. Individuals may also progress down the hierarchy. There is a frustration-regression process. For example, if an individual is continually frustrated in attempting to satisfy growth needs,



relatedness needs may reassume most importance. The lower level needs become the main focus of the individual's efforts.

Alderfer proposed a number of basic propositions relating to the three need relationships. Some of these propositions followed Maslow's theory; some were the reverse of the theory. A number of studies were undertaken to test these propositions across different samples of people in different types of organizations. Results from the studies were mixed. For example, the proposition that the less existence needs are satisfied the more they will be desired received constant support from all six samples. However, the proposition that satisfaction of existence needs activate desire for relatedness needs was not supported in any of the six samples.

Unlike Maslow's theory, the results of Alderfer's work suggest that lower-level needs do not have to be satisfied before a higher-level need emerges as motivating influence. The results, however, do support the idea that lower-level needs decrease in strength as they become satisfied.

ERG theory states that an individual is motivated to satisfy one or more basic sets of needs. Therefore if a person's needs at a particular level are blocked then attention should be focused on the satisfaction of needs at the other levels. For example, if a subordinate's growth needs are blocked because the job does not allow sufficient opportunity for personal development, then the manager should attempt to provide greater opportunities for the subordinate to satisfy existence and relatedness needs (William, 2010).



Table 2.1: Relationship among Maslow, Alderfer and Herzberg Theories of Motivation

Maslow Hierarchy of Needs	Alderfer ERG Theory	Herzberg Two Factor Theory
Physiological	Existence	Hygiene Factors
Safety		
Social (Love)	Relatedness	
Esteem		
Self-Actualization	Growth	

Alderfer also suggest unlike Maslow that more than one need may be operative, or activated, at the same point in time. In this respect Alderfder's model is a less rigid model of the motivation process and therefore bears a resemblance to Murray manifest needs model.

2.10.3 Murray's Manifest Need Theory

Murray's model of motivation is known as the manifest need theory, and the model has its origin in the early work of Henry A. Murray and his Associates at Harvard Psychological Clinic during the 1930s.

Murray was concerned directly with the description and measurement of motivation as a basis for understanding human behaviour. "A need", he says "is a predisposition to behave in a certain way under certain condition". A need is identified with end or goal.



His concept of need according to Murray was essential to understanding human behaviour. He distinguished between two types of needs namely: -

1. Viscerogenic Needs: Which are concerned with physical conditions of the body, e. g., food; and
2. Psychogenic or secondary Needs: According to him, the Psychogenic or Secondary Needs are about 27 and can be divided into 5 major classes, namely: ambition, defense of Status, and Response to Human Power, Affection and Exchange of Information.

Based on several years of clinical observations, Murray (1938) wrote his classic 'Explorations in Personality' in which he argued that individuals could be classified according to the strengths of various personalities need variables. These needs were believed to represent a central motivating force both in terms of the intensity and the direction of goal-directed behaviour. Murray defined a need as "a construction, which stands for a force in the brain region, a force which organizes perception, apperception, intellection, conation and action in such a way as to transform in a certain direction an existing, unsatisfying situation" (1938, p. 123). Murray stated that the analysis of such needs was "a hypothetical process, the occurrence of which is imagined in order to account for certain objective and subjective facts" (1938, p. 54). Murray here implies that one could only infer needs from observed behaviour. According to Murray, needs are viewed as largely learned behaviour rather than innate tendencies, which were activated by cues from the external environment.



Each need according to him was composed of two factors:

1. A qualitative or directional component which represents the object toward which the motive is directed; and
2. A quantitative or energetic component, which represents the strengths or intensity of the motive toward the object.

He felt that in order to understand a person's need, it was essential to take account of previous experiences and behaviour, that the history of a person is necessary for understanding his needs.

The needs for aggression may lead to fighting. Needs could be expressed in over behaviour or in imaginable forms. According to him, there were six functions of personality, namely:

1. Tension reduction – needs produce tension which lead to tension reduction similar to Freud's view;
2. Generation of tension – pleasure derives from tension reduction;
3. Self-expression allows personal expression of Feelings
4. Decision making;
5. Adjusting levels of aspirations;
6. Ensuring that individual conforms within society – accommodating personality within society.

2.10.4 Herzberg's Two-Factor Theory

In 1959, Fredrick Herzberg, a behavioural scientist proposed two-factor theory or the motivator-hygiene theory. Fredrick Herzberg's Two-Factor theory (Motivation and



Hygiene) is closely related to the need theory by Abraham Maslow. Herzberg concentrated on studying how Maslow's need theory operates at work in the employment situation. To Herzberg, there are two groups of needs. One group consists of company policy and administration, working condition, supervision, interpersonal relations, status, salary, job security and personal life.

According to Herzberg, all these factors must be present in any work situation because their absence reproduces dissatisfaction resulting in action that could be detrimental to the organization such as decreased productivity, laxity or even strikes. Their presence however would yield productivity at the normal level but not necessarily above the normal or average. The implication is that their existence does not motivate in any special ways in a sense of yielding satisfaction. Herzberg referred to this group as "dissatisfiers". The second group of needs he termed "satisfiers" and they include achievement, advancement, recognition, a challenging job and growth in the job. All these relate to job content. Their existence will yield satisfaction.

To Herzberg the only way to motivate an employee is through 'job enrichment'.

Herzberg and his research colleagues had put questions to managers at all levels and to non-management personnel in many companies and in many industries. The answers given by these different groups were very consistent.

They had asked each man to identify a number of his 'satisfying experiences'. Each experience was referred to as an 'event'. They asked the man to identify the cause or causes of satisfaction in each satisfying event. They thus established findings on: What satisfied men at work, that is what seems to leave them satisfied or what seems to give rise to satisfying experiences. What really dissatisfied men at work the more? That is,



what seems to leave them dissatisfied or what seems to give rise to dissatisfying experiences? From the result obtained, Herzberg concluded that the following six factors are distinguished as satisfiers because their positive influence is far more than frequently an element in satisfaction than is their negative effect an element in dissatisfaction. They are therefore essentially or mainly ‘Satisfiers’. They are as follows:

1. Achievement
2. Recognition
3. Responsibility
4. The work itself
5. Advancement
6. Growth

According to Herzberg again, the negative influence of the following factors is far more frequently an element in dissatisfaction than their positive influence as an element in satisfaction. They are therefore essentially or mainly ‘**Dissatisfies**’. They are presented in the following Table 2.2.

Table 2.2 a Herzberg dissatisfier needs

	Description	Satisfied%	Dissatisfied %
1	Company policy and Administration	4	36
2	Supervision	4	26
3	Relations with Superiors	3	7
4	Working Conditions	2	8
5	Salary	4	6
6	Relations with Peers	3	5
7	Personal Factors	1	3
8	Relations with Subordinates	2	4
9	Status	1	3
10	Security	1	2



Categorising the factors as either satisfiers or dissatisfies must be treated with caution.

It will be noted that the three main satisfiers are also important dissatisfies.

Table 2.2 b Comparison of Herzberg satisfiers and dissatisfiers

	Satisfied %	Dissatisfied %
Achievement	46	17
Recognition	32	9
Work itself	22	8

Only two of the ten dissatisfier, company policy and administration and supervision are more significant than the above three, as dissatisfies. Herzberg called attention to the special characters of the satisfiers. The six satisfiers are all factors inherent in the work being done.

That is they are all 'job content' factors. Experience, which gives a man 'satisfaction', must be satisfying his need. Since men are motivated by their needs, Herzberg decided to name his six 'satisfiers' the 'motivators'. Herzberg also called attention to the special character of the dissatisfiers. The ten dissatisfiers are all 'job context' or 'job environment' factors. They are all concerned with the environment in which the job is done, not with the job itself. Herzberg decided to term his 10 dissatisfiers 'hygiene factors', using the medical association's version of the term to highlight that these factors are both environmental and preventative.

They are as stated above, concerned with the job environment. Their negative influence on motivation must be prevented to allow the motivators to have effect. Herzberg's work has however not gone unchallenged, and the most typical is the feeling that the



two-factor theory is an over-simplification of the real situation. It is alleged that the questionnaires used in the studies prejudiced the answers and results attained.

Limitations of Two-Factor Theory

The two factor theory is not free from limitations:

1. The two-factor theory overlooks situational variables.
2. Herzberg assumed a correlation between satisfaction and productivity. But the research conducted by Herzberg stressed upon satisfaction and ignored productivity.
3. The theory's reliability is uncertain. Analysis has to be made by the raters. The raters may spoil the findings by analysing same response in different manner.
4. No comprehensive measure of satisfaction was used. An employee may find his job acceptable despite the fact that he may hate/object part of his job.
5. The two factor theory is not free from bias as it is based on the natural reaction of employees when they are enquired the sources of satisfaction and dissatisfaction at work. They will blame dissatisfaction on the external factors such as salary structure, company policies and peer relationship. Also, the employees will give credit to themselves for the satisfaction factor at work.
6. The theory ignores blue-collar workers. Despite these limitations, Herzberg's Two-Factor theory is acceptable broadly.

Evaluation of Herzberg's Work

The motivation hygiene theory has extended Maslow's hierarchy of need theory and is more directly applicable to the work situation. Herzberg's theory suggests that if



management is to provide positive motivation then attention must be given not only to hygiene factors, but also to the motivating factors.

The work of Herzberg indicates that it is more likely good performance leads to job satisfaction rather than the reverse, since the original study of the theory had been replicated many times with different types of workers, including scientists, engineers, technicians, professional workers, nurses, food handlers, assemblers, and maintenance staff. The samples have covered a number of different nationalities. Results of these studies have been largely consistent with the original findings.

Herzberg's theory is, however, a source of frequent debate. There have been many other studies to test the theory. The conclusions have been mixed. Some studies provide support for the theory. However, it has also been attacked by a number of writers.

For example, Vroom claims that the two-factor theory was only one of many conclusions that could be drawn from the research.

From a review of the research by House and Wigdor, attention was drawn to the influence of individual differences. A given factor may be the cause of job satisfaction for one person but not job dissatisfaction for another person, or vice versa. Within the sample of people, a given factor can be the source of both satisfaction and dissatisfaction. House and Wigdor conclude that the two-factor theory is an oversimplification of the sources of satisfaction and job satisfaction.



2.11 Contemporary Theories of Motivation

2.11.1 Attribution Theory

A more recent approach to the study of motivation is attribution theory. Attribution is the process by which people interpret the perceived causes of behaviour. The initiator of attribution theory is generally recognized as Heider, who suggested that behaviour is determined by a combination of **perceived** internal forces and external forces.

1. **Internal forces** relate to personal attributes such as ability, skill, and amount of effort or fatigue.
2. **External forces** relate to environmental factors such as organizational rules and policies, the manner of superiors, or the weather. Behaviour at work may be explained by the locus of control that is whether the individual perceives outcomes as controlled by themselves, or by external factors.

Judgements made about other people will also be influenced strongly by whether the cause is seen as internal or external.

In making attributions and determining whether an internal or external attribution is chosen, Kelley suggests three basic criteria: distinctiveness, consensus and consistency.

1. **Distinctiveness:** how distinctive or different was the behaviour or action in this particular task or situation compared with behaviour or action on other tasks or situations?
2. **Consensus:** is the behaviour or action different from, or in keeping with, that displayed by most other people in the same situation?
3. **Consistency:** is the behaviour or action associated with an enduring personality or motivational characteristic over time, or an unusual one-off situation caused by external factors



Kelley hypothesized that people attribute behaviour to internal forces or personal factors when they perceive low distinctiveness, low consensus and high consistency.

Behaviour is attributed to external forces or environmental factors when people perceived high distinctiveness, high consensus, and low consistency (see Fig 2.4).

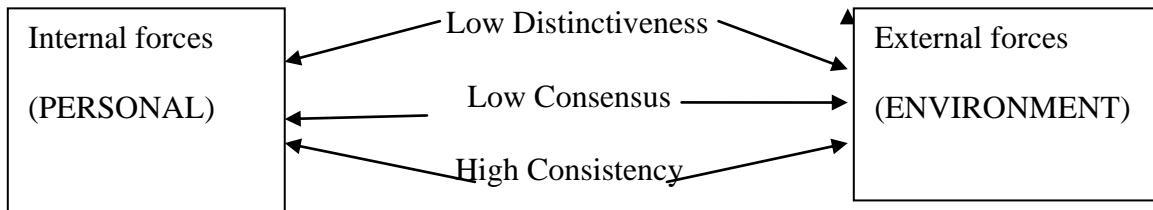


Fig 2.4 Representation of Attribution theory

An example of these criteria related to a student who fails a mid-session examination in a particular subject is given in Table 2.3.

Table 2.3 Example of criteria in making attribution

	Distinctiveness	Consensus	Consistency
Internal attribution	Student fails all mid-Semester examination	Student is the only one to fail	Student also fails final examination
External Attribution	Student gains high marks in the mid-semester examination	All students in the class get low marks in examination	Student obtains a good mark in the in final examination

An additional consideration in the evaluation of task performance within an organizational setting is whether the cause of behaviour was due to ‘stable’ or ‘unstable’ factors.

1. **Stable factors** are ability, or the ease or difficulty of the task.
2. **Unstable factors** are the exertion of effort, or luck.



The combination of internal and external attributions, and stable and unstable characteristics, results in four possible interpretations of a person's task performance (see Table 2.4).

Table 2.4 Classification of possible attribution for performance

	Internal Attribution	External Attribution
Stable Factors	Ability	Task Difficulty
Un Stable Factors	Effort	Luck

Source: Field Work, 2018

Employees with an internal control orientation are more likely to believe that they can influence their level of performance through their own abilities, skills or efforts. Employees with an external control orientation are more likely to believe that their level of performance is determined by external factors beyond their influence.

Studies appear to support the idea that staff with internal control orientation is generally more satisfied with their job, are more likely to be in managerial position, and are more satisfied with a participatory style of management, than staff with an external controlled orientation. As a generalization, it might be implied that internally controlled managers are more effective than those who are externally controlled. However, this does not appear to be always the case (William, 2010).

People with a high achievement motivation may perceive that their own internal forces, and their ability and effort cause successful performance, rather than by the nature of the task or luck. If members of staff fail to perform well on their tasks they may believe that external factors are the cause, and as a result may reduce the level of future effort.



On the other hand if staff performs well but the manager perceives this as due to an easy task or luck, the appropriate recognition and reward may not be given. If the staff perceives that good performance was due to ability and or effort the lack of recognition and reward may well have a de-motivating effect (William, 2010).

2.11.2 Other Reviews

It was necessary at the beginning of this chapter to examine and review early approaches to motivation as a background to understanding contemporary works and theories on the subject. For example one may now see instinct, drive, or incentive as precursors of needs theories. The workers have been able to survive almost everything thrown at them.

But it has not been easy for them to ignore the issue of lack of motivation. It is not too much to ask to be treated like human beings. The workers in the revenue division of the Assembly deserve some motivational welfare packages, and should be well trained; and they should, on their own part, think critically and creatively. Thinking creatively and critically would enable them to be rational and logical, and to be more productive.

Let me start by defining again the relevant terms in this discourse motivation, and productivity. We cannot search too far to note the brutalizing effects of poor reward systems on the society. Admittedly, a reward is something that is given in return for some service or attainment. As it relates to employment, it is pay for the job held; pay for the individual's capabilities; and pay for results (Greene, April 1991, p. 63). Appropriate reward often motivates people to perform better.



What is motivation? Motivation, which has variedly been defined, is an inner drive that causes one to act. It has formally been defined as a person's inner state that energizes, sustains, and directs behavior to satisfy a person needs (Milkovich and Glueck, 1985)

According to Donadio (1992), motivation is the art of stimulating someone to action by creating a safe environment in which their motivation can be unleashed and through providing a reason or incentive for people to produce (Donadio, 1992, p.40). Employee motivation causes one to abandon its own goals for the goals of the organization. As Mullen (1993) has asked, how can an employee be motivated to abandon his own goals for that of the organizations (p. 6).

Any person who has followed closely the labour history of Ghana would agree that the real problem facing the workers is that they are under appreciated, as once said by Former President John Agyekum Kuffour of Ghana "they (workers) pretend to work and we also pretend to pay them". As we all know, humans are goal driven. It has been documented that once a goal is set, behaviour aimed towards the goal persists until the goal is reached.

But more often than not, a Ghanaian worker works all his life without coming close to achieving his life goals. This sad situation is rampant today where an average worker cannot afford to meet his or her family's basic needs (food, clothing, water, decent shelter, and health care (Addis Ababa, JASPA, 1981, p.22, Sisk and Williams, 1981, p.317). The lack of all these basic needs have negatively impacted their productivity.



2.12 Empirical Review

2.12.1 Relationship between motivation and Revenue performance

Arshadi (2010) investigated basic need satisfaction, work motivation, and job performance in an industrial company in Iran. Results using structural equation modelling (SEM) showed that autonomy support predicted satisfaction of three psychological needs, which in turn predicted work motivation and revenue mobilization performance. The author finds an association between motivation and revenue mobilization output.

Ciobanu and Androniceanu (2015) studied Civil Servants Motivation and Work Performance in Romanian Public Institutions where the authors find that results of our research show that civil servants' workplace motivation is influenced by factors mainly related to day to day activity such as superior's leadership style, the content of the performed activity or the level of independence they enjoy in performing their duties and to a lesser extent by factors related to professional development such as participating in professional training activities or career development opportunities. The authors revealed a correlation between non-financial motivational factors and revenue mobilization performance in public sector institutions.

Said et al (2015) worked on the relationship between employee motivation and job performance. The authors reveal that three motivational predictors such as individual needs, personal preferences and work environment were found to have medium to strong correlation with the dependent variables namely job performance. The analysis shows that individual needs, personal preferences and work environment are positively and significantly related to job performance.



Lots of financial bonuses are available. Some of these bonuses provide the employee with monetary cash. Incentives based on performance against budget, quality or other measures may be used as prompt financial inducement. Management rewards by incentives have become famous in some organisation as a means of supplying employees with a quick booster for finishing a project or activity (Ulrich and Lake 1990, 157).

Shahzadi et al (2014) investigated the impact of employee motivation on employee performance. The Regression analysis show that that significant and positive relationship exists between employee motivation and employee performance. It is also concluded that intrinsic rewards has a significant positive relationship with employee performance and employee motivation. Boamah (2014) study on the effect of motivation on employees' performance: empirical evidence from the Brong Ahafo education directorate. The study has revealed that promotion and opportunity for advancement is the major motivation factors and the study has also revealed that motivation level is low in the area of wages and salaries hence have dampens job performance. Ghana Education appears to be paying lowest wages and salaries in the industry. It is therefore recommended that Ghana Education Service (management) should consider as a matter of urgency, the need to make upward adjustment in wages and salaries which will go a long way to reduce the high incidence of labour turnover.

Boamah (2014) find that non-financial motivation stimulates job performance compared to financial motivation factors in public sector institutions. Earlier study conducted by Afful-Broni (2012) on relationship between motivation and job performance at the University Mines and Technology in Tarkwa. The study find low



monthly salaries and the general lack of motivation were the major factors that reduce morale for high performance at the University. Recommendations included the need to encourage the University Council and other stakeholders to support management in developing income generating programs internally to help provide adequate incentives and allowances for the staff of the University. This confirms Boamah (2014) assertion of dampen effect of financial motivational factors in the Ghana public sector.

2.12.2 Challenges facing MMDAs in Mobilizing Revenue

There is a finding that, local government tax administrations are often inefficient and not able to appropriately account for revenues collected (Fjeldstad 2006). Indications are that, there is no proper monitoring of tax collectors and administrators. In some instances, revenue collectors sometimes issue faked receipts to clients and channelled monies accrued to their pockets. Bardhan and Mookherjee, (2002) asserts that a complicated and non-transparent local government revenue system is expensive to administer and hence facilitates corruption and mismanagement. Efficiency and transparency in tax administration promotes development. Individuals within the district seldom show interest in the payment of taxes for the reason that, tax monies are misappropriated by tax administrators and that tax collectors do not remit the exact amount collected (Enahoro and Jayeoro, 2012).

According to Chukwuma (2010), the major challenges facing local revenue mobilisation as inability to rise, retain and manage resources. He attributed these to political instability, the absence of structured institution for rising IGF and the unsustainability of identified sources of IGF. Blamed frequent change of local government (in the case of Ghana, MMDCE) which turns to influence local policy



direction, low/lack of maintenance of existing sources of revenue as militating against effective revenue mobilisation.

A report by a Joint Government of Ghana and Development Partner on Decentralisation Policy Review (JGGDPDPR, 2007) summarised the challenges of IGF as follows:

- There is a great non-utilised potential for increased IGF,
- The legal framework is generally out-dated, particularly regarding the size of the basic rates, the guidelines on property rates etc. There is a strong need to update these procedures;
- Lack of capacity to utilise the taxes, due to lack of e.g. valuation, data bases, tax collectors, skills and knowledge, lack of organisational strengths,
- Lack of tax payer awareness and understanding from citizens and business sector about the importance of tax payment based on lack of sufficient interactions between the MMDAs and the citizens,
- Lack of linkage between the tax payment and the services provided, as MMDAs have few expenditure assignments and lack interactions with the citizens/private sector,
- Lack of MMDA incentives within the existing transfer system,
- Lack of sufficient capacity building (CB) support from the central government to improve revenue collection systems and practices;
- Lack of options to improve valuation within the area of property tax,
- Lack of control, supervision systems and procedures to avoid leakages and fraught

Some of the constraints identified are absence of institutional structure among local authorities, inadequate resource base, and short supply of long term funds for capital projects. The heavy reliance on government sources has made it very difficult to see it



as a need to increase internal revenue mobilization efforts. The amount of revenue raised and spent through taxes internally is depended on the amount of transfer of payments from higher tiers of government. Nkrumah (2000: 61) sees the taxes levied and collected at the local government level as unyielding as compared to those accessed by the other agencies. It has led to limited ability of the local government to mobilized adequate revenue for development. Other factors which do not allow local government to meet their revenue targets are as follows:

1. **Attitude towards payment of rates:** People are mostly reluctant to pay their rate which affects many District Assemblies, basic rates are major component of local government internal revenue so if people evade it, it affects or weakens the local government efforts in promoting development. The use of user fees has led to the spread of resistance to pay from the poorer segments of the urban population (Fjeldstad and Semboja, 2000).
2. **Apathy on the part of revenue collectors:** This issue is rife in local government setup. Funds are not properly accounted for by revenue collectors. Also, some revenue collectors join hands with tax payers to cheat the district Assembly. This challenge is as a result of unqualified revenue collectors. People are mostly reluctant to pay their rates which affect many. These actions of the revenue collectors negatively affect the process of district assemblies in Ghana. This affects the district assemblies' capacity and accountability (Fjeldstad and Semboja, 2000).
3. **Lack of Enforcement of Payment of Property Rates:** The Ghana constitution identifies property rate as one of the many means the local government can decide to raise revenue locally. It is sad to note that many districts assemblies in Ghana do not utilize this ways to support their revenue. Also, due to the use of



old method of mobilising property rates, property owners try to run from paying the rates. This has resulted to property rates being very costly to implement (Brosio, 2000).

4. Poor Tracking Of Economic Activities: The local government in Ghana is faced with the problem of many people and some small business organizations pursuing some ventures (economic activities) not paying their tax religiously. Some local government lacks the means to provide sufficient monitoring of economic activities in their area of jurisdiction. It has led to a problem of enterprises paying less as expected. This has negatively affected district Assemblies tax revenues (Devas and Kelly, 2001).

5. Poor Record Keeping: Lack of records with respect to economic activities is affecting the growth of the local area. Developing countries such as Ghana lack data on all economic activities found in their districts. For instance, many district assemblies do not have data on the number of drivers, seamstress, hawkers, farms, chop bars among others working in the district. This operates against efforts to better locally generated revenue in the local Assemblies. These revenues when well taken from tax payers can give substantial and dependable revenues for district Assemblies (Painter, 2005). Effective and efficient internal revenue mobilization is a major priority to all district assemblies; it is however beset with numerous challenges. Attempts and efforts should be channelled towards its resolution.

6. Weak Administration: In broad terms, the internal revenue base data in most Africa countries is not up to date, revenue are less, and compliance is completely absent. On paper most developing countries have fined tuned policy but the main challenge to efficient internal revenue collection is weak administrative structure. Weak institution combined with lack of will for compliance has led to less level of local



revenue being collected on yearly bases. It is undeniable fact that local authorities have great advantage in improving internal revenue – especially from business registration and fees and funds (Schroeder, et al, 2008).

7. Collection and Enforcement: In most developing countries like Ghana internal revenue collection tends to be low. It is normally estimated to range between 40-50 percent. Statistics on actual collection rate are not easy to come by. It is not based on scientific approach but rather on scanty information gotten from the very tax payers. Up to date, local authorities rely chiefly on voluntary payment on the part of tax payers to collect their tax. The deliberately refuse to use different enforcement means to collect their taxes. According to Kelly el al (2001) low mobilization ability can be blamed on many factors including;

Lack of apparent political will: Effective Mobilization strategy needs training and incentives for the revenue collectors and requires trust on their part.

Poor local services: The taxpayer must is expecting to see that his tax has been put into good use. Tax payers are reluctant to honour their obligations if they see that their taxes are being misused by politician. They are more likely to pay in good faith if local services provided by the local authorities are being improved and taken fairly from them.

Lack of education on tax responsibility: Just as with all revenue, education is fundamental in achieving efficient tax collection. Education on the reasons, methods, duties and rights related to the various types of tax should be communicated to the prospective tax payer. Being able to connect revenue collected to better service delivery, educating taxpaying population will improve compliance. Bringing together the people through improved bottom up budgeting and civic involvement



(participating) will engage the citizens and also bring improved internal revenue mobilization.

2.13 Conclusion

Ghana has a system that suffers from many deficiencies; this is more manifest in the public sector organizations. The most glaring of which is the lack of motivation for her workers. The nation can move forward only if persistent and deliberate efforts are made to correct the deficiencies. Towards this direction, the state should through its decentralised authorities, like the MMDAs try to establish systems that could manage motivate workers and improve productivity, create more jobs, and be more socially responsible. As it were, a happy and healthy worker is normally a high productive employee (all things being equal).

Now that Ghana has started producing oil in commercial quantities; it behoves the government to ensure that, the benefits thereof trickle down to the ordinary tax collector. Thus, with good management of the abundant natural resources in the country, we can still put in place effective social security programs for the society. As President Bill Clinton said at a regional conference on social security in Kansas City, Missouri, “we still have the chance to fix the roof while the sun is still shining.” For that, we must begin to be self-reliant with our resources and eschew policies that rather impoverish us and corrupt our moral fabric. As Bob Crandell, president of American Airlines is known to have said, if you always do what you always did, you will always get what you always got (as cited in Sharman, Feb 1991, p.11). And if we want to survive as a nation via the various organizations in this 21st century, we have to understand and apply what will benefit the entire populace at work now.



CHAPTER THREE

METHODOLOGY

3.1 Introduction

Various methods of data collection have been used in this study but the main material for the study has been obtained through the use of questionnaire. It is also necessary to observe that the researcher's closeness to some key management staff/ members of the Kumasi Metropolitan Assembly especially the Accounts section has been beneficial to the study.

3.2 Design of Study

Research design is a strategy that promotes systematic management of data collection (Cooper & Schindler, 2001). Literally, it dictates what you need to answer in your research questions. In principle, there are two approaches: qualitative and quantitative (Easterby-Smith, Thorpe & Lowe, 2002). A qualitative approach aims to describe and analyse functions in everyday settings ranging from informal conversations to more formal situations (Graziano & Raulin, 2004; Olsson & Sörensen, 2001). It focuses on a deeper understanding of the presented research area where weight is placed on the subjective interpretation of the responses (Bouma & Atkinson, 1999). In contrast, a quantitative method follows a largely formalized, logical and structured process implying the importance of measurement in the research (Bouma & Atkinson, 1999). As such, statistical process and analytical methods are common techniques used to collect quantitative data, often through the use of questionnaires and surveys (Johannessen & Tufte, 2007; Patel and Davidson, 2004). This study employed



quantitative approach since it used inferential statistics in achieving each specific objective (Easterby-Smith, Thorpe & Lowe, 2002).

We employed survey designed of obtaining information about a population by selecting and measuring a fraction of the population and generalizing the result of the study to the entire population. In sample surveys, inferences and generalization are made about the population of study based on sample data obtained (Hopeful, 2007). Sample surveys are equally efficient as census when done efficiently. It helps to save time, resources and efforts in relation to conducting a census which involves the collection of information from the whole population of study (Hopeful, 2007).

3.2 Subject under Study

A cross section of the staff of the Kumasi Metropolitan Assembly comprising of 100 subjects drawn from every class and cadre of the Assembly was sampled. For the purpose of this study, the workers were divided into five major groups namely:

1. The contract staff officers
2. The permanent staff officers
3. The management staff officers
4. The Revenue Collectors
5. The Revenue Supervisors

Statistics obtained from the Kumasi Metropolitan Assembly revealed that the Assembly's staff strength is put at five hundred and forty (540). Of this number, 10% are management staff, 73.3% are permanent staff, 5.9% are contract staff, 4.1% are



revenue collectors, 1% are revenue supervisors and the remaining 5.7% are contract staff for the revenue section.

3.4 The Study Population

Best and Khan (2003) defined a population as a group of individuals that have one or more characteristics in common that are of interest to the researcher. Cardwell (1999) also indicated that the population is a group of people who are the focus of a research study and to which the results would apply. Literally, it is the population of target/focus, the group to which the researcher would like to make inferences. For this study the target population consists of all core staff of the Kumasi Metropolitan Assembly. The entire staff population of the Kumasi Metropolitan Assembly totalled 195.

The formula applied in determining the sample size of the study was based on Krejcie and Morgan (1970 revised in 2006) statistical format:

$$n = \frac{x^2 * N * P * (1 - P)}{ME^2 * (N - 1) + (x^2 * P * (1 - P))}$$

Where

n= Sample Size

x^2 =Chi Square for the specified confidence level at 1 degree of freedom

N= Population size

P = Population proportion (0.5)

ME = Desired margin error (expressed as a proportion)



$$n = \frac{3.841 \times 195 \times 0.5 \times (1 - 0.5)}{0.05^2 \times (195 - 1) + (3.841 \times 0.50 \times (1 - 0.50))}$$

$$= 100$$

The study total sampled size made of approximately 100 is required to have fair representation for this study at 5% margin of error.

3.5 Sampling and Sample Technique

According to Easterby-Smith, Thorpe and Lowe (2002), sampling techniques aim to construct a subset of the population, which is fully representative in the main areas of interest. Generally, there are two main types of sampling techniques; probability and non-probability.

Probability sampling, also known as ‘random sampling’ or ‘chance sampling’ gives every item in the universe an equal chance of inclusion in the sample. Examples includes simple random and cluster sampling. The study used these sample types. These techniques were chosen because they ensure that “the law of statistical regularity which states that if on an average the sample chosen is a random one, the sample will have the same composition and characteristics as the universe” (Yin, 1993:74). It is often, impossible to do strict probability samplings in the field (Bernard, 1990). Other alternatives are appropriate under different circumstances.

The Non-probability sampling such as the “deliberate sampling”, “purposive sampling” or “judgment sampling” (Bernard, 1990) procedures were also used, although they do not offer any basis for estimating the probability that each item in the population has been included in the sample (Bernard, 1990). In this sampling procedure, the researcher purposively chose the particular units of the universe to constitute the sample on the basis that the small mass that they so select out of a huge one were typical or



representative of the whole (Yin,1993). Thus, the judgment of the researcher plays an important part in this sampling technique. According to Doorewaard and Verschuren (1999), the importance of adopting this design by researchers is the relative advantage of time and money inherent in the sampling. This is also so when the primary interest of the researcher is in understanding both qualitative and quantitative problems pertaining to how, how often or to what degree a particular attribute or characteristic is distributed (Bernard, 1990).

In sampling for this study, due consideration was given to the key characteristics of the target population in terms of sample units with the most information as far as the objectives of the study were concerned. As such the respondents were considered based on their ability and background to give the most in terms of information. Therefore, the respondents for the sample were chosen on purpose. According to Krippendorff (2001), purposive sampling which is a non-probability sampling method is based on the assumption that the researcher wants to discover, understand and gain insight and therefore must select sample units from which the most in terms of information can be learned. The purposive sampling also ensured that relevant staffs in key positions were not left out by way of random sampling procedure.

3.6 The Sample Size

In order to have a more effective sampling of the various groups and cadres, the following numbers were sampled from each group:

1. Management staff	10 samples
2. Permanent staff	70 samples
3. Contract staff	9 samples
4. Revenue Collectors	9 samples
5. Revenue Supervisors	2 samples



Although management staff is only 10% of the entire staff strength, 10 members were sampled from the group representing 45% of the entire management staff. I believe that this group constitutes the leadership of the Assembly, and their attitude is more likely to inspire and affect the confidence of the workers.

The 70 members sampled were representing Permanent staff of the various cadres in the group such as Messengers, Drivers, and clerical staff, Accounting staff, Administrators, Auditors, Cleaners, Receptionists, Telephone Operators, Technical Assistants, Technicians and Engineers. The 9 sampled from the contract staff constitute the contract staff for both the revenue section and the main Administrative category. The experience with this group of workers was quite commendable.

3.7 Instrumentation

Questionnaire was used for collecting responses from the subject selected for the study. The questionnaire was developed by the researcher based on extant literature. The questionnaire used for the study consisted of five component parts.

The first parts consisted of questions that made it possible for the bio-data of the respondents to be collected. This part of the questionnaire elicited information about the sex, age, and working category of the respondents.

The second section dealt with objective one which collected data on non-financial motivational factors and revenue mobilization, the third section collected data on financial motivational factors and revenue mobilization performance while the fourth section dealt with the challenges faced by the Municipality in mobilizing revenue. Data



on motivation was based on the study of Chen and Chen (2008) which contains six items. Data on non-financial motivational factors was based on Frey (1997) which also contained five items. Financial motivational variables are based on bonuses, allowance, health benefit and welfare was computed in monetary form on annual basis for each respondents. Revenue mobilization was proxied by the monthly internally generated funds of the Assembly.

3.8 Sources of Data and Data collection Methods

This study makes use of both primary and secondary data. According to Kotler and Keller (2006), primary data are data freshly gathered for a specific purpose or specific research project. Although it is costly and time consuming to collect primary data, reliability, accuracy and relevance are achieved (Kotler and Keller, 2006).

For this study, primary data was gathered through the administration of questionnaires. As indicated by Johannessen and Tufte (2007) and Saunders, Lewis and Thornhill, (2003), when executing primary method of data collection, the most common way of collecting data is through the use of questionnaires as it gives greater opportunity to gather information from a large number of respondents without a great amount of resources. The structured questionnaire were therefore designed and administered to elicit information from the 100 staff of the Assembly. The questionnaires were made up of both close and open ended questions.

3.8.1 Secondary Sources

Secondary data consists of information that already exists somewhere; having been collected for another purpose. This includes data on monthly IGF. Secondary data can



be gathered from the assembly's internal database, public and university libraries, government and business publications, internet data sources etc. Other secondary sources of data were obtained from journals and articles of local governance from the Metropolitan Assembly.

Denscombe (1998) is of the view that secondary data may provide the needs and purpose of some research. Steward and Kamins (1993), and Ghauri and Gronhaugh (2002) are of the opinion that secondary data provides enormous savings in terms of time, money, and it is quicker to use. It also provides comparative and contextual data, and sometimes leads to the discovery of new information. Robson (2002) also indicated that variety of secondary data sources most often give the researcher the opportunity to select to suit purpose and can provide extensive information. Thus, it is easy to collect as compared to the other forms and is more flexible to use.

3.9 Quality Considerations

3.9.1 Validity and reliability

Most highly acclaimed research works triumph on high quality standards. According to Bouma and Atkinson (1999), validity and reliability are the two most important quality standards in research studies which this research aims to uphold in a high esteem. Validity is concerned with how accurately a variable fits a concept, that is, through determining how accurately the instrument chosen measures the features intended to be measured. According to Easterby-Smith, Thorpe and Lowe (2002) there are three ways of estimating validity namely (a) face validity which examines whether the instrument or its items are plausible, (b) convergent validity which gives a confirmation from comparing the instrument with other independent measurement procedures; and (c)



validation by known groups which is as suggested, compares groups otherwise known to differ on the factor in question. For this study, the questionnaire was carefully constructed based on the objectives used in the research in order to achieve, ascertain as possible, the intended results from the questions probed. Reliability is concerned with the stability of the research (Easterby-Smith, Thorpe & Lowe, 2002). As stated by Christensen et al (2001) a study should be able to be conducted a second time by other researchers and yield the same results if it has a high reliability. By ensuring the appropriate statistical processes were employed where possible, this study has the ability to produce almost the same results if conducted a second time.

Easterby-Smith, Thorpe and Lowe (2002) recommend that tests for validity and reliability should be made at the pilot stage of an investigation before the main phase of data collection. As such a pilot study has been conducted to ensure that the questionnaire is constructed to examine, as closely as possible, what it should examine. On the whole, the purpose of the pretesting was to identify and correct some of the problems that were likely to occur in the main survey. The pre-test survey uncovered respondents' understanding and general reaction to the questionnaires. It also helped to assess whether the method of data collection adopted was appropriate for the study. The pilot survey also helped to examine the data analysis techniques used in the main research. Beyond the pilot survey, we employed Cronbach's alpha to statistical verify the reliability of the items used to measure motivation, and non-financial motivational variables. The overall Cronbach's alpha is 0.75 which indicates that all the items are reliable and valid measures of motivation and non-financial motivational factors.



Table 3.1 contains the details of each variable;

Variables	Items	Cronbach's Alpha
Employee Motivation	6	0.72
Non-financial motivation	5	0.64

Source: Field Work, 2018

3.10 Data analysis and Interpretation

The data collected was first cleansed. Data cleansing involves checking the correct answering of the questions separating incorrectly responded questionnaires from correctly responded ones. Some of the wrongly answered questionnaires were corrected using the various techniques of imputation. The cleansed data was then coded and entered into the computer for analysis after which errors due to the data entry were checked. To check the accuracy of data entry, after all records had been entered; every tenth record was compared to the corresponding questionnaire. No errors were found in the records that were checked.

The data was then analysed using computer software such as Statistical Package for Social Sciences (SPSS version 20) and Microsoft Excel 2010. The statistical analysis was mainly composed of descriptive and trend analyses. Frequency counts were provided and reported as percentages for assessment of all the questionnaire items. In addition, the data was summarized and presented using the various statistical analysis tools such as the use of charts, graphs and the various measures of central tendency. Beyond the descriptive, we employed inferential statistics both parametric and non-parametric to achieve the three objectives. The details are specified below;

We specify that revenue mobilization is a function of motivational packages available to the staff of the assembly. This is specified as;



$$RM = f(MP) \dots \dots \dots (1)$$

Where RM= Revenue Mobilization; MP is a vector of motivational packages

Motivation packages are decomposed into financial and non-financial motivational packages. Hence equation one is rewritten as

$$RM = \alpha_i + b_1 (NMP_i) + b_2 (FMP_i) + b_3 (MP_i) + \epsilon_i \dots \dots \dots (2)$$

NMP_i is the non-financial motivational packages for respondents i, FMP_i is the financial motivational packages for respondents i, MP is the overall motivational package and ϵ_i represents all other factors that enhanced revenue mobilization. Also, b_1 , b_2 and b_3 measures the precise impact of non-financial motivational packages on revenue mobilization, b_2 measures the precise impact of financial motivational packages on revenue mobilization and b_3 measures the precise impact of the composite motivational packages on revenue mobilization of the assembly. The non-financial motivational packages were measured using five points Likert Scale which was converted into composite Likert score. According to Boone and Boone (2012), when Likert scale is converted into composite Likert score, it is valid to treat it as scale data. Equation two tests the hypothesis;

$$H_0: b_1 = b_2 = b_3 = 0$$

$$H_1: b_1 = b_2 = b_3 \neq 0$$

The multiple linear regressions specified in equation 2 above deals with objective one and two; I achieved objective three by employing Kendall's coefficient of concordance.



In order to test the hypothesis that there is no agreement among respondents regarding the rankings of the challenges facing revenue mobilization, the study used Kendall's Coefficient of Concordance.

Kendall's coefficient of concordance (W) is a measure of the agreement among several (P) judges who are assessing a given set of n objects (Legendre, 2005). W is an index that measures the ratio of the observed variance of the sum of ranks to the maximum possible variance of the ranks. The idea behind this index is to find the sum of the ranks for each challenge factor being ranked. If the rankings are in perfect agreement, the variability among these sums will be a maximum (Mattson, 1986). The Kendall's concordance coefficient (W) is therefore given by the relation:

$$W = \frac{12S}{p^2(n^3 - n) - pT}$$

Where W denotes the Kendall's Concordance Coefficient, P denotes number of constraints, n denotes the number of respondents (sample size), T denotes correlation factor for tied ranks and S denotes sum of square statistic.

The hypothesis to be tested is stated as follows, where H_0 and H_1 denote null and alternate hypothesis respectively.

H_0 : There is no agreement among respondents regarding the challenges inhibiting revenue mobilization.

H_1 : There is agreement among respondents regarding the challenges inhibiting revenue mobilization.

Decision Rule

The decision rule for testing the significance of W is to compare the chi-square critical to the chi-square calculated. If the chi-square calculated is greater than chi-square



critical, then we reject the null hypothesis and rather accept the alternative hypothesis.

This means that there is agreement among the respondents regarding the challenges in mobilizing revenue.



CHAPTER FOUR

PRESENTATION AND DISCUSSION OF RESULTS

4.1 Introduction

This chapter analyses the personal data obtained from the respondents that constituted the sample of the study. Data will be presented in the form of tables and pie charts throughout this research work.

4.2 Discussion of Results

This study was intended to investigate whether or not there was a relationship between adequate motivational factors and enhanced revenue mobilisation in the Kumasi Metropolitan Assembly. The variables used to categorize the respondents were Sex, experience, age and level of education. The data generated in this study were analysed and the findings are discussed under this heading according to the various research questions in relation to the thematic areas of motivation (concern and driving force) that guided the study.

4.3 DATA TABULATION

4.3.1. Socio-Demographic Characteristics

This part looks at some characteristics of the respondents such as sex, age and level of education



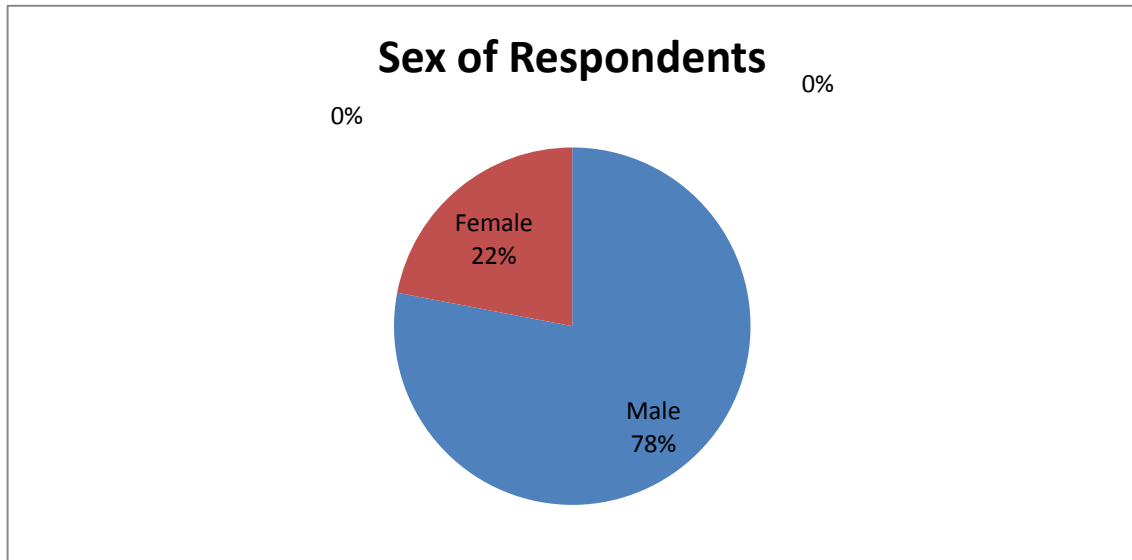


Figure 4.1: Sex of Respondents

Source: Field Work, 2018

Figure 4.1 indicates that there were more male (78%) than females (22%). This is not just a reflection of the high male to female ratio of the respondents, but may be a reflection of somewhat lower female representation in public institutions in the country. The high male representation however may pose certain attitudinal challenges as in Bond (2002) claimed that in a typical organization, males are more difficult to control than females.

4.3.2 Age of respondents

Most of the respondents (63%) were between the age groups of 30 – 40 years. The rest of the respondents (27%) were between 20 – 30 years and over 41 years old being only 10%. The average age was 46 years.

All other things being equal, Scot et al, (2003) believes that given a 60 or 70 years pension, pragmatic organizational change strategies should be possible in an



organization with staff average age of even 40 years. Gerontocracy as is the practice in our traditional societies is gradually facing a trend in modern governance which believes in dynamism and organization change strategies than the routine re-active traditional governance which is premised on the elderly in society.

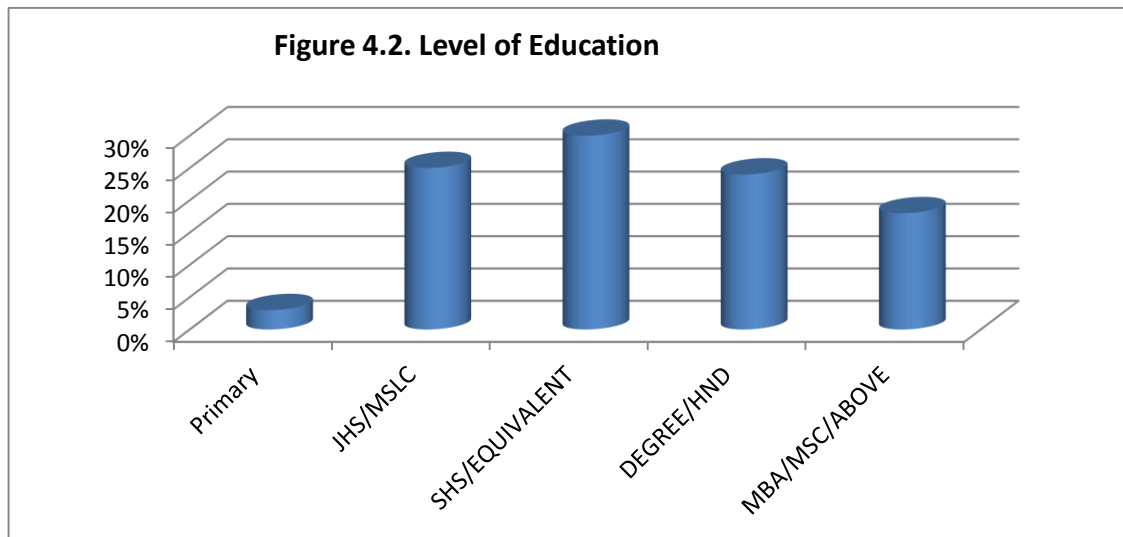


Figure 4.2: Level of Education of Respondents

Source: Field Work, (2018)



Every one of the respondents had attained a certain level of education. Most of them had attained Senior High education or its equivalence (30%), Junior High School / Middle School (25%) Other respondents had completed only Primary school (3%). Only few respondents (24%) had obtained Degree/ HND and the rest of the respondents attained Masters Degree or above (18%). See (Fig. 4.2). This notwithstanding does not negate the input of their knowledge of the work and the consequential impact of motivation. This aided my work since almost all respondents had some basic knowledge on motivation and its impact on enhanced worker output in our contemporary organizational settings.

4.3.3 Importance of Motivation in Organisations

This question sought to find out how motivation is an important factor to consider in enhancing the output of staff of the Kumasi Metropolitan Assembly in terms of revenue Mobilisation.

Table 4.1: Importance of Motivation at the Work Place

OPTIONS	NUMBER OF RESPONDENTS	PERCENTAGE
SA	42	42%
A	36	36%
UD	4	4%
D	8	8%
SD	10	10%
TOTAL	100	100%

Source: Field Work, (2018)

Whilst about 42% of the respondents strongly agreed to the view that, it was important for workers to be motivated in an organization, 36% agreed to it. 4% could not decide as to its importance. However, 8% and 10% disagreed and strongly disagreed to it. This in aggregate terms means that, as many as 78% of the respondents agreed that motivation was inevitable in the life of every establishment if it is to succeed. Motivation in its real sense brings out the inner feelings of the employee to put in more efforts to achieve the desired results timeously.



4.3.4 Adequate motivation and worker attitude

Table 4.2: Adequate motivation and worker attitude

OPTIONS	NUMBER OF RESPONDENTS	PERCENTAGE
SA	46	46%
A	13	13%
UD	10	10%
D	22	22%
SD	9	9%
TOTAL	100	100%

Source: Field Work, (2018)

The three motivational factors, (**Concern, Driving force and Familiarity**) all indicated no significant relationships with approach to work among the revenue workers. This result corroborates the findings of a study conducted by Morse 1950 at the survey Research Centre of the University of Michigan, where 580 selected workers from various food factories all over the United States of America were used for the survey on employee morale. The workers were intensively interviewed and according to the report, intrinsic job satisfaction was measured by an index that summarized the answers to four questions, which were:

How well do you like the sort of work you are doing? Does your job give you a chance to do the things you feel you do best? Do you get any feeling of accomplishment from the work you are doing? How do you feel about your work, does it rate as an important job with you?

In the study, employees were grouped into four classes on the basis of job level. The groupings were high-level management, semi-supervisory, varied clerical and



repetitious clerical. In the high-level management cadre, most of whom were experienced; only 7% fell into the category of those who had high intrinsic job satisfaction. This was against 41% for those who were doing varied clerical works.

The results suggest that the greater satisfaction found among varied clerical staff were not wholly a function of wages and conditions of work. It was stated in the survey that people derive satisfaction in the expression of their skills, in interesting and challenging work and a sense of accomplishment from the successful performance of tasks. (Robinson 2004).

This part of the report agrees with the findings of this study where about (46%) of the respondents Strongly Agreed to the assertion that adequately motivated staff have a positive attitude towards work. On the other hand, the results of this study do not agree with the findings in the survey conducted by Rhyme and Katz (1995). In that survey, it was discovered that 68% of the 634 respondents used in the survey agreed with the point that predictors such as money, concern and thrust affect their feelings to work.

This result can be said to have a relationship with the path-goal approach to motivation as shown by Tolman. It is stated in this approach that if productivity is perceived as a path to attaining goals, then an individual who is shown some consideration will produce at a higher level. However, provided that the pathway is free from blockages.

In addition, this finding tends to collaborate with Vroom's assumption of the expectancy theory as states by Koontz. The assumption states that, sense of value varies between individuals at different times and in various places. Furthermore, it says that



part of a manager's job, is to design an environment for performance, necessarily taking into account the differences that exist in various situations.

4.3.5 Supervision and Worker Output

Table 4.3: Supervision and Worker Output

OPTIONS	NUMBER OF RESPONDENTS	PERCENTAGE
SA	43	43%
A	12	12%
UD	20	20%
D	15	15%
SD	10	10%
TOTAL	100	100%

Source: Field Work, (2018)

The finding of this research question, as it has 43% of respondents strongly agreeing, 12% basically agreeing, 20% undecided and the rest (15%) and (10%) strongly Disagreeing and Disagreeing respectively, agrees with the findings of the studies carried out by George and Bishop. The researchers succeeded in providing evidence to the effect that a positive relationship exists between the amount of consideration shown by supervisors for their subordinates and level productivity in a life insurance company.

Twelve work sections with high productivity and twelve with low productivity were selected for the study. The behaviour of supervisors in these two sets of work sections were assessed by means of interviews with both supervisions and subordinates. The result showed an appreciable difference in the amount of consideration that low and high productivity supervisors showed their subordinates.



The highly productive supervisors were typically characterized as “employee centred.” This was because they tended to describe as most important the human relations aspects of the job. On the other hand, the supervisors in charge of low productivity work groups were typically characterized as “production centred. This was because they tended to consider their subordinates primarily as people to get the work done. In a bid to determine the generality of the finding, George and Bishop carried out a second investigation among railroad workers. The research design was similar, but the setting was different in a number of ways. For instance, the worker studied were manual Labourers instead of clerical employees. In terms of age, the subjects were basically middle aged instead of young people who were just school lever. In addition, the subjects were men instead of girls.

Despite these differences, there was a marked similarity in the results obtained from both studies. This makes the findings from both studies similar to the one in this study. The man in the high productivity group, more frequently described their supervisors as taking personal interest in them, being helpful in training them for better jobs and being less positive than men in low productivity sections.



4.3.6 Big /Fat salaries, the only best tools for motivation

Table 4.4: Big /Fat salaries, the only best tools for motivation

OPTIONS	NUMBER OF RESPONDENTS	PERCENTAGE
Strongly Agree	43	43%
Agree	24	24%
Undecided	13	13%
Disagree	10	10%
Strongly Disagree	9	9%
TOTAL	100	100%

Source: Field Work, (2018)

The finding from this study as it relates to research question two showed that there are motivational factors in relation to workers productivity for all staff. The finding of this study corroborates the findings contained in the study conducted by Dachler and Hullin (1994) in which 400 auto factory workers were used in Chicago.

The major finding of that study was that 57% of the respondent's in spite of the recent pay rise they received indicated that none of motivational factors has implication on their work productivity. It was observed in this study that in spite of the fact that none of the motivational factors has affected the worker, management concern had a higher coefficient.

In another study by Freeman in which 242 electronic workers were used, it was observed that 73% of all the respondents indicated that familiarity was the motivational factor that most affected their work productivity. Incidentally, the finding does not agree with the finding of this study, which showed that driving force (in this case monetary rewards) was the major factor of motivation as about 67% agreed to that



assertion. 13% were undecided and the rest of the 19% disagreed. The working environment and the nature of business and society may have been responsible for the lack of uniformity in the obtained results.

4.3.7 Relationship between management and lower level staff

Table 4.5: Relationship between management and lower level staff

Options	Number of Respondents	Percentage
Strongly Agree	20	20%
Agree	31	31%
Undecided	26	26%
Disagree	14	14%
Strongly Disagree	9	9%
TOTAL	100	100%

Source: Field Work, (2018)

The study also found out that the relationship between the top management class and lower level staff was not all that cordial. Management see themselves as “demi gods” expecting their orders and instructions to be carried to the letter, without developing a listening ear for the inputs of the lower level staff. It was therefore, not surprising that about 51% of the respondents agreed to the suggestion of improving the relationship between management and lower level staff, 26% decided to sit on the fence whilst only 23% disagreed.

Another important finding of this study is the fact that the workers want a management or leadership by consultation, but whether the style of leadership is ‘Tells’, ‘Sells’,



‘Joins’ or ‘Consults’, a feature of such a leadership if it is to command effective followership should have a clear communication channels.

Every human being wants recognition and respect and the Kumasi Metropolitan Assembly (Revenue Section) employee is not different. In fact, the worker seems to want and need it more. The findings of this study point to the need for the leaders of the Kumasi Metropolitan Assembly to recognize this. A recognition or appreciation of an effort made or a good job done is likely to produce even a better job apart from making a happier and more satisfied worker.

But if when the work is well done, it attracts no deserving comment or commendation, but whereas the slightest mistake is condemned (negative stroking) then the likelihood is that there would be more dissatisfied workers with less zeal for the achievement of organizational goals.

4.3.8 Suggestions by Respondents

From the information gathered from the field, majority are of the view that if really the various MMDAs, want to achieve their revenue targets, then they should well motivate their staff especially those in charge of the revenue collection/ mobilization.

Moreover, some also believe that they can engage other opinion leaders such as the chiefs, religious leaders and other respectable individuals to add their voices in reminding the people of their civic responsibilities as regards their local taxes. Also, they can internally institute a system of enhancing revenue generation that will be



rewarding and awarding the highest revenue collector at the end of a specified period, say, at the end of every quarter or at least every six months.

Preliminary Discussions

Table 4.6 contains the results of Pearson correlation of all the variables used in the study. We noticed that Revenue Mobilization which is our dependent variable has strong and positive relationship with all the independent variables such as non-financial motivation packages, financial motivational packages and composite motivational packages. This confirms significant influence of motivational packages whether in a decomposed form or composite form on revenue mobilization of the assembly.

Table 4.6: Pearson Correlation Matrix

	NMP	FMP	MT	RM
NMP	1.00			
FMP	0.47**	1.00		
MT	0.38***	0.45**	1.00	
RM	0.67***	0.72**	0.68**	1.00

NB: *, **, * means significant at 1%, 5% and 10% respectively**

Source: Field Survey, (2018)

Based on the significant positive relationship of the independent variables on revenue mobilization, we expect positive impact of the independent variables on revenue mobilization in the regression results.

Again, we noticed significantly weak relationship among the independent variables with correlation coefficient less than 0.5 confirming absence of multicollinearity based on the rule of thumb that correlation coefficient less than 0.5 for independent variables indicates absence of multicollinearity.



Objective One: Impact of non-financial motivational factors on revenue mobilization

This section focused on assessing the precise impact of non-financial motivational factors on revenue mobilization using Ordinary Least Square regression. Table 4.7 contains the regression results of revenue mobilization, non-financial motivational packages, financial motivational packages and composite motivational packages.

Table 4.7: Regression results of RM, NMP, FMP, MP

Revenue Mobilization	Model 1 RM	Model 2 RM	Model 3 RM
Constant	0.2314**	0.135**	0.105*
NMP	0.513***		
FMP		0.423**	
MP			0.765***
Diagnostics			
R Square	0.56	0.48	0.87
F-Statistics	10.734***	15.201***	25.123***
Shapiro–Wilk test	P-value=0.241	P-value=0.101	P-value=0.156
Durbin Watson	2.90	2.78	2.87
Breusch–Pagan test	P-value=0.315	P-value=0.201	P-value=0.156

Source: Field Survey, 2018

Objective one: The impact of non-financial motivational packages on revenue mobilization

Column 1 of Table 4.7 contains the result of the impact of non-financial motivational packages (NMP) on revenue mobilization (RM). The overall model is significant with



F-statistic of 10.734*** significant at 1%. The R square value of 0.56 means 56% of the variations in revenue mobilization is explained by non-financial motivational packages indicating non-financial motivational packages have high influence on revenue mobilization. From column 1 of Table 4.7, non-financial motivational packages had a coefficient of 0.513 implying that there is positive relationship between non-financial motivational packages and revenue mobilization where improvement in non-financial motivational packages enhances revenue mobilization. This positive effect is significant at 1% hence we reject the null hypothesis of no significant effect of non-financial motivational packages on revenue mobilization. This finding is consistent with Ciobanu and Androniceanu (2015) who find that revenue mobilization or better job performance is influenced by factors mainly related to day to day activity such as superior's leadership style, the content of the performed activity or the level of independence they enjoy in performing their attributions and to a lesser extent by factors related to professional development such as participating to professional training activities or career development opportunities. The author revealed that correlation between non-financial motivational factors and revenue mobilization performance in public sector institutions. Similar observations were made by Said et al (2015) who indicated that that individual needs, personal preferences and work environment are positively and significantly related to job performance.

Objective Two: The impact of financial motivational packages on revenue mobilization

Column 2 of Table 4.7 contains the result of the impact of financial motivational packages (FMP) on revenue mobilization (RM). The overall model is significant with F-statistic of 15.201*** significant at 1%. The R square value of 0.48 means 48% of the variations in revenue mobilization is explained by financial motivational packages



indicating financial motivational packages have less influence on revenue mobilization compared to the 56% explanatory power of non-financial motivational packages. From column 2 of Table 4.7, financial motivational packages had a coefficient of 0.423 which implies that there is positive relationship between financial motivational packages and revenue mobilization where Ghc10 increase in financial motivational packages enhances revenue mobilization by Ghc4.23. This positive impact is significant at 1% hence we reject the null hypothesis of no significant effect of financial motivational packages on revenue mobilization. This finding is contravenes with the findings of Boamah (2014) who find that non-financial motivation stimulates job performance compared to financial motivation factors in public sector institutions. Our finding is again inconsistent with the findings of Afful-Broni (2012) who found dampen effect of financial motivational packages on job performance.

Beyond the individual impact of financial and non-financial motivational packages on revenue mobilization, we explored the combined effect of the two motivational packages on revenue mobilization. Column 3 of Table 4.2 contains the result of the impact of composite motivational packages (MP) on revenue mobilization (RM). The overall model is significant with F-statistic of 25.123*** which is significant at 1%. The R square value of 0.87 means 87% of the variations in revenue mobilization is explained by both financial motivational packages and non-financial motivational packages. This implies that right combination of financial and non-financial motivational packages have greater influence on revenue mobilization compared to their standalone explanatory power (see column 1 and 2). From column 3 of Table 4.2, composite motivational packages had a coefficient of 0.765 which implies that there is positive relationship between the composite motivational packages and revenue



mobilization where improvement in the combined motivational packages significantly enhances revenue mobilization. This positive effect is significant at 1% hence we reject the null hypothesis of no significant impact of the composite of motivational packages on revenue mobilization.

Objective Three: Challenges facing the assembly in Revenue Mobilization

Table 4.8 contains the results of the challenges faced by the assembly in mobilizing revenue, we employed Kendall's coefficient of Concordance. The Kendall Coefficient concordance value of 0.843, with P-value $0.000 < 0.05$ is highly significant and the coefficient of 0.843 shows high level of agreement among the respondents that the items presented in Table 4.8 are challenges hindering revenue mobilization of the assembly as was suggested by Legendre (2005), that Kendall coefficient must at least has a value of 0.70 to confirm the strong level of agreement among the raters on a set of items.

From Table 4.8, lack of linkage between the tax payment and the services was ranked first with mean value of 1.08 confirming that it is the topmost challenge hindering revenue mobilization of the assembly. For instance, payers of levies will shirk their payment if they do not find correlated improvement in infrastructure and personal development. One respondent said. This is consistent with the report by a Joint Government of Ghana and Development Partner on Decentralisation Policy Review (2007) who identified lack of linkage between the tax payment and the services as one of the major challenge hindering revenue mobilization.



Table 4.8: Identifying and Ranking of the challenges

RANK	CHALLENGES	MEAN RANK
1	Lack of linkage between the tax payment and rendered services	1.08
2	Poor payment of rates	2.83
3	Lack of Enforcement of Payment of Property Rates	2.95
4	Poor Tracking of Economic Activities	3.75
5	Lack of education on tax responsibility	3.83
6	Lack of apparent political will	3.97
7	Weak Administration	4.04
8	Poor record keeping	4.17

Source: Field survey, (2018)

Also, poor payment of rates was ranked second with mean score 2.83. People are mostly reluctant to pay their rate which affects many District Assemblies, basic rates are major component of local government internal revenue. so if people evade it, and it affects or weakens the local government efforts in promoting development. This is consistent with Fjeldstad and Semboja, (2000) who observed that the use of user fees has led to the spread of resistance to pay from the poorer segments of the urban population.

Lack of Enforcement of Payment of Property Rates was ranked third with a mean score of 2.95. Though the Ghana constitution identifies property rate as one of the many means the local government can decide to raise revenue locally. Due to the use of old method of mobilising property rates, property owners try to run from paying the rates.



This has resulted to property rates being very costly to implement which is consistent with the work of Brosio, (2000).

Poor tracking of economic activities was ranked fourth with mean score of 3.75. The local government in Ghana is faced with the problem of many people and some small business organizations pursuing some ventures (economic activities) not paying their tax religiously. Some local government lacks the means to provide sufficient monitoring of economic activities in their area of jurisdiction. It has led to a problem of enterprises paying less as expected. This according to Devas and Kelly, (2001) has negatively affected district Assemblies tax revenues.

Lack of education on tax responsibility was ranked fifth with a mean score of 3.83. Just as with all revenue, education is fundamental in achieving efficient tax collection. Education on the reasons, methods, duties and rights related to the various types of tax should be communicated to the prospective tax payer. The Assembly's failure to bring together the people through improved bottom up budgeting and civic involvement (participating) has resulted in poor rates and levy payments.

Lack of apparent political will was ranked sixth with a mean score of 3.97. Most local politicians value their position to the development of the local economies; hence they fail to ensure compliance with local laws in terms of payment of levies when they are threatened of being voted out from their elected positions. This spans from assembly members, Member of Parliament among others. This makes it difficult to raise enough revenue from the locals for developmental projects.



Weak Administration and poor record keeping were ranked seventh and eighth with mean scores of 4.04 and 4.17 respectively. Weak institution combined with lack of will for compliance have led to less level of local revenue being collected on yearly bases. It is undeniable fact that local authorities have great advantage in improving internal revenue – especially from business registration and fees and funds as indicated by Schroeder, et al, (1998).

Also, lack of records with respect to economic activities is affecting the growth of the local area. Developing countries such as Ghana lack data on all economic activities found in their districts. For instance, many district assemblies do not have data on the number of drivers, seamstress, hawkers, farms, chop bars among others working in the district. This operates against efforts to better locally generated revenue in the local Assemblies. These revenues when well taken from tax payers can give substantial and dependable revenues for district Assemblies. This made Painter (2005) to opine that effective and efficient internal revenue mobilization is a major priority to all district assemblies; it is however beset with numerous challenges. Attempts and efforts should be channelled towards its resolution.

Majority of the respondents charged the top management to make it a point in incorporating the views of the lower level staff, as they are on the ground in any policy they intend to formulate. This will help enhance and facilitate proper collection and mobilization of local revenue without hindrance as most of the inhabitants are illiterates.

Finally, the number of contract staff should be increased in order that the revenue stream can be adequate. They were of the belief that if this is done the Assembly can



generate enough revenue that serve its needs and even pay the collectors without having necessarily to make those collectors permanent to further drain the already insufficient funds in the state coffers.



CHAPTER FIVE

SUMMARY OF DISCUSSIONS, CONCLUSION AND RECOMMENDATION

5.1 Introduction

This chapter gives an account of the summary of the study, the conclusions arrived at and recommendations in line with the tenets of the study.

5.2 Summary of Major Findings

5.2.1 Socio-Demographic Characteristics

The gender representation of the respondents showed a 78% male and a 22% female population with the average age being 46 years. Also their educational level varied very much from basic school (28%), second cycle (30%) to tertiary (42%). Most of the respondents have also been in their current posts for some number of years now, with one of the revenue collectors being with the Assembly for the past 15 years.

5.2.2 Non-Financial motivational packages and revenue mobilization

The study examined the impact of non-financial motivation packages on revenue mobilization of the assembly. We employed ordinary least square regression and found that 56% of the variations in revenue mobilization is explained by non-financial motivational packages indicating that non-financial motivational packages have high influence on revenue. We again noticed that, non-financial motivational packages had a coefficient of 0.213 which implies that there is positive relationship between non-financial motivational packages and revenue mobilization where improvement in non-financial motivational packages enhances revenue mobilization. This positive effect is significant at 1% hence we rejected the null hypothesis of no significant effect of non-



financial motivational packages on revenue mobilization. This is consistent with the works of Ciobanu and Androniceanu (2015) and Said et al (2015).

5.2.3 Financial Motivational packages and revenue mobilization

The study again examined the impact of financial motivation packages on revenue mobilization of the Assembly. We employed ordinary least square regression and found that 48% of the variations in revenue mobilization is explained by financial motivational packages indicating financial motivational packages have less influence on revenue mobilization compared to the 56% explanatory power of non-financial motivational packages. Financial motivational packages had a coefficient of 0.423 which implies that there is positive relationship between financial motivational packages and revenue mobilization where Ghc10 increase in financial motivational packages enhances revenue mobilization by Ghc4.23. This positive impact is significant at 1% hence we reject the null hypothesis of no significant effect of financial motivational packages on revenue mobilization. This is in dissonance with the studies of Boamah (2014) and Afful-Broni (2012).

5.3 Challenges of mobilizing revenue by the assembly

The study employed Kendall's coefficient of concordance to identify and rank the challenges faced by the Assembly in mobilizing revenue locally. The study finds that lack of linkage between the tax payment and services rendered, poor payment of rates, lack of enforcement of payment of property rates, poor tracking of economic activities, lack of education on tax responsibility, lack of apparent political will, weak administration and poor record keeping are the challenges hindering revenue mobilization of the assembly.



Conclusions

Based on the analysis, the study draws the following conclusions;

There is significant positive impact of non-financial motivational packages on revenue mobilization where the impact is higher than financial motivational packages.

There is also, significant positive impact of financial motivational packages and revenue mobilization. We noticed that the composite effect of financial and non-financial motivational packages is huge and significant than the standalone motivational packages.

The challenges faced by the assembly in mobilizing revenue are lack of linkage between the tax payment and the services, poor payment of rates, lack of enforcement of payment of property rates, poor tracking of economic activities, lack of education on tax responsibility, lack of apparent political will, weak administration and poor record keeping with lack of linkage between the tax payment and the services being the topmost problem.

5.4. Recommendations

Many employees especially with the public sector do not see the need to work with all their strength and their required expertise to accomplish the goals of the organisation. This is partly due to the fact that what they individually expect from their employers (personal desires) are not always met, and to say the least, the encouragement to even do that is not there, (lack of motivation). The level of commitment required of the workers calls for more a positive solution. Based on the findings of this study, the following suggestions are offered for the future improvement of the employee welfares in order to achieve more productivity: -





- The Metropolitan Coordinating Director should establish an adequate motivational Unit in the Assembly whose main function will be to monitor and promote morale boosting activities in the Assembly. Such a Unit should carry out studies on the possible ways by which the employees in the revenue section could be motivated to redouble their efforts in their revenue mobilisation drive;
- In employing workers for the revenue section or assigning responsibilities to them, cognisance should be taken of their expertise, strengths or weaknesses so as to make the job meaningful and rewarding for the staff and at the same time enable them achieve greater productivity;
- There is need to fish out talents for rewards and awards to serve as incentive to them, and create an aspiration and inspiration for others to emulate;
- Efforts should also be geared at work enrichment for the staff in the revenue section, and more opportunities for decision-making should be given to the revenue supervisors.
- The Assembly should encourage initiative and creativity by allowing for some flexibility in the application of rules and regulation as regards the collection of revenue (i.e. identifying the various Garages and motor fitting shops to administer the Assembly's vehicles and motor bikes tax stamps). Too much rigidity in applying the rules (i.e. standing at the traffic jumps and lorry stations) may constitute a setback in the modern growth and development of the Assembly and dampen initiative and creativity.
- Government should pay more attention to combined motivational packages as it has hugged impact on revenue mobilization.

- The management should strive at introducing cafeteria building so as to provide better and suitable relax environment, and create a work climate that can promote efficiency and productivity.

Finally, it is believed that if the management makes positive effort at implementing these suggestions, 'life' will certainly be vibrant at the Assembly and the Kumasi Metropolitan Assembly will gain a cherished status. The self-esteem will be heightened and the workers will work with a strong sense of mission and dedication to duty so that they can effectively assist in the mobilisation of resources for the attainment of the Assembly's policies, objectives and programmes.

5.5 Implication for further research

The implications for further research on the assessment of the impact of motivation on revenue mobilisation in the Kumasi Metropolitan Assembly in practical terms could be made more manifest for the following reasons.

- i. The extension of this study to all the Metropolitan, Municipal and District Assemblies in Ghana. Thereby using a larger sample to see if it will replicate the findings of this study.
- ii. A comparative study of selected similar Metropolitan Assemblies' employees in terms of determining and assessing the impact of motivation on resource mobilisation in relation to various predictors.
- iii. Carrying out a similar study to this, as the post primacy level to find out what the responses would be.
- iv. Carrying out a similar study to this, using a privately owned organization to find out whether similar results will be obtained.



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APPENDIX

Appendix A

Questionnaire

QUESTIONNAIRE

I am a student of the University for Development Studies, School of Business and Law pursuing an MCOM in Human Resource Management.

I am carrying out a study on the topic:

“The Effects of Motivation on Revenue Mobilisation in Kumasi Metropolitan Assembly”.

The purpose of this questionnaire is to collect relevant data to compliment this research work.

Your accurate response and cooperation is therefore highly solicited.

Each response you supply will be used for the purpose for which it was collected and treated with utmost confidentiality.

Thank you.

PART I

Fill in or **tick** in the spaces provided whichever is appropriate

1. Name

.....

2. Sex : Male [] Female []

3. Age:

4. Qualification :

i. Primary []

ii. JHS /MSLC []

iii. SHS /EQUIVALENT []



- iv. DEGREE /HND []
- v. MBA /MSC / ABOVE []

5. Staff Category:

- i. Management []
- ii. Senior Staff []
- iii. Junior Staff []
- iv. Contract Staff []

PART II

NO.	QUESTION / STATEMENT	SA	A	UD	SD	D
1	Motivation is important in an organisation					
2	Adequately motivated staff have a positive attitude towards work					
3	Workers put in their best when they are placed on little or no supervision at all					
4	It is important that the District / Municipal / Metropolitan Chief Executive cooperates with other staff					
5	Big /fat salaries are the best tools with which motivation can be effectively achieved					
6	Workers welfare should be of a paramount concern to top management					
7	Some workers perform satisfactorily without motivation					
8	Recreational facilities, Hospitals, Staff accommodation, etc are important if a worker					





	must perform well					
9	Even if salaries delay workers will still perform well					
10	Workers directly in charge of revenue collection should be more motivated monetarily than the others					
11	It is only monetary rewards that bring out the best in employees /workers					
12	End of year parties, Sallah /Easter/ Christmas /gifts are good and help to boost staff performance					
13	Good relationship between management and lower level staff should be encouraged					
14	Working with the Metropolitan Assembly in itself is a source of motivation					
15	Groups that fight for staff welfare within an establishment should be encouraged to do so					
16	It is good to reward excellent and hard work					
17	Rewarding excellent and hard work can contribute to healthy and competitive working relationship					
18	Contract staff should be more motivated than regular staff in the revenue section					
19	Well motivated revenue staff avoid pilfering					
20	Working attitude is affected by challenges encountered on the job					

6. What type of motivation do you receive from your assembly?

.....

7. How much in monetary value do you receive as motivation?

.....

On a scale of 1-8 where 1: most pressing challenge; 8: least pressing challenge.

Rank the items below as challenges hindering revenue mobilization.

CHALLENGES	RANK
Lack of linkage between the tax payment and the services	
Weak administration	
Lack of Enforcement of Payment of Property Rates	
Poor Tracking of Economic Activities	
Lack of education on tax responsibility	
Lack of apparent political will	
Poor payment of rates	
Poor record keeping	



KEY:

SA (STRONGLY AGREE)

A (AGREE)

UD (UNDECIDED)

SD (STRONGLY DISAGREE)

D (DISAGREE)