

Incentive Travel as an Effective Employee Motivator in South Africa

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ABSTRACT

The purpose of this study was to determine whether travel incentive schemes are an effective way to motivate employees and improve their productivity in South African based companies.

A questionnaire was administered to employees of four companies which operated an incentive travel program. The results of the questionnaire were discussed with key managers at each of the four companies.

The main findings of the research were that whilst the majority of employees surveyed would prefer a cash incentive if given the choice, the travel incentive is an effective method to motivate employees. The research also confirmed that incentive travel schemes have a number of unique benefits that make this type of incentive more attractive to management than a cash incentive.

DEDICATION

To Milla Jade Hollis, who began her journey through life at the same time that I began my journey on this MBA and who inspires me to want to be a better person.

ACKNOWLEDGEMENTS

I would like to extend my sincere thanks to:

- My supervisor Rasoava Rijamampianina PhD, M (Acc), MBA for his unflagging enthusiasm and support,
- Dr Anthony Stacey for his guidance and assistance with gathering and analyzing the data,

THE DECALARATION

I, Adrian Hollis, declare that this research report is my own, unaided work. It is submitted in partial fulfillment of the requirements for the degree of Master of Business Administration in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Adrian Hollis

16 May 2007

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1.INTRODUCTION

1.1. Context of the study

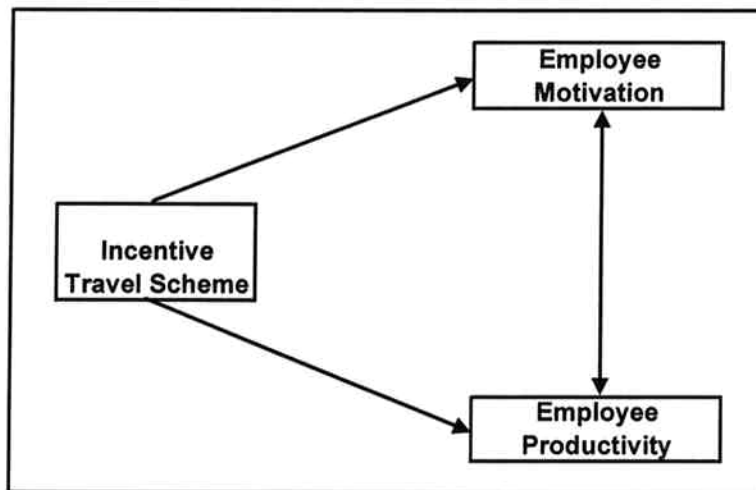
According to Herrera (2002), finding sources of employee motivation has been the lifework of many researchers, psychologists and management gurus. Employers attempt to move employees to want to perform the best work that they can and to continue working for the company for as long as the company wants them to stay. Poe (1997) states that travel incentives used to be the exclusive domain of sales teams; however, companies are realising that everyone within an organisation needs to be happy and motivated. According to Smith (2005), a new generation of incentive and recognition solutions is leading the charge toward improved employee and corporate performance.

The World Economic Forum, in their 2005 Global Competitiveness Review ranked South Africa as the 42nd most competitive country out of 117 countries ranked in the survey.

Companies are continually looking for new ways, methods and practices to motivate their employees.

1.2. Purpose of the study

The purpose of this study is to determine whether travel incentive schemes are an effective way to motivate employees and improve their productivity in South African based companies.



Leedy & Ormrod (2005) advocate breaking the research problem into a number of smaller, manageable sub-problems, thereby enabling the researcher to arrive at more concise solutions.

1.2.1. The sub problems

The first sub problem

Do Incentive Travel programmes increase and sustain staff motivation?

The second sub problem

Do Incentive Travel schemes improve employee productivity?

The third sub problem

Is employee motivation positively correlated to employee productivity?

1.3. Scope & limitations

This research will focus on a selection of four South African based companies who operate a travel incentive scheme as part of their employee incentive programs. No attempt will be made to include companies who do not operate an incentive travel program in the research. In order to make the research possible, the four companies surveyed are located in the Gauteng region of South Africa.

A quantitative methodology will be utilised for this study. The respondents will be selected on the basis that the company they work for has an incentive travel programme. The respondents will be selected in such a manner to attempt to ensure that feedback is received from a cross section of employees within the selected organisation.

1.4. Significance and relevance of the study

South Africa recently celebrated 10 years of democracy; this event also marked the 10th anniversary of the country's re-admittance into the global economy. South Africa faces a number of challenges to our stability and success for the future:

- Extremely high unemployment levels
- Low global competitiveness
- Low levels of labour productivity.

One of the greatest challenges facing South Africa's future, is our high levels of unemployment, one of the areas of opportunity is for the country to become more competitive globally, enabling exports to be leveraged, creating more

employment. Zwelinzima Vavi, Secretary General of the Congress of South Africa Trade unions, in a recent speech declared that: "The challenges for the working class are reflected in soaring joblessness, with 40% of our people now unable to find work. Most of the jobless are relatively well educated young Africans who have never had a job" (Zwelinzima Vavi, Address to the National Union of Mineworkers Central Committee - 12 May 2005).

According to the department of Labour, if productivity could be improved by an average of 3% per annum, the standard of living of South Africans would double every twenty-four years. One of the ingredients necessary to achieve this is the availability of a workforce with sufficient skills and involvement in the business process (Department of Labour. <http://www.labour.gov.za/media/speeches.jsp>. Accessed 12 November 2004).

During the Apartheid era, South Africa was economically isolated from the world and as such, local industries were sheltered from global competition and operated in a captive market. South Africans were forced to purchase locally produced goods, regardless of price or quality. The change in political regime paved the way for the countries re-admission into the global economy and with this local industry has been exposed to global competition. This re-admission combined with the trend of Globalisation, has exposed our industries to the full onslaught of global competition. Magbadelo (2005) describes this process as the tearing down of artificial national boundaries, supporting trade liberalisation, the free movement of people and goods, unhindered access to information, expansion of communication and transportation networks. South Africa has been rated the 42nd (down 1 place from 41st in 2004) most competitive country out of 117 countries on the World Economic Forum 2005 ratings list. Therefore, to enable South Africa to be able to compete more effectively in the Global arena, it is imperative

that we improve our competitiveness, one area that this can be achieved is by improving our labour productivity, this in turn can only be achieved with highly motivated employees. Based on this, the importance of understanding the effectiveness of different motivational methods is critical to enable management to be able to effectively motivate their staff.

Following the currency crash at the end of 2001, exports flourished and reached record heights. However, the subsequent recovery of the currency has lead to a reduction in exports and placed a number of exporters in difficult situations where they signed long term export contracts denominated in foreign currencies. These factors indicate that we need to improve productivity countrywide to enable us to compete globally, regardless of the rate of exchange of our currency.

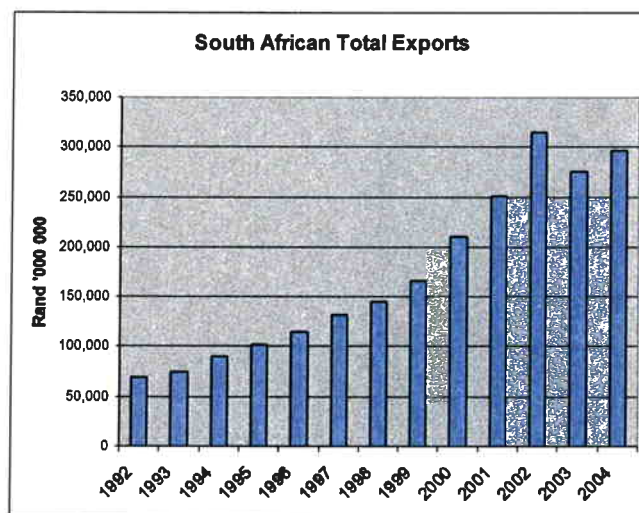


Figure 1: South African exports.

Source: <http://www.thedti.gov.za/econdb/raportt/raptottr.html>

Accessed 1 October 2005.

1.5. The definition of terms

Incentive Travel: is defined as a structured employee incentive implemented by a company under which the reward for outstanding performance is a journey to a specified destination.

Motivation: Robbins (2003: 155) defines motivation as “the processes that account for an individual’s intensity, direction, and persistence of effort toward attaining a goal”.

Employee Productivity: According to Robbins (2003: 23), employee productivity consists of two aspects, efficiency and effectiveness.

1.6. Assumptions

First Assumption: The first assumption is that it is important for employers to understand how employees respond to incentive schemes.

Second Assumption: The second assumption is that a company’s performance can be improved through the efforts of motivated employees.

Third Assumption: Although incentive travel programmes may be structured in different ways in different companies, this does not affect the validity of this study.

Fourth Assumption: The individual profiles of the selected respondents will not bias the results of the study.

Fifth Assumption: Although the study focuses on companies located in Gauteng, South Africa, the results can be extended to other South Africa Companies.

2. LITERATURE REVIEW

The objective of the literature review is to examine the work that has already been performed on determining the effectiveness of travel incentives as an employee motivator.

2.1. Introduction and background to incentives

A study performed by Shetty (1979) revealed that although the changing business environment of the 1970's gave rise to a number of new corporate goals including financial stability, resource conservation and multinational expansion, the traditional business goals of profitability, growth and market share, remained the primary objective of companies in general. According to Smith (2005), a successful recognition and incentive program is designed specifically to support organisational alignment – driving both performance and productivity. For the purpose of this research report, we will focus on the premise that the primary objective of companies that run staff incentive schemes is to maximise their profitability and through this, ultimately to maximise shareholder wealth.

According to Porter (1985), a competitive advantage provides a company with the opportunity to make greater profits than its competitors, furthermore, Porter (1985:43) states that “Human Resource management affects competitive advantage in any firm, through its role in determining the skills and motivation of employees and the cost of hiring and training. In some industries it holds the key to competitive advantage”. This contention is supported by Fulmer, Gerhard & Scott (2003: 965) who state that “we argue that positive employee relations

effectively serves as an intangible and enduring asset, and may, therefore, be a source of sustained competitive advantage at the firm level". From these works, we can see that talented, motivated employees can actually provide a company with a source of sustainable competitive advantage. Furthermore, motivated employees can provide a source of competitive advantage which is very difficult for competitors to imitate or replicate in their operations.

According to Armstrong & Murlis (1994), reward management is not just about money, it is also about non-financial rewards. The non-financial aspect of the reward system can be divided into rewards that provide intrinsic motivation and those that provide extrinsic motivation. Intrinsic motivation is achieved by fulfilling individuals needs such as achievement, variety, responsibility and belonging to a team. Extrinsic motivation is achieved by activities implemented by the employer, such as non-financial recognition programs, training and skills development. Hastings, Kiely & Watkins (1988) believe that there is a growing interest in incentive travel as a motivation tool. In a study of the hotel industry, Feiertag (2005) found that general managers and supervisors thought that the most important factors to sales staff would be better pay, job security and the opportunity for promotion. The study revealed that the highest ranked items were actually acknowledgement or appreciation of their efforts, being kept informed of what's happening and support from management. Pay levels, job security and better working conditions were ranked behind these factors.

A significant volume of research on employee compensation structure agrees that a balanced remuneration package can be summarized into two main components (Milkovich & Newman, 1990; Lawler, 1990; Armstrong & Murlis, 1994). The components are:

- Salary and fringe benefits
- Incentives.

Incentives can be broken down further into:

- Short term incentives and
- Long term incentives.

Incentive travel schemes are one aspect of the short term incentive portion of the remuneration package as these incentives typically run for periods of one financial year. An example of a long term incentive would be a share incentive scheme, which typically spans a number of years.

Herrera (2002) contends that the following factors need to be present in the workplace to keep employees motivated:

- An environment or culture where employees are respected and appreciated,
- Open and honest communication, including issue resolution processes,
- Dignity and respect, manifested as equal and fair treatment,
- Reward and recognition

Pruden, Cunningham & English (1972) concluded that it would be unreasonable to assume that non-financial incentives are the sole key in understanding salesmen's level of job satisfaction. Other factors such as the level and type of financial remuneration play an important role in their level of satisfaction. The research went on to reveal that the more the salesmen's need for non-financial incentives was fulfilled, the more satisfied they were. The authors went on to identify three types of non-financial pay:

1. Privilege pay – this is similar to a participative management style, rather than a top-down management style.

2. Status pay – the ego satisfaction of employees by taking every opportunity to recognise their accomplishments in the presence of their colleagues.

3. Power pay – giving increasing levels of responsibility to employees.

Incentive travel has the ability to strongly satisfy privilege pay and status pay.

According to Sanchez (1999), incentives programs that consist mainly of additional commissions linked to sales goals are often viewed as compensation and can in some circumstances actually have a negative impact on employee motivation. A significant problem with monetary incentives is that they are often spent on paying accounts and they lack a “trophy” value. Many companies have modified their incentive reward programs to reward excellent performance with travel or merchandise however, this needs to be combined with personal recognition to be an effective motivation program. Group travel has an additional advantage in that it allows employees the opportunity to share their successes and also to spend more time with senior management. One of the advantages of non-monetary incentives is that the perceived value of the incentive to the employee often exceeds the actual cost of the incentive to the employer.

A number of studies (Armstrong & Murlis (1994), Anthony, Perrewe & Kacmar (1996) into reward management indicates that the major objectives of reward structure can be summarised into the following three categories:

- Increase staff motivation and as a result, individual and organisational performance,
- Enable the company to effectively compete in the labour market to attract and retain skills,
- Provide a cost-effective structure to reward employees.

2.2. The objectives of incentive travel schemes

Ambros (1985) contends that the most common goals of incentive travel programmes is to increase sales and profits, a secondary goal is to decrease absenteeism.

Hastings, Kiely & Watkins (1988) conducted a survey of the effectiveness of travel incentives amongst a particular sales force. Their findings were as follows:

- 65% of respondents perceived an international conference to be a major incentive,
- 67% of the respondents rated individual overseas travel as a major incentive.
- 42% of correspondents rated a local conference as a major incentive.
- Other incentives – including household goods, business goods and recognition certificates were regarded as minor incentives by the respondents.

According to Messner (2004), the most effective rewards and incentive programs include all employees in a department, if some employees are excluded; the motivation efforts may be undermined and fail.

2.3. Employee motivation

Robbins (2003: 155) defines motivation as “the processes that account for an individual’s intensity, direction, and persistence of effort toward attaining a goal”. Therefore, motivation can be considered as the willingness of an employee to

exert high levels of efforts towards the achievement of organizational goals which is further conditioned by the efforts ability to satisfy some individual need.

Kelley (1986) found that a growing number of companies are realizing the value of formal incentive programs in motivating top sales performers. However, Vroom (1964) expressed a warning that an employees performance cannot solely be described by their level of motivation, the ability of the employee to perform the task has a fundamental influence on their performance.

Bannon (1990) contends that many companies include employee spouses in the incentive travel trips, this has the effect of encouraging employees to work harder and longer to achieve the targets, it also encourages their spouses to support the employee's efforts.

Armstrong & Murlis (1994) contend that motivation theory conveys two important messages:

- Motivation is a complex process and as such, there is no simplistic solution for increasing motivation.
- It is important not to underestimate the significance of expectations, goal setting, feedback and reinforcement as motivating factors.

Robbins (2003) lists a number of motivational theories that have been developed over time. These include Maslow's Hierarchy of Needs, Theory X and Theory Y, Herzberg's two factor theory, ERG theory, McClelland's needs theory, Cognitive evaluation theory, Goal setting, Flow and Intrinsic Motivation theory, Reinforcement Theory, Equity Theory and Expectancy theory. It is only the last three theories which draw a correlation between compensation schemes and

employee motivation. Consequently, we will only discuss those three theories in more depth. According to Vroom (1964), there is considerable evidence that an employees performance increases with an increase in the magnitude of the reward offered for successful performance.

2.3.1. Reinforcement theory

Reinforcement theory is based on the premise that reinforcement conditions behaviour. The theory ignores the inner state of the individual – feelings, attitudes and expectations - and concentrates on what happens to the individual when they take some course of action. If an action elicits a favourable response, then there is a high probability that the action will be repeated. Reinforcement theory provides a means of analysing what controls behaviour (Robbins, 2003). According to Harris & Kleiner (1993) reinforcement theory concentrates on the environment and its consequences on an individual instead of on an individuals needs or why people make choices. The authors define reinforcers to include positive, negative, extinction or punishment. Positive reinforcers include such rewards as praise, recognition or a paid bonus. According to Villere & Hartman (1991), reinforcement theory has a very important implication for management: if management desires to maximise goal obtainment, it must manage consequences so that the appropriate behaviours are rewarded.

2.3.2. Equity theory

The equity theory proposes that employees make comparisons regarding their perceived level of work effort (inputs) and the reward (outputs) that they receive for that effort, with their perceived input / output ratio of their colleagues. If the

employees perceive that their input/ output ratios are equal, then a state of equity exists. If the ratios are perceived to be unequal, then a state of equity tension is said to exist and the guilt (over rewarded) or anger (under rewarded) associated with that tension will drive the employee to rectify the situation (Robbins (2003), Armstrong & Murlis (1994)). The comparisons can either be:

- Internal : the employee makes comparisons with co-workers or
- External: the employee makes comparisons with employees of other organisations.

Employees are more tolerant when they perceive that they are in a position where they are being over rewarded than if they are in a position where they perceive that they are being under rewarded. According to Robbins (2003) under a state of equity tension an employee may react in one of six ways:

- Change their inputs: for example reduce their level of work effort or
- Change their outcomes: for example produce a higher quantity of lower quality products,
- Distort their perceptions of self : for example change their perception of their level of work effort,
- Distort their perceptions of others : for example justifying the relative attractiveness of various positions,
- Compare themselves to someone else,
- Leave their position.

2.3.3. Expectancy theory

The Expectancy Theory of motivation was developed by Vroom in 1964. Vroom (1964) argues that employees will be further motivated if they believe that their increased efforts will lead to an outcome which is directly beneficial to

themselves. Vroom (1964:17) states “whenever an individual chooses between alternatives which involve uncertain outcomes, it seems clear that his behaviour is affected not only by his preferences among those outcomes but also by the degree to which he believes those outcomes to be probable”. The Expectancy Theory focuses on three relationships:

1. Effort – performance relationship: The individual’s belief that exerting a certain amount of effort will lead to performance.
2. Performance-reward relationship: The degree to which an individual believes that performing at a particular level will lead to the achievement of a desired outcome.
3. Rewards-personal goals relationship: The degree to which the organization’s reward system satisfies an individual’s personal goal or needs and the attractiveness of those potential rewards to the employee.

Robbins (2003) believes that the expectancy theory is one of the most widely accepted explanations of employee motivation.

The three relationships are graphically depicted in figure 1 below.

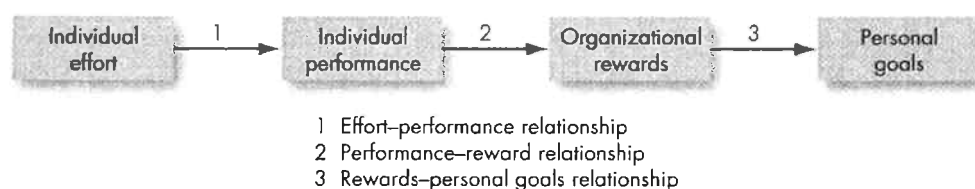


Figure 2: Diagram representing expectancy theory. Source: Organisational Behaviour by Robbins, 1993

Armstrong & Murlis (1994) contend that the Expectancy Theory is equally applicable to financial as well as non-financial rewards and illustrates why extrinsic motivation only works if the employee sees a clear link between effort

and reward and furthermore, only if the employee believes that the reward justifies the required effort.

Figure 2 below reflects an extended version of Vrooms Expectancy model. The extended model was developed by Porter & Lawler (1968) in an attempt to identify the source of employees expectations and further to link effort with work performance and job satisfaction

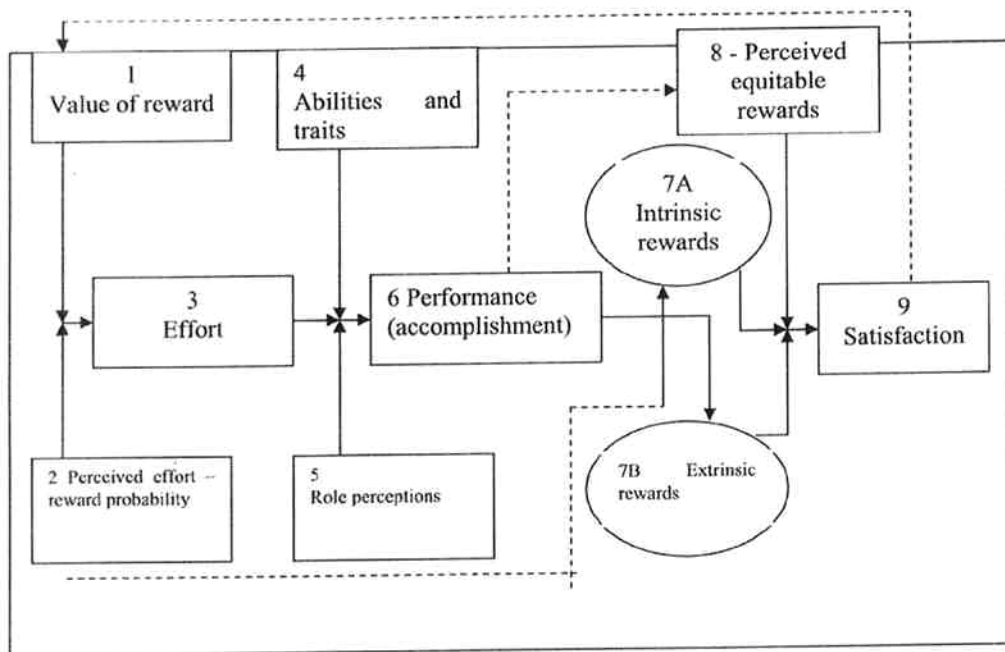


Figure 3: Adapted from L W Porter and E E Lawler III, *Managerial attitudes and performance*. (Honeymoon, IL, Irwin, 1968).

From the literature reviewed above, it is apparent that rewards systems and specifically incentives are only one aspect of employee motivation. However, it is an important aspect and one that cannot be ignored by management in their efforts to obtain the best performance from their employees.

Herrera (2002) warns that for the incentive to be effective, management must be wary of the fact that whilst the incentive should be a reward for achieving a target,

care must be taken to ensure that the target is achievable. If the target is not realistic, there is a good chance that employees will actually become demotivated.

2.3.4. Incentive travel schemes and employee motivation

According to Shinew & Backman (1995), “travel incentives have ‘trophy value’, which implies that they provide long-lasting positive reinforcement, an element that adds to their motivational value”. This contention is reiterated by Poe (1997) who found that when it comes to inspiring employees to work harder, the offer of travel is the most effective motivational tool. According to Hastings, Kiely & Watkins (1988), travel incentives are widely used to motivate salespeople, particularly in the United States, where incentive travel has grown into a billion dollar industry with its own techniques and specialists. The authors also contend that travel incentives are a practical way to implement many of the ideas and concepts contained in value theories and goal setting views of motivation.

Proposition 1: Incentive travel is an effective tool to increase employee motivation levels

2.4. Employee acquisition and retention

According to Ramlall (2004), in today’s competitive labour market, extensive evidence exists that organizations - regardless of size, industry and all other factors, are facing challenges in retaining staff. Fitz-enz (1997) proposes that the average company loses approximately one million dollars for every ten managerial or professional employees that leave the company. There is a

significant economic impact when an organization loses any of its critical employees, especially in light of the knowledge that is lost with the employee.

Hind (1990) contends that to attract and retain top quality staff in the 1990's, companies need to radically change their thinking about the benefits they offer their staff. Traditional reward packages which include benefits such as company cars, insurance, sports club memberships are encountering a number of problems, including:

- Increased taxation of these benefits
- Limitation of the freedom of choice of the employee.

According to Bannon (1990) incentive travel can be used as an incentive to boost employee motivation, it can also have the following potential benefits:

- lower staff turnover
- Improve relationships between senior executives and junior employees.

2.5. Employee productivity

Weiss (2006) contends that an employees productivity can be increased by measuring both individual and team performance against set objectives on a regular basis. He furthermore contends that management, in acknowledging the efforts made by employees to reach an objective, can build a more motivated and productive work team.

According to Hansom & Miller (2002), global competitiveness will require that each organisation get the personal best from each of their employees. The authors also state that by understanding each employee's individual "motivational patterns", employers can improve the productivity of their employees. The

authors believe that different employees react to different stimulus and management must work at understanding what motivates each employee. Furthermore, the authors contend that an employee's level of productivity is highly dependent on his/her level of "job-fit". This contention is reinforced by Robbins (2003) definition of productivity as a performance measure that includes effectiveness and efficiency; he defines efficiency as "the ratio of effective output to the input required to achieve it". It is apparent from the above that if an employee does not have the necessary skills or aptitude to perform a specific function, motivating that employee will not be sufficient to improve their productivity.

In a study conducted at a rod mill, Appelbaum, Adam, Javeri, Lessard et al (2005) found a correlation between average job satisfaction, low motivation and the resulting low productivity. A direct correlation was also found between low productivity and poor communication between managers, supervisors and employees. Furthermore, the study revealed that whilst the employees appreciated their benefits, they did not see a correlation between their performance and their compensation.

From the literature reviewed above, it is clear that whilst employee motivation is not the only factor that determines employee productivity, it does have a significant influence on the employee's productivity.

2.5.1. Incentive travel schemes and employee productivity

Caballero (1988) conducted a test in an American life insurance company. The company's sales force was split into three sales teams. The top salesperson from

each team would receive an incentive, for the purpose of the study, each team was offered a different incentive (of the same monetary value). The performance criteria was the number of new clients secured in the seven week period. The incentives were:

- A trip to Mexico
- Cash
- Merchandise

The test was run over a seven week period with the following results:

- Travel incentive group – 74.42 new clients
- Cash incentive group – 62.45 new clients
- Merchandise incentive group – 56.83 new clients.

Based on the results of this study, it would appear that travel incentives are an effective way to improve employee productivity. According to Poe (1997), a survey conducted at Clemson University found that the offer of travel was more effective at getting employees to work harder than traditional cash-based incentives.

Proposition 2: Incentive Travel schemes can improve employee productivity.

Proposition 3: Employee productivity is positively correlated to employee motivation.

2.6. Advantages and disadvantages of incentive travel schemes

Incentive travel schemes provide a number of advantages to companies when compared to other forms of incentive schemes – both financial and non-financial.

Carrol (2005) lists the advantages and disadvantages of incentive travel programs as:

- Group travel incentive advantages:
 - Once in a lifetime opportunity,
 - Promotes camaraderie,
 - Offers possible learning opportunities
 - Maintains momentum for future incentive programs
- Group travel incentive disadvantages:
 - Can alienate non-qualifiers
 - Participants have no say in the destination choice
 - Schedule conflicts might arise
 - Pressure to “outdo” previous programs
- Individual travel incentive advantages:
 - Ease of use
 - Celebrate with friends and family
 - Fits all lifestyles
- Individual travel incentive disadvantages:
 - Does not promote camaraderie
 - Difficult to offer appropriate recognition.

Shinew & Backman (1995) state that “travel incentives have ‘trophy value’, which implies that they provide long-lasting positive reinforcement, an element that adds to their motivational value”. According to Poe (1997), incentive travel offers employees a once-in-a-lifetime experience, something that monetary awards cannot match.

Other advantages include:

1. Tax effective – provided that the company conducts a certain amount of “conferencing” on the incentive trip, the cost of the trip is not seen as a taxable benefit by the Receiver of Revenue
2. High Perceived value. Effectively planned incentive travel can provide the employees with a perceived value which exceeds the actual cost.
3. Lasting impression. Financial incentives are often utilised to pay debts and have little lasting motivational impact on the employee.

2.7. Types of incentive travel.

Incentive travel can take a number of forms including:

- Incentive trips for individual employees. This type of incentive travel is commonly used in sales departments to reward sales people who exceed pre-determined sales targets.
- Incentive trips for entire departments / companies. These incentive travel trips are mostly utilised when company targets are exceeded.
- Management / board meetings in exotic locations.

2.8. List of propositions

Proposition 1: Incentive travel is an effective tool to increase employee motivation levels

Proposition 2: Incentive travel schemes can improve employee productivity.

Proposition 3: Employee productivity is positively correlated to employee motivation.

3.RESEARCH METHODOLOGY

3.1. Introduction

A quantitative methodology will be adopted to perform the research, a questionnaire will be compiled comprising two parts:

- A Likert-scale based questionnaire to measure employees opinions on the effect of incentives on motivation and their opinions on the effect of motivation on employee productivity
- A Conjoint Analysis will be performed to measure employees relative preference for the part worth's for attributes of Travel Incentives identified during the literature review. A total of eight attributes will be tested. The Conjoint Analysis will be administered utilising Sawtooth Software. Four companies who operate a Travel Incentive scheme will be selected to conduct the research. The organisations will be selected on the basis that they operate a travel incentive scheme for all their staff or alternatively a scheme for all the staff in a particular department or division. The Conjoint Analysis will be administered to a sample of thirty (30) employees from each of the selected companies. The attributes and their corresponding part worth's are included in Appendix 2. The actual survey will be constructed in the Sawtooth Software once approval to conduct the research has been given. The measurement of the respondents' part worths for each attribute will enable us to define their preference for either a Travel Incentive or a traditional cash incentive as a source of motivation.
- The results of the questionnaire and the Conjoint Analysis will be discussed and interpreted with the relevant travel manager at each of the four selected companies.

The participating companies will be offered a copy of the research as an incentive to encourage them to participate in the study.

3.2. The quantitative study

The quantitative study forms the central part of the research report. Data will be collected by means of a questionnaire. The results of the Likert Scale will be rescaled utilising Correspondence Analysis and the correlation between employee motivation and employee productivity will be calculated. The Conjoint Analysis portion will be constructed using Sawtooth Software. The questionnaire will require the respondents to indicate their preference for the various part worths of the attributes listed in Appendix 2. The study will be administered electronically, with the respondents indicating their responses on a summary sheet. The responses will be collated and fed into the Sawtooth software for analysis.

3.2.1. The research population

The research population comprises all the employees of the four employers selected. Only employees of the selected employer who participate in the Incentive Travel Scheme will be eligible for selection.

Although it would have been interesting to include employees who do not participate in their company's incentive travel scheme, this is beyond the scope of this research.

3.2.2. Sample size and selection

The initial interview with the company representative will reveal which groups of employees participate in the travel scheme. A sample size of thirty employees of participating companies will be selected as a simple stratified random sample. The sample size of thirty has been selected to balance the need for sufficient data and the necessity of not over-burdening the company representative who will be assisting in collecting the data. The total sample size will be one hundred and twenty (120) respondents.

The criteria for validating the inclusion of the respondent in the sample, was that the respondent did actually participate in a Incentive Travel scheme. The fact that the employee does in fact participate in a Travel Incentive scheme will be confirmed with the company representative.

3.2.3. Sampling methodology

The sample will be selected as a simple stratified random sample.

3.2.4. Data collection

The managers of the travel incentive scheme at the selected companies will be requested to assist by providing employee's email address's. The managers will be taken through the questionnaire to ensure that they are in a position to provide any clarification that the respondent may require. Due to the fact that the employee's responses will be entered electronically and that we have selected

eight attributes to be tested, it is envisaged that each employee should require approximately 5-10 minutes to complete the process.

3.2.4.1.The questionnaire

The measurement instrument will be a questionnaire developed in the Sawtooth suite of computer software. The respondents will be required to rank their preferences for the part worth's identified for each of the eight attributes being tested.

The questionnaire will comprise two parts:

1. The first part will measure employees opinions regarding the effect of Incentive Travel on Employee motivation and the effect of Employee Motivation on Employee Productivity.;
2. The second part will comprise a Conjoint Analysis which will measure employees relative preferences for the part-worths of eight attributes of Incentive Travel.

Appendix 2 contains a sample of the questionnaire.

3.2.4.2.Administration of the study.

The managers of the travel incentive scheme at the selected companies will be requested to assist by providing employee's email address's. The managers will be taken through the questionnaire to ensure that they are in a position to provide any clarification that the respondent may require. Due to the fact that the

employee's responses will be entered electronically and that we have selected eight attributes to be tested, it is envisaged that each employee should require approximately 5-10 minutes to complete the process.

3.2.5. Validity and reliability of data.

3.2.5.1. Validity

Leedy and Ormrod (2005:92) define validity of a measurement instrument as "the extent to which the instrument measures what it is intended to measure". Reliability of the measurement instrument is defined as "the extent to which the instrument yields consistent results when the characteristic being measured hasn't changed".

According to Leedy & Ormrod (2005:97) **internal validity** is "the extent to which its design and the data it yields allow the researcher to draw accurate conclusions about cause-and-effect and other relationships within the data". Internal validity is improved by the discussion and interpretation of the results of the quantitative study with the management of the selected companies.

According to Leedy & Ormrod (2005:99) **external validity** is "the extent to which its results apply to situations beyond the study itself". To ensure external validity, the sample selected should be representative of the population. Although our sample is convenient in its nature, the respondents will be selected on a simple random basis, this combined with a total sample size of one hundred and twenty respondents will ensure that the sample is representative of the population.

Construct validity is ensured by administering the questionnaire to a group of three MBA students to ensure that the instrument is clear and readily understood.

3.2.5.2. Reliability

The reliability of the instrument is enhanced by the analysis, discussion and interpretation of the results of the quantitative study with management of the sample companies.

3.2.6. Data analysis

The data collected will be analysed utilising Sawtooth Software. The results of the questionnaire will be summarised onto a Microsoft Excel spreadsheet and interpreted by using descriptive statistics.

4. RESULTS OF THE QUESTIONNAIRE

The questionnaire was administered to thirty staff members from each of the following four companies:

- World Leisure Holidays (WLH)
- Eduloan (EDU)
- Protea Hotels (PH)
- Standard Bank (SB)

The questionnaire comprised three sections:

- A Likert-scale based questionnaire
- A Conjoint Analysis testing employee's relative preferences for various types of incentives,
- A Conjoint Analysis testing employee's relative preferences for a variety of attributes of Incentive Travel.

According to Orme (2006:70) "conjoint utilities or part-worths are scaled to an arbitrary additive constant within each attribute and are interval data. The arbitrary origin of the scaling within each attribute results from dummy coding in the design matrix. When using a specific kind of dummy coding called effects coding, utilities are scaled to sum to zero within each attribute." Therefore, when interpreting the results of the Conjoint analysis, we must be cognisant of the fact that the weightings for each part worth indicates the respondents preference for that part-worth *relative* to their preference for other part-worths. Furthermore, a negative value does not indicate a dislike for that part-worth but rather that there is a stronger preference for the other part-worths.

A copy of the questionnaire is included in Appendix 2.

4.1. The Likert scale questionnaire

Respondents were requested to rate their opinions to thirteen questions using a five point Likert scale. The questions were designed to test the respondents opinions on the effect of Incentive Travel programs in their workplace.

4.2. Conjoint Analysis Attributes and Levels – Types of Incentives

The following attributes were selected for the purpose of this research:

- Type of Incentive
- Frequency of Incentive
- Form of Incentive
- Basis of calculation of the value of the incentive

The following attributes were broken down into the following levels:

- Type of Incentive:
 - Cash bonus
 - Incentive Travel
 - Share Options
- Frequency of Incentive:
 - Annual
 - Per project
 - Bi-annual
- Form of incentive:
 - Incentive awarded to individuals
 - Incentive awarded to the entire company/department

- Basis of calculation of the value of the incentive:
 - Percentage of package
 - Fixed monetary amount

4.3. Conjoint Analysis Attributes and Levels – Incentive Travel

The following attributes were selected for the purpose of this research:

- Who goes
- Where (Destination)
- Duration of the Incentive trip
- Level of accommodation
- Type of itinerary

The following attributes were broken down into the following levels:

- Who Goes:
 - Is the Incentive trip for the staff member and his / her family
 - Is the Incentive trip for employees only (no family members)
- Where (Destination):
 - An incentive trip to Mauritius
 - An incentive trip to a local destination
- Duration of the Incentive trip:
 - An incentive trip during the week
 - An incentive trip over a weekend
- Level of accommodation:
 - Five star plus hotel
 - Five star hotel
 - Four star hotel

- Type of itinerary:
 - An itinerary with lots of free time
 - A full itinerary with little free time

4.4. Results of the Likert scale questionnaire

The results of the Likert scale section of the questionnaire are discussed in section 5.

Question		Number of Responses				
		Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree
1	I feel that the value of the incentive trip is greater than a cash bonus I would have received	1	21	21	53	24
2	I feel that incentives are an effective way to motivate employees.	1	1	5	63	50
3	I remember the incentive travel trip longer than I would a cash bonus	2	9	20	53	36
4	A travel incentive program is more effective than a cash bonus at developing teamwork.	0	6	42	47	25
5	The travel incentive program motivates me to work harder to achieve the qualifying goals.	2	10	39	51	18
6	A travel incentive is a more effective way of motivating me than a cash bonus	2	25	39	45	9
7	It is important that employees clearly understand how the incentive works	1	0	1	47	71
8	It is important that employees receive regular updates on their progress towards achieving the incentive for the incentive to be effective.	1	4	5	41	69
9	I believe that highly motivated employees are more productive in their work.	1	0	1	44	74
10	The travel incentive program increases the level of teamwork amongst the employees.	1	6	24	61	28
11	The travel incentive program makes me feel appreciated for my contribution to the performance of the company	1	1	15	67	36
12	I feel that the travel incentive program is an effective way for the company to recognise my hard work.	1	4	23	69	23
13	I believe that higher levels of motivation make me more productive in my job.	1	1	14	57	47

Table 1 : Results of the Likert scale questionnaire

4.5. Results of the Conjoint Analysis Attributes and Levels – Types of Incentives

The Conjoint analysis part of the questionnaire tested respondents' relative preferences for various types of incentives. A total of 120 respondents completed the questionnaire however, one respondent spoiled this section of their questionnaire and as a result, the results are based on 119 responses. The results of the questionnaire as produced by the Sawtooth software are reflected in Table 2 below. The results will be discussed in detail in section 5.1.2 below

Average Utility Values	
Rescaling Method: Zero-Centered Diffs	
	Total
Cash	21.82
Travel	-15.69
Share options	-6.13
Annual	1.07
Per project	-9.67
Biannual	8.60
Individual	33.68
Group	-33.68
Percent of package	2.75
Monetary amount	-2.75
Average Importances	
	Total
Type	48.07
Frequency	18.71
Form	23.28
Value	9.95

Table 2: Result of Conjoint analysis - Incentive Types

4.6. Results of the Conjoint Analysis Attributes and Levels – Incentive Travel

The results of the questionnaire as produced by the Sawtooth software are reflected in Table 3 below. The results will be discussed in detail in section 5.1.3 below.

Average Utility Values		
Rescaling Method: Zero-Centered Diffs		
	Total	
Individual	92.48	
Group	-92.48	
Mauritius	14.51	
Local	-14.51	
Weekend	-17.85	
Week	17.85	
****+	24.31	
****	0.61	
****	-24.92	
Lots of free time	35.64	
Tour party	-35.64	
Average Importances		
	Total	
Who goes	44.32	
Where	12.82	
Duration	12.18	
Accommodation	9.84	
Itinerary	20.83	

Table 3: Conjoint analysis result - Incentive Travel

5. ANALYSIS AND INTERPRETATION OF RESULTS

5.1. Proposition 1: Incentive travel is an effective tool to increase employee motivation levels

5.1.1. *The Likert scale questionnaire*

Question 2 of the questionnaire asked the respondents to rank their opinions on the following statement: I feel that incentives are an effective way to motivate employees. The results are shown in figure 4 below. Only 2% of the respondents disagreed with the statements and a further 4% neither agreed nor disagreed, 92% of the respondents were either in agreement or strong agreement. It is quite clear that the vast majority are of the opinion that incentives were an effective tool to motivate employees. We can conclude that the employees surveyed felt that incentives are in fact an effective way to motivate them.



Figure 4: Response to question 2.

Having established that the respondents felt that incentives in general were an effective way to motivate staff, the next step is to survey their opinions on the effect of Travel incentives on motivation. Question 5 of the questionnaire asked

the respondents to rank their opinions on the following statement: The travel incentive program motivates me to work harder to achieve the qualifying goals. The results are shown in figure 5 below. Interestingly, 10% of respondents either disagreed or strongly disagreed with the statement, a further 33% neither agreed nor disagreed. The majority of respondents - 58% - either agreed or strongly agreed that the travel incentive program motivated them to work harder to achieve the qualifying goals. From the results it appears that travel incentive programs are an effective way to motivate staff however, the number of respondents that either disagreed or neither agreed nor disagreed is surprisingly high.

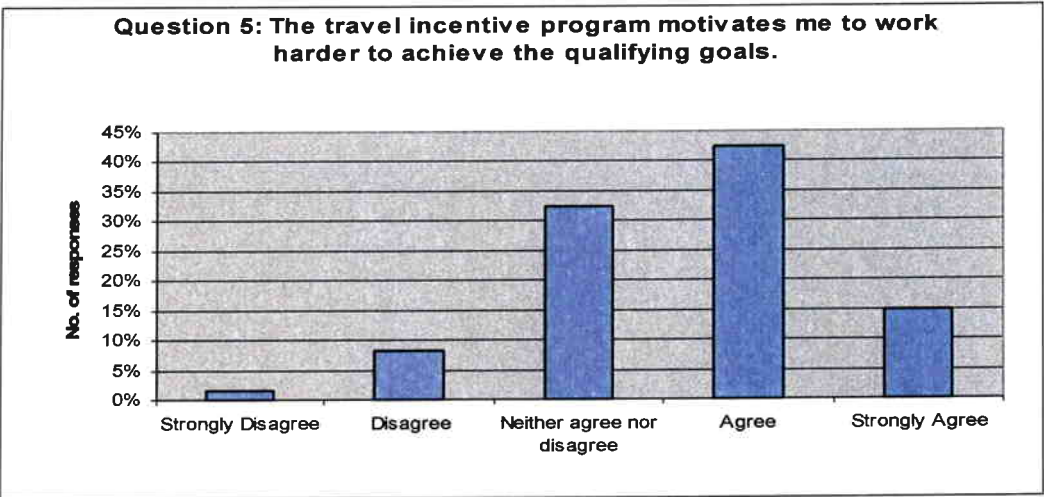


Figure 5: Responses to Question 5

Question 6 of the questionnaire required respondents to compare the effectiveness of a travel incentive to motivate employee versus a cash incentive, the results are reflected in Figure 6 below. 23% of respondents felt that a cash incentive was more effective at motivating employees, 33% had no opinion and the balance of 45% felt that travel incentives were more effective. These results would appear to indicate that the majority of the respondents felt that the travel incentive was a more effective way to motivate staff than a cash bonus.

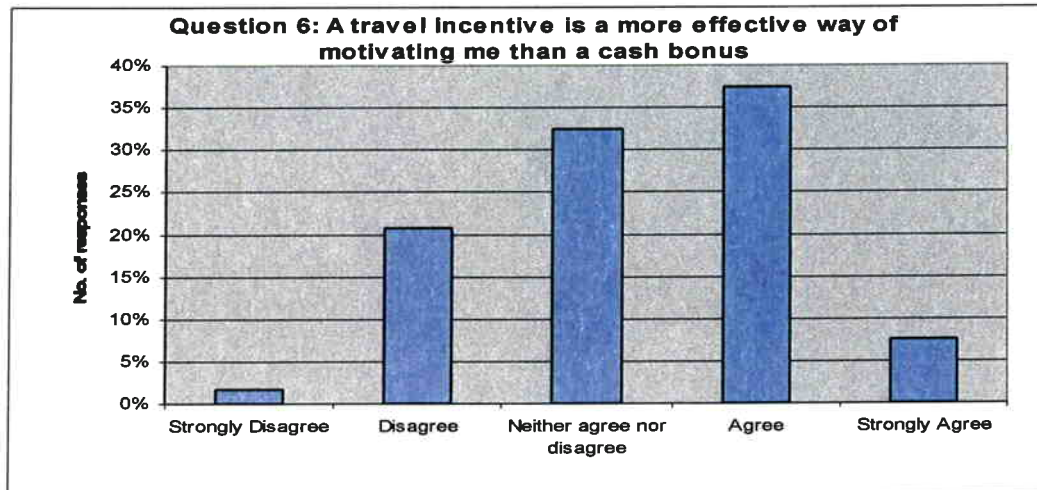


Figure 6: Responses to question 6

The reinforcement theory of employee motivation was discussed under point 2.3.1 above, question 11 asked respondents to indicate whether or not they felt that the travel incentive program made them feel appreciated by the company for their contribution. The results of the question were extremely positive with 56% of respondents indicating that they felt the travel incentive made them feel that their contribution was appreciated and 30% feeling strongly that the travel incentive made them feel that their contribution was appreciated. Only 2% of respondents felt that the travel incentive did not make them feel that their contribution was strongly appreciated.

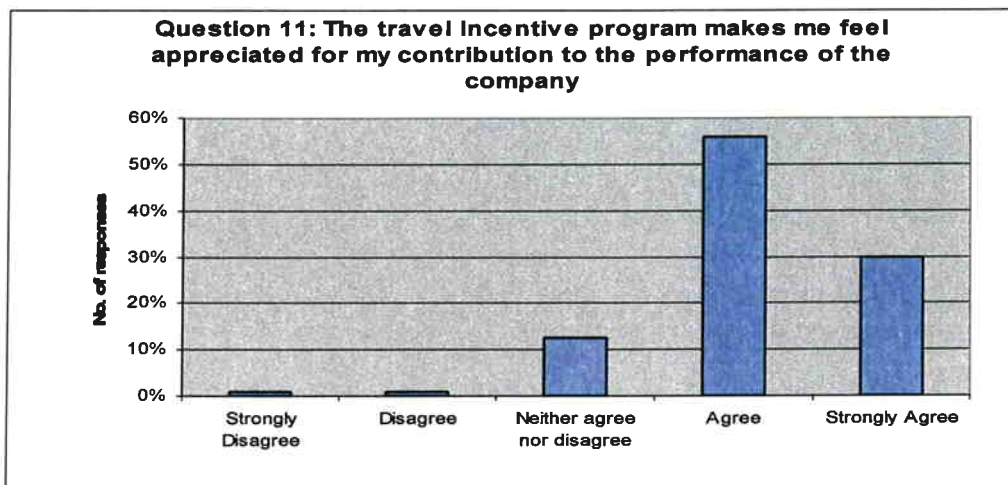


Figure 7: Response to question 11

One of the advantages of travel incentives over other forms of incentives is the potentially higher perceived value of the travel incentive as opposed to other forms of incentives (Shinew & Backman (1995), Poe (1997)). Question 1 sought to test this contention. From the results – Figure 8 below, 64% of respondents felt that the value of the travel incentive was higher than the value of a cash bonus they would have received in place of the travel incentive, 19% of respondents disagree with this statement and 18% of respondents did not have an opinion on this. What is of further interest, is that if we remove the results of the questionnaire administered to employees from World Leisure Holidays – a tour operator, then the results change in that 78% of respondents either agree or strongly agree and the proportion of respondents who disagree reduces to 10% . These results would seem to indicate that the effectiveness of a travel incentive scheme may vary from one company to another, dependent on the type of business that that company engages in.

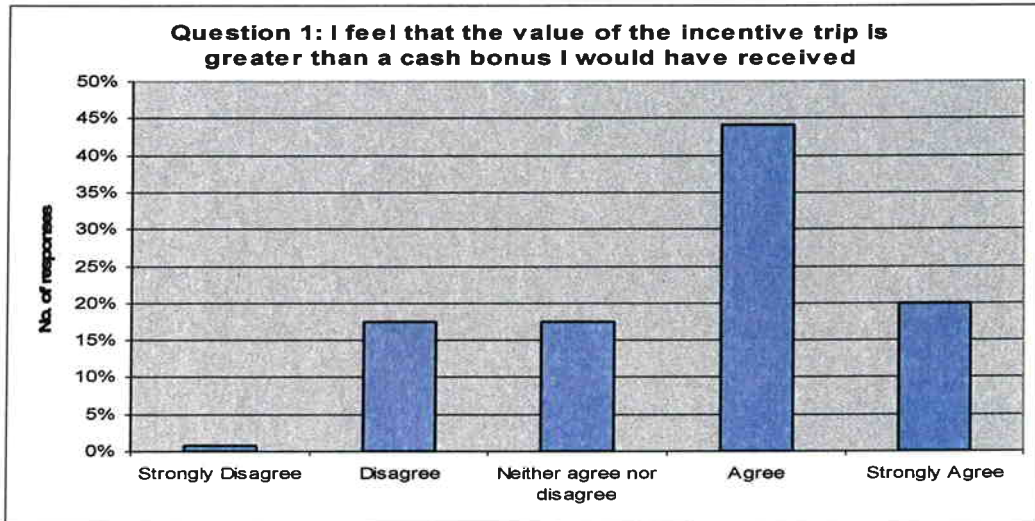


Figure 8: Response to question 1

The literature review highlighted the fact that one of the benefits of travel incentives versus cash incentives is that travel incentives have a “trophy value” and are remembered by employees longer than they would remember a cash incentive. This contention was tested by Question 3, where 74% of respondents agreed that they remember the travel incentive longer than a cash incentive, 18% of respondents neither agreed nor disagreed and 10% of respondents disagreed with this contention.

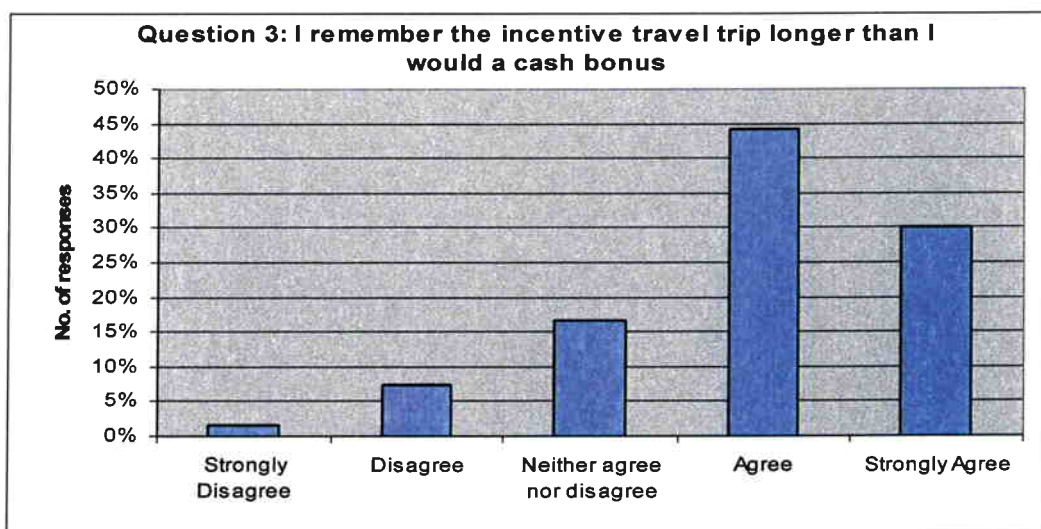


Figure 9: Response to question 3

Question 7 and 8 dealt with the effective operation of a incentive travel scheme. Respondents were asked if it was important that they clearly understood how the incentive worked, 98% of respondents agreed that a clear understanding of how the scheme worked was critical to the successful operation of the scheme. Question 8 asked respondents if it was important that they received regular updates on their progress towards achieving the incentive targets, 92% of respondents felt that this was important.

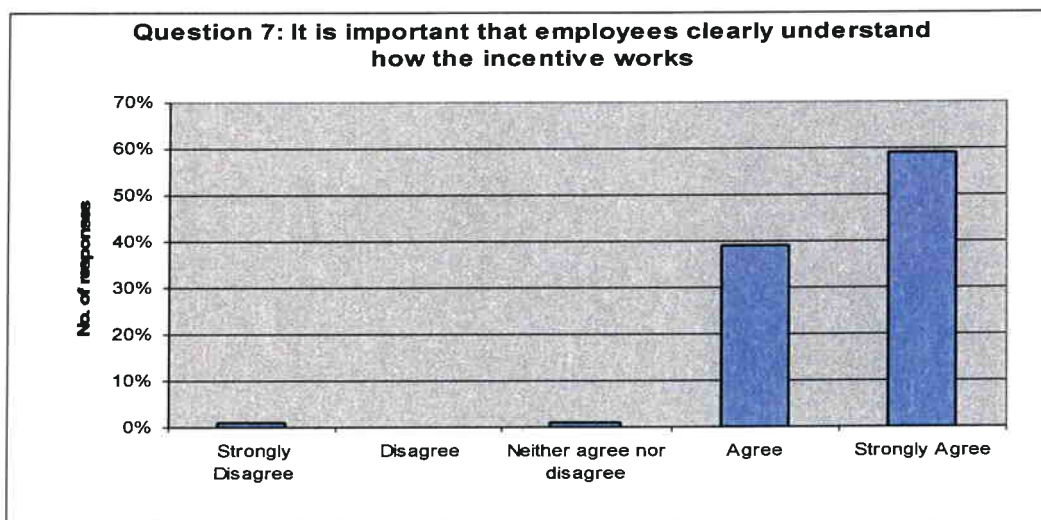


Figure 10: Response to question 7

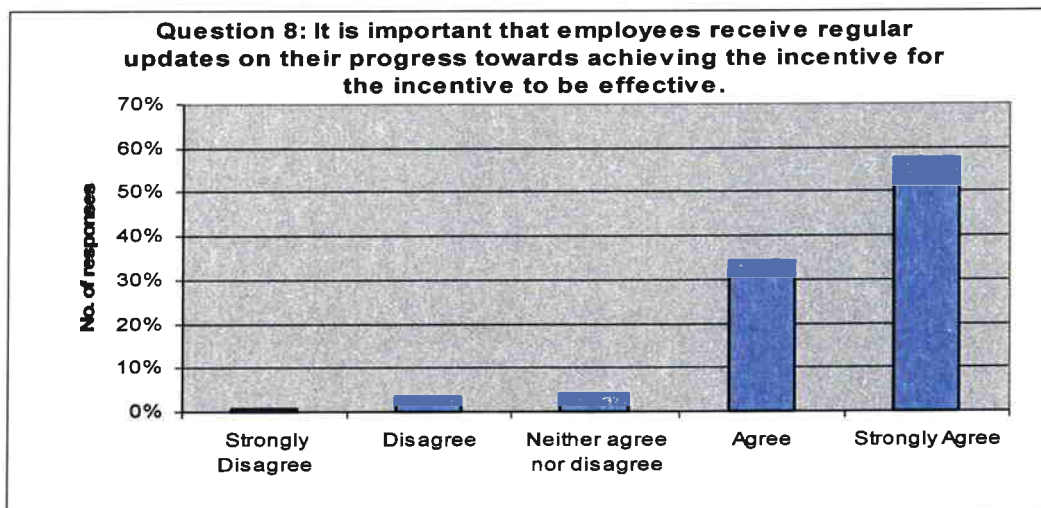


Figure 11: Response to question 8

5.1.2. Conjoint Analysis – preferences for types of incentives.

The Conjoint analysis part of the questionnaire tested respondents' relative preferences for various types of incentive. According to Orme (2006:70) "conjoint utilities or part-worths are scaled to an arbitrary additive constant within each attribute and are interval data. The arbitrary origin of the scaling within each attribute results from dummy coding in the design matrix. When using a specific kind of dummy coding called effects coding, utilities are scaled to sum to zero within each attribute." Therefore, when interpreting the results of the Conjoint Analysis, we must be cognisant of the fact that the weightings for each part worth indicates the respondents preference for that part-worth *relative* to their preference for other part-worths. Furthermore, a negative value does not indicate a dislike for that part-worth but rather that there is a stronger preference for the other part-worths.

Average Importances	
	Total
Type of incentive	48.07
Form (Individual / group)	23.28
Frequency	18.71
Value	9.95

Table 4: Average Importances – Incentives

Table 4 represents the relative importances that the respondents assigned to attributes tested. The results show that according to the respondents, the most important attribute of an incentive is the type of incentive with a relative weighting of 48.07, the next most important attribute is the form of the incentive, followed by the frequency of the incentive, the least important attribute is the

basis of calculation of the incentive. Table 5 below reflects respondents' relative utility values for each of the attributes in Table 4.

The respondents ranked a cash incentive the most attractive type of incentive, followed by share options, the least attractive form of incentive was a travel incentive. Under form of incentive the respondents indicated that they preferred incentives that were awarded for individual performance as opposed to incentives based on the performance of the entire group. Respondents indicated that they would prefer a bi-annual incentive rather than an annual incentive or an incentive on a per project basis. The preferred basis for calculating the value of the incentive was as a percentage of their packages.

		Total
Type of Incentive	Cash	21.82
	Travel	-15.69
	Share options	-6.13
Form of Incentive	Individual	33.68
	Group	-33.68
Frequency of Incentive	Annual	1.07
	Per project	-9.67
	Biannual	8.60
Value	Percent of package	2.75
	Monetary amount	-2.75

Table 5: Average utility values - type of incentive

5.1.3. Conjoint Analysis – preferences for types of incentive travel.

The second part of the Conjoint Analysis tested respondents' relative preferences for various attributes of Travel Incentives. This section tested the following attributes:

- Who goes on the incentive – the total company/department or the employee with their family
- The type of itinerary
- The destination – local or Mauritius
- The duration of the incentive – weekend or during the week
- The type of accommodation

Table 6 below shows the relative importance that employees assigned to the attributes tested. The most important attribute is who goes on the incentive, followed by the type of itinerary, then the destination, the duration and the least important attribute is the level of accommodation.

Average Importances	
	Total
Who goes	44.32
Type of Itinerary	20.83
Where (Destination)	12.82
Duration	12.18
Accommodation	9.84

Table 6: Average importances - Incentive Travel

		Total
Who goes	Individual	92.48
	Group	-92.48
Type of itinerary	Lots of free time	35.64
	Tour party	-35.64
Where	Mauritius	14.51
	Local	-14.51
Duration	Week	17.85
	Weekend	-17.85
Accommodation type	*****+	24.31
	*****	0.61
	****	-24.92

Table 7: Average utility values - Incentive Travel

Table 7 above reflects the average utility value assigned by the respondents to the part-worths of each of the attributes tested. The respondents indicated that they preferred a travel incentive for themselves with their families, rather than an incentive with the entire company, this ties in with the respondents preference for an incentive on an individual basis as discussed in point 5.1.2 above. Regarding the type of itinerary, the respondents indicated a preference for an itinerary with lots of free time rather than a full itinerary with lots of group activities. The preferred destination for the incentive was Mauritius as opposed to a local destination. Respondents also indicated a preference for a travel incentive during the week as opposed to over a weekend and finally, as could be expected, the respondents indicated a preference for the most luxurious category of accommodation.

5.2. Proposition 2: Incentive travel schemes can improve employee productivity

5.2.1. The Likert scale questionnaire

Respondents were asked in question 9 whether or not they believed that highly motivated employees are more productive in the workplace. The respondents were extremely positive in their response to this question with 37% of respondents agreeing with this statement and a staggering 62% of respondents strongly agreeing with this statement. One respondent had no opinion on this and surprisingly, one respondent strongly disagree with the statement.

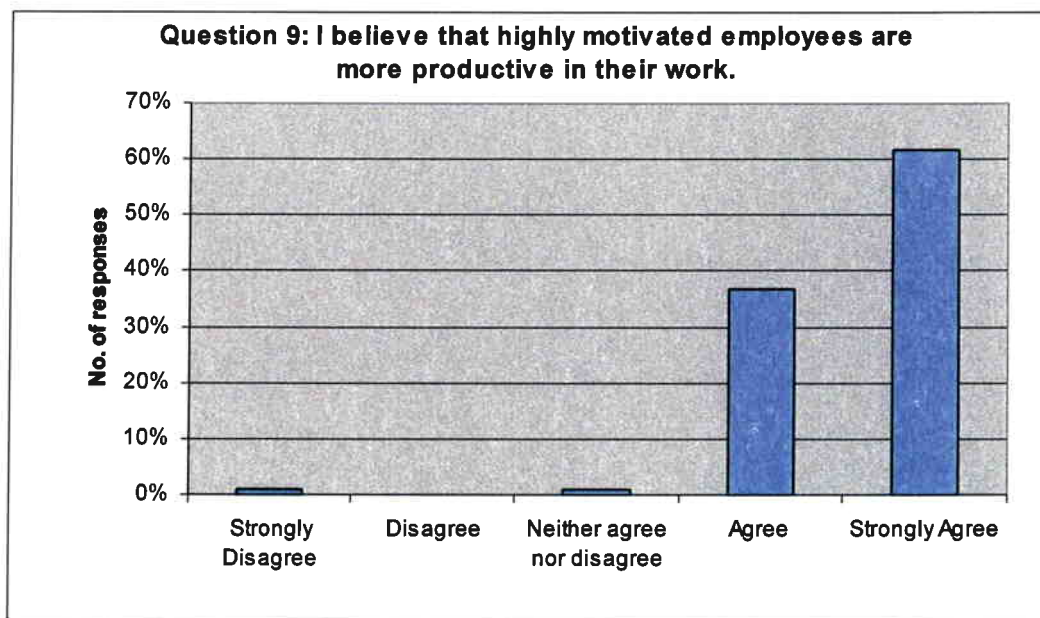


Figure 12: Response to question 9

The Reinforcement theory of motivation is based on the premise that reinforcement conditions behaviour. The theory ignores the inner state of the individual – feelings, attitudes and expectations - and concentrates on what happens to the individual

when they take some course of action. If an action elicits a favourable response, then there is a high probability that the action will be repeated. Question 12 sought to determine whether or not a travel incentive acted as a positive reinforcer. 77% of respondents felt that the travel incentive was an effective way for the company to recognise their work 19% had no opinion, 1% felt strongly that it was not an effective way and 3% felt that the travel incentive was not effective. If the responses from the employees of World Leisure Holidays are omitted from the results, then no respondents felt that the travel incentive was not an effective way to recognise their work and the proportion that either agree or strongly agree that the travel incentive is an effective way to recognise their work increases to 79%. This again reinforces the contention raised earlier that the type of industry that the company operates in can be influential in the effectiveness of an incentive scheme.

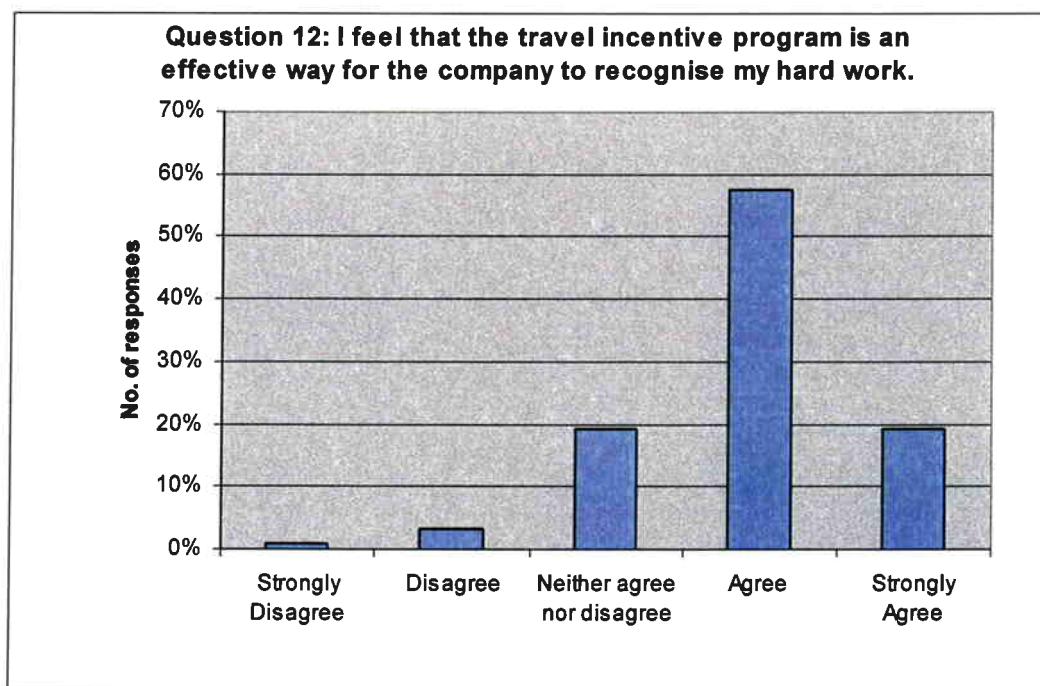


Figure 13: Response to question 12

Based on the assumption that there is a positive correlation between an employees work efforts and their productivity, Question 5 of the questionnaire asked the respondents to rank their opinions on the following statement: The travel incentive program motivates me to work harder to achieve the qualifying goals. The results are shown in figure 5 below. Interestingly, 10% of respondents either disagreed or strongly disagreed with the statement, a further 33% neither agreed nor disagreed. The majority of respondents - 58% - either agreed or strongly agreed that the travel incentive program motivated them to work harder to achieve the qualifying goals. From the results it appears that travel incentive programs are an effective way to improve productivity however, the number of respondents that either disagreed or neither agreed nor disagreed is surprisingly high.

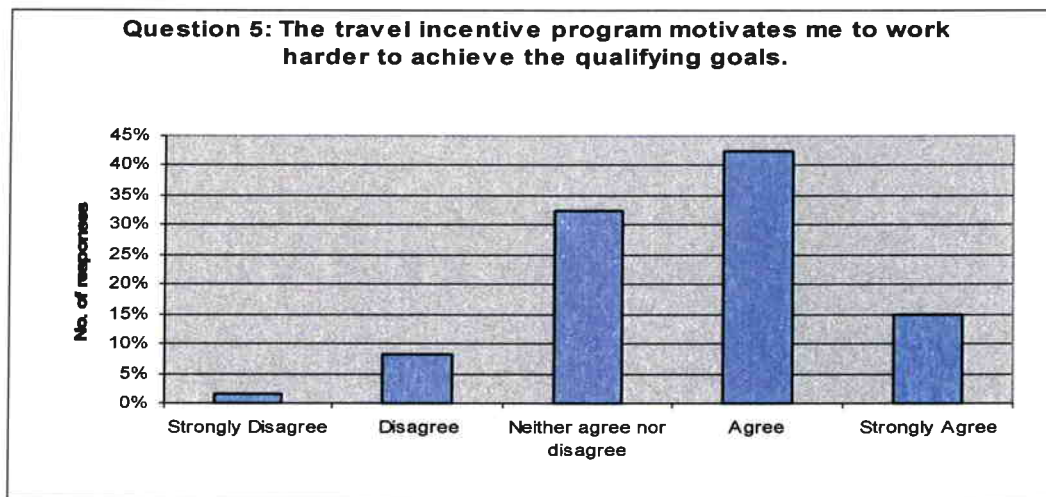


Figure 14: Responses to Question 5

Weiss (2006) contends that management, in acknowledging the efforts made by employees to reach an objective, can build a more motivated and productive work team. Question 10 sought to elicit opinions on the effect of incentives on the level of team work amongst employees whilst question 4 sought to elicit opinions regarding the effectiveness of travel incentives in building teamwork as opposed to a cash incentive.

The responses to question 10 are displayed in Figure 14 below. The results show that the majority of respondents felt that incentive increases the level of teamwork with 74% either agreeing or strongly agreeing, 20% had no opinion and 6% were in disagreement.

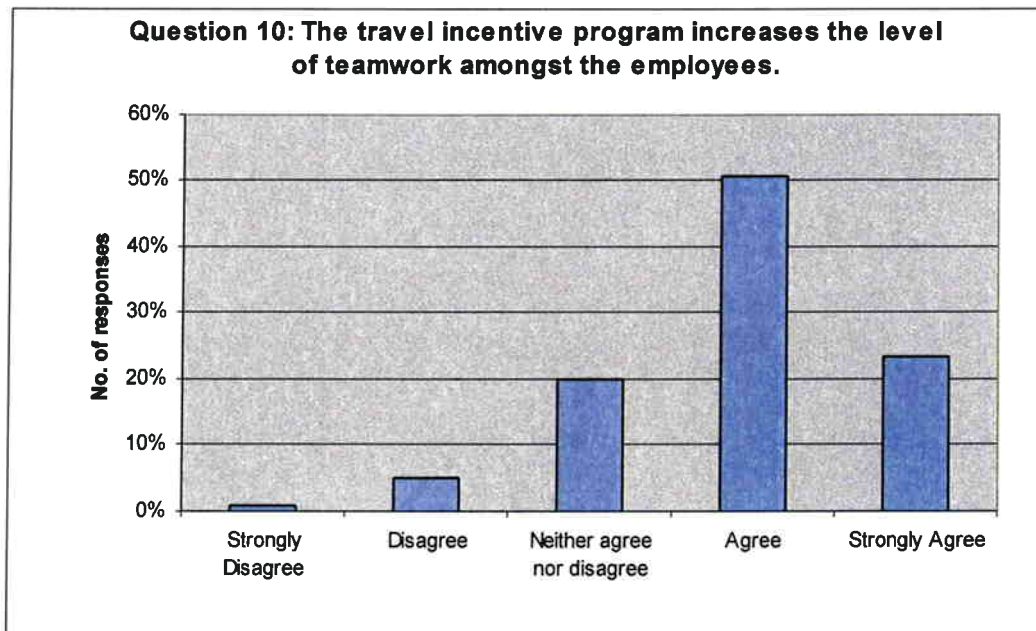


Figure 15: Response to question 10

The responses to question 4 are displayed in Figure 15 below. 39% of respondents felt that travel incentive were more effective than cash incentive in building teamwork and 21% strongly agreed, 35% of respondents had no opinion on this and only 5% of respondents felt that travel incentives were not more effective than a cash incentive at developing teamwork.

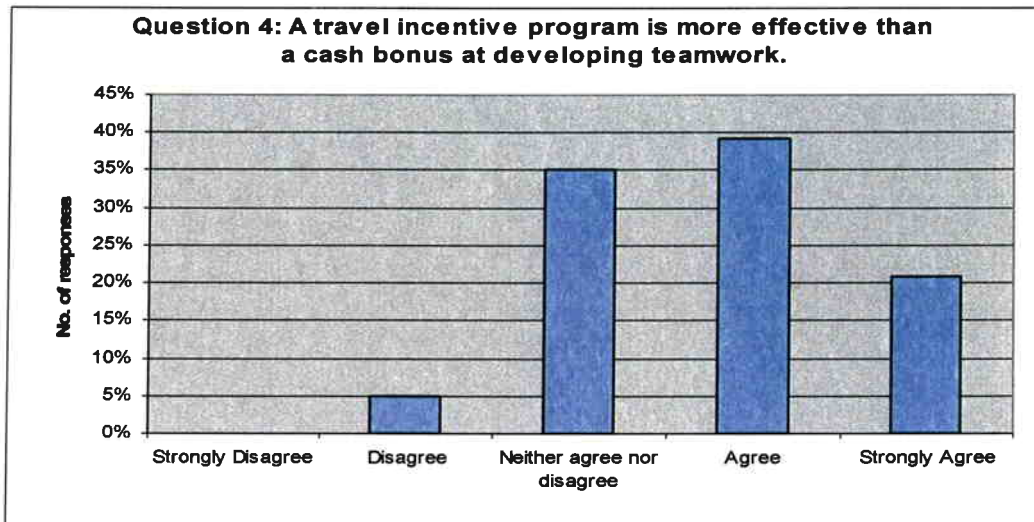


Figure 16: Response to question 4

5.3. Proposition 3: Employee productivity is positively correlated to employee motivation

5.3.1. The Likert scale questionnaire

Respondents were asked in question 9 whether or not they believed that highly motivated employees are more productive in the workplace. The respondents were extremely positive in their response to this question with 37% of respondents agreeing with this statement and a staggering 62% of respondents strongly agreeing with this statement. One respondent had no opinion on this and surprisingly, one respondent strongly disagree with the statement. The responses to this question indicate that the employees surveyed perceived a strong correlation between motivation and productivity in their workplaces. Question 12 was very similar to question 9 but instead of being phrased to cover the workplace in general,

respondents were asked if they personally felt a correlation between motivation and productivity. The responses to question 13 were again extremely positive:

- 48% of respondents agreed that they were more productive if their motivation levels were high,
- 39% of respondents strongly agreed with this.
- 12% has no opinion
- Surprisingly, 2% of respondents either disagreed or strongly disagreed that they felt a link between their motivation and productivity



Figure 17: Response to question 9

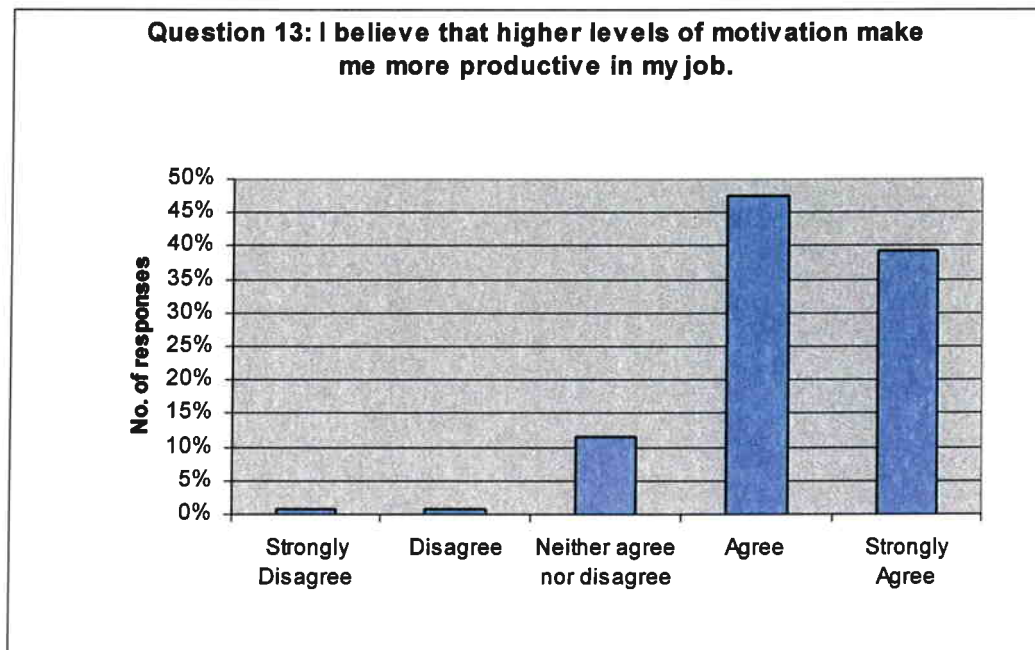


Figure 18: Response to question 13

In order to further establish whether or not there is a correlation between motivation levels and productivity, the actual correlation between question 2 and question 9 was calculated

- Question 2: I feel that incentives are an effective way to motivate employees and
- Question 9: I believe that highly motivated employees are more productive in their work.

However, the data collected from the Likert scale questionnaire is ordinal in nature. Mathematical calculations cannot be performed on ordinal data therefore; the data needs to be converted to interval data before the correlation between the responses to questions 2 and 9 can be calculated. The rescaling process is accomplished by applying the technique developed by Bendixen and Sandler in “Converting verbal scales to interval scales using correspondence analysis”. The detailed calculation of

the rescaling is shown in Appendix 3. The data was rescaled to a linear scale of 0 to 10. The rescaling process allows us to retain 93.12% of the data utilizing a two dimensional asymmetric plot. The square root of the trace at 0.51 indicates a high level of dependency.

The rescaled data for questions 2 and 9 was then captured into the NCSS software program and the correlation between these two interval data sets was calculated. The detailed NCSS output is shown in Appendix 4. The result of the NCSS shows a significant correlation of 0.5036 between the responses to questions two and nine, which would indicate a positive correlation between employee motivation and employee productivity.

However, Stacey (2005) questions the validity of using correspondence analysis to convert verbal scales into interval scales. According to Stacey (2005) “while the correspondence analysis rescaling technique overcomes the problem of the level of the data, the linearity of the resultant scale remains unsubstantiated”. This contention therefore brings into doubt the validity of the correlation statistic calculated on the rescaled data. Viewing the responses to questions two and nine clearly shows that the responses are not normally distributed, but are in fact highly skewed to the right. The skewed distribution of the responses reduces the quality of the correlation co-efficient calculated on the rescaled responses. An alternative approach to the rescaling of the data is to assume that the ordinal data is interval in nature and to base all statistical analysis on the original data. Abelson & Tukey (1959) argued that for the purpose of analysis, ordinal data can be assumed to be interval in nature.

Applying the view that the ordinal data obtained from the Likert scale questionnaire can be assumed to be interval in nature in order to facilitate mathematical analysis,

the results were captured into NCSS and the correlation matrix was calculated for all questions using the Spearman-Rank correlation type. The full results of this analysis are reflected in Appendix 5. The correlation matrix reflects the following data for the correlation between questions 2 and 9:

Correlation	0.054346
P value	0.591249

Table 8: Spearman-Rank correlation results

The results of the Spearman-Rank correlation calculation reflect a very low correlation between the responses of questions 2 and nine. The p-value for the correlation co-efficient is also very high at 0.591249.

In summary, the calculation of the correlation co-efficient between employee motivation and employee productivity utilising data rescaled utilising Correspondence Analysis as advocated by Bendixen and Sandler (1995) indicates a high level of correlation. However, if the calculation is based on the ordinal data on the assumption that the ordinal data can be considered to be interval in nature, then the correlation co-efficient is extremely low, indicating no significant correlation exists between employee motivation and employee productivity.

5.4. Discussion of results with management

Question: Are you surprised by any of the results from the questionnaire?

WLH: It does not surprise me that some of the respondents disagree or strongly disagree that travel incentives motivate them. The majority of our employees are young and most would not see the true value in travel as they have other priorities at this stage of their lives.

PH: I have found two aspects quite surprising:

- some of the outlying responses, especially some of the disagree or strongly disagree responses.
- The strong preference for an individual or family based incentive as opposed to a group incentive. However, if we were to change to an individual travel incentive some of the benefits of the group scheme would be lost or minimised, especially team building. I think there would also be some adverse tax implications.

EDU: I am quite surprised by some of the negative responses. This was the first time we have tried a travel incentive and we have received fantastically positive feedback. We believe that the incentive was a great success and we will continue with this formula.

SB: I think the strong positive responses indicate the popularity of the incentive,. Regarding some of then negative responses, I don't think that you can make all the people happy all of the time.

Question: Based on the fact that respondents indicated a preference for cash incentives and share options over Travel incentives, do you think you will be changing your incentive program?

WLH: Our travel incentive provides an opportunity for the company to both motivate and train our staff. There is also an opportunity for senior management to interact with staff on a more personal level – we have seen the benefit of closer relationships in the work place. As the travel incentive has a more lasting effect than a cash payout it is not our intention to change our incentive program. We offer positive competition amongst our employees – they have fun whilst they are at it and have impressions that last a lifetime.

PH: The travel incentive is only a part of our overall remuneration strategy at our company and for the travel incentive to be effective, it is important that we ensure that the employee's overall package is competitive and market related. We believe in the effectiveness of the travel incentive and this form of incentive provides a number of benefits that cannot be obtained from traditional cash based incentives. We will continue with the travel incentives and we are in fact looking at expanding this incentive to other divisions.

EDU: No, I think most people, if they had a choice, would prefer a cash payout over a travel incentive however; this has more to do with their perceived needs. Once the choice has been taken away from the employee, we believe that they are motivated by the travel incentive.

SB: With travel incentives we have the opportunity to motivate our staff for months leading up to the incentive trip – happy motivated employees are more productive.

These trips also give our employees something to bond them together creating harmony in the workplace. Travel incentives are great for team building.

How are the performance targets set?

WLH: We base our target on an over budget performance.

PH: The target is based on a percentage growth over the previous year's results.

EDU: Sales targets are set for each individual consultant. Only those consultants that achieve their targets participate in the incentive trip.

SB: Each division has their own criteria which need to be met to qualify for the incentive.

The literature review showed that a significant benefit of Travel incentives is the perceived value in the mind of the employees. Do you believe that you spend less or more on the Travel incentive than you would on a cash bonus?

WLH: We do spend more on travel incentives than we would on a cash payout. However, travel incentives make us money rather than costing us money – our costs are in proportion to increased travel sales.

PH: We think that a travel incentive costs less than a cash bonus would. We are considering a certificate with the monetary value – not sure employees fully appreciate the value

EDU: We spend the same amount, however, we feel that there is a greater benefit from the company's perspective with the travel incentive.

SB: In the case of travel incentives, the expense usually only arises after the company has achieved their objectives. A big benefit of the travel incentive is that – from the employees perspective, it is much more tax efficient – a cash bonus is taxed at their marginal rate whereas the travel incentive is not taxed in their hands if there is an element of conferencing.

Have you ever had an instance where the target was not met and how did you handle it?

WLH: It often depends on the effort of the employees. We have had instances where targets were not met and incentives were still awarded – we would take many factors into consideration before making a decision. We are often concerned that if the targets are achieved as a result of some factor beyond the control of our employees, if we do not “pay” the incentive we may end up in a situation where our staff are actually demotivated by the incentive.

PH: We are strict on this, if the criteria are not met, then the trip is cancelled.

EDU: This was our first year of operating a travel incentive, if this situation ever arose, then the incentive would be cancelled.

SB: Our incentive trips are carefully planned and implemented. Companies have to plan incentive trips well in advance and as such, we actually are financially committed well before the time that the incentive is fulfilled as the airlines and hotels require substantial deposits in advance to reserve their seats and rooms for

our incentive. I think it is important to plan an incentive that is both motivating and achievable.

Question: Do you believe that there is a positive correlation between employee motivation and productivity and do you have a system to measure this?

WLH: It is important to choose a destination that is of interest to the employees – the destination should excite the employees and not the organiser. We believe if we get this right, then the incentive trip definitely motivates our staff. We believe that motivated staff are more productive. We do not have a formal system to measure this, but the incentives only kick in when the financial objectives are met

PH: Definitely, when our employees are motivated they are definitely more productive, we also find that there are other benefits to having motivated staff, such as a happier work environment, improved customer satisfaction

EDU: Leading up to the incentive, there was a tangible level of excitement. We definitely saw an increase in business volumes when we implemented the system.

SB: Definitely.

6. CONCLUSIONS AND RECOMMENDATIONS

The objective of this research was to determine whether or not Incentive travel was an effective employee motivator in South Africa. The results have shown that Incentive Travel can indeed be an effective motivator and even though the conjoint analysis reflected that the respondents would choose a cash bonus or share options over a travel incentive, there are a number of benefits offered by travel incentives that other forms of incentive cannot provide. These benefits include:

- Superior team building
- Perceived value of the incentive
- The travel incentive has a longer life in the memory of the staff
- The opportunity for employees and management to interact closely.

The research has also indicated that while travel incentives are an effective tool to motivate employees, the full benefit can only be achieved if management ensures that all other sanitary matters such as salary level, benefits, working environment etcetera are of an acceptable level.

The research has also shown that Incentive Travel is not necessarily the employee's preferred choice of incentive however, there are a number of benefits that arise from Incentive Travel that may encourage management to use this form of incentive rather than a pure cash incentive. These benefits include:

- The team building effect of Incentive Travel
- The higher perceived value of Incentive Travel over a cash bonus

7. RECOMMENDATIONS FOR FUTURE RESEARCH

An area for future research would be to investigate the impact – if any – that employee demographics may have on the effectiveness of incentive travel as an employee motivator.

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Appendix 1 – Consistency Matrix

Research Problem: The purpose of this study is to determine whether travel incentive schemes are an effective way to motivate employees and improve their productivity in South African based companies.					
Sub Problem	Proposition number	Proposition	Source of theory	Data source	Data analysis
Sub Problem 1: Do Incentive Travel programmes increase and sustain staff motivation?	1	Incentive travel is an effective tool to increase employee motivation levels.	Kelly (1986), Pruden, Cunningham & English (1972), Milkovich & Newman, (1990), Lawler (1990), Armstrong & Murlis (1994). Hastings, Kiely & Watkins (1988), Sanchez (1999), Ramlall (2004), Fitz-enz (1997), Herrera (2002), Messner (2004),	Quantitative research: Question B1, B2, B3, B5, B6, B7, B11 Correspondence analysis Qualitative research : interview and analysis of quantitative research results with management	Analysis of results of Quantitative Research . Interpretation of descriptive statistics. Interpretation and discussion of results with management of participating companies.
Sub Problem 2: Do Incentive Travel schemes improve employee productivity?	2	Incentive travel schemes can improve employee productivity	Porter (1985), Shetty (1979), Fulmer, Gerhard & Scott (2003: 965), Ambron (1985), Vroom (1964), Herrera (2002), Shinew & Backman (1995), Poe (1997), Hastings, Kiely & Watkins (1988).	Quantitative research: Questions: B4, B5 B8, B9, B10, B13, Qualitative research : interview and analysis of quantitative research results with management	Analysis of results of Quantitative Research . Interpretation of descriptive statistics. Interpretation and discussion of results with management of participating companies.
Sub Problem 3: Is employee motivation positively correlated to employee productivity?	3	Employee productivity is positively correlated to employee motivation.	Weiss (2006), Hansom & Miller (2002), Robbins (2003), Appelbaum, Adam, Javeri, Lessard et al (2005), Poe (1997), Caballero (1988).	Quantitative research: Question B9, Correlation between B2 & B9.	Analysis of results of Quantitative Research . T test of correlation between motivation and productivity at various significance levels.

Appendix 2 – Questionnaire

MBA RESEARCH REPORT

Incentive Travel as an Effective Employee Motivator in South Africa

Thank you for taking the time to participate in this study. The objective of this study is to determine the effect of Incentive Travel programmes on employee motivation.

Incentive travel is defined as a holiday/conference which the company sends staff on when a specified goal is achieved.

The questionnaire comprises four sections:

- Section A : Demographic information about the respondent
- Section B: Please rate whether you agree or disagree with the statements made using the five point scale.
- Sections C & D: In each question, you are provided with two alternative incentive scenarios, one is outlined in the **GREEN** box, the other is outlined in the **BLUE** box. Please indicate your relative preference for each of the scenarios utilising the 10-point scale provided below each scenario as shown below.

Strongly Prefer GREEN	Somewhat Prefer GREEN	Indifferent	Somewhat Prefer BLUE	Stror Prei BLI
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Please follow this procedure for every question (there are a total of 24 questions in these two sections).

Section A

Gender

☐ F	☐ M
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Age

Position / Level within the organisation

Company name.

Do you participate in an Incentive Travel programme?

☐ Yes	☐ No
------------------------------	-----------------------------

Section B: Please answer the following questions in relation to the company's Travel Incentive reward programme. **Clearly indicate your perceptions as they relate to you.**

	Question / Statement	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree
1	I feel that the value of the incentive trip is greater than a cash bonus I would have received					
2	I feel that incentives are an effective way to motivate employees.					
3	I remember the incentive travel trip longer than I would a cash bonus					
4	A travel incentive program is more effective than a cash bonus at developing teamwork.					
5	The travel incentive program motivates me to work harder to achieve the qualifying goals.					
6	A travel incentive is a more effective way of motivating me than a cash bonus					
7	It is important that employees clearly understand how the incentive works					
8	It is important that employees receive regular updates on their progress towards achieving the incentive for the incentive to be effective.					
9	I believe that highly motivated employees are more productive in their work.					
10	The travel incentive program increases the level of teamwork amongst the employees.					
11	The travel incentive program makes me feel appreciated for my contribution to the performance of the company					
12	I feel that the travel incentive program is an effective way for the company to recognise my hard work.					
13	I believe that higher levels of motivation make me more productive in my job.					

Section C: Please indicate your relative preference for each of the scenarios.

Question C1

Rate which type of incentive you would prefer:

Share options for shares in the company Awarded once a year Awarded to you individually The value of the options is a fixed amount	or	An incentive trip to Mauritius Twice a year With your entire company / department The value of the incentive is calculated as a percentage of your package
--	-----------	--

Strongly
Prefer
GREEN

☐

Somewhat
Prefer
GREEN

☐

Indifferent

☐

Somewhat
Prefer
BLUE

☐

Strongly
Prefer
BLUE

☐

Select the box that best represents your preference.

Bottom of Form

Question C2

Rate which type of incentive you would prefer:

A cash bonus Once a year Awarded to you individually Calculated as a percentage of your package	or	An incentive trip to Mauritius Twice a year With your entire company / department The value of the trip is a fixed monetary amount
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Strongly
Prefer
GREEN

☐

Somewhat
Prefer
GREEN

☐

Indifferent

☐

Somewhat
Prefer
BLUE

☐

Strongly
Prefer
BLUE

☐

Question C3

Rate which type of incentive you would prefer:

A cash bonus Once a year Awarded to the entire company / department The value of the bonus is a fixed monetary amount	or	Share options for shares in the company Awarded on a per project basis Awarded to you individually The value of the share options are calculated as a percentage of your package
---	-----------	--

Strongly Prefer GREEN	Somewhat Prefer GREEN	Indifferent	Somewhat Prefer BLUE	Strongly Prefer BLUE
☐	☐	☐	☐	☐

Select the box that best represents your preference.

Bottom of Form

Question C4

Rate which type of incentive you would prefer:

A cash bonus Twice a year Awarded to the entire company / department The value of the bonus is calculated as a percentage of your package	or	An incentive trip to Mauritius Once a year Awarded to you / your family The value of the trip is a fixed monetary amount
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Strongly Prefer GREEN	Somewhat Prefer GREEN	Indifferent	Somewhat Prefer BLUE	Strongly Prefer BLUE
☐	☐	☐	☐	☐

Select the box that best represents your preference.

Question C5

Rate which type of incentive you would prefer:

Share options for shares in the company Awarded twice a year Awarded to you individually The value of the share options is a fixed monetary amount	or	A cash bonus Awarded on a per project basis Paid to your entire company / department The value of the bonus is calculated as a percentage of your package
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Strongly Prefer GREEN	Somewhat Prefer GREEN	Indifferent	Somewhat Prefer BLUE	Strongly Prefer BLUE
☐	☐	☐	☐	☐

Select the box that best represents your preference.

Bottom of Form

Question C6

Rate which type of incentive you would prefer:

A cash bonus Paid twice a year Awarded to you individually The value of the bonus is calculated as a percentage of your package	or	An incentive trip to Mauritius Awarded on a per project basis With your entire company / department The value of the incentive trip is a fixed monetary amount
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Strongly Prefer GREEN	Somewhat Prefer GREEN	Indifferent	Somewhat Prefer BLUE	Strongly Prefer BLUE
☐	☐	☐	☐	☐

Select the box that best represents your preference.

Question C7

Rate which type of incentive you would prefer:

An incentive trip to Mauritius Once a year With your entire company / department The value of the incentive trip is calculated as a percentage of your package	or	A cash bonus Awarded on a per project basis Awarded to you individually The value of the bonus is a fixed monetary amount
--	------------------	---

Strongly Prefer GREEN	Somewhat Prefer GREEN	Indifferent	Somewhat Prefer BLUE	Strongly Prefer BLUE
☐	☐	☐	☐	☐

Select the box that best represents your preference.

Bottom of Form

Question C8

Rate which type of incentive you would prefer:

An incentive trip to Mauritius Twice a year Awarded to you / your family The value of the trip is a fixed monetary amount	or	A cash bonus Paid once a year Paid to your entire company / department The value of the bonus is calculated as a percentage of your package
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Strongly Prefer GREEN	Somewhat Prefer GREEN	Indifferent	Somewhat Prefer BLUE	Strongly Prefer BLUE
☐	☐	☐	☐	☐

Select the box that best represents your preference.

Question C9

Rate which type of incentive you would prefer:

A cash bonus Awarded on a per project basis Paid to the entire company / department The value of the bonus is a fixed monetary amount	or	An incentive trip to Mauritius Once a year Awarded to you / your family The value of the incentive trip is calculated as a percentage of your package
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Strongly Prefer GREEN	Somewhat Prefer GREEN	Indifferent	Somewhat Prefer BLUE	Strongly Prefer BLUE
☐	☐	☐	☐	☐

Select the box that best represents your preference.

Bottom of Form

Question C10

Rate which type of incentive you would prefer:

An incentive trip to Mauritius Awarded on a per project basis With your entire company / department The value of the incentive trip is a fixed monetary amount	or	Share options for shares in the company Awarded twice a year Awarded to you individually The value of the incentive is calculated as a percentage of your package
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Strongly Prefer GREEN	Somewhat Prefer GREEN	Indifferent	Somewhat Prefer BLUE	Strongly Prefer BLUE
☐	☐	☐	☐	☐

Select the box that best represents your preference.

Question C11

Rate which type of incentive you would prefer:

An incentive trip to Mauritius Awarded on a per project basis Awarded to you / your family The value of the incentive is calculated as a percentage of your package.	or	A cash bonus Once a year Paid to the entire company / department The value of the bonus is a fixed monetary amount
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Strongly Prefer GREEN	Somewhat Prefer GREEN	Indifferent	Somewhat Prefer BLUE	Strongly Prefer BLUE
☐	☐	☐	☐	☐

Select the box that best represents your preference.

Bottom of Form

Question C12

Rate which type of incentive you would prefer:

An incentive trip to Mauritius Awarded on a per project basis With your entire company / department The value of the incentive is calculated as a percent of your package	or	A cash bonus Paid twice a year To you individually The value of the bonus is a fixed amount.
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Strongly Prefer GREEN	Somewhat Prefer GREEN	Indifferent	Somewhat Prefer BLUE	Strongly Prefer BLUE
☐	☐	☐	☐	☐

Select the box that best represents your preference.

Section D: Please indicate your relative preference for each of the scenarios.

Question D1

Rate which type of incentive you would prefer:

A trip with your company without your partner / family To Mauritius For a weekend At a five star deluxe resort With a full itinerary with little free time	or	A trip for you with your family To a local destination Week At a four star resort With a small itinerary and lots of free time
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Strongly Prefer GREEN	Somewhat Prefer GREEN	Indifferent	Somewhat Prefer BLUE	Strongly Prefer BLUE
☐	☐	☐	☐	☐

Select the box that best represents your preference.

Bottom of Form

Question D2

Rate which type of incentive you would prefer:

A trip with your company without your partner / family To a local destination For a weekend At a five star resort With a full itinerary with little free time	or	A trip for you with your family To Mauritius Week At a five star deluxe resort With a small itinerary and lots of free time
--	----	--

Strongly Prefer GREEN	Somewhat Prefer GREEN	Indifferent	Somewhat Prefer BLUE	Strongly Prefer BLUE
☐	☐	☐	☐	☐

Select the box that best represents your preference.

Question D3

Rate which type of incentive you would prefer:

A trip for you with your family To Mauritius Week At a five star resort With a full itinerary with little free time	or	A trip with your company without your partner / family To a local destination For a weekend At a four star resort With a small itinerary and lots of free time
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Strongly Prefer GREEN	Somewhat Prefer GREEN	Indifferent	Somewhat Prefer BLUE	Strongly Prefer BLUE
☐	☐	☐	☐	☐

Select the box that best represents your preference.

Bottom of Form

Question D4

Rate which type of incentive you would prefer:

A trip with your company without your partner / family To Mauritius Week At a five star deluxe resort With a small itinerary and lots of free time	or	A trip for you with your family To a local destination For a weekend At a four star resort With a full itinerary with little free time
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Strongly Prefer GREEN	Somewhat Prefer GREEN	Indifferent	Somewhat Prefer BLUE	Strongly Prefer BLUE
☐	☐	☐	☐	☐

Select the box that best represents your preference.

Bottom of Form

Question D5

Rate which type of incentive you would prefer:

A trip for you with your family To Mauritius Week At a four star resort With a full itinerary with little free time	or	A trip with your company without your partner / family To a local destination For a weekend At a five star deluxe resort With a small itinerary and lots of free time
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Strongly Prefer
GREEN

Somewhat Prefer
GREEN

Indifferent

Somewhat Prefer
BLUE

Strongly Prefer
BLUE

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

Select the box that best represents your preference.

Bottom of Form

Question D6

Rate which type of incentive you would prefer:

A trip with your company without your partner / family To Mauritius For a weekend At a four star resort With a small itinerary and lots of free time	or	A trip for you with your family To a local destination Week At a five star resort With a full itinerary with little free time
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Strongly Prefer
GREEN

Somewhat Prefer
GREEN

Indifferent

Somewhat Prefer
BLUE

Strongly Prefer
BLUE

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

Select the box that best represents your preference.

Question D7

Rate which type of incentive you would prefer:

A trip with your company without your partner / family To a local destination Week At a five star resort With a small itinerary and lots of free time	or	A trip for you with your family To Mauritius For a weekend At a five star deluxe resort With a full itinerary with little free time
--	----	--

Strongly Prefer GREEN	Somewhat Prefer GREEN	Indifferent	Somewhat Prefer BLUE	Strongly Prefer BLUE
☐	☐	☐	☐	☐

Select the box that best represents your preference.

Bottom of Form

Question D8

Rate which type of incentive you would prefer:

A trip for you with your family To Mauritius For a weekend At a four star resort With a small itinerary and lots of free time	or	A trip with your company without your partner / family To a local destination Week At a five star deluxe resort With a full itinerary with little free time
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Strongly Prefer GREEN	Somewhat Prefer GREEN	Indifferent	Somewhat Prefer BLUE	Strongly Prefer BLUE
☐	☐	☐	☐	☐

Select the box that best represents your preference.

Question D9

Rate which type of incentive you would prefer:

A trip for you with your family To a local destination For a weekend At a five star deluxe resort With a full itinerary with little free time	or	A trip with your company without your partner / family To Mauritius Week At a five star resort With a small itinerary and lots of free time
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Strongly Prefer GREEN	Somewhat Prefer GREEN	Indifferent	Somewhat Prefer BLUE	Strongly Prefer BLUE
☐	☐	☐	☐	☐

Select the box that best represents your preference.

Bottom of Form

Question D10

Rate which type of incentive you would prefer:

A trip with your company without your partner / family To a local destination Week At a four star resort With a full itinerary with little free time	or	A trip for you with your family To Mauritius For a weekend At a five star resort With a small itinerary and lots of free time
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Strongly Prefer GREEN	Somewhat Prefer GREEN	Indifferent	Somewhat Prefer BLUE	Strongly Prefer BLUE
☐	☐	☐	☐	☐

Select the box that best represents your preference.

Question D11

Rate which type of incentive you would prefer:

A trip for you with your family To a local destination For a weekend At a five star resort With a small itinerary and lots of free time	or	A trip with your company without your partner / family To Mauritius Week At a four star resort With a full itinerary with little free time
--	----	---

Strongly Prefer GREEN	Somewhat Prefer GREEN	Indifferent	Somewhat Prefer BLUE	Strongly Prefer BLUE
☐	☐	☐	☐	☐

Select the box that best represents your preference.

Bottom of Form

Question D12

Rate which type of incentive you would prefer:

A trip for you with your family To a local destination Week At a five star deluxe resort With a small itinerary and lots of free time	or	A trip with your company without your partner / family To Mauritius For a weekend At a five star resort With a full itinerary with little free time
--	----	--

Strongly Prefer GREEN	Somewhat Prefer GREEN	Indifferent	Somewhat Prefer BLUE	Strongly Prefer BLUE
☐	☐	☐	☐	☐

Select the box that best represents your preference.

Bottom of Form

Appendix 3 – Rescaling the verbal scale into an interval scale

Rescaling the five point verbal scale into an interval scale ranging from 0 to 10

Eigenvalue Section

Factor No.	Eigenvalue	Individual Percent	Cumulative Percent	Bar Chart
1	0.203612	79.05	79.05	
2	0.036241	14.07	93.12	
3	0.016173	6.28	99.39	
4	0.00156	0.61	100	
Total	0.257585			
	0.507528			

Plot Detail Section for Columns

Name				Axis 1			Axis 2		
	Quality	Mass	Inertia	Factor	COR	CTR	Factor	COR	CTR
1 Strongly_disagree	0.22	0.01	0.008	0.151	0.107	0.001	-0.155	0.113	0.006
2 Disagree	0.99	0.056	0.279	0.917	0.661	0.233	-0.647	0.329	0.652
3 Neither_agree_nor_disagree	0.924	0.16	0.319	0.674	0.881	0.356	0.148	0.042	0.096
4 Agree	0.453	0.447	0.046	0.01	0.004	0	0.109	0.449	0.147
5 Strongly_agree	0.971	0.327	0.348	-0.505	0.931	0.41	-0.105	0.04	0.099

$$d_{\alpha} = \text{root}((X_p - X_q)^2 / E_x + (Y_p - Y_q)^2 / E_y)$$

$d_{1,2}$	3.092
$d_{2,3}$	4.211
$d_{3,4}$	1.486
$d_{4,5}$	1.602
Total (T)	10.390

Where:

$(X_p - X_q)$	Changes in the x-axis
$(Y_p - Y_q)$	Changes in the y-axis
E_x	Eigenvalue weighting for the x-axis
E_y	Eigenvalue weighting for the y-axis

Length

Scale = 0 to 10, therefore there are 11(0-10) minus 1 points i.e. 10 points

$$D_{\alpha} = d_{\alpha} L / T$$

$d_{1,2}$	2.976
$d_{2,3}$	4.052
$d_{3,4}$	1.430
$d_{4,5}$	1.542

Linear scale from 0 to 10

1 Strongly_disagree	0.0000
2 Disagree	2.976
3 Neither_agree_nor_disagree	7.028
4 Agree	8.458
5 Strongly_agree	10.000

Appendix 4 – NCSS output – correlation between questions 2 and 9

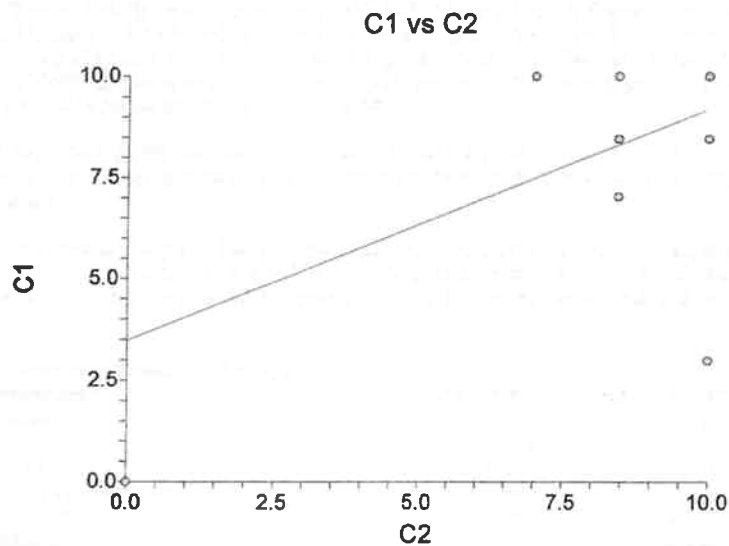
Linear Regression Report

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Database

Y = C1 X = C2

Linear Regression Plot Section



Run Summary Section

Parameter	Value	Parameter	Value
Dependent Variable	C1	Rows Processed	100
Independent Variable	C2	Rows Used in Estimation	100
Frequency Variable	None	Rows with X Missing	0
Weight Variable	None	Rows with Freq Missing	0
Intercept	3.4746	Rows Prediction Only	0
Slope	0.5715	Sum of Frequencies	100
R-Squared	0.2536	Sum of Weights	100.00
Correlation	0.5036	Coefficient of Variation	0.1355
Mean Square Error	1.432601	Square Root of MSE	1.1969

Appendix 5 – NCSS output – Spearman correlation

Correlation Report

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Database C:\Adrian's files\AA-MBA\Res ... t\NCSS correltaion output.S0

Spearman Correlations Section (Row-Wise Deletion)

	Question 1	Question 2	Question 3	Question 4	Question 5	Question 6
Question 1	1.000000	-0.001574	0.599081	0.223098	0.111170	0.393441
	0.000000	0.987600	0.000000	0.025673	0.270835	0.000051
	100.000000	100.000000	100.000000	100.000000	100.000000	100.000000
Question 2	-0.001574	1.000000	0.039512	0.158733	0.453022	0.170694
	0.987600	0.000000	0.696312	0.114705	0.000002	0.089514
	100.000000	100.000000	100.000000	100.000000	100.000000	100.000000
Question 3	0.599081	0.039512	1.000000	0.253426	0.196100	0.342138
	0.000000	0.696312	0.000000	0.010957	0.050539	0.000494
	100.000000	100.000000	100.000000	100.000000	100.000000	100.000000
Question 4	0.223098	0.158733	0.253426	1.000000	-0.030538	0.219808
	0.025673	0.114705	0.010957	0.000000	0.762948	0.027992
	100.000000	100.000000	100.000000	100.000000	100.000000	100.000000
Question 5	0.111170	0.453022	0.196100	-0.030538	1.000000	0.528176
	0.270835	0.000002	0.050539	0.762948	0.000000	0.000000
	100.000000	100.000000	100.000000	100.000000	100.000000	100.000000
Question 6	0.393441	0.170694	0.342138	0.219808	0.528176	1.000000
	0.000051	0.089514	0.000494	0.027992	0.000000	0.000000
	100.000000	100.000000	100.000000	100.000000	100.000000	100.000000
Question 7	0.028822	-0.007491	0.157843	0.086383	0.176815	0.133067
	0.775908	0.941039	0.116781	0.392790	0.078439	0.186896
	100.000000	100.000000	100.000000	100.000000	100.000000	100.000000
Question 8	-0.028979	0.259833	0.067419	-0.071139	0.250598	0.195654
	0.774722	0.009037	0.505107	0.481844	0.011912	0.051077
	100.000000	100.000000	100.000000	100.000000	100.000000	100.000000
Question 9	0.043526	0.054346	0.125096	-0.093572	0.156932	0.003791
	0.667204	0.591249	0.214933	0.354450	0.118933	0.970138
	100.000000	100.000000	100.000000	100.000000	100.000000	100.000000
Question 10	0.173058	0.396839	0.123471	0.197707	0.281013	0.278932
	0.085099	0.000044	0.221000	0.048642	0.004624	0.004950
	100.000000	100.000000	100.000000	100.000000	100.000000	100.000000
Question 11	0.218324	0.395077	0.197678	-0.039146	0.429837	0.238753
	0.029095	0.000047	0.048675	0.698988	0.000008	0.016747
	100.000000	100.000000	100.000000	100.000000	100.000000	100.000000
Question 12	0.146534	0.317663	0.114119	0.011123	0.521979	0.274564
	0.145730	0.001280	0.258250	0.912538	0.000000	0.005702
	100.000000	100.000000	100.000000	100.000000	100.000000	100.000000
Question 13	-0.037920	0.098291	0.209339	-0.062674	0.288639	0.091876
	0.707985	0.330597	0.036592	0.535608	0.003587	0.363277
	100.000000	100.000000	100.000000	100.000000	100.000000	100.000000