THE USE OF NON-MONETARY INCENTIVES AS A MOTIVATIONAL TOOL: A SURVEY STUDY IN A PUBLIC ORGANIZATION IN TURKEY

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ABSTRACT

THE USE OF NON-MONETARY INCENTIVES AS A MOTIVATIONAL TOOL: A SURVEY STUDY IN A PUBLIC ORGANIZATION IN TURKEY

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The purpose of this study is to demonstrate to what extent non-monetary incentives are utilized in the public sector of Turkey and whether non-monetary incentives have the potential to increase the motivation of public employees as much as the monetary incentives. Incentive is any means that makes an employee desire to do better, try harder and expend more energy. Non-monetary incentives such as participation in decision making, verbal or written recognition of good work etc. are the kinds of incentives that do not involve direct payment of cash.

To realize the objectives of the thesis, a survey study was administered at the General Directorate of Investment and Enterprises, under the Ministry of Culture and Tourism. According to the results of the study, most of the employees think that the level of utilization of the non-monetary incentives in their organization is inadequate. Also, the findings suggest that they value non-monetary incentives as much as monetary incentives. Thus, within the limitations of the survey study, it may be concluded that non-monetary incentives have the potential to increase the motivation of personnel in this public organization.

Keywords: Non-monetary Incentives, Motivation, Personnel Administration, Public Organizations.

MOTİVASYON ARACI OLARAK PARASAL OLMAYAN TEŞVİKLERİN KULLANIMI: TÜRKİYE'DEKİ BİR KAMU ÖRGÜTÜNDE BİR ANKET ÇALIŞMASI

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Bu çalışmanın amacı parasal olmayan teşviklerin Türkiye'de kamu sektöründe ne derece uygulandığına ışık tutmak ve bunların parasal teşvikler kadar çalışanların motivasyonunu arttırma potansiyelleri olup olmadığını göstermektir. Teşvik, çalışanları işlerinde daha iyiyi yapmayı istemeye, daha çok çalışmaya ve daha çok enerji harcamaya yönelten her türlü araca denir. Kararlara katılım, iyi işin sözel veya yazılı olarak takdir edilmesi gibi parasal olmayan teşvikler nakit para ödemesi içermeyen teşviklerdir.

Tezin amaçlarını gerçekleştirmek üzere Kültür ve Turizm Bakanlığı'nın Yatırım ve İşletmeler Genel Müdürlüğü'nde bir anket çalışması yapılmıştır. Sonuçlara göre, çoğu kamu çalışanları kurumdaki parasal olmayan teşviklerin kullanımını yetersiz bulmuştur. Ayrıca bulgular, kamu çalışanlarının parasal olmayan teşviklere parasal teşvikler kadar değer verdiğini göstermiştir. Sonuç olarak, bu anket çalışmasının sınırları içinde söylenebilir ki parasal olmayan teşvikler bu kamu örgütündeki çalışanların motivasyonunu arttırma potansiyeline sahiptir.

Anahtar Kelimeler: Parasal Olmayan Teşvikler, Motivasyon, Personel Yönetimi, Kamu Örgütleri.

To My Husband M. Metin Yavuz

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CHAPTER 1

INTRODUCTION

1.1.STATEMENT OF THE PROBLEM

It is widely accepted by the organizational theorists that manpower is one of the most important assets of an organization because things are getting done through employees. In other words, the success of an organization in realizing its objectives heavily depends on the performance of its employees. Therefore, it is important to focus on the factors affecting the performance of the employees.

Performance is considered to be related with the concepts of ability, opportunity and motivation (Ivancevich & Matteson, 1988). Ability is a function of skills, education, experience and training. Opportunity refers to the infrastructure needed to perform a job. Finally, motivation is the desire to achieve a goal and willingness to exert effort for it. Motivation is something that can lead to better performance when other conditions are met. But, it has an advantage over others in the sense that while the opportunity and ability tend to be stable and difficult to change for the personnel, motivation has a flexibility, that is, it can be changed by some means. Moreover, it is apparent that in the absence of willingness to perform; capacity and opportunity will not generate the desired results. If the situation is to be explained by a proverb; you can take the horse to the water but you cannot make it drink.

All organizations, whether public or private, need motivated employees to be effective and efficient in their functioning, in addition to the other factors. Employees who are motivated to work energetically and creatively toward the accomplishment of organizational goals are one of the most important inputs to organizational success. Consequently, the challenge for organizations is to ensure that their employees are highly motivated.

When the issue is motivation, one of the first things that comes to ones mind is the concept of incentive, which refers to any means that makes an employee desire to do better, try harder and expend more energy. With regard to monetary incentives, it can be argued that private organizations have more financial sources to motivate their employees than the public organizations. It is known that public employees' payment levels in Turkey are generally low compared to private sector employees. Moreover, while many private organizations have monetary incentives such as bonuses, commissions, cash rewards etc, it is quite challenging for the public sector to provide such incentives in adequate levels in a weak national economy. As a result, it is important to look for any possible alternative means that can be used to motivate employees in the public sector.

In line with this purpose, this study focuses on the use of non-monetary incentives as a motivational tool and their effectiveness in the motivation of public sector employees. Non-monetary or non-cash incentives do not involve direct payment of cash and they can be tangible or intangible. Some examples of this kind of incentives are; encouraging the employees by providing them with autonomy in their job and participation in decision making, assigning challenging duties, improving working conditions, recognizing good work through small gifts, letters of appreciation, plagues, tickets to restaurant etc., providing some services for the employees, organizing social activities in the work place, etc.

Starting with Elton Mayo and Human Relations School, it is emphasized that the need for recognition, self respect, growth, meaningful work, social activities are as important as monetary incentives in increasing the employees' morale and motivation. There are many contemporary research studies supporting the effectiveness of non-monetary incentives as a motivating tool in the private sector organizations. However, there is hardly any study regarding its use in public sector organizations. This study will try to shed light on this issue and explore the motivating potential of non-monetary incentives in the public sector of Turkey.

1.2. PURPOSE OF THE STUDY

The present study aims to demonstrate to what extent non-monetary incentives are utilized in the public sector of Turkey and whether they have the potential to motivate public employees as much as monetary incentives. Through a survey study administered at the General Directorate of Investment and Enterprises in Ankara, the following research questions were tried to be addressed:

- 1) What is the degree of utilization of the non-monetary incentives in this public organization, based on the perceptions of public employees?
- 2) To what extent do non-monetary incentives have a motivating potential for the public employees in this organization?
- 3) What does the concept of "non-monetary incentive" mean to the public employees?
- 4) What are the most important job factors that contribute to the employees' willingness to exert more effort in their jobs?
- 5) Is there a significant difference between the average rankings of these job factors based on position in the organization and job tenure?
- 6) What is the type of incentive that the public employees in this organization value most?
- 7) Which type of non-monetary incentive do the public employees value most?
- 8) How do public employees perceive the effectiveness of non-monetary incentives in the absence of monetary incentives?
- 9) Is there a statistically significant difference between the subordinates and superiors with regard to their incentive preferences in the public sector?
- 10) Is there a statistically significant difference between employees' incentive preferences based on job tenure?

The following hypotheses are formulated to address some of the research questions:

Hypothesis H01 (null):

There is no statistically significant difference between the superiors' and subordinates' average ranking of any of the job factors contributing to their willingness to exert more effort in their jobs.

Hypothesis HA1 (alternate):

There is a statistically significant difference between the superiors' and subordinates' average ranking of any of the job factors contributing to their willingness to exert more effort in their jobs.

Hypothesis H02 (null):

There is no statistically significant difference between the employees' average ranking of any of the job factors contributing to their willingness to exert more effort in their jobs, based on job tenure.

Hypothesis HA2 (alternate):

There is a statistically significant difference between the employees' average ranking of any of the job factors contributing to their willingness to exert more effort in their jobs, based on job tenure.

Hypothesis H03 (null):

The superiors' and subordinates' responses to Q-28 (which of the following incentives would increase your interest in the job the most?) do not differ significantly when evaluated in terms of two general incentive categories being non-monetary and monetary.

Hypothesis HA3 (Alternate):

The superiors' and subordinates' responses to Q-28 (which of the following incentives would increase your interest in the job the most?) differ significantly when evaluated in terms of two general incentive categories being non-monetary and monetary.

Hypothesis H04 (Null):

The employees' incentive preferences among two basic incentive categories (monetary and non-monetary) do not differ significantly based on job tenure.

Hypothesis HA4 (Alternate)

The employees' incentive preferences among two basic incentive categories (monetary and non-monetary) differ significantly based on job tenure.

1.3. ASSUMPTIONS AND LIMITATIONS OF THE STUDY

The following conditions were assumed to be true:

The population was of adequate size to provide valid and comprehensive questionnaire responses. The employees surveyed in the study completed the questionnaire accurately and honestly. The 5-point Likert scale questions in the survey measure the degree of utilization of social non-monetary and job-related non-monetary incentives in the organization.

A limitation inherent in this type of research may be that it is not possible to determine mathematically whether the conclusions of the research can be generalized to other public organizations. It would be problematic to make generalizations based on the limitations of the survey. However, the study may be expected to be relevant for illustrating the current condition of public organizations in Turkey in terms of the utilization and effectiveness of non-monetary incentives. The General Directorate of Investment and Enterprises is one of the nine main service units in the Ministry of Culture and Tourism. It consists of seven different departments with employees of several different job titles. From this aspect, it may be expected to provide variation especially in terms of perceptions of employees regarding the utilization of social and job-related non-monetary incentives in the workplace and their incentive preferences. Moreover, like most of the public employees in Turkey, most of the employees in this study population can be assumed to have job security and lower levels of satisfaction with their wages which are expected to affect their incentive preferences in a similar way. Thus, it may be argued that the study helps to understand the situation of public organizations in Turkey with regard to non-monetary incentives.

1.4. SIGNIFICANCE OF THE STUDY

Starting with the Classical Theory, many previous studies have considered the relationship between monetary incentives and employee motivation. Still, the consideration of money as the basic motivating force and its superiority over any non-monetary incentive secures its place on the organizational scholars' agenda. On the other hand, there is a growing interest and attention on the use of non-monetary incentives. Especially in private sector organizations, it starts to be pronounced louder and there is a wide literature on their incredible influence in obtaining highly motivated employees. Despite the overwhelming research on the effects of non-monetary incentives in private organizations, few researchers have investigated the case for public organizations. Particularly in Turkey, the literature on the motivation of public employees as well as the effects of incentives is quite inadequate. There is hardly any research on these topics. Thus, the significance of this study is that it sheds light on what kinds of incentives the public employees in Turkey value most and it tries to explore the attitudes of employees towards non-monetary incentives.

This study is also significant because it focuses on how to motivate public employees in a weak national economy and where there is no incentive to drive them to do more than what is expected. In terms of pay, there is almost nothing to drive public employees to be more motivated, not only because in public sector there are relatively lower pays, but also pay is not a function of performance. That is, there is no performance related pay in public sector such as cash bonus, commission, monetary reward etc. except for some extreme cases. So, this study will contribute to exploration of alternative ways in answering the question of how to motivate public employees where there is a weak national economy and there is no performance related pay.

Non-monetary incentives offer many advantages to public organizations. They have the potential to satisfy employee needs and motivate them without necessitating significant amounts of the use of public financial sources. They are much easier to administer than monetary incentives. Although to some extent,

establishing performance standards is also necessary for awarding some of the non-monetary incentives, this is much easier to determine than the case for monetary incentives. It is so because one of the objectives of offering non-monetary incentives is to encourage any single behavior that is beyond expectations, regardless of whether the behavior is extraordinary or not. The use of non-monetary incentives creates a valuable opportunity to provide immediate recognition to the employees who perform above expectations or to reinforce any single behavior that contributes to the organizational objectives. In addition to these, the variety of non-monetary incentives addresses many different needs of employees such as social interaction, belongingness, recognition, respect, attention, a feeling of achievement, autonomy, a meaningful job, a feeling of self-worth, developing one's full potential, feedback about performance etc.

All these factors suggest that non-monetary incentives may be a valuable source of motivation for the public organizations to utilize. However, in determining their degree of effectiveness, public employees' reward preferences are also a concern. Any incentive system is more likely to be successful if it matches what the employees value. This study is also important as it is relevant for understanding the public employees' incentive preferences. To conclude, the results of the study may be helpful for exploring the utilization and motivational potential of the non-monetary incentives in the public sector of Turkey.

1.5. ORGANIZATION OF THE STUDY

This study is presented in seven chapters. Chapter I, Introduction, consists of the statement of the problem, purpose of the study including research questions and research hypotheses, assumptions, limitations and the significance of the study. Chapter II, Theoretical Framework, presents basic concepts and motivation theories. Chapter III, A General Discussion on the Use of Non-monetary Incentives as a Motivational Tool, describes types of non-monetary incentives and their importance in the motivation of employees. Chapter IV, The Issue of Motivation in Public Sector, presents the use of incentives as motivational tool in

the public sector of Turkey and discussions on the use of non-monetary incentives in the public sector. Chapter V, Methodology describes data collection, survey design, study population, reliability, research hypotheses and data analysis. Chapter VI, Survey Results and Presentation of Findings, presents the statistical analysis of the data. Chapter VII, Summary and Conclusions, includes a summary of the thesis, interpretation of the findings, conclusions, and recommendations for future research. Relevant references and appendices are also presented at the end of the thesis.

CHAPTER 2

THEORETICAL FRAMEWORK

2.1. BASIC CONCEPTS

2.1.1. INCENTIVES, REWARDS AND RECOGNITION

The concepts of "incentive", "reward" and "recognition" are quite interrelated and complementary in the context of employee motivation. It is difficult to draw a line among them. The broadest category is the "incentive" which refers to any means that makes an employee desire to do better, try harder and expend more energy. It may be divided into two categories: monetary incentives and non-monetary incentives. Monetary incentives involve granting of reward in terms of money such as commissions, bonuses etc. Non-monetary or non-cash incentives do not involve direct payment of cash and they can be tangible or intangible. Some examples of this kind of incentives are; encouraging the employees by providing them with autonomy in their job and participation in decision making, assigning challenging duties, improving working conditions, recognizing good work through small gifts, letters of appreciation, plagues, tickets to restaurant etc., providing some services for the employees, organizing social activities in the work place, etc.

The difference between an incentive and reward may be noted as while incentive aims to motivate future and encourage certain behavior, reward is the appreciation for the accomplished behavior and it is a potential reinforcer. Recognition covers monetary and non-monetary rewards and it refers to crediting, encouraging and appreciating individuals and teams who contribute, through their behavior and their efforts, to the success of the organization. It provides after-the-fact reinforcement for specific types of performance or accomplishments and emphasizes what the organization values. Moreover, it helps to create a sense of being a valued member of a successful organization. Examples of recognition are

giving public praise, granting monetary and non-monetary rewards, celebrating and communicating successes etc.

As in the final analysis both rewards and recognition are the means to induce action, they can be analyzed under the broad category of "incentives". Consequently, through out this study, the word "incentive" is used to refer to anything that motivates employees, covering reward and recognition concepts.

A major discussing point for this topic would be "Do public organizations really need incentives, besides providing compensation and entitlements to the public employees?" Compensation is the monetary benefits provided to employees in return for the work they do as part of their job definition. Entitlements are the fringe benefits like paid vacation, health insurance, retirement benefits etc. When we look at the case of public employees in Turkey, their compensation levels are lower comparable to private sector in most of the occupations. On the other hand, public employees enjoy job security and fringe benefits. In public sector, there is no correlation between the performance level of employees and the amount of monetary compensation or fringe benefits they get. In other words, in return for monetary compensation and fringe benefits, what is expected from public employees is just realizing the requirements of their job definition daily, nothing more. In fact, as public employees are guaranteed with wage / salary and fringe benefits regardless of their performance, it may even lead them to be less motivated to do their best. Conversely, in the private sector, if an employee fails to exert much effort in his/her job; he/she may lose the job. Given their job security, what can drive public employees to do more than what is expected from them? The topic of incentives will come up at this point. They help to encourage specific behaviors or goals that are not supported by the existing compensation. These behaviors or goals can be reducing the operating costs, solving a particular operational problem, making useful suggestions, improving citizens' satisfaction, preventing a major damage, helping the peers, complying with the rules and regulations of conduct in the work environment etc. Thus, it is important particularly for the public sector that, some kind of incentive mechanism exists to promote employees to contribute more, to do more than what is expected from

them. As it will be discussed in the following chapters, this study proposes that non-monetary incentives can be an appropriate tool to motivate employees in the public sector and they may be as effective as monetary incentives.

2.1.2. *MOTIVATION*

The term "motivation" is derived from the word "motive" which means a reason for action. A vast array of literature exists examining the concept of motivation within organizations. The term has been used to mean "...the contemporary (immediate) influences on the direction, vigor and persistence of action" (Atkinson, 1964), "...how behavior gets started, is energized, is sustained, is directed, is stopped, and what kind of subjective reaction is present in the organism while all this is going on." (Jones, 1955), "...a process governing choices made by persons or lower organisms among alternative forms of voluntary activity." (Vroom, 1964), "...psychological processes that cause the arousal, direction, and persistence of voluntary actions that are goal directed." (Mitchell, 1982), "...a set of processes concerned with the force that energizes behavior and directs it toward attaining some goal." (Baron, 1983), "...an internal drive to satisfy an unsatisfied need" (Higgins, 1994). All these different definitions offer some implications about human behavior. First, there are some drives (needs) that make individuals behave in certain ways, and second, individual behavior is goal oriented. Motivation is a continuous process which starts with needs, continues with goal-oriented behavior and ends with the satisfaction of needs.

While a general definition for motivation can be given as "the degree to which an individual wants and chooses to engage in certain specified behaviors"; motivation in the work place refers to "the degree to which an individual wants and tries hard to do well at a particular task or job" (Mitchell, 1982). Motivation of employees is a focus of attention because it may be a means to reduce and manipulate the gap between employees' actual and desired state of commitment to the organization and to inspire people to work both individually and in groups. The

challenge for the organization is to find out what its employees' values and goals are and where they overlap with the organization's.

Factors affecting motivation in an organizational setting can be classified into three levels as shown in Table 2.1 (Steers and Porter, 1987).

Table 2.1 Variables Affecting the Motivational Process in Organizational Settings

I- Individual	II- Job	III- Work Environment
Characteristics	Characteristics	Characteristics
1- Interests	Types of intrinsic	1- Immediate work
2- Attitudes e.g.	rewards	environment
 Toward self 	Degree of autonomy	• Peers
 Toward job 	Amount of direct	• Supervisor(s)
 Toward aspects of 	performance feedback	2- Organizational actions
the work situation	Degree of variety	Reward practices
3- Needs e.g.	in tasks	System wide
		rewards
 Security 		 Individual
 Social 		rewards
 Achievement 		 Organizational
		climate

Source: Steers and Porter 1987, p.28.

As it is seen in the table, first, there are variables related with the uniqueness of individual (e.g. attitudes, interests, needs etc). Second, there are variables originating from the nature of the job (e.g. autonomy, level of responsibility in the job etc). Third, there are some impacts from the work environment (e.g. peer group relations, supervisory practices, salary and reward systems, openness of communication etc).

If motivation is to be affected, one or more of these variables must be changed. As one of the objectives of this thesis study is to analyze whether non-monetary incentives can be an effective tool in motivating the public employees, first it is necessary to have a look at each of these variables affecting motivational process.

It is important to consider the role of individual characteristics because different individual needs and interests have to be compromised with the organizations'. People are motivated by unmet needs and these varies from person to person according to their particular circumstances, values and beliefs, family, education, personality, and work experience etc. While some individuals may value a job with more creativity over a high-salaried job, others may seek to work more to earn more money. These demonstrate that differences in individuals can affect their work behaviors.

Variables originating from the nature of the job affect motivation in the sense that job related characteristics such as increased autonomy, the significance of the tasks, variety of activities and teamwork may result in improved motivation for some individuals. But here, it is important to consider the influence of individual characteristics at the same time, since everyone does not want -to the same degree- to have an enriched job, nor perform better when assigned to such a job.

As a third level of influence, work environment is important for motivation regarding the quality of peer-group interactions, leadership styles and salary and reward systems. As shown in Hawthorne studies (Roethlisberger & Dickson, 1939) peer-group influence can affect an employee's effort. In addition to this, supervisors can have a considerable influence in the motivational process. They have role in the structuring of work activities and the ability and freedom of employees to pursue their own personal goals on the job. Supervisors can provide feedback about the employees' performance, as well as letting them to participate in the decision making process by asking their ideas. The nature of relationship between the superior and subordinates, effectiveness of communication among them also affects the motivational process. Finally, as part of the work

environment, the existence and the degree of utilization of recognition systems can also affect how employees behave at work.

To sum up, there are many variables affecting the motivational process which are integrated and complementary to each other. Any incentive program referring to the question of how to increase employee motivation focuses on one or more of these variables.

Non-monetary incentives have the benefit of addressing most of these variables affecting motivation. In other words, as the types of non-monetary incentives (explained in Chapter 3, pages 43-67) that can be offered in a public organization are numerous, they provide the opportunity to motivate employees in a variety of ways in contrast to monetary incentives.

For example, first variable that was mentioned as affecting motivation is related with individuals' different interests and needs. Individuals also have different preferences in terms of how to be recognized for the work they do. Non-monetary incentives can take the form of improving working conditions, recognizing good work through small gifts, letters of appreciation, plagues, tickets to restaurant etc., providing some services for the employees, organizing social activities in the work place, assigning challenging duties etc. Consequently, the use of non-monetary incentives may provide this variety to meet different individual needs and interests.

Second, some non-monetary incentives are related with the characteristics of the job such as encouraging the employees by providing them with autonomy in their job, assigning challenging duties, variety of tasks, giving more responsibility etc. In this sense they also utilize job-related factors affecting motivation.

Third, non-monetary incentives contain elements from the work environment such as consideration of group interactions and leadership styles etc. Providing feedback, appreciating the good work, asking their ideas, greeting the employees are some of the non-monetary incentives that fall under the title of work environment characteristics affecting motivation. To conclude, non-monetary incentives are expected to be effective in motivating the public employees, given their variety in addressing factors affecting motivation.

2.1.3. INTRINSIC AND EXTRINSIC MOTIVATION

Motivation in work is often described as being "intrinsic" or "extrinsic" in nature (Sansone & Harackiewicz, 2000). Thus, it is possible to argue that the variables affecting motivation have intrinsic and extrinsic motivational effects. As the question of how to increase employee motivation focuses on one or more of those variables mentioned above affecting motivation, we can also conclude that any incentive tool, whether it is monetary or non-monetary, is designed to provide extrinsic or intrinsic motivation or both.

In the psychology literature, intrinsically motivated behavior is stated to arise from innate psychological needs, such as needs for competence and autonomy (Deci & Ryan, 1985; Kasser & Ryan, 1996). Intrinsic motivation means a self-generated urge that comes from inside a person and influences him/her to behave in a particular way or to move in a particular direction. They are connected to job related and social incentives such as opportunity to use one's ability, interesting work, recognition of a good performance, development opportunities, a sense of challenge and achievement, participation in decision making, and being treated in a caring and thoughtful manner etc. For example an employee may be willing to put forth a sustained effort by working extra hours because of the feeling that the project he/she is working on is challenging and worth to complete it at once to see the output. In this situation, the individual takes action because the likely outcome of that action appeals directly to what he/she values. The intrinsic motivators are likely to have a deeper and long-term effect because they are inherent in individuals. These kinds of incentives are largely a result of the worker's satisfaction with his or her job. To sum up, intrinsic motivation originating from within the person or from the activity itself, affects behavior, performance, and well-being positively (Ryan & Deci, 2000).

On the other hand, extrinsic motivation is said to exist when behavior is performed to attain externally administered incentives. Extrinsic motivation is related to "tangible" incentives such as wages and salaries, fringe benefits, cash bonuses, security, promotion, wall plaques, free dinner or movie tickets etc. For

example, an employee may be motivated to come to work on time everyday with the desire to gain the monetary reward awarded for perfect on-time attendance for a month.

The problem with extrinsic motivation is that it rarely has any useful long-term effect. The use of extrinsic motivators to energize the employees may lead to a situation where those reinforcers -particularly monetary ones- must get bigger and better all of the time just to repeat the same results (McCann, 2000).

Luthans and Kreitner (1975) uses the term "contrived rewards" to refer to incentives that may generate extrinsic motivation, and "natural rewards" to refer to intrinsic motivators. According to them, although contrived rewards can be positive reinforcers, they have some drawbacks. First, they generally involve costs for the organization. Second, they tend to lead to satiation rather quickly. An employee can be motivated by an extrinsic incentive only so long before he/she becomes satiated, that is, people may get tired of most contrived rewards such as receiving a wall plague each time.

On the other hand, Luthans and Kreitner (1975) note that incentives that exist in the natural occurrence of events (natural or intrinsic incentives) such as challenging task assignments, autonomy, time off, recognition, friendly greetings etc. are of much more value than the contrived rewards. In contrast to extrinsic rewards, they do not generally lead to satiation. It is not common that people get tired of appreciation and attention. Another advantage of intrinsic rewards is that while it is difficult for supervisors to give out extrinsic rewards frequently, they can easily provide intrinsic motivation for employees by recognizing their efforts and addressing their social needs in the work place.

To conclude, although their effectiveness may depend on the situation, intrinsic and extrinsic incentives are two important tools in ensuring motivation in the work place.

After these explanations, it is possible to argue that non-monetary incentives as a motivational tool address both intrinsic and extrinsic motivation concepts. While monetary incentives may only be classified as a factor leading to extrinsic motivation, non-monetary incentives with its diversity can motivate

employees both intrinsically and extrinsically. For example, tangible non-monetary incentives such as small gifts, free food or drink, internet access, tickets to movie/theatre/sports facilities etc. or social non-monetary incentives such as company picnics, after-work parties, friendly greetings by the supervisor, recognition of a good job, feedback about performance etc. may have extrinsic motivational powers. On the other hand, job-related non-monetary incentives such as meaningful work, variety of tasks, more responsibility, teamwork opportunities, training programs, participation in decision making, flexible working hours etc. may motivate employees intrinsically. In other words, they help to produce self-generated motivation. Thus, non-monetary incentives provide multi-dimensional employee motivation in the work place, in contrast to the single dimension of monetary incentives.

2.2. REVIEW OF THEORIES OF MOTIVATION RELATED WITH NON-MONETARY INCENTIVES

Each person is motivated by different things and it is important to know how they are motivated in order to direct motivation towards the realization of organizational goals. Reviewing the theories of motivation helps us to understand what drives people to initiate action and to engage in certain practices in the workplace. After elaborating on each of these processes, it would be possible to comment on the effectiveness of non-monetary incentives as a motivational tool.

There are several theories of motivation which focus on different variables in an attempt to explain motivation in the organizational setting. Each of these theories offers perspectives that are not necessarily contradictory but complementary. They are generally studied under three categories: content theories, process theories and reinforcement theory (Samson and Daft, 2002).

Content theories focus on the analysis of underlying human needs. They provide insight into the needs that motivate people in organizations. People have different needs such as money, interesting work, social life, family life, achievement or recognition for a good job etc. These needs convert into an internal

drive that motivates specific behavior in an effort to fulfill the needs. It is important to know what employees need in order to evaluate the potential effectiveness of an incentive system. For example, if an employee in a work place needs the supervisor's appreciation for his/her contribution, or a challenging job with variety of tasks more than a salary increase, he/she won't probably be motivated enough with a monetary incentive.

Or one can imagine the situation of a public employee in Turkey who would like to spend that evening celebrating his daughter's birthday at home, however, was asked to work three extra hours in the evening at work. In return, he would be paid 650.000TL per each extra hour he would work, according to 2004 Budget Law (Hurriyet, 2003). In such a case, it is questionable whether the employee would really be motivated to work overtime in return for a monetary compensation. On the other hand, a tangible non-monetary incentive such as two tickets to an amusement park might work better for a father in that situation.

To conclude, the needs of employees will shape the effectiveness of incentives in the motivation of employees. This thesis study tries to shed light on whether the needs of public employees match with non-monetary incentives. If they are likely to match, then, it may be expected that they can reinforce employees for directing energies and priorities towards attainment of organizational goals. As it is discussed in later sections, non-monetary incentives have the potential to meet diversity of needs, particularly the needs that monetary incentives cannot satisfy.

Process theories deal with the thought processes that influence individuals' behavior. Individuals assess their interactions with their work environment and process theories of motivation consider what people are thinking about when they decide whether or not to exert effort into a particular activity. They also concern how employees seek rewards in work circumstances, how they select behaviors with which to meet their needs and determine whether their choices were successful.

Reinforcement theory, on the other hand, concern the process employees learn the desired work behavior. The reinforcement approach to employee motivation ignores the issues of employee needs and thinking processes described in the content and process theories. Reinforcement theory merely looks at the relationship between behavior and its consequences. It concentrates on how to change or modify the employees' behavior in the work environment through the use of instant rewards and punishments.

In line with the purposes of this thesis study, the following theories of motivation concerning non-monetary incentives are analyzed in the above sections: hierarchy of needs theory, ERG theory, motivation-hygiene theory, McClelland's theory of needs as the content theories of motivation; job characteristics theory, expectancy / valence theory, equity theory and goal-setting theory as the process theories of motivation. Following these, reinforcement theory of motivation is analyzed. Each section provides a brief discussion on how non-monetary incentives might be incorporated into these theories of motivation.

2.2.1. HIERARCHY OF NEEDS THEORY

One of the first theories that describe behavior as being directed toward the satisfaction of human needs is the hierarchy of needs theory by Abraham Maslow. His theory is a theoretical foundation for many of need based approaches to motivation.

According to Maslow (1943), people are motivated to satisfy their needs and those needs can be classified into the following five categories that are in an ascending hierarchy: Physiological needs, security needs, social needs, esteem and self-actualization needs. The first three are characterized as lower level needs while the last two are higher order needs.

Physiological needs are the basic biological needs like air, water, food and shelter. In the organizational setting, these are reflected in the needs for adequate heat, air and a base salary to guarantee survival.

Safety needs are the needs for security and protection from danger. In an organizational workplace, safety needs refers to the needs for safe jobs, fringe benefits and job security.

Social needs are the needs for interaction with other people, belongingness, love etc. These needs reflect the desire to be accepted by one's peers, have friendships, be part of a group and be loved. In the work environment, these needs affect the desire for good relationships with co-workers, participation in a work group and a positive relationship with supervisors.

Esteem is the desire for respect, which is affected by the person's standing reputation, his need for attention, recognition, achievement and appreciation etc. Maslow illustrated two versions of esteem needs, a lower one and a higher one. The lower one is the need for the respect of others, the need for status, recognition, attention, reputation, appreciation, dignity etc. The higher form involves the need for self-respect, including such feelings as confidence, competence, achievement, mastery, independence, and freedom. Within organizations, esteem needs reflect a motivation for recognition, an increase in responsibility, high status and appreciation for contributions to the organization.

Self-actualization refers to the desire for self-fulfillment; it is a drive for individuals for self-development, creativity and job satisfaction. They are related to developing one's full potential, increasing one's competence and becoming a better person. Providing people with opportunities to grow, to be creative, and to offer training for advancement are the means that self-actualization needs can be met with in the organization.

Maslow argued that as each lower level need is substantially satisfied, individuals are motivated by the next higher level need. That is, the needs are satisfied in sequence. According to Maslow's argument, a person desiring job security would dedicate his or her efforts to ensure it and would not be concerned with seeking recognition. Maslow also claimed that higher levels of satisfaction for a particular need decrease its potential as a motivator.

There are some criticisms to Maslow's hierarchy of needs theory. One main criticism is that there is little empirical evidence to support Maslow's assumptions (Drenth, Thierry & Willems, 1984). Second, his methodology was problematic (Boeree, 1998). Maslow's methodology was that he picked a small number of people that he himself declared self-actualizing such as Abraham

Lincoln, Thomas Jefferson, Albert Einstein, then he looked at their biographies, writings, the acts and words of those he knew personally, and so on. From these sources, he developed a list of qualities that seemed characteristic of these people and reached conclusions about what self-actualization is. Third, Maslow assumes that human beings will move up the hierarchy, satisfying one need before moving on. But, there are many examples that refute this thought. Many of the best artists and authors, which can be thought of as self-actualized, suffered from poverty, bad upbringing, neuroses, and depression (Boeree, 1998). That is, they were far from having their lower needs taken care of. For example Van Gogh and Galileo suffered from mental illness, and yet were able to produce works that made a difference.

To conclude, in spite of the criticisms, Maslow's work is important in terms of recognizing the needs being pursued by employees and shedding some light on the social and psychological needs of individuals in addition to material needs.

With the higher order needs of esteem and self-actualization, Maslow emphasizes the importance of non-monetary incentives in motivating the people. Non-monetary incentives address these higher order needs, rather than any basic needs such as food and shelter. If it is awarded as an appreciation of a contribution, a tangible non-monetary incentive will remind the employees of their performance and recognition for it, filling the needs for self-esteem and it will create esteem in the eyes of co-workers, family, and friends. It will satisfy employees' recognition and respect needs. On the other hand, as it is mentioned in the section discussing benefits of non-monetary incentives over cash, it is not easy to brag about the cash incentives, which leads to a potential decrease in its power to serve esteem needs.

Also, social non-monetary incentives such as a verbal recognition by supervisors or letter of appreciation to the employees contribute their self-esteem, while social activities such as after-work parties, company picnics, sports activities etc. satisfy the belongingness and friendship needs of employees.

Job-related non-monetary incentives work on the self-actualization needs of employees. Providing employees with opportunities to grow like training programs, letting them to be creative in their jobs, giving them more responsibility and autonomy helps employees' self-fulfillment.

The implication of Maslow's theory is that non-monetary incentives can be most effective on employees who are meeting their basic needs and satisfaction of basic needs is not alone enough to motivate employees. In light of this, non-monetary incentives have an important place in satisfying other needs of employees which cannot be met by compensation. Within the limitations of the scope of the survey study, the present study will also help to understand whether public employees in Turkey have moved beyond the basic physiological and security needs as primary motivators.

2.2.2. *ERG THEORY*

Clayton P. Alderfer (1972) reformulated Maslow's theory and he proposed that there are three basic needs: Existence (nutritional and material requirements like pay and conditions.), Relatedness (need for meaningful social relations, relationships with family and friends and at work with colleagues) and Growth (need for developing one's potential, the desire for personal growth and increased competence).

The ERG model and Maslow's theory are similar. His theory is a simplified form of Maslow's hierarch of needs theory but he added that all these basic needs can motivate behavior at the same time and might not be activated in any hierarchical order. That is, any one need may take precedence over others regardless of whether the others are fulfilled or not. This implies that some individuals may prefer to have non-monetary incentives in an organization such as training programs, social activities, public praise etc. rather than having monetary incentives in the first place. Moreover, contrary to Maslow who argued that when satisfied a need becomes less important to an individual, according to Alderfer, that relatedness or growth needs become more important when satisfied. This means that team - working arrangements can continue to motivate employees and are not necessarily superseded by growth needs.

Alderfer proposed that the hierarchy among these needs is more complex due to the frustration-regression principle (Samson and Daft, 2002). It means that failure to meet a high-order need may activate a regression to an already fulfilled lower-order need. For example, an employee who is not appreciated for doing a good job at work may not be realizing his self-esteem need. Then, this need may revert to a lower-order need and he may redirect his or her efforts towards making a lot of money.

Like Maslow's hierarchy of needs theory, Alderfer's theory points out the need for organizations to find ways to satisfy belongingness needs of employees through social activities in organization, to recognize employees, encourage their participation in decision making, offer opportunities of development and autonomy in job.

To conclude, ERG theory also supports the idea that non-monetary incentives are necessary in the motivation of employees.

2.2.3. MCCLELLAND'S ACQUIRED NEEDS THEORY

McClelland (1975) suggests that some needs that individual's have are acquired during the individual's lifetime. That is, people may learn them through life experiences rather than being born with these needs. Thus, they differ from individual and individual. He identifies three needs important in the work place leading motivation, regardless of culture or gender: need for achievement, need for affiliation, and need for power.

McClelland noted that early life practices determine whether people gain these needs. If children are promoted to do things for themselves and receive support, they will acquire a need to achieve, if they are reinforced for having strong human relationships, they will develop a need for affiliation. If they get happiness from controlling others, they will acquire a need for power.

According to his theory, achievement motivated people strive to attain challenging goals. They prefer tasks that enable them to use their skills and initiation in problem solving and enjoy doing something not done before. They like to get immediate feedback on how they have done so that they can enjoy the experience of making progress toward objectives. People with a high need for achievement tend to be entrepreneurs.

People with a high need for affiliation like joining groups, participating in pleasant social activities and they obtain great satisfaction from being accepted by others. These individuals prefer to work in an environment that provides significant personal interaction and it is likely that they appreciate social incentives. They are able to establish good working relationships with other employees.

The need for power may be classified as "personalized power" or "socialized power" (McClelland, 1975). Power motivated individuals like to influence and direct others. They want loyalty to their leadership rather than to the organization. When the leader leaves the organization there is likely disorder and decrease of team morale and direction. Socialized power need is usually referred as effective leadership. These leaders use their power in a way that benefits others and the organization rather than only contributing to the leader's status and gain. They seek power to make sure that tasks are accomplished and to empower others who further the leader's vision for the organization. A high need for power often is correlated with successful attainment of top levels in the organizational hierarchy (Samson and Daft, 2002). This is due to the fact that while achievement needs can be met through the task itself, power needs can be met only by ascending to a level at which a person has power over others.

Acquired needs theory implies that the same set of circumstances in a work environment may cause employees to react in different ways as they have different needs. Thus, employees can be motivated differently in the workplace. For example power motivated individuals can be granted the opportunity to manage others, growth opportunities or greater autonomy in their jobs, which are jobrelated non-monetary incentives. People with high need for achievement may be motivated by other job-related non-monetary incentives such as assigning challenging tasks with reachable goals or giving frequent feedback. People with affiliation needs may be more willing to work in a team environment, or may be

satisfied with social activities in the organization which can be provided by social non-monetary incentives. To conclude, non-monetary incentives may also be effective in meeting power, achievement and affiliation needs of individuals proposed by McClelland.

2.2.4. MOTIVATION-HYGIENE THEORY

Frederick Herzberg studied the factors in the work environment that caused satisfaction and dissatisfaction among the workers. He interviewed hundreds of workers about times when they were highly motivated to work and other times when they were dissatisfied and unmotivated at work. He found that the factors causing job satisfaction were different from those causing job dissatisfaction and they can not be treated as opposites of one another (Herzberg, 1966).

Herzberg argued that two entirely separate dimensions contribute to an employee's behavior at work: hygiene factors and motivators. Hygiene factors refer to the presence or absence of job dissatisfiers. When hygiene factors are reduced, work is dissatisfying. They are considered maintenance factors that are necessary to avoid dissatisfaction but they do not themselves contribute to the job satisfaction and motivation of personnel. That is, they only maintain employees in the job. In line with Herzberg's view, unsafe working conditions or a noisy work environment will cause employees to be dissatisfied with their job but their removal will not lead to a high level of motivation and satisfaction. Some other examples of hygiene factors are salary, status, security, supervision, company policy etc.

On the other hand, motivators, leading to job satisfaction, are associated with the nature of the work itself. They are those job-related practices such as assignment of challenging jobs, achievement, work itself, recognition, responsibility, advancement and opportunities for growth in the job etc. Herzberg argued that when motivators are absent, workers are neutral towards work, but when motivators are present, workers are highly motivated to excel at their work. In contrast, hygiene factors can only work to prevent job dissatisfaction. Thus,

hygiene factors and motivators represent two distinct factors (Samson and Daft, 2002).

Based on the arguments of the theory, adequate hygiene factors should be provided to meet the basic needs of employees and to prevent dissatisfaction with the job. In addition to this, motivators that are intrinsic to the work itself should be integrated to the process to meet higher-level needs and drive employees towards greater achievement and satisfaction.

Herzberg (1971, pp. 3) stated that "...the factors which make people happy all are related to what people did: the job content... what made people unhappy was related to the situation in which they did their job: job environment, job context..." According to him, employees are satisfied with a work that is interesting and challenging and they will be motivated to do work that they identify to be important. Thus, it is possible to motivate employees with the work itself. In fact, Herzberg emphasizes that true motivation comes from within a person, that is, intrinsically, not extrinsically. In line with this view he suggested that jobs can be redesigned and enriched to integrate "motivators" to the job, so that employees will be willing to exert effort in their work. He argued that jobs should have adequate challenge to fully utilize employees' abilities and employees who prove to have increasing levels of ability should be given increasing levels of responsibility.

Accordingly, Herzberg contributed to the idea of "job enrichment". Job enrichment is adding more tasks to a job to provide greater involvement and interaction with the task. Adding tasks can make the jobs more challenging to the employees and it may enable the employees to use their talents, demonstrate their potential.

Herzberg's theory is commonly criticized because of his methodology and the reliability of the results leading to limitations on the study (Ratzburg, 2004). The original sample population consisted of 200 middle management professionals. There is the criticism that the sample size is small and the theory applies to only middle management professionals. However, numerous replication studies have been conducted to check the validity of the original results. In most of

the cases, the results were similar to the results obtained by Herzberg and they indicated that motivators are the primary cause of job satisfaction (Ratzburg, 2004). Another criticism is that the result of the study was two-factor because when things are going well, people tend to take credit for satisfaction but when they don't go well they blame failure on their environment (Imperial, 2004). Also, the assumption that practically every employee will respond positively to a job with high motivating factors may not be universally true. Herzberg's theory is considered to be valid for employees whose lower order needs are satisfied (Ratzburg, 2004).

Motivation-hygiene theory has important implications for this thesis study. It constitutes a good framework for the validity of the argument that non-monetary incentives can be as effective as monetary incentives in the motivation of personnel. Herzberg points out that what really motivate employees are the assignment of challenging jobs, achievement, work itself, recognition, responsibility, opportunities for growth in the job. They have the power to motivate employees intrinsically. As an external factor, monetary incentives may prevent job dissatisfaction but do not necessarily motivate employees. Likewise, job-related non-monetary incentives such as job with variety of tasks and responsibilities, meaningful work, autonomy, participation in decision making, growth opportunities etc. and social non-monetary incentives such as appreciation for a good work address what Herzberg referred in his theory as "motivators". These non-monetary incentives are expected to motivate employees intrinsically. Thus, Herzberg's theory offers insights to support the view that job-related nonmonetary incentives may have the power to drive public employees to exert much effort in their job, as much as monetary incentives. According to two-factor theory, it is expected that public employees would be motivated by job-related and social non-monetary incentives and would need monetary incentives and other environmental factors to avoid dissatisfaction with the job.

2.2.5. JOB CHARACTERISTICS MODEL

Job characteristics model by Hackman and Oldham (1980) tries to explain what the characteristics of motivating jobs are. They argue that jobs can be redesigned through enrichment to contribute positively to the motivating potential of a job. According to their research, there are five core job characteristics that create three psychological states and can be used to describe the motivating potential of a job:

Skill variety: It describes the degree to which a job necessitates the practice of a number of different skills, abilities, or talents. Activities in a job will be distinct enough to require the use of different skills.

Task identity: It defines the extent to which job allows completion of a whole and identifiable piece of work from beginning to end.

Task significance: It refers to the importance of the job; the degree to which the job has an effect on the lives of other people, the immediate organization or outside the organization.

Autonomy: It is the degree to which individuals are allowed discretion, independence and control over their work, are free to schedule them and determine the procedures to be used.

Feedback: It is the degree to which the individuals are provided direct and clear information about the effectiveness of their performance. Besides supervisory feedback, it includes the opportunity to observe the results of their performance.

According to Hackman and Oldham, all these factors can be used to enrich the jobs. Jobs can be more enriching when employees utilize multiple skills and talents instead of repeating one skill over and over again. Similarly, as part of task identity, if employees can have a whole picture of the job through to its final stage rather than only dealing with a small part of the whole process, task can be more enriching. Also significance of the tasks in terms of its effects on other people's lives can enrich the jobs. The importance of autonomy is that when employees have the chance to control their work schedule and the process, job enrichment can

be promoted. And finally, feedback is an essential step for job enrichment because it gives employees the opportunity to improve their work, make necessary adjustments in a timely manner and know where they are going.

The combination of these five scales produces a "Motivating Potential Score" (MPS). It is defined as (Hackman and Oldham, 1980):

These job characteristics create three psychological states (Hackman and Oldman, 1980):

- 1. Experienced meaningfulness of the work (through skill variety, task identity and task significance): Individuals evaluate the job as generally meaningful, valuable, and worthwhile.
- 2. Experienced responsibility for work outcomes (through autonomy): Individuals feel personally accountable and responsible for the outcome of their work.
- 3. Knowledge of results (through feedback): Individuals are informed about how effectively they are performing their job.

According to Hackman and Oldham's research, jobs with high score in terms of a combination of five job characteristics (task variety, task identity, task significance, autonomy and feedback) lead to higher job satisfaction and motivation than jobs with low scores. In other words, work that is characterized as enriched is generally highly motivating. However, Hackman and Oldham also point out that certain people do not like job enrichment and consequently, enriching the tasks may not increase their level of motivation. In response to this issue, Hackman and Oldham proposed that "growth need strength" (GNS) restrains the link between enrichment and motivation. GNS is a personal attribute that defines a person's desire or tendency for personal challenge (Adler, Milne & Stablein, 2001). What determines the degree of GNS may be explained by need theories of motivation. People who have satisfied lower order needs of existence and relatedness may seek satisfaction from higher order needs of esteem and

growth. Accordingly these people may exhibit high GNS. In contrast people whose needs of existence and relatedness are not fulfilled may be interested in satisfying these needs and display low GNS (Spector, 1985).

Individuals with high GNS enjoy tasks that challenge or develop them; on the other hand, individuals with low GNS prefer to stay away from situations that are difficult or challenging. Accordingly, Hackman and Oldham found that employees with high growth needs responded positively to high motivating potential jobs, but those with low growth needs did not. Thus the model suggests that different employees react differently to jobs and enriched jobs may motivate people with high growth needs.

Job characteristics model imply that it is possible to motivate employees through job design. Job design is a set of activities to change the content and/or process of a specific job in order to increase motivation, job satisfaction and performance. Job-related non-monetary incentives try to achieve this by offering employees more meaningful tasks, control over work scheduling and methods, increasing responsibility, the opportunity to use variety of skills in their job etc. That is, these non-monetary incentives target motivating the employees through enjoying the job itself. It may be seen as an attempt to reach a compromise between individual's abilities and needs and the requirements of the job. It is also important to keep in mind that, as this model suggests, job enrichment as a nonmonetary incentive can be successful in motivating the public employees with high growth need strength. Job-related non-monetary incentives may intrinsically motivate public employees that have high growth needs. It may be expected that public employees in Turkey who are satisfied with the levels of wages, job security and fringe benefits will respond positively to job-related non-monetary incentives in terms of motivation.

2.2.6. VALENCE, INSTRUMENTALITY AND EXPECTANCY (VIE) THEORY

This theory had resulted from Vroom's (1964) work into motivation. According to VIE theory, motivation depends on individuals' expectations about

their ability to perform tasks and receive desired rewards. In other words, people are motivated to work when they have the expectancy that effort leads to performance and that performance results in reward. It also assumes that individuals have different levels of satisfaction they expect to receive from rewards and each person is a rational decision maker who will expend effort on the activities that lead to their desired rewards (Muchinsky, 2000).

Table 2.2 shows schematization of the VIE theory.

Table 2.2

Motivation = Expectancy x Instrumentality x Valence
Expectancy => "If I try, can I perform at the level necessary to get the promised
reward?"
Instrumentality => "If I perform at the necessary level, will I in fact get the
promised reward?"
Valence => "How much do I value the promised reward?"

Source: Malos 2003, p.1.

Expectancy is the probability that putting effort into a task will lead to high performance. It is also called E – P expectancy. In order for this expectancy to be high, the individual must possess the ability, previous experience and necessary machinery, tools and opportunity to perform (Samson and Daft, 2002). If an employee believes that with hard work he/she can finish a task before the assigned time frame, his/her expectancy will be high, so will be the motivation. On the other hand, if the employee believes that he/she lacks the ability or opportunity to achieve high performance, the expectancy and in turn motivation will be low.

Instrumentality (P - O expectancy) refers to whether the performance will result in the desired outcome. It concerns the relation between performance and the award. If an employee is motivated to receive public recognition for a performance

above expectations but he does not expect that high performance will generate this desired outcome, his motivation will be lower.

Valence is the value or attraction of outcomes for the individual. If the outcomes that can be reached as a result of high effort and performance are not appreciated by employees, motivation will be low. Similarly, if an employee values a reward that is offered for a special effort, he/she will be more motivated to exert effort. For example, if an employee is interested in sport activities and he expects that high performance in the organization is recognized with free tickets to sport games, then he will probably be more motivated to work hard.

To conclude, these three factors have affects on motivation but for an employee to be highly motivated, all these three factors must be high. For example if an individual believes in his/her ability to show the required performance but do not expect that there is a reward for the outcome or do not want that particular reward, then he/she will be less likely to exert much effort. VIE theory suggests that motivation can be increased in three ways. First, employees' belief about their chances of obtaining the required performance level can be strengthened. To do that it is necessary to establish a match between employees' skills and abilities and the job requirements. Job-related non-monetary incentives serve this end. It should also be ensured that individuals have the time and equipment to attain the performance goals. Second, a positive relation between required performance and reward can be reinforced. Performance objectives should be defined clearly and there should be a link between rewards employees value and the required performance to get it. This can be possible if the goals are set clearly. Third, rewards and outcomes that are of value to the employees can be chosen. Nonmonetary incentives provide variety of choices to the employees.

It is clear that VIE theory emphasizes the importance of rewards in employee motivation. If E-P and P-O expectancies are high, individuals will be motivated to exert effort with a reward that they value. Reward acts as a means to reach targeted performance levels or specific organizational goals. The value of a reward depends on the preferences of individuals. For example, one employee may want to be promoted to a position of increased responsibility; the other may pursue

a work atmosphere of good relationships with peers and others may like to receive tangible recognition items like gift certificates etc. Consequently, all individuals will be motivated with different incentives. It is important for organizations to determine what rewards employees value in the workplace, and then link those rewards to the accomplishment of the objectives of organization. To this end, the present study explores what kinds of incentives public employees value the most. If the incentives are set according to the preferences of the employees, it may contribute positively to the motivation since valence will be high.

Non-monetary incentives offer diversity in responding to various interests and needs of individuals in the workplace. Tangible non-monetary incentives, social non-monetary incentives and job-related non-monetary incentives are expected to motivate employees by offering them something that they may value as much as monetary incentives. To sum up, the implication of expectancy theory for the present study is that, given the existence of high E-P and P-O expectancies in a work place, if employees are offered non-monetary incentives that they value, they will be highly motivated to achieve the targeted outcomes.

2.2.7. EQUITY THEORY

Equity theory suggests that employees' perceptions of a working situation in terms of how fairly they are treated compared with others influence their levels of motivation; motivation is a consequence of perceived inequity (Adams, 1965). According to equity theory, employees make comparisons. Employees determine their own work outcomes versus the effort or inputs required to achieve the outcomes, and compare these with outcomes and efforts of other employees. If they recognize that their compensation is equal to what others receive for similar inputs, they will believe that their treatment is fair and equitable.

Education, experience, effort, ability etc. are the inputs to the job by the employees. Outcomes that employees receive from a job are pay, benefits, promotions and rewards etc. A state of equity refers to the ratio of one person's outcomes to inputs being equal to the ratio of another's outcomes to inputs.

Inequity takes place when the situation is reverse. For example, when an employee with a high level of education or experience receives the same salary as a new, less educated employee, he/she may perceive it as inequality. Or perceived inequity may occur when an employee thinks that he/she is paid more than other people who contribute the same inputs to the organization.

According to a major criticism, equity theory does not precisely characterize mental processes because it assumes that humans make mental lists of outcomes and their likelihood and sum them up systematically.

Adams (1965) pointed out that perceived inequity creates a tension that can motivate individuals to bring equity into balance, in four common ways:

- 1) Altering effort: Individuals may change their level of input to the organization. For example, underpaid individuals may decrease their level of effort or increase their absenteeism. Overpaid individuals may correct the inequity by working harder or getting more education.
- 2) Altering outcomes: An underpaid person may request a salary increase, other forms of recognition or a bigger office. A union may try to improve wages and working conditions in order to be consistent with a comparable union whose members are paid higher (Samson and Daft, 2002).
- 3) Changing how people think about inputs or outcomes: According to research, people may alter perceptions of equity if they are unable to change efforts or outcomes (Samson and Daft, 2002). Thus, individuals may unnaturally increase the status attached to their jobs or distort others' perceived rewards to ensure equity.
- 4) Leaving: Individuals who feel they lack equity in the work place may choose to quit their jobs rather than bearing the inequity of being underpaid or overpaid. They may seek balance of equity applying for new jobs.

The implication of equity theory for organizations is that, to motivate employees it is necessary to ensure a state of equity in the work place by establishing mechanisms to deal with perceived inequity situations. Otherwise organizations may face low motivation, low performance, high absenteeism and turnover.

As it is mentioned before, a typical example of perceived inequity in a work organization is the situation of an employee who believes that his/her peers do not exert as much effort as him in the work place, although they are all getting the same amount of wage. Or an employee may think that he/she is performing well above the expectations but being treated the same as other employees who are just satisfying the expectations. This may lead employees to lose their motivation to do their best, to do more than what is expected from them, to be creative and to be problem solvers. In that kind of perceived inequity situations, employee may decide that his/her efforts do not make any difference to the organization, thus may stop working hard to make things fair in his/her mind.

This example can particularly be observed in public sector employment where employees of the same status and tenure get the same amount of wage, no matter how hard they work or how successful they are in making contributions. Likewise, an increase in salary or a promotion will have no motivational effect if it is perceived as inequitable relative to that of other employees, as it is not linked to performance. Public sector lacks an effective incentive system to motivate employees to exert extra effort and to differentiate between who is doing a good job and who is not.

In line with equity theory, a public employee in Turkey, like other public employees who have job security and a fixed level of wage regardless of performance, may not be motivated to exceed expectations unless he/she is treated different from other employees when he/she makes a contribution. In other words, without an effective recognition mechanism, it may be expected that for most of the public employees, any attempt to exceed expectations will create perceived inequity in time, because their compensation will be equal to what others receive for less contributions. As it is emphasized, employees may lose their motivation in such cases and may decrease their level of effort in order to get rid of the tension created by perceived inequity. Thus, it is very important that in public sector of Turkey, an effective recognition system should exist besides compensation and benefits, which will differentiate high level performing individuals from lower performing ones. In light of these, use of incentives becomes inevitable for public

sector to motivate employees by acknowledging the contributions exceeding expectations.

This thesis study proposes that non-monetary incentives, whether tangible, social or job-related, may be considered as the tool that is most appropriate for public sector to accomplish this objective. Non-monetary incentives offer variety of ways to recognize public employees besides compensation, such as letters of appreciation, plaques, gift certificates, tickets to events, a thank-you note, pat on the back, public recognition in a meeting, newsletter or bulletin board, opportunity to attend training program of interest, tasks with more responsibility etc. Moreover, as it is discussed in later sections, non-monetary incentives may be superior to monetary incentives in many aspects like cost, trophy value, separability from compensation, social reinforcement, justifiability etc. With the existence of non-monetary incentives to recognize good performance, those public employees may feel that their efforts make a difference to the organization and they are treated equitably. In turn, they may be more motivated to continue such contributions because they'll be differentiated from others who do not contribute as much but paid the same monetary compensation. To conclude, equity theory supports the idea that non-monetary incentives may be effective in motivating public employees.

2.2.8. GOAL-SETTING THEORY

Based on the idea that behavior is purposeful or goal-oriented, goal-setting theory suggests that specific and challenging goals can motivate behavior. Difficult goals boost performance by directing interest and action, mobilizing effort, rising determination, and motivating the search for effective performance strategies (Imperial, 2004).

The idea behind goal-setting theory is that, through setting goals, an employee knows what needs to be done and how much effort will need to be exerted. It is assumed that individuals compare their current performance to the required level of performance for the accomplishment of a goal. If they fall short

in terms of performance, they will be motivated to fill the gap to achieve the goal by working harder.

Locke (1968) demonstrated that individuals who were assigned difficult goals performed better than those who were assigned moderately easy goals. Latham and Baldes (1975) applied Locke's findings to the logging industry and they found that goal-setting may provide the employees with a sense of achievement, recognition and commitment by making clear what they are supposed to do. Moreover, 87 studies on goal setting as a motivational technique empirically supported the idea that challenging and specific goals motivate employees more than goals that are not difficult and stated in general terms (Tubbs, 1986). Thus, it is better to state a specific goal than to simply letting workers to do their best.

According to Eden (1988) goal setting raises expectations and strengthens people's positive judgments of their capabilities. It encourages people to think that they can make a difference. It enhances motivation because expectations are raised and productive self-fulfilling is strengthened. Accordingly, Eden points out that goal setting and expectancy theories are related to each other. As employees' perception that their efforts will lead to required performance increases, they will be more likely to exert more effort toward accomplishment of the goal.

Latham and Locke (1979) emphasizes that goal-setting may be the major instrument by which extrinsic and intrinsic incentives affect motivation. They give the example that, according to an experiment on job enrichment, unless employees are assigned more difficult and specific goals, there is no difference between enriched and unenriched jobs in terms of productivity. Moreover, they argue that, in order for money to be an effective motivator, it should be made contingent on accomplishing specific objectives.

It is also important to bear in mind that in order goal-setting to be effective, goals have to be accepted by the employees, that is, people have to be committed to the attainment of the goal. If goal setting is established in a participative process, goals may be accepted easily. Goal can be set jointly by supervisor and subordinate and it may also promote role clarity. Moreover, after setting the goal,

it is necessary that individuals are provided feedback to allow them to track their progress and how well they have accomplished the goals. Through feedback, employee can know his level of performance and adjust the level of effort accordingly.

In addition to these, Latham and Locke (1979) suggest that goal-setting is more likely to be successful if the following steps are followed. First, goals should be specific rather than unclear, for example instead of a statement like "try to decrease the costs", "decrease the costs by 5 percent in the next 3 months" is more specific. Second, goals should be challenging but not unreachable. If goals are perceived as unreachable, employees will not accept them and they will not get the feeling of success from pursuing goals that cannot be achieved. Thus, self-confidence and abilities of employees should be considered in assigning the challenging goals. Third, it is essential to set proper quality standards along with challenging goals so that quantity is not achieved at the expense of quality. Fourth, if immediate results are emphasized without regard to how they are achieved, long-run benefits may be sacrificed to attain short-term improvement.

Goal-setting theory was supported by considerable empirical support and it gains attention because of its simplicity. One criticism is that the theory has not been tested in complex task settings (Imperial, 2004).

To sum up, goal-setting is important because it clarifies what is expected from the employee, provides an opportunity for communication, enhances positive feelings about one's own capacity, encourages commitment and allows employees to monitor their own performance. Moreover, it is essential for incentive programs to be successful.

As it is explained so far, goal-setting has quite important implications for the motivation of employees and it may be expected that goal-setting can be an effective motivational tool in public organizations as well. Public employees may be more motivated if they are assigned specific and challenging goals that are appropriate to their abilities and provided with feedback to monitor their own performance. Setting challenging and specific goals may be particularly considered important in public sector because there is no performance related compensation or reward system in public employment. In other words, there is almost nothing to drive public employees to exert extra effort as they have job security and fixed level of compensation regardless of performance. Goal-setting theory emphasizes that difficult goals improve performance by directing interest and action, mobilizing effort, rising determination, and motivating the search for effective performance strategies. Consequently, goal-setting may be expected to have a high motivating power for public employees in Turkey.

2.2.9. REINFORCEMENT THEORY

Reinforcement theory is a different approach than content and process theories in the sense that it simply looks at the relationship between behavior and its consequences. It analyses the effects of rewards and punishments on changing or modifying the employees' on-the-job behavior. The basic assumption underlying behavior modification is the law of effect, which states that behavior that is positively reinforced tends to be repeated, and behavior that is not reinforced tends not to be repeated.

Reinforcement refers to anything that causes a certain behavior to be repeated or inhibited. The four reinforcement tools are positive reinforcement, avoidance learning, punishment and extinction (Samson and Daft, 2002). In each of these cases, reinforcement is caused by applying or avoiding a pleasant or unpleasant event following a person's behavior.

Positive reinforcement is rewarding the individual with a pleasant consequence following desired behavior. A good example of positive reinforcement is immediate recognition of an employee for arriving on time or doing extra work. Offering the employee a pleasant output for his/her behavior will increase the likelihood of that behavior occurring again. This pleasant output may be a monetary incentive as well as a non-monetary incentive. In fact, positive reinforcement by non-monetary rewards, such as positive feedback, is often as effective as financial rewards (Stajkovic, A. D., & Luthans, F., 1997).

Avoidance learning, sometimes called negative reinforcement, is the elimination of an unpleasant outcome following desired behavior. Employees learn to behave in the desired manner as they avoid unpleasant situations. For example, a supervisor stops criticizing or warning an employee seeing that he/she does not show the incorrect behavior anymore.

Punishment is the opposite of avoidance learning. It typically occurs following the undesirable behavior. For example, a supervisor may give an employee a lower grade during performance appraisal, for performing a task incorrectly. The supervisor may expect that the negative outcome will serve as a punishment and reduce the likelihood of the behavior recurring. Punishment is often criticized being an improper way to indicate the correct behavior.

Extinction is the taking out of a positive reward. Extinction leads to a decline in the reinforcement of the undesired behavior; therefore it is less likely to occur in the future. If an employee does not receive praise or pay raises, he or she may begin to grasp that the behavior is not producing desired outcomes or is undesirable. The behavior will gradually disappear if it is not continually reinforced.

The frequency of reinforcement is important in reducing the time needed for the employee to learn the desired behavior. There are five main types of reinforcement schedules: continuous reinforcement and four types of partial reinforcement (Samson and Daft, 2002).

Continuous reinforcement refers to the reinforcement of every occurrence of the desired behavior such as praising an employee for a job well-done or for helping his/her peer. This schedule can be very helpful in the early stages of learning new types of behavior, because every desired behavior attempt by the employee has a pleasurable consequence for him/her. However, in daily operation of organizations, it may be difficult to reinforce every correct behavior. With a partial reinforcement schedule, the reinforcement is administered only after some occurrences of the correct behavior. Partial reinforcement schedules are more effective for maintaining behavior over extended time periods. It is done through

fixed-interval schedule, fixed-ratio schedule, variable-interval schedule and variable-ratio schedule.

The fixed-interval schedule rewards employees at specified time intervals. For example, if an employee demonstrates the correct behavior each day, reinforcement may occur every week such as a monthly gift certificate for a full month of on time attendance.

With a fixed-ratio schedule, reinforcement occurs after a specified number of desired behaviors. For example, a sales representative may be awarded with a ticket to a sports or social event for every 20 pieces of products he/she sold.

In a variable-interval schedule, reinforcement is managed at random times that cannot be predicted by the employee. An example would be a random inspection by the manufacturing supervisor of the production floor, at which time he or she praises employees on their hard working.

The variable-ratio schedule is grounded on a random number of instances of the desired behavior, rather than on variable time periods. Reinforcement may occur after variable amounts of output.

To conclude, reinforcement theory has important implications for the motivation of employees. It demonstrates that behaviors' of employees that are positively reinforced are likely to be repeated and negatively reinforced are not likely to be repeated. Then, it is possible to motivate employees by reinforcing them each time they perform a desired behavior. Non-monetary incentives in the form of rewards have a significant role in positively reinforcing the desired behaviors. Social non-monetary incentives such as verbal recognition for a job well-done, feedback on performance, letter of appreciation, public praise, celebration of a work-related success or tangible non-monetary incentives such as a gift certificate, plague or job-related non-monetary incentives such as training opportunity, time-off, job enrichment etc. can easily be rewarded in order to reinforce a desired behavior. The desired behavior may be coming to work on time, exerting extra effort and time on a task, helping peers, solving a problem, making a good suggestion, innovation, completing a project very well, contributing to the satisfaction of a customer, preventing a potential danger etc.

The advantage of non-monetary incentives in that kind of situations is that, it helps to reinforce the desired behavior in a timely manner, following the behavior. Positive reinforcement is much more effective when it comes shortly after the desired behavior is displayed (Nelson, 2001). While a positive feedback, a pat on the back or a simple "thank-you" can accomplish this immediately; a monetary incentive such as a bonus would take much longer time to award, thus, to reinforce the desired behavior. Therefore, non-monetary incentives are necessary to reinforce the desired behaviors' of employees in public sector in a timely manner and motivate them to repeat those actions.

As it is shown, the benefits of using non-monetary incentives in motivating the employees are supported by many motivation theories. Whether non-monetary incentives can be effective in motivating the employees in public sector will be discussed further in the later sections, after the analysis of the survey study. The next chapter examines each type of non-monetary incentives and their particular benefits.

CHAPTER 3

A GENERAL DISCUSSION ON THE USE OF NON-MONETARY INCENTIVES AS A MOTIVATIONAL TOOL

3.1. TYPES OF NON-MONETARY INCENTIVES

Non-monetary incentives are the tangible rewards, social practices or job related factors that are used in an organization to motivate employees without direct payment of cash. In classifying the non-monetary incentives, the breakdown of on-the-job rewards proposed by Meacham and Wiesen (1969, p.46) provides a framework, which is shown in Table 1 on page 44.

According to Table 1, there are two basic categories of rewards: contrived on-the-job rewards and natural rewards. As discussed in Chapter-2 under the title of "Extrinsic and Intrinsic Motivation", contrived rewards are tangible incentives that are external to the work, generally involving costs for the organization and generating extrinsic motivation; on the other hand, natural rewards are job related and social incentives that exist in the natural occurrence of events leading to intrinsic motivation. The table includes monetary incentives as contrived rewards as well.

For the purposes of this thesis study, non-monetary incentives are classified as "Tangible Non-monetary Incentives", "Social Non-monetary Incentives" and "Job Related Non-monetary Incentives". In line with this classification, on-the-job rewards breakdown by Meacham and Wiesen (1969, p.46) is redesigned in this thesis work, as shown in Table-2 on page 45.

Tangible non-monetary incentives refer to the tangible items such as desk accessories, coffee mugs, wall plagues, watches, trophies, rings, tie pins, clothing, gift certificates, key chain, discounted goods, free tickets to various facilities etc.

Table 3.1. Classifications of On-the-job Rewards

Natural Rewards				
Social		Premack		
-Friendly greetings		-Job with more responsibility		
-Informal recognition		-Job rotation		
-Formal acknowledgement of		-Early time off with pay		
achievement		-Extended breaks		
-Invitations to coffee/lunch		-Extended lunch period		
-Solicitations of suggestions		-Personal time off with pay		
-Solicitations of advice		-Work on personal project on company		
-Compliment on work progress		time		
-Recognition in house organ		-Use of company machinery or		
-Pat on the back		facilities for personal projects		
-Smile		-Use of company recreation facilities		
-Verbal or non	-Verbal or non-verbal			
recognition or praise				
Contrived On-the-Job Rewards				
Consumables	Manipulatables	Visual and	Tokens	
		Auditory		
-Coffee-	-Desk accessories	-Office with a	-Money	
break treats	-Wall plaques	window	-Stocks	
-Free	-Company car	-Piped-in music	-Stock options	
lunches	-Watches	-Redecoration of	-Movie passes	
-Food	-Trophies	work environment	-Trading stamps	
baskets	-Commendations	-Company	-Paid-up	
-Easter hams	-Rings/tie pins	literature	insurance policies	
-Christmas	-Appliances and	-Private office	-Dinner theater	
turkeys	furniture for the	-Popular speakers	tickets	
-Dinners for	home	or lectures	-Vacation trips	
the family on	-Home shop tools	-Book club	-Coupons	
the company	-Garden tools	discussions	redeemable at	
-Company	-Clothing	-Feedback about	local stores	
picnics	-Club privileges	performance	-Profit sharing	
-After-work	-Special			
wine and	assignments			
cheese				
parties				
-Beer parties				

Source: Meacham & Wiesen 1969, p.46.

Table 3.2. Classifications of Non-Monetary Incentives

Tangible Non-Monetary	Social Non-Monetary	Job Related Non-
Incentives	Incentives	Monetary Incentives
-Free food/beverages	-Friendly greetings	-Meaningful work
-Food baskets	-Smile	-Job enrichment (work
-Desk accessories	-Pat on the back	with variety of tasks
-Coffee mugs	-Feedback about	and responsibilities)
-Wall plaques	performance	-Autonomy over the
-Company buses	-Verbal recognition or	work
-Watches	praise	-Job rotation
-Trophies	-Informal recognition	-Goal setting
-Rings/tie pins	like a "thank you" note	-Participation in
-Clothing	-Letter of	decision making
-Club privileges	commendation/	-Growth opportunities
-Office with a window	appreciation	such as training
-Piped-in music	-Public recognition in a	programs
-Private office	meeting, newsletter,	-Promotion
-Tickets to	bulletin board etc.	-International work trip
movie/theatre/sports	-Employee of the month	opportunities
facilities	award	-Flexible working
-Company	-Invitations to	hours
picnics/sports/social	coffee/lunch	-Time-off
facilities	-Solicitations of	
-After-work parties	suggestions	
-Celebrations	-Solicitations of advice	
-Trading stamps	-Compliment on work	
-Tickets redeemable at	progress	
local stores	-Dinners for the family	
-Vacation trips	on the company	
-Gift certificates as a new		
year present		
-Cellular		
phone/accessories		
-Key chain		
-Gold		
-Use of company		
machinery or facilities for		
personal projects		
-Internet access		
-Newspaper or magazine		
subscription		

Or they can be some services provided by the organization such as free food/beverage, childcare center, bus service, internet access, club privileges, piped-in music etc. They can be awarded as recognition to a good performance or any single contribution or may be offered in the workplace to create a positive working atmosphere for the employees.

Social non-monetary incentives are related with superior-subordinate relationships and the social activities within the organization. Superiors being sincere and caring in communicating with the subordinates and valuing their opinions, the degree of informal or formal recognition for a good job, various social activities in which employees of the same organization get together in an informal way for celebrating something or just to release the stress of the work etc. all contribute to the creation of a working atmosphere that employees feel themselves valuable as part of an entity. This in turn has the potential to motivate employees without offering monetary incentives.

Job related non-monetary incentives have the potential to motivate employees intrinsically. Jobs with variety of tasks, responsibilities, autonomy, flexible working hours, participation in decision making, development opportunities etc. are very important in satisfying employees' certain needs and they may lead to a feeling that the job itself is worth exerting more effort without need to any external incentive.

In light of these explanations, all three categories of non-monetary incentives have the potential to meet various needs of public employees without involving significant costs for the organization. It is also important to bear in mind that the basic monetary needs of subsistence must be adequately met with an employee's income before a non-monetary incentive can be effective.

3.2. DISCUSSION ON THE USE OF NON-MONETARY INCENTIVES IN EMPLOYEE MOTIVATION

The importance of non-monetary incentives in motivating the employees is supported by various studies and mentioned in writings of many authors. Janet

Wiscombe (2002) argued that what people really want is to be recognized for making contribution to the job, thus, recognition and praise are among strong motivators. In her opinion, non-cash incentives can not only be cost effective, but also can contribute a lot to raising morale, increasing productivity, improving quality, safety standards and customer service. Non-monetary incentive is the answer that Wiscombe gives to the question of how to maintain and improve worker morale while retaining the costs.

Bob Nelson (2001) also supports the view that there is a strong link between non-cash incentives and improved job motivation. He thinks that noncash incentives lower stress, absenteeism, turnover and raise morale, productivity, competitiveness, revenue and profit. According to his study, which was conducted from 1999 to 2000, in 34 organizations of U.S. ranging from Universal Studios to the U.S. Postal Service, 90.5% of the managers agreed on the idea that recognizing employees helps them better motivate their employees and 84.4% of the managers responded that providing non-monetary recognition to the employees when they do good work helps to increase their motivation and performance. On the employees' side, the research revealed the fact that for the 77.6% of the employees, it was very or extremely important to be recognized by their managers when they do good work. These findings have further confirmed the importance and effectiveness of non-monetary incentives in the motivation of personnel. In addition to these, Nelson pointed out that cash incentives may have some definite drawbacks. The money employees paid for the job is compensation. He argues that in time, monetary incentives as well are begun to be regarded as rights rather than incentives and the increasing demand for material rewards rapidly is destroying their usefulness as incentives and managerial tools. Another drawback is considered to be related with the decrease in teamwork as employees concentrated primarily on individual cash gains.

According to a March 1998 survey by The Gallup Organization Inc. and Carlson Marketing Group Inc., of the 2000 employees surveyed in United States, overall 82% said recognition and praise motivate them to improve their performance compared to the 17% that said they did not find them motivational

(PFI, 2002). The study also revealed that for almost 70% of the employees polled, non-monetary incentives provide the best motivation to improve their job performance, followed by 16% monetary recognition.

According to Sarah Gale (2002), non-monetary incentives evaluated as more valuable incentives than monetary incentives. In her article, she emphasizes that when you pay people for doing a good job, it becomes part of their salary expectations; a non-monetary incentive, however -whether it's a trip or a coffee mug- is a luxury separate from compensation that shows respect and commends accomplishment.

In comparing the cash incentives with non-monetary incentives, Dean R. Spitzer (1998) notes that the correlation between the monetary value of rewards and motivation is not very high and in most jobs the best performers are not necessarily the highest-paid ones. He emphasizes that money as an incentive tends to create "money motivation" rather than "good-work motivation" in the sense that when people struggle for monetary incentives, they may sacrifice quality to take the shortest and fastest way to maximize their monetary gain. Moreover, it is likely that the employees will soon become "habituated" to monetary rewards and start to see them as entitlements. Spitzer also draws attention to a study showing that a pay rise, on average, has a motivational impact of less than two weeks.

A survey conducted by AEIS in year 2000 supported a similar argument. 17% of the American employees polled said they had received a year-end cash bonus and 32% of these respondents stated that the cash incentive did not improve their work performance (American Express Incentive Services, 2003).

Another study which revealed the importance of non-monetary incentives for employees was published by Kenneth Kovach in 1999. In a survey of 1000 employees, he compared the associates' rankings of what they wanted from their jobs with what their bosses thought was important to the associates. According to the findings, associates listed an interesting work at the top, followed by appreciation of work, a feeling of being "in on things", job security and good wages. According to these rankings, Kovach's survey provides support for the effectiveness of non-monetary incentives in the motivation of employees.

David Saxiby (2002) draws attention to the impact of recognition programs on motivation of employees and stresses the fact that recognition comes in many forms, from a hand-written thank-you note, to the manager or president of the company praising their work, to the plaque with their name on it that sits in the lobby.

Scott Jeffrey's paper (2002) on the benefits of tangible non-monetary incentives constitutes one of the significant studies regarding the use and effectiveness of non-monetary incentives. He argues that the use of tangible nonmonetary incentives might accomplish the objective of motivating employees in a lowest cost better than the market value of that incentive in cash. Tangible monetary incentives refer to the non-monetary incentives with a substantial market value, such as vacation travel, tickets to restaurants etc. Among the short-term benefits of non-monetary tangible incentives is that first, a firm might be able to obtain these incentives for a lower net cost than the employee could on his or her own. Second, it is likely that a cash incentive will be mentally combined with the rest of the employee's salary, evaluating it in the same account as regular salary. As a result it may lose its effectiveness as a motivating factor. A company could solve this problem to some extent by issuing a separate check, or by having a ceremony or plaque, but it is likely that employees will have a strong tendency to consider this money as "more salary" rather than an incentive. For the incentive to be more motivating than cash the incentive will need to be segregated in the employee's mind, it should be unique. Tangible non-monetary incentives better serve to this objective. Third, tangible non-monetary incentives often carry utility beyond the pure consumption value of the incentive, that is, it has social aspects as well. An employee receiving a trip to a touristic place will be able to tell his fellow employees and friends about it, and gain some utility from this social interaction. Scott Jeffrey (2002) states the long-term benefits of tangible non-monetary incentives as follows. First, tangible non-monetary incentives might be perceived as gifts, which change the nature of the employment relationship. In other words, instead of a pure exchange relationship where services are exchanged for money, the giving of gifts may produce more sincere relationships and increase in the

commitment of the personnel. More committed employees are less likely to withdraw from the firm, and engage in more positive behavior towards the firm according to Jeffrey. Second, a tangible non-monetary incentive like a trip to a touristic place will be remembered longer and more clearly than what is done with a cash bonus. This type of incentive creates fond memories (e.g. photographs of the trip) that will create a positive feeling in employees, which will induce more positive attitude towards the firm.

Despite all these arguments supporting the use of non-monetary incentives in employee motivation, there are some views regarding the possibility of failure for the non-monetary incentives as well. First, possession of money is generally seen as the symbol of power and prestige in society and some employees may think that money is the only and sufficient way to realize all their dreams. Such a consideration may underestimate the value of non-monetary incentives in the eyes of employees. The use of non-monetary incentives may also be resisted because employees may evaluate it as a threat to the amount of monetary compensation that they wish to get instead. Good pay is usually necessary to employee satisfaction and must be carefully taken into consideration in all personnel matters. In addition to these, when the situation for public employees in Turkey is considered in terms of salary and wages, it is quite normal to expect that public employees value monetary incentives more than the non-monetary incentives because the amount of monetary compensation is usually considered to be low to satisfy the basic necessities. This may decrease the motivating potential of nonmonetary incentives. The effectiveness of non-monetary incentives may depend on whether the salary or wage level is at satisfying levels for the employee. The employee should not feel that he/she is underpaid. Despite the importance of nonmonetary incentives, pay continues to be seen as the best and most tangible way of recognizing the employees' worth to the company. There are some views that any amount of human relations cannot compensate for the insufficiency of monetary rewards whereas it may be possible to make use of the non-monetary incentives in addition to monetary incentives to motivate the employees further (Accel-team, 2004). In addition to these discussions regarding the effectiveness of non-monetary

incentives, there has been much debate on whether or not external incentives contribute to the motivation of employees or on the contrary they harm the intrinsic motivation (see e.g. Beer, 2002; Deci, Koestner, & Ryan, 1999; Kohn, 1993; Prendergast, 1999).

In the light of these, it can be argued that non-monetary incentives with their advantages have the potential to motivate public employees, however, there is no guarantee that they can always lead to efficiency and effectiveness in the work place. Also, the existence of highly motivated employees in the workplace does not necessarily mean that they are the best performing ones. Performance level is related to a much variety of organizational and workplace related circumstances. Perception of equity concept developed by Porter and Lawler (1976) is another variable that affect the performance and motivation of the employees. Perception of the individuals regarding the rewards is an important determining factor. Based on this concept, motivation results from "the level of performance followed by intrinsic and extrinsic rewards as perceived by the employee as equitable" (Aksoy 1986, p.19). The survey study in this thesis sheds light on how the employees perceive the non-monetary incentives and whether they have the potential to motivate the employees in the General Directorate of Investment and Enterprises.

The following sections specify the features and importance of each type of non-monetary incentive for the motivation of public employees.

3.2.1. TANGIBLE NON-MONETARY INCENTIVES

The importance of tangible non-monetary incentives can be discussed by comparing them to monetary incentives. When people are asked what type of reward they want, cash may, on the surface, be preferred by everyone, but it may not really energize people to do beyond their basic job requirements. As mentioned in the previous section, monetary incentives can be more effective in some instances in motivating employees, however, as Herzberg (1966) states in his motivation-hygiene theory, a fair salary is a "hygiene" factor, it is something people need as an incentive to do the jobs they are hired to do. Money can prevent

dissatisfaction with the job but does not necessarily motivate people. Tangible non-monetary incentives are as important as monetary incentives in the motivation of employees. This importance is attributable to various factors that can be stated as follows (American Express Incentive Services, 2003).

Cash incentive is typically thought of as compensation, can be spent on everyday necessities (such as groceries, bills etc.) and gone. But non-monetary incentives such as free bus service, a ticket to a football game, discount on a store, a gift certificate or subscription to a magazine can be used to satisfy the "wants" and "interests" of employees. Most of the employees have interests outside the workplace. Offering the employees things that they value can make them feel that the organization cares about them as valuable human beings. They may contribute to create a positive work environment for the employees make them feel more motivated to work. Moreover, while employees may feel guilty for not spending a cash incentive on basic needs, they can enjoy non-monetary incentives guilt-free as they do not have other choice.

In line with this view, Hill and Pavetti (2000) stress that low income working parents often have difficulty in devoting enough time and money to pleasurable activities with their family. Providing tangible non-monetary incentives such as a ticket to a movie or an amusement park, purchasing school supplies or clothes, opportunity to join a local sports team or summer camp for children etc. may have great value for the employees. On the other hand, employees would probably hesitate to spend a cash incentive of the same value for these kinds of activities rather than necessities.

Tangible non-monetary incentives provide employees a tangible symbol of achievement and it becomes something physical to show off. Tangible non-monetary incentives that are awarded as recognition of a good performance can often be shown to co-workers and friends as a trophy and there is no reason not to brag about them. On the other hand, it is unlikely that employees do the same thing with a cash incentive; socially it is not an acceptable way to seek peer recognition.

Tangible non-monetary incentives provide lasting reminder of achievements and the efforts put to achieving it. The more symbolic an item is of

the success, the more likely it is powerful in reminding the employee of why it was given (Spitzer, 1998). Small gifts, plaques, a coffee mug, a pen set, rings/tie pins etc. remain most of the time in the employees, in their offices or in their home; they continue to have a memory value long after its initial receipt. The employee is more likely remember how he/she felt when the reward was awarded, what the achievement was etc. On the other hand, people when asked how they spent their last cash reward often don't remember it (American Express Incentive Services, 2003).

Tangible non-monetary incentives cost much less than cash incentives for the organizations' compensation budget. Non-monetary incentives have a higher perceived value than their actual monetary value. According to a study by Alice Kendrick in 1986, when focus groups were asked to assign a cash value to a number of tangible non-cash incentives, most assigned a higher value to the items than they actually had (Alonzo, 2004). On the other hand, no greater emotional value is attached to cash incentives.

Another research shows that the way the brain processes information affects tangible non-cash incentives having a greater impact on people than cash rewards (Alonzo, 2004). Offers of tangible non-cash incentives are visualized or imaged by the right hemisphere of the brain. Such images or mental pictures activate emotional responses which can be quite powerful. Conversely, offers of monetary incentives are processed by the left hemisphere, which lacks the ability to create images. When a monetary incentive is received, the brain's lefts hemisphere evaluates the information and determines whether the offer is sufficient, relative to the time or effort required to earn it. With cash, the response is reduced to one issue: how much.

As all these demonstrate, non-monetary incentives can be as powerful as, in some instances even more effective than monetary incentives in motivating the employees. This may be a valid argument for the public employees as well. Unlike private sector who usually offers monetary incentives to its employees, public sector is financially constrained to do that. Other than wages and fringe benefits, public sector employees rarely have monetary incentives in their jobs. Tangible

non-monetary incentives, with their mentioned benefits, may compensate this deficiency and may contribute to the motivation of public employees without involving significant financial costs for the public organization. Moreover, as the Expectancy Theory of motivation demonstrates, if employees are offered non-monetary incentives that they value, they will be highly motivated to achieve the targeted outcomes, for the cases where E-P and P-O expectancies are high.

Another type of non-monetary incentive is the social activities within the organization which can be put under either tangible or social non-monetary incentive categories. Social activities such as celebrations, team lunches, picnics, sports activities, social events or special dinners for achieving a goal, an employee's retirement etc. in which employees of the same organization get together in an informal way helps employees to associate themselves with the organization. Social activities encourage communication, as well as recognizing achievements. In turn, employees may be more likely to exert more effort towards accomplishment of organizational goals. These kinds of non-monetary incentives are ideal for people with high need of affiliation in McClelland's Acquired Needs Theory and Maslow's Hierarchy of Needs Theory. These individuals with social needs are motivated to work in an environment that provides significant personal interaction and participation in pleasant social activities. To conclude, the existence of these non-monetary incentives in a workplace has considerable effect on creating a positive atmosphere and motivating employees.

It is expected that public sector in Turkey would have some limitations on the type of tangible non-monetary incentives it could offer to the employees due to financial constraints. Possible tangible non-monetary incentives may be letters of appreciation, e-cards for praising a good job, pen sets, plagues or other symbolic gifts, improving working conditions and arranging social activities etc. Nevertheless, as an original idea and practice, tangible non-monetary incentives, when applied in public sector, has the potential to attract employees' attention to exert more effort in their jobs. Moreover, they may take the place of monetary incentives in satisfying lower level needs of employees.

In using tangible non-monetary incentives as a motivational tool, it is also necessary to consider the possible areas of conflict in the organization. It may not be easy to administer these kinds of incentives in the public sector since there are no clearly defined performance criteria and it may be difficult to put forward clear targets for the employees. This may lead to situations in which an employee is awarded and the other one is not, although they both work hard. As a result, the application of tangible non-monetary incentives may create perceived inequalities in the work place. An employee may be awarded a tangible non-monetary incentive whereas the other may think that in fact he/she deserves the reward. As a result, there may be loss of motivation in other employees. Thus, the administration of these kinds of incentives necessitates attention.

The following are the three examples of the use of tangible non-monetary incentives from the private sector. In the first case, Cochlear is an Australian-based company that leads the world in the design and manufacture of implant systems. Since many Cochlear employees spend a lot of time looking through microscopes and assembling very small components, the ergonomics of the workplace is vitally important. To deal with it, Cochlear has made significant investments in ergonomic work benches and chairs, which are aimed specifically at reducing the negative impacts on staff, and making the work environment fitted to workers' needs. In addition, the company has two work breaks each day in which workers stop work and participate in stretching and calisthenics. These exercises avoid the injuries and cramping associated with the requirements of the job. Employees leave their work benches and spend 10 minutes exercising along with music. As a result, stress and work-related injuries have substantially decreased and there is a healthier, happier and more motivated workforce for Cochlear (Samson and Daft, 2002). As a second example, employees at Blanchard Training and Development in Escondido, California, get two movie tickets on their birthdays (Nelson, 2001). As a third example, employees in Vantage One Communications Group, a marketing firm, regularly take breaks by playing foosball in the company's recreation room. Such diversions relax the daily routine and create a feeling of belongingness and community. Similar examples may also be practiced in public

sector organizations to create a positive working atmosphere and motivate employees without offering money.

3.2.2. SOCIAL NON-MONETARY INCENTIVES

Social non-monetary incentives concern the superior-subordinate relationships within the organization. They are as important as tangible non-monetary incentives in the workplace because social non-monetary incentives have an important role in satisfying certain needs of employees such as social acceptance and affiliation, self-esteem and self-realization.

A friendly greeting, a smile, a handshake, a pat on the back, a thank-you note by the superior mean a lot to most of the employees. They are all means of showing that employees are valued, cared and appreciated by their superiors. Also, employees whose ideas are taken into consideration, whose suggestions are appreciated, who feel themselves in on things and who gets feedback about their performance are more likely to try harder in their job. As McClelland's Acquired Needs Theory states, achievement motivated people like to get immediate feedback on how they have done so that they can enjoy the experience of making progress toward objectives. They may satisfy those needs with these kinds of social non-monetary incentives.

One of the most important issues to be considered in discussing the social non-monetary incentives is the appreciation of employee. Expressing acknowledgement and appreciation creates a link in participants' minds between their actions and the positive emotional results without assigning a monetary value to their achievement. It is a positive reinforcement, that is, it gets those positive actions repeated. It is a powerful tool in identifying excellence and setting standards on how to be successful in an organization. As Rosabeth Moss Kanter suggests, "To the rest of the organization, recognition creates role models and heroes-- and communicates the standards: These are the kinds of things that constitute great performance around here" (Nelson, 2001). It can focus employees' efforts on the direction of improvement and no-cost involved in one-minute

praising. Once employees are recognized for their hard work and realize that they do make a difference to the organization and are valued, as reinforcement theory suggests, it is likely that they will want to perform at higher levels.

According to Bob Urichuck (2003) recognition and praise reinforces the employees' beliefs about themselves and helps make them think they are better than they thought they were. That is, it helps to build self-esteem. Employees with enhanced self-esteem can develop feelings of self-confidence, strength, making difference to the organization and being a valued member.

Craig N. Clive (2004) emphasizes the significance of recognition in his article "Cashless Employee Motivation". He points out that employees seek recognition for their accomplishments both inside and outside the organization and being respected for knowledge and skills is an important satisfier for them. While highlighting the importance of the phrase "Thank You" as the least costly non-financial incentive, he lists "articles in organization publications, postings on an employee information bulletin board, recognition at unit meetings, and other positive communications" as the other means to recognize employees. Moreover, he notes that social incentives such as the opportunity to speak with managers and executives provide employees a chance to address their concerns and comments directly to the top. If the organization takes immediate actions to resolve the issues, employee feels that the organization cares about them.

Some other suggestions for recognizing the employees socially can be stated as follows (Bussin and Christopher, 2002): "Praise employees for a job well done immediately, be specific regarding recognition, personalize by using the person's first name, greet employees, give credit where due, start a yearbook with the names and photographs of outstanding employees, arrange "out-to-dinner" incentive programs to give individuals a sense of appreciation, arrange "behind the scenes" incentive programs for those whose actions are not usually in the limelight, recognize employees in front of their colleagues and spouses, co-ordinate a surprise celebration of the achievements of an employee or group of employees, thank employees for initiative, acknowledge a long relationship between a company and an individual, show personal interest in an employee's

development and career after a special achievement, asking how you can help him or her take the next step, send birthday cards to employees signed by the CEO, when you hear a positive remark about an individual, repeat it to that person as soon as possible, if you cannot meet, leave an e-mail or voice mail message, introduce peers and management to individuals and groups who have been making significant contributions as a way of acknowledging their work."

Seeking and using employees' ideas is another type of social non-monetary incentive for the employees. In organizations, there should be mechanisms such as suggestion boxes or weekly meetings that encourage employees to express their ideas and suggestions and focus on the problems of the organization. Also, discussion meetings with the employees may be helpful. With these kinds of incentives, employees know what is going on and how they fit into the overall picture. It makes them feel important and they gain the opportunity to reach their supervisors to voice their concerns or ideas. In turn, it helps them to associate their interests with the organizational objectives.

Organizations can benefit from the ideas and solutions offered by the employees. Employees can have progressive ideas for the efficiency of the work they perform. According to one study conducted by the Brooks consulting firm, of 12 companies in six different fields of work in United States, 64% of the workers believed they could contribute to reduce the costs of production if they were asked (Nelson, 2001). Consequently, if organizations seek their ideas, employees could come up with various useful ideas and in turn they would recognize their value to the organization by seeing how his/her efforts contribute to the overall success.

Private sector companies usually have mechanisms to encourage employees to make suggestions and involve them in problem solving and reward them. Promoting employees to make suggestions and to express their ideas regarding the work process is very significant and essential in the public sector as well. Decreasing costs of operation is a concern for many public organizations. In fact, it is the reason behind many privatization decisions. Seeking for the employees' suggestions in decreasing costs may be beneficial for the public organizations in this sense.

According to several studies, one of the best ways to encourage workers to help cost reduction for the organization is to provide them with public recognition for their efforts in reducing the costs (Nelson, 2001). If the organization has a mechanism to say the employees that their ideas are valued and recognize the contributions of employees to cost-cutting and efficiency, they would be more motivated towards doing their best. If they do not get any recognition besides their monthly salary, there won't probably be any reason for them to exert effort to improve the work or reduce the costs.

In the public sector there is hardly any incentive that can motivate employees to exert more effort besides job security, wage and fringe benefits. In fact, Herzberg classifies those items as hygiene factors that retain the public employees in the job rather than motivating them to exert extra effort. As it is emphasized before, public employees enjoy those privileges regardless of their work performance. In other words, there is no mechanism to differentiate superior performance from others, all are treated the same. Therefore recognition as a social non-monetary incentive is central to the motivation of employees in the public sector. It not only tells the employee that he/she makes a difference for the organization and is a valuable part of it, but also reinforces behaviors that benefit the public organization. More importantly, as it is mentioned in Equity Theory, failing to differentiate a job well-done from an average performance leads to a tension that can motivate individuals to bring equity into balance through altering effort, altering outcomes, changing how people think about inputs or outcomes and leaving the job. A public employee may think that he/she is performing well above the expectations but being treated the same as other employees who are just satisfying the expectations. Then, he or she may stop working hard to make things fair in his/her mind. Thus, recognition helps to bring equity to public organization work settings.

As an example of recognition from private sector, Fine Host Corporation, a US food service company in Greenwich, Connecticut, regularly gives quality awards and posts workers' names in company buildings to recognize their good

work. Also, employees receive framed certificates when they complete training courses.

Considering the appropriate ways of employee recognition in the public sector, Gary Vikesland (2001) suggests the following recognition ideas that are simple and easy to operate:

- 1) Create recognition cards to give after an employee completes a difficult task, achieves his/her goals, make a useful suggestion, contributes to decrease costs, helps his/her peers in work place or after an employee receives special acknowledgement from a customer or co-worker. Recognition card is a business size card that a supervisor can carry with him/her at work. It can be either elaborately or simply designed. It is designed to have blank spaces where the supervisor writes the employee's name, the specific behavior being recognized, and a pre-printed statement telling the employee to bring the recognition card to their next performance review.
- 2) Create recognition memos on gold paper. A recognition memo is similar to the recognition card. It also has a blank space to fill-in the employee's name, specific behavior being recognized, and a pre-printed statement telling the employee to bring the memo to their next performance review. The difference is that, the recognition memo is read and signed by the CEO and all relevant department heads. To make recognition memos a successful motivational tool, all signers should sign the memo within 48-72 hours. A recognition memo that takes 3-4 weeks to get to an employee is not very effective in producing additional employee motivation.
- 3) Create an employee "freedom" card. An employee freedom card allows an employee to take a certain amount of time off of work, usually 1-2 hours, at their leisure. Employee freedom card works best when given to an employee who has just completed a difficult work project that required him/her to put in long work hours. Like recognition card, freedom card has a blank area to write the employee's name, a blank space to record the specific behavior being recognized, and a time limit in which the employee needs to take their time off, usually within one or two weeks. The employee is not allowed to save up freedom cards. The

point of the freedom card is to allow the employee to take a couple hours off work to help them recharge their batteries and to lower their stress levels. The manager should tell the employee, "In order to recognize your hard work, I would like for you to take a couple of hours off, on company time, in order to relax and recharge yourself."

In addition to these examples, there are many other ways to recognize public employees for their good job without any monetary costs. Given the importance of recognition in the motivation of personnel, public organizations should know how to integrate recognition to their daily operations to benefit from this free motivational tool. As Dee Hansford, an Orlando, Florida-based recognition consultant and founding board member of the Chicago-based National Association for Employee Recognition notes, giving personal praise is a basic skill that all people can learn (Davidson, 1999). It isn't something that comes naturally for everyone because it requires people to make a human connection on a very personal level. Thus, it is necessary to introduce this concept to public organizations through seminars in order to enhance its practice and ensure that it is employed adequately. From time to time, employee surveys can be conducted in public organizations to measure how well supervisors are doing in the area of employee recognition. When the situation of public organizations in Turkey is considered with regard to superior/subordinate relationships, it may be difficult to say that there is an environment suitable for the establishment of recognition practices. Thus, for the social non-monetary incentives to be effective, it may be necessary to build an infrastructure through training the superiors and the employees on this issue. At this point, again it is also necessary to be careful about any possible perceived inequity situations in the workplace.

3.2.3. JOB-RELATED NON-MONETARY INCENTIVES

Job-related non-monetary incentives concern the job-related issues that can motivate employees intrinsically. In other words, employees are motivated to exert more effort and go beyond the expectations because the nature of the job they do give them that pleasure to be more motivated. This may be possible because some aspects of job provide feelings of self-worth, accomplishment and pleasure from using and developing one's skills.

Job-related non-monetary incentives can contribute to the intrinsic motivation of the employees and they can provide many advantages (Steers and Mowday, 1977). First, it may reduce the need for extrinsic rewards that are costly to the organization. Employees will be motivated to do their jobs because of the satisfaction they get from doing it. With a meaningful job which allows the employee to use various abilities and skills and in which he/she has some degree of autonomy and flexibility in terms of working hours, an employee may be motivated to exert more effort in the job without any need for an extrinsic incentive. Second, there is a reduced need to supervise task behavior since the motivation to perform at high levels has been internalized and initiated by the individual. Third, job-related non-monetary incentives such as promotion, participation in training program and international work trip opportunities are expected to be great motivators by satisfying employees' growth and esteem needs.

Examples of job-related non-monetary incentives may include job rotation, job enlargement, job enrichment, empowerment, goal setting, participation in decision making, growth opportunities such as training programs, promotion, international work trip opportunities, flexible working hours and time-off. Some of these non-monetary incentives are discussed in the following paragraphs.

The first three job-related non-monetary incentives can be analyzed under the concept of job redesign. Job design is the "specification of the contents, methods, and relationship of jobs in order to satisfy technological and organizational requirements of the job holder" (Rush 1971, p.5). Jobs are redesigned to address both the need for productivity and the need for greater personal control and meaning in work. Job redesign may provide an opportunity to motivate employees by making job more pleasurable to them.

Job rotation is simply the process of moving employees from one department or position to another, centered about a core job. Through job rotation, the number of different tasks an employee performs is increased without increasing the complexity of any one job. For example, a car factory employee may install windshields one week and front bumper bars the next. Job rotation provides the employee a broad perspective of his position in the organization and the variety. It may be useful for compensating for routine tasks that have little inherent satisfaction and for training the employees.

Job enlargement is usually called "horizontal job loading", meaning adding more task elements to an existing job. With job enlargement employees perform a large work unit involving a variety of task elements rather than a fragmented job. Task variety leads to a series of mental activations necessitating a variety of responses and thus reduces monotony. Also, by combining related task elements, the job is less fragmented and closer to a whole work unit and the employee is more likely to recognize his/her contributions to the realization of the task. Homans (1961) suggested that the enlarged job will have high motivational value if repeated activities lead up to the accomplishment of the final result. In addition to these, job enlargement may motivate employees by enabling them to use more skills and abilities contrary to simplified jobs that may be less motivating as they require low levels of ability and effort utilization. Enlarged jobs with optimum levels of complexity help to create a task situation that is challenging but attainable to the employees (Chung and Ross, 1977). Thus, it may be a response to the lower levels motivation among employees with oversimplified jobs. As an example of job enlargement practice, General Motors' new assembly plants can be examined (Samson and Daft, 2002). There is a freewheeling, motorized carrier that carries each car independently through the assembly process. The carrier moves to a work-station, where it stops for a group of employees to perform some coordinated tasks, such as installing an engine and its accessories. Thus the employees' job is enlarged by assigning a group of tasks in a stationary automobile, rather than a single task on a series of automobiles moving past them.

Job enrichment (vertical job loading) deals with creating a work that includes a greater variety of content, necessitating a higher level of knowledge and skill and providing the employee with more autonomy and responsibility for planning, directing and controlling his job. Usually this method also entails that

the level of difficulty or complexity of the job is increased. In addition to job enlargement that changes the number and frequency of tasks, job enrichment involves high-level motivators by incorporating job responsibility, recognition, and opportunities for growth, learning and achievement into the job design. By enriching a job, employees are given a feeling of personal responsibility for their outputs and an opportunity to help plan their work objectives, make decisions on how to do the work, and experience personal growth.

Expectancy theory of motivation explains why job enrichment may lead to higher motivation (Staw, 1976). With job enrichment, employee has more autonomy and greater control over the process leading to the accomplishment of the task. There is less outside interference. Therefore, employees' beliefs that effort will lead to the desired task performance will be higher in enriched jobs than for an employees with less autonomy. This means that E – P expectancy, the probability that putting effort into a task will lead to high performance, will be high. Second, due to increased employee ownership of the task, performance-outcome expectancy (P - O), which concerns the relation between performance and the outcome, will increase. Third, in jobs with more autonomy, employees are likely to own the outcomes of their efforts. Thus, autonomy may increase the value of outcome (valence) which an employee attaches to successful task accomplishment since he/she would play a more central role in it. According to expectancy theory, an increase in these three components will lead to an increase in motivation.

As it is emphasized in theories of motivation, job characteristics model by Hackman and Oldham (1980) supports the motivating potential of job enlargement and job enrichment. They argued that jobs with high score in terms of a combination of five job characteristics (task variety, task identity, task significance, autonomy and feedback) lead to higher job satisfaction and motivation. Job enlargement focuses on the variety, task identity and task significance dimensions by widening the range of activities maintained by the employee. Job enrichment promotes autonomy and feedback by giving the

employee a sense of personal responsibility for his output and allowing him to evaluate his own performance.

All these arguments support the idea that job enrichment and enlargement as job-related non-monetary incentives can be effective in motivating the employees intrinsically. However, there are some points that need to be considered (Chung and Ross, 1977). First, job enlargement and enrichment may require considerable effort, time and training process. Second, employees will not positively respond to these kinds of new job arrangements unless they are reasonably satisfied with economic well-being and affiliation. Third, job enrichment may not be applicable to all employees in an organization. Employees with unsatisfied existence needs, lower desire for complex tasks and limited ability to perform them may be motivated with relatively simple tasks and job enrichment may be a liability for them. Reif and Luthans (1972) note that unskilled workers prefer routine tasks because these jobs provide them with opportunities to socialize or daydream. Thus, job enrichment is suggested to motivate employees with higher order needs such as achievement, recognition, responsibility and growth opportunity, who prefer challenge in performing complex tasks and have abilities to perform. Fourth, employees will be motivated to perform their tasks when these tasks have an intermediate level of difficulty because their perceptions of the E-P and P-O expectancies at this difficulty level will be highly motivational. In other words, tasks should have a difficulty level that is challenging but attainable for most of the employees. Fifth, job enlargement may be more suitable to employees at lower levels of organizational hierarchy who are motivated by lower-order needs because such an enlarged job can be less boring and requires a minimum level of skill and responsibility. To conclude, individual differences should be taken into consideration in designing jobs.

It may be argued that, if job enlargement and enrichment is applied along with other non-monetary incentives of social and tangible in kind, majority of public employees in Turkey who have satisfying levels of wages, job security and fringe benefits may respond positively to these job-related non-monetary incentives in terms of motivation. Tangible and social non-monetary incentives

may help to satisfy the lower level needs of employees, driving them to seek satisfaction for the higher level needs through job enlargement and job enrichment.

Another job-related non-monetary incentive is empowerment. Empowerment is the delegation of power or authority to employees in an organization. According to research most people have a need for the capacity to produce results or outcomes, to feel that they are effective (Conger and Kanungo, 1995). Empowerment allows the employees to improve their own effectiveness as they choose how to perform a task and it gives way to creativity. Empowerment may lead to motivation because it helps to meet self-actualization and esteem needs as the employees are intellectually challenged, provided with opportunities to use their minds and creativity, and given the power to make decisions that affect their work.

Empowerment is accomplished through the existence of the following four steps (Bowen and Lawler III, 1995):

- 1) Employees receive information about organization's performance such as finances, salaries of executives etc.
- 2) Employees gain the knowledge and skills to contribute to organizational goals through training programs, workshops etc. and they are enabled to solve problems and make quality improvements on their own.
- 3) Employees have the power to directly influence work procedures and organizational performance, often through quality circles or self-directed work teams.
- 4) Employees are rewarded to tie their efforts to organizational performance.

Empowerment may be applied in varying degrees such as encouraging employees' participation while retaining final authority for decisions or giving employees almost complete freedom and power to make decisions and exercise initiative and imagination.

Similar to empowerment, participation in decision making is also an important non-monetary technique that may motivate public employees. It is a process where subordinates share a degree of decision-making power with their

immediate superiors at the work group or organizational level. Through participation in decision making, employees feel that their ideas are valued and they are given the opportunity to affect the work process. It helps to make their job more interesting and meaningful. Moreover, it helps the organization to benefit from the knowledge and skills of employees whenever and wherever possible. Lawler (1990) (applied management techniques book), stated that participation affects motivation because it increases the amount of information that employees have on the expected outcomes of performance, it promotes that rewards have high valence for workers, and it helps employees to see the relationship between performance and outcomes. Moreover, as it was emphasized in explaining Goal Setting Theory, Locke (1996) argues that participation in setting individual goals improves goal commitment and this in turn increases motivation to achieve them.

Participation in decision making may be effective as a motivational technique in public sector but it is important to keep in mind that for it to be effectively realized, some conditions must be satisfied. There must be adequate time to participate, the issue in which employees participates must be relevant to their interests, employees must have the ability to participate, and the organization's culture must support employee involvement. Participative decision making may be realized through teams, committees, group meetings and quality circles.

Promotion is another non-monetary incentive that is likely to motivate employees. It usually means an increase in prestige, self-respect and self development for the employees, which satisfy their psychological needs. If it is explained by expectancy theory, promotion is expected to motivate employees particularly when it is linked to performance. P-O expectancy will be high in the perceptions of employees and the valance for the promotion will be high since it is important in the satisfaction of employees' psychological needs. Thus, promotion opportunities should be provided in adequate levels in the organizations to motivate the employees with this job-related non-monetary incentive.

Goal setting as a job-related non-monetary incentive basically refers to establishing observable standards for employee performance and offering feedback

to the employee about the extent to which the standards have been accomplished. As it is mentioned in the discussions of Goal Setting Theory in Chapter-2, goal setting has many advantages for the organizations (Perry and Porter, 1982). First, it is an essential for the effective performance appraisal. Second, goal setting promotes personal significance reinforcement because it creates a mechanism by which individuals can observe their contributions to organizational success. Third, goal setting can be utilized successfully instead of monetary incentives which in the long run either could fail for lack of adequate financial rewards or might detract from public interest values. Moreover, it offers a high rate of return for quite limited investments. In light of declining budgets and resource scarcity, it is difficult to do that with monetary incentives. Thus, public organizations can benefit from this motivational tool.

However, there are some points that should be taken into consideration in designing goal setting techniques for public organizations (Perry and Porter, 1982). First and the most important is the vague and conflicting nature of governmental goals. Although examples supporting the belief that goal setting can indeed contribute to employee understanding of tasks and objectives might readily be obtained, the practical difficulty of creating concrete and precise goal statements in many situations is not changed. Also there is the problem that attempting to make goals more concrete may run the risk of making them simpler. In light of these considerations, it might be necessary to create highly flexible, decentralized goal setting techniques so that the task characteristics of the organization receive adequate attention. It also might be necessary to state goals in terms of organizational inputs or activities rather than outputs because of the difficulty of measuring success.

To sum up, if job-related non-monetary incentives can be utilized in public sector organizations in adequate levels, it may be expected that they can satisfy many higher level needs of the employees such as esteem and growth. Even if monetary incentives may satisfy many needs of employees, employees would still have some psychological needs such as a meaningful work in which various skills can be used, autonomy over work, development opportunities, prestige etc.

Monetary incentives are not likely to compensate for these needs. Moreover, jobrelated non-monetary incentives also help to create a more positive working atmosphere for the employees in which they would enjoy working for the sake of working. Therefore, job-related non-monetary incentives are important for the success of every organization, particularly public organizations. Job-related nonmonetary incentives may help to motivate public employees even if they are not satisfied with their wage levels or the amount of monetary incentives they get.

CHAPTER 4

THE ISSUE OF MOTIVATION IN PUBLIC SECTOR

While it is one of the keys to organizational success in all types of organizations, motivation is particularly essential for governmental organizations. This is due to many reasons. First, public employees serve public purposes and motivated employees in public sector are critical to fulfill the governments' responsibilities to their citizens and communities. Second, citizens seek satisfaction from governmental services and to the extent that government is able to respond to their needs timely and effectively, their confidence on government grows. Government's ability to respond timely and effectively -to some extentdepends on the degree to which public employees are willing to exert effort in their jobs. This is particularly true for the cases involving face-to-face interactions of public employees with citizens. Third, government faces increasing public demands and financial constraints to meet those demands. The cooperation of public employees is necessary for pursuing challenging governmental objectives. Their creative ideas and suggestions are needed for cost savings and innovations in government in order to improve the quality of service while coping with the cost concerns. And fourth, public employee expenses constitute 40% of the general budget in Turkey, as it was stated in a conference hold by TODAIE and TUSIAD on 31 October 2001 (Serdar, 2002). Investing such a big amount on it, government has to benefit from its manpower at the maximum level and has to ensure that they are fully committed to the objectives of public organizations. The realization of the objectives of public organizations depend on many factors such as public policies, national economy, resources available, external environment and finally educated and motivated public employees. For the last item, motivation has a vital place.

Given the significance of motivation in the public sector, the issue becomes what motivates public employees to exert more effort in their jobs. This analysis is

necessary to understand to what extent non-monetary incentives may be successful as a motivational tool when applied in public sector organizations in Turkey. Although awarding monetary incentives is still the most commonly used technique by the private sector in motivating employees, non-monetary incentives has recently become focus of attention, especially in the United States. There is enormous literature and many research studies supporting the effectiveness of non-monetary incentives as a motivational tool for the private sector and encouraging its use in addition to or instead of monetary incentives.

Before discussing whether it is a technique that can also be effective in public sector, it is important to have a look at the use of incentives in the public sector of Turkey and review the advantages of using non-monetary incentives. The following section aims to explain these issues.

4.1. A DISCUSSION REGARDING THE USE OF INCENTIVES AS A MOTIVATIONAL TOOL IN PUBLIC SECTOR OF TURKEY

As it is explained in Chapter 2.1.1, public organizations need incentives, besides providing wages and fringe benefits to the public employees because they help to encourage specific behaviors or goals that are not supported by the existing compensation. Public employees in Turkey enjoy job security and fixed wage levels regardless of their performance, there is no performance based pay system. Therefore there is almost nothing to support them to do their best in their jobs or to enforce the outstanding behaviors other than some very exceptional cases. It is important particularly for the public sector that, some kind of incentive mechanism exists to promote employees to contribute more, to do more than what is expected from them and to recognize outstanding performance. There are three alternatives to realize this: utilizing monetary incentives, non-monetary incentives or both.

In Turkey, some monetary incentives are guaranteed to public employees such as overtime pay and bonus payments. But the amounts of these payments are kept very limited compared to private sector, they are not tied to performance and these payments are not made in a timely manner to recognize a particular success

immediately. In addition to these incentives, in article 123 of 657 numbered Civil Servants Act, it is stated that public employees who are recognized for their extraordinary performance compared to others can be awarded monetary rewards with the approval of the related minister. However there is a limitation on the amount of this reward and the number of employees that can be rewarded. Generally speaking, the amount of the reward cannot exceed the wage amount for the particular employee and the number of employees that can be rewarded within a fiscal year cannot exceed 1% of the total number of employees in that organization. As it is seen, this incentive is also very limited.

Several studies suggest that public employees in Turkey generally are not satisfied with their payment levels. Together with the above limitations, monetary incentives continue to be inadequate in motivating public employees in Turkey. It seems that given the limitations of a weak national economy, it is questionable whether the public sector in Turkey will be able to develop its monetary incentive system to the effective levels. Moreover, even if it is able to develop, monetary incentives are less likely to promote effectiveness of public employees unless they are tied to performance. On the other hand, establishing a performance based incentive system is not an easy task for the public sector. It necessitates precise goals, objectives and an effective performance evaluation system with wellestablished evaluation criteria. Dogan Kestane (2003) points out that, performance standards in public sector of Turkey are not developed enough to enable precise personnel evaluation. This is a serious problem for ensuring fairness in awarding monetary incentives. In that situation, performance differences cannot be measured with accuracy and an equitable formula cannot be developed that ties rewards to performance.

Besides the complexity of implementation and financial burden of establishing an effective monetary incentive system in public sector, there is no guarantee that monetary incentives alone will be enough to motivate public employees. It is well known that individuals have variety of needs such as the need for social interaction, belongingness, recognition, respect, attention, a feeling of achievement, autonomy, a meaningful job, a feeling of self-worth, developing

one's full potential etc. Non-monetary incentives -tangible, social and job-relatedare essential to address these kinds of needs of public employees. In addition to this Perry and Porter (1982) suggests that greater emphasize on monetary incentives may attract individuals who value economic wealth more highly. This in turn might lessen the attraction of the public service to more idealistic types.

Non-monetary incentives offer many advantages to public organizations. Many of these advantages are emphasized in Chapter 2 and 3, in discussing theories of motivation and the features of each type of non-monetary incentives. These advantages can be summarized as follows. Non-monetary incentives have the potential to satisfy employee needs and motivate them without necessitating significant amounts of the use of public financial sources. They are much easier to administer than monetary incentives. Although to some extent, establishing performance standards is also necessary for awarding some of the non-monetary incentives, this is much easier to determine than the case for monetary incentives. It is so because one of the objectives of offering non-monetary incentives is to encourage any single behavior that is beyond expectations, regardless of whether the behavior is extraordinary or not. The use of non-monetary incentives creates a valuable opportunity to provide immediate recognition to the employees who perform above expectations or to reinforce any single behavior that contributes to the organizational objectives. In addition to these, as mentioned in Chapter 3, nonmonetary incentives have the potential to motivate employees in a variety of ways, whereas monetary incentives are limited in their types. This variety addresses many different needs pointed out above as social interaction, belongingness, recognition, respect, attention, a feeling of achievement, autonomy, a meaningful job, a feeling of self-worth, developing one's full potential, feedback about performance etc.

All these factors suggest that non-monetary incentives may be a valuable source of motivation for the public organizations to utilize. However, in determining their degree of effectiveness, public employees' reward preferences are also a concern. Any incentive system is more likely to be successful if it matches what the employees value. Then, it is necessary to analyze public

employees' reward preferences. The survey findings at the end of this chapter aim to shed light on this issue. Before that, the following section looks closer to the use of non-monetary incentives in public sector of Turkey.

4.2. THE USE OF NON-MONETARY INCENTIVES IN THE PUBLIC SECTOR OF TURKEY

In the present study, non-monetary incentives are classified into three as tangible non-monetary incentives, social non-monetary incentives and job-related non-monetary incentives. In analyzing the use of non-monetary incentives in public sector of Turkey, it is quite difficult to uncover all the practices under these categories, due to lack of information and non-existence. However, based on some early researches, it is possible to comment on the use of some types of non-monetary incentives such as the written or verbal appreciation of a work, promotion opportunities and participation in decision making.

In 657 numbered Civil Servants Act, article 122 is the only reference to the use of non-monetary incentives as a form of recognition. It states that employees who are successful in their jobs with their hard work and extraordinary performance can be granted with certificates of appreciation by the supervisors who have the authority to appoint in the central administration, governors and subgovernors. The certificate of appreciation is placed in the employee's employment record.

There is no example of a regulation about recognizing successful employees through certificates of appreciation in public organizations. However, Ministry of National Education has the following guideline: "MEB Personeline Takdir ve Tesekkur Verilmesi Hakkinda Yonerge" (Tebligler Dergisi, 1999 Sayi 2506). It gives information regarding whom the certificates can be awarded to, who can award them etc. The performance criteria for the certificate of appreciation stated in the regulation includes an extraordinary performance leading to the prevention of a major loss, disaster, dangerous situation or contribution to a general gain; having a degree in a national or international contest concerning an

academic work; qualifying to publish an academic work as a text book and working as honorary members in the school protection associations, innovating new methods or improving the existing ones, increasing the efficiency and production in the institutions of revolving funds to the impressive levels and retiring without any record of penalty. In order to be qualified for a certificate of thanks, an employee should be very successful in his/her work compared to others, publish a translation or a compilation or retiring as a disabled employee.

Based on this regulation, in year 1986, 18% of the personnel were awarded with certificate of thanks and 1.6% were awarded with certificate of appreciation, out of a total number of 1100 personnel working in the General Directorate of Religion Education, under the Ministry of Education (Yucel, 1989).

To explore the frequency of written and oral appreciation practices, Ertekin (1978) asked the employees of the Ministry of Internal Affairs and General Directorate of State Hydraulic Works whether they are recognized with a certificate of thanks or a verbal appreciation after a job well done. The results were shown in the following tables:

Table 4.1. Responses of Superiors

Are you appreciated for your work?	Min. of Internal Affairs %	DSI %
Always	21	13
Usually	29	35
Rarely	38	40
Never	12	9
No answer	-	3

Source: Ertekin 1978, p.99.

Table 4.2. Responses of Subordinates

Are you appreciated for your	Min. of Internal Affairs %	DSI %
work?		
Always	8	11
Usually	13	10
Rarely	34	43
Never	45	34
No answer	-	2

Source: Ertekin 1978, p.99.

As it is seen, the total percentage of "never" and "rarely" responses for both of the groups were around 50% for the superiors and 79% for the subordinates. These figures suggest that the levels of appreciation for a good work for the employees of DSI and Ministry of Internal Affairs were inadequate.

According to a study by Ergun (1981) on the leadership behaviors in Turkish public administration, superiors do not hesitate to criticize their subordinates, on the other hand they do not appreciate them frequently.

These studies imply that appreciation of a good work in public organizations is not a very common practice. Regarding its importance, Tosun (1981) in his study of the factors affecting organizational effectiveness found that there is a strong correlation between the appreciation of work done and the organizational effectiveness, thus it should be provided adequately.

With regard to promotion as a job-related non-monetary incentive, Ertekin (1978) stated that according to over 40% of the superiors in the Ministry of Internal Affairs and General Directorate of State Hydraulic Works, promotion opportunities were not adequate, while 77% of the subordinates in the Ministry of Internal Affairs and 70% in DSI were dissatisfied with the promotion opportunities. Ertekin's research also pointed out that for the superiors in the Ministry of Internal Affairs, the limitation on the promotion opportunities was the

first factor leading to their dissatisfaction. For the subordinates of the two organizations, inadequacy of promotion opportunities was the second factor, following inadequacy of payment, which caused dissatisfaction.

Firuz Demir Yasamis's findings about the 45 district public employees confirm these arguments. Yasamis (1978) emphasized that the employees found the promotion opportunities inadequate.

Also, Mustafa Tosun (1981) in his study on the 611 subordinates working in the Directorate of Zirai Mucadele ve Karantina showed that the total percentage of employees who were a little satisfied and not satisfied with the promotion opportunities in the organization were equal to 50,9%. The percentage of employees who answered "neutral" were 25,2%.

These figures illustrate that the respect, prestige, self-development needs of these employees were not adequately satisfied due to the inadequacy of promotion opportunities. According to the above mentioned researchers, there are a lot of problems concerning promotion opportunities. The main problem of dissatisfaction is that in general promotion is not tied to performance, hard working, talent and success in the job but tied to tenure and some other factors.

Participation in decision making as a non-monetary incentive was analyzed in the researches of Ertekin (1978), Sencer (1986), and Tosun (1981). According to Ertekin's research, 47% of the superiors in the Ministry of Internal Affairs, 35% in the DSI believed that they were not participating in decision making. The percentages of negative answers were 76.60% and 71.25% for the subordinates, respectively. Sencer (1986) pointed out that 81% of the respondents enrolled in the Public Administration PhD Program worked in a non-participatory decision making. According to Tosun's research (1981), lower level employees were participating in the formulation of important decisions to a limited extent. It was accepted that they could participate in finding alternative choices and evaluating the results but choosing among the choices was left to the supervisor. These findings may suggest that participation in decision making is not a very common practice in public organizations.

In light of these, it can be said that public organizations in Turkey seem to be ineffective in utilizing non-monetary incentives of appreciation for a good job, promotion opportunities and participation in decision making. In these research studies, there were a large number of employees who were dissatisfied with the inadequacy of these practices. This may give us an idea about the level of utilization non-monetary incentives in public sector of Turkey. The following section discusses this issue in detail. The survey study in the following chapter illustrates the situation of a public organization in Turkey with regard to the utilization and effectiveness of non-monetary incentives in motivating the employees.

4.3. DEBATES REGARDING THE MOTIVATING POTENTIAL OF NON-MONETARY INCENTIVES AMONG PUBLIC EMPLOYEES

In evaluating whether non-monetary incentives can be effective in motivating public employees in Turkey, it would be helpful to refer to the studies focusing on what kind of incentives public employees appreciate most. Unfortunately, in Turkey, it is quite difficult to come across any research on this particular issue. However, research studies in the previous section may imply that public employees in Turkey are likely to be motivated with non-monetary incentives such as appreciation for a good job, promotion opportunities and participation in decision making. It may be argued that as their level of dissatisfaction is high for these needs, they may be expected to be more motivated with the attempts aiming to satisfy these needs.

In addition to this implication, it may be useful to have a look at the studies conducted in the public sector of the United States. Many scholars of public administration in the United States contend that individuals choosing public employment have strong norms and emotions about performing public service. Public employees generally have been found to rate intrinsic rewards more highly than do private-sector employees. Brewer, Selden and Coleman (2000) points out

that over the past 35 years, studies have repeatedly revealed that public sector employees place a higher value on altruistic or service-related motives.

According to Perry (1996) and Staats (1988), public employees are motivated by a concern for the community, a desire to serve the public interest and the importance of work. They have motives unique to public sector, as a characteristic of public employees.

Perry and Wise (1990, p.368) explains that public-service motivation (PSM) is "an individual's predisposition to respond to motives grounded primarily or uniquely in public institutions". After reviewing different theories of work motivation, Perry and Wise (1990) classified a typology of motives associated with public service, as the three theoretical bases of PSM: rational, norm-based, and affective. Rational motives are based on individual utility maximization, and they are functioning when individuals want to participate in the policy process, are committed to a public program because of personal identification with it, and serve as advocates for a special or private interest. Norm-based motives are the aspiration to serve the public interest. These motives include patriotism, duty, and loyalty to the government. Affective motives originate from human emotion, and they are described by a desire and willingness to help others. These motives include altruism, empathy, moral conviction etc. These three categories overlap and an individual may have rational, norm-based, and affective motives that lead to a single behavior.

Crewson (1997) characterizes public-service motivation as a dependence on intrinsic rewards which are derived from the satisfaction an individual receives from performing a task. Using the data from the General Social Survey (GSS) and other large surveys, his research revealed that public employees value a feeling of accomplishment and performing work helpful to society as more important job characteristics than do private-sector employees. In other words, they prioritize intrinsic rewards over extrinsic rewards.

Comparative research between the public and private sector has revealed a number of individual characteristics that are mostly associated with public sector employees. Early research by Kilpatrick, Cummings and Jennings (1964) and

Schuster (1974) demonstrated that public sector employees are less motivated by financial rewards than are private employees.

Solomon (1986) in his study found that, pay was a more important incentive for the private sector employees, in line with the findings of Wittmer (1991) and Jurkiewicz, Massey and Roger (1998) which concluded that public employees are less motivated by financial rewards than are private sector employees.

According to a research by Newstrom, Reif and Monczka (1976), direct economic benefits (salary/wages, overtime pay, cost-of-living adjustment, profit-sharing plan benefits and incentive plans) were considered significantly less important by the public employees than private ones. The study also compared the need dissatisfaction of the public and private employees. Members from all organizational levels and functions were represented. The findings showed that public employees rank direct economic benefits as the reward that they are most dissatisfied with. In spite of this, self-actualization was ranked as the most important organizational reward that has a motivating potential by the public employees. Newstrom, Reif and Monczka (1976), in explaining this contradiction, note that either before or soon after entering public employment, public employees left themselves to the somewhat limited and tightly structured salary scales. Therefore they have actively sought to reduce their conflict by reducing the value of pay in their minds. Yet, they still believe they are underpaid compared to what they feel the job is worth.

As one of the other research studies from the United States, David Houston (2000), utilizing the data from the General Social Survey, compared public and private sector employees with regard to the incentives that they value most in a job. The sample used in the analysis consists of 101 public sector and 1356 private Of 32% employees. those public employees, sector are in management/professional positions and 20% are in administrative support. Respondents are asked to rank the following job characteristics: high income, short working hours and much free time, no danger of being fired, chances for promotion, work that is important and gives a feeling of accomplishment. His

results illustrated that public employees are more likely to be motivated by the intrinsic reward of the work that is important and provides a feeling of accomplishment, while private-sector employees are more likely to place a higher value on extrinsic reward motivators such as high income and short work hours. Also, according to his findings, public sector employees value job security more highly than do private employees. There is no statistically significant difference between public and private employees in terms of the importance of chances for promotion and the importance of meaningful work.

To sum up, all these studies show that American public employees are likely to value the nature of public employment, meaningful job and serving public interest. There is some indication that individuals entering public sector value economic wealth to a lesser degree than do entrants to the private sector. This may imply that the motivational potential of monetary incentives might be limited in contrast to experiences elsewhere. Then, it may be expected that non-monetary incentives, especially social and job-related ones, if applied, are more likely to motivate public employees in the United States than the monetary incentives, as non-monetary incentives generally address the higher level needs of esteem and self-actualization.

The present study aims to shed light on whether this conclusion may hold true for the public employees in Turkey as well. Is it possible to argue that public employees characteristically value economic wealth to a lesser degree than do entrants to the private sector? It is apparent that there will be serious limitations in attempting to draw conclusions from the above mentioned studies for the case of public employees in Turkey. There may be cultural differences in the characteristics of both public employees. There may also be an argument that public employees in the United States are able to satisfy their lower level needs more than public employees in Turkey; that's why they seek satisfaction from higher level needs of esteem and self-actualization. At this point, it is difficult to reach a precise decision about these issues and it is beyond the scope of the present study. However, with regard to the second one, it may be argued that for both groups, the level of satisfaction for the lower level needs in Maslow's Hierarchy of

Needs Theory may be expected to be not much different, when compared to private sector.

Concerning the security needs, it is possible to say that both the American and Turkish public employees are satisfied, as generally they both enjoy job security in their employment. With reference to payment, according to the researches, American public employees seem to be less satisfied with their payment levels compared to private sector. As Newstrom, Reif and Monczka (1976) illustrated in their research, public employees rank direct economic benefits (salary/wages, overtime pay, cost-of-living adjustment, profit-sharing plan benefits and incentive plans) as the reward that they are most dissatisfied with. Moreover, Alonso and Lewis (2001) state that over the past two decades, federal pay schedules have risen more slowly than inflation or private sector pay, and federal studies point out that the government pays about 25% less than the private sector for comparable work. These may give some idea about the satisfaction levels of public employees in United States with regard to their compensation.

It can be argued that public employees in Turkey are not satisfied with their payment levels either. Living in a weak national economy, public employees in Turkey have payment levels that are low to meet their necessities and are not competitive compared to private sector for similar positions. According to KAYA report (1991), payment levels of public employees are quite low and unbalanced. In addition to this, a recent research study by HTP (Hane Tuketim Paneli) Research and Consulting Firm, Hürriyet İK and Yenibir.com (2004) offers some results that confirm this argument. The name of the study was "Turkiye Calisan Memnuniyeti Arastirmasi". The survey, which was composed of 39 questions, was administered to 7543 employees, 19% of which were employed in the public sector. The satisfaction level of public employees was presented by a score of 59 out of 100, which was 70 in the private sector. In these findings, the most dissatisfying factor was the compensation levels.

Apart from these, there are some earlier studies emphasizing the dissatisfaction of public employees with their compensation levels in Turkey. Yucel Ertekin's study (1978) in the Ministry of Internal Affairs and General

Directorate of State Hydraulic Works (DSI) illustrated the high dissatisfaction levels of public employees. 62% of the managers in Ministry of Internal Affairs and 90% of the managers in State Hydraulic Works stated that they found their wages inadequate, whereas the dissatisfaction levels among employees in lower positions were 98% and 95% respectively. Also both groups considered the compensation policies as unfair. The inadequacy of wage levels was the first ranked dissatisfaction factor for the respondents.

Firuz Demir Yasamis (1978) conducted a study regarding the problems of 45 district public employees. He asked the respondents whether their compensation level was adequate with regard to the work they did and whether the compensation policy was fair. The results showed that the pay levels were inadequate and public employees were having serious problems with the payment levels.

Mustafa Tosun's study (1981) conducted in "Zirai Mucadele ve Karantina Mudurlukleri" supported the above findings regarding dissatisfaction with compensation levels. Among 611 employees, only 11% were satisfied with the payment levels and for others low payment was the basic dissatisfaction reason.

In light of these, it may be suggested that public employees in Turkey are generally dissatisfied with their compensation levels. This argument may offer two contradictory implications regarding the motivating potential of non-monetary incentives for the public employees in Turkey. First, according to Maslow's hierarchy of needs theory, as each lower level need is substantially satisfied, individuals are motivated by the next higher level need. Then, public employees in Turkey may be more likely to pursue satisfaction of their monetary needs in the first place through monetary incentives and may not be interested in non-monetary incentives. On the other hand, like the public employees in the United States who are less satisfied with their compensation levels but value intrinsic incentives (such as a meaningful job and serving the community more than monetary ones), they may prioritize meaningful job, recognition, self-actualization over monetary gains. Also, the apparent limitations in rewarding monetary incentives to public employees in a weak economy of Turkey may direct public employees towards

non-monetary incentives as a motivator. As Newstrom, Reif and Monczka (1976) argued, either before or soon after entering public employment, public employees may leave themselves to the somewhat limited and tightly structured salary scales. Therefore they may actively seek to reduce their conflict by reducing the value of pay in their minds and valuing non-monetary incentives.

The present study addresses these arguments through a survey study conducted in the General Directorate of Investment and Enterprises under the Ministry of Tourism. Some of the research questions for the study are "What is the ranking of job factors that increase the public employees' willingness to exert more effort in their jobs?", "What kind of incentives the public employees value the most?" and "To what extent non-monetary incentives have a motivating power for the employees in that public organization?". The following sections focus on the results and implications of this study.

CHAPTER 5

METHODOLOGY

This chapter explains the approach to organizing the research and the methods for collecting and analyzing data to address the following research questions within the limitations of the survey study, which are:

- 1) What is the degree of utilization of the non-monetary incentives in public sector, based on the perceptions of public employees?
- 2) To what extent do non-monetary incentives have a motivating potential for that public organization?
- 3) What does the concept of "non-monetary incentive" mean to public employees?
- 4) What are the most important job factors that contribute to the employees' willingness to exert more effort in their jobs?
- 5) Is there a significant difference between the average rankings of these job factors based on position in the organization and job tenure?
- 6) What is the type of incentive that the public employees value most?
- 7) Which type of non-monetary incentive do the public employees value most?
- 8) How do public employees perceive the effectiveness of non-monetary incentives in the absence of monetary incentives?
- 9) Is there a statistically significant difference between the subordinates and superiors with regard to their incentive preferences in the public sector?
- 10) Is there a statistically significant difference between employees' incentive preferences based on job tenure?

5.1. DATA COLLECTION

Data collection was conducted by a questionnaire survey administered and collected by the researcher at the General Directorate of Investment and Enterprises, Ministry of Culture and Tourism. A copy of this questionnaire is included in Appendix A.

Written instructions were provided for each of the survey questions and subjects were informed about the purpose of the study by a cover letter attached to the questionnaire. Respondents were asked to anonymously complete the survey for immediate collection. Completion of the survey takes approximately 15 minutes.

5.2. SURVEY DESIGN

The content of the survey questions and the cover letter were reviewed and discussed with the thesis advisor. To test the validity of the survey instrument, the questionnaire was pilot tested to two research assistants, two graduate students and a secretary. Appropriate revisions were made.

The questionnaire consisted of 31 items. Two of them are open-ended questions designed to obtain information regarding what the concept of non-monetary incentive reminds of to each respondent and the respondents' positions, job titles in the organization. Rest of the items consisted of eighteen five-point Likert type response scales ranging from 1=strongly agree to 5=strongly disagree and eleven close-ended items designed to objectively establish the perceived degree of utilization of non-monetary incentives in the organization and evaluate respondents' incentive preferences. Of the close-ended questions, two sought whether the respondents have ever attempted to demand non-monetary incentives officially, whether they have that opportunity in the organization and one question aimed to classify the respondents' job tenure. In addition to these, one question asked the respondents to rank the first five of the eight job factors that motivate them. And final question asked the respondents to choose the behaviors that are rewarded with non-monetary incentives in their organization.

5.3. STUDY POPULATION

The study population is all the employees in the General Directorate of Investment and Enterprises, under the Ministry of Culture and Tourism. The General Directorate of Investment and Enterprises had a total number of 98 employees. The questionnaires were distributed to 84 employees who were present in their offices at the time the survey was conducted. Subjects who did not wish to participate in the study were asked to return the blank survey to the researcher. 6 employees refused to participate in the study. The number of employees completed the questionnaires were 78, leading to a response rate of 92.8%.

5.4. RELIABILITY

The reliability of the questionnaire was tested using Cronbach's Alpha, which is the default statistical procedure for reliability analysis. It examined the extent to which items on a measurement tool consistently measure the underlying concept. Using three related items on the questionnaire (Q5, Q9, Q17) the compute Cronbach's alpha for the measurement tool was 0.7449. By convention, an Alpha of .70 or higher is generally considered acceptable for a reliable measurement tool.

5.5. RESEARCH HYPOTHESES

The following hypotheses are formulated to address some of the research questions:

Hypothesis H01 (null):

There is no statistically significant difference between the superiors' and subordinates' average ranking of any of the job factors contributing to their willingness to exert more effort in their jobs.

Hypothesis HA1 (alternate):

There is a statistically significant difference between the superiors' and subordinates' average ranking of any of the job factors contributing to their willingness to exert more effort in their jobs.

Hypothesis H02 (null):

There is no statistically significant difference between the employees' average ranking of any of the job factors contributing to their willingness to exert more effort in their jobs, based on job tenure.

Hypothesis HA2 (alternate):

There is a statistically significant difference between the employees' average ranking of any of the job factors contributing to their willingness to exert more effort in their jobs, based on job tenure.

Hypothesis H03 (null):

The superiors' and subordinates' responses to Q-28 (which of the following incentives would increase your interest in the job the most?) do not differ significantly when evaluated in terms of two general incentive categories being non-monetary and monetary.

Hypothesis HA3 (Alternate):

The superiors' and subordinates' responses to Q-28 (which of the following incentives would increase your interest in the job the most?) differ significantly when evaluated in terms of two general incentive categories being non-monetary and monetary.

Hypothesis H04 (Null):

The employees' incentive preferences among two basic incentive categories (monetary and non-monetary) do not differ significantly based on job tenure.

Hypothesis HA4 (Alternate)

The employees' incentive preferences among two basic incentive categories (monetary and non-monetary) differ significantly based on job tenure.

5.6. DATA ANALYSIS

The data analysis is performed using SPSS, version 11.0. In all cases alpha (significance value) is set at 0.05, to test at the 5% level. Where the sample of participants is too small to permit sensible statistical analysis, re-coding is performed to produce a 2x2 or 2x3 table that is then suitable for analysis.

The dependent variables consist of the average ranking of each of the seven job factors (satisfying wage, job security, monetary incentive, social NMI, job-related NMI, tangible NMI, good relationships with peers), and the employees' incentive preference that would increase their interest in the job the most. These variables are labeled as "scale", "nominal" and "nominal" respectively.

The independent variables used for the hypothesis testing are factual background data consisting of position in the organization (superior/subordinate) and the job tenure level (less than 5 years, 5-10 years, more than 10 years). They are type of "nominal" and "interval" variables.

The statistical techniques used for each hypothesis are as follows:

Hypothesis one was tested using independent samples t-test. The population is divided into two groups by position in the organization.

Hypothesis two was tested using independent samples t-test. The population is divided into two groups by job tenure levels.

Hypothesis three was tested using Pearson Chi Square test since the dependent and independent variables are both of type "nominal".

Hypothesis four was tested using Pearson Chi Square test since the dependent variable is of type "nominal" and the independent variable is of type "interval".

CHAPTER 6

SURVEY RESULTS AND PRESENTATION OF FINDINGS

The responses on the survey questionnaire were analyzed using SPSS version 11.0. Alpha (significance value) is set at 0.05, to test at the 5% level. The first part of the chapter is for classifying the employees based on the positions, job titles and job tenure. Second part is the descriptive analysis and interpretation of the findings regarding the degree of utilization of non-monetary incentives in the organization and employees' incentive preferences. Third part consists of the tests of hypotheses. Appendix B shows the tabulation of all the responses to the survey, including frequencies, means, standard deviations and maximum and minimum values.

6.1. DESCRIPTION OF RESPONDENTS

The first two questions in the survey are asked for the description of employees. The classification of the answers is shown in Table 6.1, 6.2 and 6.3.

First question asked the position and job titles of the employees. 82.9% of the respondents were in the subordinate position and 17.9% of the respondents were employed as superiors.

Table 6.1 Position of the Employees in the Organization

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Superior	14	17.9	17.9	17.9
	Subordinate	64	82.0	82.0	100.0
	Total	78	100.0	100.0	

Table 6.2 lists the job titles of the respondents. There are 12 different job titles. 28.8% of the respondents are engineers, followed by 17.1% as the urban planners. Clerical staff and computer operators are 9.2%, followed by 7.9% of statisticians, architects and data processing and control operators. The rest of the 5 job titles constitute 12% of the respondents.

Table 6.2 Job Titles of the Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
	Γ	Trequency	reicein	reicein	reiceilt
Valid	Data Processing Expert	3	3.8	3.9	3.9
	Statistician	6	7.7	7.9	11.8
	Engineer	22	28.2	28.9	40.8
	Clerical Staff	7	9.0	9.2	50.0
	Computer Operator	7	9.0	9.2	59.2
	Industrial Designer	2	2.6	2.6	61.8
	Urban Planner	13	16.7	17.1	78.9
	Architect	6	7.7	7.9	86.8
	Archaeologist	1	1.3	1.3	88.2
	Data Processing and Control Operator	6	7.7	7.9	96.1
	Economist	2	2.6	2.6	98.7
	Biologist	1	1.3	1.3	100.0
	Total	76	97.4	100.0	
Missing	System	2	2.6		
Total	<u>_</u>	78	100.0		

Table 6.3 Employees' Job Tenure

				Valid	Cumulative
		Frequency	Percent	Percent	Percent
Valid	6 months - 1 year	5	6.4	6.4	6.4
	1-5 years	13	16.7	16.7	23.1
	5-10 years	17	21.8	21.8	44.9
	More than 10 years	43	55.1	55.1	100.0
	Total	78	100.0	100.0	

Table 6.3 shows the employees' job tenure in the organization: 55.1% of the employees have been working in the organization for more than 10 years, followed by 21.8% between 5-10 years.

6.2. FINDINGS AND ANALYSIS REGARDING THE PERCEIVED UTILIZATION OF NON-MONETARY INCENTIVES IN THE ORGANIZATION AND EMPLOYEES' INCENTIVE PREFERENCES

One of the research questions in the present study is "what the concept of non-monetary incentive reminds you of". This question was formulated as an open ended question in the questionnaire. When the answers are categorized, there are about 15 different responses. The five most frequently repeated responses can be classified as "activities that aim to increase the motivation and efficiency of personnel other than money", "verbal or written appreciation", "promotion", "don't know", "psychological satisfaction". As it is seen, most of the employees evaluate the concept of non-monetary incentive as something addressing psychological needs. The other responses to this question are; social activities, gifts, respect, flexible working hours, employee of the month, job rotation, celebration, assignments abroad, responsibility and training. Tangible non-monetary incentives such as food baskets, gift certificates, pen sets, key chains, clothing, and items with the organizations logo etc. are hardly stated as a non-

monetary incentive by the employees. This may suggest that the employees are not likely to consider them as incentives that aim to motivate them but as entitlements in the workplace. The subjects' responses to this question are generally successful in matching either social or job-related non-monetary incentive categories. Following this question, it is asked that based on the response to that question, what do you think about the level of application of non-monetary incentives in your organization?" The tabulation of the responses is shown in Table 6.4.

Table 6.4 What do you think about the level of application of non-monetary incentives in your organization?

				Valid	Cumulative
		Frequency	Percent	Percent	Percent
Valid	Adequate	1	1.3	1.3	1.3
	Neutral	3	3.8	3.8	5.1
	Inadequate	20	25.6	25.6	30.8
	Quite inadequate	21	26.9	26.9	57.7
	NMI does not exist	33	42.3	42.3	100.0
	Total	78	100.0	100.0	

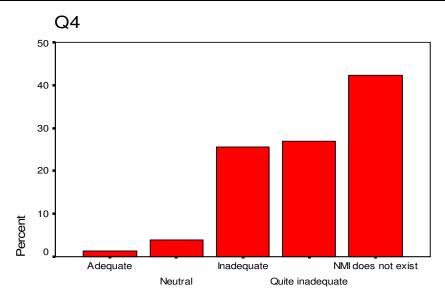


Figure 6.1

As it is apparent in Figure 6.1., the results show that the employees consider the level of non-monetary incentives in the organization as inadequate. 42.3% of the respondents think that non-monetary incentives do not exist in the organization. The percentage of employees who think that it is inadequate or quite inadequate is 53.5. Together with the percentage of respondents who think non-monetary incentives do not exist, the percentage of negative answers is 95.5.

Question 30 asked the respondents whether they think non-monetary incentives are essential in their organization. According to the results, 89.7% of the employees think that it is necessary.

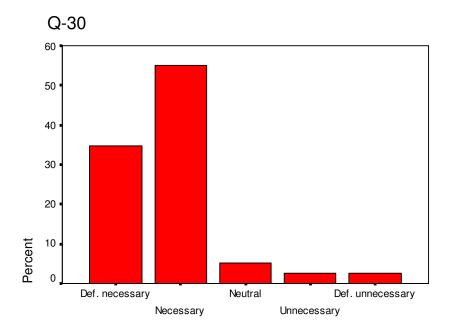


Figure 6.2

The other research question in the present study is to what extent different kinds of non-monetary incentives are employed in the organization, according to the perceptions of employees. Designed in a five-point scale, question 5 through question 22, except for question 8, aims to find out to what extend social and job-

related non-monetary incentives are utilized in the General Directorate of Investment and Enterprises. In evaluating the results, the percentages are grouped as "agree", "neutral" and "disagree". Question 8 was asked as the reverse of question 5 and 17. However, the comparison of the responses to Q-8 with these two questions indicates that Question-8 is misunderstood by most of the respondents, thus the analysis of this question is omitted in the study.

Questions 5, 9, 11, 17, 19 and 20 are related to the use of social non-monetary incentives. For these questions, social non-monetary incentives refer to the recognition of employees for their success, positive behaviors and the sincerity of superiors. Superiors being sincere and caring in communicating with the subordinates and valuing their opinions, the degree of informal or formal recognition for a good job etc. all contribute to the creation of a working atmosphere that employees feel themselves valuable as part of an entity. This in turn has the potential to motivate employees without offering monetary incentives. The distribution and analysis of the responses is discussed in the following paragraphs.

Question-5 aims to find out whether the simplest social non-monetary incentive, thanking employees for their contributions, is employed in the organization.

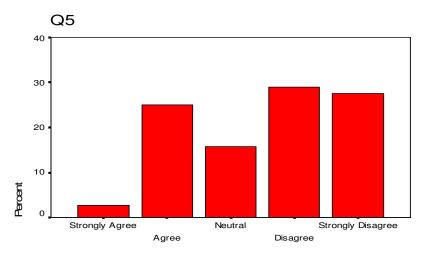


Figure 6.3

When the answers are grouped, the total % of employees who are thanked for their contributions are 27.6, while 15.8% are neutral and 56.5% of the employees think they are not thanked at all.

These results suggest that most of the employees in the organization consider the level of verbal appreciation for their contributions as inadequate.

Question 9 measures the degree of friendly conduct by the superiors towards subordinates, as the sincere relationship between superiors and subordinates create a positive working atmosphere that may motivate the employees. When the answers are grouped for Q-9, the total % of employees who think that the superiors are friendly towards the employees is 33.3, while 26.9% are neutral and 39.8% of the employees do not agree with the statement. These results suggest that the responses of employees are distributed. There is no big difference between the employees agreeing and disagreeing with the statement. This may be due to personality differences of the superiors among units.

Table 6.5 Superiors are usually friendly towards the employees

				Valid	Cumulative
		Frequency	Percent	Percent	Percent
Valid	Strongly Agree	5	6.4	6.4	6.4
	Agree	21	26.9	26.9	33.3
	Neutral	21	26.9	26.9	60.3
	Disagree	24	30.8	30.8	91.0
	Strongly Disagree	7	9.0	9.0	100.0
	Total	78	100.0	100.0	

Question 11 measures whether the employees are provided with feedback regarding their performance in the organization. Feedback about performance is a non-monetary incentive that is expected to motivate employees because employees get information about how well they are doing with regard to the objectives, how

close they are to the accomplishment, whether there is anything that they need to improve etc.

Table 6.6 I am provided with feedback about my performance by the superior

				Valid	Cumulative
		Frequency	Percent	Percent	Percent
Valid	Strongly Agree	3	3.8	3.8	3.8
	Agree	35	44.9	44.9	48.7
	Neutral	9	11.5	11.5	60.3
	Disagree	22	28.2	28.2	88.5
	Strongly Disagree	9	11.5	11.5	100.0
	Total	78	100.0	100.0	

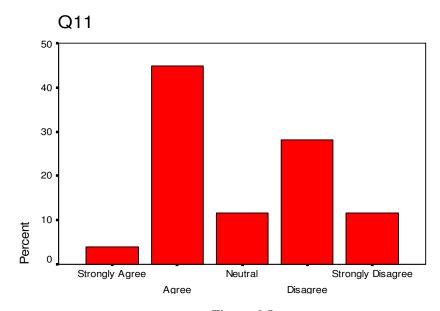
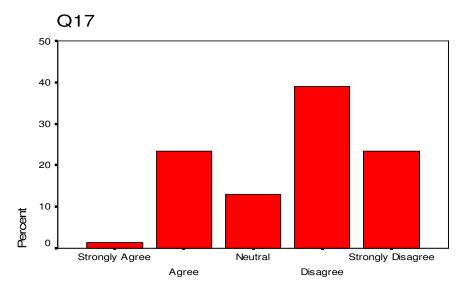


Figure 6.5

Question 17, similar to question 5, was asked to determine whether the employees in the organization get verbal or written appreciation from the superiors when they successfully complete a particular task.

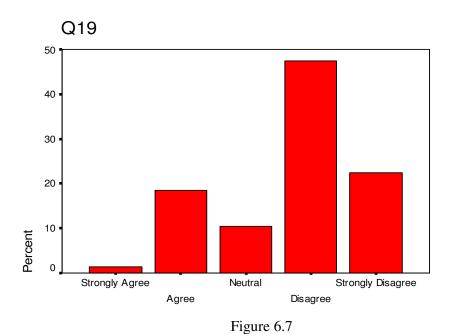
Table 6.7 Verbal or Written Appreciation from the Superiors

				Valid	Cumulative
		Frequency	Percent	Percent	Percent
Valid	Strongly Agree	1	1.3	1.3	1.3
	Agree	18	23.1	23.4	24.7
	Neutral	10	12.8	13.0	37.7
	Disagree	30	38.5	39.0	76.6
	Strongly Disagree	18	23.1	23.4	100.0
	Total	77	98.7	100.0	
Missing	System	1	1.3		
Total	•	78	100.0		



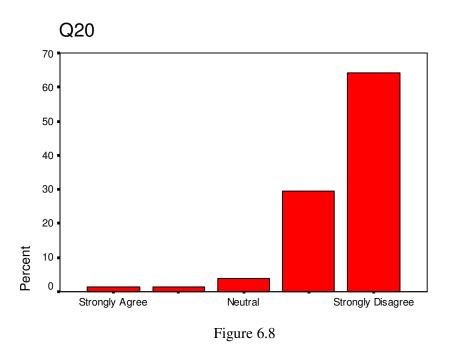
As shown in the figures, most of the employees think that they do not get verbal or written appreciation from the superiors when they successfully complete a particular task. The total % of disagreement is 62.4. This finding supports the finding in question 5, which is also related to the degree of recognition in the organization.

Question 19 is a similar question designed to measure to what extent employees are recognized and appreciated for their positive behaviors in the organization.



The figure apparently suggests that there is hardly any practice of recognition for the compliance with the rules and regulations of workplace. The total % of agreement is 19.7 while the % of disagreement is 69.8. As it is stated in the reinforcement theory, behaviors that are positively reinforced tend to be repeated. However, most of the employees think that, their positive behaviors in the work place are not appreciated and reinforced through social non-monetary incentives.

Question-20 aims to find out whether there are some mechanisms in the organization that can be used to recognize the successful employees and present them to the rest of the organization. 93.6% of the employees think that there is no such mechanism to publicly recognize the successful employees in the organization.



To summarize, questions 5, 9, 11, 17, 19 and 20 were analyzed to get an idea about the level of application of the social non-monetary incentives in the organization. The findings suggest that the level of recognition practices in the form of verbal or written appreciation to reinforce the success and positive behaviors of the employees is low and there is no mechanism, such as a departmental newsletter or bulletin board, to promote it.

Two questions in which the agreement and disagreement levels are close to each other are Q-9 and Q-11. In question 9, the mean of the responses indicates

that employees neither agree nor disagree about the sincere conduct of their superiors.

Q-11 suggests that the kind of social non-monetary incentive relatively more practiced in the organization is feedback about performance. The percentage of employees who agree that they get feedback about their performance is 48.7. This is an interesting result compared to the results of question 17, which suggest the level of recognition for a success or contribution is low in the organization.

It is expected that there is a positive correlation between these two questions, as verbal or written appreciation for a good job is possible with the existence of feedback about performance. The correlation analysis in Table 6.8 confirms this argument. Correlation is significant at the 0.05 level.

Table 6.8 Correlations

		Q11	Q17
Q11	Pearson Correlation	1	.264(*)
	Sig. (2-tailed)		.020
	N	78	77
Q17	Pearson Correlation	.264(*)	1
	Sig. (2-tailed)	.020	
	N	77	77

^{*} Correlation is significant at the 0.05 level (2-tailed).

Feedback about performance can be positive or negative, in other words, it can be in the form of appreciation for a good job or in the form of stating a failure, correcting a mistake etc. Then, it may be argued that the employees who think that they are appreciated for a good job by their supervisors are the ones that get positive feedback. To put it differently, employees who do not agree that they are

appreciated, but agree that they get feedback are expected to be the ones that get negative feedback.

The cross tabulation of the responses given to question 11 and question 17 are shown in Table 6.9. As it is seen, of the 38 (48.7%) respondents who agree that they receive feedback about their performance, 19 (50%) disagree that it is verbal or written appreciation. Then it can be argued that, the feedback they receive is expected to be negative for this group. This finding verifies the research by Ergun (1981) which investigated the leadership behaviors in Turkish public administration. According to the results, superiors easily criticize their subordinates and correct their mistakes but do not frequently recognize and appreciate their positive behaviors.

Table 6.9 Verbal or written appreciation * Feedback about performance Crosstabulation

			Feedback about performance				
		Strongly				Strongly	
		Agree	Agree	Neutral	Disagree	Disagree	
Verbal or written appreciation	Strongly Agree	0	0	0	1	0	1
	Agree	2	12	1	0	3	18
	Neutral	0	5	3	2	0	10
	Disagree	1	10	3	16	0	30
	Strongly Disagree	0	8	1	3	6	18
Total		3	35	8	22	9	77

To conclude based on responses of the employees, the level of application of the social non-monetary incentives in the organization is low. Although performance about feedback is relatively more practiced in the organization, it tends to be negative feedback. The organization does not adequately benefit from social non-monetary incentives as a motivational tool. In line with the findings of

other studies summarized in Chapter-4, the survey results show that employees do not get adequate recognition for their contributions in this public organization.

It is possible to interpret the implication of these findings for the employees in this organization in several ways. First, based on reinforcement theory, behaviors that positively reinforced tend to be repeated. As there is no incentive to reward or appreciate positive behaviors for most of the employees, it is expected that these behaviors do not get any reinforcement. Second, employees who make more contributions than the other employees and who comply with the rules and regulations of the organization may expect to be treated differently than the others. If they are not recognized through verbal or written appreciation, they may decide to stop those behaviors. For example, an employee who comes to work on time every day sees that other employees do not that much care about it. If there is nothing to reinforce this behavior through providing the employee a feeling of making a difference, he/she may think that it is not worth doing it. In fact, according to equity theory, employees tend to behave like that in order to bring the inequality into balance and release the tension. Third, in line with these arguments, as the social non-monetary incentives are inadequate in the organization, it is difficult to differentiate between who is doing a good job and who is not. Moreover, employees do not likely to get a feeling of being a valued member of the organization, a sense of accomplishment, self-respect etc. This may lower employees' motivation to do their best.

After evaluating the level of social non-monetary incentive practices in the organization, it is necessary to have a look at the perceptions of employees regarding the level of job related non-monetary incentives in the organization. Job-related non-monetary incentives have the potential to motivate employees intrinsically. In other words, employees are motivated to do their best in their jobs or to do more than what is expected because the nature of the job itself and the opportunities drive them to do so. Through job-related non-monetary incentives employees have the opportunity to self-actualization, which is the highest level of need in the Maslow's hierarchy of needs. Questions 6, 7, 10, 12, 13, 14, 15, 16, 18, 21 and 22 aim to find out to what extent the organization provides the opportunity

to the employees to self-actualize themselves or provides intrinsic motivation. The tabulation of the responses is shown in the following tables and figures, followed by the analysis of the results.

Question 6 and 12 were asked to find about whether the employees have the opportunity to participate in decision making in the organization.

Table 6.10 Meetings, activities etc. are arranged in the organization in which employees can express their opinions

				Valid	Cumulative
		Frequency	Percent	Percent	Percent
Valid	Agree	11	14.1	14.7	14.7
	Neutral	15	19.2	20.0	34.7
	Disagree	31	39.7	41.3	76.0
	Strongly Disagree	18	23.1	24.0	100.0
	Total	75	96.2	100.0	
Missing	System	3	3.8		
Total	•	78	100.0		

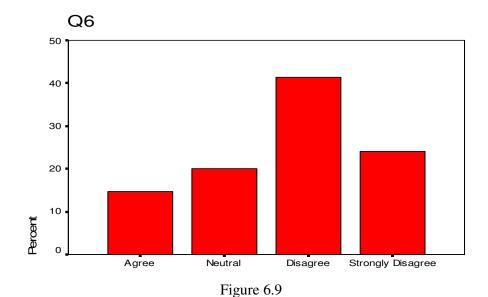


Table 6.11 My opinion is asked when a decision is made in the workplace

				Valid	Cumulative
		Frequency	Percent	Percent	Percent
Valid	Agree	13	16.7	16.9	16.9
	Neutral	15	19.2	19.5	36.4
	Disagree	24	30.8	31.2	67.5
	Strongly Disagree	25	32.1	32.5	100.0
	Total	77	98.7	100.0	
Missing	System	1	1.3		
Total		78	100.0		

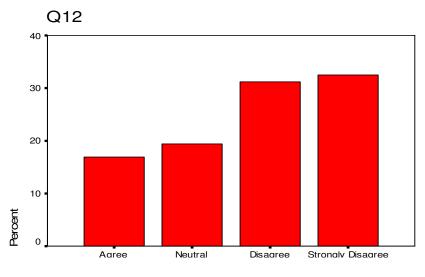


Figure 6.10

According to the results, only 16.9% of the employees agree that their opinions are asked when a decision is made in the workplace which suggests that the participation levels are quite inadequate in the organization. Moreover, most of the employees (65.3%) think that there are no mechanisms such as meetings or informal settings where employees can express their opinions. Through participation in decision making, employees feel that their ideas are valued and

they are given the opportunity to affect the work process. It helps to make their job more interesting and meaningful. Moreover, it helps the organization to benefit from the knowledge and skills of employees whenever and wherever possible. However, according to the perceptions of employees, the organization does not make use of this job-related non-monetary incentive effectively. This conclusion supports the previous researches on this topic in Turkey.

Questions 7, 10, 14, 21 were asked to get an idea about whether the employees are performing variety of tasks that allow them to use variety of skills, abilities etc. and whether they are sometimes given more responsibilities. According to the results of Question 7, most of the employees (58%) disagree that they are sometimes assigned special tasks or projects, while 36% of the employees agree with the statement. In Question-14, the % of employees who think they are sometimes given tasks with more responsibility than usual is 36.9, while half of the employees disagree with the statement. In responding to Question-10, 65.4% of the employees evaluate themselves as doing simple and repetitive tasks. Supporting this result, in Question 21, which is the reverse of question 10, 66.7% disagree that their job provides the opportunity to do variety of tasks, using variety of knowledge and skills.

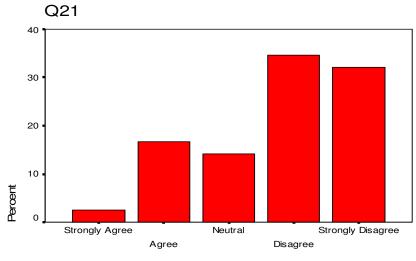


Figure 6.11

Questions 18, 22 and 16 aims to measure to what extent the employees are allowed discretion, independence and control over their work. The responses given to question 18 imply that nearly half of the employees have some degree of autonomy over how they will do their job. 43.6% agree with the statement, whereas 19.2% is neutral and 37.2% disagrees. The variety of responses (standard deviation= 1.099) may be due to different units that the employees are working in.

In question 22, most of the employees (44.9%) think that they don't have the authority to decide when they will do their jobs. 38.4% agrees that they have that authority and 16.7% is neutral. Again, the percentage of the responses in agree and disagree categories are close to each other and the answers are distributed (standard deviation= 1.226).

Table 13 and 14 shows the cross-tabulation and findings regarding the correlation values between question 22 and 18. They indicate that the employees who think they have the authority to decide how to do their jobs are likely to agree that they have the authority to decide when to do it. Correlation is significant at the 0.01 level.

Table 6.12 Q18 * Q22 Crosstabulation

			Q22					
						Strongly		
		Strongly A.	Agree	Neutral	Disagree	D.		
Q18	Strongly A.	2	0	0	0	0	2	
	Agree	3	13	3	11	2	32	
	Neutral	2	4	5	3	1	15	
	Disagree	1	4	5	11	0	21	
	Strongly D.	1	0	0	2	5	8	
Total	•	9	21	13	27	8	78	

Table 6.13 Correlations

		Q18	Q22
Q18	Pearson Correlation	1	.356(**)
	Sig. (2-tailed)		.001
	N	78	78
Q22	Pearson Correlation	.356(**)	1
	Sig. (2-tailed)	.001	
	N	78	78

^{**} Correlation is significant at the 0.01 level (2-tailed).

Question 16 asked the employees whether they think their working hours are not flexible. According to the responses, most of the employees (60.3%) disagree that there are strict rules with regard to coming and going to the workplace and taking a break, 29.4% agrees and 10.3% is neutral.

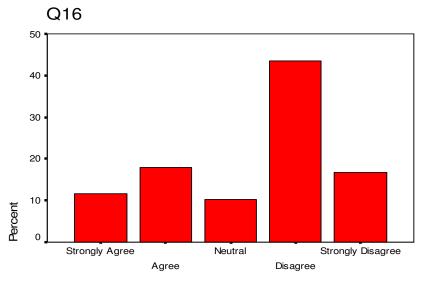


Figure 6.12

Question 13 was asked to find out to what extent the organization provides the employees opportunity to develop themselves through seminars, in-house training etc. The responses to this question are generally positive. 56.4% of the employees agree that they have this opportunity while 24.3% disagrees and 19.2% is neutral.

Question 15 evaluates the perceptions of employees with regard to promotion opportunities in the organization. None of the employees think that promotion opportunity in the organization is in satisfying levels.

Table 6.14 Question 15

				Valid	Cumulative
		Frequency	Percent	Percent	Percent
Valid	Neutral	7	9.0	9.0	9.0
	Disagree	18	23.1	23.1	32.1
	Strongly Disagree	53	67.9	67.9	100.0
	Total	78	100.0	100.0	

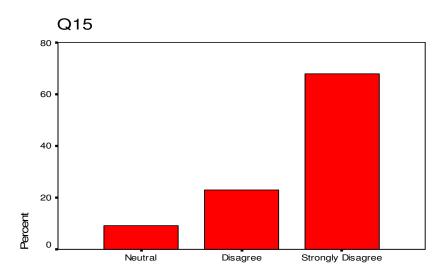


Figure 6.13

Job related non-monetary incentives have the potential to motivate employees intrinsically. Jobs with variety of tasks, responsibilities, autonomy, flexible working hours, participation in decision making, development opportunities etc. are very important in satisfying employees' certain needs and they may lead to a feeling that the job itself is worth exerting more effort without need to any external incentive. In light of these general findings, the existence of job-related non-monetary incentives in the organization can be evaluated as follows. With regard to the task variety, most of the employees consider their job as usually simple and repetitive that do not allow them to use variety of skills, abilities etc. Thus, the motivation originating from skill variety is expected to be low in this organization. With regard to the degree of autonomy of the employees over their jobs, the employees seem to have more autonomy about how to do their jobs than when to do them. On the other hand, flexible working hour as a job-related incentive is indicated to be relatively high in the organization.

Hackman and Oldham (1980) in their job characteristics model argued that jobs with high score in terms of a combination of five job characteristics (task variety, task identity, task significance, autonomy and feedback) lead to higher job satisfaction and motivation. The questions on the questionnaire regarding the job-related non-monetary incentives are centered on task variety and autonomy, the results of which suggested that task variety is low compared to autonomy. Feedback is discussed as one of the social non-monetary incentives that the employees consider to be relatively more practiced in the organization, but in the negative way. In light of these, the level of motivation that the employees get from the level of these incentives may not be expected to be high in the organization.

On the other hand, the job-related incentive that most of the employees agree on its application in the organization is training opportunities. This incentive gives the employees the opportunity to develop their potential and may satisfy the growth and self-actualization needs of the employees.

The most inadequate job related non-monetary incentive in the organization according to the employees is promotion opportunities. The findings indicate that employees are not likely to be motivated with the low level of

promotion opportunities in the organization. This result matches the earlier researches on this topic. With regard to promotion, Ertekin (1978) stated that according to over 40% of the superiors in the Ministry of Internal Affairs and General Directorate of State Hydraulic Works, promotion opportunities were not adequate, while 77% of the subordinates in the Ministry of Internal Affairs and 70% in DSI were dissatisfied with the promotion opportunities. Firuz Demir Yasamis's findings (1978) about the 45 district public employees emphasized that the employees found the promotion opportunities inadequate. Also, Mustafa Tosun's study (1981) on the 611 subordinates working in the Directorate of "Zirai Mucadele ve Karantina" shows that the total percentage of employees who were a little satisfied and not satisfied with the promotion opportunities in the organization were equal to 50,9%.

After these analyses regarding the use of job-related non-monetary incentives and social non-monetary incentives, the other category; tangible non-monetary incentives can be analyzed. Question 23 is a close-ended question which asks the employees to mark on the list the tangible non-monetary incentives that they think to exist in their organization. The list is composed of 40 items, including "none" and "other" choices. Among these 40 items, 3 of them are related with social activities, which are sports activities among the members of the organization, picnics, celebration events, parties, dinners arranged within the organization. Also tangible recognition tools such as certificate of thanks, certificate of appreciation, letter of thanks and plaquettes are on the list.

16 employees (20.5%) think that none of the items on the list exist in their organization. Regarding the rest of the responses, the most frequently stated ones are social activities arranged by the organization such as picnics, sport events, celebrations, tickets to social events etc. certificate of thanks and appreciation, discounted holiday trips, organization's bus service, internet access opportunity, accessories with the organization's logo on it and food basket. Among these respondents, almost everyone marked at least one of the social activity categories in the organization (picnics, sport events, celebrations, tickets to social events, one-day trips etc.). Other then these items, some of the employees noted that in the

organization they have newspaper or magazine subscription, discounted service by Ulusoy bus enterprise and museums, piped-in music, one-day trip arrangements by the organization, plaquettee and opportunity to travel abroad as a officer.

In light of these responses, it can be argued that social activities arranged in the organization may be expected to be a high potential source of motivation for the employees. They are likely to create a positive working atmosphere. Regarding other stated tangible non-monetary items, this organization may be considered as in a good position as a public organization. Although the items are not as valuable as the items provided to employees by private organizations such as gold, watch, cellular phone, gift certificate, home furniture, laptop, paid vacation etc., public employees in this organization enjoy a moderate level of tangible non-monetary incentives.

One of the interesting findings is that certificate of appreciation and thanks are among the most frequently marked tangible non-monetary items that thought to exist in the organization. This is somehow contradictory to the responses given to question 5 or 17, which state that most of the employees do not get verbal or written appreciation when they successfully complete a job or make a contribution. This contradiction stems from the fact that letters of appreciation or thanks and plaquettes are usually awarded to the employees when they retire, not during their employment.

So far, the level of application of the non-monetary incentives in the organization is investigated. Question 31 in the survey questionnaire analyzes this issue further by asking "which of the following action(s) are rewarded or promoted through non-monetary incentives in your organization?" Table 6.15 shows the results:

Table 6.15

Actions	# of Counts
To be successful in a job	16 (21%)
To contribute to the cost reduction in the organization	7
To increase production, efficiency or revenue	6
To make useful suggestions	7
To contribute to prevent a damage or danger or to contribute to	2
a general utility for the organization	
To help peers in their jobs	2
To comply with the rules, regulations and workplace discipline	9
All of them	7
None of them	41 (55.4%)
Other	0
No idea	5
Missing	4

Supporting the findings regarding the inadequacy of the use of social non-monetary incentives in the organization, 55.4% of the employees think that none of these actions are rewarded or promoted through non-monetary incentives. Among the employees who think there are such practices in the organization, the most frequently stated actions are to be successful in a job (stated by 23 employees including "all of them" responses) and to comply with the rules, regulations and workplace discipline (stated by 16 employees including "all of them" responses). Again, these results imply that most of the employees think they do not recognized for their positive behaviors in the organization. It may be argued that this creates a motivation gap in the employees that could be met by non-monetary incentives. Recognition of positive behaviors, contributions, successes and suggestions has very important repercussions for the organizations. As it was discussed in Chapter 3 under social non-monetary incentives, recognition motivates the employees to

repeat those desired behaviors; it makes the employees feel valuable; it helps to differentiate who is doing a good job and who is not in the public sector. Thus, it is vital for public organizations to have recognition practices widely. Non-monetary incentives are valuable sources of recognition that could be provided to the employees at no cost. Moreover, they are easier to administer than the monetary incentives.

One of the aims of the present study is to find out what are the factors that contribute to the motivation of public employees the most. Question 24 asked the respondents to choose and rank 5 most important job related factors among 7 listed that contribute to increase their willingness to exert more effort in their jobs. The expression "willingness to exert more effort in the job" is used to mean motivation. According to the ranking of the employees, satisfying wage (53.3%) is the first factor that contributes to the employees' willingness to exert more effort in their jobs. Figure 6.14 and Table 6.16 illustrate the results.

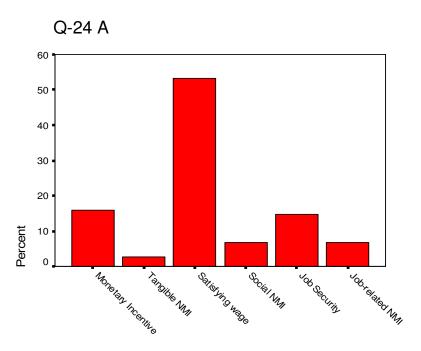


Figure 6.14

Table 6.16 Q-24A What is the most important factor that contributes to your willingness to exert more effort on your job?

			Percent	Valid	Cumulative
		Frequency	Percent	Percent	Percent
2	Monetary Incentive	12	15.4	16.0	16.0
5	Tangible NMI	2	2.6	2.7	18.7
1	Satisfying wage	40	51.3	53.3	72.0
4	Social NMI	5	6.4	6.7	78.7
3	Job Security	11	14.1	14.7	93.3
4	Job-related NMI	5	6.4	6.7	100.0
	Good Relations w/ peers	0	0	0	100.0
	Total	75	96.2	100.0	
Missing		3	3.8		
	Total		100.0		

Satisfying wage constitutes half of the responses written to the first ranking. This finding supports Maslow's argument that employees seek to satisfy their needs in a hierarchical order, starting from the lowest unsatisfied need. It is known that most of the public employees in Turkey are not satisfied with their wages. Thus, it can be argued that this unsatisfied need may drive the employees to state that satisfying levels of wage is the first factor that motivate them to exert more effort in their jobs. Second highest scored factor for the first level is monetary incentive (16.0%) followed by job security (14.7%). When the types of non-monetary incentives are analyzed separately, their percentages are low (6.7%, 6.7%, 2.7%) compared to wage, monetary incentives and job security. However, the total percentage of employees who selected any type of non-monetary incentive (tangible, social or job-related) in the first rank is 16.1%, which is slightly higher than the percentage of monetary incentives and job security. Based on this finding, it may be argued that the number of employees in this organization

who consider non-monetary incentives as the most important factor contributing to their desire for exerting more effort in their jobs (after satisfying levels of wage) is equal to the number of those that consider monetary incentives. In other words, those employees consider the non-monetary incentives as effective as monetary incentives in their motivation.

Together with the other findings, satisfying wage is stated in the first level or the second level by 83% of the employees. If the third level is added, this value becomes 89.8%. 63.3% of the employees stated monetary incentive in one of the first three levels while 55.2% of the employees stated job security. On the other hand, 61.3% of the employees (46 employees) selected one of the non-monetary incentive types in at least one of the first three ranks. This value is very close to the percentage of monetary incentives stated by the employees.

According to these findings, it can be said that the employees in this public organization value non-monetary incentives as much as monetary incentives as a motivational tool, after satisfying levels of wage. It is observed that job security comes after wage, monetary incentive and non-monetary incentives. Since security need is satisfied in the public sector employment, it is normal to see this level ranking for the security in the employees' responses.

The following table shows what percent of the employees stated each factor on their list of 5 factors contributing to their willingness to exert more effort in the jobs.

Table 6.17

			Job-			Relations
Satisfying	Monetary	Social	Related	Tangible	Job	with
Wage	Incentive	NMI	NMI	NMI	Security	peers
97.3%	89.5%	70.1%	68.8%	58.4%	68.9%	46.9%

As it is seen, around 70% of the employees, in other words, every 3-4 employee out of 5, consider non-monetary incentives as one of the five factors that contribute to their willingness to exert more effort in the jobs.

To conclude, all these finding may imply that non-monetary incentives have a high motivational power in this organization. This argument may also be supported with Maslow's concept of prepotency (Newstrom, Reif, W.E. & Monczka, 1976). According to Maslow, if a need is important to the individual and presently a deficiency exists between what is perceived as an appropriate level and what is presently provided, then it has a great motivating potential. In this case, as the responses to previous questions indicated, most of the employees think that the level of non-monetary incentives in the organization is inadequate. And the rankings show that they value non-monetary incentives. Then, it may be concluded that non-monetary incentives may have a high motivating power in this organization.

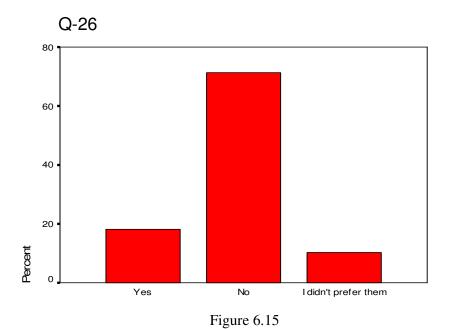
Question 25 asked the employees to select the type(s) of incentives that they wish to exist in the organization. The tabulation of the responses is as follows.

Table 6.18 What Types of Incentives Do You Wish to Exist in the Organization?

	(Value tabulated = 1)						
Dichotomy label	Name		Count	% of Responses	,		
		Monetary Inc.	19	16.1	25.0		
		Tangible NMI	7	5.9	9.2		
		Social NMI	13	11.0	17.1		
		Job-related NM	II 12	10.2	15.8		
		All of them	46	39.0	60.5		
		Other	0	0	0		
		No need if the wage is satisfyi	21 ng	17.8	27.6		
		Total responses	118	100.0	155.3		

The results indicate that 39% of the employees wish to see all types of incentives in the organization. Excluding this total 39% covering monetary incentives, monetary incentives are stated by 16.1% of the employees. The separate counts and percentages of the non-monetary types are shown in the table. When evaluated as a single category, the number of employees who wished at least one type of non-monetary incentive is 23 (29.48%), in addition to the 39% of employees who stated "all of them". Together, the value is close to 70% compared to 55% of the employees who wished monetary incentives. On the other hand, 17.8% of the employees believe that they don't need these incentives if the wage level is satisfying.

Question 26 asked the respondents whether they have ever suggested anything regarding the use of non-monetary incentives in the organization, if they wished at least one of them exist in question 25.



As it is seen, 70% of the employees haven't suggested anything although they wished the non-monetary incentives to exist in the organization.

The cross-comparison with the results of Question 27 suggests that there is an association between lack of opportunity or a mechanism to make such suggestions in the organization and the frequency of employees who have ever made any suggestions.

Table 6.19 Q26 * Q27 Crosstabulation

		Q-27 No op			
		th	Total		
		Yes	No	No Opinion	
Q-26 Made suggestion?	Yes	6	8	0	14
	No	4	44	7	55
	I did not prefer a non- monetary incentive	0	7	1	8
Total		10	59	8	77

To investigate a possible statistically significant relationship between whether the employees valuing non-monetary incentives have ever attempted to make any suggestions regarding the utilization of non-monetary incentives in their organization and whether they think they have that opportunity, the "yes" and "no" answers to question 26 and 27 are cross-tabulated and chi square tests are utilized. Chi-square test examines whether or not the proportion of cases represented by any cell is significantly different than what would be expected as a result of chance differences (random error). However, since the assumption that "no more than 20.0% of the cells have expected count less than 5" is not satisfied, it is appropriate to use the Fisher's Exact Test rather than the chi square. The results are shown in the following tables.

Table 6.20 Case Processing Summary

	Cases								
	V	Valid Missing Total							
	N	Percent	N	Percent	N	Percent			
Q26 * Q27	62	62 100.0% 0 .0% 62 100							

Table 6.21 Q26-Q27 Cross-tabulation

			Q2	27	
			Yes	No	Total
Q26	Yes	Count	6	8	14
		Expected Count	2.3	11.7	14.0
		% within Q26	42.9%	57.1%	100.0%
		% within Q27	60.0%	15.4%	22.6%
		Std. Residual	2.5	-1.1	
	No	Count	4	44	48
		Expected Count	7.7	40.3	48.0
		% within Q26	8.3%	91.7%	100.0%
		% within Q27	40.0%	84.6%	77.4%
		Std. Residual	-1.3	.6	
Total		Count	10	52	62
		Expected Count	10.0	52.0	62.0
		% within Q26	16.1%	83.9%	100.0%
		% within Q27	100.0%	100.0%	100.0%

Table 6.22 Chi-Square Tests

			Asymp. Sig.	Exact Sig.	Exact Sig.
	Value	df	(2-sided)	(2-sided)	(1-sided)
Pearson Chi-Square	9.550(b)	1	.002		
Continuity	7 1 0 0	4	007		
Correction(a)	7.168	ı	.007		
Likelihood Ratio	8.126	1	.004		
Fisher's Exact Test				.006	.006
Linear-by-Linear	0.000		000		
Association	9.396	I	.002		
N of Valid Cases	62				

a Computed only for a 2x2 table

b 1 cells (25.0%) have expected count less than 5. The minimum expected count is 2.26.

According to the results, a statistically significant association is observed between the employees ever attempted to make suggestions regarding non-monetary incentives and whether they think they have such opportunity. Since the significance value of 0.006 in the Fisher's Exact Test is less than the established significance level of 0.05, it can be concluded that there is a significant association between whether the employees think they have the opportunity to make suggestions regarding non-monetary incentives and whether they have ever attempted to make any.

Question 28 asked the employees to select one of the four listed incentive types that they think will increase their interest in their jobs the most. 45 (58.4%) employees selected monetary incentives followed by 18 (23.4%) job-related non-monetary incentive, 10 (13%) social non-monetary incentive and 2 (2.6%) tangible NMI. Total number of employees who selected any non-monetary incentive type is 30.

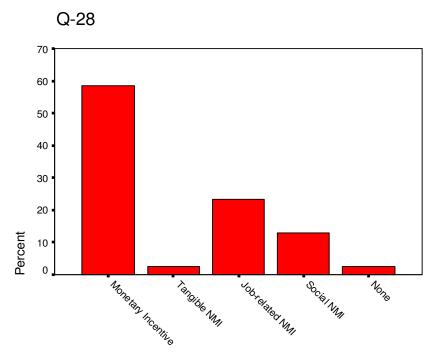


Figure 6.16

The total percentage of non-monetary incentives as a single category is 39%. It is observed that unlike Question 24, which asked the ranking of factors contributing to increase the employees' willingness to exert more effort in their jobs, the percentage of non-monetary incentives in the responses of employees to Question 28 are low compared to the percentage of monetary incentives.

This finding may be explained as follows. In question 24, satisfying wage is included on the list as one of the factors that is expected to increase employees' willingness to exert more effort in their jobs. The results of question 24 emphasized that satisfying wage (53.3%) is the most important factor for the employees among others. The implication of this finding for question 28 is that, the employees who are not satisfied with their wage levels may be expected to compensate this gap through a desire for monetary incentives in the work place. If it is explained by Maslow's theory, employees may be expected to be motivated by a desire to satisfy an unsatisfied need. Therefore, they might have selected monetary incentives as the incentive type that will increase their interest in the job the most.

Another research question in the present study is what type of non-monetary incentive the public employees value most. According to the responses given to Question 28, job-related non-monetary incentives are stated more frequently (23.4%) than social (13%) and tangible non-monetary incentives (2.4%). Then, it may be concluded that among the types of non-monetary incentives, job-related non-monetary incentives are valued the most among the public employees in this organization.

The responses can be analyzed to find out whether there is a significant difference between the superiors' and subordinates' preferences in terms of any of these incentive types. For this purpose, question 28 and question 1A are cross-tabulated as shown in the following 2x5 table and tested for significant differences.

Table 6.23 Cross-tabulation Q28-Q1A

					Q28			
				Tangible	Job-related	Social		
			Monetary	Non-Moneta	Non-Moneta	Non-Moneta		
			Incentive	Incentive	Incentive	Incentive	None	Total
Q1A	Superior	Count	6	1	2	5	0	14
		Expected Cou	nt 8.2	.4	3.3	1.8	.4	14.0
		% within Q1A	42.9%	7.1%	14.3%	35.7%	.0%	100.0%
		% within Q28	13.3%	50.0%	11.1%	50.0%	.0%	18.2%
		Std. Residual	8	1.1	7	2.4	6	
	Subordinat	e Count	39	1	16	5	2	63
		Expected Cou	nt 36.8	1.6	14.7	8.2	1.6	63.0
		% within Q1A	61.9%	1.6%	25.4%	7.9%	3.2%	100.0%
		% within Q28	86.7%	50.0%	88.9%	50.0%	100.0%	81.8%
		Std. Residual	.4	5	.3	-1.1	.3	
Total		Count	45	2	18	10	2	77
		Expected Cou	nt 45.0	2.0	18.0	10.0	2.0	77.0
		% within Q1A	58.4%	2.6%	23.4%	13.0%	2.6%	100.0%
		% within Q28	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 6.24 Chi Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	9.927 ^a	4	.042
Likelihood Ratio	8.483	4	.075
Linear-by-Linear Association	2.096	1	.148
N of Valid Cases	77		

a. 6 cells (60.0%) have expected count less than 5. The minimum expected count is .36.

Table 6.25 Symmetric Measures

 Value
 Approx. Sig.

 Nominal by Nominal Nominal Nominal Nominal Nominal Cramer's V
 .359
 .042

 N of Valid Cases
 77

According to the results, there seems to be a significant difference since the p value (0.042) is less than the established significance level of 0.05. Chi Square test was the appropriate method to test any significant differences between these

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

two variables; however, due to the small number of respondents in superiors category, in the table 6 cells (60.0%) have expected count less than 5 and the assumption of Chi Square is that no more than 20% of the cells have expected count less than 5. Therefore, Chi Square test cannot provide precise results here. Fisher's exact test would be available if the table was 2x2. But, the table is not appropriate to recode into 2x2, if we aim to see whether the supervisors' and subordinates' preferences differ for any of these incentives. As a result, it is difficult to reach an exact conclusion regarding any significant differences in any of these incentive categories. Nevertheless, according to the cross-tabulation, it can be concluded that superiors value social non-monetary incentives more than the subordinates. While 35.7% of the superiors selected social non-monetary incentives as the incentive that increases their interest in the job the most, this value is only 7.9% for the subordinates.

On the other hand, another comparison can be made with regard to whether superiors value non-monetary incentives as a single category more than the subordinates or vice versa. This argument is tested as a hypothesis in the following hypothesis testing section.

Related to question 28, question 29 aimed to find out whether non-monetary incentives increase the employees' interest to their work, even if there are no monetary incentives in the organization.

Table 6.26 Q-29

				Valid	Cumulative
		Frequency	Percent	Percent	Percent
Valid	Definitely increases	24	30.8	30.8	30.8
	Increases	37	47.4	47.4	78.2
	Neutral	8	10.3	10.3	88.5

Table 6.26 (Continued)

Do not incre	ease 9	11.5	11.5	100.0
Total	78	100.0	100.0	

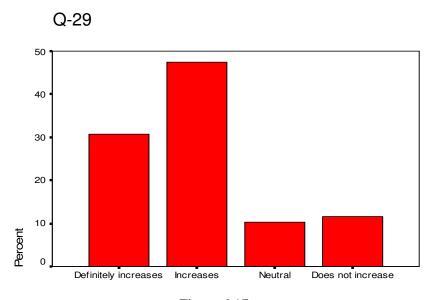


Figure 6.17

Supporting the previous findings, most of the employees (78.2%) agree that the existence of non-monetary incentives can contribute to their interest towards the job even if there are no monetary incentives.

This question is important in evaluating the perceived effectiveness of non-monetary incentives when there are no monetary incentives. Given the limited financial sources of public sector in Turkey, it is quite difficult to use monetary incentives to motivate public employees. The results of the study up to now suggest that employees in that public organization value non-monetary incentives as much as monetary incentives and they find the degree of utilization in the organization inadequate. Question 29 further supports the argument that non-monetary incentives can be as effective as monetary incentives in motivating public employees. Most of the employees think that the use of non-monetary

incentives in the organization increases their interest in the work even in the absence of monetary incentives.

To summarize, based on the employees' perceptions, the use of non-monetary incentives -especially social and job-related- is not in the adequate levels in the organization. On the other hand, employees consider non-monetary incentives among the most important factors that increase their desire to exert more effort in their jobs. The findings suggest that non-monetary incentives may have a high motivating power in the organization as they are inadequately satisfied needs and valued incentives. Although it seems that monetary incentives are valued more than non-monetary incentives, the employees think that non-monetary incentives can be effective in motivating them in the absence of monetary incentives. This finding is especially important for the public organizations in Turkey because of financial constraints to provide monetary incentives to the employees.

6.3. TESTS OF HYPOTHESES

6.3.1. HYPOTHESIS ONE

Hypothesis one is concerned with assessing whether there is a statistically significant difference between the superiors' and subordinates' ranking of any of the factors contributing to their willingness to exert more effort in their jobs. To calculate the overall level of ranking of each factor in the employees responses, a score is assigned to each of the five factors listed by the employees; score 5 being the most important factor, 1 being the least important and unlisted ones being 0. According to this calculation, the mean scores for each of the factors are as follows.

Table 6.27 Mean Scores of the Job Factors

	N	Minimum	Maximum	Mean	Ranking
WAGE	75	0	5	4.13	1
MONETARY INC.	75	0	5	2.81	2
SECURITY	75	0	5	2.19	3
SOCIAL NMI	75	0	5	1.80	4
JOBRELATED NMI	75	0	5	1.45	5
TANGIBLE NMI	75	0	5	1.19	6
REL. W/ PEERS	75	0	4	1.01	7
Valid N (listwise)	75				

According to the mean scores which refer to the average ranking of each job factor by the employees, the ranking of employees from highest to the lowest is; wage, monetary incentives, security, social non-monetary incentives, job-related non-monetary incentives, tangible non-monetary incentives and good relationship with peers. To compare the rankings of superiors and subordinates, each category's mean scores for each of the selected factors are calculated, which are as follows:

Table 6.28 Rankings of the Job Factors Based on Mean Scores

Job Factors	Superiors'	Subordinates'
	Ranking	Ranking
Satisfying Wage	1 (Mean=4.23)	1 (Mean=4.11)
Social NMI	2 (Mean=3.23)	4 (Mean=1.50)
Monetary Incentive	3 (Mean=1.85)	2 (Mean=3.02)
Job-Related NMI	4 (Mean=1.46)	5 (Mean=1.45)
Job Security	5 (Mean=1.31)	3 (Mean=2.37)
Tangible NMI	6 (Mean=1.00)	6 (Mean=1.23)
Good Relations w/ Peers	7 (Mean=0.85)	7 (Mean=1.05)

When the mean scores of the two groups are compared, it is observed that there are some important differences in job security and social non-monetary incentive categories. On average, superiors rank social non-monetary incentives as the second most important job factor contributing to the willingness to exert more effort in their jobs while the subordinates rank this job factor as the fourth. Monetary incentive comes after social non-monetary incentives for the superiors, whereas subordinates rank it as the second. Also, on average, subordinates rank job security as the third highest important factor compared to subordinates' average ranking of 5.

To test whether these are statistically significant differences between the ranking mean scores by the superiors and subordinates, independent samples t-test is executed for each of the job factor categories and for the two grouping variables as the superiors and subordinates. Levene's test of equality of variances was applied to determine which of the t-test significance values to consider. For the cases where the significance of Levene's test is higher than 0.05, equal variances are assumed.

According to the results shown in Table 6.29, for the category of social non-monetary incentives, the t-test for independent samples had a p-value of 0.000 (equal variances assumed), which is less than the established significance level of 0.05. Moreover, for the category of monetary incentives, the t-test for independent samples had a p-value of 0.024 (equal variances assumed), which is less than the established significance level of 0.05. As a result, the null hypothesis is rejected and it can be concluded that there is a significant difference between the superiors' and subordinates' average ranking of job factors contributing to their willingness to exert more effort in their jobs, as the superiors' mean scores of ranking for the social non-monetary incentives is statistically higher than that of subordinates and superiors value monetary incentives less than subordinates. Except for the rankings of monetary and social non-monetary incentives, there is no statistically significant difference between the superiors' and subordinates' responses regarding the ranking of these factors.

Table 6.29 T-Tests

		Levene	e's Test							
		for Eq	uality							
		of Var	riances		t-1	test for E	quality of	of Means	S	
		F	Sig.	t	df	Sig. (2- tailed	Mean Diffe rence	Std. Error Diffe ren ce	95° Confic Interval Differ	lence of the
									Lower	Upper
WAGE	Equal variances assumed	.046	.830	.301	73	.764	.12	.392	663	.899
	Equal variances not assumed			.277	16.153	.785	.12	.426	784	1.020
MONETARY	Equal									
	variances	1.622	.207	-2.313	73	.024	-1.17	.506	-2.178	162
	assumed									
	Equal variances not assumed			-2.104	15.994	.052	-1.17	.556	-2.349	.009
SECURITY	Equal variances assumed	.641	.426	-1.836	73	.070	-1.06	.579	-2.218	.091
	Equal variances not assumed			-1.916	18.212	.071	-1.06	.555	-2.228	.101
SOCIAL	Equal variances assumed	.086	.770	3.677	73	.000	1.73	.471	.793	2.669
	Equal variances not assumed			3.592	17.017	.002	1.73	.482	.714	2.747

Table 6.29 (Continued)

JOB-REL.	Equal var. assumed	.906	.344	.020	73	.984	.01	.501	988	1.008
	Equal variances not assumed			.023	21.088	.982	.01	.427	878	.898
TANGIBLE	Equal variances assumed	.367	.546	553	73	.582	23	.408	-1.040	.588
	Equal variances not assumed			512	16.235	.615	23	.441	-1.159	.708
PEERS	Equal variances assumed	1.386	.243	559	73	.578	20	.362	923	.518
	Equal variances not assumed			643	20.511	.527	20	.315	857	.453

6.3.2. HYPOTHESIS TWO

Hypothesis two aims to find out whether the average ranking scores of the job factors differ significantly according to job tenure. To facilitate the calculations, first, the 5 job tenure categories are recoded into 3 categories as "less than 5 years", "5 years to 10 years" and "more than 10 years". To test the hypothesis, the independent samples t-test is executed for each of the job factor categories as the test variable and for the tenure levels as the two grouping variables. According to the results shown in the tables 42 through 47 in Appendix B, there is no significant difference between the job factors' rankings based on any two levels of job tenure, since none of the cases show a significance value lower than the established significance level of 0.05. To conclude, the null hypothesis is

not rejected and there is no significant difference between the employees' rankings of job factors, based on job tenure.

6.3.3. HYPOTHESIS THREE

Hypothesis three concerns whether the superiors' and subordinates' responses to Q-28 (which of the following incentives would increase your interest in the job the most?) differ significantly in terms of two general incentive categories. To test this hypothesis using Chi Square and to satisfy the assumption that no more than %20 of the cells have expected value less than 5, the levels of dependent variable is recoded as "monetary incentive" and "non-monetary incentive". So, a 2x3 table is obtained. The results are shown in the following tables.

Table 6.30 Case Processing Summary

	Cases									
	Val	id	Missing Total							
	N	Percent	N Percent N Pe							
Q29 * Q1A	75	100.0%	0	.0%	75	100.0%				

Table 6.31 Q28-Position Cross-Tabulation

			C	Q1A	
			Superior	Subordinate	Total
Q28	Monetary Incentive	Count	6	39	45
		Expected Count	8.4	36.6	45.0
		% within Q28	13.3%	86.7%	100.0%
		% within Q1A	42.9%	63.9%	60.0%
		Std. Residual	8	.4	
	Non-monetary incentiveCount		8	22	30
		Expected Count	5.6	24.4	30.0
		% within Q28	26.7%	73.3%	100.0%
		% within Q1A	57.1%	36.1%	40.0%
		Std. Residual	1.0	5	
Total		Count	14	61	75
		Expected Count	14.0	61.0	75.0
		% within Q28	18.7%	81.3%	100.0%
		% within Q1A	100.0%	100.0%	100.0%

Table 6.32 Chi Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	2.108 ^b	1	.147		
Continuity Correction a	1.321	1	.250		
Likelihood Ratio	2.067	1	.150		
Fisher's Exact Test				.226	.126
Linear-by-Linear Association	2.080	1	.149		
N of Valid Cases	75				

a. Computed only for a 2x2 table

Table 6.33 Symmetric Measures

		Value	Approx. Sig.
Nominal by	Phi	168	.147
Nominal	Cramer's V	.168	.147
N of Valid Cases		75	

a. Not assuming the null hypothesis.

According to the results, no statistically significant difference is observed between the superiors' and subordinates choices regarding either non-monetary incentive or monetary incentive as the incentive category that would increase their interest in the job the most. Since the p value 0.147 is not less than the established significance value of 0.05, the null hypothesis is not rejected and it can be concluded that the superiors and the subordinates do not significantly differ in their choices of either of the incentive categories.

6.3.4. HYPOTHESIS FOUR

Hypothesis four aims to explore whether the employees' incentive preferences among two basic incentive categories differs significantly based on job tenure. To test this hypothesis, Chi Square test is applied to the cross tabulation of

b. 0 cells (.0%) have expected count less than 5. The minimum expected count is 5.60.

b. Using the asymptotic standard error assuming the null hypothesis.

Q-28 and Q-2, in which the categories are recoded to obtain a 2x2 table and to satisfy the assumption of Chi Square test. The results are shown in the following tables.

Table 6.34 Case Processing Summary

	Cases					
	V	alid	Mis	sing	Total	
	N	Percent	N	Percent	N	Percent
Q28 * tenure	75	100.0%	0	.0%	75	100.0%

Table 6.35 Q28 – Job Tenure Cross-tabulation

				tenure		
			Less than	5 years to	More than	
			5 years	10 years	10 years	Total
Q28	Monetary Incentive	Count	10	11	24	45
		Expected Count	10.8	10.2	24.0	45.0
		% within Q28	22.2%	24.4%	53.3%	100.0%
		% within tenure	55.6%	64.7%	60.0%	60.0%
		Std. Residual	2	.3	.0	
	Non-monetary incentive	Count	8	6	16	30
		Expected Count	7.2	6.8	16.0	30.0
		% within Q28	26.7%	20.0%	53.3%	100.0%
		% within tenure	44.4%	35.3%	40.0%	40.0%
		Std. Residual	.3	3	.0	
Total		Count	18	17	40	75
		Expected Count	18.0	17.0	40.0	75.0
		% within Q28	24.0%	22.7%	53.3%	100.0%
		% within tenure	100.0%	100.0%	100.0%	100.0%

Table 6.36 Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	.305 ^a	2	.859
Likelihood Ratio	.306	2	.858
Linear-by-Linear Association	.051	1	.821
N of Valid Cases	75		

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 6.80.

Table 6.37 Asymmetric Measures

-

		Value	Approx. Sig.
Nominal by	Phi	.064	.859
Nominal	Cramer's V	.064	.859
N of Valid Cases		75	

a. Not assuming the null hypothesis.

As the significance value p=0.859 and it is not less than the established significance value of 0.05, the null hypothesis is not rejected. There is no significant difference between employees' incentive choice between non-monetary and monetary categories, based on job tenure.

b. Using the asymptotic standard error assuming the null hypothesis.

CHAPTER 7

SUMMARY AND CONCLUSION

7.1. SUMMARY

The success of public organizations depends on many factors such as national policies, external environment, economics, availability of resources and talented, motivated public employees. All organizations, whether public or private, need motivated employees to be effective and efficient in their functioning. Employees who are motivated to work energetically and creatively toward the accomplishment of organizational goals are one of the keys to organizational success. Motivation is particularly essential for governmental organizations because efforts to improve the performance of government organizations depend heavily on the ability to successfully motivate public employees. Moreover, in Turkey, public employee expenses constitute 40% of the general budget (Serdar, 2002). Investing such a big amount on it, Turkish government has to benefit from its manpower at the maximum level and has to ensure that they are fully committed to the objectives of public organizations. This can only be possible with motivated public employees.

When the issue is motivation, one of the first things that comes to ones mind is the concept of incentive, which refers to any means that makes an employee desire to do better, try harder and expend more energy. Although there are some counter arguments that incentives may in fact harm intrinsic motivation, public organizations may benefit from incentives, besides providing wages and fringe benefits to the public employees, because incentives help to encourage specific behaviors or goals that are not supported by the existing compensation. Public employees in Turkey enjoy job security and fixed wage levels regardless of their performance; there is no performance based pay system. Therefore there is almost nothing to encourage them to do their best in their jobs or to reinforce the

positive behaviors other than some very exceptional cases. It is important particularly for the public sector that, some kind of incentive mechanism exists to promote employees to contribute more, to do more than what is expected from them and to recognize their success. With regard to monetary incentives, it can be argued that private organizations have more financial sources to motivate their employees than the public organizations. It is known that public employees' payment levels in Turkey are generally low compared to private sector employees. Moreover, while many private organizations have monetary incentives such as bonuses, commissions, cash rewards etc, it is quite challenging for the public sector to provide such incentives in adequate levels in a weak national economy. Then, it is necessary to look for any possible alternative means that can be used to motivate employees in the public sector.

In line with this purpose, this study focused on the use and motivating potential of non-monetary incentives in the public sector, through a case study conducted in the General Directorate of Investment and Enterprises, under the Ministry of Culture and Tourism.

Non-monetary or non-cash incentives do not involve direct payment of cash and they can be tangible or intangible. Some examples of this kind of incentives are; encouraging the employees by providing them with autonomy and more responsibility in their job, allowing them to use variety of skills and knowledge, participation in decision making, promotion, recognizing any single contribution or good work verbally or through small gifts, letters of appreciation, plagues, tickets to social or sports activities etc., assigning challenging duties, improving working conditions, organizing social activities in the work place, etc.

Non-monetary incentives offer many advantages to public organizations. Non-monetary incentives have the potential to satisfy employee needs and motivate them without necessitating significant amounts of the use of public financial sources. This is an important factor in light of declining budgets and resource scarcity. They are much easier to administer than monetary incentives. Although to some extent, establishing performance standards is also necessary for awarding some of the non-monetary incentives, this is much easier to determine

than the case for monetary incentives. It is so because one of the objectives of offering non-monetary incentives is to encourage any single behavior that is beyond expectations, regardless of whether the behavior is extraordinary or not. As emphasized by many motivation theories, employees need psychological needs besides material needs which can be met by non-monetary incentives. Nonmonetary incentives have the potential to motivate employees in a variety of ways, whereas monetary incentives are limited in their types. This variety addresses many different needs such as social interaction, belongingness, recognition, respect, attention, a feeling of achievement, autonomy, a meaningful job, a feeling of self-worth, developing one's full potential, feedback about performance etc. In addition to these, the use of non-monetary incentives creates a valuable opportunity to provide immediate recognition to the employees who perform above expectations or to reinforce any single behavior that contributes to the organizational objectives. While utilizing the non-monetary incentives in public sector, it is important to pay attention to the issue of perceived inequity. Also, it is necessary to train the superiors and subordinates for the new kinds of work relationships in the workplace.

Many motivation theories refer to the effectiveness of non-monetary incentives in the motivation of employees. In Maslow's Hierarchy of Needs theory, esteem and self-actualization needs are emphasized as the higher level needs that can be satisfied with non-monetary incentives. Herzberg stated that job-related incentives are the real motivators and the others are just the hygiene factors that retain the employees in the job. Job characteristics model pointed out that the jobs with job-related non-monetary incentives have a high motivating power. Expectancy theory stressed the importance of feedback, goal setting and the incentives that employees value most. Equity theory of motivation emphasized that it is essential to differentiate the employees who performs above expectations through recognition so that equity can be assured in the organization. Moreover, reinforcement theory asserts that the behaviors that are positively reinforced tend to be repeated, which is promoted by non-monetary incentives.

All these factors suggest that non-monetary incentives may be a valuable source of motivation for the public organizations to utilize. The results of this research study is relevant in understanding to what extent public organizations in Turkey make use of these incentives, based on the perceptions of employees and whether the non-monetary incentives have the potential to motivate public employees in Turkey most of whom are not satisfied with their wage level. In determining the non-monetary incentives' degree of effectiveness, public employees' incentive preferences are a concern. Any incentive system is more likely to be successful if it matches what the employees value. Therefore, this study is important as it sheds light on the public employees' incentive preferences.

The following research questions were addressed in the study:

- 1) What is the degree of utilization of the non-monetary incentives in public sector, based on the perceptions of public employees in that organization?
- 2) What does the concept of "non-monetary incentive" mean to public employees?
- 3) What are the most important job factors that contribute to the employees' willingness to exert more effort in their jobs?
- 4) What is the type of incentive that the public employees value most?
- 5) Which type of non-monetary incentive do the public employees value most in Turkey?
- 6) How do public employees in Turkey perceive the effectiveness of non-monetary incentives in the absence of monetary incentives?
- 7) Based on these findings, to what extent do non-monetary incentives have a motivating potential in the public sector?
- 8) Is there a significant difference between the average rankings of the job factors based on position in the organization and job tenure?
- 9) Is there a statistically significant difference between the subordinates and superiors with regard to their incentive preferences in the public sector?

10) Is there a statistically significant difference between employees' incentive preferences based on job tenure?

The five most frequently repeated responses to the meaning of non-monetary incentive by the employees are "activities that aim to increase the motivation and efficiency of personnel other than money", "verbal or written appreciation", "promotion", "psychological satisfaction" and "don't know". According to their own conceptualization of the non-monetary incentives, most of the employees think that either the utilization of non-monetary incentives is inadequate in the organization or non-monetary incentives do not even exist. These results suggest that the employees are not satisfied with the level of these non-monetary incentives in the organization.

With regard to social non-monetary incentives, the findings imply that the level of recognition practices in the form of verbal or written appreciation to reinforce the success and positive behaviors of the employees is low according to the employees and there is no mechanism, such as a departmental newsletter or bulletin board, to promote it. In question 9, the mean of the responses indicates that employees neither agree nor disagree about the sincere conduct of their superiors. Although performance about feedback is relatively more practiced in the organization, the findings suggest that it tends to be negative feedback. Thus, it can be concluded that the organization does not adequately benefit from social non-monetary incentives as a motivational tool.

Concerning the utilization of job-related incentives in the organization, most of the employees consider their job as usually simple and repetitive that do not allow them to use variety of skills, abilities etc. Thus, the motivation originating from skill variety is expected to be low in this organization. With regard to the degree of autonomy of the employees over their jobs, the employees seem to have more autonomy about how to do their jobs than when to do them. On the other hand, flexible working hour as a job-related incentive is indicated to be relatively high in the organization. The job-related incentive that most of the employees agree on its application in the organization is training opportunities.

This incentive gives the employees the opportunity to develop their potential and may satisfy the growth and self-actualization needs of the employees. The two most inadequate job-related non-monetary incentives in the organization according to the employees are promotion opportunities and participation in decision making. The findings indicate that employees are not likely to be motivated with the low level of promotion and participation in decision making opportunities in the organization.

About the tangible non-monetary incentives, the most frequently stated ones are social activities arranged by the organization such as picnics, sport events, celebrations, tickets to social events etc. certificate of thanks and appreciation, discounted holiday trips, organization's bus service, internet access opportunity, accessories with the organization's logo on it and food basket. It can be argued that social activities arranged in the organization may be expected to be a high potential source of motivation for the employees. They are likely to create a positive working atmosphere. Other then these items, some of the employees noted that in the organization they have newspaper or magazine subscription, discounted service by Ulusoy bus enterprise and museums, piped-in music, one-day trip arrangements by the organization, plaquettee and opportunity to travel abroad as a officer. Regarding other stated tangible non-monetary items, this organization may be considered as in a good position as a public organization. Although the items are not as valuable as the items provided to employees by private organizations such as gold, watch, cellular phone, gift certificate, home furniture, laptop, paid vacation etc., public employees in this organization enjoy a moderate level of tangible non-monetary incentives.

In light of these, it can be argued that the employees have different views for the level of utilization of different non-monetary incentives. But, generally speaking, the levels of social and job-related non-monetary incentives in the organization are found to be inadequate.

One of the other research questions in the study was the ranking of five job factors that increase the employees' willingness to exert more effort in their jobs. The expression "willingness to exert more effort" was used to mean motivation.

This ranking is important in evaluating the perceived importance of non-monetary incentives for the employees compared to monetary incentives. Satisfying wage constitutes half of the responses (53.3%) written to the first ranking. This finding supports Maslow's argument that employees seek to satisfy their needs in a hierarchical order, starting from the lowest unsatisfied need. It is known that most of the public employees in Turkey are not satisfied with their wages. Thus, it can be argued that this unsatisfied need may drive the employees to state that satisfying levels of wage is the first factor that motivate them to exert more effort in their jobs. Second highest scored factor for the first level is monetary incentive (16.0%) followed by job security (14.7%). When the types of non-monetary incentives are analyzed separately, their percentages are low (6.7%, 6.7%, 2.7%) compared to wage, monetary incentives and job security. However, the total percentage of employees who selected any type of non-monetary incentive (tangible, social or job-related) in the first rank is 16.1%, which is slightly higher than the percentage of monetary incentives and job security. Based on this finding, it may be argued that the number of employees in this organization who consider non-monetary incentives as the most important factor contributing to their desire for exerting more effort in their jobs (after satisfying levels of wage) is equal to the number of those that consider monetary incentives. In other words, those employees consider the non-monetary incentives as effective as monetary incentives in their motivation.

Also, most of the employees state that they wish to see non-monetary incentives in the organization. When asked about whether they have ever made any suggestions regarding the use of non-monetary incentives, %70 said they haven't. The Pearson's Chi Square test applied to Q-26 and Q-27 indicated that there is a significant association between employees who haven't made any suggestions and who think they don't have that opportunity in the organization.

In addressing another research question, the results from Question 28 indicated that 39% of the employees selected one of the non-monetary incentive types as the incentive that they think will increase their interest in their jobs the most. The % of monetary incentives was 58.4. Among the non-monetary

incentives, job-related non-monetary incentive is the one that is most frequently selected.

To conclude, the incentive type that the public employees in this organization value most is monetary incentives. The implication of this finding is that, the employees who are not satisfied with their wage levels may be expected to compensate this gap through a desire for monetary incentives in the work place. If it is explained by Maslow's theory, employees may be expected to be motivated by a desire to satisfy an unsatisfied need. Therefore, they might have selected monetary incentives as the incentive type that will increase their interest in the job the most. On the other hand, in the ranking question, monetary and non-monetary incentive percentages were close to each other because the first choice of the employees was the satisfying wage.

It is clear that the employees in this organization first seek to satisfy their physiological needs. After they have a satisfying monetary compensation, they are likely to value non-monetary incentives. However, this research is particularly important in analyzing the attitude of public employees to non-monetary incentives in the absence of monetary incentives and satisfying levels of wage

Question 29 aimed to find out whether non-monetary incentives increase the employees' interest to their work, even if there are no monetary incentives in the organization. Supporting the previous findings, most of the employees (78.2%) agree that the existence of non-monetary incentives can contribute to their interest towards the job even if there are no monetary incentives.

The findings so far suggest that non-monetary incentives may have a high motivating power as they are inadequately satisfied needs in this organization and they are valued highly by the employees. The questions 24, 25, 28 and 30 generally aimed to measure to what extent the employees think non-monetary incentives are effective or may be effective in their motivation. Most of the responses indicated that the employees are quite positive towards the use of non-monetary incentives in the workplace. Although it seems that monetary incentives are valued more than non-monetary incentives, the employees think that non-monetary incentives can be effective in motivating them in the absence of

monetary incentives. This finding is especially important for the public organizations in Turkey because of financial constraints to provide monetary incentives to the employees.

7.2. DISCUSSION ON THE HYPOTHESES ANALYSES

Regarding the hypotheses, the results of the t-test and Pearson's Chi Square tests performed rejected only one of the four null hypotheses. The study concluded that position in the organization is a significant determining factor in employees' average ranking of the job factors increasing their willingness to exert more effort in their jobs while job tenure is not.

Superiors rank social non-monetary incentives significantly higher than the subordinates (second versus fourth) and the subordinates rank monetary incentives significantly higher than the superiors (second versus third).

The finding regarding the superiors is interesting when this result is compared to the results regarding the utilization of social non-monetary incentives in the organization. Most of the subordinates (60.3%) think that they do not receive verbal or written appreciation from their superiors for their contributions in the organization. This may suggest that in general the superiors do not recognize the subordinates. However, in their ranking, the superiors assign a high importance value to the social non-monetary incentives as the factor that increases their willingness to exert more effort in their jobs. That is, while the superiors think appreciation is an important motivating factor for them, they do not seem to apply this idea in the workplace since the subordinates think that they are not appreciated. This contradiction might have originated from personality characteristics of the superiors and their possible fear of harming the formal authority relationship with their subordinates. In fact, previous researches mentioned in Chapter 4 show that there is no tradition of appreciation for a good job in public organizations in Turkey. Moreover, leaving aside the informal means to recognize the employees, the superiors lack formal means of recognition in the work place except for some extraordinary cases. The organization does not have a

bulletin board or a newsletter to announce successful employees and does not offer certificate of appreciation other than extraordinary situations. It does not have a public recognition day to introduce successful employees to the rest of the organization. Thus, the superiors may be having difficulty in formally showing appreciation for the contributions of employees.

Although most of the employees in both groups are not satisfied with the level of recognition in the organization, the subordinates rank monetary incentives higher than the non-monetary incentives on average, whereas it is the reverse for the superiors. This may be explained by the fact that, relatively speaking superiors may be more satisfied with their wage levels, thus may seek to satisfy higher level needs of esteem and self-actualization through non-monetary incentives. On the other hand, for the subordinates the priority could be monetary satisfaction.

Regarding other two hypotheses, based on position in the organization and job tenure, there is no significant differences between employees' incentive choices that will increase their interest in the job the most, when the non-monetary incentives are evaluated as a single category. It could be expected that the results based on position would be similar to the previous hypothesis but it does not. This is due to the fact that the difference between the superiors and subordinates originates from the variety of responses within the non-monetary incentive categories. It is seen that job tenure is not a determinant of the choice between monetary and non-monetary incentives in the organization.

7.3. CONCLUSION AND RECOMMENDATIONS FOR FUTURE RESEARCH

According to the results of the study, it can be argued that the level of utilization of the non-monetary incentives, especially social and job-related types, in the organization is inadequate, based on the perceptions of the public employees. It may be argued that this public organization does not benefit from non-monetary incentives effectively in the motivation of employees. However, if it is explained by expectancy theory of motivation, the employees' incentive preferences is also a concern in determining the motivational potential. Public

employees in Turkey are not satisfied with their wage levels in general and this fact is reflected on the employees' first ranking of satisfying wage as the most important factor contributing to their effectiveness in the job. With regard to incentive preferences, monetary incentives seem to take precedence over nonmonetary incentives. However, this does not mean that the employees are not likely to be motivated by the non-monetary incentives. According to the analysis of responses, non-monetary incentives are valued highly by the employees, even in the absence of monetary incentives. Among the non-monetary incentives, jobrelated non-monetary incentives are more preferred as the incentive that would increase the employees' interests in their jobs the most. This may imply that most of the employees in the organization value meaningful job with more responsibility, variety of tasks and opportunity to use variety of skills, autonomy over job, participation in decision making, promotion, development opportunities etc. As it was emphasized in the discussions of Job Characteristics Model, jobs with five job characteristics; skill variety, task identity, task significance, autonomy and feedback, are likely to have high motivating potential for the employees who have high "growth need strength". GNS is a personal attribute that defines a person's desire or tendency for personal challenge (Adler et. al, 2001). Employees' selection of job related non-monetary incentives may imply that those employees are the ones who have high GNS. Moreover, this choice may be evaluated as those public employees are likely to be motivated intrinsically, through the job itself. In light of these, it may be expected that non-monetary incentives have a high motivating power in this organization.

The survey population is not sufficient to draw precise conclusions for other public organizations in Turkey. It would be problematic to generalize the results of the study. However, the study is relevant in understanding the situation of public organizations in Turkey with regard to the utilization and effectiveness of non-monetary incentives.

As it is emphasized through out the study, it is challenging to use adequate levels of monetary incentives in the public sector in Turkey due to financial constraints. Within the limitations of this survey study, it may be argued that the

use of non-monetary incentives may be effective in motivating public employees, as an alternative or in addition to inadequate monetary incentives. Non-monetary incentives are not only essential to compensate for the inadequacy of wage and monetary incentive levels, but also they are vital to satisfy employees many other needs such as social interaction, belongingness, recognition, respect, attention, a feeling of achievement, autonomy, a meaningful job, a feeling of self-worth, developing one's full potential, feedback about performance etc. Moreover, they are valuable means of recognizing any single contribution, suggestion and success of the employees. Public organizations may utilize non-monetary incentives so that they can reinforce positive behaviors contributing to the accomplishment of organizational goals.

Here, it is important to reemphasize the fact that the effectiveness of non-monetary incentives depend on many variables, thus, the use of non-monetary incentives in the workplace does not necessarily mean that they always lead to motivated employees and in turn increase in performance of the employees. This study proposes that non-monetary incentives have the potential to affect the motivation of public employees positively if the necessary circumstances are met.

For public organizations to benefit from these motivational tools effectively, first it is necessary to establish recognition as a widely applied practice. To do that, this concept may be introduced to public organizations through seminars in order to enhance its practice and ensure that it is employed adequately. From time to time, employee surveys can be conducted in public organizations to measure how well supervisors are doing in the area of employee recognition. Moreover, the awarding of certificates of appreciation and thanks should be established as a more frequently used method, rather than an incentive that is used only for some exceptional cases. As it was mentioned in Chapter 3 in the discussions of social non-monetary incentives, recognition cards may be provided to the supervisors to facilitate the recognition process. Also, bulletin boards and departmental newsletters may be used as effective means in recognizing the successful public employees. Besides these, employee opinion surveys may be conducted in public organizations to determine the specific

incentive types that each department value most. This may be effective especially for the determination of tangible non-monetary incentives that would be offered for a performance above expectations.

With regard to job-related non-monetary incentives, it may be expected that it would be more difficult to bring about any changes in public organizations, compared to social non-monetary incentives, since it may necessitate job redesign and reform of promotion opportunities etc. However, there are many other simple job-related non-monetary incentives that could be utilized in public organizations. Training opportunities is a good example of job-related non-monetary incentive that could satisfy employees' growth needs. Flexible working hours and time-off are other examples. Moreover, superiors and subordinates could be encouraged to participate in decision making and make suggestions through the establishment of formal means such as meetings or other mechanisms such as suggestion boxes in the organization.

Regarding tangible non-monetary incentives, social activities among the members of the organization such as picnics, sport activities, celebrations, parties etc. may help to enhance the motivation of public employees by creating a positive work environment. Also, small gifts such as mugs, pen sets, plagues etc. may be awarded to employees who make a difference to the organization.

Non-monetary incentives may be awarded in return for a successful completion of a project, a contribution, a solution to a problem, the prevention of a harm against the organization or a useful suggestion or action for cost savings such as in the electricity, water, gas, telephone bills etc. The subjects of the awards may be individuals, teams or even departments.

To conclude, based on the literature on the effectiveness of non-monetary incentives as a motivational tool and the findings of this study supporting its potential to motivate employees in public sector, it is possible to argue that non-monetary incentives may promote the employees' willingness to exert more effort in their jobs, to go beyond expectations and to contribute to the organizational objectives fully when applied effectively in the public sector of Turkey. As it is emphasized before, it is difficult to reach precise conclusions regarding these

arguments because of the small population size in the study. This subject may be investigated further in other public organizations to understand the motivating potential of the non-monetary incentives in the public sector in Turkey better. The results of these future studies may also be compared to the results of studies from private organizations in which the employees are familiar with the use of non-monetary incentives as a practice in their organization.

In general, some of the non-monetary incentives are offered to recognize a particular performance and some are offered just to increase the morale of the employees like the above mentioned incentives. Except for the recognition of simple contributions, it may be necessary to establish some performance criteria to award more special non-monetary incentives to the public employees. To this end, one of the most immediately pressing needs for research attention involves the measurability of employee performance in typical public sector jobs in Turkey. Second, more researches may be conducted in different public organizations in Turkey to determine the incentive preferences of public employees and to compare them for any significant differences based on job title, education, age, gender etc. Third, the incentive preferences of public employees may be compared to those of private sector employees to determine whether the factors motivating public sector and private sector employees in Turkey are significantly different from each other.

APPENDIX A

ORTADOĞU TEKNİK ÜNİVERSİTESİ SİYASET BİLİMİ VE KAMU YÖNETİMİ BÖLÜMÜ YÜKSEK LİSANS ARAŞTIRMASI ANKETİ

Sayın İlgili,

Bu anket, Orta Doğu Teknik Üniversitesi Siyaset Bilimi ve Kamu Yönetimi Bölümünde sürdürülmekte olan bir yüksek lisans çalışmasının parçası olarak geliştirilmiştir. Anketin amacı, çalışanların iş yerlerindeki çeşitli teşvik ve ödüllendirme yöntemlerine karşı tutumlarını belirlemek ve görevlerini daha iyi bir şekilde yerine getirmelerine olumlu katkısı olabilecek teşvik ve ödüllendirmeleri saptamaktır.

Anket, çalıştığınız kurumdaki parasal olmayan teşvik ve ödüllendirme yöntemlerinin varlığını ve sizin bunlara yönelik tutumunuzu belirlemeye yönelik sorulardan oluşmaktadır. Ankette, kimliğinizi ortaya çıkaracak ad, soyad, yaş vb. bilgileri vermeniz istenmemektedir. Sorulara verdiğiniz kişisel cevaplarınız tamamen saklı tutulacaktır.

Lütfen ankette bulunan soruları verilen açıklamaları okuyarak cevaplayınız. Bütün soruları cevaplamak 15 dakikadan fazla zamanınızı almayacaktır.

Yardımlarınız için şimdiden teşekkür ederim.

Nilay Toprak Araştırma Görevlisi ODTÜ Siy. Bil. ve Kamu Yön. Böl.

1- Lütfen çalıştığınız kurumdaki görevinizi ve unvanınızı yazınız:
2- Ne kadar zamandan beri bu kurumda çalışmaktasınız? Lütfen işaretleyiniz. ()0-6 ay ()6 ay- 1 yıl ()1- 5 yıl ()5- 10 yıl ()10 yıldan fazla
3- Çalışanlara sağlanan "Parasal olmayan teşvikler ya da ödüllendirmeler" ifadesi size neyi çağrıştırıyor? Lütfen yazınız.
4- Yukarda yazdığınız ifadeye göre, parasal olmayan teşviklerin veya
ödüllendirmelerin kurumunuzda
uygulanma düzeyi hakkında ne düşünüyorsunuz? Lütfen seçeneklerden birini
işaretleyiniz.
() Oldukça yeterli
() Yeterli () Kararsızım
() Yetersiz
() Oldukça yetersiz
() Parasal olmayan teşvik veya ödüllendirmelerin çalıştığım kurumda
bulunduğunu düşünmüyorum.

Lütfen aşağıda belirtilen, çalıştığınız kurum ve kurumdaki görevinizle ilgili ifadeler için, uygun olduğunu düşündüğünüz şıkkı yuvarlak içine alınız.

	Kesinlikle Katılıyorum	Katılıyorum	Kararsızım	Katılmıyorum	Hiçbir şekilde katılmıyorum
5- Çalıştığım kurumda çalışanlara, yaptıkları katkılardan dolayı teşekkür edilir.	1	2	3	4	5
6- Çalıştığım kurumda çalışanların fikirlerini söyleyebildikleri toplantı vb. faaliyetler düzenlenmektedir.	1	2	3	4	5
7- Kendi görevim dışında, işle ilgili özel projeler ya da aktivitelerde görevlendirildiğim olur.	1	2	3	4	5
8- Çalışmalarım sadece parasal olarak karşılık görur.	1	2	3	4	5
9- Çalıştığım kurumda, yöneticiler genelde çalışanlara güler yüz gösterirler.	1	2	3	4	5
10- Görevim basit ve tekdüze şeyleri sürekli olarak yapmamı gerektirir.	1	2	3	4	5
11- Yöneticilerim işi nasıl yaptıgım konusundaki düşüncelerini dile getirirler.	1	2	3	4	5
12- Çalıştığım kurumda kararlar alınırken fikrim sorulur.	1	2	3	4	5
13- Çalıştığım kurumda hizmet içi eğitim (seminer, sertifika programı vb.) verilir.	1	2	3	4	5
14- Her zamankinden daha fazla sorumluluk gerektiren işlerle görevlendirildiğim olur.	1	2	3	4	5
15- Çalıştığım kurumda yükselme ve ilerleme olanakları tatmin edicidir.	1	2	3	4	5

	Kesinlikle katılıyorum	Katılıyorum	Kararsızım	Katılmıyorum	Hiçbir şekilde katılmıyorum
16- Çalıştığım kurumda, iş yerine giriş-çıkış saatleri, işe devam ve dinlenme molaları gibi konularda katı kurallar vardır.	1	2	3	4	5
17- Çalıştığım kurumda çalışanlar, işle ilgili başarı gösterdiklerinde yöneticiler tarafından sözlü veya yazılı olarak takdir edilirler.	1	2	3	4	5
18- Çalışırken işimi <u>nasıl</u> yapacağım konusunda karar verme yetkim vardır.	1	2	3	4	5
19- Çalıştığım kurumda işyeri kurallarına uyulduğunda (kılık-kıyafet, işe zamanında gelip gitme vs.) sözlü bir şekilde takdir gösterilir.	1	2	3	4	5
20- Çalıştığım kurumda, başarı gösterenlerin ilan edildigi bir ortam (pano, kurum-içi gazete, ayın elemanı belgesi vs.) vardır.	1	2	3	4	5
21- Görevim, çeşitli bilgi ve becerilerimi kullanarak yaratıcı ve yenilikçi pek çok farklı iş yapma olanağı tanır.	1	2	3	4	5
22- Çalışırken işimi <u>ne zaman</u> yapacağım konusunda karar verme yetkim vardır.	1	2	3	4	5

yönte	mlerinden, kurumunuzda ol n çok işaretleyebilirsiniz.)				
() Teşekkür belgesi	()	Takdirname	() Plaket
() Ücretsiz içecek	-		Teşekkür mektubu	• •
`	,	`	ĺ	,	(kalemlik,takvim vs)
() Ücretsiz yiyecek	()	Çanta veya cüzdan	() Kurum
					elemanlari arası spor
) Ev eşyaları veya aletleri			Klüp üyelikleri	aktiviteleri
() Yiyecek sepeti (Bayram,			Masa veya kol saati	
	yılbaşı gibi özel günlerde)	() Kurumun	karsiladigi veya
				duzenledigi	indirim sagladigi
				gunubirlik geziler	
() Sinema, tiyatro, maç vs.	•	•) Anahtarlık	() Kurumun
	gibi faaliyetlere bilet	() Hediye çeki	düzenlediği
					piknikler
() Giysi (Şapka, tişört,	(() Kurum-içi kutlama	
	gomlek vs.)			eğlenceler veya yen	
) Alışveriş kuponları	()	_	i vb. () Hatıra eşya
) Altın vb. değerli ödüller			takı türü hediyeler	== .
) İş yerinde müzik yayını				contur () Kalem seti
,) Elbezi, önlük, havlu	() Ödül olarak yönetid	ciyle
) Maskot			yemek	
() Kurumun gazete			Kurum çalışanlarına	
	• •			tahsis edilmiş servis	
() Kurum görevlisi olarak yu seyahati imkanı	rtd	1 1Ş	şı () Resim çe	rçevesi
() Üstünde kurumun ismi ve				
	eşyalar(bardak, poster, ka			•	
() Belirli mağaza, ürün veya				
	çalıştığınız kurum tarafir				nabileceğiniz internet
	sağlanan indirimli yararla				ni
	(lütfen varsa belirtiniz)	••••	••••		
		••••	• • • •		
() HİÇBİRİ				
() DİĞER (Kurumunuzda u				
<u>ol</u>	<u>mayan maddi</u> teşvik veya ödi	ille	er	varsa lütten belirtiniz	Z.)

23- Lütfen aşağıda belirtilen parasal olmayan maddi teşvik veya ödüllendirme

Lütfen arka sayfayı çeviriniz.

- 24- Aşağıda belirtilen maddelerden <u>işinizin gereklerini daha istekli</u> <u>bir şekilde yerine getirmenize</u> katkısı olan veya olacağını düşündüğünüz <u>en etkili 5</u> tane hangileridir? Lütfen *harfleri* kullanarak sizin için **önem sırasına göre**, aşağıda boş bırakılan yere yazınız.
 - A- Parasal ödüllendirme ve teşvikler (para ödülü, ikramiye, maaş artışı, yan ödemeler, kar payı, komisyon, hisse senedi vs.)
 - B- Parasal olmayan, maddi ödüllendirme ve teşvikler (önceki soruda belirtilen maddeler)
 - C- Yaşam koşullarına uygun ve tatmin edici bir maaş
 - D- Sosyal ödüllendirme ve teşvikler (Yaptığınız işin üstleriniz tarafından sözle veya yazıyla takdir edilmesi, iş yerinde teşekkür görmek, övülmek, güleryüz görmek, ön plana çıkarılmak, isyerinde sosyal aktiviteler vs.)
 - E- İş güvencesi
 - F- İşin yapılmasıyla ilgili teşvikler (Çeşitli becerilerinizi kullanabileceğiniz anlamli bir görev, yukselme imkanlari, işle ilgili karar alma sürecine katılım ve işle ilgili fikirlerinizin önemsenmesi, işi nasıl ve ne zaman yapacağınız konusunda size yetki verilmesi, esnek çalışma saatleri, bilgi ve becerilerinizi geliştirebileceğiniz eğitim programları vb.)
 - G- İş arkadaşlarıyla uyum H- Diğer (Lütfen varsa belirtiniz).....

SIRALAMA:

1- (En önemli)		
2-		
3-		
4-		
5- (5. sırada önemli)		

Lütfen diğer sayfaya geçiniz.

25- Çalıştığınız kurumda ne gibi teşvik ya da ödüllendirme yöntemleri bulunmasını istersiniz?

]	Lütfen işaretleyiniz. (Birden fazla seçenek işaretleyebilirsiniz.)
(() 1- Parasal ödüllendirme veya teşvikler (25. soruda A şıkkında belirtilenler)
() 2- Parasal olmayan maddi ödüllendirme veya teşvikler (23. soruda belirtilenler)
() 3- İşin yapılmasıyla ilgili teşvikler (25. soruda F şıkkında belirtilenler)
(•
(
() 7- Tatmin edici bir maaş sağlandığı takdirde herhangi bir teşvik veya ödüllendirmeye gerek olduğunu düşünmüyorum.
işaretl	Eğer yukarıdaki soruda 2, 3, 4, 5 seçeneklerinden en az birini ediyseniz, belirtilen parasal olmayan teşvik veya ödüllendirme yöntemleri imdiye kadar herhangi bir talep ya da öneride bulundunuz mu? () Evet () Hayır () Belirtilen seçeneklerden herhangi birini işaretlemedim.
	işaretlemedim.
	Çalıştığınız kurumda böyle bir talep ya da öneride bulunabilmek için imkan amın olduğunu düşünüyor musunuz?
	()Evet ()Hayır ()Fikrim yok
) Parasal olmayan maddi ödüllendirme veya teşvikler (23. soruda belirtilenler)) İşin yapılmasıyla ilgili teşvikler (25. soru F şıkkında belirtilenler)) Sosyal ödüllendirme veya teşvikler (25. soru D şıkkında belirtilenler)) Hiçbiri

29- <u>Parasal</u> teşvik veya ödüllendirmelerin (para ödülü, ikramiye, maaş artışı, yan ödemeler vs.) çalıştığınız kurumda <u>bulunmaması</u> durumunda, <u>parasal olmayan</u> (maddi, sosyal ve işin yapılmasıyla ilgili) teşvik veya ödüllendirmelerin olması işinize olan ilginizi arttırır mı?							
()Kesinlikle arttırır ()Arttırır ()Kararsızım ()Arttırmaz							
()Kesinlikle arttırmaz							
30- Sizce <u>parasal olmayan</u> (maddi, sosyal ve işin yapılmasıyla ilgili) teşvik ya da ödüllendirmeler çalıştığınız kurum için gerekli midir?							
()Kesinlikle gereklidir ()Gereklidir ()Kararsızım ()Gereksizdir							
()Kesinlikle gereksizdir							
31- Aşağıda belirtilen eylemlerden hangisi veya hangileri işyerinizde <u>parasal olmayan</u> şekillerde (maddi, sosyal ve işin yapılmasıyla ilgili teşvik ve ödüllerle) ödüllendirilmekte veya teşvik edilmektedir? Lütfen işaretleyiniz. (Varsa birden fazla işaretleme yapabilirsiniz.)							
() Yaptığı işte başarı göstermek							
() Kurum giderlerinde tasarruf edilmesine katkıda bulunmak							
() Üretim, gelir veya verimliliği arttırmak							
() Yapıcı önerilerde bulunmak							
() Genel bir faydanın sağlanması veya genel bir zararın, tehlikenin							
önlenmesine katkıda bulunmak							
() Aynı işyerindeki diğer çalışanlara işlerinde yardımda bulunmak							
() İşyeri disiplinine uymak							
() Hepsi							
() Hiçbiri							
() Diğer (Lütfen varsa belirtiniz)							
() Fikrim yok							

Anket bitmiştir. Gösterdiğiniz ilgi için teşekkür ederim.

APPENDIX B

FREQUENCY TABLES:

Table B.1 Question-1A Positions

		Frequency	Percent	Valid Percent	Cumulative Percent
		Trequency	reiceili	valid i ercerit	Cumulative refeelt
Valid	Superior	14	17.9	17.9	17.9
	Subordinate	64	82.1	82.1	100.0
	Total	78	100.0	100.0	

Table B.2 Question-1B Job Titles

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Data Processing Expert	3	3.8	3.9	3.9
	Statistician	6	7.7	7.9	11.8
	Engineer	22	28.2	28.9	40.8
	Clerical Staff	7	9.0	9.2	50.0
	Computer Operator	7	9.0	9.2	59.2
	Industrial Designer	2	2.6	2.6	61.8
	Urban Planner	13	16.7	17.1	78.9
	Architect	6	7.7	7.9	86.8
	Archaeologist	1	1.3	1.3	88.2
	Data Processing and Control Operator	6	7.7	7.9	96.1
	Economist	2	2.6	2.6	98.7
	Biologist	1	1.3	1.3	100.0
	Total	76	97.4	100.0	
Missing	System	2	2.6		
Total	•	78	100.0		

Table B.3 Question-2 Job Tenure

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	6 months - 1 year	5	6.4	6.4	6.4
	1-5 years	13	16.7	16.7	23.1
	5-10 years	17	21.8	21.8	44.9
	More than 10 years	43	55.1	55.1	100.0
	Total	78	100.0	100.0	

Table B.4 Question-4

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Adequate	1	1.3	1.3	1.3
	Neutral	3	3.8	3.8	5.1
	Inadequate	20	25.6	25.6	30.8
	Quite inadequate	21	26.9	26.9	57.7
	NMI does not exist	33	42.3	42.3	100.0
	Total	78	100.0	100.0	

Table B.5 Question-5

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	2	2.6	2.6	2.6
	Agree	19	24.4	25.0	27.6
	Neutral	12	15.4	15.8	43.4
	Disagree	22	28.2	28.9	72.4
	Strongly Disagree	21	26.9	27.6	100.0
	Total	76	97.4	100.0	
Missing	System	2	2.6		
Total		78	100.0		

Table B.6 Question-6

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Agree	11	14.1	14.7	14.7
	Neutral	15	19.2	20.0	34.7
	Disagree	31	39.7	41.3	76.0
	Strongly Disagree	18	23.1	24.0	100.0
	Total	75	96.2	100.0	
Missing	System	3	3.8		
Total		78	100.0		

Table B.7 Question-7

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	5	6.4	6.7	6.7
	Agree	22	28.2	29.3	36.0
	Neutral	4	5.1	5.3	41.3
	Disagree	22	28.2	29.3	70.7
	Strongly Disagree	22	28.2	29.3	100.0
	Total	75	96.2	100.0	
Missing	System	3	3.8		
Total		78	100.0		

Table B.8 Question-8

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	8	10.3	10.4	10.4
	Agree	16	20.5	20.8	31.2
	Neutral	5	6.4	6.5	37.7
	Disagree	17	21.8	22.1	59.7
	Strongly Disagree	31	39.7	40.3	100.0
	Total	77	98.7	100.0	
Missing	System	1	1.3		
Total		78	100.0		

Table B.9 Question-9

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	5	6.4	6.4	6.4
	Agree	21	26.9	26.9	33.3
	Neutral	21	26.9	26.9	60.3
	Disagree	24	30.8	30.8	91.0
	Strongly Disagree	7	9.0	9.0	100.0
	Total	78	100.0	100.0	

Table B.10 Question-10

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	18	23.1	23.1	23.1
	Agree	33	42.3	42.3	65.4
	Neutral	6	7.7	7.7	73.1
	Disagree	18	23.1	23.1	96.2
	Strongly Disagree	3	3.8	3.8	100.0
	Total	78	100.0	100.0	

Table B.11 Question-11

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	3	3.8	3.8	3.8
	Agree	35	44.9	44.9	48.7
	Neutral	9	11.5	11.5	60.3
	Disagree	22	28.2	28.2	88.5
	Strongly Disagree	9	11.5	11.5	100.0
	Total	78	100.0	100.0	

Table B.12 Question-12

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Agree	13	16.7	16.9	16.9
	Neutral	15	19.2	19.5	36.4
	Disagree	24	30.8	31.2	67.5
	Strongly Disagree	25	32.1	32.5	100.0
	Total	77	98.7	100.0	
Missing	System	1	1.3		
Total		78	100.0		

Table B.13 Question-13

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	5	6.4	6.4	6.4
	Agree	39	50.0	50.0	56.4
	Neutral	15	19.2	19.2	75.6
	Disagree	14	17.9	17.9	93.6
	Strongly Disagree	5	6.4	6.4	100.0
	Total	78	100.0	100.0	

Table B.14 Question-14

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	4	5.1	5.3	5.3
	Agree	24	30.8	31.6	36.8
	Neutral	10	12.8	13.2	50.0
	Disagree	27	34.6	35.5	85.5
	Strongly Disagree	11	14.1	14.5	100.0
	Total	76	97.4	100.0	
Missing	System	2	2.6		
Total		78	100.0		

Table B.15 Question-15

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Neutral	7	9.0	9.0	9.0
	Disagree	18	23.1	23.1	32.1
	Strongly Disagree	53	67.9	67.9	100.0
	Total	78	100.0	100.0	

Table B.16 Question-16

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	9	11.5	11.5	11.5
	Agree	14	17.9	17.9	29.5
	Neutral	8	10.3	10.3	39.7
	Disagree	34	43.6	43.6	83.3
	Strongly Disagree	13	16.7	16.7	100.0
	Total	78	100.0	100.0	

Table B.17 Question-17

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	1	1.3	1.3	1.3
	Agree	18	23.1	23.4	24.7
	Neutral	10	12.8	13.0	37.7
	Disagree	30	38.5	39.0	76.6
	Strongly Disagree	18	23.1	23.4	100.0
	Total	77	98.7	100.0	
Missing	System	1	1.3		
Total		78	100.0		

Table B.18 Question-18

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	2	2.6	2.6	2.6
	Agree	32	41.0	41.0	43.6
	Neutral	15	19.2	19.2	62.8
	Disagree	21	26.9	26.9	89.7
	Strongly Disagree	8	10.3	10.3	100.0
	Total	78	100.0	100.0	

Table B.19 Question-19

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	1	1.3	1.3	1.3
	Agree	14	17.9	18.4	19.7
	Neutral	8	10.3	10.5	30.3
	Disagree	36	46.2	47.4	77.6
	Strongly Disagree	17	21.8	22.4	100.0
	Total	76	97.4	100.0	
Missing	System	2	2.6		
Total		78	100.0		

Table B.20 Question-20

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	1	1.3	1.3	1.3
	Agree	1	1.3	1.3	2.6
	Neutral	3	3.8	3.8	6.4
	Disagree	23	29.5	29.5	35.9
	Strongly Disagree	50	64.1	64.1	100.0
	Total	78	100.0	100.0	

Table B.21 Question-21

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	2	2.6	2.6	2.6
	Agree	13	16.7	16.7	19.2
	Neutral	11	14.1	14.1	33.3
	Disagree	27	34.6	34.6	67.9
	Strongly Disagree	25	32.1	32.1	100.0
	Total	78	100.0	100.0	

Table B.22 Question-22

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	9	11.5	11.5	11.5
	Agree	21	26.9	26.9	38.5
	Neutral	13	16.7	16.7	55.1
	Disagree	27	34.6	34.6	89.7
	Strongly Disagree	8	10.3	10.3	100.0
	Total	78	100.0	100.0	

Table B.23 Q24A First Level Ranking of Job Factors

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Monetary Incentive	12	15.4	16.0	16.0
	Tangible NMI	2	2.6	2.7	18.7
	Satisfying wage	40	51.3	53.3	72.0
	Social NMI	5	6.4	6.7	78.7
	Job Security	11	14.1	14.7	93.3
	Job-related NMI	5	6.4	6.7	100.0
	Total	75	96.2	100.0	
Missing		3	3.8		
Total		78	100.0		

Table B.24 Q24B Second Level Ranking

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Monetary Incentive	20	25.6	27.0	27.0
	Tangible NMI	2	2.6	2.7	29.7
	Satisfying wage	22	28.2	29.7	59.5
	Social NMI	9	11.5	12.2	71.6
	Job Security	14	17.9	18.9	90.5
	Job-related NMI	5	6.4	6.8	97.3
	Relations w/ peers	2	2.6	2.7	100.0
	Total	74	94.9	100.0	
Missing		4	5.1		
Total		78	100.0		

Table B.25 Q24C Third Level Ranking

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Monetary Incentive	15	19.2	20.3	20.3
	Tangible NMI	8	10.3	10.8	31.1
	Satisfying wage	5	6.4	6.8	37.8
	Social NMI	13	16.7	17.6	55.4
	Job Security	16	20.5	21.6	77.0
	Job-related NMI	13	16.7	17.6	94.6
	Relations w/ peers	4	5.1	5.4	100.0
	Total	74	94.9	100.0	
Missing		4	5.1		
Total		78	100.0		

Table B.26 Q24D Fourth Level Ranking

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Monetary Incentive	7	9.0	10.1	10.1
	Tangible NMI	18	23.1	26.1	36.2
	Satisfying wage	3	3.8	4.3	40.6
	Social NMI	11	14.1	15.9	56.5
	Job Security	5	6.4	7.2	63.8
	Job-related NMI	6	7.7	8.7	72.5
	Relations w/ peers	19	24.4	27.5	100.0
	Total	69	88.5	100.0	
Missing		9	11.5		
Total		78	100.0		

Table B.27 Q24E Fifth Level Ranking

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Monetary Incentive	10	12.8	16.1	16.1
	Tangible NMI	10	12.8	16.1	32.3
	Satisfying wage	2	2.6	3.2	35.5
	Social NMI	11	14.1	17.7	53.2
	Job Security	4	5.1	6.5	59.7
	Job-related NMI	18	23.1	29.0	88.7
	Relations w/ peers	7	9.0	11.3	100.0
	Total	62	79.5	100.0	
Missing		16	20.5		
Total		78	100.0		

Table B.28 Question-26

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	14	17.9	18.2	18.2
	No	55	70.5	71.4	89.6
	I did not prefer a non-monetary incentive	8	10.3	10.4	100.0
	Total	77	98.7	100.0	
Missing	System	1	1.3		
Total		78	100.0		

Table B.29 Question-27

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	10	12.8	12.8	12.8
	No	60	76.9	76.9	89.7
	No Opinion	8	10.3	10.3	100.0
	Total	78	100.0	100.0	

Table B.30 Question-28

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Monetary Incentive	45	57.7	58.4	58.4
	Tangible Non-Monetary Incentive	2	2.6	2.6	61.0
	Job-related Non-Monetary Incentive	18	23.1	23.4	84.4
	Social Non-Monetary Incentive	10	12.8	13.0	97.4
	None	2	2.6	2.6	100.0
	Total	77	98.7	100.0	
Missing	System	1	1.3		
Total		78	100.0		

Table B.31 Question-29

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Definitely increases	24	30.8	30.8	30.8
	Increases	37	47.4	47.4	78.2
	Neutral	8	10.3	10.3	88.5
	Does not increase	9	11.5	11.5	100.0
	Total	78	100.0	100.0	

Table B.32 Question-30

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Definitely necessary	27	34.6	34.6	34.6
	Necessary	43	55.1	55.1	89.7
	Neutral	4	5.1	5.1	94.9
	Unnecessary	2	2.6	2.6	97.4
	Definitely unnecessary	2	2.6	2.6	100.0
	Total	78	100.0	100.0	

Table B.33 Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Q1A	78	1	2	1.82	.386
Q2	78	2	5	4.26	.959
Q4	78	2	6	5.05	.979
Q5	76	1	5	3.54	1.216
Q6	75	2	5	3.75	.988
Q7	75	1	5	3.45	1.359
Q9	78	1	5	3.09	1.095
Q10	78	1	5	2.42	1.190
Q11	78	1	5	2.99	1.168
Q12	77	2	5	3.79	1.080
Q13	78	1	5	2.68	1.051
Q14	76	1	5	3.22	1.196
Q15	78	3	5	4.59	.653
Q16	78	1	5	3.36	1.279
Q17	77	1	5	3.60	1.127
Q18	78	1	5	3.01	1.099
Q19	76	1	5	3.71	1.056
Q20	78	1	5	4.54	.751
Q21	78	1	5	3.77	1.150
Q22	78	1	5	3.05	1.226
Q26	77	1	3	1.92	.532
Q27	78	1	3	1.97	.483
Q29	78	1	4	2.03	.939
Q30	78	1	5	1.83	.844

EMPLOYEES' EVALUATION SCORES OF THE JOB FACTORS OUT OF FIVE

Table B.34 Wage

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	3	3.8	4.0	4.0
	1	2	2.6	2.7	6.7
	2	3	3.8	4.0	10.7
	3	5	6.4	6.7	17.3
	4	23	29.5	30.7	48.0
	5	39	50.0	52.0	100.0
	Total	75	96.2	100.0	
Missing	System	3	3.8		
Total		78	100.0		

Table B.35 Monetary Incentives

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	11	14.1	14.7	14.7
	1	10	12.8	13.3	28.0
	2	7	9.0	9.3	37.3
	3	14	17.9	18.7	56.0
	4	20	25.6	26.7	82.7
	5	13	16.7	17.3	100.0
	Total	75	96.2	100.0	
Missing	System	3	3.8		
Total		78	100.0		

Table B.36 Job Security

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	28	35.9	37.3	37.3
	1	3	3.8	4.0	41.3
	2	5	6.4	6.7	48.0
	3	16	20.5	21.3	69.3
	4	12	15.4	16.0	85.3
	5	11	14.1	14.7	100.0
	Total	75	96.2	100.0	
Missing	System	3	3.8		
Total		78	100.0		

Table B.37 Social NMI

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	25	32.1	33.3	33.3
	1	13	16.7	17.3	50.7
	2	8	10.3	10.7	61.3
	3	15	19.2	20.0	81.3
	4	9	11.5	12.0	93.3
	5	5	6.4	6.7	100.0
	Total	75	96.2	100.0	
Missing	System	3	3.8		
Total		78	100.0		

Table B.38 Job-related NMI

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	31	39.7	41.3	41.3
	1	16	20.5	21.3	62.7
	2	7	9.0	9.3	72.0
	3	10	12.8	13.3	85.3
	4	6	7.7	8.0	93.3
	5	5	6.4	6.7	100.0
	Total	75	96.2	100.0	
Missing	System	3	3.8		
Total		78	100.0		

Table B.39 Tangible NMI

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	34	43.6	45.3	45.3
	1	11	14.1	14.7	60.0
	2	18	23.1	24.0	84.0
	3	8	10.3	10.7	94.7
	4	2	2.6	2.7	97.3
	5	2	2.6	2.7	100.0
	Total	75	96.2	100.0	
Missing	System	3	3.8		
Total		78	100.0		

Table B.40 Good Relationship with Peers

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	39	50.0	52.0	52.0
	1	6	7.7	8.0	60.0
	2	22	28.2	29.3	89.3
	3	6	7.7	8.0	97.3
	4	2	2.6	2.7	100.0
	Total	75	96.2	100.0	
Missing	System	3	3.8		
Total		78	100.0		

Table B.41 Descriptive Statistics of the Job Factors

	N	Minimum	Maximum	Mean	Std. Deviation
WAGE	75	0	5	4.13	1.277
MONETARY INC.	75	0	5	2.81	1.706
JOB SECURITY	75	0	5	2.19	1.929
SOCIAL NMI	75	0	5	1.80	1.668
JOBRELATED NMI	75	0	5	1.45	1.630
TANGIBLE NMI	75	0	5	1.19	1.332
RELATIONSHIP W/ PEERS	75	0	4	1.01	1.180
Valid N (listwise)	75				

T-TESTS FOR ANY SIGNIFICANT DIFFERENCES BETWEEN AVERAGE RANKINGS OF JOB FACTORS BASED ON JOB TENURE

Table B.42 Group Statistics for the Comparison of Job Factor Mean Scores Based on Job Tenure: Less than 5 Years and 5-10 Years

	job tenure recoded	N	Mean	Std. Deviation	Std. Error Mean
WAGE	Less than 5 years	18	4.00	1.495	.352
	5 years-10 years	17	3.82	1.776	.431
MONETARY	Less than 5 years	18	3.17	1.383	.326
	5 years-10 years	17	2.59	1.734	.421
SECURITY	Less than 5 years	18	2.33	1.970	.464
	5 years-10 years	17	2.65	1.967	.477
SOCIAL	Less than 5 years	18	1.67	1.495	.352
	5 years-10 years	17	1.47	1.700	.412
JOBRELAT	Less than 5 years	18	2.00	1.970	.464
	5 years-10 years	17	1.47	1.625	.394
TANGIBLE	Less than 5 years	18	1.00	.840	.198
	5 years-10 years	17	1.29	1.448	.351
PEERS	Less than 5 years	18	.78	1.060	.250
	5 years-10 years	17	1.00	1.118	.271

Table B.43 Group Statistics for the Comparison of Job Factor Mean Scores Based on Job Tenure: Less than 5 Years and More than 10 Years

					Std. Error
	job tenure recoded	N	Mean	Std. Deviation	Mean
WAGE	Less than 5 years	18	4.00	1.495	.352
	More than 10 years	40	4.33	.859	.136
MONETARY	Less than 5 years	18	3.17	1.383	.326
	More than 10 years	40	2.75	1.836	.290
SECURITY	Less than 5 years	18	2.33	1.970	.464
	More than 10 years	40	1.93	1.900	.300
SOCIAL	Less than 5 years	18	1.67	1.495	.352
	More than 10 years	40	2.00	1.739	.275
JOBRELAT	Less than 5 years	18	2.00	1.970	.464
	More than 10 years	40	1.20	1.436	.227
TANGIBLE	Less than 5 years	18	1.00	.840	.198
	More than 10 years	40	1.23	1.476	.233
PEERS	Less than 5 years	18	.78	1.060	.250
	More than 10 years	40	1.13	1.265	.200

Table B.44 Group Statistics for the Comparison of Job Factor Mean Scores Based on Job Tenure: 5-10 Years and More than 10 Years

	job tenure recoded	N	Mean	Std. Deviation	Std. Error Mean
WAGE	5 years-10 years	17	3.82	1.776	.431
	More than 10 years	40	4.33	.859	.136
MONETARY	5 years-10 years	17	2.59	1.734	.421
	More than 10 years	40	2.75	1.836	.290
SECURITY	5 years-10 years	17	2.65	1.967	.477
	More than 10 years	40	1.93	1.900	.300
SOCIAL	5 years-10 years	17	1.47	1.700	.412
	More than 10 years	40	2.00	1.739	.275
JOBRELAT	5 years-10 years	17	1.47	1.625	.394
	More than 10 years	40	1.20	1.436	.227
TANGIBLE	5 years-10 years	17	1.29	1.448	.351
	More than 10 years	40	1.23	1.476	.233
PEERS	5 years-10 years	17	1.00	1.118	.271
	More than 10 years	40	1.13	1.265	.200

Table B.45 Independent Samples Test

		Levene's	Test for								
Equality of Variances			t-test for Equality of Means								
							Mean	Std. Error	95% Cor Interva Differ	of the	
		F	Sig.	t	df	Sig. (2-tailed)	Difference	Difference	Lower	Upper	
WAGE	Equal variance assumed	.771	.386	.319	33	.752	.18	.554	950	1.303	
	Equal variance not assumed			.317	31.362	.753	.18	.557	958	1.311	
MONETARY	Equal variance assumed	2.014	.165	1.094	33	.282	.58	.529	497	1.654	
	Equal variance not assumed			1.087	30.599	.285	.58	.532	507	1.664	
SECURITY	Equal variance assumed	.012	.913	471	33	.641	31	.666	-1.668	1.041	
	Equal variance not assumed			471	32.893	.641	31	.666	-1.668	1.041	
SOCIAL	Equal variance assumed	.280	.600	.363	33	.719	.20	.540	903	1.295	
	Equal variance not assumed			.362	31.896	.720	.20	.542	909	1.301	
JOBRELAT	Equal variance assumed	2.424	.129	.864	33	.394	.53	.612	717	1.776	
	Equal variance not assumed			.869	32.430	.391	.53	.609	711	1.769	
TANGIBLE	Equal variance assumed	5.111	.030	740	33	.464	29	.397	-1.102	.514	
	Equal variance not assumed			730	25.382	.472	29	.403	-1.124	.535	
PEERS	Equal variance assumed	.892	.352	604	33	.550	22	.368	971	.527	
	Equal variance not assumed			603	32.593	.551	22	.369	973	.528	

Table B.46 Independent Samples Test

			Test for							
		Equality of	Variances			t-test for	Equal ity of		95% Cor Interva	of the
		_	0.				Mean	Std. Error	Differ	
WAGE	Equal variance	F	Sig.	t	df	Sig. (2-tailed)	Difference	Difference	Lower	Upper
VVAGE	assumed	2.056	.157	-1.049	56	.299	33	.310	946	.296
	Equal variance not assumed			861	22.212	.399	33	.378	-1.108	.458
MONETAR	Equal variance assumed	6.134	.016	.858	56	.395	.42	.486	556	1.390
	Equal variance not assumed			.955	42.911	.345	.42	.436	464	1.297
SECURITY	Equal variance assumed	.003	.956	.749	56	.457	.41	.545	684	1.501
	Equal variance not assumed			.738	31.776	.466	.41	.553	719	1.535
SOCIAL	Equal variance assumed	.807	.373	704	56	.485	33	.474	-1.282	.616
	Equal variance not assumed			746	37.889	.460	33	.447	-1.238	.572
JOBRELAT	Equal variance assumed	7.590	.008	1.743	56	.087	.80	.459	119	1.719
	Equal variance not assumed			1.548	25.461	.134	.80	.517	-264	1.864
TANGIBLE	Equal variance assumed	14.006	.000	602	56	.549	-23	.373	973	.523
	Equal variance not assumed			735	52.703	.466	-23	.306	839	.389
PEERS	Equal variance assumed	.922	.341	-1.014	56	.315	35	.342	-1.033	.339
	Equal variance not assumed			-1.085	38.802	.285	35	.320	995	.300

Table B.47 Independent Samples Test

		Levene's Equality of	Test for Variances			t-test for	Equality of	Means		
							Mean	Std. Error	95% Con Interval	
		F	Sig.	t	df	Sig. (2-tailed)	Difference	Difference	Lower	Upper
WAGE	Equal variance assumed	8.655	.005	-1.443	55	.155	50	.348	-1.198	.195
	Equal variance not assumed			-1.110	19.261	.281	50	.452	-1.446	.443
MONETAR	Equal variance assumed	.495	.485	309	55	.758	16	.523	-1.210	.887
	Equal variance not assumed			317	31.909	.754	16	.511	-1.203	.879
SECURITY	Equal variance assumed	.007	.932	1.299	55	.199	.72	.556	392	1.836
	Equal variance not assumed			1.281	29.318	.210	.72	.564	430	1.874
SOCIAL	Equal variance assumed	.076	.784	-1.058	55	.295	53	.500	-1.532	.473
	Equal variance not assumed			-1.068	30.898	.294	53	.496	-1.540	.482
JOBRELA1	Equal variance assumed	1.019	.317	.626	55	.534	.27	.432	596	1.137
	Equal variance not assumed			.595	27.157	.557	.27	.455	662	1.203
TANGIBLE	Equal variance assumed	.475	.493	.163	55	.871	.07	.425	783	.921
	Equal variance not assumed			.164	30.797	.871	.07	.422	791	.929
PEERS	Equal variance assumed	.075	.786	353	55	.726	13	.354	835	.585
	Equal variance not assumed			371	34.007	.713	13	.337	810	.560

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