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The Impact of Incentives on Productivity in Mobilis "Algerie Telecom"

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Abstract
To realize the objectives of this paper , a survey study was administered at mobilis. According to the results of the study, most of the employees think that the level of utilization of the non-financial incentives in their organization is inadequate. Also, the findings suggest that they value non-financial incentives as much as financial incentives. Thus, within the limitations of the survey study, it may be concluded that non-financial incentives have the potential to increase the motivation of personnel in mobilis
Keywords: Motivation, training, productivity, financial incentives, non financial incentives. job satisfaction

Introduction

It is widely accepted by organizational experts manpower is of the most valuable asset of every organization because work is carried out through human beings. The true success of an organization is dependent on employees. Organizational personnel can divert the direction of the organization from low profit to high profit and vice versa.

The purpose of this study focuses on non-financial incentives and their impact on employees" motivation. It also focuses how much non-financial incentives are applied/ practiced in public sector employees. As non-financial incentives do not involve direct payment of cash to employees. It may be tangible or intangible. Some examples of non-financial incentives includes; involvement of employees in decision making, recognition of employees on desirable performance, assigning tough but attainable assignments, appreciating work through small gifts like plagues, ticket to restaurant etc……..

From this standpoint, we can ask the following problem:

How stimulating effect on the productivity of human resources Mobilis institution?

1 -Research Hypotheses:

The study is based on the following hypotheses:

1) There are statistically significant between the financial incentive and productive relationship;
2) There are significant differences between moral motivation and productivity relationship;
3) There are significant differences between working and productive relations relationship;
4) There are significant differences between job satisfaction and productivity relationship;
5) There are statistically significant relationship between training and training and productivity;
6) No statistically significant relationship between motivation and productivity

2-Objectives of the study

- **To find out the degree of utilization of the non-financial incentives**
- **organization, based on the perceptions of mobilis?**
- **To know which type of non-financial incentive do the public employees value most?**
- **To discover what type of incentive in this organization employee"s value most?**

The foregoing will be discussed this topic in the study of the institution of -mobelis- through:

I. Definition of incentives and productivity
Definition of Mobilis Corporation
II. Organizational Chart
II. Analyzing the results of the questionnaire
III. Definition of incentives and productivity

I. Definition of incentives and productivity

1- Definition of incentives

The definition of motivation starts with the root word, motive. Webster's Dictionary defines motive as , something that causes a person to act. Therefore, motivation can be defined as, the act of providing motive that causes someone to act In other words, according to Nancy Shanks, motivation causes someone to act and someone else cannot make someone motivated. It is the discretion of the person to decide if they are going to be motivated or not. Motivated and unmotivated are not opposites, but instead, there are determining factors that

could cause someone to be unmotivated, such as life events and attitudes towards a specific job.[1]

The term "incentives", "Rewards", and "Recognition" are used interrelated in the organization setting and there is no broader difference among them. However the main category is the incentives. Incentives mean any source or medium that encourages an employee or group of employees to perform better and to exert more effort beyond expectations. Basically incentives are divided into two main groups: Financial incentives and non-financial incentives. Financial incentives include direct payment of cash and while non-financial incentives may be in the form of promotion of employees, flexible time, autonomy and involvement in decision making etc.[2]

Motivation is something that can lead to better performance when other conditions are met (The term "motivation" is derived from the word "motive" means any reason for taking action. The psychological processes that cause the arousal, direction and persistence of voluntary actions that are goal directed A general definition for motivation can be given as "the degree to which an individual want and chooses to engage in certain specified behavior. Motivation in the work place refers to, the degree to which an individual wants and tries hard to do work well at particular task or job. According to Abraham Maslow (1943), employees have five levels of needs that motivate them to accomplish most of the levels. Levels of needs are: physiological, safety, social, esteem and self-actualization. If the organization has well administered compensation strategy, employees will be motivated to satisfy their needs. The job related factors (work itself-challenging, opportunity for advancement) are the real motivators and others are just Hygiene factors that retain employees in the job[3]

. Job characteristics model pointed out that the jobs with non- financial incentives have a high motivating power,

2Definition of productivity

Productivity is commonly defined as a ratio between the output volume and the volume of inputs. In other words, it measures how efficiently production inputs, such as labour and capital, are being used in an economy to produce a given level of output. Productivity is considered a key source of economic growth and competitiveness and, as such, is basic statistical information for many international comparisons and country performance assessments. For example, productivity data are used to investigate the impact of product and labour market regulations on economic performance. Productivity growth constitutes an important element for modelling the productive capacity of economies. It also allows analysts to determine capacity utilisation, which in turn allows one to gauge the position of economies in the business cycle and to forecast economic growth. In addition, production capacity is used to assess demand and inflationary pressures.[4]

II. Definition of Mobilis Corporation

Mobilis Algeria Telecom mobile phone (in French : Algérie Télécom Mobile Mobilis) is the second network for mobile phone in Algeria , founded in 2003 as a branch of public institution Algeria Telecom , which is owned 100% and therefore is the only public telecommunications company in Algeria

Mobilis provides services GSM , GPRS , wireless Internet services third - generation , Blackberry , and international roaming. Mobilis has more than 4,200 BTS and coverage of its network covers 97% of the space station Algeria. More than 110 trade agencies and 52,000 points of sale have also supported. By the end of 2010 it became the Mobilis 11 million customers in the various services.

The number of subscribers in the second-generation GSM Mobilis service more than 10 815 million in addition to 3.639 million subscribers in the third generation of a total of 45 million subscribers in the mobile services in Algeria.[5]

[1] Kelli Burton, A Study of Motivation: How to Get Your Employees Moving SPEA Honors Thesis Spring 2012 Indiana University May 2012 p6

[2] Muhammad Ijaz, Azhar khan; The impact of Non-Financial Incentives on employees' motivation IOSR Journal of Business and Management (IOSR-JBM) e-ISSN: 2278-487X, p-ISSN: 2319-7668. Volume 15, Issue 4 (Nov. - Dec. 2013), p37

[3] Mitchell, J (1982). Looking after ourselves: an individual responsibility?. *Journal of the Royal Society for Health*, 4, pp.169-173.

4 Paul Krugman, DEFINING AND MEASURING PRODUCTIVITY The Age of Diminishing Expectations (1994)p1

[5] dzairmobile.com.

III. Organizational Chart of Mobilis

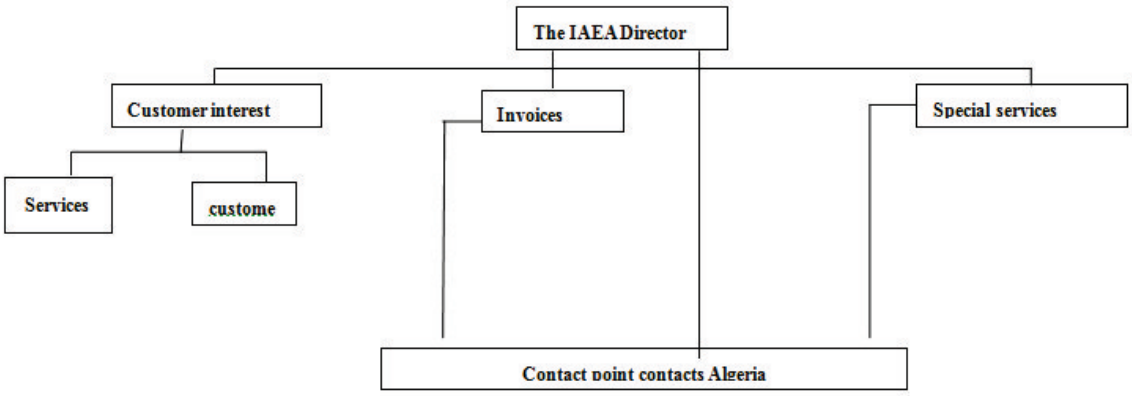

Figure 1. The Organizational Chart of Mobilis
Source :dzairmobile.com

IV. Analyzing the results of the questionnaire

1) study design

The questionnaire was divided into three private first section sections of personal variables related to sexuality qualifying years of experience and the position of the second section Fajssnah motivation, which is an independent variable and divided six physical stimulation axes stimulate ethical labor relations, and employment satisfaction and training, training, and motivation in general for Division III it was to increase productivity, and included a sample of 26 individual Mobilis institution work

We used to divide the Likert where it meets every question from the axis of the questionnaire five options divided into grades as follows:

class V	Fourth class	third-class	second-class	First-class
Acceptable strongly	Acceptable	balanced	not agree	Strongly Disagree

2-Research Model :

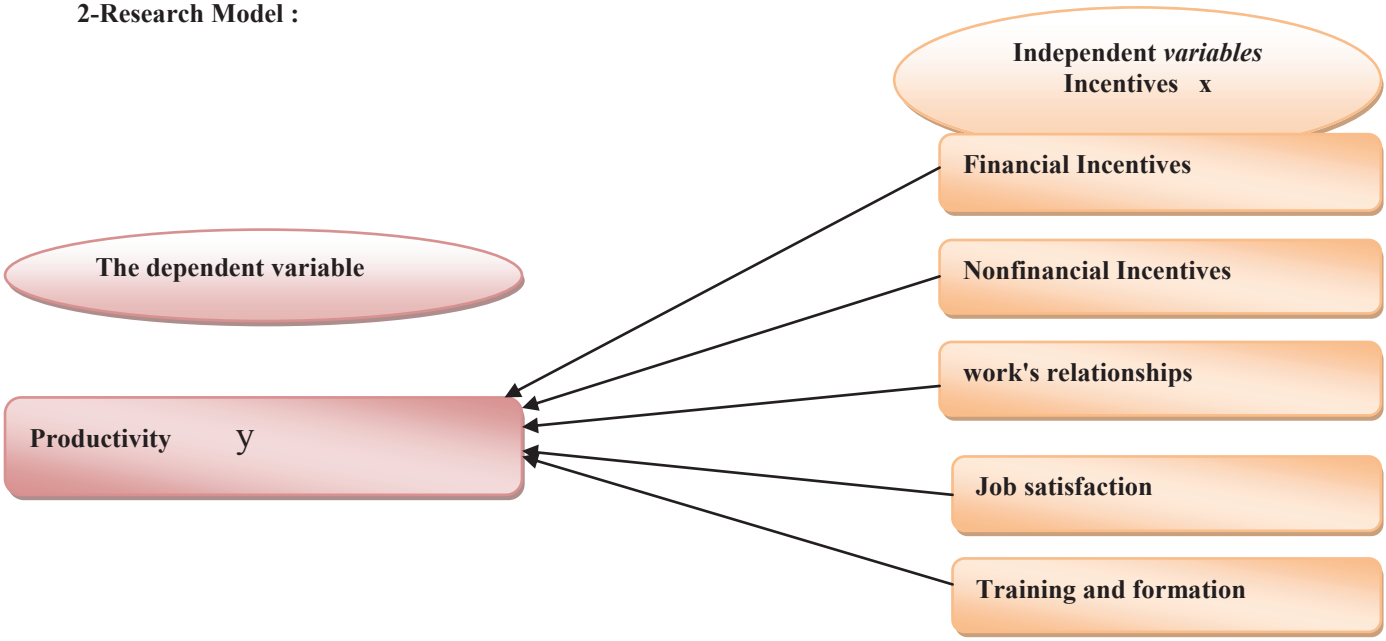

Figure 2. The Conceptual Framework of the Research

2-Results of the study data analysis and hypothesis testing

2-1- data analysis

Table 1. Demographic Data of Samples

		Choices	%
Gender	**Male**	**17**	**65.4**
	Female	**9**	**34.6**
	Total	**26**	**100.0**
Age	**Less than 30 years**	**6**	**23.1**
	31 to less than 40 years	**17**	**65.4**
	41 to less than 55 years	**3**	**11.5**
	56 years and over	**0**	**100.0**
	Total	**26**	**23.1**
Qualification	**Secondary**	**7**	**26.9**
	Academic	**17**	**65.4**
	Graduate Studies	**2**	**7.7**
	Total	**26**	**100.0**
Work Experience	**1 to less than 4 years**	**6**	**23.1**
	5 to less than 10 years	**17**	**65.4**
	11 to less than 13 years	**3**	**11.5**
	Total	**26**	**100.0**
Function	**Director of the Department**	**2**	**7.7**
	Senior management	**4**	**15.4**
	Executive management	**17**	**65.4**
	Other Functions	**3**	**11.5**
	Total	**26**	**100.0**

Source: data spss

2-2-Reliability

Table (2). Reliability

Alpha of Cronbach	Number of elements
0,83	**21**

Note from Table (2) alpha coefficient greater than the minimum acceptable and is 60% to overall reliability coefficient 83%, indicating a high reliability

3- hypothesis testing:

Hypothesis 1

Relationship of the financial Incentives **to productivity**

H0:There were no statistically significant differences between the financial Incentives **and Productivity**

H1: There are significant differences between the financial Incentives **and Productivity**

Table (3): Model Shortcut

Model	The correlation coefficient R	Factor Specifically ^{2}R	Factor Specifically Debugger	the standard error
1	**.5730**	**.3280**	**.3000**	**.217140**

Source: data spss

Table note the correlation coefficient R = 57.3% and say that it is somewhat average correlation between the financial Incentives and productivity and R^2 coefficient of determination of 32.8% to 32.8% of any of the changes that occur in productivity caused by the change in the financial Incentives

Accepting or rejecting the first hypothesis at the Level of Significance0.05

Table (4): ANOVA[b] test of the impact of financial Incentives and productivity

Model		Sum of squares	freedom Degree	Average square	Values d	Level of Significance
1	Regression	0.553	1	0.553	11.732	0.002[a]
	Residuals	1.132	24	0.047		
	Total	1.685	25			

a. Valeurs prédites : (financial Incentives
b. Variable dépendante : productivity

Source: data spss

through the table There are Sig less than α means we reject H0 and accept H1

First result: there statistically significant differences between the financial Incentives and productivity

Table (5):coeffcientsa

Model		Standard non transactions		Standard transactions	t	Level of Significance
		A	the standard	Bêta		
1	financial Incentives	3.002	0.542		5.538	0.000
		0.403	0.118	0.573	3.425	0.002

Source: data spss

Through the table can be written regression equation between the physical stimulus X1 and productivity Y as follows

Y = 0.403X1 + 3.002

Hypothesis 2

Relationship of the Nonfinancial Incentives **to productivity**

H0: There were no statistically significant differences between the Nonfinancial Incentives **and Productivity**

H1: There are significant differences between the Nonfinancial Incentives **and Productivity**

Table (6):Model Shortcut

Model	The correlation coefficient R	Factor Specifically R2	Factor Specifically Debugger	the standard error
1	0.387[a]	0.150	0.114	0.24432

a. **Valeurs prédites : Non Financial Inventives**

Source: data spss

Table note the correlation coefficient R = 0.387, equivalent to 38.7% of it and say that there is little between **Non-Financial Inventives** and productivity As for the coefficient of determination R^2 = 15 0. This means that 15% of the changes that occur in productivity caused by the change in the **Non-Financial Inventives** Accept or reject the hypothesis at the Level of Significance α = 0.05

Table (7): ANOVA test of the impact of Non-Financial Incentives and productivity

Model		Sum of squares	freedom Degree	Average square	Values d	Level of Significance
1	Regression	0.252	1	0.252	4.225	0.051[a]
	Residuals	1.433	24	0.060		
	Total	1.685	25			

a. Valeurs prédites : Non Financial Inventives
b. Variable dépendante : productivity

Source: data spss

through the table There are Sig less than α means we reject H0 and accept H1

Second result: there statistically significant differences between the Non-financial Incentives and productivity

Table (8): coeffcientsa

Model		Standard non transactions		Standard transactions	t	Level of Significance
		A	the standard	Bêta		
1	non-financial Incentives	3.841	0.495		7.766	0.000
		0.227	0.111	0.387	2.056	0.051

Source: data spss

Through the table can be written regression equation between the non-financial Incentives X2 and productivity Y as follows

Y = 0.227 X2 +3.841

Hypothesis 3

There are significant differences between **productivity** and working relations relationship;

Relationship of the productivity and working relations relationship;

H0: There were no statistically significant differences between productivity and working relations;

H1: There are significant differences between productivity and working relations;

Table (9):Model Shortcut

Model	The correlation coefficient R	Factor Specifically R2	Factor Specifically Debugger	the standard error
1	0.379	0.144	0.108	0.24515

By table note the correlation coefficient R = 0,379 equivalent to 37.9% and from him to say he is weak link is somewhat between working and productive relationships either specifically R^2 = 0.114 coefficient that is 14.4% of the changes that occur in productivity caused by the change in labor relations

Table (10): ANOVA test of the impact of **productivity and working relations**

Model		Sum of squares	freedom Degree	Average square	Values d	Level of Significance
1	Regression	0.242	1	0.242	4.035	0.056[a]
	Residuals	1.442	24	0.060		
	Total	1.685	25			

a. Predicted values: (constants)_ **working relations**

b. Dependent variable: **productivity**

Source: data spss

Since Sig greater than ɑ means reject H1 and accept 0H

There were no statistically significant differences between productivity and working relations;

Table (11):coeffcientsa

Model		Standard non transactions		Standard transactions	t	Level of Significance
		A	Bêta	Bêta		
1	working relations	3.550	0.650		5.457	0.000
		0.282	0.141	0.379	2.009	0.056

a. **Dependent variable: productivity**

Source: data spss

Through writing table regression equation between the X3 labor relations and productivity Y

Y = 0.282X3 + 3.550

Hypothesis 4

relationship Job satisfaction productivity

Where H0 says there is no statistically significant relationship between job satisfaction and productivity and H1 were no significant differences between job satisfaction and productivity.

Table (12):Model Shortcut

Model	The correlation coefficient R	Factor Specifically R^2	FactorSpecific ally Debugger	the standard error
1	0.388[a]	0.151	0.115	0.24418

a. Predicted values: (constants : job satisfaction

Source: data spss

Correlation coefficient R = 0.333, equivalent to 33.8% of this and to say that there is little between job satisfaction and productivity while 2 R correlation coefficient of determination = 0.115 means that 11.5 % Of changes in productivity caused by change in job satisfaction

Table (13): ANOVA test of the impact of job satisfaction and productivity

Model		Sum of squares	freedom Degree	Average square	Values d	Level of Significance
1	Regression	0.254	1	0.254	4.257	0.050[a]
	Residuals	1.431	24	0.060		
	Total	1.685	25			

a. Predicted values: (constants : job satisfaction

b. Variable dépendante : productivity

Source: data spss

Since Sig less than α means we reject H 0 and accept H 1

Table (14): coeffcientsa

Model		Standard non transactions		Standard transactions	t	Level of Significanc e
		A	Bêta	Bêta		
1	job satisfaction	3.995	0.418		9.546	0.000
		0.195	0.095	0.388	2.063	0.050

Variable dépendante : productivity

Source: data spss

Through the table we can conclude gradient between job satisfaction and productivity X4 Y equation

Y =0.195X4 +3.995

Hypothesis 5

Training productivity relationship

Hypothesis H0: There were no statistically significant differences between training and productivity

Hypothesis H1: there is a statistically significant relationship between training and productivity

Table (15):Model Shortcut

Model	The correlation coefficient R	Factor Specifically R^2	FactorSpecific ally Debugger	the standard error
1	0.552[a]	0.304	0.275	0.22101

a. Predicted values: (constants) training

Source: data spss

Through the table R correlation coefficient = 0.552, equivalent to 55.2% of it and say that the average somewhat between training and productivity The correlation coefficient of 0.275 R2 specifically means that 27.5% of the changes that occur in productivity caused by the change in the training policy

Table (16): ANOVA test of The impact of training on productivity

Model		Sum of squares	freedom Degree	Average square	d Values	Level of Signific 0ance
1	Regression	0.513	1	0.513	10.494	0.003[a]
	Residuals	1.172	24	0.049		
	Total	1.685	25			

a. Predicted values: (constants) training

b. Variable dépendante : productivity

Source: data spss

Sig less than α means we reject H 0 and accept H 1

There are statistically significant relationship between training and productivity

Table (17):coeffcientsa

Model		Standard non transactions		Standard transactions	t	Level of Significance
		A	the standard error	Bêta		A
1	(constants)	3.377	0.458		7.378	0.000
	training	0.322	0.099	0.552	3.239	0.003

b. Variable dépendante : productivity

Source: data spss

Through the table draw regression equation between training X5 and productivity Y

y= 0.332X5+ 3.377

Hypothesis 6

Relationship of the Incentives **to productivity**

H0: There statistically significant relationship between motivation and productivity

H1: no statistically significant relationship between motivation and productivity

Table (18):Model Shortcut

Model	The correlation coefficient R	Factor Specifically R^2	Factor Specifically Debugger	the standard error
1	0.210[a]	0.044	0.004	0.25903

a. Predicted values: (constants) Incentives

Source: data spss

Through the table we note that R correlation coefficient = 0.21, equivalent to 21% of it and say that weak link is somewhat between stimulus and productivity As for the coefficient of determination R2 = 0.044, or 44% of the changes that occur in productivity caused by the change in the stimulus

Table (19): ANOVAb test of The impact of Incentives on productivity

Model		Sum of squares	freedom Degree	Average square	Values d	Level of Significance0
1	Regression	0.075	1	0.075	1.111	0.302[a]
	Residuals	1.610	24	0.067		
	Total	1.685	25			

a. Predicted values: (constants) Incentives

b. Variable dépendante : productivity

Source: data spss

Since Sig less than α means we reject H 0 and accept H 1

No statistically significant relationship between motivation and productivity

Table (20):coeffcientsa

Model		Standard non transactions		Standard transactions	t	Level of Significance
		A	the standard error	Bêta		
1	constants)	3.615	1.175		3.077	0.005
	Incentives	0.255	0.242	0.210	1.054	0.302

b. Variable dépendante : productivity

Through the table can be written regression equation between motivation X6and productivity Y

Y= 0.225X6 +3.615

Results

1) incentives play a crucial role in activating and directing career counseling and behavior towards the achievement of the overall objectives;
2) considers incentives as a contrast for outstanding performance, which focuses on motivating employees for their good performance
3) considers incentives a key driver in improving the productivity of workers and thus achieve the objectives of the institution
4) system effective incentives positive impact on worker productivity and raise morale
5) Training is the most important help raise labor productivity factors after incentives

Conclusion

And through all of the above and after the test all the assumptions we conclude that all of the physical stimulus and job satisfaction and training in addition to the stimulus have a significant impact on productivity and Training both on the job and off the job is also essential for employee productivity to be increased. Improved employee training results to increased productivity and the opposite is true. The current quality of training at the mobilis is low and there is need for training to be improved so as to increase employee skills and knowledge to perform the job better.

Recognition was found to correlate strongly with productivity in a positive manner. The study established that recognition is important for the motivation of employees at the mobilis.

References

1) Kelli Burton, A Study of Motivation: How to Get Your Employees Moving SPEA Honors Thesis Spring 2012 Indiana University May 2012 p6
2) Muhammad Ijaz, Azhar khan; The impact of Non-Financial Incentives on employees' motivation IOSR Journal of Business and Management (IOSR-JBM) e-ISSN: 2278-487X, p-ISSN: 2319-7668. Volume 15, Issue 4 (Nov. - Dec. 2013), p37
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