

## Enhancing Organizational Performance through Human Resource Incentives: Insights from TANESCO Dodoma, Tanzania

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### ABSTRACT

Human resource incentives are crucial for enhancing organisational performance by boosting employee motivation, satisfaction, and performance. A study at TANESCO Dodoma analysed the effects of financial incentives, staff training, and employee recognition using a quantitative methodology and explanatory cross-sectional design. This research provided insights into the immediate effect of these incentives on organisational performance and the overall effectiveness of the employees at TANESCO Dodoma. A study was conducted with 187 employees from TANESCO Dodoma, selected through simple random sampling to ensure representativeness. Data was collected through structured questionnaires to assess employee perceptions and attitudes on the incentives and analysed using multiple linear regression techniques, yielding significant findings. The results indicated a significant positive relationship between various incentives and organisational performance. Specifically, the findings indicate that staff training is the most significant factor in improving performance, with a p-value of  $p < 0.001$ . Financial incentives follow closely, showing a notable impact with a p-value of  $p = 0.01$ . While staff recognition also plays an important role, its effect is comparatively smaller, with a p-value of  $p = 0.022$ . The study highlights the crucial role of human resource incentives at TANESCO Dodoma in driving organisational performance. This study provides context-specific evidence on the contribution of human resource incentives, particularly in a Tanzanian public sector setting, which has received limited attention in prior research. The study recommends optimising financial incentives to boost employee motivation and performance, expanding training programs to enhance skills, and implementing recognition practices to reward exceptional contributions. These strategies emphasise the need for continuous investment in human resources to support sustainable growth and success.

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## 1.0 Introduction

Globally, the importance of human resource (HR) incentives has gained significant attention due to their substantial and measurable effect on organisational performance. Research from esteemed organisations like the International Labour Organisation (ILO, 2023) reveals that companies that adopt competitive financial incentives can experience an impressive 20% increase in productivity. This enhancement is often associated with a significant 15% reduction in employee turnover rates, primarily driven by increased job satisfaction among staff, which is fostered through improved working conditions, professional development opportunities, and a more supportive and inclusive organisational culture. Additionally, findings from the World Economic Forum (2022) indicate that nations that prioritise and invest in talent incentives can achieve a remarkable 25% higher growth rate driven by innovation. Talent incentives underscore the idea that by cultivating environments conducive to talent development, countries not only attract skilled professionals but also inspire creative advancements that benefit the economy as a whole. Non-financial incentives are essential for boosting employee engagement and productivity, alongside financial rewards. Initiatives that support work-life balance and career advancement significantly improve staff morale. A Harvard Business Review study (2023) found a 21% increase in engagement when such financial and non-financial incentives are adopted. Financial incentives refer to monetary rewards or benefits given to individuals or groups to motivate them to perform better or achieve specific goals. Examples include salaries, bonuses, commissions, profit-sharing, and allowances. Non-financial incentives are non-monetary rewards that motivate individuals by addressing their psychological, social, or personal needs. Examples include recognition, job security, opportunities for growth, flexible work schedules, and a positive work environment (Matimbwa and Ochumbo, 2019). Overall, both incentives are crucial for creating a

high-performing workforce and achieving sustained organisational success.

In Europe, the intentional and strategic implementation of human resource (HR) incentives has proven to be a crucial factor in significantly enhancing not only productivity but also overall profitability and employee retention rates within organisations. The European Commission's 2023 report highlights that tailored incentives aligned with employee preferences boost engagement and motivation. The European Commission's 2023 report underscores the importance of professional development and training initiatives, which have been shown to drive a substantial 17% increase in innovation as well as in the ability to solve problems creatively. Beyond the immediate productivity benefits, these incentives are crucial for retaining top-tier talent within organisations. Overall, these findings provide robust evidence of the multifaceted effect of HR incentives, highlighting their importance in promoting both immediate performance improvements and the long-term vitality of organisations (Matimbwa and Ochumbo, 2019).

In Africa, customised incentive schemes have resulted in a 10-15% improvement in employee morale and retention (Chindengwike *et al.*, 2023). Professional development and training enhance productivity by 12% and reduce turnover by 17%, while performance-based incentives increase employee engagement by 15%. However, financial limitations and cultural differences pose challenges to implementing these programs effectively. In Tanzania, the examination of HR incentives has garnered considerable attention, especially regarding their effect on organisational performance. Research conducted by Mwaseba (2019) & Matimbwa, Ayugi & Ndekwa (2018), and TIPAR (2023) underscores the effectiveness of incentives such as performance-based bonuses and career development initiatives, which can elevate employee engagement by as much as 20%. Nevertheless, financial constraints and bureaucratic hurdles frequently hinder the successful execution of these strategies. The socio-economic and cultural contexts, particularly in areas like Dodoma, further complicate the creation of impactful HR incentives.

Addressing these barriers is essential for maintaining long-term organisational success.

One of the foundational theories explaining the impact of human resource incentives on organisational performance is Maslow's Hierarchy of Needs Theory, which suggests that individuals are motivated to fulfil a series of needs, progressing from basic physiological needs to self-actualisation. Financial incentives address employees' basic and safety needs, ensuring they feel secure and valued. Staff training fulfils employees' esteem and growth needs by enhancing their skills and providing opportunities for professional development. Similarly, staff recognition caters to esteem needs by acknowledging achievements and fostering a sense of belonging and respect. Together, these incentives boost motivation, job satisfaction, and engagement, which ultimately drive improved organisational performance through enhanced productivity, innovation, and employee retention (Kisokola, Matimbwa, and Kamala, 2024).

TANESCO Dodoma employs various incentive practices, including performance-based bonuses, recognition programs, and opportunities for professional development. However, these initiatives face significant challenges that undermine their effectiveness. Limited funding is a major barrier, as TANESCO allocates less than 5% of its HR budget to incentives, compared to the global standard of 10–15%, making it difficult to sustain impactful programs (Mapunda, 2024). Additionally, the inconsistent application of incentives creates perceptions of unfairness and bias, as shown in a 2023 internal audit revealing that only 60% of eligible employees received bonuses. A lack of alignment between incentives and measurable performance metrics further diminishes their motivational effect. Approximately 45% of employees are unaware of the benchmarks required to qualify for rewards, according to recent surveys. Moreover, unclear communication regarding the criteria and processes for incentives adds to the confusion and weakens employee trust in the system.

## 2.0 Materials and Methods

### 2.1 Study Area

The current study concentrates on TANESCO Dodoma, which serves as the focal point for examining the effect of incentives on organisational performance. Located in Dodoma, the capital city of Tanzania, TANESCO operates as a crucial hub for electricity distribution and management, making it an ideal setting for exploring the dynamics of incentivisation. The choice of this site is further supported by its significant role in the broader context of Tanzania's energy infrastructure, as TANESCO Dodoma is instrumental in facilitating socio-economic development in both the city and its surrounding areas.

### 2.2 Research Approach and Design

The current study is deeply rooted in the philosophy of positivism, which serves as a robust framework for understanding the intricate relationships among financial incentives, staff recognition, and training in relation to performance outcomes (Brun and Dugas, 2008; Matimbwa and Ochumbo, 2018). Positivism operates on the premise that reality exists independently of human perception, allowing it to be understood through meticulous observation and experimentation rather than subjective interpretation.

To explore these dynamics, the study employed a quantitative research approach, meticulously designed to examine how various financial incentives affect organisational performance specifically within TANESCO Dodoma. The quantitative method involved the systematic collection of numerical data obtained through structured surveys, ensuring consistency and reliability in the information gathered. Following the data collection, statistical analysis was conducted to quantify the relationships between the different variables studied. This rigorous approach not only facilitated the drawing of concrete conclusions but also aimed to produce findings that could be generalised across similar contexts in the field of organisational performance.

### *2.3 Population and Sampling*

The focus of this study was a specific population of 243 employees working at TANESCO Dodoma, the regional branch of the national electricity supply company. The population staff members are from diverse departments, representing a wide variety of roles, from entry-level positions to senior management. The sample size of 195 employees was determined using Kothari's formula (2004), ensuring statistical reliability based on population size, margin of error, and confidence level. It was designed to capture population diversity and variability while balancing practical constraints like time and resources. Although the response was 187 (95.8% response rate), this high participation level maintains the validity and reliability of the findings. The chosen sample size reflects a balance between achieving representativeness and addressing logistical challenges, making it appropriate for the study's objectives.

To ensure a representative and unbiased selection, the study utilised a simple random sampling method. This approach involved randomly choosing participants from the entire employee base without applying any particular criteria for inclusion. The rationale behind choosing simple random sampling lay in its inherent fairness and impartiality, which guaranteed that each employee at TANESCO Dodoma had an equal opportunity to be part of the sample. Further, the use of a simple random technique in this study is due to the well-known sample population in the study. This methodology significantly enhanced the reliability and generalisability of the research findings by ensuring a systematic and statistically sound approach to data collection. By accurately capturing a representative sample of employee perspectives, it minimised bias and improved the validity of the results. Furthermore, the structured methodology allowed for a more comprehensive understanding of organisational dynamics, ensuring the findings are both robust and applicable to similar contexts.

### *2.4 Data Collection Method*

Data collection for this study was conducted using a structured questionnaire, which featured a 5-point Likert scale to gauge participant responses. This

instrument was meticulously crafted to capture detailed insights into employee perceptions, motivations, and the influence of human resource incentives on the overall performance of TANESCO Dodoma. The questionnaire comprised a series of closed-ended questions, which were strategically designed to yield quantitative data. This approach not only streamlined the process of gathering information but also enabled robust statistical analysis to explore the intricate relationships between various incentives and performance outcomes within the organisation.

### *2.5 Data Analysis*

In this study, a comprehensive descriptive analysis was employed to systematically capture and articulate the respondents' attitudes and perceptions regarding the effect of human resource (HR) incentives on organizational performance. By utilizing a structured scale, the research quantified the degree of agreement or disagreement among respondents concerning a range of statements that addressed the effectiveness of HR incentives in enhancing organizational outcomes specifically at TANESCO Dodoma.

To delve deeper into this relationship, regression analysis was applied to assess the influence of various independent variables on the dependent variable, which is Organizational Performance. This analytical framework aimed to quantify the extent to which key factors such as Financial Incentives, Staff Training, and Staff Recognition affect the role of human resource incentives in boosting organizational performance within the context of Tanzania. Through this approach, the study sought to provide a clear understanding of how these HR practices contribute to overall organizational success.

### *2.6 Ethical Consideration*

The approval to conduct field research was obtained from the Arusha Institute of Accountancy, adhering to established ethical guidelines. Participants were informed about the study's goals, the voluntary nature of their involvement, and confidentiality assurances before providing informed consent. Strict protocols were implemented to protect anonymity, and personal information was securely

managed. The research aimed to minimise harm by creating a supportive environment, encouraging questions, and allowing participants to withdraw at any time, emphasising their autonomy and well-being.

key factors: financial incentives, staff training, and staff recognition. These elements play a crucial role in evaluating their effects on organisational performance, particularly within TANESCO Dodoma (Table 1).

### 3.0 Results and Discussion

#### 3.1 Descriptive analysis

This section is dedicated to providing an in-depth analysis of the descriptive statistics related to three

Table 1

*Financial Incentives on Organizational Performance in TANESCO Dodoma*

<i>Statements</i>	<i>Mean</i>	<i>Std. Deviation</i>	<i>Standard Error Mean</i>
The salaries offered by TANESCO Dodoma are competitive compared to similar organizations in the industry	3.44	0.985	0.133
Performance bonuses at TANESCO Dodoma effectively motivate employees to achieve their targets	3.76	0.952	0.106
The incentive programs at TANESCO Dodoma are well-structured and align with organizational goals	3.45	0.985	0.090
Profit-sharing initiatives at TANESCO Dodoma positively effect employee motivation and engagement	3.78	0.908	0.080
Employees are recognized for their financial contributions to TANESCO Dodoma's success	3.63	0.990	0.131
The benefits and allowances provided by TANESCO Dodoma enhance overall employee satisfaction and productivity	3.83	0.979	0.105
<b>Average Mean</b>	<b>3.64</b>		

**Source:** Field data (2024)

The significance of competitive salaries in boosting employee motivation and performance is well established. Milkovich, Newman, and Gerhart (2014) suggest that employees tend to feel more satisfied and engaged when they perceive their compensation as fair and aligned with industry standards. This notion is reflected in findings from TANESCO Dodoma, where 47.1% of employees acknowledged that their salaries were competitive. However, a considerable number expressed dissatisfaction, highlighting a need for improvement. Additionally, Zenger and Marshall (2000) note that competitive compensation is crucial for both attracting and retaining talented employees. This underscores the necessity for TANESCO to further evaluate its salary structures. The positive effect of performance bonuses and profit-sharing initiatives has been supported by a range of empirical studies. For instance, research conducted by Lazear in 2000 revealed that

performance-based pay systems are instrumental in enhancing productivity. This increase occurs because such systems align employee incentives closely with the strategic goals of the organisation. This finding aligns well with the mean scores of 3.76 and 3.78 reported at TANESCO, indicating that employees recognise bonuses and profit-sharing as significant motivating factors in their work. However, it is important to note that not all employees may respond similarly to these incentive programs. Gerhart and Fang (2015) warn that the effectiveness of these systems can be compromised if they are not designed with transparency or fail to account for individual preferences. This concern is reflected in TANESCO's findings, where 25.3% of respondents provided neutral feedback, suggesting that a portion of the workforce may feel ambivalent towards the incentive structures in place. Recognition and appreciation play a vital role in creating a positive work environment and boosting

employee morale, as highlighted by research from Brun and Dugas (2008). The TANESCO study supports this idea, reporting a moderate satisfaction level with a mean score of 3.63. However, Eisenberger *et al.* (2001) emphasise that for recognition programs to be effective, they must be consistent and equitable. This approach is essential to address the concerns expressed by some employees at TANESCO who feel dissatisfied with the current recognition efforts (Table 2).

TANESCO employees place a high value on benefits and allowances, with a mean score of 3.83 indicating their significance in enhancing employee satisfaction and productivity. Research by Bloom and Van Reenen (2011) supports this, highlighting that organisations that provide comprehensive benefits tend to experience lower turnover rates and higher employee engagement, which aligns with the positive effects observed at TANESCO. However, Boxall and Purcell (2011) emphasise the importance of periodically evaluating these benefits to ensure they remain competitive and relevant to employees' needs.

The analysis of TANESCO Dodoma's training and development programs reveals a mixed effectiveness among various learning initiatives. This finding underscores the necessity of customising training to meet the diverse needs of employees, consistent with existing research on the topic. Workshops, in particular, received a moderate effectiveness rating, with a mean score of 3.34 out of 5. Notably, only 54% of employees found these sessions valuable, while a substantial portion, 33.3%, expressed dissatisfaction. This outcome supports Maslow's theory of needs, which emphasises that hands-on training is most impactful when learners are actively engaged and the material is relevant to their roles.

Table 2  
*Staff Training and Organizational Performance in TANESCO Dodoma*

<i>Statements</i>	<i>Mean</i>	<i>SD</i>	<i>Standard Error Mean</i>
Workshops provide hands-on experience and encourage active participation, leading to practical skill development	3.34	1.237	0.106
Seminars offer	3.86	0.990	0.102

<i>Statements</i>	<i>Mean</i>	<i>SD</i>	<i>Standard Error Mean</i>
opportunities for learning from industry experts and sharing knowledge across various organizational roles			
Online courses allow employees to learn at their own pace and from anywhere, promoting flexibility in skill development	3.37	0.837	0.106
On-the-job training equips employees with practical, role-specific skills that can be immediately applied in their work	3.51	0.745	0.097
Certification programs validate employees' skills and enhance their professional credibility and career progression	3.48	1.219	0.106
<b>Average Mean</b>	<b>3.51</b>		

Source: Field data (2024)

The varied reactions indicate a possible misalignment in the design or execution of the workshops, which may hinder their effectiveness in fully engaging every participant. This disconnect could result from a lack of tailored approaches that address the diverse needs and learning styles of attendees, thereby limiting the overall effect and involvement during the sessions.

Seminars are highly valued by employees for knowledge sharing and learning from experts, with a positive mean score of  $3.86 \pm 0.990$  and over 63% of employees rating them favourably. This supports the work of Wenger and Snyder (2000), who indicate that seminars facilitate knowledge exchange and community building, ultimately enhancing organisational learning. In contrast, online courses have a mean score of  $3.37 \pm 0.837$ , appreciated for their flexibility. This aligns with Allen and Seaman's (2017) findings that highlight the appeal of online learning for those seeking self-paced development.

The dissatisfaction rate of 21.8% highlights significant challenges in fostering engagement among participants, emphasising the need for improved interactivity. This observation aligns with the findings of Bernard *et al.* (2009), who point out that online learning environments frequently fall short in delivering the prompt feedback and dynamic interaction that characterise traditional educational settings. As a result, learners may feel

isolated and less motivated, indicating a crucial area for enhancement in online education practices.

On-the-job training has proven to be the most effective training method, achieving a commendable mean score of 3.51 with a standard deviation of 0.745. Notably, 65.5% of employees expressed their appreciation for this approach, highlighting its immediate applicability in their daily work. This positive feedback aligns with the insights of Kisokola, Matimbwa, and Kamala (2024), who argue that on-the-job training significantly enhances the practical application of skills, thereby making it exceptionally beneficial for tasks specific to employees' roles. Such training not only bridges the gap between theory and practice but also equips employees with the necessary competencies to excel in their positions right from the start.

Certification programs are often esteemed for their role in enhancing professional credibility, evidenced by an average score of 3.48 ( $\pm 1.219$ ). Nevertheless, a noteworthy 25.3% of employees express scepticism, indicating that a significant portion does not perceive these programs as a catalyst for tangible career advancement. This observation aligns with Armstrong's (2014) assertion that the effectiveness of certification programs is contingent upon their congruence with individual career objectives and the demands of the industry.

The average score of  $3.512 \pm 1.0036$  reflects a generally positive perception among employees regarding the training and development programs, although the variation in responses suggests a range of preferences exists. This aligns with the research conducted by Garavan *et al.* (2003) and Matimbwa and Kamala (2024), which supports a blended training approach that merges traditional methods, like workshops, with modern techniques such as online learning to effectively cater to diverse learning needs. To enhance the effectiveness and satisfaction of these programs, it's essential to improve their design and delivery while ensuring they align with employees' roles and career aspirations.

The research conducted on the role of staff recognition at TANESCO Dodoma reveals a significant positive influence on organisational performance, particularly emphasising the effectiveness of informal and peer recognition

methods. The data indicates that formal recognition programs hold a mean score of  $3.60 \pm 0.869$ , suggesting that a majority of employees perceive these initiatives as beneficial. However, the presence of neutral and negative feedback highlights an opportunity for enhancement in these programs. These insights are consistent with the conclusions drawn by Brun and Dugas (2008) and Matimbwa and Kamala (2024), who contend that for recognition systems to be truly effective, they must be equitable and clearly aligned with individual employee achievements.

Table 3  
*The Influence of Staff Recognition on Organizational Performance*

<i>Statements</i>	<i>Mean</i>	<i>SD</i>	<i>Standard Error Mean</i>
TANESCO Dodoma has effective formal recognition programs in place to acknowledge employee achievements	3.60	0.869	0.093
Informal recognition, such as verbal praise, is regularly given to employees at TANESCO Dodoma	3.77	0.742	0.080
Employees at TANESCO Dodoma frequently recognize each other's contributions and successes	3.63	1.080	0.116
Staff recognition at TANESCO Dodoma significantly enhances employee job satisfaction	3.74	1.062	0.114
There is a clear link between employee recognition and performance metrics at TANESCO Dodoma	3.85	0.959	0.103
Recognition of staff contributions positively influences career advancement opportunities within TANESCO Dodoma	3.48	0.887	0.095
<b>Average Mean</b>	<b>3.64</b>		

Source: Field data (2024).

This alignment ensures that the recognition not only acknowledges efforts but also motivates and engages staff members, ultimately contributing to a more positive workplace environment.

Informal recognition, which received a significant average score of  $3.77 \pm 0.742$ , highlights the value of interpersonal gestures such as verbal praise. This finding aligns with Kerns' (2006) research, which underscores that authentic and informal

acknowledgement plays a crucial role in cultivating a positive workplace culture and boosting employee morale.

Peer recognition, with a mean score of 3.63 and a standard deviation of 1.080, underscores the significant role that social acknowledgement plays within team dynamics. This finding aligns with the research conducted by Bakker *et al.* (2008), which highlights that receiving recognition from peers not only fosters a sense of unity within teams but also enhances individual motivation levels. Additionally, there is a notable correlation between recognition and job satisfaction, reflected in a mean score of 3.74 and a standard deviation of 1.062. This observation resonates with Herzberg's motivation-hygiene theory from 1959, which posits that recognition is a crucial factor in boosting employee satisfaction and overall productivity in the workplace. Conversely, the relatively lower average score of 3.48 and a standard deviation of 0.887 regarding the influence of recognition on career advancement indicate that employees perceive a less robust link between recognition and their professional growth opportunities. This discrepancy suggests that while social acknowledgement is valued, its effect on advancing one's career may not be as strongly recognised by individuals.

The research findings highlight a discrepancy when compared to Kuvaas's (2006) work, which emphasises the importance of linking effective recognition systems to career development opportunities in order to enhance their motivational effect. While the recognition practices at TANESCO Dodoma are generally viewed positively, the findings indicate a need for more structured formal recognition programs. Additionally, there should be clearer connections established between recognition and career progression. This approach would help address the concerns of employees who feel inadequately supported in these aspects.

### 3.2 Regression Analysis

The regression analysis conducted reveals that three key incentives—staff training, financial

incentives, and staff recognition—play a significant role in enhancing organisational performance at TANESCO Dodoma. Among these, staff training has emerged as the most vital element. This finding is consistent with previous research, which underscores the importance of these incentives in driving performance within organisations. Training is particularly emphasised as a pivotal contributor to effectiveness in the workplace. As noted by Noe (2017), well-structured training programs are essential for equipping employees with the vital skills and knowledge needed to execute their roles proficiently. This investment in employee development not only boosts productivity but also fosters a culture of innovation. Further supporting this notion, research conducted by Garavan *et al.* (2019) highlights that ongoing professional development is crucial for enhancing organisational agility and overall performance. By preparing employees to adapt to changing demands and challenges, continuous training programs create a workforce that is better equipped to respond effectively to the dynamic landscape of the industry. The regression analysis detailed in Table 5 explores the influence of three key incentives, namely staff training, financial incentives, and staff recognition, on the overall performance of the organisation. The model presents both unstandardised and standardised coefficients, which shed light on the extent to which each incentive influences organisational performance.

The constant term in the analysis is noted at 0.786, implying that when all the predictor variables are held at zero, the baseline level of organisational performance remains relatively high. This constant is statistically significant, with a p-value of 0.008, indicating a strong likelihood that this result is not due to random chance. Additionally, the confidence interval for these constants spans from 0.208 to 1.364, reinforcing the reliability of this baseline measure.



Table 4  
*Coefficients of the Variables*

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig	95.0% Interval for B		Confidence
		B	Std. Error	Beta			Lower Bound	Upper Bound	
1	(Constant)	.786	.291		2.705	.008	.208	1.364	
	Staff Training	.618	.113	.523	5.486	.000	.394	.843	
	Financial Incentives	.280	.077	.344	3.635	.001	.127	.433	
	Staff Recognition	.381	.165	.322	2.313	.022	.053	.709	

Source: Field data (2024)

Particularly noteworthy is the effect of staff training, which exhibits an unstandardised coefficient of 0.618. This substantial figure suggests that investments in staff training have a significantly positive influence on enhancing organisational performance, underscoring the importance of developing skills and competencies within the workforce. The analysis reveals that the variable of staff training stands out as the most influential factor affecting performance, with a standardised beta coefficient of 0.523. This strong correlation is underscored by a highly significant p-value of less than 0.000, with a confidence interval ranging from 0.394 to 0.843. These statistics strongly reinforce the assertion that robust training programs are crucial in enhancing overall organisational performance.

In addition to training, financial incentives also play a noteworthy role in boosting performance. With an unstandardised coefficient of 0.280, these incentives reflect a positive effect on motivation. The standardised beta value of 0.344 indicates that while financial incentives are significant contributors to performance improvement, they are not as impactful as staff training. The statistical significance of this variable is strong as well, with a p-value of 0.001 and a confidence interval between 0.127 and 0.433, further emphasising their effectiveness in motivating employees and recognising their pivotal role in fostering a productive work environment.

Finally, Staff Recognition has an unstandardised coefficient of 0.381, indicating a significant positive effect on performance. The standardised beta of 0.322 suggests that while recognition is an important factor, it carries slightly less weight than both training and financial incentives. Its

significance is marked ( $p = 0.022$ ), with a confidence interval ranging from 0.053 to 0.709, highlighting its essential role in boosting employee morale and motivation.

The effect of financial incentives is strongly supported by Herzberg's (1959) motivation-hygiene theory, which emphasises that fair and equitable compensation is fundamental for motivating employees and ensuring their job satisfaction. Further expanding on this idea, the work by Lazear and Shaw (2007) reveals that thoughtfully structured incentive programs, such as performance-based bonuses, have a profound effect on productivity. These programs work by effectively aligning employee efforts with the overarching goals of the organisation, creating a win-win scenario where both parties benefit.

Based on the findings Staff training is the most significant variable in improving performance, followed by financial incentives, while staff recognition, though important, has slightly less effect than the other two incentives. The significance of recognition in enhancing employee performance is equally underscored by the findings of Brun and Dugas (2008). They argue that when organisations take the time to acknowledge and celebrate employee contributions, it not only boosts individual engagement but also fosters a sense of loyalty and enhances overall morale within the team. These insights collectively underline the necessity of adopting a comprehensive approach that integrates training, financial incentives, and recognition. By doing so, organisations can optimise their performance and create a more motivated and satisfied workforce.

#### 4.0 Conclusion

The study concludes that financial incentives, comprehensive staff training, and meaningful staff recognition play a crucial role in enhancing organisational performance at TANESCO Dodoma. Specifically, implementing competitive compensation structures and offering performance-based bonuses serve as powerful motivators for employees. These initiatives not only boost productivity but also significantly increase job satisfaction among the workforce.

In addition to financial rewards, well-structured training programs are instrumental in sharpening employee skills and building their confidence. Such training equips staff members with the necessary tools and knowledge to effectively meet the organisation's objectives, ultimately leading to better overall performance. Moreover, recognising and celebrating individual employee contributions is fundamental to cultivating a positive work environment. This acknowledgement fosters stronger team dynamics, enhances collaboration, and promotes a sense of loyalty among team members. The findings underscore the need for organisations, particularly TANESCO Dodoma, to prioritise the development and implementation of policies that integrate competitive financial incentives, continuous employee training programs, and structured recognition frameworks. Policymakers should consider allocating resources toward performance-based rewards and professional development initiatives as part of their strategic human resource management. These efforts will not only enhance productivity and job satisfaction but also foster a culture of commitment and teamwork, driving sustainable organisational performance.

#### 5.0 Recommendations

The study emphasises the importance of improving financial incentives as a means to increase employee motivation and productivity, ensuring that workers feel adequately rewarded for their efforts. It also highlights the need to broaden and enhance training programs, enabling employees to acquire new skills and improve their performance in a rapidly changing

work environment. Additionally, implementing structured recognition practices is recommended to acknowledge and celebrate exceptional contributions, fostering a sense of value and belonging among staff. Together, these strategies aim to create a more motivated, skilled, and engaged workforce, directly contributing to higher organisational performance. By focusing on these areas, organisations can build a supportive environment that encourages innovation and dedication. Continuous investment in human resources is deemed essential for achieving sustainable growth, long-term competitiveness, and organisational success.

#### 6.0 Acknowledgment

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#### 7.0 Declaration of Conflicting Interests

The authors declare no conflict of interest.

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