



**Sustainable Compensation Methods for Construction
Companies Operating in Turbulent Environments:
A case of South Sudan**

**Thesis submitted in accordance with the requirements of the
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DECLARATION

I certify that this work is original except as acknowledged in the text. I also testify that the material has not been submitted in whole or in part for a degree in any university. I have also acknowledged any help I received in preparing this thesis.

The Ethics Committee of the University of Liverpool granted ethics approval for this research.

Signed:  _____

Date: 4th May 2016

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DEDICATION

I dedicate this research to the South Sudanese who despite all the odds in South Sudan, embarked on development through the hard way. Similarly, to my father who passed on during the time when I was doing this DBA. My dad is one person who inspired me to achieve higher levels in Life. Rest in peace Hon. Benjamin Libo Warille.

ABSTRACT

Although South Sudanese did not own private companies before the war, a good number of them have been studying business during the time of the war. Immediately after the signing of the Comprehensive Peace Agreement (CPA), private companies came into existence. Roads construction companies were not exceptions.

Being new in the industry, the national companies have been copying from Sudan. The Labor Act (1997) of Sudan is the main employment legislation used in South Sudan.

This thesis examines the compensation methods in three companies with the aim of suggesting methods that will suit turbulent environments like South Sudan. Three different methods were tested in intervals of three months to test its sustainability in environments like South Sudan.

This is an action research project. Three workshops were held every three months and an evaluation of the compensation methods were made. Structured questionnaires were used to gain the understanding of employees about the compensation method in their respective organizations, their understanding of compensation in the environment in their operation areas, relationship of their pay to what their colleagues get and their attitude towards change in pay methods should the organization opt to do so.

Interviews were also conducted with senior managers and board members to get their in-depth understanding of the compensation method in the companies they manage and in particular to look at how they sustain the pay. A close look at the Labor Act (1997) of Sudan which is being used in South Sudan was done to see the relevance of some of the acts in the South Sudan context.

Though some areas of weaknesses in the pay systems were identified including the areas in some cultural behaviors which hinder concentration to work, the thesis came up with three different pay methods which can be used in South Sudan. They are Team Based Pay (TBP) with another form of Specialized Team Based Pay (STBP), Shared Pay Rate (SPR) and Management Driven Pay (MDP).

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ACRONYMS

| | |
|-------|---|
| AOB | Any Other Business |
| BOD | Board of Directors |
| CEO | Chief Executive Director |
| DBA | Doctor of Business Administration |
| DR. | Doctor |
| DSA | Daily Subsistence Allowance |
| FFS | Fee For Services |
| GOS | Government of Sudan |
| GRSS | Government of the Republic of South Sudan |
| HR | Human Resource/s |
| JRF | Job Related Factor |
| KM | Kilometers |
| LV | Light Vehicle |
| MD | Managing Director |
| MDP | Management Driven Pay |
| MM | Marketing Manager |
| MTDF | Multi-Donor Trust Fund |
| MTR | Ministry of Transport and Roads |
| PFP | Pay For Performance |
| PIT | Personal Income Tax |
| PM | Project Manager |
| POW | Program Of Works |
| QS | Quantity Surveyor |
| SMART | Specific, Measurable, Attainable, Realistic and Timed |
| SPR | Shared Pay Rate |
| SPSS | Social Package for Social Sciences |
| STBP | Specialized Team Based Pay |
| SSP | South Sudanese Pounds |
| SSRA | South Sudan Roads Authority |
| TBP | Team Based Pay |
| UN | United Nations |
| UNOPS | United Nations Office for Project Services |
| USD | United States Dollars |
| WFP | World Food Programme |

CHAPTER ONE
INTRODUCTION AND THE DESCRIPTION OF CONSTRUCTION COMPANIES
IN SOUTH SUDAN

1.0 Introduction

1.0.1 The research

This study concentrates on compensation which is one area of organizational expenses. Organizations need to improve their cost-effectiveness to survive in an environment (Bell & Barhuizen 2011). In this study, the assumption is that the employer's expenditure on compensation in South Sudan is not equivalent to the production by the employees. This is because employees get paid monthly salaries regardless of whatever they produce. Other areas of expenditures include but are not limited to control of field supplies (food, fuel, building material etc.) and costs associated with the unstable environment where the companies are operating.

A further interest in compensation research led to a close study of employee reward systems considering the hardship and risks involved in working in South Sudan and the cultural behaviours affecting employees' commitment to work. The researcher's proximity to the shareholders, management and other employees made it easier to listen to employees and to know the problems that face them in relation to compensation. Meetings with the clients and other stakeholders made it easier to know the same issues of compensation in other companies. It is a fact that different pay methods are being used in different places and in different environments. The same method can also be used in different ways just like Performance Related Pay (PRP) which can be on individual basis or collectively (O'Halloran 2012). One method may suit a particular situation but may not be good for another situation. Therefore, there is no way that one pay method will be used in different places because the situation across all the countries is not the same.

There are many literatures on the components of compensation and this provided the basis for comparison to see what is being used and what is not in South Sudan. There is no universal way on paying employees (He & Conyon 2011). Other writers like Joseph et al. (2012) studied Pay-For-Performance (PFP) and found out that it does not work well for the support staff and does not improve performance. Goergen & Renneborg (2009) argue in favor of a positive relationship between pay and performance. A different point by Borowicz (2009) is that the financial resources of the company, insurance rates, safety rates and some other factors should form the basis for the determination and calculation of pay. All these are attempts to come up with

suitable pay methods. These different views encouraged the development of methods which in the view of the researcher will work well in environments like South Sudan.

When there is any change coming, the reaction of employees are different. Some accept and others resist, (Mendy 2012). This depends on the benefit of the change to them. The researcher's impetus to proceed with the research is based on the willingness of the employees to accept change which will be beneficial to them. This is preceded by the need to look into the interest of company owners as well. According to Burja (2013) employees satisfy their interest if the company performs well. These interests were summarized by Rungruang & Tangchitnob (2010) as job involvement, empowerment, creative individual involvement, participation in the budget and in decision making and the availability of resources that the employee will need.

Therefore, in order to achieve the objectives of the organization, the employees who are stakeholders in the process are to be treated with a lot of caution. What matters to them, becomes one of the priorities of the owners of the organization. This thesis focuses on one of the interest of the employees which is the compensation. The idea is to come up with some compensation methods which will be accommodative of the situation in South Sudan, where materials are not readily available locally, where there is rampant insecurity and where the culture of the inhabitants does not encourage hard work.

Three national companies were studied. They are all involved in the roads and bridges work in South Sudan. They share the employment of local people, people from the neighbouring countries who are being employed as locals as well and also few other staff who are treated as international staff.

The intention is not only to bring change in the pay methods in the three companies but the researcher envisages a change in the compensation method in South Sudan. It is a fact that it has to start from somewhere. In this study, it is clear that the other stakeholders need to be supportive to this change to enable its implementation. The clients, consultants and other players in the industry need to embrace the methods for them to be operational and of use to both the contractors and the employees. Therefore, three workshops were held in intervals of three month. After each workshop, one method was tested for at least two months. Evaluation of the methods was done and workshop participants looked at the conditions which need to be fulfilled

for the methods to be properly utilized. Questionnaires and interviews form a big part of the data collected.

Doing business in South Sudan has many challenges. However, the situation does not prohibit companies from doing their businesses. The companies need to survive in such an environment. Again post war countries that face many challenges usually take a longer period to completely settle. A change of some cultural behaviour will even take a longer period of time.

1.1 The Turbulent Environment in South Sudan

An environment is the external influences and conditions that affect the operations of the organization and is subject to changes which are unpredictable (McLarney & Vikalpa, 2003). In a good business environment, there is rule of law, equitable & efficient labour markets, skills & human resources development, political stability, economic predictability and infrastructure (DI, 2014).

Organizations in turbulent environments change accordingly to enable it to survive amidst the competitors (Stigter, 2002). It is the different patterns of the external influences that affect the organization's operations (Mintzberg & Quinn, 1992 cited in Kurtz et al. 2012). Brown & Eisenhardt (1998) argued that such situations are subject to continuous unpredictable changes. The outcomes are not predictable (Dankbaar, 1996 as cited in Kurtz et al. 2012).

In a turbulent environment, it is difficult to predict the outcomes of one's action. In South Sudan, the unstable environment is caused by war, inter-tribal fighting, unavailability of local materials for construction etc. The industry is fractured and unspecialized with player with varying cost based which is attributed to weak institutions and laws. There is weak procurement system that gives less incentive to establishment, less retention and high turnover. The national companies lack knowledge and experience compared to their competitors from the region. Contracts are not awarded through competitive bidding process (Gurtong, 2014). This has caused disparity amongst the players in terms of capital structure. This has also resulted into varying focus and approach to recruitment and retention of workers. The legal framework governing private enterprises is underdeveloped (ICS 2013).

The suppliers to the industry are also less experienced, and at times scarce. This has caused delays in contract delivery. Another constraint that affects the cost of operation and timeliness of delivery is poor road infrastructure (ICS 2013). Seasonal roads have in many cases hampered firms from meeting their contractual obligation to clients. This has negative impact on profitability and remuneration schemes. Excess extension of a project's deadlines inflates fixed costs and thus affects the firm's ability to offer pay and benefits to its workers in a sustainable manner.

Environmental turbulence is the unpredictability that arises from unexpected changes in market demand and consumer preferences, new technology developments, and technological breakthrough. In such environments, enterprises must rapidly innovate, adapt, and reconfigure themselves to match the changing environment (El Sawy & Pavlou 2008).

1.2 The Roads Construction Industry in South Sudan

1.2.1 The Roads in South Sudan

South Sudan (World's newest nation) covers an area of about 640,000 sq. kms and the population is roughly about 8.2 million (Salman 2013). The country is very big in size. It has only 60 miles of paved roads and 155 miles of track roads. The Ministry of Transport and Roads (MTR) of the Government of the Republic of South Sudan (GRSS) estimates that there are about 32,000 kms of road to be tarmacked (Africa Business 2011). In 2010, 1 km of marrum road cost 80,000 USD and 1 km of tarmac road cost 200,000 USD.

South Sudan is being built from scratch (George Conway as cited in Africa Business 2011). This is because when it was part of the Republic of Sudan, there was almost no development activities in the then Southern Sudan. When it became an independent country in 2011, the government and the people of South Sudan faced difficulties in all sectors. It has few all weather roads (Africa Business Initiative 2011) and few trained construction workers.

The country imports most of the resources needed for the construction of roads and bridges from overseas or the nearby countries due to the unavailability of local resources (Chaudhuri 2010). With the impassable roads, the materials delay to be delivered on site.

1.2.2 Nature of challenges faced by road construction companies in South Sudan

Having been involved in civil war for decades, South Sudan basically suffered inhibited provision of basic infrastructure which ultimately undermined much of its production capacity. The road network to the rural areas which host estimated 80% of the country's population is rated pathetic and in some regions non-existent (ADB 2012). The government of South Sudan has prioritised investment in road construction as a cardinal strategy to spur economic growth. This position was reiterated in the meeting of the country's Economic Cluster of the Council of ministers which emphasized the pressing demand for roads in the country so as to promote trade and create employment (UNMISS 2013).

However, the road construction projects by the government and its development partners has not gone on well without challenges associated with high costs of building roads in the country. These high costs are brought about by adverse climate changes which either result into drought or excessive rainfall damaging unpaved or murrum roads, inadequate equipment for quality road construction and inadequate yet unskilled human resources compensated through haphazard compensation systems. According to UNICEF (2011) Labour Market Report, 94% of young persons in South Sudan enter the labour market with no qualifications at all, implying that specialised jobs in sectors such as construction industry are performed by labour sourced from the neighbouring countries. While this can be a justification for difference in salaries between local and foreign workers, in some instances unskilled foreign workers are paid better than their counterpart nationals. Moreover, the fact that foreign workers are paid in US dollars does not make the situation any better (Sudan Tribune, Tuesday 14 August 2012). Occasionally, the road construction has to stop due to adverse weather conditions; insecurity and delay in supply of construction materials and equipment, yet road construction companies continue to pay full monthly salaries to their workers, resulting to inflated cost of constructing a single road in South Sudan.

Another important point to note is that, owing to the cultural background and negative impacts of the civil war, most local workers do not link work performance to the wages or salaries they earn. To them being present at a work place is enough justification to earn a salary. Respective construction companies have responded to this state of attitude of local workers by strengthening their supervisory functions usually done by engaging a foreign expert, a factor that

continues to further aggravate the already high cost of road construction (Business Daily, September 17, 2014).

The researcher, being a HRM practitioner and a senior staff of one of the few indigenous road construction companies in South Sudan, identified the use of haphazard compensation methods across construction companies in the country as a major contributor to high costs of road construction. The researcher's assumption is that the current pay method in the construction industry in South Sudan is not supporting the growth of the companies. This assumption is supported by the fact that the current compensation system does not consider costly problems that affect road construction industry in the country. These problems include; companies face some problems like delay in the delivery of construction materials because of impassable roads, lack of qualified local personnel, inability to work in the rainy seasons, insecurity caused by intertribal fighting and the rebels, delay in getting new projects when the old projects are completed or suspended, delay in the approval and payment of certificates, and too many public holidays. Work is also affected by procrastination which is as a result of the culture and attitude of employees.

All these reasons are not considered in the compensation methods and in general affect the performance of the companies. Companies like Payii continue paying monthly salaries. This raises some initial questions as to how long will this continue for the company to remain profitable? Can other methods be developed which will factor in such situations? Are there no other ways of introducing pay which will be acceptable to both employees and the employers? What will be a win-win situation for both parties?

Canyon & Schwalbach (2000) advised managers about the importance of recruiting, motivating and retaining key personnel and Vanclay (2004) pointed to the responsibilities businesses have towards employees for the business to succeed. Both the company and the employees are important for the business to grow. Mulvaney et al. (2012) argued that there is need to align the agency's objectives and its compensation system.

1.2.3 Current compensation regimes and resulting challenges

Generally, road construction companies in South Sudan engage two categories of workers; those who work in the head office and those who work in the field. The head office staff work full-

time and are paid salaries whether a project is on course or not. The field staff are temporary employees whose engagements are on contract basis and are pegged on the life of the project. Usually the life of the contract of the field staff is nine months on average. The employees are put on the gross salary which consists of basic pay, project allowance and performance allowance. Some companies like Tumu and Markeric construction companies have all their technical positions occupied by foreign experts. The salaries of these foreign experts are paid in US dollars, a factor that impact negatively on their total wage bill. Furthermore, the cost of employing foreigners is higher in terms of salaries and other costs associated with cross border recruitment. While it's rightly stated that compensation and benefits are the most critical factors in attracting, motivating and retaining high quality employees, the challenge is to create a compensation program that acknowledges all three goals without exhausting resources (Moragwa, 2013). In the case of road construction companies in South Sudan, the current compensation regimes currently in use exhaust their resources as they are not tied to any measurable performance.

Aware that their pay is not pegged on any measurable and monitored performance, employees in road construction companies in South Sudan generally display reluctance in the performance of their tasks, thus resulting into delay in completing projects on time. In the end, extension is granted without additional funds on the project. The implication in this situation is that the contract is extended while its value remains the same with the exact number of employees. Ultimately, the cost of constructing a single road will have doubled by the time it's completed. Therefore, the researcher finds it imperative that a compensation regime be developed to address the peculiar and turbulent environment under which road construction companies in South Sudan exist, in order to unlock the potential of the new nation.

According to Zaharie (2013), decisions touching on compensation must be viewed in a strategic manner. This is because much of the company's resources are used up on compensation-related activities. Therefore, it's critical that the management and owners of these companies consider the 'strategic' fit of compensation with overall strategies and objectives of the company. As it is currently practised in the road construction industry in South Sudan, the turbulent environment under which these companies operate, does not give room for such a prudent consideration. In this regard, most of the road construction companies in South Sudan have adopted entitlement compensation philosophy which Zaharie (2013) defines as that compensation philosophy that

guarantees salary, benefits and incentives without regard to changing industry or economic conditions.

The researcher, therefore, favours a performance- oriented philosophy where no one is guaranteed compensation, instead, pay and incentives are based on performance differences among employees or teams (Singh, 2007). Such a philosophy will definitely lead to the designing of a compensation regime that is tied to individual or team performance leading to personal development of the employee and better organizational performance.

1.3 The aim and objectives of the research

The research aims to identify effective pay methods that will be sustainable for construction companies that operate in turbulent environments like South Sudan. The study intends to achieve its aim by examining the merits and demerits of the existing pay methods that are currently being practiced by road construction companies in South Sudan. Further, with the help of existing literature on pay methods used by related companies in turbulent environments, analysis will be carried out to find out the suitability and modification of such methods to suit South Sudan situation. The most suitable pay method that effectively addresses the current compensation problems faced by road construction companies in South Sudan will be identified and recommended for use. Therefore the research question is 'what are the pay methods which will be sustainable for construction companies operating in unpredictable environments like South Sudan?' Since this is an action research, it meant to address an identified problem of Payii. The data collected from the two companies supplemented the one of Payii since the problem cuts across the construction companies in South Sudan.

Therefore, the objectives of the research are to:

- Identify and introduce pay methods which will be accommodative of some of the challenges in Payii and advantageous to the company and the employees.
- Determine pay methods which will take into consideration the factors affecting the companies operating in insecure environments.
- Propose ways of how to change the traditional pay method and to devise ways of making employees to accept new methods while taking into consideration the human factors which make them to resist any change, the social factors which affect the attitudes and

lifestyle of people and the economic factors like the unemployment rates and the cost of life.

Therefore, in general, this research is meant to identify and recommend sustainable pay method that will suit insecure business environments and of benefit to both the employees and the employers.

1.4 Study Implications

In South Sudan, pay is important because it is what motivates employees and it is also a major cost for the organizations. For-profit organizations need to make profits, which will only be possible if qualified personnel are doing the work and are being productive. Such employees need to be motivated. Therefore, it is of essence to develop pay method which will be motivational for employees and at the same time not affect the company negatively.

1.5 Feasibility of the study

The researcher is the Managing Director of Payii which is the company used for action research in this study. The researcher's position in the company makes her the connection point between the board and the employees (management or field staff). The researcher had access to the board as the board secretary and this made it possible to access information from the board. This enabled easy access to not only the board but also management.

Being an insider researcher benefitted the study in a number of ways which includes the researcher's ability to have a greater understanding of the culture under study and an established intimacy which promotes both the telling and the judging of truth. Further, by being an insider, the researcher did not alter the flow of social interaction unnaturally. Most importantly, the researcher generally knew the politics in the companies not only the formal hierarchy but also how it 'really works'. She knew how to best approach employees and management. In summary, she had a great deal of knowledge, which takes an outsider a great deal of time to acquire (Unluer 2012).

Despite the aforementioned advantages associated with being insider researcher, the researcher was also conversant with the existence of problems of being an insider. Such problems may

include loss of objectivity due to greater familiarity and biasness that can emerge due to making unconscious yet wrong assumptions about the research process based on the researcher's prior knowledge (Green 2014).

In order to conduct a credible insider research, the researcher constituted an explicit awareness of the likely impacts of possible bias on data collection and analysis, respected the possible issues related to the anonymity of the organization and individual participants and considered and addressed the issues that could influence the researcher's role in relation to coercion, compliance and access to privileged information, at each and every stage of research (Unluer 2012).

The position also enabled the researcher to be familiar with other competitors in the industry. Seven companies were approached with the intention to have two who will participate in the research. Tumu and Markeric responded positively. The basis of approach was those who are involved in doing similar work like Payii.

The number of projects the company undertakes at a time including the ones the other two companies undertake provided the sample a representative data.

Despite the distances and the challenges involved in movement in South Sudan, it was still possible to visit the project sites to gather the necessary information for this research.

1.6 Payii Roads and Bridges Company Ltd.

Payii Roads and Bridges Company was established in 2006. The company is owned by nationals. There are 20 permanent staff but with a number of project staff who are employed on temporary contract and this is subject to the number of projects at any given time. Since its inception, the company has been working on projects which are sponsored by the Government of South Sudan (GRSS), the United Nations (UN) agencies and MDTF.

The projects are the construction of new roads, maintenance of old roads, construction of new bridges or maintenance of new bridges. None of the projects undertaken by the company was completed on time. The client had to consistently give extension of time for the completion and in one instance; the client had to ask the company to subcontract. If a project is subcontracted it means the main contractor will lose part of the project to another contractor. Many reasons can

be given for the delay in completion which are specific to the South Sudan context like impassable roads, lack of local materials, failure of the companies to observe time as agreed in the contract document and procrastination by the employees.

While the researcher does not undermine the successes the company achieved despite the harsh environment it is operating in, it is paramount to mention here that a bigger portion of the project funds are being used to cater for what would not have been an expense if the projects were in other stable environments. There are also some costs which if controlled make the owners earn more profits. Olken (2009) mentioned 'missed expenditures' as expenses. In his view, there is always a difference between what is claimed to have been spent on the project and the estimate of the engineers of what was actually spent on the project.

The amount of money spent on wages is high because of two reasons. The first reason is that projects are not completed on time and most of the extension of time is granted without additional funds on the project. This means that the contract is extended and the project money remains the same and employees remain on monthly pay. Secondly, it is not easy to find out the exact numbers of casuals in the field. The number is not constant and it is also difficult to rule off the possibility of the field staff exaggerating the number of casual staff each month.

1.6.1 The current remuneration scheme

The current remuneration is that 10% of basic pay is deducted for income tax and another 2% is deducted for pension. The employee's money (which is 2% of basic pay) is deducted on monthly basis and the company adds another 10% as its contribution for pension. However, the labor circular which was circulated after the company is already deducting the 2%, informs the organizations to be deducting 8% from gross salaries as the employee contribution for pension. The employers are requested to add 17% instead of what Payii was adding of 10%. Therefore, throughout this research, the deductions have been made according to the circular. Initially, there was no guidance from the Ministry of Labor so each company does its own deductions.

There are no national insurance funds in place. It is to be noted that though there is performance allowance which is supposed to be paid based on the individual performance, it has not been done because of the logistics involved in ensuring that the performance are measured. There are issues with lack of training of employees on measuring performance and setting targets.

Employees get the whole amount of money at the end of the month regardless of their good or poor performance. When employees' contract ends, the company pays 10% on top of the 2% of basic pay that the employee keeps with the company. The employee ends up with 12% of the basic pay.

Teams are employed on project basis. Such employment contracts are usually short term, typical one year and renewable.

1.7 Overview of the chapters

Chapter one provides the background of the study. The same chapter informs the reader about the roads construction industry in South Sudan providing the challenges at both the macro and the micro levels. A brief background of the company is also provided which explains the remuneration scheme in the company and some issues of ethics.

Chapter two is the literature review of compensation which has a direct link with the research. The HR strategies, payment models and types of compensation used in companies are discussed. The chapter ends with the critique of the literature and identification of research gaps.

Chapter three is the methodology which showed how the data was collected and analysed. It further pointed to the limitations of the methodology.

Chapter four is the researcher personal observation from practice and chapter five is the output of the interviews and the data collected from the questionnaire.

Chapter six is the output of the workshop of which each method that was recommended and modified to suit South Sudan situation is suggested. Chapter seven is the discussion. The analyses of the three methods recommended are made.

Chapter eight is reflexive analysis, the contributions of this thesis and the limitations. Chapter nine is the conclusion which shows the effects of the implementation of the methods. It also compares the findings of the thesis to the existing literature and ends with reflections on the objectives of the thesis.

1.8 Conclusion

From literature, there are many forms of payments which have been developed and used by companies. In order to identify and recommend pay methods for unpredictable environments like South Sudan, it is important to know the different pay methods which other companies are using. In what ways will these methods be beneficial to both the employees and the employers? How can the literature inform the identification of other pay methods? This leads to the review of the literature in the following chapter.

CHAPTER TWO
LITERATURE REVIEW

2.0 Introduction

This chapter on literature review aims at identifying published work on topics relevant to the study. The chapter starts with highlights on the Human Resources (HR) strategies. Concepts of compensation, concepts of team work and performance pay are discussed. It discussed the pay methods and the components of pay which are being used by organizations. The chapter ends with how the literature influenced the framing of the research objectives of this thesis and the formation of the empirical work.

2.1 HR Strategies

When an organization applies the suitable HR practices which are in line with the organization's strategies, there will be improvement in the performance of the organization (Karami et al., 2015). Compensation systems in particular are related to organizational performance (Ramlall et al., 2011). Some of the HR practices which Karami et al. (2015) mentioned are employment security, performance appraisal, compensation, HR planning, teamwork and development.

It is important to streamline compensation in such a way that it will be suitable for the environment and also good for the organization. Madhani (2012) thinks that in situations when the challenge for a job is higher, the employers will prefer to give pay which has a higher component of fixed pay. Whereas this argument may imply that it will be relatively better for the employer, in South Sudan, the case may be slightly different. Paying a fixed salary or making the pay to have a higher component of fixed salary will be a disadvantage to the employer. Some of the challenges are not necessarily as a result of the organizational making but because of situations affecting the country as a whole. Fixing the pay can be an advantage to the organization if it performs very well but it can also be a disadvantage because it will be paying employees the agreed amount whether it performs well or not.

When discussing about HR strategies, there is need to understand that it is one thing to have a strategy in place and it is another one to put the strategy in practice. McDermott et al. (2013) argued that the link between HR practices and the performance of the organization is the ways the managers channel and craft practices to meet the organization's 'psychological contracts' with its employees. This is the belief of the employees in regards to what they owe the organization and what their organization owes them. In their argument, they emphasized the importance of line managers having direct consequences for the 'psychological contracts' employees have. This means managers can actually influence the performance of those they manage. Employees need to understand the responsibilities they have towards the organization and what they expect from the organization.

2.2 Concept of Compensation

According to Patnaik and Padhi (2012) compensation refers to a systematic technique of influencing performance of employees by use of monetary value. Adeniyi (2013) goes further to assert that compensation is the only tool available to the employers for attracting, retaining, motivating and satisfying employees. It's the only investment organization makes in its workforce and what the employees value most in the employment relationship. According to Guo (2013) it is composed of economic and uneconomic elements where wages, performance related pay, bonus, welfare and skill pay are the economic aspects and the uneconomic aspects include other potential pay (p. 5417). Non-financial rewards are praise from superiors and co-workers, feelings of self-esteem as a result of superior recognition and promises of future promotions (Baker et al. 1988).

Patnaik and Padhi (2012) further state that compensation systems have their foundations on compensation philosophies and strategies complemented with policies, principles, procedures and structures necessary for providing and maintaining appropriate types and levels of monetary and non-monetary rewards. Using Merchant's positive reward pool, Yang (2015) explains the composition of non-monetary and monetary compensations. Monetary compensation includes; salary increases, bonus, stock options and restricted stock. On the other hand non-monetary compensations include; autonomy, power, opportunity to participate in decision making, praise, recognition, promotion, titles, reserved parking places, club membership, job security, vacation trips, participation in development programs and time-offs.

Dur (2009) argues that employees' commitment to the organization is not enhanced by monetary compensation. Instead he recommends rewarding employees by, for instance, the use of other incentives that enhance employees' organizational commitment instead of using monetary incentives. He justifies this position by citing the Hawthorne-effect, a study about the relationship between lighting and productivity at a production plant. The study concluded that whatever changes are carried out in the production environment, adequate and appropriate lighting would lead to increased production. Change in production takes place owing to monitoring and additional attention given by people.

In the study titled 'Gift exchange in the workplace: Money or attention', carried out by Dur (2009), it came out clear that, while generous pay may complement non-monetary gifts, they are only used when self-centred employers have interest in imitating altruistic employers. The study also made it clear that when the incentives are moderate, the altruistic employers would pay lower wages than the self-centred employers. This is because employees feel they gain from working for an employer who truly has care for them.

Employers have the role to try to attract new employees and also to retain the old employees who are useful to the organization. Employees will only be attracted and retained if the organization is offering what they want or at least they are satisfied to a certain level. Employees would want to stay longer in their jobs because this comes with some advantages and those who stay longer in their employment end up with better benefits compared to their colleagues who stay for shorter periods.

Employers retain employees who offer better services and employees usually look for better rewards. They are rewarded in different ways depending on what each employer offers. Some methods are common in all places and others are not. The common methods include fixed monthly salaries, performance based pay, bonuses, overtimes etc.

2.3 Models of Compensation

One of the models of compensation is the fixed monthly salary. Salary is a fixed amount paid to employees (often monthly) for professional or office work, (Free Online Dictionary). In this model, employees negotiate and are offered monthly salaries which they get at the end of the month. There are times when workers get paid not for output produced or labour input but simply the time spent on the job (Blinder 1990 as cited in Silva, n.d.). This system is mainly used by some government institutions and non-governmental organizations.

Another model is the Fee for Service (FFS). In this model which is widely used amongst health care providers, employees are paid based on the number of office visits, tests and procedures that they provide (Centre for Studying Health System Change 2008 as cited in Greene et al., 2013). This comes with some disadvantages because patients end up getting more billable services to patients in order to increase revenue and compensation.

Pay for Performance (PFP) or Merit pay has been considered as an effective method in motivating employees to work harder (Mulvaney et al. 2012; Park & Sturman 2012). This system is thought to "forge a link between pay expenditures and individual productivity" (Mulvaney et al. 2012 p. 507). Part of the compensation is linked to achieving specific benchmarks. This can be bonuses or one quarter of the employee's income, (Schroeder 2013). Investors are interested in knowing what they are paying employees for and how much employees are getting, (Gadiesh et al. 2003). It has been successful in some sectors but it comes with some constraints. Two major constraints are the 'crowding out' and 'gaming'. (Kalk et al. 2010).

According to Kalk et al. (2010) for companies to benefit from linking pay to performance, there are some principles that they need to apply. The first one includes clarity on what drives value in the business and measuring what matters. Secondly, they tie compensation to the value created which reflects the share price and the performance of the business. Thirdly they recognise that the frontline employees drive the bottom line. Finally they encourage compensation systems that are simple and transparent.

McKinney et al. (2013) argue that performance based pay serves to encourage the efforts of employees and upgrade the quality of work. Therefore, rewards are to be based on performance. In the US, it is estimated that about 90% of the agencies use performance based pay to increase the pay of employees (Cascio 2012 as cited in McKinney et al. 2013). This is not a common practice in South Sudan. Companies find it difficult to use the method as people are accustomed to being paid monthly salaries. The logistics involved in setting and operationalizing the PFP is also too much. If organizations do not have plans in place to operationalize PFP, employees are likely to get dissatisfied with the system.

Landsberg (2009) pointed to the importance of being innovative in order for companies to be successful in implementing PFP as it all relies on management by objectives and Park & Sturman (2012) argued that there is need for substantial investment to effectively implement performance pay. He further pointed to the fact that it should be coordinated by the compensation committee of the Board of Directors. In the study of seven companies, Lowery et al. (1996) found out that employees are supporting the idea of merit pay but were concerned about the challenges that come with its implementation. The concern is about the quality of the goals and the fairness of the rewards.

In the study of the independence of the Remuneration Committee in relations to the Chief Executive Officer (CEO) remuneration, Cybinski & Windsor (2013) were of the view that once the committee is independent, it will reduce conflict of interest particularly when there are executive Board members who make decisions about their own pay. Cysbinski & Windsor (2013) investigated whether the independence of the committee will ensure that the pay of the CEO will relate to the financial performance of the company.

There are different forms of PFP: merit pay, individual based annual bonuses and long-term incentive plans (Park & Sturman 2012). Some tangible rewards (Presslee et al. 2011) are also important reward systems that can encourage employees to perform better. Many organizations use performance based pay. Merit pay is expensive because the increase is permanent and bonus is common because it is a onetime payment. In the view of Eskew & Heneman (1996) it is not the form which brings problem about the performance rating but rather the process whereby the form is used. Merit pay critics say that there are "difficulties in paying for individual performance; lack of conviction on the part of workers that pay is really linked to performance; inadequate or inappropriate objectives, criteria, and measures; as well as other shortcomings" (Lowery et al. 1996 p. 27).

To avoid the problems where employees do not get satisfied with the pay they get when performance based pay is being used, it is important to define the performance which leads to the creation of the job instruments, define the performance appraisal interview and determine how much will be increased for the different levels of performance (Milkovich et al. 2012). Employees should discuss their set targets with their supervisors prior to the period against which their performance will be measured. If all these are made clear, the discontentment with the process will be reduced.

Employees also need to trust the person who will be measuring their performance. This is paramount as lack of trust will lead to mistrust of the process. Some organizations have found problems with merit pay and so alternative reward strategies have evolved such as team based pay, profit sharing and gain sharing (Eskew & Heneman 1996).

Another important element worth considering is the acceptance of the pay for performance system by employees. It has been proved that if employees view the system with suspicion and dissatisfaction, it is likely to fail (Murphy & Cleveland 1995 as cited in Mulvaney et al. 2013). It is also important to note that employees do not only react negatively to the introduction of a new system because it is considered as unfair but because of the possible fear of the unknown. Most people fear venturing into what they are not sure about. If a system is likely to consider the employees' performance in relation to the pay, there will be many uncertainties that the employees will speculate about and therefore they would want to see the result of the system on personal basis as opposed to seeing its usefulness to the organization. Eskew & Heneman (1996) discussed the theory of organizational justice where employees are concerned about the fairness of the outcome which is termed as distributive justice and the fairness of the procedure which is the procedural justice. If employees are not convinced about these two areas, the elements of rejection or at least resistance will be very high. It has also been noted that if employees are not contented with the fairness of the process, the pay for performance is likely to play insignificant or even play a negative role in the achievement of the organization's objectives (Gerhard & Rynes 2003 as cited in Mulvaney et al. 2013).

Amounts paid for merit should be paid instantly. Annual merit pay increases are not effective. It waits too long after the employee finishes the performance and the reward come later. Thomson (2012) suggests that there should be periodic bonuses tied to specific performance and should therefore be paid after the completion of the work. This will be good for the employee because of the time value of money. The amount loses value as it waits to be paid at a later date.

2.4 Teamwork productivity and effectiveness in organization

Teamwork is increasingly becoming one of the most important methods of organizing work. This idea of delegating responsibilities is widely used under different labels within the organization yet still embraces the core principles of teamwork. These labels include; Human Resource Management (HRM), modern sociotechnical theory, business process re-engineering and lean production (Delarue et.al. 2010). The fact that team work is prevalent at present shows how it is very effective and beneficial for a business to grow. In addition, teamwork and appropriate compensation is very important for the functioning of successful organizations (Jiang 2010).

In regard to the construction industry, Azmy (2012) underscores the need to promote, measure, and evaluate team's effectiveness in order to ensure teams are successful and effective. Creating highly effective project team is believed to produce high-end project outcomes that exceed standards resulting to enhanced overall productivity. Highly effective teams are known to enhance better relationship at work place and potentially achieve higher outcomes due to minimized conflicts within teams (Aapaoja 2014). Nawi et al. (2014) emphasizes the fragmentation within the construction industry as a basis for team work. Within the traditional construction process, fragmentation arises from the separation of design and construction phase, and the construction structure itself. Therefore, the construction teams are created around specific trades and functions while the team members are selected in consideration of financial and technical viability of the design and how competitive the value of the tender is (Azmy 2012). Emmitt & Gorse (2006) assert that the areas of teamwork and team building have received very little focus in the construction literature. However, companies are increasingly forming teams to enhance their performance. According to Zingheim & Schuster (1997), this quest to increase performance has come with the dilemma of how to compensate team members. The choice to retain the traditional pay method that focuses only on individual performance and the job, to adopt the pay method that allows a portion of team member pay to be based on the performance of the team or to adopt pay method that considers skills and competencies, rather than the job, is still puzzling (Zingheim & Schuster 1997).

While teamwork continues to be the most preferred work organization in most companies including construction firms, its benefits are being hampered by the negative effects of social loafing tendencies. According to Sonja Kuch (2012), social loafing refers to reduction of human efforts by a worker when he or she is working in a team compared to the efforts they put in a work process while working on their own. One of the negative effects of social loafing is the 'sucker effect'. Schnake (2014) defines 'sucker effect' as a form of social loafing that originates from the view that some group members are withholding or plan to withhold effort. Individuals who hold this view proceed to withhold their own effort to avoid being played for a 'sucker'. This leads to poor performance of teams and compensation for work not done. Borjesson (2005) cites 'free rider effect' as another worst form of social loafing. Free riding in a team takes place when one or more members of a team contribute so little to a group assignment or project that if the same grade is given to all team members, the grade would be misleading and unfair (Borjesson 2005). Free riding practice always leads to misleading or unfair compensation of team members.

2.4.1 Team Pay

Organizations have been promoting teamwork for sometimes but rewarding has always been on individual basis (Rowland 2013).

Meyer (1994) looked at how the right measure can help teams and came up with four principles: the purpose of measurement should be to help a team; a team should design its own measurement system; a team should create measures that track the process for a value delivery that cuts across several functions; and finally a team should not adopt many measures at one time. Meyer's principles will help a team achieve a target as a group. In roads construction, it is possible for a group to set a target and try to achieve the target together. Merriman (2009) think that rewarding team performance is counterproductive because team members will look at it as inequitable. Rewarding teams is a good idea but there should be ways of how to reward individuals within the team or else low performers will get paid for work done by other people.

Kim et al. (2011) studied group-based pay for performance and found out that it enhances the firm performance. Members tend to act as a group instead of engaging individually (Ellemers et al. 2004 as cited in Kim et al. 2011). In this way, personal goals are achieved through group goals where the group work tirelessly to achieve their individual goals. Every member brings in their own skills and expertise and together they are able to achieve their collective goals. This in return supports teamwork. The sustainability of the group based pay for performance in the view of Kim et al. (2011) defends empowerment practices which Kirman et al. (2004) defined as 'an increased task motivation that is due to employees' (p.176). If empowered, teams will be able to make decisions that will support their plan to achieve specific set of goals. They are usually satisfied when the outcome shows the impact of their decision.

It's important to note that; if employees are motivated by the pay they expect, they are likely to overwork machines and produce substandard work just because they want to achieve their interest. In the roads construction industry in South Sudan, employees tend to overuse machines when they are promised bonuses and also to hurry in finishing a section leading to substandard work

The consultants hired to oversee the work end up disproving the section. In this way, the company will have to redo the work and the company spend a lot of money in repairing machines. However, the nature of living in groups in South Sudan is likely to contribute to positive group work. Individualistic lifestyle is not common in South Sudan. People live communal life and may support working as a team.

2.5 Compensation Ethics and Ethics in the construction industry

Vee & Skitmore (2003) identify three aspects that constitute ethics, namely;

“A system of moral principles, by which human actions and proposals may be judged good or bad, or right or wrong the rules of conduct recognised in respect of a particular class of human actions and moral principles, as of an individual”.

In his discussion about the minimal view on compensation ethics, Moriarty (2014) pointed to the need for the employee to have a fair wage. This according to him is the wage which the employee agreed through a fair process with the employer. A fair process involves a process that is free of force and fraud.

The emergence of accountability in the construction industry has come with several unethical practices that include; false expense reports, false supplier invoices among other alterations of accounts (Vee & Skitmore 2003). In the end, the project suffers from late completion, unpaid or inflated compensation or abandonment. Brabazon (2011) identifies four ethical issues that bedevil the construction industry. These ethical issues include; ethics of tendering due to costs associated with preparing tender prices, ethics of architects where fake architects exploit clients, ethics of contractors where contractors do not pay applicable taxes or pay their sub-contractors or employees their correct or timely dues and lastly, ethics of clients which include not being tax compliant as well as failure to ensure that the project is adequately funded, both for construction and other professional services.

2.6 Acceptance of change

According to Barringer & Milkovich (1995), change is prevalent in market based economies and consequently to the employment relationships embedded in them. Many organizations review terms and conditions of employee relationships depending on the changes in the economy which in turn affect their individual business performance. In some instances, these changes create dilemma and uncertainty for both individuals and organization at large, consequently raising far-reaching questions concerning the limits of human adaptation (Schiro & Baker 2009). The most common change actions with adverse effects on employment relationships within the organization include; restructuring, termination, permanent layoffs, resource alignment, downsizing and rightsizing (Bujang & Sani 2008).

While in the interest of the organization change is intended to improve the organization's competitiveness, productivity and effectiveness, organizations should not disregard the emotional and economic difficulty it comes with and which in many cases drive employees to resist it (Bujang & Sani 2008). Witting (2012) identifies three factors that influence employees' acceptance of change: employees' emotions and cognitions, communication, and employees' participation in decision making. These factors give more insights into the level of employee change acceptance, arguably more than other factors that are manifest during the process of change in the organization.

Moslemi (2011) asserts that during the organizational change, employees consistently report feelings of anxiety, uncertainty and job insecurity. Consequently, change is precursor of to higher levels of stress in the workplace, which give rise to tensions that require a certain mode of leadership. According to a study carried out by Iverson(1996), employee acceptance of change is increased by organizational commitment, a harmonious industrial relations climate, education, job motivation, job satisfaction, job security and positive affectivity, and is decreased by union membership, role conflict, tenure and environmental opportunity.

2.7 Other Forms of Compensation

2.7.1 Executive Compensation

CEOs get paid more in larger firms than in the smaller ones (Guo 2013). Tilley (2012) supports the idea of paying in an approach which he termed "salary at risk". In this approach, executive remuneration should be partly fixed and partly at risk depending on the individual performance. According to this approach, if the executive achieves the full performance, he/she gets paid the whole amount and if not, the executive gets paid less. This approach will work if there is transparent reporting of targets, achievements and failures. Employees and supervisors should discuss the targets together at the start and also work together to see whether the targets are met or not at the end of the period agreed upon.

Many organizations tend to keep executive pay as a secret. It is becoming a common phenomenon to link executive pay to performance. In efficient compensation structures there is need to compare the incentives of the manager with the organization performance. This leads to greater costs to the shareholders (Murphy 1999). Executives tend to hide their pay because they are opportunists. They would want to benefit at the expense of the shareholders. Therefore, it is important to disclose part of the compensation of the executive. This is because complete disclosure is used negatively by competitors as well.

During the financial meltdown (financial crisis) more emphasis was put on performance-vested equity compensation for top executives (Schneider 2013). This is meant "to tie an increased portion of executive compensation to long-term performance as measured by total shareholder return or to performance metrics that drive shareholder return" (p. 17). In this way, the top executives got higher compensation but shareholders made money as well since share prices were growing as well.

2.7.2 Equity Compensation

Equity compensation is a compensation which is not in a cash form and it shows ownership interest in the organization. When compensated in this way, employees tend to stay longer with the organization (Balsam 2007).

There are various reasons as to why employees are offered equity compensation. Since employers delegate decisions rights to employees, there are some who get involved in actions which promote their own interest. Equity compensation is therefore implemented to reduce such motives (Balachandran & Joos 2012). Its primary role is to "provide incentives to an effort-averse agent" (Bertomeau 2012, p. 471). It also encourages employees to work harder since they are part of the organization. Such payments are made to people who have interest in the organization and have the necessary qualities to perform as required by the employer.

2.7.3 Sales Commission

Sales commission is one of the compensation methods used to inspire motivation and reward sales (Consul 2014). Employees are paid commissions as full rewards or partial. If the sales representatives influence the buying decisions of customers, the larger portion of his/her pay should come from commission and if it is not the case, a larger portion of the pay should come from base salary (Cossack 2012).

Commissions are paid on a flat rate or as variables. Some organizations pay a fixed percentage to sales persons and others pay it based on the amount of sales. If sales person are assured of a higher reward, they are likely to work harder (Roberts 2013). The problem with sales commission is that should the organization not meet the target and should the expense go beyond what was budgeted, the organization will incur extra cost but the sales person will receive the same amount. Therefore, it will be a good idea to charge the commission on the profit.

2.7.4 Long Term Incentives

Some organizations allow their employees to receive profit sharing payments with the idea of increasing employee earnings (Long & Fang 2012) and are also expected to increase the productivity of the company. When using profit sharing scheme, the employer's financial capacity is enhanced allowing the employer to base increases to some components of the pay apart from profit sharing. If employees are encouraged to get more pay, they are likely to perform better and this allows the organization to make more money which will be used to pay them in the long run.

Profit sharing is used for the purpose of what Kruse (1993) termed as substitution. Here, the firm uses profit sharing to substitute for the fixed pay. Employees are paid higher if the organization performs well and are paid lower if the organization does not.

Human capital is one of the uses of profit sharing. It is also used to generate retirement benefits for employees whose employers do not have employee pension plans. Profit sharing is also used to create a work environment in which employees are motivated to work effectively towards the organizational goal. This is termed as Worker Behaviour (Strauss, 1990 as cited in Long & Fang 2012).

2.8 Components of Compensation

2.8.1 Basic Pay

Depending on the model of compensation being used, some organizations pay a certain percentage of the salaries to the employees regardless of the employee's performance or the circumstances under which the organization is performing. This amount usually is used to calculate some of the components of compensation as mentioned in the subsequent subsections in this thesis.

2.8.2 Bonuses

Bonuses are expected to motivate employees to work harder so that the organization will also benefit. Tilley (2012) suggested that it is better to pay individual bonuses in form of equities and placed in their pension instead of paying them in cash. This will encourage employees to take sustainability of the organization seriously since they will have a direct stake at a later date. This is particularly true about the senior executives who make decisions on behalf of the organization. Short term gains for executives do not encourage them to stay longer in the organization as they tend to look for greener pastures should the organization fail to continuously increase pay.

There is a different view on whether individual bonus improves organization productivity or not. Anik et al. (2013) argue that "rewarding individual employees can produce negative outcomes by eroding workplace cohesion as employees become reluctant to share information with others at the expense of reduced output" (p.1). Employees tend to compete and therefore hide information which is likely to increase their pay from colleagues at the workplace. This creates mistrust and lack of team work amongst employees and may result into lack of interest in the workplace. Employees can better work as a team if they are paid based on teamwork. Though this also comes with some challenges where other team members work harder than others and yet they get rewarded as a group.

2.8.3 Overtimes

Overtime is a common phenomenon in today's world (Beckers et al. 2008). It is used by many organizations to help meet some deadlines. This is particularly useful for the construction companies when they have to finish specific work at a given time.

However, there is need to also limit the number of hours employees will be allowed to work overtime. Beckers et al. (2008) pointed to the effect of overtime on employee health. If employees work for longer periods it is likely to affect their health and this implies more medical expense and therefore more days off work. Employees who work overtime do not have time to exercise and to live in a healthy way (Beckers et al. 2008). Beckers et al. (2008) argued that it is important to balance the number of overtime in such a way that employees will make money but will also be able to reduce stress. The number of hours for employees to work overtime should be controlled be it per week or per month.

Uncontrolled overtime may lead to frequent breakdowns on construction equipment. Workers would overwork the machines in order to have more paid overtime. Overworking the machines will be costly to the organization in terms of spare parts and the time to wait for the spare parts should it not be available on site.

2.8.4 Wages

Most of the jobs in the construction industry are not permanent as it is all about projects. Some of the work are seasonal and is subject to a favourable season (Mourdoukoutas 1998). This being the case, companies prefer to pay most of the project staff either weekly or every two weeks to avoid making them permanent staff. Companies prefer to pay staff in this way to avoid some cost associated with keeping permanent staff. It also becomes easier to terminate those who are temporary. This works well in project sites where there is frequent demobilization but it is of disadvantage to employers as they are likely to lose quality workers.

2.8.5 Fringe benefits

While companies reward employees for performance on cash basis, the trend has slightly changed to include tangible rewards which are non-cash incentives but have monetary value. Such rewards include gift cards, holiday and other travel tickets and merchandise (Condly et al. 2003 as cited in Presslee et al. 2013).

The problem with such benefits is that employees tend not to take it as payments but rather as privilege which does not have monetary value. In this way, they do not consider the monetary part of the benefits. For example, if employees are insured together with some of their family members, they do not consider the costs involved in the insurance. Some of the fringe benefits are mentioned below:

2.8.6 Retirement benefits

Employees would like a scheme which will benefit them once they are no more in active service. However, there is a tendency to under save for such purposes (Engen et al. 2005). Employees used to get the traditional defined benefit plans but this has transitioned to the defined contribution plan where employees contribute towards their retirement benefit. Bishop et al. (2011) pointed to one drawback of the contributory plan that the fund is usually invested in mutual funds and is subject to market volatility and it is also paid to the retiree who has the responsibility to continue investing the money in order to have continues income.

2.8.7 Insurance

Insurance companies charge premium on construction workers higher than those in the other industries (Agarwal & Everett 1997). This is because there are higher risks amongst construction companies. And for the case of South Sudan, the risks become higher because of the insecurity involved.

Agarwal & Everett (1997) put forward some strategies for companies to use in order to reduce their "workers' compensation insurance; this includes the formation of industry group, safety programs and lobbying for legislative reform" (p. 70).

Apart from insuring the employees, some employers also offer medical cover for specific family members of their employees.

2.8.8 Paid maternity and paternity leaves

Paid maternity leave is recognized in many countries both in the developed and the developing countries (O'Neill & O'Neill 2008). Organizations that provide paid maternity leave improve their reputation.

Studies have shown that paid maternity leaves reduce sickness, absenteeism and also have improved staff retention and staff morale. Organizations also become competitive if they provide such additional benefits against their opponents as employees will prefer to take up jobs with them (Curtin 2003 as cited in O'Neill & O'Neill 2008). Some companies fear to implement such policies because of the costs associated with the leave. In countries like South Sudan where women give birth to many children and in organizations that have a good number of female employees, this is likely to cost the organization a lot of money to pay the employee and to temporarily hire someone to fill in for the employee who is on such leave.

Paternity leave has also gained ground. In some organizations, male employees also get paid days off work to attend to the new born child (Foegen 1980). The number of days granted to the male employee differs as some give shorter time than others.

2.8.9 Paid sick leave

Some organizations pay sick leaves with the intention to reduce job instability associated with the staff member or family member (Casy & Pitt-Catsouphes 2007 as cited in Hill 2013). It is assumed that the health of the sick employee improves when he/she gets sick leave and the leave also reduces the possibility of the disease to spread to other staff.

When employees sustain injuries and illnesses in the construction industry, there is a significant financial burden for the employer, the industry and the society at large (Dong et al. 2007 as cited in Schwatka et al. 2013). This is one of the reasons why the compensations costs in the construction industries is very high. It is therefore important to consider the age factors for those in the construction industry. Physical limitations and co-morbidities are likely to affect the ability of employees to perform the job requirements needed.

Though companies may be considered as biased when they consider the age of employees in the employment stage, there is always a good reason to do so because the industry requires physically fit personnel to do the demanding jobs. Schwatka et al. (2013) argued that the older the employees, the higher the risk of injury and the higher the likelihood of more sick leave days.

2.8.10 Paid annual and public holidays

Holidays are important for employees because it gives them the time to relax and to attend to some other needs outside the work environment. Skinner & Pocock (2013) think that paid holidays can help employees to manage their work life balance.

When employees are guaranteed of pay during this time that they take off work, they tend to take enough break and then return very fresh to continue with their work. Many consider holidays as "principal objects of life" which are being planned in the course of the year (Pimlott 1976 as cited in Green 1997 p. 243). Unions are known for pushing for paid holidays for employees.

Some organizations arrange holidays in such a way that all or most workers go for holidays at once and allow the organization to do maintenance on their equipment. Apart from the individual annual holidays, organizations also recognize public holiday in the country in which they are operating. Such holidays are also paid.

2.8.11 Other benefits with financial costs

Organizations also cater for some benefits like giving some employees company cars and house allowances. Giving company cars to some employees is becoming a common practice by employers. The idea is that it may enhance productivity (Borger & Wuyts 2011). It is important to limit the movement of the company cars to avoid costs on fuel and breakdowns.

This is an area which needs to be carefully thought of in South Sudan. The way of living of the people requires that people share what they have with other people. If a neighbour or relative has a car, people expect some services from that person and this result into unnecessary expenses. The roads are very bad and if the car is overused a lot of cost is incurred on spare parts.

Companies also incur costs on foreign employees where employers have to pay for Rest and Recuperation (R & R) every two or three months as agreed upon by the employer and the employees. This involves the cost of air tickets and the cost incurred on a temporary replacement of the person going on leave. If it involves a project manager, the company could not afford the cost of keeping the project without a manager and therefore another project manager or the senior engineer at the head office should go to fill in until the project manager comes back. All these are cost associated with the R & R the foreign staff has to take.

When the board are also paid, there is conflict of interest where they would prefer to get higher pay and therefore anything that the management does to raise salaries will get their support. This is what led Cybinski and Windsor (2013) to argue in favor of having independent remuneration committee to reduce conflicts of interest.

Employees are one of the important stakeholders in an organization. Other stakeholders include the communities, the general public, corporate citizen etc. (Hills & Jones 1992 as cited in Tashman & Raelin 2013). Some writers have come clear that the role of stakeholders should not be undermined as they are as important as the shareholders (Kolk & Perego 2014). They need to be motivated for them to be able to deliver to the interest of the shareholders. Both shareholders and stakeholders are important.

Employees' pay determination could be made following performance appraisal. There should be a rating process by which supervisors determine pay increases. Eskew & Heneman (1996) think that the process will be valid if the raters are coached on how to rate. According to them, the employees should be evaluated by two raters once a year and it should be results and behaviors that should be rated instead of personality traits. Employers are also encouraged to involve the employees in the development of performance standards. If employees are satisfied with the fairness of the outcome and the procedures, accepting the appraisal will be much easier. These are attempts to improve the performance appraisal practices.

2.9 How the literature influenced the framing of the research aims and objectives and the formation of the empirical work.

While it is important for organizations to attract their workers and to compete with other organizations in providing benefits to their employees, it is equally important to take into considerations the environment in which the organization works. Schneider (2013) is of the view that organizations should review their compensation plans and structures to ensure that they are properly adapted to the economic and financial environments. Environments are not the same and therefore compensations methods should take into consideration the environment where the organization operates.

Cheol (2013) pointed to the need to tailor compensation to suit business environments. Where monetary compensation is tightened because of a weak business environment, non-monetary compensation can be applied. The literature showed many types of pay systems and components of pay which have been used in other countries. Some of the components of pay are also being used in South Sudan but the fact that the researcher did not come across pay methods which suits South Sudan specific problems, led to the development of the aims and objective for this thesis.

The researcher also considered the factors surrounding how to put the methods into operations because of the elements of resistance to change. This is why the third objective of proposing ways of making employees to accept the new methods but also to consider the human, social and economic factors where framed.

McDermott et al. (2013) pointed to the importance of line managers in influencing the performance of the people they manage. This led to the idea of conducting workshops with the managers to ensure how they can influence the intended change so that employees will consider not only their compensation but also their contribution to the organization. The challenges are not specific to Payii but cuts across the construction companies in South Sudan. This is what led to considering other companies in the data collection methods: workshops, interviews and questionnaire.

2.9.1 Important points in literature to consider in the South Sudan context

Guo (2013) emphasized the payment of the CEO based on performance which is shown in the overall performance of the organization. Assuming that there are other factors which cause the company not to perform to the expectation of the CEO, the board and the shareholders, there is no justification to blame the CEO for non-performance of the organization. The overall performance may be halted by factors like war, other forms of insecurity, bad roads and lack of materials. How can these factors be incorporated in such a way that the cost of failure gets shared by all the stakeholders?

Paid sick leave is one benefit which encourages employees to stay longer with employers. In South Sudan, the possibility of employees being sick is very high because of the prevalence of diseases and the poor health infrastructure. It has also been noted that construction workers are prone to injuries more than the other workers in other industries. If employees are injured and the organization is expected to pay them full salaries for all the period they will be off work, then there is a question of sustainability. There are some injuries which last for longer periods and the employees need to be taken out of the country for longer periods. Though the cost will be incurred by the insurance companies (if the employees are insured) the cost of taking up a temporary staff to fill the position remains to be borne by the organization.

Insurance expenses in environments like South Sudan are also high. The premium is high because of insecurity. This is usually because of expenses incurred during frequent evacuations should the security situation deteriorate in the project area and also to cover for some unfortunate situations like injury and death caused by the insecurity.

All the types of PFP are to encourage employers and employees to pay the right pay the employee deserves and also to give back to the employers what they deserve. It has been noted that the process of PFP is tedious right from discussing the target with the employee and evaluating target at the end of the period but the logistics involved have not been thoroughly discussed. It is not easy for an employee to achieve a target (given other factors beyond his/her control) in a month's time and yet in places like South Sudan employees get paid on monthly basis. How do we relate the pay of employees which is expected to be made at the end of the month with targets which cannot necessarily be achieved in a month's time?

The need to look at non-financial rewards as part of the compensation as discussed by Baker et al. (1988) and the importance of equity compensation (Balsam 2007) made the researcher to think about non-financial rewards as one possibility of a pay method which can be sustained by organizations in South Sudan and also to motivate employees not only to work harder but to stay longer with organizations.

The literature mentioned many aspects of fringe benefits which employees deserve. Though some like the usage of company cars and other facilities are important to employees, there is need to regulate it in the South Sudan context so that it can be sustainable.

It is important to look at the effectiveness and sustainability of some components of pay like overtimes and bonuses. This appears to be possible if the pay methods which are to be developed can be tested over some period of time.

2.10 Conclusion

Broadly, the literature has given in-depth and critical account on how aspects such as; teamwork, ethics and acceptance of change influence compensation system. In this way, the researcher has taken note that while teamwork would be the most preferred work organization in a road construction company to support team based pay, the negative effects of social loafing which include 'free riding effect' and 'sucker effect' need to be taken into account.

Further, unethical practices which include bribery, falsification of accounting documents, unfair employee recruitment practices, often increase the cost of the project or in some instances prolong the project's completion period.

South Sudan is gradually becoming a market based economy and therefore like many market based economies of the world, matters to do with employee compensation will be dependent on the performance of her economy and by extension the performance of individual companies. This will be the basis for pay for performance. From the literature the researcher has learnt that the organizational performance is not static in a market based economy and therefore employees have to accept change that come from time to time based on the changing organizational performance.

CHAPTER THREE
METHODOLOGY

3.0 Introduction

This chapter discusses the research methodology. The chapter explains the research approaches, the strategies, the choices, techniques and procedures. It also pointed to some of the challenges encountered during data collections and the limitations of the methodology.

3.1 The Methodology

3.1.1 The Research Approach and Strategies

This thesis used the inductive approach. According to Saunders et al. (2007) the inductive approach is concerned about the context. Since the study involved determining and suggesting payment methods for a particular context, the researcher found the inductive approach appropriately relevant.

This study used the integration of case study with survey study, and action research as research designs. The use of case study was necessary because the researcher sought to understand adequately the different compensation systems being used in South Sudan, and which was at the centre of investigation. According to Gable (1994), case study provides opportunity for the researcher to ask in-depth questions and to capture the richness of organizational behaviour. The use of case studies gained strength in the areas of management. It is likely to produce theories that are accurate, interesting and can also be testable, (Eisenhard & Graebner 2007 as cited in Marriota et al. 2014). Case studies deal with real management issues and are done in close intervention with the practitioners. Gibbert et al. (2008) argued that they created managerial knowledge. However, Hodkinson (2001) identifies four problems with case study research as lack of: controllability, deductibility, repeatability and generalizability. To address these limitations, the researcher integrated into the study the use of survey research. Gable (1994) explains the survey approach as a collection of methods with emphasis to quantitative analysis where large data are collected through methods such as telephone interviews, published statistics and questionnaires. The data so collected are analyzed using statistical techniques. Hodkinson (2001) adds that since in survey research a representative sample of organizations is studied, the approach seeks to discover the relationships that are common across organizations and therefore provide generalizable statement about study objective. It was on this basis that researcher carried

out a survey study among other road construction companies in South Sudan. The participants in this study approach were mainly non-management employees.

Gable (1994) points out that survey research gives only an overview of a situation at a certain point in time thus generating little information about the underlying meaning of the data. In this way, important variable of interest may not be measurable by use of survey research. Aware of this limitation, the researcher ensured that the findings of the survey and interview approaches formed the agendas of the subsequent three action research workshops. . The participants of the workshops were mainly project managers, line managers and other cadre of management staff drawn from the three selected road construction companies in South Sudan.

The three action research workshops became necessary as an enhancement of triangulation in the study. The fact that the researcher was an employee of one of the companies targeted in the study provided enabling environment for action research. Action research is an inquiry through which effective solutions to real problems can be found, (Ferrance 2000; Lewin 1946; Stringer 2008 as cited in Hine & Lavery 2014). In action research there is usually "repeated cycles of planning, observing, and reflecting" which will lead to changes for the improvement of the problem which is identified, (Hine 2013 as cited in Hine & Lavery 2014, p. 162). Action research is considered as changing a set practice, (Kemmis 2007 as cited in Gopang et al. 2015). It has both action and research aims with action to change a community, program or organization and to increase understanding of the researcher, the client or the community (Elliot 1991).

An action research should be both relevant and rigorous. Naslund et al. (2010) describes relevant research as one that helps managers to understand their organizations better and rigor in research as an examination of whether the research actually supports what it claims to answer. They argued that relevant research needs rigor and relevance to the audience or those who will need the research. To address relevance and rigor, it is important to identify a relevant question which will be based on industry observation (Naslund et al. 2010). This question will be answered by collecting and analysing data using different methodologies. For this research, the question is 'what are some of the pay methods which will be sustainable for construction companies operating in unpredictable environments like South Sudan?'

Using action research allows the proposed methods to be tested. This made it possible for the methods to be evaluated at the end of each period and allowed the cycle of planning, observation and reflection as suggested in Hine & Lavery (2014).

This research therefore, was conducted in South Sudan due to the prevailing economic and political instabilities in the country. The main population of the study was comprised of selected road construction companies in the country. According to Schell (1992) case studies can either use single case or a number of cases. Case studies can replicate a single situation in different setting for purposes of contrasting. In the case of this research, three companies were used to collect the data for purposes of comparing the situation and also for the evaluation of the methods. The basis of this approach was that the results of this study were to define the overall compensation system that can be adopted by the construction industry in the turbulent South Sudan.

3.1.2 Research Choice, Techniques and Procedures

This thesis used the mixed method; combination of quantitative and qualitative methods, as a research choice. The intention here was to ensure triangulation by bolstering action research with both quantitative and qualitative data. According to Denzin (1978), triangulation is achieved in action research by collecting different types of data, using different data sources and collecting data at different times. It ensures seeing all sides of a situation credibly.

When looking at the compensation in South Sudan, it will be difficult to research every construction company. Therefore, a sample was drawn of the population from 8 project sites. The first 4 projects are for Payii and the other 4 for Tumu and Markeric.

The projects are similar since they are all in South Sudan. The donors are GOSS, UN agencies or MTDF. All projects are the construction or maintenance of marrum roads or maintenance of bridges.

One company (Payii) was used for testing the methods developed and the research is a case of South Sudan. The information collected from interviews and questionnaires were presented in tables and diagrams.

3.2 Data Collection

The data for this research was collected from the workshops, interviews and questionnaire.

3.2.1 Workshops

Three workshops were organized in intervals of three months. The participants of the workshops were mainly project managers, line managers and other cadre of management staff. The main aim of holding the workshops was to further discuss the results of the interview and survey approaches and to identify the characteristics of pay method suitable for use by road construction companies in South Sudan. Participants were divided into three groups with each group discussing the interview and survey results as well as important component of pay method. As the group deliberations progressed, research assistants were in place to record the minutes and resolutions. Their work was mainly limited to recording but the analysis was done by the researcher. Content analysis was used to analyze the recorded data. This involved having the texts coded, or broken down into manageable classifications on diverse levels such as word, word sense, phrase, sentence or theme. The categorized texts were analyzed by use of content analysis' basic methods that include conceptual analysis and relational analysis.

3.2.2 Interviews

The questions were designed to get background information about the respondents, the salary structure in the company, the staff of the company, understanding of the pay, group work, and sustainability of the pay and the understanding of the board. The interviews were conducted face-to-face during field visits. For management and board members, the interviews were conducted in their head offices.

The intended participants for interview were 10 board members of Payii and 7 management staff and for both Markerik and Tumu, the intended participants were 5 board members and 4 management staff from each company. The actual participants were 7 board members of Payii and 4 management (Chief Engineer, Accountant, HR Manager and Administrator) staff were interviewed. For both Tumu and Markerik, 2 Board members and 3 management staff (Managing Director, HR Manager and an engineer) each were interviewed. These interviews were necessary to support data obtained in the action research to enhance triangulation.

Table 3.0 Sampling of those interviewed

| Companies | No. BODs and Mgt | Sample Size | Sample Size % |
|-----------|------------------|-------------|---------------|
| Payii | 17 | 11 | 65% |
| Markeric | 8 | 5 | 63% |
| Tumu | 8 | 5 | 63% |

3.2.3 Questionnaires

Burgess (2001) outlined 7 steps in the process of survey research as defining the research aims, identifying the population and sample, deciding how to collect replies, designing the questionnaires, running a pilot study, carrying out the main survey and analysing the data. This thesis used this to go through the process of the questionnaire as follows:

3.2.3.1 Defining the Research Aims

The starting point is to review the relevant literature and to do some preliminary research amongst the subjects, (Burgess 2001). The literature review was carried out to get an understanding of what other researcher have done in the area of pay methods. Though there was quite substantial information on compensation methods, nothing was clear about how to deal with situations like South Sudan. It was therefore necessary, to carry out survey on the current and suggested pay methods in Payii as well as on selected companies in the same industry.

3.2.3.2 Identifying the Population and Sample

In South Sudan, there are few companies involved in roads construction, roads maintenance, bridges construction and bridges maintenance. Though there are other construction companies, they are not doing exactly what Payii Roads and Bridges Company does. From amongst the local companies, there are only three local companies that are involved in the bridges and road construction. These companies are; Payii, Markeric and Tumu. Given the fewer number of these companies in South Sudan, the researcher made a decision of drawing study samples from all the elements of the population. According to Babbie (2007), where possible, researchers should guarantee that every element meeting the theoretical definitions laid down actually has a chance

of selected in the sample. In this manner, the researchers ensure representativeness and generalizability of their findings.

The intended participants in Payii, there were 4 projects with 7 staff in each project making a total of 28 field participants and 7 management staff. Tumu had 2 projects with 7 staff in each project making a total of 14 field participants and 3 management staff. The same applies to Markeric. In Payii, the actual participants were 26 project staff and 3 management staff. For both Tumu and Markeric participants, there were 14 project staff and 3 management staff from each company who actually participated in the survey.

Table 3.1 Sampling of the survey participants

| Companies | No. of Employees | Sample Size | Sample Size % |
|-----------|------------------|-------------|---------------|
| Payii | 35 | 29 | 83% |
| Markeric | 17 | 17 | 100% |
| Tumu | 17 | 17 | 100% |

3.2.3.3 Deciding How to Collect Replies

A letter was designed to explain to the respondents the importance of why they should respond to the questionnaires. For those in management position, the questionnaires were sent directly to them. This goes in line with Burgess (2001) advice that it encourages higher response.

The questionnaires were administered mainly through physical meeting with the participants. This made it easy for those who needed translation. However, there are some who responded electronically because they were in other project areas and had access to internet.

3.2.3.4 Designing the Questionnaire

The questionnaire was designed with the objectives of maximizing the proportion of subjects answering it that is to encourage high response rate, as well as to obtain accurate relevant information for the survey. To maximize response rate, consideration was given on how to administer the questionnaire, establish rapport, explain the purpose of the survey, and remind

those who have not responded. The questionnaire was not made lengthy. In the case of accurate and relevant information, there was serious concern with the type of questions asked that is the questions had to be aligned to the research objectives. There was also concern on how the questions were asked, the order the questions were asked and the general layout of the questionnaire.

3.2.3.5 Running a Pilot Study

Any flaws in the questions can be corrected prior to the main survey if a pilot study is carried out (Burgess 2001). Pilot test is also done to ensure that people understand the questions in the same way. According to Teijliegen & Hundley (2002) it does 'increase the likelihood of success', in the study design of the main research study (p. 33). 9 questionnaires and 9 interviews questions were sent out for pilot study to people who did not participate in the main survey in order to validate the interview questions. The participants for the pilot study were chosen based on their experience in South Sudan in the construction industry. They were contacted through e-mails. 7 out of 9 people responded.

The input from the pilot study was used to refine the interview questions and the questionnaires.

3.2.3.6 Carrying out the Main Survey

The survey was carried out in the field and the head office of the three companies. Participants either filled the questionnaires by themselves or the researcher had to do it herself because of language barriers.

3.2.3.7 Analysing the Data

Collected data was checked for errors of omission or commission. Statistical Package for Social Sciences (SPSS) was used to perform frequency analysis of both interview and survey data.

Qualitative content analysis was used to analyse the data obtained from workshop minutes. According to Hsieh & Shannon (2005), there are three approaches to content analysis which are conventional, directed and summative. Qualitative content analysis comprises a searching-out of underlying themes in the materials being analysed.

Both personal interview data and workshop minutes were used to enable the researcher to construct the meaning of the texts for ease of understanding. The frequency of the appearance

of the item in texts contributed majorly in the findings of the study. This is what Hsieh & Shannon (2005) termed as summative content analysis. In this way, there is counting and comparison of keywords or content followed by the interpretation of the underlying context.

3.3 Limitations and Difficulties encountered

3.3.1 Limitation of the methodology

Action research requires a longer period of time as it is considered to bring change. Change does not come so easily and in the case of this research, the methods are to be tested for a period of three months. Many changes (like change of staff) can occur in this time period and will affect the implementation of the intended change in the organization. This is in conformity with what Coghlan & Brannick (2010) discussed in regards to events which unfold during the time of the action research. In their view environmental and the change of key actors are likely to affect the action research. Again action research and for this matter this research needed a good reflection on one method to consider all the pros and cons and also what is needed to implement it.

There are also issues with the use of technology. Due to the situation in South Sudan, it was not easy to make use of the internet as means of reaching the respondents. If using the internet was easier and if there was internet connection, it would have been easier to get respondents to respond electronically.

During the interviews, time was also lost because the respondents tended to go out of the point talking about other issues which are irrelevant to the topic. It was not easy to stop such participants from talking and particularly when dealing with senior management and the board. Probing questions with such people takes more time because they talk about both relevant and irrelevant issues. Laddering in the view of Easterby-Smith et al. (2009) helps the interviewer to understand the respondent's true understanding and feeling about the question which is being discussed. Asking further questions will only clarify but it will take a lot of time particularly when there are many people to be interviewed.

3.3.2 Difficulties Encountered

After administering some few questionnaires in Juba it was apparent that some people needed assistance in filling the questionnaires so that the questions will be understood as intended by the researcher. This resulted into expensive and time consuming travels to the project sites.

It was unfortunate that the time of data collection co-incident with the period when the current war broke out in South Sudan. People are cautious about their security and no one was comfortable being recorded. So, there was no record of any interview.

People are suspicious about any exercise which in their view will expose them and as such any attempt which will criticize the government (Labor Office, consultants and the client) remain an area people are not willing to talk about.

People had important issues to consider at the time of the interview. They were worried about the security situation of the area and as such only few accepted to be interviewed.

3.3.3 Ethical issues

Issues of ethics as mentioned in the Research Ethics Form were observed. Of importance is the issue of anonymity. Participants would want to remain anonymous when the issue discussed in their view is likely to harm them, but they would want their names to be mentioned when they think it is not harmful. The researcher opted not to mention names whether the participants want it mentioned or not.

Other participants are likely to read between the lines what the researcher opts to keep anonymous. For examples, it is obvious that some respondents are disappointed with their employers for not considering hardship allowance and they do not want their names mentioned but the same people would want the researcher to mention their names that they are not happy with the Labor Office. The person being interviewed is likely to know who said what even if names were not mentioned.

There is a counterview that there are some situations where participants really want their voice heard and would therefore want their names mentioned (Trites & Belanger 2005 as cited in Locke et al. 2013). All these have pros and cons because if they are mentioned and it exposes

them, then the researcher would not have done what was agreed with the Ethics Committee and if they really want their names mentioned and it was not done, they would not be happy.

An action researcher will find it easier to influence the research process and outcome within the company where he/she works but this will not be the same in the other companies who are part of this research.

It is important to treat and respect people the way they wanted it to be done. This sometimes affects the research process. For example, where the researcher wanted to know the background of the respondents in terms of the size of their families, it becomes unacceptable in some communities in South Sudan where they are not supposed to mention the size of their families. This has an effect in that the researcher had to choose some respondents who will answer such questions without fear.

CHAPTER FOUR

RESEARCHER'S PERSONAL EXPERIENCE FROM PRACTICE

4.0 Introduction

This chapter aims to inform the readers about the researcher observation from practice. It explains the challenges facing the construction companies in the country. Insecurity which is rampant in the country is also discussed and its effects on the companies' works. The chapter ends with analysis of a typical project in Payii.

4.1 Some Observations from Practice

4.1.1 The researcher's reflection as a practitioner in the roads industry

One of the challenges faced by contractors is the effect of the intermediaries. By the time the real money for construction is released to the contractors, a lot has been spent on consultants' fees. In South Sudan, contractors would want to make as much profit as possible and would therefore end up constructing poor quality roads. The impulse to make profits might create pressure to minimize cost such as compensation.

It is an open secret that there is rampant corruption in the roads construction industry particularly in South Sudan. Officials from the ministries, the intermediaries or even the banks expect kickbacks in order to facilitate whatever issue the contractor expects them to solve. Those who award the contracts expect the contractor to pay the lump sums immediately after being awarded the contract. The same applies to officials in the other institutions who provide funds like Multi Donor Trust Fund (MTDF) or UNOPS and the bankers. The contractor ends up covering for these costs from one or two items on the contract.

Due to the low capacity of locals, most of the companies have a good number of foreign employees. This can be attributed to lack of proper Labor Laws which regulate recruitment of foreign workers or laws which allow the locals to take over some positions in the companies. South Sudanese are also affected by procrastination. People are used to taking longer periods of time to perform work that would have been done in a shorter period. As a result, contractors end up taking employees from other countries as long as they can do the work and are not hesitant to go to the insecure project sites.

The suppliers to the industry are also less experienced, and at times scarce, resulting to delay in contract delivery. Another constraint that affects the cost of operation and timeliness of delivery is poor road infrastructure. Excess extension of a project's deadlines inflates fixed costs and thus affects the firm's ability to offer pay and benefits to its workers in a sustainable manner.

Albeit the numerous challenges mentioned above, road construction companies continue to operate with varying capacities. Some have capitalized on the weakness in the regulatory framework to reduce operational cost, limit capital investment in equipment and expending less in building capacity of the staff.

The Ministry of Transport and Roads (MTR) sets international standards to all construction and maintenance works, though not achievable owing to resource limitations. For a start, it would have been easier for the country to utilize the locally available resource to construct at least the marrum road before meeting some international standards. What should matter at this stage is to be able to connect the towns by having passable roads. Once this is put in place, it will be easier to upgrade the roads to some standards.

For the roads to meet some standards as demanded by the clients and particularly the donors, the contractors will just be delayed unnecessarily. For instance, it becomes difficult for the contractor to mobilize equipment for a road project when the roads are not passable. Let there be some passable roads to enable the contractor to transport equipment and materials on site. There are instances where the delay is caused by inability of the contractor to deliver equipment on site.

To have passable roads, the contractors should be allowed to install locally made culverts and to make use of the local gravels. Importing culverts and specified gravels causes unnecessary delays. The same applies to having local employees. There are no justifiable reasons to employ foreigners in positions which can be filled by the locals. The cost of employing foreigners is higher in terms of salaries and other costs associated with employing from outside the country. Going local for the start will make it easier to have impromptu employees and materials.

4.1.2 Challenges facing construction companies and the expectation about compensation

4.1.2.1 General Challenges

Generally, in South Sudan, employees are paid monthly salaries regardless of the productivity in each month. The Labor Office does not allow companies to give employment contracts which are not in line with the Labor Laws. Laws are tailored towards public offices instead of the private companies. The law requires that employees should get monthly salaries

4.1.2.2 Challenges facing the BOD

The BODs are people elected by owners of the company in order to represent their interest. It hires the CEO, sets compensation policies, determine dividends and evaluate the overall performance of the organization. It can oversee auditing, stop management from going overboard on many issues, (Andy 2010) and ensure that major risks to the company are identified and managed (Carter & Lorsch 2004).

In most of the national companies in South Sudan, the same people are the owners and they serve as board members. Dimma (2006) stressed the need to assess the board and individual directors so that those with poor rating and low ranking will not be permitted to stand for re-election. When there is re-election, board members will commit to doing their best but if not, there is no need to do any extra work. In situations that the owners are the board members, there will be nobody to assess the performance of the BOD.

There is also a lack of capacity amongst the board members. They do not know their roles as board members. Carter and Lorsch (2004) advised that board members should be technical people in the main departments of the organization.

In Payii, there are also issues with the fact that the Chairman is not independent. Dimma (2006) advised that the Chairman should not be part of management to allow him/her to be an overseer. However, where the Chairman virtually controls management, it becomes difficult if not impossible for management to make decisions. A board where the Chairman makes most of the decisions without being questioned by members is not far from what Charan (2005) termed as ceremonial board.

4.1.2.3 Challenges facing employees

The management functions of staffing, planning, organizing, controlling and leading (Allen 1993) need people who have what it takes to do the job. For the company to get people of such calibre the recruitment process should be in such a way that only qualified people or at least people with the potential to learn when on the job should be recruited.

Given the environment where people just came out of the war and the prevailing high level of poverty, those who are owners of companies or those who work at senior levels prefer to bring in their relatives. Such nepotism results into other members being exempted from the rules and regulations which apply to those who are not within their groups. There is also tolerance of misbehaviours and these results into not monitoring the performance of such persons (Spranger et al. 2012).

Since the Labor market in South Sudan is not regulated, foreigners and particularly those from the neighbouring countries work at all levels in the country. Some claim to have certificates and degrees but in reality they do not have them. This is again noticeable in their performances.

In addition to the above, there are also some social events such as funerals, marriage ceremonies among others, which are highly valued in the society. Such events affect the ability of employees to deliver in their full capacity. The situation is even worst when the company has many employees who are so religious and have to attend some religious conferences, seminars etc. In situations when there is family occasion and where most of the employees in one company are related, they have to go for the occasion all at one time.

There are many public holidays and when the holidays coincide with the weekends, it goes into the beginning of the following week. This has yet another adverse effect on the head office though is not very much felt at the field level. At the head office level, there will be no work but at the field level, work will continue.

South Sudanese are petty about many issues. When it rains in the early hours of the morning, they will either come as late as 11:00 a.m. or even later to work or not come to work at all. Again if it rains in the afternoon, employees would want to leave work before the official working hour elapses.

The spirit of working beyond working hours is not common. People would either leave before the end of the working days or at least work up to 5:00 p.m. which is the official time when work finishes. Very few people will be willing to go beyond the official working hours with the exception of the field staff who are motivated by the overtimes but not the urge to finish the day's work. Management should have been driven by the need to finish their work. Managers need to develop the spirit of working beyond the working hours to ensure that they finalize their day's work. The infrastructure should also support them to do this. For instance, for managers to work beyond the working hours, there should be power supply (many organizations use generators to supply power and therefore there is a time when the generator should be put off). In addition to this, there should be security so that they will move freely at night without hindrance.

Generally, the South Sudanese has a no hurry culture. Time is not very important. A meeting scheduled to start at 9:00 a.m., will actually start between 11:00 a.m.-12:00 noon and the people will not complain because it is 'Sudan local time'. It will be easier in situations of internal meetings within the organization because the participants will attend on time. This is not the case when it involves going to another camp for a meeting or meeting clients, consultants or some government departments. Usually in this case people do not keep time. Such delays affect the work. For example, if the Chief Engineer and Project Engineer are to meet with the consultants and the clients to discuss the certificate and the meeting delays, it is likely to affect the timely payment of the certificate. This again affects the work on the project. In this way, the company will not be able to provide the required materials in the field and will not be able to pay the employees on time. This then leads to low morale amongst the employees.

Last minute pressure will end up in substandard work or overworking people and thus more money on overtimes. Here, 'active' procrastinators which Chu & Choi, (2005) described as those who work under pressure to achieve the same thing non procrastinators perform, do not exist. The roads construction work is interrelated in such a way that if one level is not achieved by passive procrastinators, few active procrastinators will not be able to do last minute job.

4.1.2.4 Issues with insecurity and lack of materials

There are many cases of insecurity in the country which is beyond the limits of the company. This includes inter-tribal fighting and rebel operations whether from within or outside the country. In remote project sites where security is not ascertained, the possibility of the company demobilizing at any one time is very high. Even if the camps are secured or the road stretch under construction is secured, still the supply of materials to the field becomes an area of concern.

The employees (of projects which are terminated or temporarily demobilized for reasons of insecurity) are brought back to the base and some who can boost the work on other projects are taken to work on those projects. They continue getting their monthly pay until when the security situation of their project area improves. Where the insecurity continues for long, the employer has the option to reduce the number of staff after notifying the Labor Office. The Labor Act (1997) section 56, subsections 1,2,3,4 states:

- (1) The employer may apply to the competent authority for the reduction of the number of workers or to shut down the place of work for economic or technological reasons.
- (2) The competent authority shall submit the application to the competent commission to consider it
- (3) The competent authority shall make its decision on such application within a period of three weeks from the date of receiving the same.
- (4) If the Governor (Wali) approves it, the employer may make the reduction according to the Governor's decision. The employer has the right to make the reduction according to what was specified in his application if he did not receive the direction of reduction from the Governor after the expiry of four weeks from the date of receiving the application by the Governor; provided that no harm shall ensue to the reduced workers in relation to their rights.

In this section, the employer can reduce the number of staff for economic reasons. Where it becomes a bit challenging is in subsection 4 where the decision is to be made by the Governor. This supports the argument that the Act is tailored towards public offices and not private companies.

Importing materials from abroad also affects the work on the projects as it takes time for the materials to be delivered on site.

4.2 Analysis of projects in Payii and some suggestions for reducing costs

4.2.1 Analysis of a typical project under the current structure

In 2011, 1 km of marrum road costed 80,000 USD in South Sudan. Assuming one (1) km of marrum road costs 80,000 USD and the company gets a project of one hundred (100) kms, the project cost will be 8,000,000 USD (80,000 USD 100 Km). Usually about 30% of that amount is for Labor.

The project was estimated to be finalized in nine (9) months. This means the total cost of labor on the project should have been 2,400,000 USD (8,000,000/9). Assuming the project was to be completed in exactly nine months, it means the company would have spent 266,667 USD on labor on monthly basis. However, the project was not completed as anticipated.

For example, that particular project took two and a half years to be completed and yet the contract was supposed to have been completed in nine months' time. Therefore, the calculations are as follows:

1. In nine months, the Labor cost would have been $9 \times 266,667 = 2,400,000$ USD
2. In two and a half years the total amount on salaries was $30 \times 266,667 = 8,000,010$ USD
3. The additional amount incurred on salaries was $8,000,010 - 2,400,000 = 5,500,010$ USD.
4. The labor cost increased and there was no additional funds provided by the client.

The company would have lost 5,500,010 USD if it was to go by the 30% labor cost, but the real amounts incurred on labor were less than that because the company was not paying all the parts of compensation as discussed in the literature review. So, in essence the actual labor costs were lower simply because the employer was not paying the employees what is due to them. At the end of it, the employer seems not to have felt the burden of this prolonged stay on one project in regards to the payment of employees.

The company incurred costs on transportation of those going for holidays, on medicals, bonuses, overtimes and trainings. The company had to incur expenses on overtimes and bonuses because there were other instances when the consultant demanded redoing of the work because

the contractor did a substandard work. It also paid company overtimes and bonuses in order to motivate employees to complete the work and meet dateline particularly if the work delayed because of equipment breakdown, insecurity or lack of materials.

There is nothing the contractors can do in situations when the government instructs them to demobilize from project sites because of insecurity. All these are factors which extended the project time to two and a half years. The amount incurred on bonuses and overtimes was 22,520 USD, (this is extracted from the costs on one of the projects of the company).

About half of the staff for that particular project were people from the neighbouring Uganda and Kenya or South Sudanese who had families outside the country. This had a direct effect on transportation. Those in senior positions got air tickets to visit their families every three months. Senior staff incurred about 27,000 USD on air transport.

Health insurance cost for some of the employees for the two and a half years was 12,600 USD. This is a bit lower because not all the employees were medically covered during that time.

The field staff were accommodated on a project camp and they get free accommodation and feeding. A total amount of 76,000 USD was used for feeding staff on the project. The actual amount on labor per months was 68,491 USD.

- In nine months, the labor cost would have been $9 \times 68,491 = 616,419$ USD
- In two and a half years the total amount on labor was $30 \times 68,491 = 2,054,730$ USD
- The additional amount incurred on salaries and wages was $2,054,730 - 616,419 = 1,438,311$ USD.

Therefore, the summary of compensation incurred on that particular project was:

| | | |
|----|-----------------------|---------------|
| 1. | Salaries and wages | 2,054,730 USD |
| 2. | Insurance | 12,600 |
| 3. | Transportation | 27,000 |
| 4. | Bonuses and overtimes | 22,520 |

| | |
|---------|---------------|
| 5. Food | 76,000 |
| TOTAL | 2,192,850 USD |

If the additional expenses incurred on insurance, transportation, bonuses and food was included, it means the company incurred additional 2,192,850 USD - 616,419 = 1,576,431 USD on compensation.

This amount did not show the private usage of company cars by management staff and other senior staff in the field. The formulae for paying bonuses were not usually applied because the bonuses are just flat rates declared by the BOD. Food was bought and taken to the field without calculating how much each employee will need for food. As such, there are complaints from the field about the quality and quantity of food. If these amounts are to be included, the cost of labor on this project would have exceeded the 30% of labor cost.

The employer wanted to make as much profit as possible from all the items on the project. This includes labor, materials, operating costs etc. On this particular item, the employer lost 1,576,431 USD (there is no clear data on the usage of company cars. This would have increased the amount of losses). On the other hand, the employees would have wished to benefit from other compensations such as equity, fringe benefits like retirement and insurance for their immediate family members among others.

In an interview with one board member of Payii (who is also a shareholder), he has this to say:

'If only we can make as much profit as possible from all the items on the project, we will be able to achieve our objective of maximizing profits. However, we need to be cautious of how we treat our employees because they can actually sabotage things for us. I have heard some complains from them'.

From the above statement, the board members have acknowledged the fact that the employees, the board and shareholders are discontented.

4.2.2. Example of a project which was deserted because of insecurity

Trauner et al. (2009) categorized delays into critical or noncritical, excusable or non-excusable, compensable or non-compensable, and concurrent or non-concurrent. There are some delays which if they happen, the deadline or milestone will not be achieved.

Excusable delays may result into compensation which can either be time extension or additional funds for completion. In non-compensable delay, an excusable delay might have occurred but does not warrant compensation. Examples of excusable delays are general strikes, fires, floods, acts of God, errors and omissions in the specifications and unusually severe weather. Such delays in the researcher's view should be compensable but according to Trauner et al. (2009), federal contracts define them as excusable but not compensable. This shows that what is considered compensable also differs from one place to the other. In South Sudan, they are excusable and can warrant extension of time but are not compensable. There may be justifiable reasons for this as well. Strikes, weather conditions, floods are all excuses that can finish within a short period of time. Once suspended, there is no definite time when the work on the project can resume.

Payii deserted a project site (Mvolo-Aluak Aluak Project) because of inter-tribal fighting in 2008 and up to now, the company has not gone back to resume work. In such situation, there should be a way of how to lay off the project staff even if such excuses are compensable. For how long will the client pay a contractor under such arrangements?

When the fighting started, the following happened:

- Soldiers in the area took some company cars by force and used company fuel on ground that they were using them for patrolling the area. The vehicles were only brought back after two months in bad shapes. They were overused without repair.
- The demobilization process was also very expensive in that important earthmoving machines had to be transported back to the base and for those grounded in the remote bush clearing areas, soldiers and guards have to be paid to take care of the machines.
- The company continued paying the guards in the camp and the soldiers for almost one year.

- The employees who were demobilized from that project area were brought back to the base and they stayed around doing nothing for almost three month as they wait to be taken to other project sites. It was difficult to lay them off because the Labor Laws requires that the company had to pay them six month salaries.
- One of corporate social responsibility which the company embarked on was to build concrete camp so that after the completion of the project, the camp will be handed to the local community to be used as a health centre. The company incurred a lot of expense on the camp which was not utilized.
- The company received only the mobilization money but incurred expenses on camp construction and bush clearing of few kilometers of roads in addition to paying employees.

Therefore, in order to safeguard the company against such situations, there should be a different approach of handling pay.

4.2.3 Reducing costs on projects and other incentives

The below recommendations by the researcher is derived from experience and after comparing the terms and conditions in the project documents and the Labor Laws. This applies when the contractor is instructed by the client to demobilize from the project site because of insecurity.

- In the first three months, the company should pay the project staff 100% of their salaries as long as this is compensable by the client, (the 100% payment depends on how long the client will be willing to compensate the contractor the full amount). All employees should be notified on the possibility of terminating their contracts should the unfortunate situation continue.
- This is an area which needs collaboration of the Labor Office. Labor rules needs to be modified to take into consideration such situations. The Labor Laws in South Sudan stipulates that six months' salary in lieu of such termination need to be paid to the employee. For all these suggestions to work, it is important for the Labor Office to see the situation from the perspective of the contractors. This has been identified in the workshop together with the Labor Office.

- The head office staff should be encouraged to work hard to get more projects so that there will always be more than one project running at one time. No head office staff should accrue salaries when there is no project running.
- Those in the Marketing Department should receive commissions if they are able to get contracts. In case there are no projects running, they will not be expecting the company to pay them. This will encourage hard work.

4.2.3.1 Incentives to the board

Board members are only entitled to sitting allowance (allowances given for attending a meeting) whenever they meet. They usually get 500 USD or its equivalent as sitting allowance. Some members also get allowances for communications and fuel if they are involved in doing a business for the company in addition to transportation money for those who happen to be outside the town when there is a meeting.

In Payii, the BOD are also the shareholders and there are also some senior staff who are also members of BOD and are shareholders. In this way, Payii has people who get salaries, who get sitting allowance and all other benefits which are to be given to shareholders. From the researcher's experience, employees who have all these status use their added status both positively and negatively.. It also encourages cooperation between the board and management Particularly when there are people who are management staff, board and shareholders at the same time. However, this comes with some disadvantages as well. Bedard et al. (2014) argued that company staff who have seats on the board are likely to use their increased power to infuse bias that will make it difficult to prevent any bias associated with their work.

In regards to compensation, it is the board that should propose the executive compensation (Loureiro 2012). If the same person is in management, board and is also a shareholder, there is a possibility of bias in regards to compensating him/herself. The BOD is supposed to be monitors on behalf of shareholders. This becomes a bit tricky in situations that the same people serve as shareholders and board members. The situation becomes worst if there are others in management as well. Whereas it can be considered that in the absence of monitoring, the members are likely to compensate themselves on a higher side, the researcher's experience shows that they are likely to look at the interest of the company since they are owners. In this way, they would not do any harm to the company.

4.2.3.2 The structure in place

In Payii, bonuses are given to those in high risk project sites. Employees are generally entitled to overtimes but this is not paid on monthly basis because there are other times when the client delays to pay the certificate. Employees get paid sick leaves up to the maximum of 12 working days in a year. They also get paid maternity leave (female) of 4 months. However, paternity leave is not being given to the male employees. If a male employee asks to go when the wife delivers, they are allowed few days (3-4 days) with pay and if they want extra days, it is being deducted from their annual leave or they get few days without pay. Employees get one month annual leave which is paid for in all the companies. Pension schemes are in the making but have not fully materialized.

In Payii, 2% of the basic salary is deducted and when the employee leaves the company, the company pays the 8% in addition to the 2% which has been deducted from the employee. Companies have been using this but there is no reference as to why this amount is being deducted from basic salaries instead of 8% from gross salaries as required by the Government of South Sudan Labor Office circular (2010). Payii deducts from basic pay and this is not in accordance with the instructions from the Labor office.

Senior employees who get company cars are entitled to limited litres of fuel in a month. The amount differs from one company to the other.

The payments of commission to some employees were tried but at the time of the research, it is not being paid. Initially, Payii did not have the Marketing Department. Someone was put on commission to secure contracts for the company. The agreement was to pay 8% of the contract sum. This did not work well because the work ends at securing the contract. All other subsequent work for the marketer was not done. Assuming a contract costs 2 million USD, 8% of that amount is 320,000 USD. This is a lot of money to pay for only securing a contract. The present method is useful to the employees in that they are paid regardless of what happens to productivity. At the same time, this is a disadvantage because if the company performs very well, the pay to the employees remains the same. In regards to the employer, it is a disadvantage because the environment in South Sudan is so unpredictable that the employer cannot predict with a higher probability of accuracy that they will perform well. If the current pay method remains as it is, the possibility of the employer to lose is very high because employees continue accruing salaries even when there are not working.

CHAPTER FIVE

OUTPUT OF THE INTERVIEWS AND THE SURVEY

5.0 Introduction

This chapter presents data findings from the interview and survey study approaches. The researcher has put together the results of the two study methods owing to the fact that interview questions were similar to those of the survey. Nevertheless, the researcher has identified the interview responses from the survey responses. The data so gathered were sorted, coded and input into the statistical package for social sciences (SPSS) to determine descriptive statistics such as mean, mode, median and frequencies. The results were then presented in tables and charts.

This chapter also informs the reader about the compensation methods used in the companies and the respondents' views on how to change the methods. The chapter ends with the summary of the findings from both the interview and the survey, and which sets out the agenda for the three workshops.

5.1 Background Information about the respondents

5.1.1 Background information about the interview respondents

Interviews were carried out in all the three companies. Both board members and management staff were interviewed. A total of 21 respondents were interviewed. 55% of the respondents are senior staff and 45% are board members, in their respective companies.

5.1.2 Background Information about the questionnaire respondents

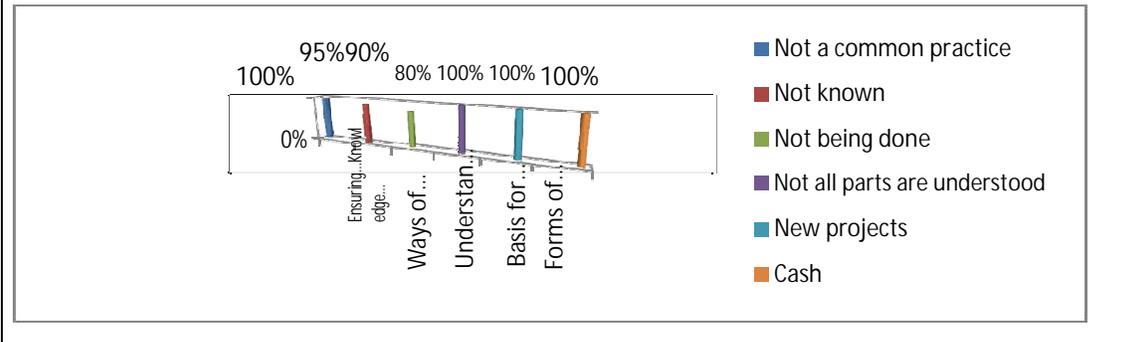
29 Payii employees filled the questionnaire and 15 employees each from Tumu and Markeric filled the questionnaire.

It is to be noted that those interviews were all senior people (managers and BOD) and those who participated in the survey are both senior staff (managers) and junior staff.

5.2 Employees' understanding of pay

From the interviews conducted the following is the analysis of the responses of the 21 participants:

Figure 5.1 Interviewees' response to the understanding of pay



As shown in figure 5.1 above, the employees are generally enthusiastic about knowing the issues around their pay. Issues such as basis for pay increment and forms of pay bonuses are ranked highly in the minds of these workers.

Figure 5.2 Knowledge of Pay Components

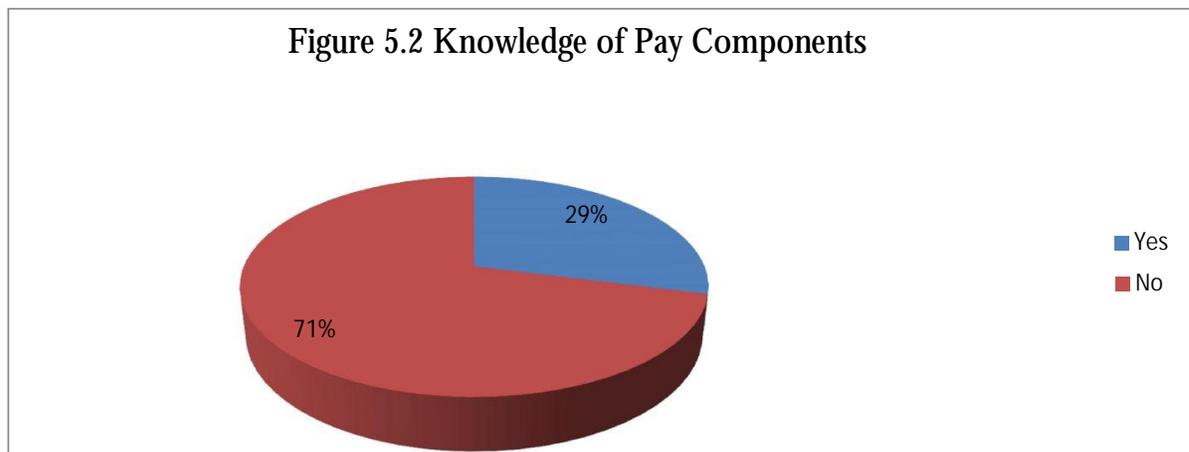


Figure 5.2 above shows that 29% of the employees know the components of their pay and 71% do not know. What constitutes compensation is not known to many people. If only employees know what they deserve to be paid as part of the overall compensation, they will demand for them. Employees should demand to know all what will be due to them prior to commencing work. From the researcher's experience, when potential South Sudanese candidates are asked in interviews as to how much they expect to receive, they shy away.

Figure 5.3 Information on responsibilities prior to commencement of work



Looking at Figures 5.1, 5.2 and 5.3 above, one notices a clear contradiction in that in Figure 5.3 the number of those who claim to have been informed by management about their work responsibilities prior to commencement of work is at 59%, Figure 5.3 indicates that the number of respondents who understand Labor Acts is at 18%, while those who said they understand components of their pay is at 29%. This brings into focus the competence of those charged with HRM responsibilities. For example, if employees know that at the end of the month they are supposed to be paid salaries and that if they work beyond the normal working hours, they deserve overtimes, this is not enough information about compensation.

According to Diamantidis and Chatzoglou (2011) the 10 Job-Related Factors (JRF) of job security, job communications, job satisfaction, job facilities, job design, job training, career opportunities, job requirements, rewards satisfaction, job climate are all important factors to consider as they have direct impact on the firm's performance. If one looks at all these factors, it means the HR department has a big role to play in satisfying the employees to realize the objectives of the firm. In the case of this research, HR should have done more work of trying to achieve the rewards satisfaction and this will only be clear if the employees know what is due to them and what is not.

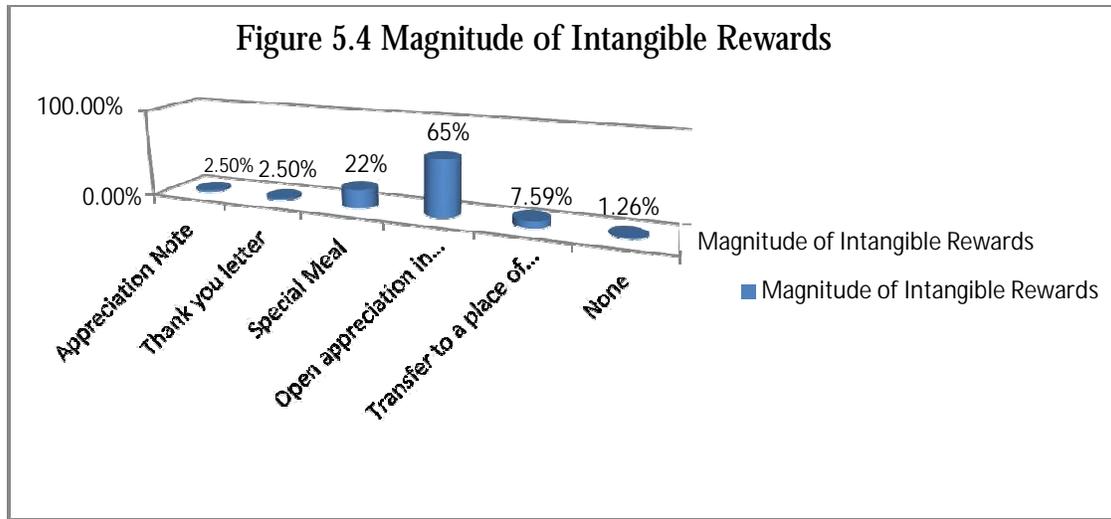
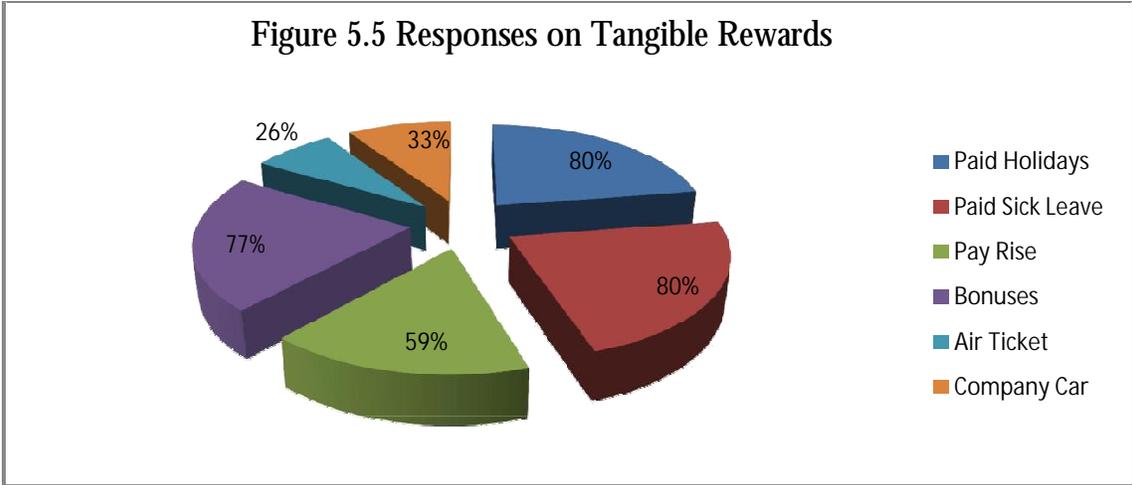


Figure 5.4 above, shows that 65% of the respondents are rewarded in terms of open appreciation in meetings; 22% with special meals, 7.5% are transferred to a place of choice; 2.5% appreciation note; 2.5% with thank you letter another 1.2% are not appreciated. The higher percentages are in rewards which are less costly to the organizations.

Open appreciations in meetings will encourage employees to perform better because their colleagues will witness the time when the employer or their superiors appreciate them publicly. However, this does not go beyond the employee because it is usually done during working hours or immediately after working hours. The employees who are being rewarded in terms of special meals are not allowed to invite anybody to share in the meals.

The employer weighs the transfer option carefully before accepting to transfer. In South Sudan, employees usually ask to be transferred for the fear of insecurity and employers rarely accept such request because if they do, all the other staff in the project area will follow suit. That is why the request of transfer to a place of choice is not usually granted.

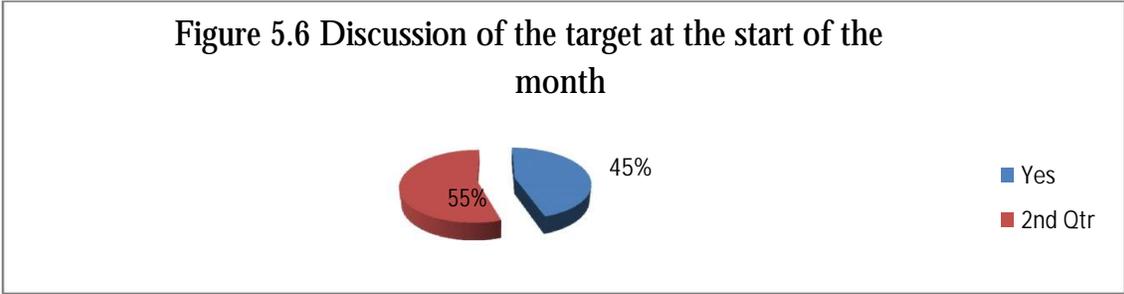


From the data collected through the questionnaires, paid holidays (80% of respondents), paid sick leaves (80% of respondents) bonuses (77% of respondents) and pay raise (59% of respondents) are considered as the leading preferred modes of tangible rewards. Bonuses and overtimes are given to employees but the tricky part with the bonus is that it is being paid at the discretion of the employers in the three companies.

5.3 Staff Knowledge and Information about Compensation

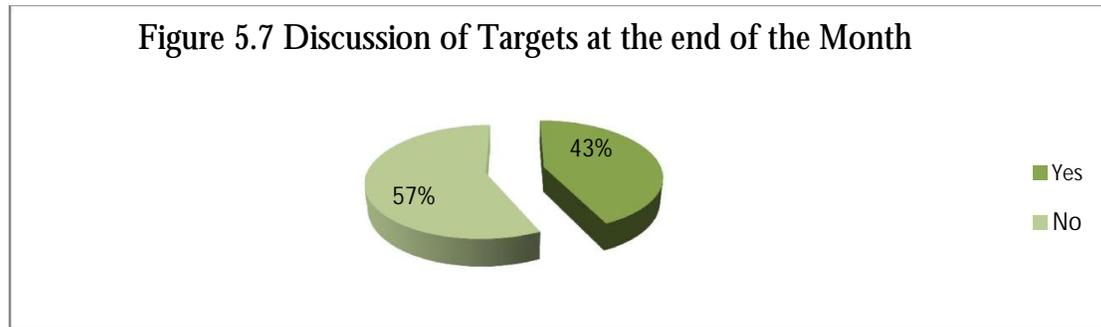
5.3.1 Work Targets and Pay Increments

Data collected from the questionnaire shows that employees do discuss targets at the beginning of the month. This is shown in the figure below:



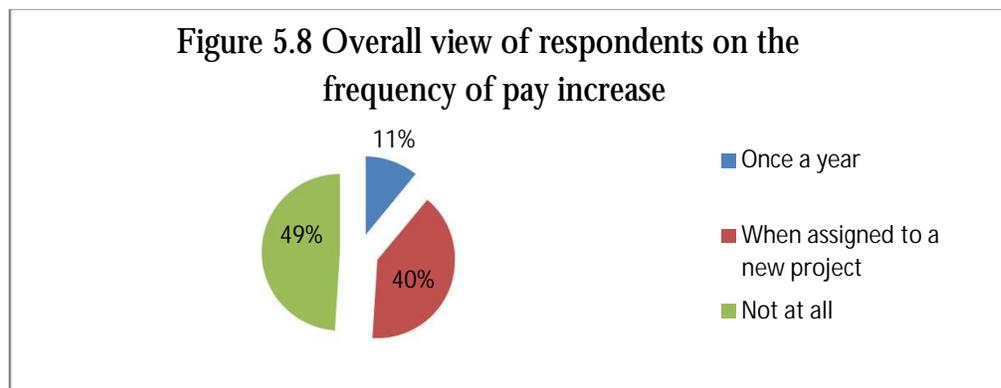
According to figure 5.6 above, majority of the respondents at 55% said they do not discuss targets with their supervisors at the start of the month. This section of respondents may comprise of junior staff who are usually the majority in the construction workforce but are not involved in the discussion of targets. 45% who indicated they discuss work targets at the start of the month may comprise of middle management and senior management who do discuss targets

with their respective supervisors. The question is what happens if the targets are achieved or when they are not?



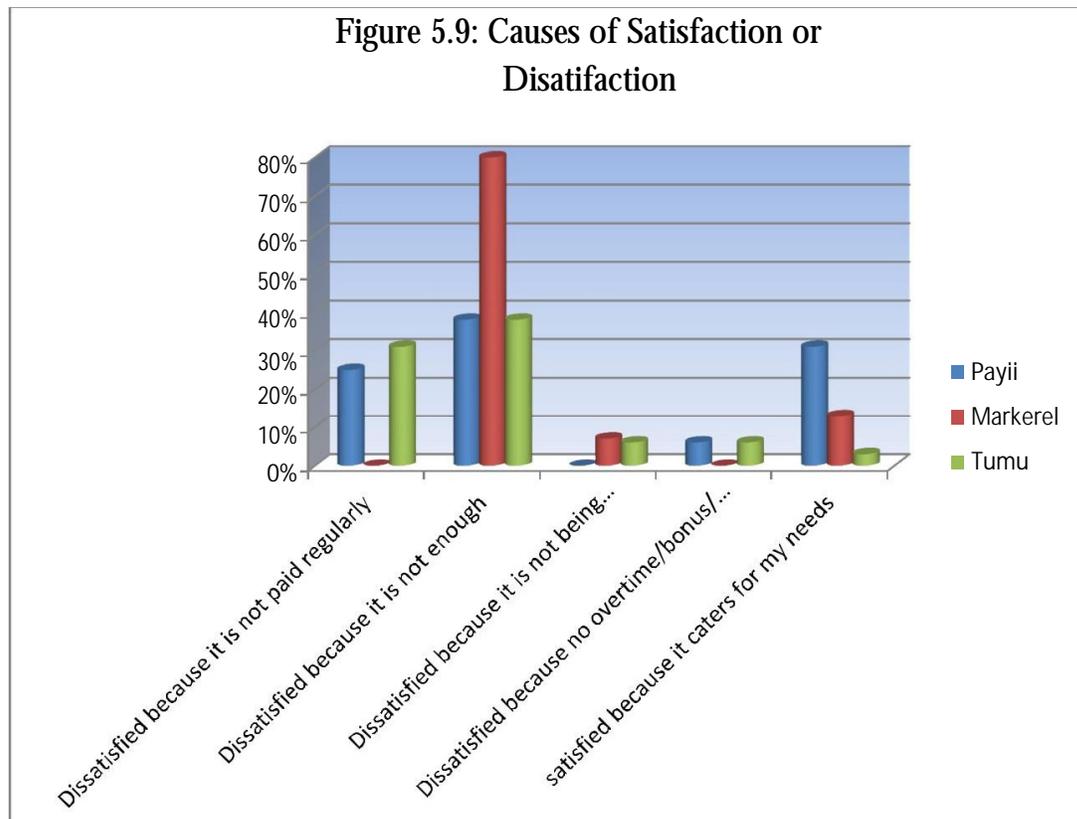
This is connected to the discussions of targets at the start of the month. It shows that the target is set at the beginning of the month but is not being discussed by a majority of supervisors and subordinates (57% in Figure 5.7 above) at the end of the month. This raises a concern of why it has to be agreed upon at the start of the month if there are no plans to discuss them later in order to ascertain whether the employees achieved the targets or not. This can also be attributed to lack of capacity of the supervisors to assess their juniors to know whether they performed as planned or not and probably since employees get salaries regardless of performance, there was no need to be critical on gauging performances. In essence the targets are set just to guide the employees as to what they need to do in the course of the month.

Increments in pay are done when there is a new project. If management recommends to the board, it is debated on and a certain percentage is increased on top of the basic pay. At the time when they do pay bonuses, they do so by paying the employees cash money.



From the sample drawn as shown in Figure 5.8 above, employers prefer to increase pay when employees are transferred to a new project (40%). This is because each project has a definite

amount of money meant for labor and any increase will affect the whole project. Moreover, most of the projects are not completed as scheduled because of other reasons and if increments are to be done on annual basis, it means employees will get increments against the same project. This is why employers prefer to increase pay when employees are moving to new projects. This has been the trend. Those who said that they did not get any increase (49%) are probably new employees or those who are employed from the project site.



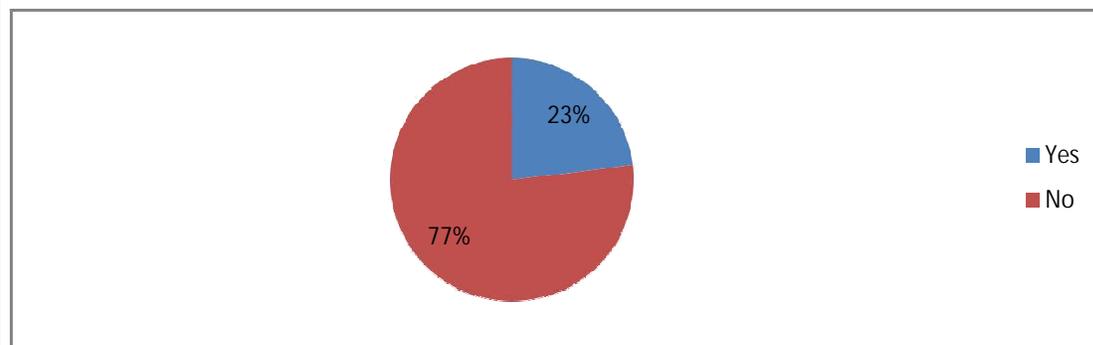
From figure 5.9 above, 25% of Payii employees are dissatisfied because the pay is not regularly, 38% are dissatisfied because in their view, it is not enough, 6% are dissatisfied but did not give a reason and 31% think that it is just enough to cover their needs. 80% of Markerel are dissatisfied because the pay is not enough, 7% think their reason for dissatisfaction is the lack of increments and 13% are satisfied because the pay is enough to cater for their needs. 31% of Tumu employees are dissatisfied because of the irregularity of pay, 38% think that the pay is not enough, 6% are dissatisfied because there is no increment, 6% are dissatisfied without giving the reasons and 3% think that it is enough for their needs.

Employees get satisfied when they feel their rewards are equitable and appropriate and would want their pay to be competitive (Greene & Systems 2014). Non-competitive pay is likely to subject companies to high turnover as employees will look for competitive pay.

There are many things which employees will need in a job: a good working condition (Nell et al. 2013); more involvement, good pay (Mayfield & Mayfield 2014) and learning (Findlay et al. 2012). Therefore, anything which will cause them not to be satisfied will cause discontentment. Of concern is the group who are dissatisfied because the pay is not on a regular basis. It is usually difficult to make sure that employees are paid as agreed in the contracts. Most of the companies in South Sudan are young and do not have sufficient money to run its operations should the client fail to pay the certificates. The consultants and clients delay in approving certificates and by extension the payment is also delayed. Once this happens, salaries are also delayed as the contractor will opt to provide food and other supplies instead of paying employees.

5.3.2 Employee Expectation of pay beyond working hours and in unpredictable situations

Figure 5.10: Is there payment beyond working hours?



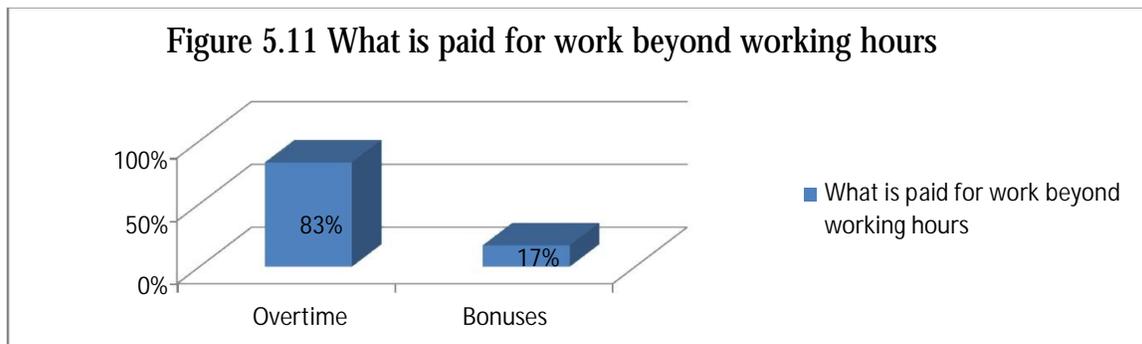
77% of employees are of the view that there is no payment beyond the normal working hours and 23% acknowledged payment beyond the working hours (figure 5.10 above).

Employees also think that they are not getting paid beyond working hours. This contradicts how they responded to the next question on what is being paid to them if they work beyond working hours. Probably the reason why the number of those who think they are not being paid is because they do not get the bonuses or overtimes on time. Again, it is not clear as to when overtimes and bonuses are being paid. However, Section 43(3) of the Labor Act (1997) stipulates:

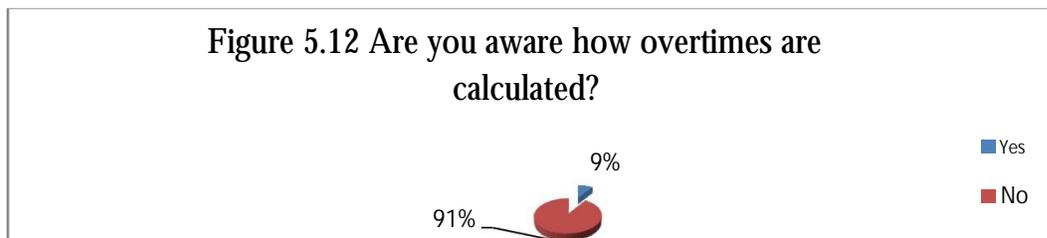
The overtime work wages shall be paid on the date of payment of the normal wage as follows:

- (a) In cases of normal working days, the hour is calculated to be equal to one and half-hour;
- (b) In cases of official holidays and weekly holidays, the hour is calculated to be equal to two hours'.

Bonuses and overtimes are being paid but how they are paid is decided by management of which the basis is not made known to employees. During one of the interviews, one participant responded that the decision of how much and when to pay is made by management.

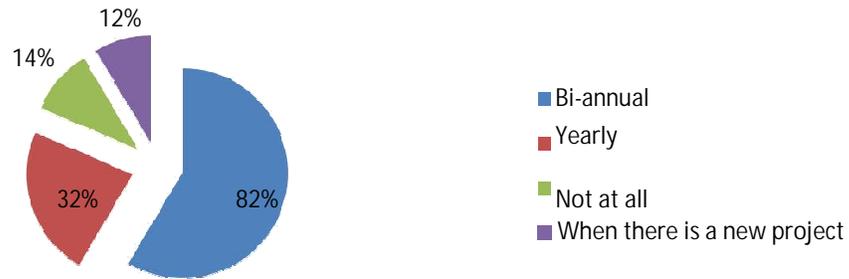


From figure 5.11 above, 83% of the respondents mentioned overtimes and 17% mentioned bonuses as the additional amount they get for working beyond the normal working hours. Usually the overtimes are paid to the field staff and the head office staff get bonuses. There are also instances when the field get bonuses but these are based on promises made by either senior management or board members when they visit the projects sites. They usually promise bonuses once a road section is completed but the details of how the bonuses are to be calculated are left to HR department to calculate.



91% of the employees do not know how the overtimes are calculated. 9% know the basis of calculations (see figure 5.12 above). Those who know the calculations are usually those at the head office.

Figure 5.13:How often are increments made



From Figure 5.13 above, 82% responded that they get bi-annual increments, 32% yearly increments, 14% think that they are no increments at all and 12% get increments on new project.

As discussed earlier, increments are made when there are new projects and those who think there are no increments at all, might be the very junior employees who are just employed for particular projects and are not being relocated to other projects after the completion of the one in which they were employed. Bi-annual increments happen only if there are few maintenance work in the same year and the same place. In this way, the casuals will receive increments in the same year but on different maintenance work. There are only few projects that the contractors managed to finish in six months' time. Most of the projects take one year or more to finish.

5.4 Payment and responsibility for work done

Figure 5.14 Do you feel you worked harder and others get paid for your efforts?

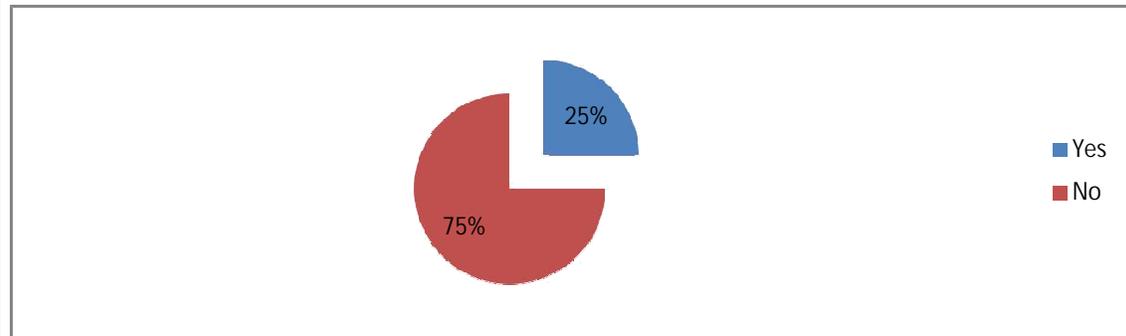


68% responded that they work harder and others get paid for their efforts while some 32% do not think others get paid for their efforts, (figure 5.14 above).

When there is no way of rewarding individual efforts, some employees get paid for what they did not do. This is an advantage to the low performers but discourages the best performers from exerting more effort.

In South Sudan, the employees from the neighboring countries are the ones who will feel others get paid for their efforts because they work harder than their South Sudanese counterparts.

Figure 5.15 Responsibility over delay in completion of projects



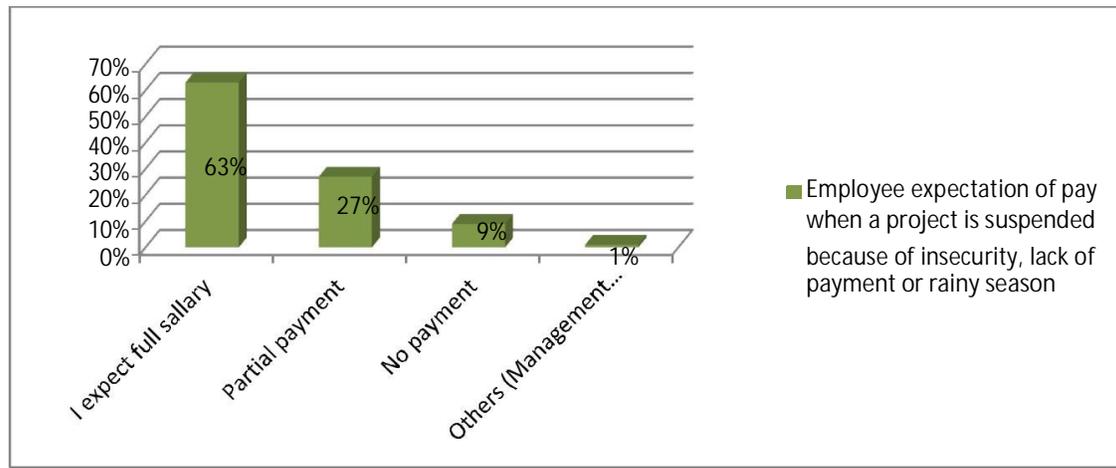
From table 5.15 above, 25% of the employees accepted that they contributed to the delay in the completion of the project and 75% did not take up that responsibility. Those who did not accept that they contributed as individuals to the delay tend to blame management.

According to Kamanga & Steyn (2013) the main causes of delay are shortage of fuel, shortage of cash flow on the contractors side, shortage of hard currency for importing materials, slow payment of approved work, few equipment, shortage of materials for construction, delay in paying compensation, shortage of personnel, delay in relocating totalities and the delay in mobilization. These causes are shared by the client, owners, board, management and the employees.

Employees tend to blame the organization and most of the blame is on the lack of materials on site. It is to be noted that some of the delay in providing the materials is actually caused by the employees themselves. When the materials are bought and are not delivered, it means someone somewhere might not have done his/her work.

Taking blame as a member of management and failure to reach individual deadline or targets are good signs of employees who can put more efforts as individuals to change for the better.

Figure 5.16: Employees' expectation of pay should there be insecurity, heavy rains or no payment by the client



From figure 5.16 above, 63% expected full salaries if a project is suspended because of insecurity, lack of payment by the client and during the rainy season when it is not possible to do any road work. 27% expected partial payment and 9% are not expecting the employer to give them any payment for no work done.

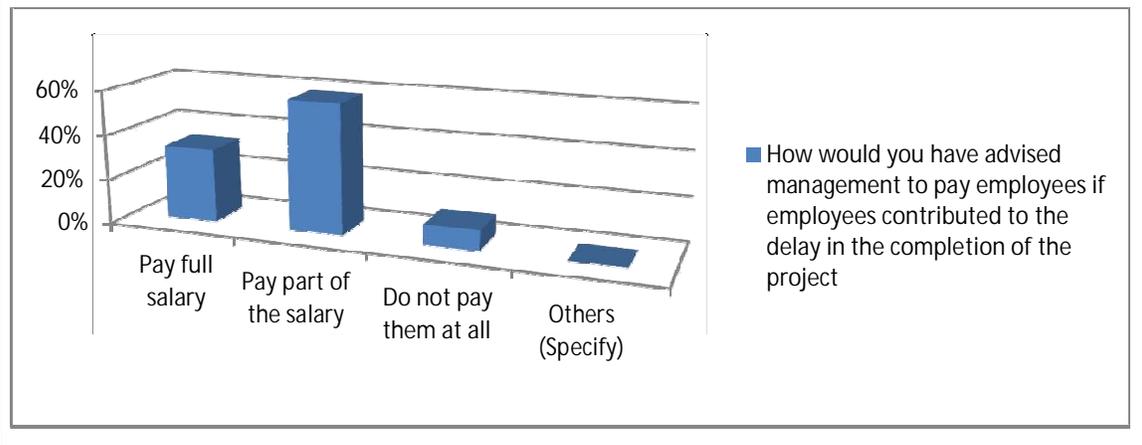
If the employer is not doing well because of unfortunate situation like the insecurity, lack of payment by the client or heavy rains, 63% expect the employer to be paying them their monthly salaries.

On the other hand, if an employee could not deliver because of an unfortunate situation, like inability to perform because of injuries or others which are not sustained on the job, the employee still expects the employer to pay. The Labor Act (1997) is in favor of the employee where the employer is given a time period to continue paying the employee. Employees expect the employer to shoulder the eventualities of the non-performance of the organization. This may sound a blanket statement because the 27% who expected partial payment may be thinking beyond their pockets but are also concerned about the sustainability of the organization. One of those interviewed responded that it is not his business if there is rain and the operator could not deliver the equipment on site since he has already directed the operator to do that.

It is to be noted that the client will only accept rain as the cause of delay if the contractor is able to justify that by measuring the amount of rains during a specified period of time. If the contractor did not keep a record of the amount of rain, it will be difficult to convince the client (Lainya Jambo Contract, 2007). The personal responsibility here is to record the amount of rain

so as to justify the cause/s of delay. Again, taking up a project during the rainy season or when the rainy season is about to commence is a personal or management responsibility. In one of the projects, Payii only took one equipment on site in four months' period because it was raining and the roads were impassable from the head office to the project site.

Figure 5.17: If employees contributed to the delay

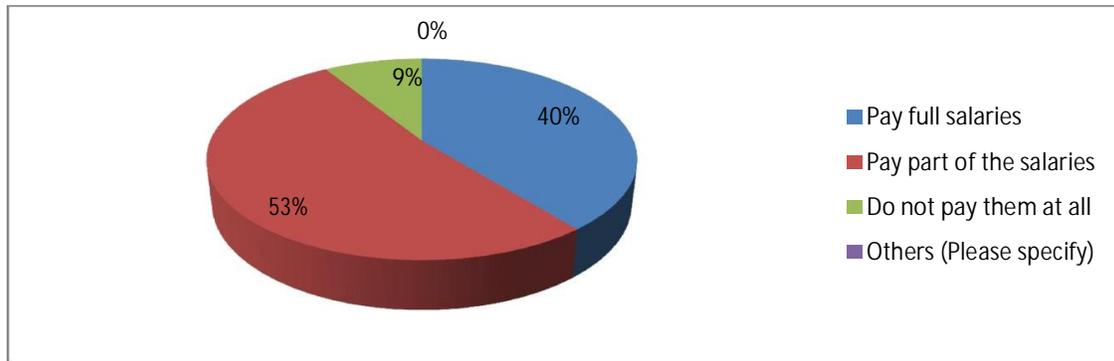


From the figure 5.17 above, almost 60% expected partial payment, 20% expected full pay and few others do not expect any payment.

When the employees put themselves in the place of management, a good number (60%) are of the view that the employees should get partial payment. This is probably because management is looking at productivity during the time when there is insecurity, heavy rains etc. They are looking at what the employees contributed during the period and as such they are not seeing the point why people should be paid full salaries.

The way the question is designed puts the employee in the place of an advisor to management. When advising management, the way the employee responds is completely different from when the employee expects the payment as an individual.

Figure 5.18: If the cause of delay is beyond owners, management and employees

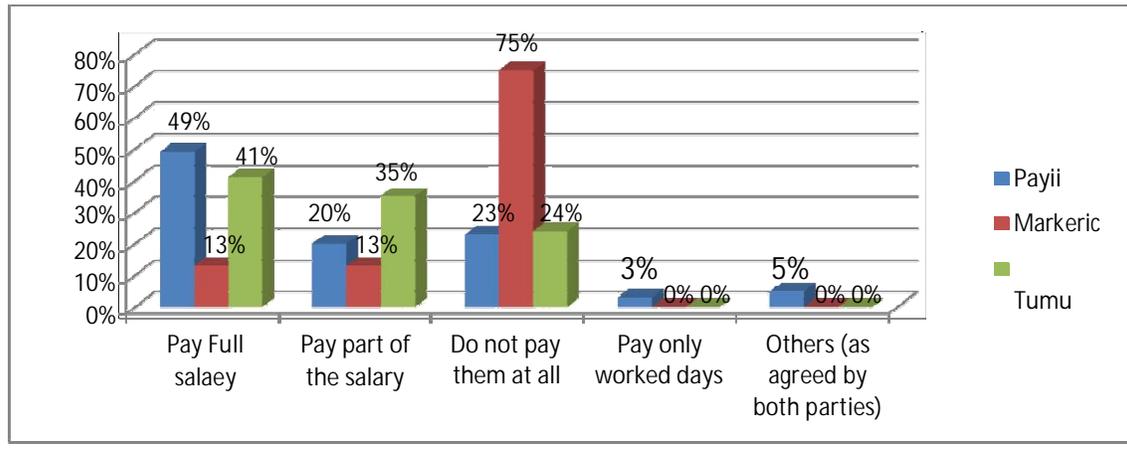


From Figure 5.18 above, 52.7% of the employees expect partial payment, 40.2% full pay and 6.9% do not expect the contractor to pay the employees in the event that the cause of delay is beyond management, employees and the owners. Here, the employee is asked to advice management in how to pay employees.

There are those who think that the employees are innocent and should therefore be paid their salaries in full while 52.7% are also of the view that the employees should get partial payment. If the employers continue paying full salaries, there is the issue of sustainability. For example, if the cause is insecurity in the project area, it is difficult to know exactly when the security situation will normalize. If it is the heavy rains, it cannot be estimated as to when the employer will continue paying the part payment.

It is not practical that the employees should not receive any payment at all as they are likely to leave the jobs. Sustaining the employee and the employer are all important for the sustainability of the organization.

Figure 5.19: If you were one of the owners, what is the advice?



Here, employees are asked to put themselves in the place of the owners of the company and to advise management how to pay employees. 49% of Payii employees expected management to pay full salaries, 20% expected partial payment, 23% expected none payment, 3% expected payment for the days worked and 5% expected the contractor to pay according to what they agreed with the employee in such situations. In Markeric, 13% full pay, 13% partial pay and 75% non-payment. In Tumu, 41% full pay, 35 partial pay and 24% no pay. Being owners of the company attracts mixed feelings amongst the employees.

Owners of the company would like return on their investment and therefore would want employees to work. If the respondents assume the position of the shareholders, there is increment in the number of those who think that the employees should not be paid when a project is suspended. This shows how owners feel when employees get paid for no performance. If they can feel like the owners, it shows that they are now in a better position to understand how the different stakeholders look at the situation. All stakeholders have different views about the same situation and all these views should be taken into consideration as we endeavor to resolve the problem.

While the employees need the components of compensation to be paid to them, the employer needs the work done and profits realized.

From the interviews conducted (of the 20 people: board members and senior staff) the following is the content analysis of the salary structure as known by the board and management staff:

Table 5.1: Current Compensation (data from the interview)

| Main theme | Questions | Category | Count |
|--|---|--|-------|
| Current salary structure | Satisfaction & dissatisfaction in paying the current salaries | Not satisfied | 20 |
| | . | | |
| | | | |
| | Kind of hardship allowances given in the risky project areas | Bonuses | 20 |
| | Kind of compensation beyond working hours | Overtimes | 19 |
| | Kind of benefits to employees | Overtimes/bonuses/sick leave/paid holidays | 20 |
| | Organization engagement in commission | Not frequently | 18 |
| Strength & weaknesses of the current methods | Strength - getting monthly pay | | 20 |
| | Weakness - not covering other aspects | | |

5.5 Company staff and the current payment method

The head office staff are permanent. All project staff are temporary staff who are laid off once the project ends. There is no set criterion for who is to be permanent staff and who is to be temporary. All those who are needed to secure further contracts are regarded as permanent.

From the interviews conducted, the following is the content analysis of the responses of the 21 participants:

Table 5.2: Company staff in terms of permanent and temporary

| Main Theme | Questions | Category | Count |
|---------------|--|-----------------|-------|
| Company staff | Those who are permanent | Head Office | 19 |
| | | | |
| | Those who are casuals and temporary | Project Staff | 20 |
| | Criteria for establishing permanent staff | No set criteria | 15 |
| | Criteria for establishing temporary | No set criteria | 20 |
| | Criteria for the retention of high caliber staff | No set criteria | 20 |

In Payii, the current pay method is in such a way that 20% of the gross salary is project allowance. Should there be no project, that allowance is removed. However, since the head office staff take the lion share of the salaries, there is still a big part remaining to be paid. In Tumu and Markeric, there is no clear strategy of how to go about paying permanent staff when there are no projects running. However, the companies are aware of the dangers of this in regards to the Labor office.

Employees are paid according to the market rate but if the project allowances are removed when there is no project, employees are disgruntled.

5.6 Employees' expectation of pay

From the questionnaire, the following are the responses:

Table 5.3: What do you think is the best compensation method for unpredictable environment like South Sudan?

| What do you think is the best system to be used for South Sudan | P | M | T | Total |
|---|----|---|---|-------|
| Compensation that include all the compensation components of: | | | | |
| (a) Monthly salaries payable in time | 10 | 7 | 6 | 23 |
| (b) Overtime | 10 | 6 | 6 | 22 |
| (c) Bonuses | 7 | 6 | 4 | 17 |
| (d) Leave with pay | 7 | 4 | 4 | 15 |
| (e) After service benefits | 6 | 2 | 3 | 11 |
| (f) Risk allowance | 0 | 1 | 0 | 1 |
| (g) Air ticket for foreign staff | 3 | 1 | 3 | 7 |
| (h) Insurance Cover | 5 | 1 | 1 | 7 |
| (i) House allowance | 0 | 1 | 0 | 1 |
| (j) Transport to and from work | 1 | 1 | 0 | 2 |
| (k) Paid Holidays | 3 | 0 | 0 | 3 |
| Compensation based on staff performance | 7 | 2 | 5 | 14 |
| I do not know | 2 | 1 | 0 | 3 |

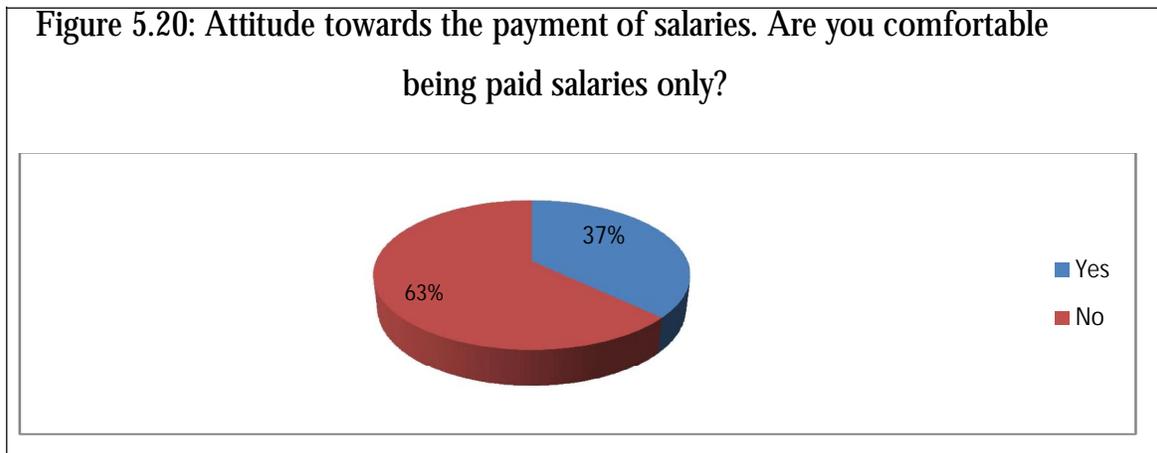
| | | | | |
|---|----|----|----|-----|
| Current pay system is the best | 2 | 0 | 1 | 3 |
| Pay based on qualification and experience | 2 | 0 | 0 | 2 |
| Total | 65 | 33 | 33 | 131 |

Note: P=Payii, M=Markeric and T=Tumu. Some respondents ticked more than one of the components of compensation and this is why the number of respondents here are very high.

There are 109 ticks for the components of compensation mentioned in table 5.3 above; 11 ticks for compensation based on performance; 3 do not know; 3 are happy with the current system of monthly salaries; and 2 would want pay based on qualification and experience.

From the sample drawn, the employees would want to be paid the components of compensation. This include insurance, house allowance, and after-service benefits, leave pays, maternity/paternity leaves, paid holidays, bonuses, overtimes and all the other parts of compensations. This is expected of the employees. Of essence are those who mentioned that compensation should be based on staff performance. This category is probably relating their pay with the services they offer to the company. Few employees think along that line.

It is to be noted that both employees and employers were not happy because there are complaints from both sides. This can be seen from Figure 5.20 below where 63% are not happy being paid only the monthly salaries without the other aspects of compensation. Bonuses and overtimes are only paid after a certain period of time.

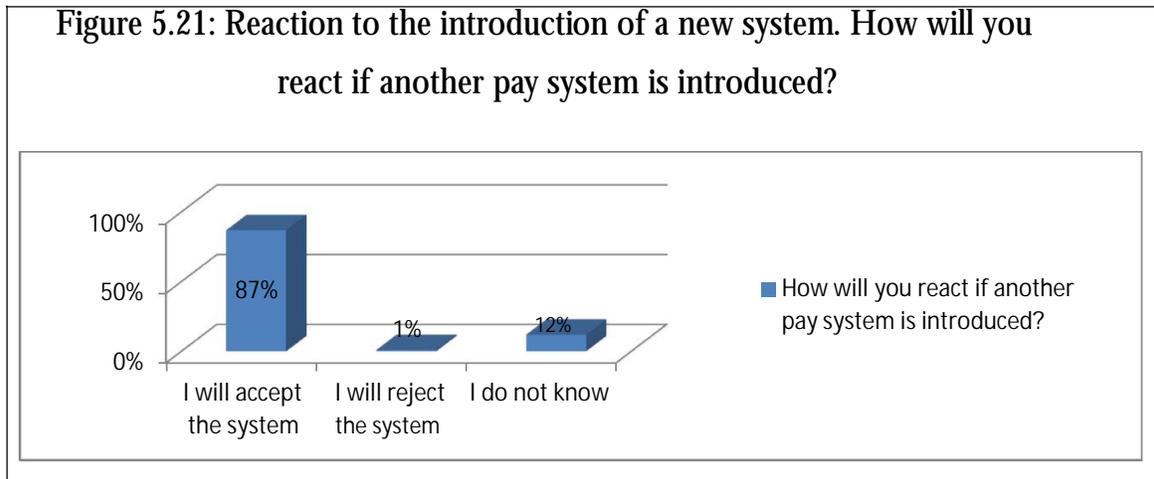


63% are not comfortable getting monthly salaries while 37% are comfortable. Those who think that they are comfortable with their salaries do not probably know that they have some rights which are being denied to them by their employers. Those who are not comfortable are at least aware about some allowances which they are supposed to be getting. Not being comfortable

about getting salaries only is also a good sign that the employees will accept changes in their compensation.

5.7 Views on the introduction of a new system

From the sample who filled the questionnaires, the reactions to the introduction of a new pay system is shown in the below figure.



From figure 5.21 above, 87% will accept a new system, 1% will reject and some 12% do not know how they will react. Probably the 12% who do not know how to react to the new pay system is due to the fear of the unknown.

The 87% who will accept the new system are risk takers and this shows a good sign of employees who will venture into something with the intention of benefitting them. This gives room for the employer to try new ways which will be beneficial to both parties (employer and employees).

Therefore, from the sample drawn, 87% are willing to accept changes that will incorporate the components of compensation that they have not been receiving. There are issues with sustainability of the pay methods which were mentioned during the interviews. The respondents acknowledged the fact that it is not easy to sustain the monthly pay with all the unpredictable events. This is shown in the below table.

Table 5.4: Interviewees' response to the sustainability of pay

| Main theme | Questions | Category | Count |
|---------------------------|--|--|-------|
| Sustainability of the pay | Sustaining pay regardless of not having many project running at one time | Not easy to be sustained | 20 |
| | Payment of employees when a project is demobilized | Only project allowances are deducted | 19 |
| | The status of employees in the event of project Demobilization | They are either taken to another project or get salaries | 20 |
| | Relating pay to performance and monthly pay | No relations | 20 |
| | Profit against salaries | Not calculated | 18 |

5.8 Summary of the data from the interview and questionnaire

The questionnaire and interview provided the information about general understanding of compensation from the perspective of the employees. They are not aware about some components of compensation which they are supposed to get from their employers. Though targets are set at the start of the month without involving employees, they are not being measured to provide basis for the employees pay.

People expect different pay systems depending on who they are in the organization. For example, if they are employees, owners or management, they expect different treatment in terms of what pay to receive should the company not perform as required. Specifically, employers

strongly expect that pay should be based on performance. Further, majority of workers require to be paid their salaries whether the project is stopped due to adverse weather conditions, insecurity or any other unexpected reasons. On the other hand, management insist employees should not earn any pay during the period the project is stopped.

Increments in salaries are irregularly made but also without clear criteria and basis. Employees are not aware about how it is made. Both their rights and obligations are not clear. They seem not to take responsibility over delay in the completion of the projects. Though the blames are shared by the stakeholders, employees push the responsibility to the board, management or the situations with the unstable environment in South Sudan.

Employees are receptive to the change in the pay system should it be good to them and also to the organization. The idea that there is need to change the system and the possibility of the employees to accept the change are shown in the interviews and the questionnaire.

There is clearly lack of information by employees about job responsibilities prior to commencement of a project. It's important that employees understand their responsibilities in earnest so that they know their boundaries and increase competence, commitment to increase role clarity for reduced overlapping to the job and job conflict, thus increasing performance among employees (Taufik 2014).

Most employees are dissatisfied with their pay because it is inadequate. This has resulted into reduced job satisfaction; thus contributing to poorly motivated workforce in South Sudan's construction industry (Rynes et.al. 2004). Although South Sudan's labour laws explicitly give the direction on how overtime should be calculated, majority of employees do not understand how their overtime pay is calculated. Employees need to be made to understand how their overtime pay is calculated so as to be satisfied that there are fair practice of labour standards in the company, a factor that contributes to their job satisfaction and motivation.

Most workers feel that they work harder, but the fruits of their sweat are enjoyed by those who comparatively do not work harder. They want their efforts reflected in the pay they earn. It was also noted that there was not set out criteria for recruitment and treatment of temporary and permanent staff.

In conformity to the set out methodology of this study, the researcher put together the findings of both the interview and survey approaches, as discussed above, to constitute main points that were discussed in the three workshops. The workshops came up with pay methods that if

implemented would provide solutions to the problems identified in both interview and survey studies.

Therefore, the following were the issues which were discussed in the workshops:

- Employees are unaware of what constitute their pay
- Lack of information on job responsibilities prior to commencement of work
- No discussion of performance targets with employees (if discussed at all, not at the end of the month
- Infrequent or no pay increase (bi-annual increase in some cases)
- Many employees are dissatisfied because pay is not enough
- Employees are not aware how overtime is calculated
- Many employees feel they worked harder but others are paid for their efforts
- Employees feel completion of work is delayed by company and client
- Employ expect salary even if the project is suspended due to insecurity or unfavourable climate while management want salary not to be paid at all when there is insecurity or any other unfavourable conditions
- No set criteria for recruitment or treatment of permanent and temporary staff
- Management want pay be based on performance not salary
- All workers including management have no objection to new pay system

CHAPTER SIX

OUTPUT OF ACTION RESEARCH WORKSHOP

6.0 Introduction

The workshop formed the action research part of the thesis. The results of both interview and survey approaches of the study formed the agendas of the three workshops. There were a total of eleven issues identified in Chapter 5 which formed the agendas of the workshops in this chapter. Participants were divided into three groups with each group discussing the interview and survey results as well as important component of pay method. As the group deliberations progressed, research assistants were in place to record the minutes and resolutions. Their work was mainly limited to recording but the analysis was done by the researcher. Content analysis was used to analyze the recorded data. This involved having the texts coded, or broken down into manageable classifications on diverse levels such as word, word sense, phrase, sentence or theme. The categorized texts were analyzed by use of content analysis' basic methods that include conceptual analysis and relational analysis. The results were presented by simply reporting key findings under each main theme or category. These findings were then discussed in relation to the findings of the survey research which was earlier carried out.

Workshop One

- Employees are unaware of what constitute their pay
- Lack of information on job responsibilities prior to commencement of work
- No discussion of performance targets with employees (if discussed at all, not at the end of the month
- Infrequent or no pay increase (Bi-annual increase in some cases)
- AOB
- Pay Method

Workshop Two

- Many employees are dissatisfied because pay is not enough
- Employees are not aware how overtime is calculated
- Many employees feel they worked harder but others are paid for their efforts
- Employees feel completion of work is delayed by company and client
- AOB
- Pay Method

Workshop Three

- Employ expect salary even if the project is suspended due to insecurity or unfavourable climate while management want salary not to be paid at all when there is insecurity or any other unfavourable conditions
- No set criteria for recruitment or treatment of permanent and temporary staff
- Management want pay be based on performance not salary
- All workers including management have no objection to new pay system
- AOB
- Pay Method

The deliberations in the workshops were minuted and thereafter qualitative content analysis was used to select and analyse the data. This comprised searching-out of underlying themes in the minutes and establishing the frequency of the appearance of the item in texts. The item with the highest frequency became the finding of the workshop.

The issues so identified were deliberated on, evaluated, reflected on and formulation of corrective actions in form of pay methods, were done at the end of each workshop.

6.1 The Workshops

As aforementioned, a total of 3 Workshops were held in intervals of 3 months. All were held at Kush Resort Meeting Hall. The workshops were held on 29th May 2014, 5th September 2014 and 5th December 2014. In the workshops, the agendas were floated and members requested to freely participate in their discussion. Further, participants were informed to freely ask questions as well as slot in any other relevant issue that could be discussed under AOB. Based on the discussions and recommendations, the payment methods were developed.

6.2 Information about the Participants

Workshop 1 was attended by 22 people comprising of management staff, board members, 2 shareholders, project staff, Labor office representatives and South Sudan Roads Authority (SSRA). 20 out of 22 people who attended the 1st workshop participated in the 2nd workshop in addition to 2 other board members. This makes the total of 22 participants. The 3rd workshop was attended by 19 people out of the 22 who attended the second workshop. The attendance went down by 14% compared to the 2nd workshop owing to the absence of 2 board members who were out of the country and 1 management staff who was in the field.

6.3 The Pay Methods Suggested

The pay methods suggested in this thesis are derived from the three workshops. Workshop one resulted into TBP and STBP, workshop two resulted into SPR and workshop three suggested MDP.

6.3.1 Workshop One

In addition to the scheduled agenda, the first workshop looked at how general compensation problem is and to establish if it cuts across the companies or is specific to Payii. The researcher requested the participants to discuss the problems of compensation in South Sudan and the strain on construction companies with reference to the scheduled agendas that included; employees are unaware of what constitute their pay, lack of information on job responsibilities prior to commencement of work, no discussion of performance targets with employees (if discussed at all, not at the end of the month, infrequent or no pay increase (Bi-annual increase in some cases), AOB, and developing pay method. It is important to examine the compensation because in today's economy as pointed by Allen (2014) it 'is a strategic tool used to rebuild and position a firm for growth', (p. 12). It influences the quality of people who apply, those who get hired, the acceptance of the offer by the candidate, the performance of the employees and the quality of those who stay for long with the company (Dineen & Williamson, 2012 as cited in Gupta & Shaw 2014).

In the first workshop, it was agreed that there are problems with compensation worth addressing. Therefore, the participants agreed that there is need to conduct massive layouts and overhaul several business practices in order to allow a pay practice which will support both employees and employers. The workshop participants were divided into three groups to discuss the issues regarding compensation in the company. All three groups discussed the same questions which when added to AOB questions were six in total. They were:

- Do you think employees are unaware of what constitute their pay? If yes, what's the impact?
- Do you think employees lack information on job responsibilities prior to commencement of work? If yes, what's the impact?
- Do you think employers do not discuss performance targets with employees (if discussed at all, not at the end of the month) If yes, what's the impact?

- Do you think there is infrequent or no pay increase (Bi-annual increase in some cases)? If yes, what's the impact?

AOB questions:

- What are the problems of compensation in South Sudan?
- What are the constraints brought by compensation on the companies?

The below are the reports from each group:

Table 6.1: Responses of the three groups in workshop one

| |
|--|
| <p><u>Group One</u></p> <p>Yes, employees are unaware of the component of their pay. This makes them feel exploited.</p> <p>Yes, employees lack information on job responsibilities prior to commencement of work. This slows productivity.</p> <p>Yes, employers do not discuss performance targets with employees. This leads to failure by the company to complete the project in time.</p> <p>Yes, there is infrequent or no pay increase. This leads to reduced motivation of employees.</p> <p>AOB responses:</p> <p>Staff interests supersede company interest.</p> <p>Fear of the Labor Laws</p> <p>Paying head office staff purely from project money if there is only one project.</p> <p>Labor office not cooperating with employers even in issues of summary dismissal. Compensation is not based on the productivity of the company.</p> <p><u>Group Two</u></p> <p>Agendas Responses:</p> <p>Yes, employees are unaware of the component of their pay. This lowers their morale.</p> <p>Yes, employees lack information on job responsibilities prior to commencement of work. This affects time management.</p> <p>Yes, employers do not discuss performance targets with employees. This leads to laxity among employees.</p> <p>Yes, there is infrequent or no pay increase. This leads to increased employee turnover.</p> <p>AOB responses:</p> <p>Motivation of employees should be done in anticipation of better performance for the company.</p> <p>Employees want monthly salaries because they do not want to share in the losses the company makes.</p> |
|--|

Unavailability of materials locally stops work and therefore employees cannot be held responsible for non-performance.

Labor laws are not known to employees. Labor office protects employees but not employers.

The local culture supports group work which the companies should emulate.

Group Three

Yes, employees are unaware of the component of their pay. This makes them feel underpaid.

Yes, employees lack information on job responsibilities prior to commencement of work. This affects their performance.

Yes, employers do not discuss performance targets with employees. This leads to existence of 'free riders' among employees.

Yes, there is infrequent or no pay increase. This leads to industrial action such as go-slow or strike

AOB responses:

Relationships with senior people makes it difficult to dismiss non-performers. This results in over employment since non-performers cannot be dismissed.

Most companies are not cautious about the operation environment. This incompetency has adverse effect on the ability of managers to mitigate/hedge risks of contracts in high security risk exposures. Such problems include likelihood of frequent demobilization from site, soldiers taking company vehicles, local communities placing unnecessary demands workers on site to meet (asking for goats to be slaughtered to appease some ancestors for the project to kick off). Such projects end up making losses because the employees get paid on monthly basis whether they are on site or not and some of the demands of the locals are not items paid for on the contract.

Unpredictable and prolonged rains do not encourage production and yet employees get paid.

Issues with lack of local capacity or little capacity make the companies to get staff from the neighboring countries and such employees are expensive to maintain.

When employees show interest by working harder, they get promised bonuses and at the end of the day, the company does not honor the promise which de-motivates employees.

The company has slowed down on its program of trainings for staff. This affects the company in that there is no or little transfer of knowledge from the foreign staff to the local staff as they could not cope up with some of the knowledge. Knowledge will only be transferred in a proper way if those to whom the knowledge is supposed to be transferred are able to cope up.

There are no clear Labor Laws or little knowledge about Labor Laws.

6.3.1.1 Team Based Pay (TBP)

With reference to the first workshop's responses, employees were divided into three groups to discuss how to relate compensation of staff to the performance of the companies in South Sudan. The groups agreed that there is need to change the traditional monthly pay method to reflect performance of the companies. The new methods should be tested over a certain period at the end of which an evaluation should be done. The researcher then suggested a method to reflect team work with the company's project which was to commence in July 2014.

The companies are not very much involved in group work where different groups are assigned specific kilometres of road for specific periods. However, when they are under pressure from the clients, they tend to assign people to do different work as a group. For example, the people working on culverts will be divided to install culverts in different locations with another group of operators to finish the area around the installed culverts. Regardless of whether they have to finish a road stretch specifically assigned to them or they work in the overall group, they get monthly salaries. Therefore, compensating as a group has not been tried in all the three companies.

In the first empirical study, a project team was divided into 3 where each team comprises of its own engineers, operators, administrators etc. Only 3 teams were formed because of lack of many equipment.

For the team based pay, there will be 1 group at the head office, 1 group of technical staff in the field. A typical team composition in the field and their pays are shown in the appendix. Though the amounts are paid in South Sudan Pounds (SSP), it is converted to USD so that it is easily understood. In 2011, the exchange rate was 1 USD = 3.0 SSP.

The 3 groups will make 12 kms per month as 1 group makes 4 kms per month. In this way, it will take 8.3 months to make 100 kms. In South Sudan, 1 km =80,000 USD.

In estimating cost, Elbeltagi (2013) argued that construction jobs has become so expensive and labor cost ranges between 30% to 50% of the total project cost. In this research the lowest rate for labor cost will be used which is 30% of the total project cost.

Bonuses are either paid evenly to all employees, reward to better performers or is given as a percentage of each employee's salary. Some bonuses are also given based on a percentage of the profit made during specific time period. For TBP, bonuses are to be 20% of gross pay and should be paid at the end of the project. The intention is to motivate employees to finish the project on time so that they will get 20% of the gross salary.

As for paid maternity/paternity leave and paid sick leave, employees are not to be charged for going for these leaves. However, there is need to limit employees' entitlement of full pay sick leaves up to 30 days every year. Some organizations give less than 30 days.

The total of head office, technical team in the field, administrative team in the field and the 3 teams from appendix 4, 5, 6 and 7 is 1,511,501 USD

30% labor cost of project of 8,000,000 USD is 2,400,000 USD. If we deduct 1,511,501 USD from this amount, the profit will be 888,499 USD. This is profit from one item on the project which is the labor cost.

The below are some of the explanation of what was done with the idea of team compensation that was implemented in the first three months of the empirical study.

- Compensation of individual team members
Individuals should be compensated based on the percentages of their salaries (appendices 3 & 4). All the other aspects of compensation should be handled individually. At this stage, salaries will only be handled at the team level.
- Delivery and non-delivery of materials

Delay in the delivery of the materials can be blamed on the contractor and is likely to be excusable but non-compensable. If it is the local materials, the contractor can directly be responsible but if it is the imported ones, there is need to reconsider on whom to apportion the blame. As the project staff wait for the materials, the company will not be making money and as such there will be no justification for paying the team unless if the team did other project work within the waiting period

Working or not working in the rainy season

Good contractors usually plan to work in the dry season unless if they are under pressure. If they have to work in the rainy season, it is also important to know whether delays caused by heavy rains are compensable or not.

- Support of the head office
The head office constitutes one team which should be able to support the field office by providing what the field staff need to achieve their target. So, the team at the head office is part of the achievement or failure of the field.
- Contractor and client relationship in regards to the arrangement of team work
In most of the roads construction contracts, the contractor is expected to inform the client as to how many equipment and employees are on site. Whenever there is need to reduce employees, the client needs to know before the contractor can actually do that. It is therefore important to let the client know in advance that the contractor has a different arrangement in regards to payment of employees. If such information is passed to the

client and the client agrees to the terms, it will be easier for the contractor as the client will also assist in the approval and payment of certificates depending on the performance of the contractor. Teams will not be able to achieve their objective if the client does not approve on time.

Another form of TBP which was discussed but was not tested is the Specialised Team Based Pay (STBP) which is discussed in the following section.

6.3.1.2 Specialized Team Based Pay (STBP)

In this method, a team will be composed of people who are doing the same thing. Each team will agree on what they intend to do in a specific period. When using this strategy, each group will strike a deal with the contractor as to how much they will get for specific road work. For example if 4 kms of road can be made in 4 weeks, each group will work to achieve this target. This will apply to all groups with the exception of guards, cooks and administrators. The teams can be categorized in the following way:

Table 6.2: The composition of the field team - (STBP)

| | | |
|---|---------------------------|-----------------|
| 1 | Engineers | |
| | 3 Project Managers | 1 for each team |
| | 3 Engineer | 1 for each team |
| 2 | Foremen | |
| | 3 Foremen | 1 for each team |
| 3 | Surveyors | |
| | 1 Quantity Surveyors | 1 for all teams |
| | 3 Surveyors | 1 for each team |
| | 6 Assistant Surveyors | 2 for each team |
| | 6 Root Pickers | 2 for each team |
| 4 | Mechanics | |
| | 2 Heavy Machine Mechanics | 1 for each team |
| | 2 LV and tipper Mechanics | 1 for each team |
| 5 | Drivers | |
| | 6 Tipper drivers | 2 for each team |
| | 3 LV drivers | 1 for each team |
| | 2 Low bed driver | 1 for each team |
| | 3 Water tank driver | 1 for each team |
| | 3 Fuel tank driver | 1 for each team |
| 6 | Operators | |

| | | |
|---|-------------------------------|-----------------|
| | 6 Motor Grader Operators | 2 for each team |
| | 6 Roller Operators | 2 for each team |
| | 6 Bull Dozer Operators | 2 for each team |
| | 3 Excavator/backhoe Operators | 1 for each team |
| | 3 Wheel loader Operators | 1 for each team |
| 7 | Culverts | |
| | 12 Culvert installers | 3 for each team |
| 8 | Administrative staff | |
| | Headed by the Project Manager | |
| | 3 HR Personnel | 1 for each team |
| | 6 Cleaners and Cooks | 2 for each team |
| | 6 Guards | 2 for each team |
| | | |

From table 6.2 above, there are 8 specialized teams namely engineers, foremen, surveyors, mechanics, drivers, operators and administrative staff. Each team will work together, set their target together and they will be paid what is due to them. If they manage to finish earlier, all the amount meant for their team should be paid to them. This arrangement needs a very good collaboration from the consultants and the clients. This is because of the fact that consultants and clients also play a major role in delaying the work on the project. If a particular section is not approved by the consultant, it is difficult to process payment. Sometimes, the consultant delay in approving sections and the contractor has to redo the work.

Each team will be encouraged to do their work in a short period of time and therefore they will require the consultants to continue approving their section. The way consultants approve sections should also be modified to suit this arrangement. Monies on the project are being made on the basis of bush clearing, road works, culverts etc., but they should be able to assign monies according to the arrangement above.

Appendix 8 shows the field staff compensation based on STBP. The head office staff compensation will be the same as the team of the head office in the TBP. The total of the head office will be 379,719 USD and the field staff will be 1,203,164 USD. Therefore the total comes to 1,582,883 USD. 30% of labor cost of the total project of 8 million is 2,400,000 USD. The profit from this will be $2,400,000 - 1,582,883 = 817,117$ USD.

It will be easier for the administrative team to work together to achieve the target. Drivers and particularly (tipper drivers) can easily manage their team work as what they do is not controlled by other groups. All teams, where the work is not so much connected to the work of another team, can easily agree on how to finish their work in a timely manner.

The profit from the first teamwork is 888,499 USD. The difference is only 71,382 USD. The difference between the first one and the second one is that in the first method, a group of workers with different qualifications and assignments get together as a group to achieve one target of working on a road stretch. The second one is a group of people doing the same job get together to finish what is expected of them on a road project. Both are team work.

6.3.1.3 Evaluation of TBP

It is to be noted that though the first workshop's recommendations were meant to be tested for three months, it was not possible because the company's new project started in July instead of June, 2014. Therefore, the TBP was tried for only two months. It is important to acknowledge the fact that the STBP was not tried in the empirical study. This is because the time was not enough as the first method had only two months trial period.

The researcher presented the summary of the difficulties encountered when using TBP to the participants. They were then divided into three groups to evaluate the method based on the researchers' observations. The below is the summary of the discussions in the three groups:

The companies should have enough equipment to cater for two or more teams to work at one time. The more the number of teams, the faster the work will be completed and the more money both employees and employers will make.

It will require a trained team of HR personnel who will be tasked with overseeing the work in the field in order to determine the amount of work accomplished by each team. Companies need to invest in training HR personnel to do this work.

An effort should be put by the organization to encourage team work. The choice of team members should not only be decided by the management but also the people concerned should also be given the chance to choose so that compatible members will be in one team. This is important because if the team members do not easily get along, a lot of time will be spent on resolving differences or people not agreeing on what to do.

The teams need to be given decision making authority. It was observed that even if there are teams working and yet most of the decisions are taken by the management at the

head office or the Board, it becomes de-motivating to employees. This resonates well with the argument of Kim (2013) that empowerment practices in decision making results into employees experiencing high levels of satisfaction if the outcome of the work achieved is as a result of some actions which are initiated by the employees themselves. If they are not motivated, productivity will be lower. In the case of South Sudan, where communications are difficult in that sometimes it is not even easy to get hold of the staff at the head office, it is better to allow the field staff to make some decisions.

- Management should ensure that the consultants understand how the system works.
- The company should provide food for the employees.
- Insurance is to be given to all the employees regardless of whether they are temporary or not because the nature of the work involves a lot of risks.
- To motivate them, they need to get pensions at the end of the project. If they are to continue with the company, they will continue accruing their pension and if not, they will be paid their dues at the end of the project.
- There were few issues with resistance. Some employees are happy to receive monthly salaries without any condition. They wanted the amount to increase but not that it should depend on some factors. For example, the suggestion of paying employees 100% for the first three months in case of insecurity and possible demobilization from site and then laying them off should the project not restart was not welcomed by employees though they saw the logics of why the company had to do this in such unfortunate situation. Nevertheless, there was a show of discomfort about this suggestion. This is a normal resistance to any change. Employees usually respond negatively to a scheme which puts their pay at risk (Tenhiala & Lount 2013). Employers should concentrate on explaining the best part of a scheme to employees.

6.3.2 Workshop Two

- Employees are not aware how overtime is calculated
- Many employees feel they worked harder but others are paid for their efforts
- Employees feel completion of work is delayed by company and client

- AOB
- Pay Method

Though this workshop had other agendas such as dissatisfaction of employees because was not enough, employees are unaware how overtime is calculated, employees who work harder feel other are paid for their efforts, it majorly dwelt on the causes of delays in the completion of the projects. Questions asked in the second workshop include:

- Do you think employees are dissatisfied because pay is not enough? If yes, what could be the impact?
- Do you think employees are aware how overtime is calculated? If yes, what could be the impact?
- Do you think employees feel they worked harder but others are paid for their efforts?
- What are the causes of delayed completion of work?

Participants were requested to discuss the causes of delay from the perspective of four different stakeholders. Group one discussed the government, group two discussed the client, group three discussed the head office and group four discussed the field staff. Depending on who awarded the contract, the government can also be the client. The groups were also tasked with the responsibility of how they think employees should be paid if the delays they mentioned by the stakeholders arise. The secretary of each group presented their discussions. In general, it came up from the group discussions that employees should be rewarded according to their performance but the employer should also be cautious of the situation when the delay is not caused by the employees. The responses about the causes of delay in completing a project is contained in table 6.3. The agendas were discussed into two groups as shown in table 6.3. The questions were the same.

Table 6.3: Responses on Causes of delay by the different stakeholders

| |
|--|
| <p>Group One: Delay by the government</p> <p>The government should be held responsible for the following:</p> <ul style="list-style-type: none"> - Insecurity in the project area, where there will be need to close the project or for employees to remain in the camp for a period of time. - Closure of the roads or impassable roads which will not allow the contractor or subcontractors to deliver materials in a timely manner. <p>Group Two: Delay by the client</p> <p>The client can be held responsible for the following:</p> |
|--|

- A project awarded during the rainy season. If there is too much rain and the work could not progress.
- Failure to pay a certificate which was submitted on time.

Group Three: Delay by the head office

The delay can be caused by the head office in the following scenarios:

- Culverts, spare parts, fuel, food and stationeries which are available at the head office and are not delivered on site.
- Delay in paying staff because they did not follow the certificates raised by the field staff with the client.
- Failure to negotiate with the local people in the project area who are capable of stopping the work on the project.

Group Four: Delay by the field staff

The field staff will be held responsible for the following:

- Failure to achieve their target.
- Failure to record the amount of rain which will be used to negotiate extension.
- Failure to provide the logistics needed to do the work when they are available in the camps. This includes fuel, food, marrum, asphalt etc.
- Failure to repair the equipment when the spares are on site.

Table 6.4: Responses to other agenda of Group Two

Group One

Yes, employees are dissatisfied because pay is not enough. This slows productivity.

Yes, employees are not aware how overtime is calculated. This contributes to lack of job satisfaction.

Yes, employees feel they worked harder but others are paid for their efforts. This contributes to unfair labour practice.

Causes of delayed completion of work include delayed supply of material by the company and late payment by the clients.

Group Two

Yes, employees are dissatisfied because pay is not enough. This contributes to increased turnover.

Yes, employees are not aware how overtime is calculated. This contributes of feeling of being overworked.

Yes, employees feel they worked harder but others are paid for their efforts. This can lead to labour unrest

Causes of delayed completion of work include delayed supply of material by the company and late payment by the clients , insecurity and adverse weather conditions.

The researcher concentrated on the causes of delay by the head office and the field staff because this is within the scope of the researcher's work. However, the others by the government and the client are mentioned to get a total understanding.

6.3.2.1 Second Method Suggested: Shared Pay Rate (SPR)

Going by table 6.3, the different stakeholders contribute in delaying the work on the project including some other reasons which are beyond the stakeholders mentioned above. While all the stakeholders have a part to play to ensure the projects are completed on time, the emphasis here is on management and the field staff who should be able to negotiate and discuss the delay with the concerned stakeholder. At the same time, a big part of the work is also done by the employees (whether management or field staff).

From the researcher's experience, another factor affecting the local companies in South Sudan is their inability to have many equipment. This is because they have not taken long in the business. The local companies are relatively new with the oldest incorporated in 2006. This can be one of the reasons why companies are either in the stage of trying pay methods which will suit their environment or going by what the government do of paying monthly salaries. Most of the contractors do not have enough equipment for more than two teams to work at the same time. Some contractors can only afford one team at a time. So, the next suggestion is to consider paying employees on individual basis while looking at their productivity.

Fredrick Taylor developed piece-rate pay as early as 1911, where employees are paid per unit of production (Thomson 2012). There is however the problem of how to gauge employees if the productivity is delayed because of factors beyond their limits. This thesis suggests a pay method where an employee will set a target to be achieved in a specific time and expect his/her performance to be measured against this target. At the same time, the organization will also set a target and the two will agree on the target where the employee will discuss the set target with his/her supervisor. The supervisor will act as the organization. Whatever will be required to achieve the target set by the employee should be made available by the organization. Both the employee and the employer share in the effort to achieve the target. The employee will do the work and the employer will provide the suitable environment for the employee to achieve his/her target. This is what the researcher termed as Shared Pay Rate (SPR). Here, 50% of the pay should be attributed to individual performance and 50% should depend on the ability of the organization to provide all that is required to do the work. This is important in South Sudan because of the challenges mentioned earlier.

If the employer is not able to provide the suitable environment for the employees to do their work, it is up to the employer where to apportion the blame. Assuming the work could not progress because of heavy rains and insecurity, the client (SSRA, MTR, UNOPS, MTRDF or whoever gave the contract) should be the ones to shoulder the consequences of such delays. Additional funds to cater for the delay should be provided by the client. If the delay is caused by the non-availability of materials on site, the employer should hold the sub-contractor who failed to deliver the materials on site responsible. If it is because of breakdown, the employer will have to take that cost so that the board and the shareholder will exert more pressure on the head office staff to do their part. If the delay is caused by negligence by the employees to do their part, they will be held responsible. In this way all stakeholders will try to do their work as agreed.

So the main point of this approach is the question of whether the employees got all what they needed to do the work or not. If what is needed is not there, who is responsible for the delay? If it is the client, the client takes responsibility and will have to pay additional money to the contractor. In this case, the contractor should have the capacity to negotiate such points with the client. This starts from the capacity of the field staff to do this and the capacity of the head office staff to negotiate with the client. At the head office level, they should know who is supposed to do what for the field staff to deliver. If the failure is at the head office level, they should be responsible. It's also important to note that SPR method is capable of taking care of the other issues identified in table 6.3 which include employees dissatisfaction because pay is not enough, employees not aware of how overtime is calculated and employees feel they work harder but others are paid for their efforts.

Individual staff members in the field should achieve their targets if they have all the materials they need to do the work. If they do not do that, 50% of their pay which is performance related will be affected.

How to calculate SPR

In SPR, 50% of the gross pay should be paid to the employees without measurement of performance. This is to cater for some of the issues which face the operations of the companies in South Sudan. The other 50% should be performance related. All employees should be able to come up with a number of activities to be achieved in a month. For example, a PM can set monthly targets as follows:

Ensure that 8 kms of the road has been bush cleared (this is to ensure that he supervises the bulldozer operators and surveyors to achieve this target)

Ensure that at least 6,000 metric tonnes of sand has been stock piled for the rainy season, (a 16 ton tipper should be able to pile 64 ton in a day. In a month it can pile 1,664 tons {16×26 days}). 4 tippers can stock pile $1,664 \times 4 = 6,656$ tonnes.

Ensure that at least 8 km of the road has been surveyed.

Ensure that all what the staff need to do their work have been provided. Ensure that 2 culverts have been installed.

The five activities mentioned above forms 100 % of the performance related pay the PM will get. Every activity is 20%. 50% of the PM's pay which is performance related will be divided amongst the five activities.

If the PM managed to achieve all these, he will get the full amount of the pay. If he fails any part of the activities mentioned above, the amount equivalent to that activity will be deducted accordingly.

Therefore, all immediate supervisors must ensure that those they supervise come up with monthly Program of Work (POW) to ensure measurement of their performance. Employees should be able to come up with (Specific, Measurable, Attainable, Realistic and Timed) SMART objectives to be achieved (Cross & Lynch 2007) and they should be trained on how to set SMART objectives. No employee should work without targets.

If for whatever reason (be it security, lack of materials or lack of spare parts) becomes the reason for the employee not to achieve his/her targets, the other 50% of the gross pay should be paid to the employee regardless of whether any work was done or not. In this way, all employees will ensure that they have done their part to make sure that they are not blamed for non-performance. If the problem is insecurity and the management successfully convinces the client for additional payment, then all employees will receive extension of time with additional monies and they will also receive full salaries because it was not their problem. But if the PM, the QS, the MM and the MD are not able to justify the need for additional money and the project receives no additional funds, then everybody will not get the other 50% for PRP.

Total compensation using SPR

Employees should be paid parts of compensation which will enable them to do their work without hindrance. The total amount of labor cost (head office and the field) is 1,238,292 USD as shown in the appendix 9 & 10.

As mentioned earlier, 30% of a project worth 8m USD is 2,400,000 USD. If the project finishes as planned, the labor cost will be less by 1,161,708 USD. If it does extend because of negligence from the management and staff for some few months, the company have saved some money from lack of performance by some if not all of the employees but it would have spent more money on other parts of compensation like food. The entire amount on bonuses would not have been paid since bonuses are to be paid when the project is performing very well.

However, if the delay in completion is as a result of the other factors associated with the environment in South Sudan, the client, consultant and the beneficiaries should be part of the decision to either extend the contract with additional funds or not. The idea here is to have a win- win situation for both the employees and the organization.

6.3.2.2 Evaluation of SPR

The participants who attended the third workshop were made to evaluate the recommendations of the second workshop and in particular to evaluate the SPR. Below are the main points raised:

The SPR method requires a lot of work by the supervisors in order to discuss with their junior staff their targets. 50% of the pay is performance related, so supervisors need time to determine the pay of those they supervise according to what constitutes the pay.

Supervisors should ensure that those they supervise are able to set measurable targets so that they will not get the impression that the supervisors did not assess their performance on fair basis.

The supervisors should ensure that those they supervise know what they will get paid during the time of discussing their targets. This is to ensure that there is transparency.

The HR Manager will need ample time to gather all the assessments of the supervisors to calculate what the employees should receive. Assessments should be made on the 25th of every month and the supervisors to send in their comments on the 27th of the month to allow HR and administration to finish their work by the 29th. This is to ensure that employees get paid on the 30th of the month as they are accustomed to the payment at the end of the month.

Management has a big role to ensure that what the company is supposed to do is done without delay.

The client, government (and Labor office) and the consultants should be part and parcel of these arrangements so that there will be compliance with what each stakeholder is supposed to do for the contractor to achieve the targets set under this arrangement.

6.3.3 Workshop Three

In the third workshop, the participants were divided into two groups. The groups discussed and gave responses to similar questions related to scheduled agendas. Further, the groups floated AOB questions which they discussed and responded to in the following order; group one discussed how to bring the employees to embrace the change from the traditional monthly pay to other pay systems and group two discussed the issues with the culture of people and malpractices which are affecting the commitment to work. This is in order to specifically look at how some specific cultural behaviours and practices affect the board, management and field staff in delivering the projects.

Table 6.5: Responses of the two groups in workshop three

| Group One: | Group Two |
|--|---|
| <ul style="list-style-type: none"> ▪ Pay should be based on performance ▪ There should be set criteria for recruitment and treatment of permanent and temporary Employees ▪ Management want pay be based on performance not salary. ▪ There is readiness to embrace new pay System <p>AOB</p> <p>How to embrace change:</p> <p>Employers should explain the intended change to the employees</p> | <ul style="list-style-type: none"> ▪ Pay should be based on performance ▪ There should be set criteria for recruitment and treatment of permanent and temporary employees ▪ Management want pay be based on performance not salary. ▪ There is readiness to embrace new pay system <p>AOB</p> <p>Reasons for delay by the BOD and management</p> <p><u>BOD</u>: Not up to the task and yet the owners decide who should be in the board, lack of capacity and knowledge of the work, wrong composition of board members and the chairman controls management.</p> |

| | |
|---|--|
| Terminate many employees and employ new ones based on the new system | <u>Management</u> : Most of the employees are not qualified, nepotism, difficulties in checking the credentials of foreigners who work at all levels, giving attention to many social events resulting into high absenteeism, many public holidays, lack of seriousness to meet targets by not working beyond the working hours, no infrastructure to allow working late in the night, a high level of procrastination and insecurity. |
| Improve ethical cultures, so that employees will be honest in implementing the change | Field Staff: Absenteeism because of attending social events, lack of seriousness to meet targets, procrastination |

After the discussions on how the board and management can influence the work of the other junior staff and based on the causes of delay as mentioned in the above table, the participants apportioned most of the work on management who are expected to push the other employees to work hard. Proposals were made on how much of the management salaries should be related to their performance. The 19 participants were made to prioritize the most important reasons causing management not to meet targets and the below is the outcome:

Table 6.6 Causes of delay by management and junior employees

| Problem | No. of Participants | Percentage |
|---|---------------------|------------|
| Management Issues: Employing non-qualified staff and based on nepotism | 2 | 10.52% |
| Attention to social events | 3 | 15.79% |
| Not endeavouring to meet Targets caused by procrastination | 7 | 36.84% |
| Total | 12 | 63.15% |
| Field Staff Issues: Attending to social events | 2 | 10.52% |

| | | |
|-------------------------------------|---|--------|
| Lack of seriousness to meet targets | 2 | 10.52% |
| Procrastination | 3 | 15.79% |
| Total | 7 | 36.83 |

About 63% of the participants apportioned the blame on management. Therefore, it was agreed that 60% of the salaries (derived from the 63%) of management staff should be performance related. The other 36.83% are practices that need to change from the perspective of the field staff but are issues which can be changed if management want work to be done in a specified time.

6.3.3.1 Third Method Suggested: Management Driven Pay (MDP)

In this method, those in the supervisory role are the only people to be held responsible for non-performance or should be rewarded for good performance. Ideally, it is the manager who:

- supervises employees to do work on time.
- will change the culture of laziness and procrastination.
- will ensure that employees get the materials required.
- are capable of making employees meet quality.
- through the BOD, achieve the shareholders' objectives.

Since management drives the performance of the other employees, they should be motivated to perform their task in a timely manner. Those who are to be management staff should have the ability to work with a team and to guide their performances in line with what the manager wants to achieve in a specific time period. Today's business environment is fast changing and therefore managers should be able to innovate and increase the quality of their work (Matzler et al. 2010).

Therefore this method will heavily depend on management effort and as such is Management Driven Pay (MDP). In MDP, only those in the senior positions will own to both failures and success. If they are able to work very hard together with their subordinates, they will make a lot of money but if they are not able to do that, they will lose. As for those categorized as junior staff whether at the head office level or in the field, will get their pay. In this way all those who are given supervisory responsibilities will have to do a lot of work. They should be able to ensure that their subordinates work according to the program.

In the plenary discussions about the BOD and management (in the third workshop), the BOD and management take a bigger share of the blame should the organization not perform very well. Since the BOD is not available on daily basis in the organization, management has a direct responsibility for the performance of other employees. This thesis therefore suggests sixty percent (60%) of the pay of management should be performance related and forty percent (40%) should not be performance related. The 40% which is not performance related is because of South Sudan specific circumstances which were discussed in the earlier chapters. 60% is suggested because of the fact that in as much as there are some factors causing delay of which management is not in control, they contribute to some of the delays. By attaching their payment to the tune of more than 50%, it will force those in management positions to put more effort to ascertain that their subordinates get the supplies and the conducive environment for operations. The 60% is derived from the percentage in the table above.

The monthly pay of employees in appendices 3 & 4 is what is used in all the three workshops. The 8% deduction from employees and 17% contribution by the employer for pension is based on Ministry of Labor, Public Service and Human Resources Development Circular of 2010 to the private sector and NGOs in South Sudan.

For the junior staff, their pay will be affected by the number of days present at work. This is to avoid procrastination. Apart from their pay, they will also get insurance. The total compensation under this method is shown in appendices 11 and 12.

The employees will still get the monthly contribution to pension whether they are absent from work or not. This will be an advantage to employees in addition to insurance. The amount is divided by 26 because these are the official working days in the month.

This thesis suggests quarterly bonus as 20% of quarterly pay and annual bonus as 20% of annual pay. The researcher further suggests project income to be divided amongst employees and the BODs at 20% each and the owners at 40%. The rest of the 20% in the researcher's view should be savings. The first three groups of stakeholders (employees, owners and BOD) are based on the discussions of the third workshop relating to their importance. The other one (savings) is based on the business need of the companies. Any organization will only survive if it is able to innovate and improve. Innovative businesses challenge employees to work harder and to feel that they are improving their own capacities on the job (Ivanov 2013 as cited in Bello & Servey 2014). This innovation will only be possible if the company saves or shareholders put in additional funds.

In South Sudan, construction companies need bid securities at the bidding process and once they get the contracts, they will only get mobilization money if they are able to get Bank Guarantees. Given the situation of insecurity in the country, banks do not give Bank Guarantee for Advance Payment unless if the companies have cash cover. So, if the companies do not have savings, it becomes difficult for them to get guarantees from the banks.

The overall cost on labor using this method

The total amount on labor using MDP for management and junior staff is 389,054 USD + 984,343 USD = 1,373,397 USD. If this is deducted from the 30% labor cost of 2,400,000 USD, the balance as profit is 1,026,603 USD.

It is however to be noted that the 8% pension deduction is the company's money since the employee is supposed to pay that amount from his/her salary. From the tables in the appendix, the 8% is not deducted from the employee's money. It is also important to note that the amount on insurance is for the period of 1 year and not 9 months. This is because the insurance companies tend to take one year cover but in the future if companies have the record of finishing projects in the agreed period and the companies have started insuring only the project period, the amount of insurance will also reduce.

6.3.3.2 Evaluation of MDP

It is to be noted that this method was not evaluated in a workshop but is entirely made from the researcher's practical experience. The following need to be done:

- The management staff should be result-oriented because the junior staff will only work harder if they are given pressure to do so since the junior staff pay is not attached to performance.
- The junior staff should know that they are entitled to 20% project allowance at the end of the project should they finish on time.
- The HR department will need the capacity to ensure that management staff are up to their task so that the field staff will get the support they need to do their work.
- The BOD must ensure that they employ management staff who are experienced.

CHAPTER SEVEN
DISCUSSIONS

7.0 Introduction

This chapter analyses the payment methods developed and discusses the implications of the findings. It further mentioned some flaws in the Labor Laws used in South Sudan and discusses the attitude of employees towards change. It also discusses the recommendations of the thesis in relations to the existing literature. The chapter ends with a recommendation for Payii and other roads construction companies.

7.1 Analysis of the three pay methods

This thesis mainly looked at how best to compensate employees in a way that will be financially sustainable for the construction companies in unstable environments like South Sudan. Three methods were developed in this study; TBP & STBP, SPR and MDP. It concludes that if a company operating in South Sudan adopts any of the pay methods developed, the company will be able to sustain the pay and compensate employees in a better way.

Throughout the study, the example used was a project worth 8 m USD and the implementation period was 9 month. The same number of staff were used and the 30% project cost of 2,400,000 USD was used for labor cost. From the examples used, the company will make the following profits:

TBP: the total labor cost was 1,511,501 USD and the profit from the labor cost was 888,499 USD.

STBP: the total labor cost was 1,582,883 USD and the profit from the labor cost was 817,117 USD.

SPR: the total labor cost was 1,238,292 USD and the profit from the labor cost was, 1,161,708 USD.

MDP: the total labor cost was 1,373,397 USD and the profit from the labor cost was 1,026,603 USD.

From the above, the profit from SPR seems to be higher than MDG, TBP & STBP. However, it is to be noted that each method needs a lot of efforts from management to realize the profit. This can be seen from the evaluation of each method as done in chapter 4. Failure to meet the requirements needed for each method, will result in lesser profits or no profit at all.

In both TBP and STBP, team work should be encouraged since their pay is related to their joint effort. In the STBP, those doing the same work should develop the interest to work as a team. It becomes a bit difficult if they are receiving instructions from another team who are not able to work as a group. For instance, the drivers are one team and yet their work is connected to the work of another group. If the engineers are not able to properly coordinate their work, the drivers will not be able to meet their target. It should be made clear from the onset as to how to reward teams that perform very well. If a team is able to finish its work on time, it should be given the whole amount intended for that particular work. For example, from the TBP above, the profit is 888,499 USD. This profit should be shared amongst different stakeholders and other activities. This thesis suggests 40% of the profit for shareholders and 20% each for the employees, board and savings. 20% of the profit which is for employees will be 177,700 USD. There are six groups: head office, field admin, field technical staff, team 1, team 2 and team 3. This amount should be divided amongst the 6 teams. Each team will have 29,617 USD. Inside the team, it will be divided based on the percentage of each employee's salaries. This will only be given if the team performs very well. If not, the money goes back to the company. This same arrangement will be made for all the other teams.

In MDP, the load is too much on management as they are the ones to drive the whole project. Management is the act of controlling and directing people within an organization in order to accomplish shared goals (The Research Starters Topic on Management 2013). In the MDP, the challenge is who to classify as managers. It is easy to identify management staff at the head office but in the field, it is not easy because from the definition of management above the PM, Site Agent, Foremen can all be managers. In this thesis only the PM is considered as a manager in the field because he/she is the one who directs the work of the field staff including the Site Agent.

In all the three method, the 20% from the profit money which is to be given to employees should be given to those who perform very well. This will encourage employees to work very hard and will also inculcate in them ownership of the company since they share in the profits.

This thesis suggests paying 20% of basic pay as bonus on quarterly basis and at the end of the project additional 20% of gross pay as end of project allowance using MDP. This is to ensure that the managers are not only motivated at the end of the project life but are also motivated as the project progresses.

The Personal Income Tax (PIT) is 10% of gross pay and this is paid to the government. This does not affect the calculations because it is actually deducted from the employees' money and not extra money from the company. The 8% contribution by the employee is also deducted from the employees' money. In this thesis, it is not deducted. Therefore the whole amount of 8% on each method is additional money to the company which tops up the profit the company will be making when using any one of the methods.

All the methods need a considerable number of earthmoving equipment. The bigger the number of equipment, the easier it becomes to complete a project and the higher the need for management capacity to control and direct the operations.

Contractors should negotiate the time for the completion of the project in a practical manner and clients and donors should also design contract period according to the situation in South Sudan. A project which was completed in another country where the infrastructure is good cannot be completed in the same period in South Sudan.

7.2 Implications of the Findings

7.2.1 Context of findings in literature

Paying employees in a team is not a new phenomenon. In group based payment, Kim et al. (2011) argued that members of the team bring in their own skills and expertise to achieve collective goals. This thesis expanded on this by not only paying a group but also arranging what constitute a team on a road project. It further emphasized the need to have more than one team so that work can be achieved in the shortest possible time as the situation in South Sudan can change at any given time because of the insecurity involved. STBP further pointed to a form of TBP where people with the same expertise come together to achieve a target set for their particular expertise. Therefore, the teams can either be people with different expertise or people with the same expertise provided that the other teams also do the same thing as a group. The idea is to finish the work in the shortest possible time by forming many teams at one time. The team members will be motivated if their team get the intended amount meant for the work once they get to finish their work.

Putting part of the remuneration of the executive at risk was discussed by Tilly (2012) where part of the pay should be fixed and the other part should be at risk. In MDP, all those tasked with supervisory roles should be considered as management staff and their pay should be partly fixed

and partly performance related with the variable part slightly higher. They are to be given bonuses on quarterly basis and at the end of the project to ensure that they work hard. The rest of the employees should be paid their full salaries. Allowing the employees to get part of the profit the company makes when using TBP will be in tandem with the argument of Balsam (2007) that it will encourage employees to stay longer with the company.

SPR will also be considered as another form of PFP since it is 50% performance related and 50% fixed. All the three methods of TBP, SPR and MDP are meant to solve South Sudan specific problems in the ways shown in table 5.0 below:

Table 7.1: Showing South Sudan specific problem, method developed and how the problem is solved

| Issue | Method developed | How the problem is solved |
|--|---------------------|--|
| Delay in the delivery of construction Materials | SPR MDG STBP | - encourage people with specific expertise to ensure materials are Delivered |
| Importing construction materials | MDG | -ensure that management either brings the materials on time or negotiate with the client |
| Impassable roads | SPR MDG | - management to negotiate with the client to use local materials |
| Lack of qualified local personnel | TBP, STBP | -ensure that team members are up to the task |
| Inability to work in the rainy seasons | SPR MDG | -management to negotiate with the client that projects should be implemented in the rainy seasons -management to record the amount of rain to be able to request for additional funds |
| Insecurity caused by intertribal fighting and rebels | SPR MDG | -if there is such insecurity, not all the monies will be paid. -management to negotiate for demobilization from site -management to request for additional Funds |
| Delay in getting projects | TBP, STBP | - Finish the project at hand in the shortest possible time and pay off the Staff |
| Issues with the labor laws | MDG TBP, STBP | -management to ensure that employees are aware about the labor Laws -management to push for further modification of the labor laws -employees as a group to ensure proper understanding of the law |
| Delay in the approval and payment of Certificates | MDG | - attach more than half of management pay to performance so that they will follow up with the client |
| Too many public holidays | SPR, MDG | - Attach part of the pay to performance |
| Procrastination (cultural behaviours) | SPR, MDG, TBP, STBP | - work in a team so that few people will be able to identify lazy colleagues - attach part of the pay to |

| | | |
|--|--|--|
| | | performance -attach more than half of the pay to performance |
|--|--|--|

7.2.2 The Labor Laws used in South Sudan

Representatives from the Labor Office attended the workshops and in the discussions it was obvious that employees and employers do not know how to relate to the Labor Office. On many occasions the Labor office stands with the employees regardless of what led to the dismissal or suspension of the employees

From the interviews conducted, there are employees who do not know their rights and obligations in regards to the labor laws. This may be because employees do not relate with the Labor Acts until when they feel aggrieved by their employers. They should ensure that employers abide with the Labor Acts.

5.2.3The Labor Act (1997)

South Sudan is still using the Labor Act of Sudan (1997). The Act has some features which makes it difficult to work with. They are mentioned below:

The Act is tailored towards the public sector and not the private sector
Whereas employees of construction companies are not exempted from this Act, there are some conditions which cannot easily be fulfilled by the employers in the private sections. Section 6(4) states that for the reduction of the number of workers for economic reasons

'If the Governor (Wali) approves it, the employer may make the reduction according to the Governor's (Wali) decision'.

It is not practical for the Governor to decide for private companies.

Some sections are not practical in the roads construction industry
There are some sections of the law which are not practical in the roads construction industry in South Sudan. For example, section 39(2) states

'If the employer, during the commencement of contract of service, transported the worker from the place of his work to another place, he shall pay the expenses of transporting the worker, members of his family who totally depend upon his earnings and their luggage to that place according to the prescribed rates of transportation'.

Most of the project sites are insecure in South Sudan and no one will wish to take his/her family there. The few who stay around the project site are mostly the casual workers. However, there are some young families (husband and wife/wives) who will take advantage of this provision and would therefore wish to be taken along with their partners to the field and if the law states that the employee's family are to be transported to where the head of the family works and yet the only available place is the camp in the field, it will create another problem. Accommodation in the field camps will not favour such arrangements.

Subsection 3 of the same section mentions the transportation of the wives of the employees. In South Sudan, there are men who marry several wives and if the law expects the employer to transport all the wives and children without setting a limit, this will also be expensive to the employer. Employers end up limiting the number of family members who can be medically covered. If you take a typical African man and for this matter a South Sudanese man who has more than one wife and more than 3 children and expect the employer to take care of all these dependents, the employer will have to pay the employee a lot of money to motivate him. This then makes the argument of pleasing employees very subjective because what may be a solution to one employee may not necessarily be the same to another person. For such an employee, even if the employer pays insurance premium for three of his children and one wife, he will still have to find ways of how to sort out the others. Therefore, the environment in South Sudan has its own features.

The Act favors a section of the populations

There are some sections which favours women. Section 48 states:

A women worker whose husband has died shall be granted a mourning leave with a full salary starting from the date of death of the husband and the period of leave shall be as follows:-

- (a) Four months and ten days where a women worker is not pregnant
- (b) if she is pregnant, the mourning leave continues till her delivery, in this case, permission may be given for maternity leave for eight weeks starting from the date of delivery'.

Such leaves may not be in the interest of the employer. Assuming the husband of the woman dies when she is only one month pregnant, it means she will have to stay for eight more months before delivery plus another two or four months of maternity leave.

According to the Labor Act (1997) mourning leave is granted to women and it mentions women whose husbands have died but is silent on husbands whose wives have died. Moreover, people

live as extended families in South Sudan where cousins, aunties, grandfathers, grandmothers, step parents, brothers and sisters, children, nephews and nieces are considered as close people. When one of them dies, the employees ask to be given permission to go for the funerals. Employees ask to be permitted to accompany the body upcountry for burial. This is an area where the employer will choose either to refuse to permit the employee to travel and get disgruntled staff or choose to allow them to travel and loose in terms of the contribution of the employee for the period he/she travels.

The Act is not properly enforced

The Labour Office has not enforced the laws and as such the companies have not been abiding accordingly. For example Section 43(3) clearly states that overtime should be paid on the date of the payment of the normal wages but this has not been the case. Employers pay bonuses at their own time.

Employers (and for this matter, the three companies) have been paying employees sick leaves without following what is stated in the Labor Act. According to section 44(2) of the Labor Act (1997), the annual leave will be calculated as follows:

- (a) If the worker completed from one year up to three years of continuous service, he shall be entitled to an annual leave equal to twenty days;
- (b) If the worker completed eight years and less than fifteen years of continuous service he shall be entitled to an annual leave of twenty-five days;
- (c) If the worker completed fifteen years or more of continuous service he shall be entitled to an annual leave equal to thirty days.

The Act mentioned the number of days without specifying whether it is the working days excluding weekends or inclusive of weekends. However, the practice in the companies is giving employees who have worked for one year, twenty six (26) working days as annual leave. In essence, this means the employee takes one month (30 days) paid annual leave. In this regard, the employer acts in favour of the employees where they do not take into consideration the conditions listed in the extract from the Labor Act (1997) above. Lack of knowledge of the Act might be one reason why the employers are not following the rules concerning leave days as stated.

Employees are kept without insurance because of the premium which the employer is supposed to pay on their behalf. The employer gives leave days off to the employee but contributes little to

his/her treatment. Where the employer gets involved is when the employee incurs injuries in the course of the work. It actually becomes expensive to the employer because of the cost of treatment which is being taken from the companies' operations money. In addition to the cost of treatment is the payment to be given to the employee if he/she does not heal faster. The Labor Act 1997, Section 47(1) states that the employee will receive his salaries in the following manner:

- (a) the first three months with full pay;
- (b) the following three months with half pay;
- (c) and finally the last three months with quarter pay.

Looking at all these expenses, it is better for the employer to insure the employees so that the insurance companies will take over the cost of treatment. Sometimes, it is even better because the insurance companies will take the employee to a better place to ensure speedy recovery. South Sudan lags behind in medical facilities and as such very sick people are referred to the hospitals in the neighbouring countries.

5.3 Attitude towards change

Changes in the pay

Any change which will be introduced should be thoroughly explained so that employees will not look at it as if it is benefitting the contractors at their expense.

However, it is not easy to change a method without getting the consent of the employees. They need to be part of the change. Though the present employees are already part of the changes to the pay method, it is important to bring as many employees as possible on board. If this is not done, those resisting the change are likely to brainwash the rest to resist. The saying goes that 'if there is one spoilt onion in the sack, the content of the sack will be spoilt'. Employees, who resist and are by nature very influential, are also likely to convince their colleagues, particularly in issues which change people from their comfort zone. It is therefore important for managers to plan the change before implementation.

Terminating the contract of most of the current management staff will be another way of ensuring that the change in the payment system will be accepted. This is important in order to effect other changes in the system. It is an advantage because if resistance comes from management, it becomes difficult to implement the change. At the same time management takes

the lion share for the blame should the organization not perform as expected. Bhattacharya et al. (2012) argued that building competitive skills and looking into managerial capabilities are strategies of succeeding for the organization at all levels. This means that for the organization to succeed, management has a big role to play. Should there be no or little capacity at the management level, it will actually be difficult to direct the performance of the junior staff for the benefit of the organization.

Hwang & Low (2012) pointed to the need to implement change management in projects. They mentioned both the beneficial and detrimental changes in the project where any change that has value is considered as beneficial and has long run usefulness to the organization. The challenge is the ability to identify the changes in a timely manner so that the organization will not be negatively affected before the change is implemented. This will only be done if management is up to the task.

In South Sudan, employees who stay longer get to know areas of how to make additional money at the expense of the owners. Such malpractices in South Sudan are not far from what Oladinrin & Ho (2014) listed as poor quality control, mismanagement of resources, improper tendering practices and improper relations. They stressed the importance of corporate ethics which is not being observed in many organizations. According to Radon & Logan (2014) one of the reasons for the current war in South Sudan is fragility and weak institutions. This can be expounded to mismanagement of resources which has become rampant in all sectors whether in private or public institutions. Though South Sudanese were initially ethical naturally, this is not the case now. Many have resorted to different unethical behaviours which are either copied from other countries or the urge to make quick money. With little or no systems of control in place, the private sector has also indulged into such malpractices.

Due to these factors, it will not be a good idea to keep employees working for a long period with one construction company in South Sudan. Once they get to know how to go about doing things in their interests, it becomes difficult for the owners to correct the situation. Management staff are likely to get corrupted in the following ways:

Agreeing with the client on sharing the kickbacks.

Agreeing with suppliers to raise the amounts on the invoices which will be presented for payment.

Agreeing with the consultants to do substandard work on the project and get paid the full amount.

Hiring earth moving equipment and tippers and not remitting the amount paid. Usually the shareholders do not know such arrangements. These are purely management making arrangements to get more money from the company. In the same way, the operators and drivers do the following:

Sell fuel if they get the chance.

Use the equipment and get paid without information to the head office.

Sell spare parts.

Delaying work so that they will qualify for overtimes when the organization is under pressure to complete the work.

Once employees get used to getting other monies apart from their salaries using the ways mentioned above, it becomes vital to change people. As such, most companies tend to change staff from time to time.

If the organization opt to change some members of staff, it will be essential to explain the intended change to those who will remain and the newcomers. Management should ensure that employees have embraced the change and are part of the implementation process. This will be possible by ensuring that the benefits to the employees are properly explained to them.

Ho (2011) argued that it will be useful for organization to improve ethical cultures. This will only be possible if people become ethical in their nature. Employees need to distant themselves from what is unethical in order not to transfer their unethical behaviours to produce unethical organizational culture.

Employees are likely to be interested in changes which will be for their good and if the company is able to provide all the components of pay, they will accept. If employees are told the benefits of any change, they will be able to accept the new system and get motivated (Benson 2008).

Employers should explain to the employees the fringe benefits in terms of money. For example, if employees get air tickets, company cars, insurance and other benefits, these should be explained in terms of how much money the company incurs in providing all the fringe benefits. Once this is done, they will be able to see that the company does not only give them the monthly salaries but also incurs some expenses on them indirectly.

7.4 Recommendations for Payii and other roads construction companies

The methods developed can easily be used provided the logistics for doing so are put in place. Change comes with resistance and therefore should not act as obstacles. The changes that are to be made should be thoroughly explained to employees in terms of what benefits come to them as individuals and what benefits comes to the company. There should be no secret to avoid suspicion.

Non-financial rewards are not costly to be used. However, it is important to establish the fact that it adds value to the employees. Employers should ensure that the employees appreciate the non-financial rewards.

These issues should be handled at the industry level as there are different stakeholders who should be part of the plan to implement the changes and to ensure that the methods are used for the benefit of both employees and employers. The clients, consultants, SSRA and the companies need to come to an agreement on how best to do work for their individual interests. For example, if the clients and the consultants are not aware of their role to ensure that TBP is implemented, they will continue approving certificates based on specific road works and not on the group efforts.

Again, it is important for Payii and the other companies to ensure that adequate attention is paid to the Labor Law issues raised in this thesis. The changes should incorporate the situation in South Sudan. There is need to change the Labor Act (1997) which is being used in South Sudan at the moment.

CHAPTER EIGHT

REFLEXIVE ANALYSIS

8.0 Introduction

This chapter presents the researcher's influence as a scholar-practitioner upon the conduct of the research. It also discusses the research framework. The contribution of the thesis to practice, to literature and to theory is mentioned. The chapter ends with the limitations of this thesis.

8.2 The Action Research Framework

This thesis focuses on action research with the intention to change the payment method in South Sudan. This is an organizational concern but it is also an industry problem which the researcher identified and builds awareness amongst other organizational members in order to realize the need for rectification. After the actions for rectification, the researcher has the responsibility to invest personally in ensuring that the actions are workable (Chein, Cook & Harding 1948 as cited in Naslund et al. 2010). Lewin who developed the concept of action research placed emphasis on solving problems collectively instead of individually (Naslund et al. 2010). In this action research, the problem was identified by the researcher and accepted by the members of the organization as an area worth studying. It is therefore both for academic purpose and for solving an identified problem.

Figure 8.1 Action Research Cycle



Adapted from Yelas & Engles (2010)

Identify problems/issues for investigation

The payment methods in South Sudan are the traditional monthly salaries despite the fact that there are some conditions in South Sudan which are not allowing the smooth operations of projects. The need to investigate the problem and identify payment methods to suit the environment in South Sudan was identified.

Carry out research

The researcher planned to carry out an action research. Data was collected from interviews, questionnaire and the three workshops.

Formulate action plan

The plan was to develop three methods and to test them for three months. One payment method was tested for only two months and the other two were tested for three months.

Reflect on and evaluate actions

After every three months, the methods were evaluated. Recommendations were made in areas where the organization and the employees need to improve.

8.3 The contribution of this thesis

8.3.1 Contribution to Practice

It is important for practitioners to know the usefulness of a research to them through the explanations of its implications by the researcher (Bartunek & Rynes 2010). While evaluating how actionable academic research is, Bartunek & Egri (2012) argued that a research that is actionable should incorporate the influence that will be on the actions of individuals, the groups and the organization.

The topic of this research came as a result of practical difficulties in applying some methods in South Sudan. As a result, the outcome of the research is expected to solve practical compensation problems in the companies.

The three methods developed provide foundation for the practitioners involved in roads construction in such environments which are unpredictable like South Sudan. Though it is specifically for South Sudan, it can also be adopted in similar situations as long as it is good for both employees and employers.

At the policy level, there needs to be many changes with the client, the consultants and the Labor office as discussed earlier. The client and consultants should be able to change the approval of works and the payment of certificates for the methods to be properly implemented.

Other components of the pay like bonus should be immediately removed should the project require demobilization of the project staff and equipment from the site. At the policy level, this should be clearly communicated and accepted by the stakeholders for the methods to be used.

Therefore the effect on employees, the group and the organization as suggested by Bartunek & Egri (2012) are as follows:

8.3.1.1 The effect on individuals (employees)

Employees are expected to be one of those directly affected by the introduction of these methods. The effect can be both positive and negative. It is positive in the sense that they will get what they worked for and also benefit from the components of compensation which they have not been receiving. It is negative in that they will be moving away from getting monthly salaries.

Employees are required to undergo some training to meet some of the requirements of its implication.

8.3.1.2 The effect on the groups (the other stakeholders)

The other stakeholders include the client, the consultants and the beneficiaries. The stakeholders are expected to understand the methods and to embrace them. For the methods to be implemented, the stakeholders need to change the way they conduct their business. For example, the consultants should speed up the time they approve the works and the certificates. The communities (beneficiaries) and the local authorities should cooperate with the contractors to ensure that all the processes of work are done in a timely manner so that employees will not be redundant waiting for some approvals from the local authorities or because of some obstacles caused by the beneficiaries.

8.3.1.3 The effect on the organization

The organization (contractors) should invest in training its staff and put system in place to allow employees to perform as recommended. The organization will benefit from this in that once their employees are happy, there will be less turnover, more motivation and therefore better

performance. The reputation of the organization will also improve in that projects will be delivered in timely manner.

8.3.2 Contribution to literature

When reviewing the literature, it is noticeable that subsequent researchers criticize their predecessors who write on the same topic. This, in the researcher's view is because of the practical application of the theories. The more the theories are put in practice, the more loop holes are identified. This is one reason why the same topics can be expounded as far as practice is concerned.

The research has come up with methods which may be an expansion of some aspects which are part of what other researchers have worked on. An example is the SPR of which part of it is PRP. Though the PRP has already been researched and also has met some criticism, this research has made part of SPR to be performance related to suit the situation in South Sudan. Those who support pay for performance, think that it helps in competitive advantage (Report on Salary Surveys 2013). Ronald & Campell (2014) mentioned that PRP was used with a quarter of the pay of practitioners based on performance in the UK in 2004. In their research, they concluded that it was effective but short term. The effectiveness is dependent on the context in which the method is being implemented. While performance is the main part of this method, the problem lies in how to measure performance (Campbell et al. 2003 as cited in Ronald & Campell 2014 p. 1944). They argued that failure to properly measure the performance led to the 25% to be reduced.

In MDG, the researcher discussed the importance of employees to have measurable objectives to be achieved. This should be made a priority for the method to work. While Ronald & Campell (2014) reported that the 25% was later reduced, in this thesis, it is suggested that it should be more than the fixed pay. In MDG, the fixed pay is 40% and the performance related part is 60%. The context applies to places similar to South Sudan, to cover for procrastination which is affecting commitment to work in a timely manner.

In this way, the thesis expands the literature by putting some emphasis on some business environments which are uncommon but needs to be boosted to allow business people to operate smoothly.

8.3.3 Contribution and implications to theory

The implications for theory are divided into three as general implication, the culture and social settings and the ability to venture and to take risks.

8.3.3.1 General implications

Before the financial meltdown of 2009, Pay for Performance was mainly used to align the interests of both shareholders and executives (Schneider 2013). This led to higher compensation for the executive and increased share price for the shareholders. The Optimal Contracting Theory argues that the top executives and the shareholders negotiate pay in such a way that both parties try as much as possible to maximize their interest (ibid p. 17). Later on, the Managerial Power Theory was introduced where the top executives have the power to influence their own pay. This all depends on where the power lies. If the CEO is powerful, the power lies with him/her and therefore high compensation but if there is a powerful board, the board can also dictate (Essen et al. 2015).

As time goes by, the theories are criticized with many critiques proposing different ones to suit the experience practitioners get. There is always re-examination of the pay system (Lin et al. 2013 as cited in Pereira 2015). All these theories are being developed in attempts to solve issues which face the organizations. From the literature, the researcher has not come across pay systems which are specific to environments like South Sudan where the culture and social settings of the people have direct effect on the time and the commitment to work. At the same time, there are no pay methods which are used in environments where there is unavailability of local resources and rampant insecurity.

8.3.3.2 The culture and social setting

Knowledge of the people and their culture will inform the contractor on how to go about doing business in different places. Wienclaw (2008) pointed to the need to consider the local culture, laws, the economic and political factors of the local area. As is the case in South Sudan, people attach importance to several social events which affects their ability to deliver. Contractors should therefore device methods which will allow them to make business with the host community without necessarily causing problems. For example, South Sudanese are not sensitive about time. Such people need to be encouraged by designing pay methods in such a way that

their pay will be related to their achievement. In the TBP and STBP, it is about motivating them should they perform well.

The social setting is that South Sudanese live a communal life (Mitchel et al. 2007). They are used to living in groups which is manifested in their extended family life style. This is one factor which will make TBP and STBP easy because the social setting supports working and living in groups.

MDP can push employees to do better since the pay of other people (supervisors) is based on their performance. This can go beyond the junior employees as management will also need to be pushed by the board to work. Their pay is also based on their ability to move others to work.

8.3.3.3 The ability to venture and take risks

When making changes, it is important to take into consideration the risks involved. In this regard, the companies have to accept the risk of changing methods when uncertain about the possible implications on huge turnovers should the methods not impress the employees.

8.4 Limitations of the research

8.4.1 The number of companies studied

This research concentrated on three companies and the situation is assumed to be similar in all the other companies. The methods suggested were tested for only three months and so not enough time was given to take into consideration the additional suggestions made after the evaluation of each method.

8.4.2 The time between the workshops

Due to the fact that the workshops were done in intervals of three months, some participants were not able to attend all the three workshops. Some had to travel and others had other assignments. This had both advantage and disadvantage. The disadvantages is that getting new faces in subsequent workshops takes people backward because the new participants needed to catch up with the rest and the advantage is that they also bring in new ideas.

8.4.3 The testing period

The testing period was not as anticipated. The intention was to try them all for three months but because the start date for one project delayed, it was only tested for two months. Coghlan & Brannick (2010) argued that action research which is for dissertation has an inbuilt time schedule and therefore should end at a certain time. What is important is that the researcher is able to judge that the project has yielded sufficient learning. This is the reason as to why the research continued despite the fact that the test was not as anticipated. However, it would have been better to test these methods for longer period because in the process, many loopholes will surface and remedies of how to fix them can be done.

8.4.4 Issues with the consent of the participants

Since the requirement is that the researcher has to get the consent of the participants to do everything, the participants were not comfortable in getting recorded. Some points might have been missed which if recorded would have added to the data. This is in particular to the interview part where the participants did not agree to be recorded. When participants give consent to participate, it is not necessary to ask them for further consent to be recorded as this would create some level of suspicion particularly if the participant is about to release a sensitive information.

Participants are reserved if they know that the researcher will also be talking to their superiors. In this regard, they will fear to be recorded. Speer & Stokoe (2014) think that face-to face consent gaining favours the 'yes' option since they are built to favour that. However, the experience of the researcher has been different because despite directing or leading participants in favour of giving consent to record the interviews, they were more concerned about what repercussions will come when they are recorded.

CHAPTER NINE

CONCLUSIONS

9.0 Introduction

It is possible to determine pay methods that will be suitable in an environment. At the same time, the culture and social settings of people are completely different with some social settings jeopardizing work. If one payment method works in one place, it may not necessarily work in another place unless if it is designed to suit that particular environment. Collective identification of problems and collective solutions to the problem paves ways for easier implementation of the desired solutions. With this idea in mind, the researcher opted to go for workshops so that the problem can be handled in a collective manner with the stakeholders concerned.

In this chapter, the research findings are compared to existing literature. A summary of other incentives plans in the literature are presented in Table 9.1 in addition to the summary of the payment methods in this thesis, Table 9.2. It also sheds light on the effects of changing the pay methods and reflects on the objectives of the research as mentioned in chapter one.

9.1 Comparing the Research Findings to Existing Literature

From the three methods suggested in this thesis, the idea is around the concepts of team based pay and performance related pay. The difference is that this thesis has suggested a different form of TBP and PRP to suit the environment in South Sudan. The following are the findings in the literature:

9.1.1 Team Based Pay

The main issues and debates about TBP are:

9.1.1.1 Definition of Team Based Pay

TBP also known as team reward is a reward system in which part of the employee income is based on the collective achievement of the team (Aime et al. 2010). The aim is to motivate individuals to perform and to promote team work. In general, team-based rewards include any arrangement for a group of employees to receive a variable award based on increased performance against a target (Gross 1993).

In this thesis a team is composed of people with different specialization coming together to achieve a common goal (TBP) and people with the same specialization coming together to

achieve their goal based on their specialization while considering fitting in the overall goal of the organization (STBP).

9.1.1.2 Composition of Team Members

Team composition is an important element of TBP. DeMatteo et al. (1998) think that the task should be interdependent for the effectiveness of the team reward (cited in Aime et al. 2010). In their view, one of the bases for the team rewards comes from the contribution of members in terms of the capacity to continue cooperation. In this thesis, the concept of TBP is based on interdependence of the team members.

However in STBP, the idea is that proper cooperation will be amongst members who understand each other in terms of their work requirements and the expectation of the employer. For instance, engineers know what they are supposed to do for the work on a roads project to be completed. They would therefore work better when they are planning and executing what is expected of them by their employer. This is the basis of the team composition in STBP as recommended in this thesis.

9.1.1.3 Equitable Vs Equal Payment

McClurg (2001) mentioned three alternatives to rewarding team members; equal rewards, base it on individual contribution or base it on ratio of reward to base pay. All these come with both advantages and disadvantages.

When it comes to employee satisfaction Kerkowits et al. (1987) found out that equity comes first followed by other considerations like material benefits (cited in Oliver et al. 2011). A different view is that there is high employee satisfaction if the rewards are distributed equally (Pfeffer and Langton, 1993 as cited in Oliver et al. 2011). The variable award is based on increased performance against a set target (Gross 1993 as cited in Oliver et al. 2009).

In this study, TBP and STBP, once the team is paid the amount due to it, the individuals within the team get paid based on the percentage of the total pay. It is based on the percentage of the total compensation due to that employee. For example, if employee A's salary is 12% of the total salaries, he/she gets 12% of the amount due to the team. This will make employees to work as a team because there will not be any competition amongst team members. Instead team members

will be monitoring each other's performance as their individual pay will be determined by the joint efforts of the other members.

9.1.1.4 Component of Compensation Used in TBP

Teams can be rewarded in terms of recognition, promotion, bonuses, prizes, non-cash rewards. Some firms believe non-monetary rewards are easier to implement than monetary rewards, and the executives of some firms believe recognition (non-cash) rewards really do work (Gross, 1995). Older research, however suggests that performance improvements were greater when financial rewards were given to individuals than when financial rewards were given to groups (Locke & Latham, 1984). The same research found that giving financial rewards to individuals worked better than using goalsetting and job enrichment alone (without monetary rewards). Johnson (1993) reported that the most frequently reported pay systems uses fixed hourly rate, skill-based pay, and group incentives. Profit-sharing and gain-sharing were also used to a lesser degree in group incentive plans.

In this thesis, a road section is assigned to a group and once they finish, they get the whole amount meant for that road section. The amount is divided amongst team members in regards to the percentage of each member's salaries. The basis is still the salaries.

9.1.2 Performance Based Pay

Both SPR and MDG have elements of performance related pay. The issues about performance pay are mentioned below:

9.1.2.1 Definition of Performance

Pay for performance links part of the compensation to the employees' ability to achieve specific targets or performance improvement (Greene et al. 2014). This can be quality of work, quantity of some products, number of patients or number of employees. In this thesis performance refers to the ability to finish a road stretch on time and according to the specification in the contract document.

9.1.2.2 Effects of Equity or Cash Executive Payment on Organizational Performance

Gadiesh et al. (2003) are of the view that in order to align management to shareholders, there should be equity component to pay and Ntim et al. (2015) argue that corporate performance is more sensitive to equity than to cash pay. However, the executive pay differs from one country to the other and usually differs in the legal, institutional and cultural corporate practices. The link between executive pay and corporate performance can differ in the developing world compared to the industrialized world because of different institutional settings (Ang et al. 2002 as cited in Ntim et al. 2015).

In this thesis, all the pay is based on cash payment because the mind set of people is set on rewards in terms of cash. Since the pay is cash, the effect of equity pay has not been tested.

9.2.2.3 The PRP Part of Pay

In the some sectors, it accounts for one quarter of income (Greene et al. 2014). In this thesis (SPR), the performance related pay part of the payment is 50% and in MDG, it is 60%. The differences are in the percentage.

9.1.2.3 Issues with resistance

Resistance to change is common particularly if the change is affecting employees directly. In this thesis, this is reduced by making employees part of the change. The action research part of the thesis involved the managers in implementing the intended change.

Resistance also comes as a result of misconception that it is a kind of control. Employees are encouraged to look at the positive part of change to them and to the organization.

9.1.2.4 Adequate/Appropriate Objectives and Fairness of the Pay

In this thesis, managers are encouraged to come up with SMART objective to ensure that what is to be paid as performance based is done in a transparent way and both sides consider it as fair.

9.1.2.5 Gaming and Work Ethics

Gaming is one of the problems with performance based pay. Here, employees tend to care more about what is measurable in their pay (Gupta & Shaw 2014). They will then distort information

to achieve the result that will be measured. It is employees' concentration on what should be remunerated forgetting about the work ethics.

In SPR, employees are encouraged to discuss with their supervisors their targets at the beginning of the month and at the end of the month. In this way, the possibilities of concentrating on what is to be remunerated will be minimized unless if their superiors are part of the gaming. This however, needs further studies.

9.1.2.6 Pay Vs Procrastination

In the view of Gupta et al. (2014) when pay is attached to the behaviours and conducts of employees, they demonstrate both functional and dysfunctional behaviours to ensure they obtain the desired money.

This thesis tries to reduce on the behaviours of procrastination by ensuring that employees are held responsible in their conducts in relations to performing their duties. This is done by subjecting their pay to performance (SPR and MDP) and instantly paying the amount meant for the work should they deliver earlier than planned (TBP and STBP). Therefore, procrastination will be reduced in TBP and STBP if the employees are assured of getting the whole amount meant for the work upon finishing earlier.

9.1.3 The Incentives Plans

9.1.3.1 Individual and Group Incentives Plans in the Literature

Table 9.1 Showing Individual and Group Incentives Pay Plans

| Plan | Characteristics |
|---|--|
| Individual Incentives: | |
| ➤ Straight Piece Work Plan | ➤ Pays a constant rate per item once the standard is exceeded. |
| ➤ Standard Hour Plan/Bedeaux Plan | ➤ The standard time for each job is determined in terms minutes which are called Bedeaux |
| ➤ Taylor Differential Piece Rate System | ➤ Pay a differential rate per unit ➤ The incentive rate per item may increase or decrease depending on the production |
| ➤ Merrick Multiple Piece Rate System | ➤ Merrick prescribes three rates: one for the beginning employees, the other for developing employees and the other for the skilled employees |
| ➤ Halsey 50-50 Method | ➤ The time for completing the work is fixed in advance ➤ Employee paid for the time he/she takes to finish the work ➤ Employees get incentives if they save some time. |
| ➤ Rowan Plan | ➤ Employees are guaranteed minimum wages for the time they spent on the job ➤ Employees get bonus if they finish their job before the standard time. |
| ➤ Preistman Bonus System | ➤ Considers the productivity of all workers as a group ➤ If the output increases over the standard output, wages are increased in the same ratio |

| | |
|-----------------------------------|--|
| ➤ Gantt Plan | <ul style="list-style-type: none"> ➤ A combines timing, bonus and piece rate plan ➤ At 100% efficiency a bonus of 20% is given for a 10 hours' work done in 10 hours |
| ➤ Emerson Plan | <ul style="list-style-type: none"> ➤ Standard output fixed for determining the efficiency of employees ➤ If an employee reaches 66% of efficiency only gets minimum wages ➤ Employees only get bonus when his/her efficiency is above he limit. |
| <u>Team/Group Incentives Plan</u> | |
| Corning Glass | <ul style="list-style-type: none"> ➤ Gain sharing plan. ➤ 75% of payoff is based on unit objectives measures such as quality measures and units of production. |
| Profit Sharing | <ul style="list-style-type: none"> ➤ A vehicle for the retirement plan ➤ Payoff is far in the future making it difficult for employees to attach it to performance. |
| GE Information Systems | <ul style="list-style-type: none"> ➤ If team meets its goal, the incentive is 12%-15% of monthly pay |
| 3-M | <ul style="list-style-type: none"> ➤ Base pay is fixed at 80% ➤ Employees have to meet some objectives for their pay to move to 100%. |
| Saturn | <ul style="list-style-type: none"> ➤ Base pay 93% of the market ➤ Employees meet individual objectives to get the rest. |
| Du Pont Fibers | <ul style="list-style-type: none"> ➤ Employees get reduced pay increases over 5 years which results into 6% lower base pay ➤ Employees get the 6% if |

{Information collected from Handlogten & Caruth (2001); Barton & Locke (2000), Milkovich & Newman (2002), Boss (2006)}

9.1.3.2 Summary of the Payment Method in this Thesis

Table 9.2 Summary of the Payment Methods in this Thesis

| The Payment Method | Characteristics |
|--------------------|--|
| TBP and STBP | <ul style="list-style-type: none"> ➤ Team is either composed of employees with different specialization (TBP) or employees with the same specialization (STBP) ➤ Members get the whole amount meant for the work if they finish on time. ➤ Individual employees get paid according to the percentage of their salaries. ➤ 20% of profit to be distributed to employees ➤ 20% of gross pay to be paid to employees at the end of the project which is finished on time |
| SPR | <ul style="list-style-type: none"> ➤ Fixed pay is 50% and variable pay is 50% ➤ The variable cost should be based on targets set by employees at the start of the month which are to be measured towards the end of the month. ➤ 20% of profit money to be distributed to employees ➤ If no justification is given for the delay, employees loose the 50%. |
| MDG | <ul style="list-style-type: none"> ➤ Managers' fixed pay is 40% and variable pay is 60% ➤ All junior employees get fixed monthly salaries ➤ Managers get 20% of basic pay is paid as bonus on quarterly basis ➤ Managers get 20% of gross pay is paid as bonus at the end of the project which is completed on time. ➤ 20% of profit money to be distributed to managers |

9.2 Effects of changing the pay methods

9.2.1 Reduction in costs

In regards to the compensation of staff, the project costs can be reduced if the project finishes in a shorter time. The interests of the employees to finish the projects are as follows:

In TBP and STBP, a team would wish to finish the project in the shortest possible time for them to get the full amount meant for that particular work.

In SPR, employees are likely to exert more efforts to finish work since their pay is attached to performance at the tune of 50%.

In MDG, managers would wish to finish the project in order not only to get paid their full salaries but to benefit from both the quarterly and end of project bonuses. They will ensure that the project staff work as expected.

9.1.2 Improvement in performance

9.1.2.1 Employees' performance

For the methods to be operational, there is need to carry out some trainings for the HR personnel who will be tasked with measuring pay and the immediate supervisors who will be discussing with their juniors their achievements or failures. The employees will have to be trained to set objectives which will be measurable. This will improve the performance of the employees.

9.1.2.3 Organizational performance

By the fact that the employees need to work harder to be able to get paid their full salaries, there will be improvement in the overall performance of the organization. All the three methods exhibited some profits for the organization (refer to chapter 5, section 5.2).

9.2 Reflections on the Objectives

- I. Objective One: Identify and introduce pay methods which will be accommodative of some of the challenges in Payii and advantageous to the company and the employees.

As discussed in Chapter one , there are challenges which are specific to South Sudan because of the situation the country finds itself in. Nevertheless, despite all odds and the difficulties construction companies face, the urge to do business is still there. The research has introduced three methods which were tested.

- II. Objective Two: Determine pay methods which will take into consideration the factors affecting the companies operating in insecure environments

In the methods developed in this research, consideration is made to the insecure environment like South Sudan. In TBP, the team is paid the entire amount should they make use of a time when it is permissible to work. Team members are encouraged to put individual efforts in the work as there are parts of the compensation which are paid on individual basis. In the SPR, 50% is attributed to the insecure environment where employees will get paid regardless of their individual efforts. In MDP, the load is placed on management who have to ascertain that the field requirements are met for the work to progress. This includes the ability to put the blame in the right place. For example, no company should be held responsible for non-performance because of heavy rains, security situations and the delay in mobilization due to bad roads etc. Such excuses should be properly negotiated with the client and as such it is all about management ability to do so.

- III. Objective Three: Propose ways of how to change the traditional pay method and to devise ways of making employees to accept new methods while taking into consideration the human factors which make them to resist any change, the social factors which affect the attitudes and lifestyle of people and the economic factors like the unemployment rates and the cost of life.

The below are areas where the research proposed change avenues:

a. Labor Laws

The research identified the need to modify the Labor Act (1997) to suit South Sudan or better for South Sudan to operate with its own Labor Laws so that some of the flaws mentioned in the previous chapters will not affect employees and employers.

b. Procrastination

The methods which require individual efforts in order to get a good pay, can change the South Sudanese attitude of procrastination. The attitude of postponing work to later time or doing work in a rush can result into semi-standard work which has a direct effect on compensation both for the employees and the employer. The employees have the task to justify the reason/s for the substandard work or it may result to no performance on their part and therefore less pay and for the employer, it means more materials and more labor cost for the same work.

c. Human Factors

The employees and the environment of work are important for the implementation of the pay methods. Cerrato & Piva (2012) argued that one of the determinants of a firm's strategy and performance is the endowment of human resources. Therefore, to achieve the firm's objectives, the employees need to be empowered. In each of the method, there are some prerequisites for the employees to meet. In the TBP, it is important that the spirit of teamwork is inculcated in the employees. In the SPR, it is important that employees are able to set targets and their supervisors are able to measure the targets at the end of the month. In the MDP, employees should be able to work accordingly in close collaboration with management and that management are able to drive the performance of others by not only supervising but by ensuring that the required supplies needed for performance are made available. So, there are issues with the capacity of the workforce to ensure delivery according to the objectives set forth.

d. Social Factors

Some social factors were identified which affect the commitment of employees to their work. This is because there are social events which has a lot of importance to the communities. The idea is not to change the cultures of the people but to implement pay methods which will encourage them to devote time to work.

Another social factor affecting the South Sudanese is the attitude towards time. As mentioned in the earlier chapters, observing time has always been a problem. In the methods proposed, there is time frame in which the employees will get bonuses for work well done. In this way, time becomes essential and therefore should be taken on a serious note.

e. Economic Factors

The unemployment rate in South Sudan is very high with only 12% of women and 11% of men formally employed (Country Profile; South Sudan 2013). While this research covers exceptional project where the number of locals exceeds the number of foreigners, this is not always the case. The fact that the unemployment rate is high, means that employees will resist change which is likely to cause them their jobs. If payment is based on performance or is attached to extra efforts, the fear of the unknown consequence is also likely to make employees to resist the change and to cling to the old monthly salaries.

Importing essentials from abroad coupled with the inflation rate, limited exchange rate (African Development Bank Group 2013) make the cost of living very high in South Sudan. The proposed methods in this research recommend many aspects of compensation to be paid to the employees. This will assist employees to partially meet the cost of living.

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APPENDICES

Appendix 1: Interview Questions

Background information

The intention is to create an environment for easy interaction.

What is the name of the company you work for and what position do you hold?

How long have you been working for this company?

If you are a Board member, what kind of reward do you get?

Current salary structure

The intention is to know what part of the compensation the company pays.

Is your company satisfied in paying the employees the current pay that they get? In what ways is the company comfortable or not in doing this?

What kind of benefit or allowance do you give employees to cater for that hardship they are subjected to because of the insecurity and risks in the project area?

How do you compensate employees who work beyond the working hours?

Which benefits do you give to your employees

Is your organization engaged in commissions? How successful/unsuccessful is that? How do you ensure that both sales person and the organization get fair deal?

In your opinion, what are the strengths and the weaknesses of the present pay method your organization uses?

Company staff

The intention is to know how the company retains quality staff.

Which group of staff do you consider as permanent and which ones are or temporary?

What is the criteria for establishing permanent and non-permanent staff?

What plans do you have in place to sustain the permanent staff should your company not have projects running for some months?

How do you work to retain high calibre and quality staff and reduce high turnover?

Understanding of the pay

The intention is to get the understanding of whether the employees understand the components of their pay or not and their understanding of the Labor laws.

In what ways do you ensure that employees are briefed on their compensation both tangible and intangible? Are employees aware about the Labor laws?

How do you brief your employees about Labor laws?

Do they understand that any additional reward is also part of their pay? How often do you increase pay' and what are the basis for doing that? In what form do you pay bonuses (cash, equity, etc)

Group work

The intention is to know whether group work is practiced or not and what challenges are involved in doing so.

Does your company encourage project staff to work in groups where different groups are assigned specific kilometres of road for specific periods?

How do you compensate employees who have to finish a road stretch as a group?

Are there some difficulties in paying employees as a group?

In what ways do you encourage teamwork amongst your employees? Does payment affect teamwork?

Sustainability of the pay

The intention is to know the pay is sustainable or not.

How do you see the company sustaining the established pay regardless of having many projects running at one time?

If projects delay because of lack of materials, bad roads, insecurity; how do you pay your employees and at the same time consider the profitability of the projects?

What do you do with your staff when a project is terminated or temporary demobilized for reasons of insecurity?

How do you relate the pay of employees to performance which cannot be achieved at the end of the month while you are supposed to pay the employee at the end of the month?

How do you calculate the profit of the company against the salaries paid to employees?

Board Understanding

The intention is to know how the Board of Directors influence the decisions on compensation.

How does the Board relate to the committee that makes decisions about pay?

Does the Board have any control over the committee? If 'yes', how and if 'no', why?

Appendix 2: Questionnaire

SECTION A

The intention of this section is to compare the respondents in terms of gender, age, and nationality.

Gender

Male

Female

Age

20- 30

31 - 40

41 - 50

51 - 60

Above 60

Nationality

National

Foreigner

SECTION B

The intention is to know their understanding of the compensation they get.

Do you know your rights as per the labor laws?

Yes

No

Do you know the components of your payment (tangible or intangible)?

Yes

No

Have you been informed by management prior to the commencement of your work as to the details of your payment?

Yes

No

If you answered 'No' to questions (2) and (3) above, what best describes the reason/s?

Management did not inform me

I was informed but I did not pay attention

Whether I get informed or not does not make any difference since it does not change the status quo.

What kinds of intangible rewards do you get?

Appreciation note

Thank you letter

Special meal

Open appreciation in meetings

Transfer to a place of choice

What kind of tangible rewards do you get? (put "X" against all the benefits you get)

Pay raise Bonuses

Insurance coverage

Paid maternity/paternity

leave Paid sick leave

Paid holidays

Air tickets

Company house or allowance

Company car

Pension

Others (kindly specify) _____

How often do you receive pay increases?

Once a year

When assigned to a new project

Not at all

Do you discuss your targets with your supervisor at the start of the month?

Yes

No

Do you later discuss the targets with the supervisor at the end of the month?

Yes

No

What makes you satisfied/dissatisfied with the pay you get?

Is the process of pay increases fair?

Yes

No

If it is unfair, why and if it is fair, how?

SECTION C

In this section, my intention is to know how respondents understand how they should have been paid in environments like South Sudan.

Are you paid if you work more than the normal working hours?

Yes

No

What pay do you get when you work beyond the normal working hours?

Overtime

Bonuses

Are you told how bonuses and overtimes are calculated?

Yes

No

Do you see yourself in any way as contributing to the delay in the completion of the project which was not finished on time?

Yes

No

If Yes, how and if no, why

In case a project is suspended because of insecurity, rainy season or non- payment by the client, how do you think your payment should be?

I expect my full salary

Partial payment

No payment

Others (please specify)

If the staff contributed to the delay in the completion of the project, how would you have advised the management of the company?

Pay staff their full salaries
Pay them part of the
salaries Do not pay them at
all Others (please specify)

If a project delays for reasons which are beyond the control of both the owners, management and yourself, how would you have advised management to do the payment?

Pay staff their full salaries
Pay them part of the
salaries Do not pay them at
all Others (please
specify)

If you were one of the owners of the company, how would you expect to pay staff in the event that the project is suspended?

Pay staff their full salaries
Pay them part of the
salaries Not pay them at all
Others (please
specify)

SECTION D

The intention is to know how they relate their pay to their colleagues.

Do you discuss your pay with your colleagues?

Yes

No

If yes "why" and if "no" why not?

In what ways do you share information about your pay with your colleagues?

Discussions during staff meetings

Discussions with close friends

Others (please specify)

How do you get rewarded?

As an individual

As a team

In case you answered "as a team" in No. 3 above, how will you judge the pay?

Fair

Unfair

Do you feel at one point that you work harder and others get paid for your efforts, (particularly when there is insecurity at the project site)?

Yes

No

What will make you to leave your current employment?

If my pay is not increased.

If I get a better pay with another employer

If I am not able to deliver to my full

potential Others (please

specify)

SECTION E

The intention is to find out the attitude towards any change in compensation method.

How often do the company make increments?

Bi-annual

Yearly

Not at all

Do you accept changes in your pay?

Yes

No

Are you comfortable being paid salaries only?

Yes

No

How will you react if another system of pay is introduced

I will accept the system

I will reject the system

I do not know

What do you think is the best compensation method to be used for unpredictable environments like South Sudan?

Appendix 3: Annual Compensation (Head Office and Field)

| S/No | Position | Gross Pay | % | Annual Salaries | Annual Transport | Insurance | Company Car/Fuel | Annual Pay |
|------|----------------|-----------|-------|-----------------|------------------|-----------|------------------|------------|
| 1 | MD | 3,720 | 20 | 44,640 | 2,400 | 2,500 | 756 | 54,036 |
| 2 | C. Engineer | 4,759 | 26 | 57,108 | 2,400 | 2,500 | 756 | 67,549 |
| 3 | MM | 3,472 | 19 | 41,664 | 2,400 | 2,500 | 756 | 50,811 |
| 4 | FM | 1,662 | 9 | 19,944 | 2,400 | 2,500 | 756 | 27,271 |
| 5 | FO | 1,436 | 8 | 17,232 | 2,400 | 2,500 | 756 | 24,332 |
| 6 | HR | 1,040 | 6 | 12,480 | 2,400 | 2,500 | 756 | 19,182 |
| 7 | LV Driver | 440 | 1.8 | 5,280 | 0 | 2,500 | 0 | 8,222 |
| 8 | LV Driver | 320 | 2 | 3,840 | 0 | 2,500 | 0 | 6,662 |
| 9 | Secretary | 380 | 2 | 4,560 | 0 | 2,500 | 0 | 7,442 |
| 10 | Mechanic | 320 | 2 | 3,840 | 0 | 2,500 | 0 | 6,662 |
| 11 | Guard 1 | 180 | 1 | 2,160 | 0 | 2,500 | 0 | 4,841 |
| 12 | Guard 2 | 180 | 1 | 2,160 | 0 | 2,500 | 0 | 4,841 |
| 13 | Guard 3 | 180 | 1 | 2,160 | 0 | 2,500 | 0 | 4,841 |
| | | | | 0 | 0 | 2,500 | 0 | 2,500 |
| 15 | Cleaner & Cook | 180 | 1 | 2,160 | 0 | 2,500 | 0 | 4,841 |
| | | | | 0 | 0 | | | 0 |
| | | | | 0 | 0 | | | 0 |
| | TOTAL | 18,449 | 100.8 | 221,388 | 14,400 | 42,500 | 4,536 | 301,374 |
| | | | | | | | | |

Field staff

| S/No | Staff | USD | % | Food | Salaries | A/Food | Transport | Insurance | Fuel | A/Pay |
|------|----------------|-------|--------|------|----------|--------|-----------|-----------|------|-------|
| 1 | PM | 3,142 | 12.80% | 360 | 37704 | 4320 | 2,400 | 2,500 | 756 | 47680 |
| 2 | ME | 2,600 | 10.64 | 360 | 31200 | 4320 | 2,400 | 2,500 | 756 | 41176 |
| 3 | F/M 1 | 920 | 3.76 | 360 | 11040 | 4320 | 0 | 2,500 | 0 | 17860 |
| 4 | F/M 2 | 920 | 3.76 | 360 | 11040 | 4320 | 0 | 2,500 | 0 | 17860 |
| 5 | F/M 3 | 920 | 3.76 | 360 | 11040 | 4320 | 0 | 2,500 | 0 | 17860 |
| 6 | QS | 2,000 | 8.18 | 360 | 24000 | 4320 | 2,400 | 2,500 | 0 | 33220 |
| 7 | Surveyor | 1,320 | 5.4 | 360 | 15840 | 4320 | 2,400 | 2,500 | 0 | 25060 |
| 8 | HM Mecahnic | 840 | 3.43 | 360 | 10080 | 4320 | 0 | 2,500 | 756 | 17656 |
| 9 | LV Mechanic | 640 | 2.62 | 360 | 7680 | 4320 | 0 | 2,500 | 0 | 14500 |
| 10 | Low bed Driver | 440 | 1.8 | 360 | 5280 | 4320 | 0 | 2,500 | 0 | 12100 |
| 11 | Grader | 760 | 3.11 | 360 | 9120 | 4320 | 0 | 2,500 | 0 | 15940 |
| 12 | Grader | 760 | 3.11 | 360 | 9120 | 4320 | 0 | 2,500 | 0 | 15940 |
| 13 | Roller | 440 | 1.8 | 360 | 5280 | 4320 | 0 | 2,500 | 0 | 12100 |
| 14 | Roller | 440 | 1.8 | 360 | 5280 | 4320 | 0 | 2,500 | 0 | 12100 |
| 15 | Wheel/Loader | 400 | 1.64 | 360 | 4800 | 4320 | 0 | 2,500 | 0 | 11620 |
| 16 | Excavator | 500 | 2.05 | 360 | 6000 | 4320 | 0 | 2,500 | 0 | 12820 |
| 17 | Dozer | 620 | 2.54 | 360 | 7440 | 4320 | 0 | 2,500 | 0 | 14260 |
| 18 | Dozer | 620 | 2.54 | 360 | 7440 | 4320 | 0 | 2,500 | 0 | 14260 |
| 19 | W/Tank | 440 | 1.8 | 360 | 5280 | 4320 | 0 | 2,500 | 0 | 12100 |
| 20 | W/Tank | 440 | 1.8 | 360 | 5280 | 4320 | 0 | 2,500 | 0 | 12100 |
| 21 | F/Tank | 440 | 1.8 | 360 | 5280 | 4320 | 0 | 2,500 | 0 | 12100 |
| 22 | LV Driver | 320 | 1.31 | 360 | 3840 | 4320 | 0 | 2,500 | 0 | 10660 |
| 23 | LV Driver | 320 | 1.31 | 360 | 3840 | 4320 | 0 | 2,500 | 0 | 10660 |
| 24 | Tipper | 440 | 1.8 | 360 | 5280 | 4320 | 0 | 2,500 | 0 | 12100 |
| 25 | Tipper | 440 | 1.8 | 360 | 5280 | 4320 | 0 | 2,500 | 0 | 12100 |
| 26 | Tipper | 440 | 1.8 | 360 | 5280 | 4320 | 0 | 2,500 | 0 | 12100 |

| | | | | | | | | | | |
|----|-------------------|--------|--------|-------|--------|-------|-------|--------|------|--------|
| 27 | Tipper | 440 | 1.8 | 360 | 5280 | 4320 | 0 | 2,500 | 0 | 12100 |
| 28 | Cleaner & Cook | 120 | 0.49 | 360 | 1440 | 4320 | 0 | 2,500 | 0 | 8260 |
| 29 | Cleaner & Cook | 120 | 0.49 | 360 | 1440 | 4320 | 0 | 2,500 | 0 | 8260 |
| 30 | HR | 1,000 | 4.09 | 360 | 12000 | 4320 | 0 | 2,500 | 0 | 18820 |
| 31 | Casuals | | | | 0 | 0 | 0 | | 0 | 0 |
| 32 | 2 guards | 240 | 0.98 | 720 | 2880 | 8640 | 0 | | 0 | 11520 |
| 33 | 2 root pickers | 240 | 0.98 | 720 | 2880 | 8640 | 0 | | 0 | 11520 |
| 34 | 3 A/Surveyors | 360 | 1.47 | 1,080 | 4320 | 12960 | 0 | | 0 | 17280 |
| 35 | 3 L/Assist. | 360 | 1.47 | 1,080 | 4320 | 12960 | 0 | | 0 | 17280 |
| | TOTAL | 24,442 | 87.258 | 1,080 | 293304 | 12960 | 9,600 | 75,000 | 2268 | 552972 |
| | | | | | | | | | | |

Appendix 4: Head office Compensation (TBP)

| S/No | Position | Gross Pay | Pay in 9 months | Employees' contribution to pension in 9 months time | Company contribution to pension in 9 months | Total Pension in 9 months' time | Insurance in | Fuel Usage in 9 months | Food for 9 months | Transport in 9 months time | End of Project Allowance 20% of the 9 months pay | Overall compensation in 9 months |
|------|-------------------------|-----------|-----------------|---|---|---------------------------------|--------------|------------------------|-------------------|----------------------------|--|----------------------------------|
| 1 | Managing Director | 3,720 | 33480 | 2678.4 | 5691.6 | 8370 | 2,500 | 568 | 3,240 | 1,800 | 6696 | 56,654 |
| 2 | Chief Engineer | 4,759 | 42831 | 3426.48 | 7281.27 | 10707.75 | 2,500 | 568 | 3,240 | 1,800 | 8566.2 | 70,213 |
| 3 | Marketing Manager | 3,472 | 31248 | 2499.84 | 5312.16 | 7812 | 2,500 | 568 | 3,240 | 1,800 | 6249.6 | 53,418 |
| 4 | Fleet Manager | 1,662 | 14958 | 1196.64 | 2542.86 | 3739.5 | 2,500 | 568 | 3,240 | 1,800 | 2991.6 | 29,797 |
| 5 | Accountant | 1,436 | 12924 | 1033.92 | 2197.08 | 3231 | 2,500 | 568 | 3,240 | 1,800 | 2584.8 | 26,848 |
| 6 | Human Resources Manager | 1,040 | 9360 | 748.8 | 1591.2 | 2340 | 2,500 | 568 | 3,240 | 1,800 | 1872 | 21,680 |
| 7 | Spare parts Specialist | 760 | 6840 | 547.2 | 1162.8 | 1710 | 2,500 | 568 | 3,240 | 0 | 1368 | 16,226 |
| 8 | Light Vehicle Driver 1 | 440 | 3960 | 316.8 | 673.2 | 990 | 2,500 | 568 | 3,240 | 0 | 792 | 12,050 |
| 9 | Light Vehicle Driver | 320 | 2880 | 230.4 | 489.6 | 720 | 2,500 | 568 | 3,240 | 0 | 576 | 10,484 |
| 10 | Receptionist | 380 | 3420 | 273.6 | 581.4 | 855 | 2,500 | 568 | 3,240 | 0 | 684 | 11,267 |
| 11 | Light Vehicle Mechanic | 320 | 2880 | 230.4 | 489.6 | 720 | 2,500 | 568 | 3,240 | 0 | 576 | 10,484 |
| 12 | Guard 1 | 180 | 1620 | 129.6 | 275.4 | 405 | 2,500 | 568 | 3,240 | 0 | 324 | 8,657 |
| 13 | Guard 2 | 180 | 1620 | 129.6 | 275.4 | 405 | 2,500 | 568 | 3,240 | 0 | 324 | 8,657 |
| 14 | Guard 3 | 180 | 1620 | 129.6 | 275.4 | 405 | 2,500 | 568 | 3,240 | 0 | 324 | 8,657 |
| 15 | Guard 4 | 180 | 1620 | 129.6 | 275.4 | 405 | 2,500 | 568 | 3,240 | 0 | 324 | 8,657 |
| 16 | Cleaner | 180 | 1620 | 129.6 | 275.4 | 405 | 2,500 | 568 | 3,240 | 0 | 324 | 8,657 |
| 17 | Cleaner | 180 | 1620 | 129.6 | 275.4 | 405 | 2,500 | 568 | 3,240 | 0 | 324 | 8,657 |
| 18 | Cook | 180 | 1620 | 129.6 | 275.4 | 405 | 2,500 | 568 | 3,240 | 0 | 324 | 8,657 |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | TOTAL | 19,569 | 176121 | 14089.68 | 29940.57 | 44030.25 | 45,000 | 10224 | 58,320 | 10,800 | 35,224 | 379,719 |

Appendix 5: Compensation of administrative staff in the field (TBP)

| S/No | Position | Gross Pay | Gross pay in 9 month | Pension Deduction 8% | Company contribution to pension 17% | Total of pension in 9 months | Insurance | Transport | Food in 9 months | End of project allowance 20% of Gross | Total Compensation |
|------|-----------------|-----------|----------------------|----------------------|-------------------------------------|------------------------------|-----------|-----------|------------------|---------------------------------------|--------------------|
| 1 | Site Agent | 1,360 | 12240 | 979.2 | 2080.8 | 3060 | 2,500 | 0 | 3,240 | 2448 | 23,488 |
| 2 | HR Officer | 720 | 6480 | 518.4 | 1101.6 | 1620 | 2,500 | 0 | 3,240 | 1296 | 15,136 |
| 3 | Project Manager | 3,142 | 28278 | 2262.24 | 4807.26 | 7069.5 | 2,500 | 1,800 | 3,240 | 5655.6 | 58,755 |
| 4 | Cashier | 720 | 6480 | 518.4 | 1101.6 | 1620 | 2,500 | 0 | 3,240 | 1296 | 15,136 |
| | TOTAL | 5,942 | 53478 | 4278.24 | 9091.26 | 13369.5 | 10,000 | 1,800 | 12,960 | 10695.6 | 112,515 |
| | | | | | | | | | | | |

Appendix 6: Compensation of 1 team in the field (TBP)

| S/No | Position | Gross Pay | Gross pay in 9 month | Pension Deduction 8% | Company contribution to pension 17% | Total of pension in 9 months | Insurance | Food in 9 months | End of project allowance 20% of Gross | Total Compensation |
|------|----------------------|-----------|----------------------|----------------------|-------------------------------------|------------------------------|-----------|------------------|---------------------------------------|--------------------|
| 1 | Excavator | 500 | 4500 | 360 | 765 | 1125 | 2,500 | 3,240 | 900 | 12,265 |
| 2 | Dozer Operator | 620 | 5580 | 446.4 | 948.6 | 1395 | 2,500 | 3,240 | 1116 | 13,831 |
| 3 | Motorgrader Operator | 760 | 6840 | 547.2 | 1162.8 | 1710 | 2,500 | 3,240 | 1368 | 15,658 |
| 4 | Loader Operator | 400 | 3600 | 288 | 612 | 900 | 2,500 | 3,240 | 720 | 10,960 |
| 5 | Roller Operator | 440 | 3960 | 316.8 | 673.2 | 990 | 2,500 | 3,240 | 792 | 11,482 |
| 6 | Surveyor 1 | 1,040 | 9360 | 748.8 | 1591.2 | 2340 | 2,500 | 3,240 | 1872 | 19,312 |
| 7 | Surveyor 2 | 1,320 | 11880 | 950.4 | 2019.6 | 2970 | 2,500 | 3,240 | 2376 | 22,966 |
| 8 | Workman 1 | 140 | 1260 | 100.8 | 214.2 | 315 | 2,500 | 3,240 | 252 | 7,567 |
| 9 | Workman 2 | 140 | 1260 | 100.8 | 214.2 | 315 | 2,500 | 3,240 | 252 | 7,567 |
| 10 | Mechanic 1 | 640 | 5760 | 460.8 | 979.2 | 1440 | 2,500 | 3,240 | 1152 | 14,092 |
| 11 | Foreman 1 | 720 | 6480 | 518.4 | 1101.6 | 1620 | 2,500 | 3,240 | 1296 | 15,136 |
| 12 | Tipper 1 | 440 | 3960 | 316.8 | 673.2 | 990 | 2,500 | 3,240 | 792 | 11,482 |
| 13 | Tipper 2 | 440 | 3960 | 316.8 | 673.2 | 990 | 2,500 | 3,240 | 792 | 11,482 |
| 14 | LV 1 | 320 | 2880 | 230.4 | 489.6 | 720 | 2,500 | 3,240 | 576 | 9,916 |
| 15 | Water tank | 440 | 3960 | 316.8 | 673.2 | 990 | 2,500 | 3,240 | 792 | 11,482 |
| 16 | Chainman | 300 | 2700 | 216 | 459 | 675 | 2,500 | 3,240 | 540 | 9,655 |
| 17 | Cook 1 | 120 | 1080 | 86.4 | 183.6 | 270 | 2,500 | 3,240 | 216 | 7,306 |
| 18 | Cook 2 | 120 | 1080 | 86.4 | 183.6 | 270 | 2,500 | 3,240 | 216 | 7,306 |

| | Casuals | | | | | | | | | |
|----|-------------------------|------|-------|--------|---------|-------|--------|--------|-------|---------|
| 19 | - assistant surveyors 1 | 120 | 1080 | 86.4 | 183.6 | 270 | 2,500 | 3,240 | 216 | 7,306 |
| 20 | - assistant surveyor 2 | 120 | 1080 | 86.4 | 183.6 | 270 | 2,500 | 3,240 | 216 | 7,306 |
| 21 | - Assistant chainman | 120 | 1080 | 86.4 | 183.6 | 270 | 2,500 | 3,240 | 216 | 7,306 |
| 22 | - 1 root picker | 120 | 1080 | 86.4 | 183.6 | 270 | 2,500 | 3,240 | 216 | 7,306 |
| 23 | - root picker | 120 | 1080 | 86.4 | 183.6 | 270 | 2,500 | 3,240 | 216 | 7,306 |
| 24 | - guard 1 | 120 | 1080 | 86.4 | 183.6 | 270 | 2,500 | 3,240 | 216 | 7,306 |
| 25 | - guard 2 | 120 | 1080 | 86.4 | 183.6 | 270 | 2,500 | 3,240 | 216 | 7,306 |
| | TOTAL | 9740 | 87660 | 7012.8 | 14902.2 | 21915 | 62,500 | 81,000 | 17532 | 270,607 |

Appendix 7: Compensation of technical staff in the field (TBP)

| S/No | Position | Amount | Gross pay in 9 month | Pension Deduction 8% | Company contribution to pension 17% | Total of pension in 9 months | Insurance | Transport | Food in 9 months | End of project allowance 20% of Gross | Total Compensation |
|------|-------------------|--------|----------------------|----------------------|-------------------------------------|------------------------------|-----------|-----------|------------------|---------------------------------------|--------------------|
| 1 | Site Engineer | 2,600 | 23400 | 1872 | 3978 | 5850 | 2,500 | 1,800 | 3,240 | 4680 | 41,470 |
| 2 | QS | 2,000 | 18000 | 1440 | 3060 | 4500 | 2,500 | 0 | 3,240 | 3600 | 31,840 |
| 3 | Electrician 1 | 720 | 6480 | 518.4 | 1101.6 | 1620 | 2,500 | 0 | 3,240 | 1296 | 15,136 |
| 4 | Head Mechanic | 840 | 7560 | 604.8 | 1285.2 | 1890 | 2,500 | 0 | 3,240 | 1512 | 16,702 |
| 5 | Lab Technician 1 | 1,240 | 11160 | 892.8 | 1897.2 | 2790 | 2,500 | 0 | 3,240 | 2232 | 21,922 |
| 6 | Lab technicians 1 | 1,240 | 11160 | 892.8 | 1897.2 | 2790 | 2,500 | 0 | 3,240 | 2232 | 21,922 |
| 7 | Welder 1 | 800 | 7200 | 576 | 1224 | 1800 | 2,500 | 0 | 3,240 | 1440 | 16,180 |
| 8 | Lowbed 1 | 440 | 3960 | 316.8 | 673.2 | 990 | 2,500 | 0 | 3,240 | 792 | 11,482 |
| 9 | Lowbed 2 | 440 | 3960 | 316.8 | 673.2 | 990 | 2,500 | 0 | 3,240 | 792 | 11,482 |
| 10 | Fuel tank 1 | 440 | 3960 | 316.8 | 673.2 | 990 | 2,500 | 0 | 3,240 | 792 | 11,482 |
| 11 | Fuel Checker | 160 | 1440 | 115.2 | 244.8 | 360 | 2,500 | 0 | 3,240 | 288 | 7,828 |
| | TOTAL | 10,920 | 98280 | 7862.4 | 16707.6 | 24570 | 27,500 | 0 | 35,640 | 19656 | 207,446 |

Appendix 8: Compensation of teams in the field using (STBP)

| A | Engineers | Quantity | Amount Head | Project Total | 9M Total | Insur. | 0.08 pension | 0.17 pension | Total Pen. | Trans. | Food | Fuel | 20% End P. Allow. | Total comp. |
|----|-----------------|-----------------|-------------|---------------|----------|--------|--------------|--------------|------------|--------|-------|------|-------------------|-------------|
| 1 | Project Manager | 1 for all teams | 3142 | 3142 | 28278 | 2500 | 2262.24 | 4807.3 | 7069.5 | 1800 | 3240 | 568 | 5655.6 | 49111.1 |
| 2 | 3 Engineer | 1/team | 2600 | 7800 | 70200 | 7500 | 5616 | 11934 | 17550 | 5400 | 9720 | 0 | 14040 | 124410 |
| 3 | 3 lab techs | 1/team | 1240 | 3720 | 33480 | 7501 | 2678.4 | 5691.6 | 8370 | 5401 | 6480 | 0 | 6696 | 67928 |
| B | Foremen | | | | | | | | | | | | | |
| 4 | 3 Foremen | 1/ team | 920 | 2760 | 24840 | 7500 | 1987.2 | 4222.8 | 6210 | 0 | 9720 | 0 | 4968 | 53238 |
| C | Surveyors | | | | | | | | | | | | | |
| 5 | 1 Q. Surveyors | 1 for all team | 2000 | 2000 | 18000 | 2500 | 1440 | 3060 | 4500 | 0 | 3240 | 0 | 3600 | 31840 |
| 6 | 6 Surveyors | 2/team | 1320 | 7920 | 71280 | 15000 | 5702.4 | 12118 | 17820 | 0 | 19440 | 0 | 14256 | 137796 |
| 7 | 6 A. Surveyors | 2 /team | 120 | 720 | 6480 | 15000 | 518.4 | 1101.6 | 1620 | 0 | 19440 | 0 | 1296 | 43836 |
| 8 | 6 Chainman | 2/ team | 300 | 1800 | 16200 | 15000 | 1296 | 2754 | 4050 | 0 | 9720 | 0 | 3240 | 48210 |
| 9 | 3 A. chainman | 1/team | 120 | 360 | 3240 | 15000 | 259.2 | 550.8 | 810 | 0 | 9720 | 0 | 648 | 29418 |
| 10 | 6 Root Pickers | 2 for each team | 120 | 720 | 6480 | 15000 | 518.4 | 1101.6 | 1620 | 0 | 19440 | 0 | 1296 | 43836 |
| D | Mechanics | | | | | | | | | | | | | 0 |
| 11 | H. Mechanic | 1 for all teams | 840 | 840 | 7560 | 2500 | 604.8 | 1285.2 | 1890 | 0 | 3240 | 0 | 1512 | 16702 |
| 12 | Welder | 1 for all teams | 800 | 800 | 7200 | 2500 | 576 | 1224 | 1800 | 0 | 3240 | 0 | 1440 | |
| 13 | 3 Mechanics | 1/team | 640 | 1920 | 17280 | 7500 | 1382.4 | 2937.6 | 4320 | 0 | 9720 | 0 | 3456 | 42276 |
| 14 | Fuel checker | 1 for all teams | 160 | 480 | 4320 | 2500 | 345.6 | 734.4 | 1080 | 0 | 3240 | 0 | | 11140 |
| | | TOTAL | | | | | | | | | | | | 699741.1 |

Continuation of Appendix 8

| | | Quantity | Amount | Project | 9 months | Insurance | 0.08 | 0.17 | Total | Transport | Food | Fuel | 20% End Proj. Allow. | Total comp. |
|----|-------------------------------|-------------------|--------|---------|----------|-----------|---------|---------|---------|-----------|-------|------|----------------------|-------------|
| E | Drivers | | Head | Total | Total | | pension | pension | Pension | | | | | |
| 15 | 6 Tipper drivers | 2/ team | 440 | 2640 | 23760 | 15000 | 1900.8 | 4039.2 | 5940 | 0 | 19440 | 0 | 4752 | 68892 |
| 16 | 3 LV drivers | Per team & 1 / PM | 320 | 960 | 8640 | 10000 | 691.2 | 1468.8 | 2160 | 0 | 9720 | 0 | 1728 | 32248 |
| 17 | 2 Low bed driver | 2 for all team | 440 | 880 | 7920 | 5000 | 633.6 | 1346.4 | 1980 | 0 | 6480 | 0 | 1584 | 22964 |
| 18 | 3 Water tank driver | 1/ team | 440 | 1320 | 11880 | 7500 | 950.4 | 2019.6 | 2970 | 0 | 9720 | 0 | 2376 | 34446 |
| 19 | 1 Fuel tank driver | 1 for all team | 440 | 440 | 3960 | 5000 | 316.8 | 673.2 | 990 | 0 | 3240 | 0 | 792 | 13982 |
| F | Operators | | | | | | | | | | | | | |
| 20 | 3 Motor Grader Operators | 1 for each team | 760 | 2280 | 20520 | 7500 | 1641.6 | 3488.4 | 5130 | 0 | 9720 | 0 | 4104 | 46974 |
| 21 | 3 Roller Operators | 1 for each team | 440 | 1320 | 11880 | 7500 | 950.4 | 2019.6 | 2970 | 0 | 9720 | 0 | 2376 | 34446 |
| 22 | 3 Bull Dozer Operators | 1 for each team | 620 | 1860 | 16740 | 7500 | 1339.2 | 2845.8 | 4185 | 0 | 9720 | 0 | 3348 | 41493 |
| 23 | 3 Excavator/backhoe Operators | 1 for each team | 500 | 1500 | 13500 | 7500 | 1080 | 2295 | 3375 | 0 | 9720 | 0 | 2700 | 36795 |
| 24 | 3 Wheel loader Operators | 1 for each team | 400 | 1200 | 10800 | 7500 | 864 | 1836 | 2700 | 0 | 9720 | 0 | 2160 | 32880 |
| G | Administrative staff | | | | | | | | | | | | | |
| 25 | Headed by the Project Manager | | | | | | | | | | | | | |
| 26 | HR Personnel | 1 for all team | 720 | 720 | 6480 | 2500 | 518.4 | 1101.6 | 1620 | 0 | 3240 | 0 | 1296 | 15136 |
| 27 | Site Agent | 1 for all team | 1360 | 1360 | 12240 | 2501 | 979.2 | 2080.8 | 3060 | 0 | 3240 | 0 | 2448 | 23489 |
| 28 | Cashier | 1 for all team | 720 | 720 | 6480 | 2500 | 518.4 | 1101.6 | 1620 | 0 | 3240 | 0 | 1296 | 15136 |
| 29 | 6 Cleaners & Cooks | 2 for each team | 120 | 720 | 6480 | 15000 | 518.4 | 1101.6 | 1620 | 0 | 19440 | 0 | 1296 | 43836 |
| 30 | 6 Guards | 2 for each team | 120 | 480 | 4320 | 15000 | 345.6 | 734.4 | 1080 | 0 | 19440 | 0 | 864 | 40704 |
| | | TOTAL | | | | | | | | | | | | 503421 |

Appendix 9: Head Office Compensation (SPR)

| S/No | Position | Gross Pay | Total pay in 9 months | pension deduction (8% of gross)/month | Annual employee contribution to pension | Monthly fixed pay | PRP/ month 50% of Gross | Company contribution to pension (17% of gross pay) | Annual company contribution to pension | Net pay after performance is measured/month | Annual pay after performance is measured | End of Project bonus 20% of gross pay | Transport for 9 months | Insurance | Fuel for 9 months | Food | Total compensation |
|------|-------------------------------------|-----------|-----------------------|---------------------------------------|---|-------------------|-------------------------|--|--|---|--|---------------------------------------|------------------------|-----------|-------------------|--------|--------------------|
| 1 | Managing Director | 3,720 | 33,480 | 298 | 3,571 | 1,860 | 1,860 | 632.4 | 7,589 | 3,422 | 29,909 | 744 | 1,800 | 2,500 | 568 | 3,240 | 46,350 |
| 2 | Chief Engineer | 4,759 | 42,831 | 381 | 4,569 | 2,380 | 2,380 | 809.03 | 9,708 | 4,378 | 38,262 | 952 | 1,800 | 2,500 | 568 | 3,240 | 57,031 |
| 3 | Marketing Manager | 3,472 | 31,248 | 278 | 3,333 | 1,736 | 1,736 | 590.24 | 7,083 | 3,194 | 27,915 | 694 | 1,800 | 2,500 | 568 | 3,240 | 43,800 |
| 4 | Fleet Manager/Spareparts Specialist | 1,662 | 14,958 | 133 | 1,596 | 831 | 831 | 282.54 | 3,390 | 1,529 | 13,362 | 332 | 1,800 | 2,500 | 568 | 3,240 | 25,193 |
| 5 | Accountant | 1,436 | 12,924 | 115 | 1,379 | 718 | 718 | 244.12 | 2,929 | 1,321 | 11,545 | 287 | 1,800 | 2,500 | 568 | 3,240 | 22,870 |
| 6 | Human Resources Manager | 1,040 | 9,360 | 83 | 998 | 520 | 520 | 176.8 | 2,122 | 957 | 8,362 | 208 | 1,800 | 2,500 | 568 | 3,240 | 18,799 |
| 7 | Spare parts specialist | 760 | 6,840 | 61 | 730 | 380 | 380 | 129.2 | 1,550 | 699 | 6,110 | 152 | 0 | 2,500 | 0 | 3,240 | 13,553 |
| 8 | LV Driver 1 | 440 | 3,960 | 35 | 422 | 220 | 220 | 74.8 | 898 | 405 | 3,538 | 88 | 0 | 2,500 | 0 | 3,240 | 10,263 |
| 9 | LV Driver | 320 | 2,880 | 26 | 307 | 160 | 160 | 54.4 | 653 | 294 | 2,573 | 64 | 0 | 2,500 | 0 | 3,240 | 9,030 |
| 10 | Receptionist | 380 | 3,420 | 30 | 365 | 190 | 190 | 64.6 | 775 | 350 | 3,055 | 76 | 0 | 2,500 | 0 | 3,240 | 9,646 |
| 11 | LV Mechanic | 320 | 2,880 | 26 | 307 | 160 | 160 | 54.4 | 653 | 294 | 2,573 | 64 | 0 | 2,500 | 0 | 3,240 | 9,030 |
| 12 | Guard 1 | 180 | 1,620 | 14 | 173 | 90 | 90 | 30.6 | 367 | 166 | 1,447 | 36 | 0 | 2,500 | 0 | 3,240 | 7,590 |
| 13 | Guard 2 | 180 | 1,620 | 14 | 173 | 90 | 90 | 30.6 | 367 | 166 | 1,447 | 36 | 0 | 2,500 | 0 | 3,240 | 7,590 |
| 14 | Guard 3 | 180 | 1,620 | 14 | 173 | 90 | 90 | 30.6 | 367 | 166 | 1,447 | 36 | 0 | 2,500 | 0 | 3,240 | 7,590 |
| 15 | Guard 4 | 180 | 1,620 | 14 | 173 | 90 | 90 | 30.6 | 367 | 166 | 1,447 | 36 | 0 | 2,500 | 0 | 3,240 | 7,590 |
| 16 | Compound cleaner | 180 | 1,620 | 14 | 173 | 90 | 90 | 30.6 | 367 | 166 | 1,447 | 36 | 0 | 2,500 | 0 | 3,240 | 7,590 |
| 17 | Cleaner | 180 | 1,620 | 14 | 173 | 90 | 90 | 30.6 | 367 | 166 | 1,447 | 36 | 0 | 2,500 | 0 | 3,240 | 7,590 |
| 18 | Cook | 180 | 1,620 | 14 | 173 | 90 | 90 | 30.6 | 367.2 | 166 | 1,447 | 36 | 0 | 2,500 | 0 | 3,240 | 7590.4 |
| | | | | | | | | | | | | | | | | | |
| | TOTAL | 19,569 | 176,121 | 1,566 | 18,786 | 9,785 | 9,785 | 3326.73 | 39,921 | 18,003 | 157,335 | 3,914 | 10,800 | 45,000 | 3,408 | 58,320 | 318,697 |

Appendix 10: Field staff Compensation (SPR)

| S/N o | Staff | Gross Pay | Annual pay | pension deduction (8% of gross) | Annual employee contribution to pension | Monthly fixed pay | PRP/month 50% Of Gross | Company contribution to pension (17% of gross pay) | Annual company contribution to pension | Net pay after performance is measured | Annual pay after performance is measured | End of Project bonus 20% of gross pay | Transport in 9 months time | Insurance | Fuel for one year | Food for 9 months | Total | No of employees per position | Total Compensation |
|-------|--------------|-----------|------------|---------------------------------|---|-------------------|------------------------|--|--|---------------------------------------|--|---------------------------------------|----------------------------|-----------|-------------------|-------------------|--------|------------------------------|--------------------|
| 1 | PM | 3,142 | 28,278 | 251 | 3,016 | 1,571 | 1,571 | 534.14 | 6,410 | 2,891 | 25,262 | 628 | 1,800 | 2,500 | 568 | 3,240 | 40,408 | 1 | 40,408 |
| 2 | Engineer | 2,600 | 23,400 | 208 | 2,496 | 1,300 | 1,300 | 442 | 5,304 | 2,392 | 20,904 | 520 | 1,800 | 2,500 | 0 | 3,240 | 34,268 | 3 | 102804 |
| 3 | Site Agent | 1,360 | 12,240 | 109 | 1,306 | 680 | 680 | 231.2 | 2,774 | 1,251 | 10,934 | 272 | 0 | 2,500 | 0 | 3,240 | 19,721 | 1 | 19,721 |
| 4 | F/M 1 | 920 | 8,280 | 74 | 883 | 460 | 460 | 156.4 | 1,877 | 846 | 7,397 | 184 | 0 | 2,500 | 0 | 3,240 | 15,198 | 3 | 45594 |
| 5 | QS | 2,000 | 18,000 | 160 | 1,920 | 1,000 | 1,000 | 340 | 4,080 | 1,840 | 16,080 | 400 | 0 | 2,500 | 0 | 3,240 | 26,300 | 1 | 26,300 |
| 6 | Surveyor | 1,320 | 11,880 | 106 | 1,267 | 660 | 660 | 224.4 | 2,693 | 1,214 | 10,613 | 264 | 0 | 2,500 | 0 | 3,240 | 19,310 | 3 | 57930 |
| 7 | HM Mecahnics | 840 | 7,560 | 67 | 806 | 420 | 420 | 142.8 | 1,714 | 773 | 6,754 | 168 | 0 | 2,500 | 0 | 3,240 | 14,375 | 1 | 14,375 |

Continuation
of
appendix 10

| S/No | Staff | Gross Pay | Annual pay | pension deduction (8% of gross) | Annual employee contribution to pension | Monthly fixed pay | PRP/month 50% of Gross | Company contribution to pension (17% of gross pay) | Annual company contribution to pension | Net pay after performance is measured | Annual pay after performance is measured | End of Project bonus 20% of gross pay | Transport in 9 months time | Insurance | Fuel for one year | Food for 9 months | Total | No of employees per position | Total Compensation |
|------|----------------|-----------|------------|---------------------------------|---|-------------------|------------------------|--|--|---------------------------------------|--|---------------------------------------|----------------------------|-----------|-------------------|-------------------|--------|------------------------------|--------------------|
| 8 | LV Mechanic | 640 | 5,760 | 51 | 614 | 320 | 320 | 108.8 | 1,306 | 589 | 5,146 | 128 | 0 | 2,500 | 0 | 3,240 | 12,319 | 1 | 12,319 |
| 9 | Low bed Driver | 440 | 3,960 | 35 | 422 | 220 | 220 | 74.8 | 898 | 405 | 3,538 | 88 | 0 | 2,500 | 0 | 3,240 | 10,263 | 2 | 20526 |
| 10 | Grader | 760 | 6,840 | 61 | 730 | 380 | 380 | 129.2 | 1,550 | 699 | 6,110 | 152 | 0 | 2,500 | 0 | 3,240 | 13,553 | 3 | 40659 |
| 11 | Roller | 440 | 3,960 | 35 | 422 | 220 | 220 | 74.8 | 898 | 405 | 3,538 | 88 | 0 | 2,500 | 0 | 3,240 | 10,263 | 3 | 30789 |
| 12 | Wheel/Loader | 400 | 3,600 | 32 | 384 | 200 | 200 | 68 | 816 | 368 | 3,216 | 80 | 0 | 2,500 | 0 | 3,240 | 9,852 | 3 | 29556 |
| 13 | Excavator | 500 | 4,500 | 40 | 480 | 250 | 250 | 85 | 1,020 | 460 | 4,020 | 100 | 0 | 2,500 | 0 | 3,240 | 10,880 | 3 | 32640 |
| 14 | Dozer | 620 | 5,580 | 50 | 595 | 310 | 310 | 105.4 | 1,265 | 570 | 4,985 | 124 | 0 | 2,500 | 0 | 3,240 | 12,114 | 3 | 36342 |
| 15 | W/tank | 440 | 3,960 | 35 | 422 | 220 | 220 | 74.8 | 898 | 405 | 3,538 | 88 | 0 | 2,500 | 0 | 3,240 | 10,263 | 3 | 30789 |
| 16 | F/Tank | 440 | 3,960 | 35 | 422 | 220 | 220 | 74.8 | 898 | 405 | 3,538 | 88 | 0 | 2,500 | 0 | 3,240 | 10,263 | 1 | 10263 |
| 17 | Fuel checker | 160 | 1,440 | 13 | 154 | 80 | 80 | 27.2 | 326 | 147 | 1,286 | 32 | 0 | 2,500 | 0 | 3,240 | 7,385 | 1 | 7385 |
| 18 | LV Driver | 320 | 2,880 | 26 | 307 | 160 | 160 | 54.4 | 653 | 294 | 2,573 | 64 | 0 | 2,500 | 0 | 3,240 | 9,030 | 3 | 27090 |
| 19 | Tipper | 440 | 3,960 | 35 | 422 | 220 | 220 | 74.8 | 898 | 405 | 3,538 | 88 | 0 | 2,500 | 0 | 3,240 | 10,263 | 6 | 61578 |
| 20 | Cleaner & Cook | 120 | 1,080 | 10 | 115 | 60 | 60 | 20.4 | 245 | 110 | 965 | 24 | 0 | 2,500 | 0 | 3,240 | 6,974 | 1 | 6974 |

Continuation of appendix 10

| S/N o | Staff | Gross Pay | Annual pay | pension deduction (8% of gross) | Annual employee contribution to pension | Monthly fixed pay | PRP/month 50% of Gross | Company contribution to pension (17% of gross pay) | Annual company contribution to pension | Net pay after performance is measured | Annual pay after performance is measured | End of Project bonus 20% of gross pay | Transport in 9 months time | Insurance | Fuel for one year | Food for 9 months | Total | No of employees per position | Total Compensation |
|-------|--------------------|-----------|------------|---------------------------------|---|-------------------|------------------------|--|--|---------------------------------------|--|---------------------------------------|----------------------------|-----------|-------------------|-------------------|--------|------------------------------|--------------------|
| 21 | Cleaner & Cook | 120 | 1,080 | 10 | 115 | 60 | 60 | 20.4 | 245 | 110 | 965 | 24 | 0 | 2,500 | 0 | 3,240 | 6,974 | 5 | 34870 |
| 22 | HR | 1,000 | 9,000 | 80 | 960 | 500 | 500 | 170 | 2,040 | 920 | 8,040 | 200 | 0 | 2,500 | 0 | 3,240 | 16,020 | 1 | 16020 |
| 23 | Welder | 800 | 7,200 | 64 | 768 | 400 | 400 | 136 | 1,632 | 736 | 6,432 | 160 | 0 | 2,500 | 0 | 3,240 | 13,964 | 1 | 13964 |
| 24 | Cashier | 720 | 6,480 | 58 | 691 | 360 | 360 | 122.4 | 1,469 | 662 | 5,789 | 144 | 0 | 2,500 | 0 | 3,240 | 13,142 | 1 | 13142 |
| 25 | Electrician | 720 | 6,480 | 58 | 691 | 360 | 360 | 122.4 | 1,469 | 662 | 5,789 | 144 | 0 | 2,500 | 0 | 3,240 | 13,142 | 1 | 13142 |
| 26 | Lab technician | 1,240 | 11,160 | 99 | 1,190 | 620 | 620 | 210.8 | 2,530 | 1,141 | 9,970 | 248 | 0 | 2,500 | 0 | 3,240 | 18,487 | 2 | 36974 |
| 27 | Guard | 120 | 1,080 | 10 | 115 | 60 | 60 | 20.4 | 245 | 110 | 965 | 24 | 0 | 2,500 | 0 | 3,240 | 6,974 | 6 | 41844 |
| 28 | Root picker | 120 | 1,080 | 10 | 115 | 60 | 60 | 20.4 | 245 | 110 | 965 | 24 | 0 | 2,500 | 0 | 3,240 | 6,974 | 6 | 41844 |
| 29 | Assistant surveyor | 120 | 1,080 | 10 | 115 | 60 | 60 | 20.4 | 245 | 110 | 965 | 24 | 0 | 2,500 | 0 | 3,240 | 6,974 | 6 | 41844 |
| 30 | Assistant Chainman | 120 | 1,080 | 10 | 115 | 60 | 60 | 20.4 | 245 | 110 | 965 | 24 | 0 | 2,500 | 0 | 3,240 | 6,974 | 3 | 20922 |
| | TOTAL | 46,145 | 415,305 | 3,692 | 44,299 | 23,073 | 23,073 | 7844.7 | 94,136 | 42,453 | 371,006 | 9,229 | 7,200 | 195,000 | 568 | 252,720 | | | 919,595 |

Appendix 11: Management staff compensation (MDP)

| S/N | Position | Gross Pay | Basic pay (50% of Gross pay) | Quarterly pay | pension deduction (8% of gross) | Company contribution to pension (17% of gross pay) | 60% performance related | 40% fixed pay | Pay in 9 months | Employees' contribution to pension in 9 months time | Company contribution to pension in 9 months | Total Pension in 9 months' time | Insurance in 9 months | Fuel Usage in 9 months | Food for 9 months | Transport in 9 months time | Quarterly bonus 20% of quarterly pay | Amount of bonus in the project period | End of Project Allowance 20% of the 9 months pay | Overall compensation in 9 months |
|-----|-------------------------------------|-----------|------------------------------|---------------|---------------------------------|--|-------------------------|---------------|-----------------|---|---|---------------------------------|-----------------------|------------------------|-------------------|----------------------------|--------------------------------------|---------------------------------------|--|----------------------------------|
| 1 | Managing Director | 3,720 | 1,860 | 11,160 | 297.6 | 632.4 | 2,232 | 1,488 | 33,480 | 2,678 | 5,692 | 8,370 | 2,500 | 568 | 3,240 | 1,800 | 2,232 | 6,696 | 6,696 | 63,350 |
| 2 | Chief Engineer | 4,759 | 2,380 | 14,277 | 380.72 | 809.03 | 2,855 | 1,904 | 42,831 | 3,426 | 7,281 | 10,708 | 2,500 | 568 | 3,240 | 1,800 | 2,855 | 8,566 | 8,566 | 78,779 |
| 3 | Marketing Manager | 3,472 | 1,736 | 10,416 | 277.76 | 590.24 | 2,083 | 1,389 | 31,248 | 2,500 | 5,312 | 7,812 | 2,500 | 568 | 3,240 | 1,800 | 2,083 | 6,250 | 6,250 | 59,667 |
| 4 | Fleet Manager/Spareparts Specialist | 1,662 | 831 | 4,986 | 132.96 | 282.54 | 997 | 665 | 14,958 | 1,197 | 2,543 | 3,740 | 2,500 | 568 | 3,240 | 1,800 | 997 | 2,992 | 2,992 | 32,789 |
| 5 | Accountant | 1,436 | 718 | 4,308 | 114.88 | 244.12 | 862 | 574 | 12,924 | 1,034 | 2,197 | 3,231 | 2,500 | 568 | 3,240 | 1,800 | 862 | 2,585 | 2,585 | 29,433 |
| 6 | Human Resources Manager | 1,040 | 520 | 3,120 | 83.2 | 176.8 | 624 | 416 | 9,360 | 749 | 1,591 | 2,340 | 2,500 | 568 | 3,240 | 1,800 | 624 | 1,872 | 1,872 | 23,552 |
| 7 | Project Manager | 3,142 | 1,571 | 9,426 | 251.36 | 534.14 | 1,885 | 1,257 | 28,278 | 2,262 | 4,807 | 7,070 | 2,500 | 568 | 3,240 | 1,800 | 1,885 | 5,656 | 5,656 | 54,767 |
| 8 | Project Engineer | 2,600 | 1,300 | 7,800 | 208 | 442 | 1,560 | 1,040 | 23,400 | 1,872 | 3,978 | 5,850 | 2,500 | 568 | 3,240 | 1,800 | 1,560 | 4,680 | 4,680 | 46,718 |
| | | 21,831 | 10,916 | 65,493 | 1,746 | 3711 | 13,099 | 8,732 | 196,479 | 15,718 | 33,401 | 49,120 | 20,000 | 4,544 | 25,920 | 14,400 | 13,099 | 39,296 | 39,296 | 389,054 |

Appendix 12: Junior staff compensation (MDP)

| S/No | Staff | Gross Pay | Basic pay (50% of Gross pay) | pension deduction (8% of gross) | Company Contribution to Pension (17% of gross pay) | Pay in 9 months | Employees' contribution to pension in 9 months time | Company contribution to pension in 9 months | Total Pension in 9 months 'time | Insurance in 9 months | Fuel Usage in 9 months | Food for 9 months | Transport in 9 months time | End of Project Allowance 20% of the 9 months pay | Overall compensation in 9 months | No of employees per position | Total |
|------|----------------|-----------|------------------------------|---------------------------------|--|-----------------|---|---|---------------------------------|-----------------------|------------------------|-------------------|----------------------------|--|----------------------------------|------------------------------|--------|
| 1 | PM | 3,142 | 1571 | 251.36 | 534.14 | 28278 | 2262.24 | 4807.3 | 7069.5 | 2,500 | 568 | 3,240 | 1,800 | 628.4 | 44,084 | 1 | 44084 |
| 2 | Engineer | 2,600 | 1300 | 208 | 442 | 23400 | 1872 | 3978 | 5850 | 2,501 | 0 | 3,240 | 0 | 520 | 35,511 | 3 | 106533 |
| 3 | Site Agent | 1,360 | 680 | 108.8 | 231.2 | 12240 | 979.2 | 2080.8 | 3060 | 2,502 | 0 | 3,240 | 0 | 272 | 21,314 | 1 | 21314 |
| 4 | F/M 1 | 920 | 460 | 73.6 | 156.4 | 8280 | 662.4 | 1407.6 | 2070 | 2,502 | 0 | 3,240 | 0 | 184 | 16,276 | 3 | 48828 |
| 5 | QS | 2,000 | 1000 | 160 | 340 | 18000 | 1440 | 3060 | 4500 | 2,502 | 0 | 3,240 | 0 | 400 | 28,642 | 1 | 28642 |
| 6 | Surveyor | 1,320 | 660 | 105.6 | 224.4 | 11880 | 950.4 | 2019.6 | 2970 | 2,502 | 0 | 3,240 | 0 | 264 | 20,856 | 3 | 62568 |
| 7 | HM Mecahnic | 840 | 420 | 67.2 | 142.8 | 7560 | 604.8 | 1285.2 | 1890 | 2,502 | 0 | 3,240 | 0 | 168 | 15,360 | 1 | 15360 |
| 8 | LV Mechanic | 640 | 320 | 51.2 | 108.8 | 5760 | 460.8 | 979.2 | 1440 | 2,502 | 0 | 3,240 | 0 | 128 | 13,070 | 1 | 13070 |
| 9 | Low bed Driver | 440 | 220 | 35.2 | 74.8 | 3960 | 316.8 | 673.2 | 990 | 2,502 | 0 | 3,240 | 0 | 88 | 10,780 | 2 | 21560 |
| 10 | Grader | 760 | 380 | 60.8 | 129.2 | 6840 | 547.2 | 1162.8 | 1710 | 2,502 | 0 | 3,240 | 0 | 152 | 14,444 | 3 | 43332 |
| 11 | Roller | 440 | 220 | 35.2 | 74.8 | 3960 | 316.8 | 673.2 | 990 | 2,502 | 0 | 3,240 | 0 | 88 | 10,780 | 3 | 32340 |
| 12 | Wheel/Loader | 400 | 200 | 32 | 68 | 3600 | 288 | 612 | 900 | 2,502 | 0 | 3,240 | 0 | 80 | 10,322 | 3 | 30966 |
| 13 | Excavator | 500 | 250 | 40 | 85 | 4500 | 360 | 765 | 1125 | 2,502 | 0 | 3,240 | 0 | 100 | 11,467 | 3 | 34401 |

Continuation
of
appendix 12

| S/No | Staff | Gross Pay | Basic pay (50% of Gross pay) | pension deduction (8% of gross) | Company contribution to pension (17% of gross pay) | Pay in 9 months | Employees' contribution to pension in 9 months time | Company contribution to pension in 9 months | Total Pension in 9 months ' time | Insurance in 9 months | Fuel Usage in 9 months | Food for 9 months | Transport in 9 months time | End of Project Allowance 20% of the 9 months pay | Overall compensation in 9 months | No of employees per position | Total |
|------|----------------|-----------|------------------------------|---------------------------------|--|-----------------|---|---|----------------------------------|-----------------------|------------------------|-------------------|----------------------------|--|----------------------------------|------------------------------|--------|
| 14 | Dozer | 620 | 310 | 49.6 | 105.4 | 5580 | 446.4 | 948.6 | 1395 | 2,502 | 0 | 3,240 | 0 | 124 | 12,841 | 3 | 38,523 |
| 15 | W/tank | 440 | 220 | 35.2 | 74.8 | 3960 | 316.8 | 673.2 | 990 | 2,502 | 0 | 3,240 | 0 | 88 | 10,780 | 3 | 32,340 |
| 16 | F/Tank | 440 | 220 | 35.2 | 74.8 | 3960 | 316.8 | 673.2 | 990 | 2,502 | 0 | 3,240 | 0 | 88 | 10,780 | 1 | 10,780 |
| 17 | Fuel checker | 160 | 80 | 12.8 | 27.2 | 1440 | 115.2 | 244.8 | 360 | 2,502 | 0 | 3,240 | 0 | 32 | 7,574 | 1 | 7,574 |
| 18 | LV Driver | 320 | 160 | 25.6 | 54.4 | 2880 | 230.4 | 489.6 | 720 | 2,502 | 0 | 3,240 | 0 | 64 | 9,406 | 3 | 28,218 |
| 19 | Tipper | 440 | 220 | 35.2 | 74.8 | 3960 | 316.8 | 673.2 | 990 | 2,502 | 0 | 3,240 | 0 | 88 | 10,780 | 6 | 64,680 |
| 20 | Cleaner & Cook | 120 | 60 | 9.6 | 20.4 | 1080 | 86.4 | 183.6 | 270 | 2,502 | 0 | 3,240 | 0 | 24 | 7,116 | 6 | 42,696 |
| 21 | HR | 1,000 | 500 | 80 | 170 | 9000 | 720 | 1530 | 2250 | 2,502 | 0 | 3,240 | 0 | 200 | 17,192 | 1 | 17,192 |
| 22 | Welder | 800 | 400 | 64 | 136 | 7200 | 576 | 1224 | 1800 | 2,502 | 0 | 3,240 | 0 | 160 | 14,902 | 1 | 14,902 |
| 23 | Cashier | 720 | 360 | 57.6 | 122.4 | 6480 | 518.4 | 1101.6 | 1620 | 2,502 | 0 | 3,240 | 0 | 144 | 13,986 | 1 | 13,986 |
| 24 | Electrician | 720 | 360 | 57.6 | 122.4 | 6480 | 518.4 | 1101.6 | 1620 | 2,502 | 0 | 3,240 | 0 | 144 | 13,986 | 1 | 13,986 |

Continuation
of
appendix 12

| S/No | Staff | Gross Pay | Basic pay (50% of Gross pay) | pension deduction (8% of gross) | Company Contribution to Pension (17% of gross pay) | Pay in 9 months | Employees' contribution to pension in 9 months time | Company contribution to pension in 9 months | Total Pension in 9 months ' time | Insurance in 9 months | Fuel Usage in 9 months | Food for 9 months | Transport in 9 months time | End of Project Allowance 20% of the 9 months pay | Overall compensation in 9 months | No of employees per position | Total |
|------|--------------------|-----------|------------------------------|---------------------------------|--|-----------------|---|---|----------------------------------|-----------------------|------------------------|-------------------|----------------------------|--|----------------------------------|------------------------------|---------|
| 25 | Lab technician | 1,240 | 620 | 99.2 | 210.8 | 11160 | 892.8 | 1897.2 | 2790 | 2,502 | 0 | 3,240 | 0 | 248 | 19,940 | 2 | 39880 |
| 26 | Guard | 120 | 60 | 9.6 | 20.4 | 1080 | 86.4 | 183.6 | 270 | 2,502 | 0 | 3,240 | 0 | 24 | 7,116 | 6 | 42696 |
| 27 | Root picker | 120 | 60 | 9.6 | 20.4 | 1080 | 86.4 | 183.6 | 270 | 2,502 | 0 | 3,240 | 0 | 24 | 7,116 | 6 | 42696 |
| 28 | Assistant surveyor | 120 | 60 | 9.6 | 20.4 | 1080 | 86.4 | 183.6 | 270 | 2,502 | 0 | 3,240 | 0 | 24 | 7,116 | 6 | 42696 |
| 29 | Assistant Chainman | 120 | 60 | 9.6 | 20.4 | 1080 | 86.4 | 183.6 | 270 | 2,502 | 0 | 3,240 | 0 | 24 | 7,116 | 3 | 21348 |
| | TOTAL | 46,145 | 23072.5 | 3691.6 | 7844.6 | 415305 | 33224.4 | 70602 | 103826 | 197,655 | 568 | 255,960 | 1,800 | 9229 | | | 984,343 |

Annex 14: Participant Information Sheet



Committee on Research Ethics

Participant Information Sheet

1. Title of Study
Sustainable Compensation Methods for Construction Companies Operating in Turbulent Environments: A case of South Sudan.

2. Version Number and Date
12th February 2014

3. Invitation
You are being invited to participate in a research study. Before you decide whether to participate, it is important for you to understand why the research is being done and what it will involve. Please take time to read the following information carefully and feel free to ask if you would like more information or if there is anything that you do not understand. Please also feel free to discuss this with your friends and colleagues if you wish. I would like to stress that you do not have to accept this invitation and should only agree to take part if you want to.

Thank you for reading this.

What is the purpose of the study?

The purpose of the study is to come up with pay methods which will take into consideration all the situations in South Sudan which are not common in other stable places. The study will suggest methods which will be beneficial to both the employers and the employees.

4. Why have I been chosen to take part?
You are one of those who get paid in the current pay method which does not take into considerations the other factors which affect work environment in South Sudan. You are therefore one of those who will give information and help me to investigate the area and then together we can test the methods which will best suit the situation.
5. Do I have to take part?
Participation is voluntary and you are free to withdraw at any time without explanation and without incurring a disadvantage.

6. What will happen if I take part?

The research will involve interviews and surveys. There will also be workshops every three months. Interviews will not be more than 30 minutes. For those who will participate in workshops, it will be held every three months and will last for half a day. The workshops will be held in Juba, the headquarters of the Company.

7. Expenses and / or payments

I anticipate 1,000 USD will cover the cost of transport to the participants.

8. Are there any risks in taking part?

Not at all

9. Are there any benefits in taking part?

Being an employee who is affected by the situation I am trying to address, it is my hope that if we are able (together with you) to come up with methods that will be suitable, then you will benefit.

10. What if I am unhappy or if there is a problem?

Kindly discuss the problem with me.

If you are unhappy, or if there is a problem, please feel free to let me know by contacting jackline.warille@my.ohecampus.com or jacklinebenjamin@yahoo.com and I will try to help. If you remain unhappy or have a complaint which you feel you cannot come to me with then you should contact the Research Governance Officer at ethics@liv.ac.uk. When contacting the Research Governance Officer, please provide details of the name or description of the study (so that it can be identified), the researcher involved, and the details of the complaint you wish to make.

11. Will my participation be kept confidential?

Yes

12. What will happen to the results of the study?

The result of the study will be made public to those who wish to use them if it suits them.

13. What will happen if I want to stop taking part?

Participants are allowed to withdraw any time without explanation. However, the results up to the period of withdrawal may be used with the consent of the participant. Anonymized results may only be withdrawn prior to anonymisation.

14. Who can I contact if I have further questions?

jacklinebenjamin@yahoo.com or jackline.warille@my.ohecampus.com. +211977101540 and +254726852222.

