

Motivation Factors for Effective Performance of the Employees

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Abstract

The study aims to measure the degree of importance of various motivation factors for effective performance of the employees. The study also reveals the affect of these motivation factors on the work performance of the employees. The study is based on the primary data collected from the employees of top five FMCG companies in India. The list of top 5 FMCG companies has been taken on the basis of rating of Business Today Rating 2013. The companies taken in survey are; Colgate-Palmolive India Ltd, Dabur India Ltd, Marico India Ltd, Godrej Consumer Products Ltd and ITC Ltd. It can be concluded from the study that remuneration/take-home salary is most important motivation factor and which affects the work performance of the employees too. The main implication of the study is for companies, to focus on motivation factors derived from the current study, which have a great degree of affect over the work performance, in order to improve the efficiency and for better performance of the companies.

Keywords: Employees, Work Performance, Effective Performance, Motivation and India

Introduction

Motivation is an inner drive to behave or act in a certain manner. Motivation is the process of steering a person's inner drives and actions towards certain goals and committing his energies to achieve these goals. It involve a chain reaction starting with felt needs, resulting in motives which give rise to tension which census action towards goals. It is the process of stimulating people to strive willingly towards the achievement of organizational goals motivation may be defined as the work a manager performs an order to Induce Subordinates to act on the desired manner by satisfying their needs and desires. Thus motivations is concerned with how behaviour gets started, is energized, sustained and directed. Here are some definitions of motivation: "the psychological process that gives behavior purpose and direction" (Kreitner, 1995) "a predisposition to behave in a purposive manner to achieve specific, unmet needs" (Buford, Bedeian, & Lindner, 1995) "an internal drive to satisfy an unsatisfied need" (Higgins, 1994); "the will to achieve" (Bedeian, 1993) "the inner force that drives individuals to accomplish personal and organizational goals" (Bedeian, 1993) Some factors affecting motivation are Appreciation or recognition for a job, Career advancement opportunities , remuneration, job security, rewards and recognition, learning, work ambience, degree of autonomy and decision making, Creativity, meaningfulness and complexity of the work, Interpersonal relationship with subordinates, superiors and peers, challenging and exciting work, opportunities, Loyalty from management , Good working conditions. There is a direct relationship between motivation and employee work performance. Motivated employees give

higher performance in the organization. Motivated employees become a strategic asset in the competitive advantages of organizations. If individuals are highly motivated, they will perform better. In turn, better performance may well lead to a sense of achievement and result in greater motivation. Thus the relationship between motivation and performance can be a mutually reinforcing one.

Review Literature

Early research in the field of motivation research posited that motivation is an unconscious instinct-driven desire to either enjoy pleasure or to avoid pain. Freud for example, father of the psychoanalytic school of psychology, wrote that humans are motivated to act as a result of perceived internal imbalances in the body (Weiner, 1980). The “expectancy-value framework” suggests that people are motivated to act in so far as they believe that the outcome they will receive as a result of their action is both attainable and important to them (Dörnyei, 2001). In this era of rapid development, people can be a vital source of a company’s competitive advantage (Lawler, 2005). Steers, Mowday and Shapiro (2004) mentioned that a motivated employee becomes a critical strategic asset in such competition. In most organizations, the management views employee motivation as a fruitful technique to increase employee productivity (Mauri & Sambharya, 2003). Cleveland and Murphy (1992) defined motivation as an establishment of goal oriented behavior. Osterloh and Frey (2000:540) stated that “employees must be motivated to perform in a coordinated and goal oriented way, therefore, managers must compare the benefits and costs related to motivate employees intrinsically and extrinsically”. Managers see motivation as an essential part of the performance equation at all levels, while organizational researchers see it as a fundamental building block in the development of useful theories of effective management practice (Steers, Mowday, & Shapiro, 2004). Among various motivational theories, Herzberg (1959) has developed a theory about the factors relating to job attitudes and the effect of these attitudes on work performance. In his book, Herzberg (1959:16) states “In spite of cultural differences, workers around the world tend to demonstrate a tendency toward satisfaction with job intrinsic, and dissatisfaction with extrinsic”. Organization productivity is influenced by employees’ motivation, therefore managers need to understand what influences employees to reach a high performance (Beardwell & Claydon 2007).

There are several factors that can influence employees’ motivation. Porter and Miles (1974) identify four major variables that influence work motivation: individual characteristics, job characteristics, work environment characteristics, and external environment characteristics. Motivation is what people desire to do, the inducement or incentive. The term motivation also can be referred to what makes people tick or the needs, fears and aspirations within people that make them behave as they do currently (Walker and Miller, 2010). In a company, managers usually take measures such as pay increase and promotion to motivate workers. In the past decade, there have been a large number of surveys on factors that motivate employees to perform their best (Wiley 1997). Factors motivating employees can occur in various forms. In fact, job security is one of the most influential means of motivating employees particularly in times of economic downturn. Job security is one of the most significant variables of employee satisfaction which expresses the general attitude of the employee towards his/her job (Bakan and Büyükbeşe, 2004, p. 35).

According to Broad (2007), tangible incentives are effective in increasing performance for task not done before, to encourage “thinking smarter” and to

support both quality and quantity to achieve goals. Incentives, rewards and recognitions are the prime factors that impact on employee motivation. The factors like incentives and rewards are the most preferred factors for employee motivation programs. osthuizen (2001) stated that it is among the function of managers to motivate the employees successfully and influence their behavior to achieve greater organizational efficiency. According to Andrew (2004), commitment of all employees is based on rewards and recognition. Intrinsically motivated employees do their job well whether or not they are supervised; they have strong intrinsic motivators, passion for doing something, to innovate (Felberg and DeMarco 1992; Thomas and Velthouse 1990; Knight 1987). Motivation is a set of courses concerned with a kind of strength that boosts performance and directs towards accomplishing some definite targets (Kalimulla et al, 2010).

Objectives

The objective of the study is to measure the degree of importance of various motivation factors for effective performance of the employees. The study also reveals the affect of these motivation factors on the work performance of the employees.

Research Methodology

The study is based on the primary data collected from the employees of top five FMCG companies in India. The list of top 5 FMCG companies has been taken on the basis of rating of Business Today Rating 2013. The companies taken in survey are; Colgate-Palmolive India Ltd, Dabur India Ltd, Marico India Ltd, Godrej Consumer Products Ltd and ITC Ltd. The questionnaire has been served personally and through mail to the employees of these companies. Total 360 questionnaires have been used among those only 280 completely filled up questionnaires have been used for the analysis purpose. Five point likert's scale has been used to measure the importance of the motivation factors where 5 means very important, 4 means important, 3 means indifferent, 2 means unimportant and 1 means very unimportant; similarly five point likert's scale has been used to measure the affect of motivation factors on work performance of employees where 5 means very high, 4 means high, 3 means moderate, 2 means low and 1 means very low. The data has been coded and analysed using SPSS 20.0.

Data Analysis and Interpretations

This section discusses the detailed analysis of the primary data along with its interpretations. Table I shows the mean value of the importance of all the listed motivation factors and the mean value of the effect of these motivation factors on the work performance of the employees.

Table I: Mean value of the Importance and Effect of Motivation Factors on the work Performance

S.no.	Motivation Factors	Importance of Factors	Affect of Factors on Work Performance
1	Remuneration/take-home salary	4.54	4.80
2	Job Security	4.30	4.45
3	Rewards and recognition	4.12	4.22
4	Learning (training/self-development avenues)	3.20	3.54
5	Work ambience	3.00	3.60
6	Degree of autonomy and decision making in job	3.28	4.24
7	Creativity, meaningfulness and complexity of the work	3.80	3.45
8	Interpersonal relationship with subordinates, superiors and peers	3.26	4.00

Interpretation

It can be interpreted from the table I that remuneration/take-home salary is most important factor which motivate the employees with mean value 4.54, followed by job security with mean value 4.30 and then by rewards and recognition factor with mean value 4.12; while the least important motivation factor is work ambience with mean value 3.00. It can be interpreted from the mean value of the affect of motivation factors on the work performance; remuneration/take-home salary is the most affecting factor on work performance with mean value 4.80, followed by job security factor with mean value 4.45 while the least affecting motivation factor is creativity, meaningfulness and complexity of the work with mean value 3.45. It can be interpreted from the table II that except first, second and fourth factor, all factors have different rankings on the basis of importance of motivation factors and on the basis of affect of motivation factors on the work performance.

Table II: Ranking on the basis of importance of motivation factors and on the basis of affect of motivation factors on the work performance

S.no.	Motivation Factors	Rank on the basis of Importance of Factors	Rank on the basis of Affect of Factors on Work Performance
1	Remuneration/take-home salary	1	1
2	Job Security	2	2
3	Rewards and recognition	3	4
4	Learning (training/self-development avenues)	7	7
5	Work ambience	8	6
6	Degree of autonomy and decision making in job	5	3
7	Creativity, meaningfulness and complexity of the work	4	8
8	Interpersonal relationship with subordinates, superiors and peers	6	5

Creativity, meaningfulness and complexity of the work, factor is important as per the perception of the employees but its affect on work performance is not so high as its importance as shown by its ranking; similarly, work ambience and Interpersonal relationship with subordinates, superiors and peers are the factors which are less important but their affect on work performance is high as shown by its ranking. The profile of the respondents of the study has been given in the table III.

Table III: Respondents' Profile

Respondent Profile	Frequency	Percent	Cumulative Percent
AGE			
Less than 25	45	16.07	16.07
25-35	98	35.00	51.07
35-45	54	19.29	70.36
45-55	50	17.86	88.21
55 & above	33	11.79	100.00
Total	280	100.00	
GENDER			
Male	184	65.71	65.71
Female	96	34.29	100.00
Total	280	100.00	
JOB TENURE			
Less than 1 Year	40	14.29	14.29
1-5 Year	52	18.57	32.86
5-10 Year	88	31.43	64.29
10-15 Year	62	22.14	86.43
More than 15 Year	38	13.57	100.00
Total	280	100.00	

Interpretation

The profile of the respondents brought out by the study indicates that highest respondents (35 percent) belong to the age group of 25 to 35 years; while lowest number of respondents belongs to the age group of 55 and above, 11.79 percent only. The study has shown that 65.71 percent respondents are males and 34.29 percent of the respondents are females. It is also apparent from the table III that highest number of respondents (31.43percent) is having job tenure from 5 to 10 years while lowest numbers of respondents who are working with respective bank for more than 15 years. Thus conclusively it can be said that respondents for employee satisfaction survey are almost male respondents, with an age group of 35 to 45 years, working with bank for 5 to 10 years.

Conclusion

It can be concluded from the study that remuneration/take-home salary is most important factor which motivate the employees; while the least important motivation factor is work ambience. Similarly it can be concluded from the current study that remuneration/take-home salary is the most affecting factor on work

performance; while the least affecting motivation factor is creativity, meaningfulness and complexity of the work. The difference has also been noticed in the ranking of the various motivation factors on the basis of importance of motivation factors and on the basis of affect of motivation factors on the work performance. The main implication of the study is for companies, to focus on motivation factors derived from the current study, which have a great degree of affect over the work performance, in order to improve the efficiency and for better performance of the companies.

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