

# **The Impact of Motivation Programs on Employees Performance**

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**TABINDA QUADRI**

**Masters of Business Administration, Department Of Management**

**Galgotias University**

**SUMIT RASTOGI**

**Assistant Professor, Department Of Management**

**Galgotias University**

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## **ABSTRACT**

The research is primarily intended to examine the impact of motivation on employee performance. The research is basically carried out to determine the level of effect motivation has on employee performance

Employees are the heart of any organization. For any organization to operate smoothly and without any interruption, employee cooperation cannot be replaced with anything else. It is of utmost importance that the employees of an organization not only have a good relationship with the top management, but also they maintain a healthy and professional relationship with their co-workers.

The following study is a self-conducted research on how motivational tools impact the performance of employee for betterment. The study also focused on de-motivation factors affecting employee performance negatively. A sample of individuals was selected and was interviewed with a self-administrated questionnaire to obtain primary data. The data was analysed using descriptive statistical analysis methods. The results obtained indicate that if employees are positively motivated, it improves both their effectiveness and efficiency drastically for achieving organizational goals.

**KEYWORDS:** Employee, Employee Engagement, Decision making, Motivation, Productivity, Organizational goals, Organizational Performances and Job satisfaction, etc.

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## INTRODUCTION

Managers and leaders spent a great time on how to motivate employees. They inform and explain the organization vision to employee and influence them to behave in ways that ensure achievement of organizational goal, through motivation. Various scholars explain and define the concept of motivation differently and many scholars come up with theories concerning motivation.

Vroom theory of motivation, Herzberg two factor theory of motivation and expectancy theory of motivation among others. One of the greatest challenges to the organization is to make all employees contribute to the success of the organization in a moral and socially responsible way. Due to dynamic and competitive organizational environment, organizations need to realize the importance and value of employees.

*The main purpose of the study is to establish the relationship between employees' motivation and their performance towards the organization.* The research was carried out to see if there is any link between motivation and performance and which one will lead to the other. There are three main research objectives and they include; the factors that influence employee motivation, the challenge organization face as they implement motivation and the effect motivation has on employees' performance.

## PROBLEM STATEMENT

It has been examined that there are some elements that can impact employee performance and one of such elements is motivation. An employee expects to work in a conducive environment that facilitates their productivity, performance, or efforts.

It was noticed that there are many problems associated with motivation of employees towards their work performance due to a number of deviant behaviour work related behaviours such as absenteeism from work, labour turnover, delaying from work, poor morale of performing the work. This is as a result of poor working condition, lack of proper payment, unfair company policies and poor interpersonal relationship, tight supervision and lack of security. But later it has been realized that motivation is of great importance and that it should be the first thing to be considered. All these have contributed to poor performance of the workforce in the organization. So motivation has to be practiced in order to improve the performance and output of the employees in the organization.

## PURPOSE OF THE STUDY

The purpose of the study is to establish the relationship between employee motivation and their performance towards the organization.

### Research objectives

- To establish the factors that influence employee motivation.
- To examine the extent to which financial incentives can motivates employee to put in their maximum effort in organizational set up.
- To find out why employee do fail to put maximum effort in their work
- To examine the effect of motivation on employee performance.

## **Research questions**

- What are the factors that influence employee motivation?
- What are some of the effects of motivation on employee performance?
- What are the challenges that organizations face as they are trying to implement employee motivation?

## **RESEARCH DESIGN**

The purpose of using descriptive surveys is to collect detailed and factual information that describe an existing phenomenon. The primary data is collected through this form of questionnaire and will be hand delivered to the target employees. The questions will be filled by the participating employees and were returned. After that, the results will be further analysed using descriptive statistical analysis method to find out how the motivational factors affect their performance.

This study will be a descriptive survey because it adopted the use of questionnaire aimed at finding the impact of employee motivation on organizational performance. Gauri et al (1995) proposed three types of research: exploratory research, descriptive research e. and casual research. The research design for this study is a descriptive survey through questionnaire. The purpose of using descriptive surveys was to collect detailed and factual information that describe an existing phenomenon.

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## **Showing Target Population**

GROUPS	FREQUENCY	NO OF EMPLOYEES INTERVIEWED
GROUP1	1	30
GROUP2	1	25
GROUP3	1	25
GROUP4	1	25
GROUP5	1	25
TOTAL		130

## **Sampling Design and Size**

A sample of about 130 people was selected from the target population, based on their designation and experience level. The sampling was done using stratified random sampling method, in which the population are divided into groups (in this case, designation wise and experience wise) based on factors that may influence the effect of motivation.

In stratified random sampling, the strata (groups) are formed based on members' shared attributes or characteristics. Its advantages include minimizing sample selection bias and ensuring certain segments of the population are not overrepresented or underrepresented.

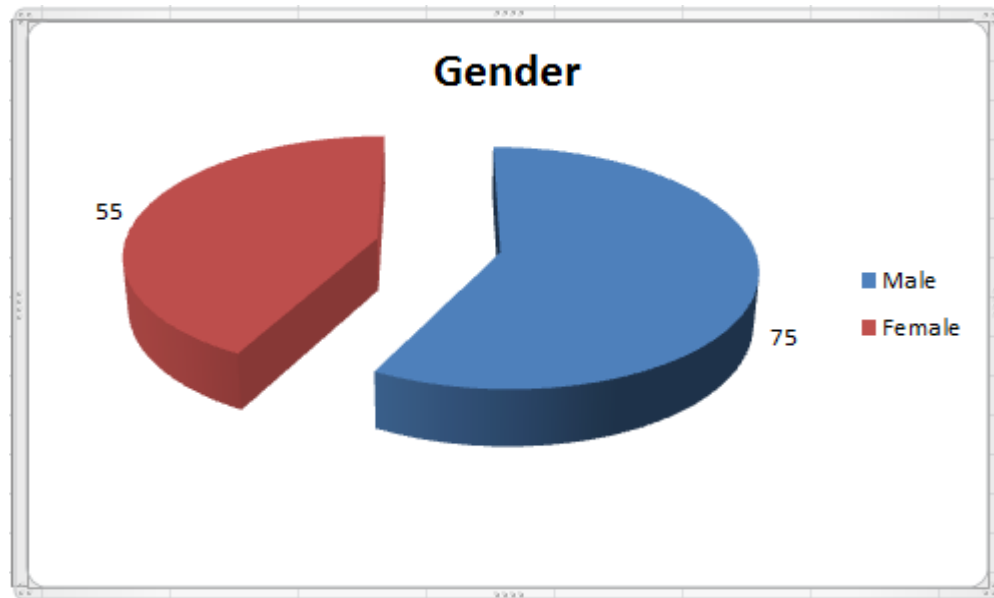
GROUPS	FREQUENCY	SAMPLE SIZE	NO OF RESPONDENTS	SAMPLE POPULATION
GROUP 1	1	1	30	30
GROUP 2	1	1	25	25
GROUP 3	1	1	25	25
GROUP 4	1	1	25	25
GROUP 5	1	1	25	25
TOTAL				130

### **DATA COLLECTION INSTRUMENT**

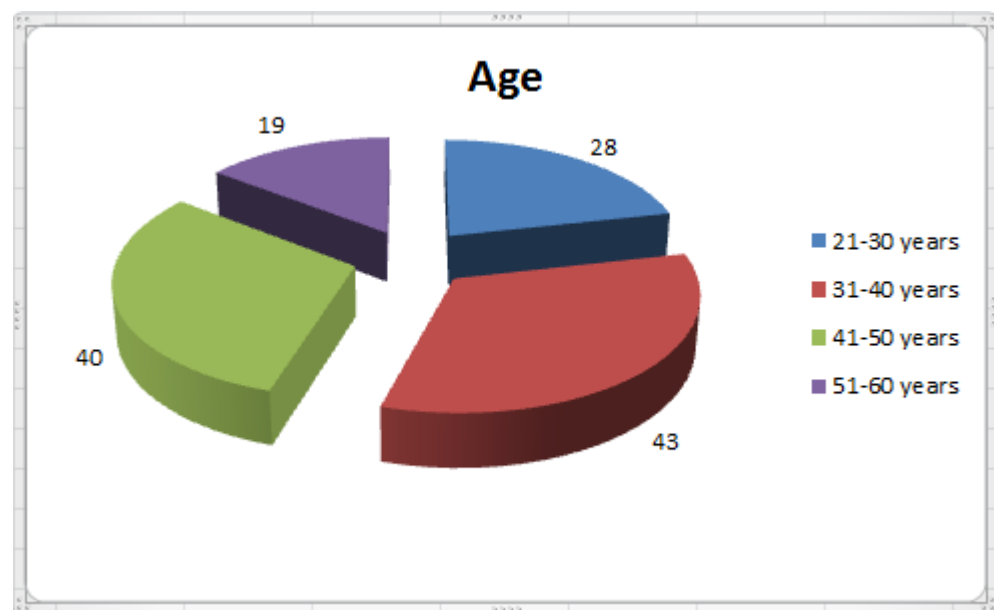
Descriptive method and questionnaires embedded with Likert scale will be used as main instruments for collecting necessary data to carry out this research work. We will be employing a self-administered questionnaire of descriptive type to collect primary data before analysing. This questionnaire is convenient in many ways. Firstly, the respondents answer at their convenience. Secondly, there is no need to set up interview appointments. Furthermore, no interviewer is present to inject bias in the way of questions asked. Moreover, the low cost-per-completion makes it an economical method

### **DATA ANALYSIS AND PRESENTATION**

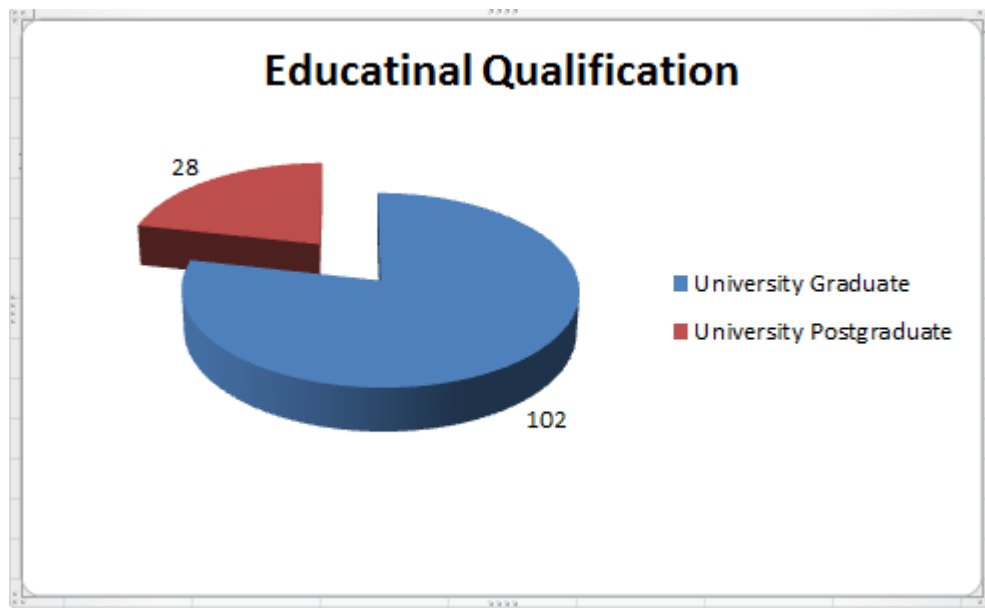
We used SPSS (Statistical Package for the Social Scientists) as a data management and statistical analysis tool which has a very versatile data processing capability. It is an electronically storing questionnaire data. Data is stored in a spreadsheet-like table similar to that of Microsoft Excel. It also generates routine descriptive statistical data for question responses, such as frequency counts of closed questions, distribution of multiple-choice question responses etc. It creates graphical presentations of questionnaire data for reporting, presentations or publication which also explores relationships between responses to different questions collating open question responses. Background Information Before analysing data the background information on the employees at different level has been shown throughout the following pi diagrams.



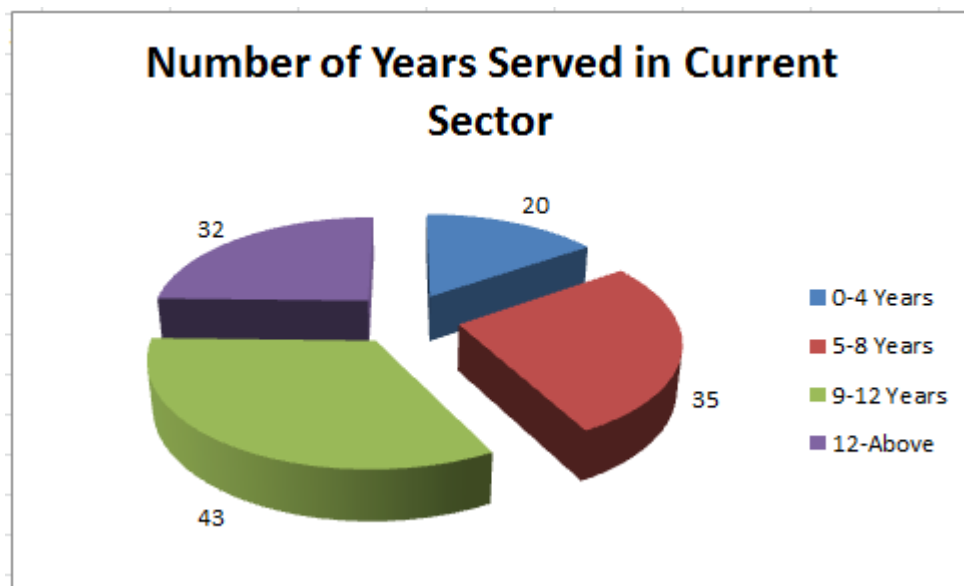
From the diagram above we see that, among the 130 people we conducted our research on, 42%, i.e. 55 individuals were female and 58%, i.e. 75 individuals were male.



From the diagram above we see that, among 130 people we conducted research on, 28 individuals are of age 21-30 years, 43 individuals are of age 31-40 years, 40 individuals are of age 41-50 years and 19 individuals are of age 51-60 years.



From the diagram above we see that, among 130 people we conducted research on, 102 individuals are University Graduate and 28 individuals are University Postgraduate.



From the diagram above we see that, among 130 people we conducted research on, 20 individuals are serving between 0-4 years, 35 individuals are serving between 5-8 years, 43 individuals are serving between 9-12 years and 32 individuals are serving for more than 12 years.

**Effect of Extrinsic Motivation:** We considered three factors as extrinsic motivation determinant; they are Salary, Monetary Incentives and Compensation Package.

Statements	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree
Salary	90%	8%	2%	0%	0%
Monetary Incentives	68%	23%	6%	2%	1%
Compensation Package	77%	16%	6%	1%	0%

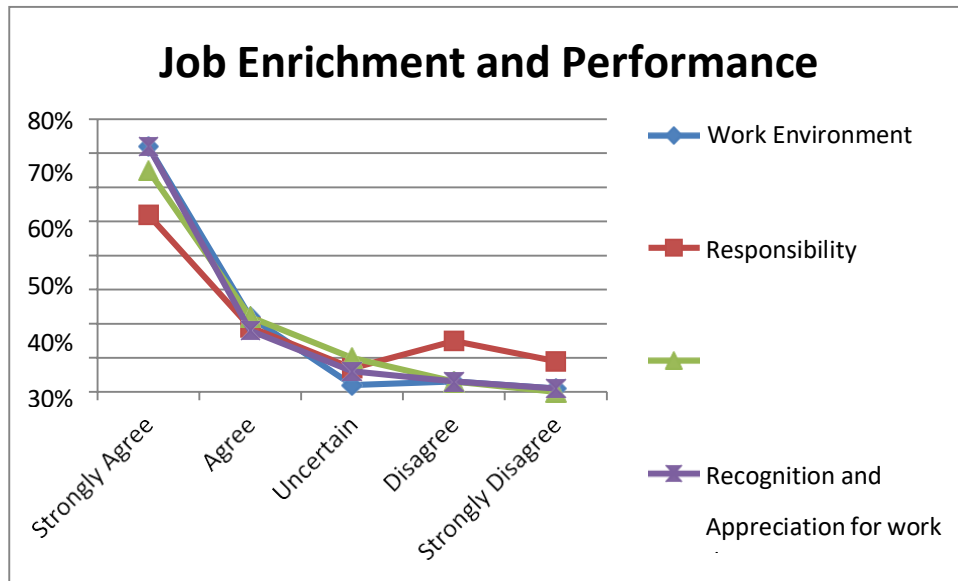
The result showed that, extrinsic motivation is a dominating factor for motivation employees. We considered three ramifications under this factor. Here, in case of salary, 90% respondents agreed that salary motivates employees to improve their performance meanwhile

8% agree with the fact, 2% are uncertain and no one disagrees. In case of monetary incentives, 68% respondents agreed that monetary incentives motivate employees to improve their performance

23% agree with the fact, 6% are uncertain, 2% disagree and 1% strongly disagree. In case of compensation packages, 77% respondents agreed that compensation packages motivate employees to improve their performance; 16% agree with the fact, 6% are uncertain, 1% disagree and none strongly disagrees.

**Effect of Job enrichment and performance appraisal:** We categorized this section into four different factors; they are work environment, responsibility, promotion and recognition and appraisal for work done.

Statements	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree
WORK ENVIRONMENT	72%	22%	2%	3%	1%
RESPONSIBILITY	52%	19%	7%	1%	9%
PROMOTION	65%	22%	10%	3%	0%
RECOGNITION AND APPRECIATION FOR WORK DONE	72%	18%	6%	3%	1%

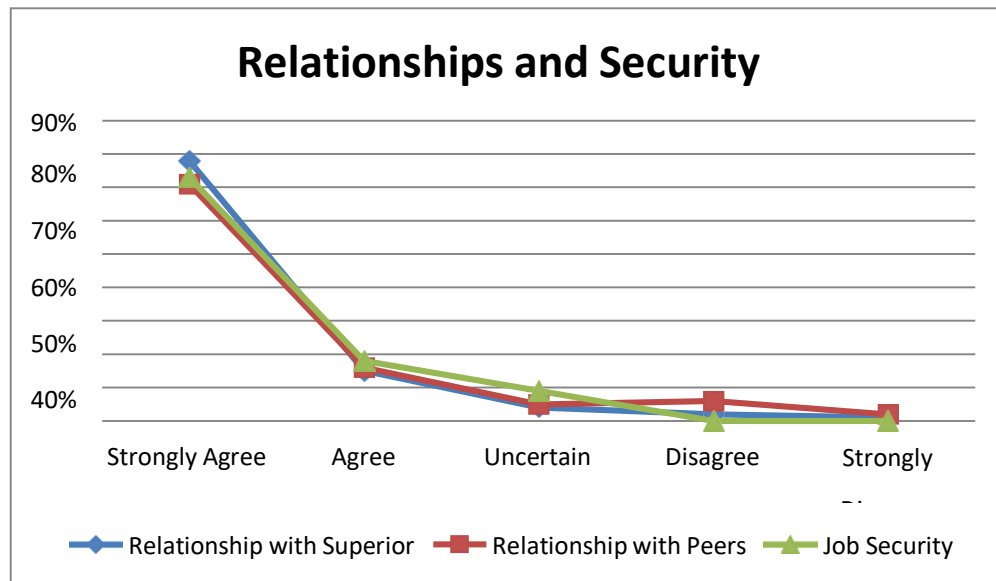


The study shows that job enrichment and performance appraisal is a very important psychological motivating factor. Here, in case of work environment, 72% respondents agreed that work environment motivates employees to improve their performance; meanwhile, 22% agree with the fact, 2% are uncertain, 3% disagree and 1% strongly disagree. In case of responsibilities, 52% respondents agreed that responsibilities motivate employees to improve their performance; 19% agree with the fact, 7% are uncertain, 15% disagree and 9% strongly disagree. In case of promotion, 65% respondents agreed that promotion motivate employees to improve their performance; 22% agree with the fact, 10% are uncertain, 3% disagree and none strongly disagrees. In case of recognition and appraisal for work done, 72% respondents agreed that recognition and appraisal for work done motivate employees to improve their performance; 18% agree with the fact, 6% are uncertain, 3% disagree and 1% strongly disagree.

**Effect of Relationships and security:** Effect of relationships and security was divided into three sectors; Relationship with superiors, Relationship with peers and Job security.

Statements		Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree
Relationship with Superiors	with	78%	15%	4%	2%	1%
Relationship with Peers	with	71%	16%	5%	6%	2%
Job Security		73%	18%	9%	0%	0%



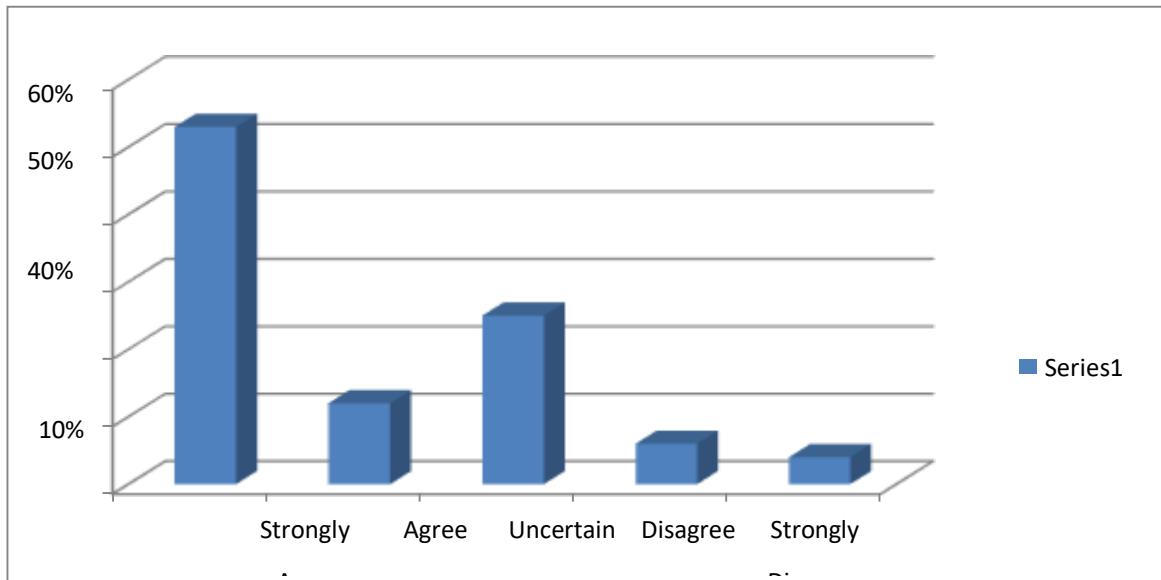


The result showed that, relationships and security is also a dominating factor for motivation employees. We considered three ramifications under this factor. Here, in case of Relationship with superiors, 78% respondents agreed that Relationship with superiors motivates employees to improve their performance; meanwhile, 15% agree with the fact, 4% are uncertain, 2% disagree and 1% strongly disagree. In case of Relationship with peers, 71% respondents agreed that Relationship with peers motivate employees to improve their performance; 16% agree with the fact, 5% are uncertain, 6% disagree and 2% strongly disagree. In case of Job security, 73% respondents agreed that Job security motivate employees to improve their performance; 18% agree with the fact, 9% are uncertain and none disagrees.

### Effect of Authority to make decision and Growth Opportunity:

Statement	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree
Authority to make decision in order to complete task	53%	12%	25%	6%	4%
Growth Opportunity	76%	15%	5%	2%	2%

## Authority to make decisions in order To complete tasks



Here, in case of Authority to make decision, 53% respondents agreed that Authority to make decision motivates employees to improve their performance; meanwhile, 12% agree with the fact, 25% are uncertain, 6% disagree and 4% strongly disagree.

From the data analysis above, we find that, there are two parts to data analysis; the first part provided the background data of the respondents and the second part represented elaborated expression about their response are showed in the form of percentage under each section which are Extrinsic motivation, Job enrichment and performance appraisal, Relationships and security, Authority to make decisions and Growth opportunity.

1. **Effect of Extrinsic Motivation on employee performance:** From the study conducted above, It can be asserted with certainty that, extrinsic factors are great motivator as majority of the respondents think. So an effective scheme of monetary and extrinsic rewards should be made. It is also to be kept in mind that, after a certain amount of time, employees may feel the requirement for more monetary incentives.
2. **Effect of Job enrichment and performance appraisal:** Job enrichment and performance appraisal are also decent motivation factors. The effects of these factors are more on the psychological perspective. If the working environment is good, the employee will perform with more convenience and ease. Similarly, if the employee is aware of the fact that his/her good

performance is being appraised by the top management and subordinates, then surely better performance can be expected. Nonetheless in some cases, the employees may feel pressurized by excessive workload and responsibility which that case works as a de motivator.

3. **Effect of Relationships and security:** Relationships with superiors and peers are also important as deduced from the survey above. Similarly job security has also a positive effect on employees' performance as they feel more secured doing their job knowing that they are secured with their job. That's why it is better to provide a legal agreement during joining.
4. **Effect of Authority to make decision:** If the employees are given authority to take decision under their territories of expertise, then it may very well be used as an enormous motivation tool. They shouldn't be allowed to take decision outside their range of operation.
5. **Effect of Growth opportunity:** If the employees feel that they have a great future in their respective organization, they will work with more efficiency and compatibility. So this is also a great motivator. Such motivating should be established by exemplifying others working in the same organization.

## CONCLUSION

The inferred to the conclusion based on the research conducted above and the respondents' repercussion of the questionnaire supplied, that motivation indeed has a momentous effect on employee performance. From the data analysis presented above we can clearly come to the decision that the factors taken into account during the survey (Extrinsic factors, Job enrichment and performance appraisal, Relationships and job security, Authority in decision making, Growth opportunity etc.), pragmatically dominates employees' will to perform and achieve goals of the respective organization. The factors considered under Extrinsic motivation are salary, monetary incentives and compensation package; the factors considered under Job enrichment and performance appraisal are work environment, responsibility, promotion and recognition and appreciation for work done; the factors considered under Relationships and security are relationship with superiors, peers and job security; Moreover, Authority to make decisions, Growth opportunity and future prospects were also taken into account

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