

Role of Motivation in Organizations and Impact on Employees' Performance

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Abstract - Employee motivation is a critical aspect at the workplace which leads to better performance in an organization. An organization may fail which cannot understand the importance and impact of motivation. In order to achieve better performance and high level of productivity, management needs to understand the role and importance of motivation at workplace. Only motivated employees have committed approach towards organizational objectives. Motivated employees are persistent, creative and productive.

Index Terms - Motivation, Stimulation, Decision Making, organizational objectives, Commitment.

INTRODUCTION

Motivation is a process to stimulate people to work hard in such a way so as to achieve the individual and organizational goals. Motivation is to create the willingness to work among employees. The employees should be so encouraged through the process of motivation so that their best potential can be utilized. Motivation is the reason why an organization is setup, why human beings join the workplace, and this world comes to its present scene of globalization. It is the most important function which actually inspires the work force to move further in desired direction. Every successful organization is backed by a committed employee base, and the commitment is the outcome of motivation and job satisfaction. It is the energy that compels employees towards organizational objective. It would be impossible for the organization to generate performance without commitment. Employees who are well motivated show more creativity, innovation, greater company loyalty and increased satisfaction in their work. Motivation is the key component of organizational behavior which builds the base for good enterprise management and adaptations to the new business conditions and market requirements. The objective of the paper is to analyze the role of

motivation in an organization and what are the impacts of various financial and non-financial motivators on employees performance.

ROLE OF MOTIVATION IN AN ORGANIZATION

Motivation is driving force, internal energy, and engine of human needs(Ivan sijakovic).Human beings or work force in an organization will do that what they want to do, otherwise they have to be motivated to do something(vinay2014); Motivation is the key element to inspire the work force to move in a desired direction. If employees are not motivated the organization could be placed in a stagnant position at any time. Only a motivated employee can achieve his individual as well organizational objectives. Some employees are motivated through feeling a sense of accomplishment and achievement of meeting personal and professional goals. Managers can create an environment that inspires and supports strong employee motivation.

No Motivation –No work-No output-No achievement-Failure of organization

Motivation-Willingness to work-More output-Achievement of goals-success of organization

Only a motivated employee will put maximum efforts for achievement of objectives. Motivation plays a vital role in growth of an employee; negative attitude can be changed into Positive; improves the performance level; and helps in achieving his motives. In the same way if employees are motivated; their attitude toward work is positive the whole organization is benefitted; It will result in reduced employees turnover and absenteeism, harmonious industrial relations, better market image of organization, any change can be easily adaptive-better performance –more output-achievement of organizational objectives.

REVIEW OF LITERATURE

Various reviews and theories available on this topic are reviewed. It is experienced that various motivation techniques are having a positive impact on both employees Satisfaction and quality of performance .In today's complex and dynamic environment if employees are trusted and empowered to take decisions leads to enhanced motivational level.

Vinay CG(2014); Some employees are money motivated and other find recognition and rewards as main motivators. Unmotivated employees put a little or no efforts in jobs, try to avoid workplace, and exit the organization if an opportunity is given to produce low quality and less in quantity products. Out of many theories on motivation Mc Gregor theory X and theory Y explains the two extremes of human behavior at workplace. Theory X is very pessimistic in its approach ;Where employees are lazy ,try to avoid responsibility, indifferent towards organizational goals, must be controlled or punished. On the other side theory Y is very optimistic towards behavior of employees; they enjoy at the workplace, employees are self-directed and self-controlled, they need no punishment and feel responsible for attainment of organizational objectives. In Indian companies (William Ouchis) Theory Z Has been implemented .Workplace is designed on Japanese pattern ;participative decision making is used as a tool to motivate the employees. It is the hierarchy of human needs (Maslow) Which motivate the employees to work more and more. Ehen first four needs from the bottom of hierarchical level(physiology, safety, social, esteem) are satisfied it is the self-actualization need which motivates the employees to put forth his full potentialities at the workplace and to move further. At this stage an employee tries to bring out something hidden in him.

Financial and Non- Financial Motivators: Impact on Employees Performance

1. Financial Motivators

Financial motivators refer to monetary rewards. It is the way in which an organization uses to compensate the work force. This monetary reward can motivate certain behaviors or actions.

- Pay and allowances includes basic pay, DA, Ta, other increments Etc.

- Incentive Pay: plans to increase output; can be measured quantitatively
- Gain Sharing: Employees receive bonus for increased productivity and reduced wastage
- Profit Sharing and Stock Options: right to buy specific number of shares at fixed price
- Retirement Benefits: includes Provident fund, gratuity, Leave encashment, Pension Etc.

If above perks and emoluments are quite and enough employee will work but not for the sake of organization and not for achievement of organizational objectives. Financial motivators motivates en employee to go for work but To motivate the employees to his maximum these are the non financial motivators which can play a vital role in stimulating the employees in desired direction.

2. Non- Financial Motivator

These motivators are not in money form but still the bring psychological and emotional satisfaction to Employees. This is the integration of reward and recognition which does not involve giving money directly to employees.

- Job Security: Lack of job security will always be a threat for employee. A temporary employee cannot give 100 percent to his job. He cannot be committed to organization. So security of job is the foremost condition to motivate an employee to utilize his full potential.
- Challenging Work: An employee can be motivated by assigning him more challenging work .The routine work cannot further motivate an employee.
- Recognition: A single word of appreciation from superior may motivate an employee to do better and better ,more and more
- Status: Various status symbols can be created with attractive job titles like data assistant may be called statistical analyst.
- Scope of Career Advancement: Employee should never feel stagnant at any particular stage of his career. He will feel motivated if there are enough opportunities for him to move up in hierarchy.
- Participation in Decision Making : -It implies mental participation of an employee in decision
- Making Process. It may satisfy the ego and self-esteem results in better implementation of
- Decisions; results in better performance leads to achievement of objectives.

- Competition: Some dose of healthy competition certainly motivates the employees to prove their capabilities.

[8] McDougall, W. An introduction to social psychology, London: Methuen, 1908

CONCLUSION

There cannot be a single factor which can said to be most effective. Researchers have been undertaken to analyze these factors but generalization could be found. Both financial and non-financial factors could be equally important to motivate employees but it depends on situation, needs and inner feeling of an employee. So motivation is the inner feeling of an employee; a factor may be, more or less effective in a particular situation it all depends how an employee reacts in that situation.

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