

Motivational Factors Influencing Job Performance Of Employees: A Theoretical Approach

¹C. HARIHARASUDHAN, ²Dr. SHIBU N S

¹Research Scholar, ²Assistant Professor and Head, Department of Management Studies,

Bharathidasan University Constituent College, Perambalur, India

¹c_hariharasudhan@yahoo.co.in, ²natarajan_shibu@rediffmail.com

ABSTRACT - Employees are the key resource of every successful organisation. All the other resources like money, machine, materials, markets and methods are effectively utilized by employees. Employees can perform well only if they have optimum level of motivation. Motivated Employees tend to work productive with higher level of proficiency. Quality of work increases with the increasing level of motivation, which in turn results in higher level of Job performance. Motivated employees contribute to the organisation to obtain its goals. So, it is important for the organisation to retain its employees for better organisational performance. The objective of this paper is to theoretically analyze the importance of job performance on the basis of motivational theories and to review the motivational factors that influence Job performance.

Keywords: Motivation, Job Performance, Quality of work, Employee retention and Organisational Performance.

I. INTRODUCTION

Motivation drives employee to work hard and inspire them to achieve desired results either individually or in workgroups. It is a goal oriented behaviour that strive employee towards organization goals and also satisfies the individual needs. Motivation arises from both intrinsic and extrinsic factors. Intrinsic motivation arises within individual itself by commitment. It includes factors such as responsibility, autonomy, interesting and challenging work, promotion opportunities and so on. If an employee is motivated by management through rewards and incentives, it is referred as extrinsic motivation. Good job performance requires a higher level of motivation. Motivated employees put necessary efforts in their jobs by engaging themselves to attain their goals. Inefficient level of job performance leads to lower productivity, less commitment which will affect the profitability of organisation causes as a result of lack of motivation. There are number of factors that will influence the job performance of employees.

Olusadum, N. J., & Anulika, N. J. [1] analyzes the impact of motivation and job performance. They state that both extrinsic and intrinsic motivation plays a significant role in influencing job performance. If the motivation is higher, the performance level of employees increase and if there is a low level of motivation then the performance level is lower. They concluded that motivation has the positive impact on job performance. Motivation also helps to increase the productivity of employees by minimizing inefficiency. This study focuses on the motivational factors influencing the job performance of an individual which will enhance the

ability of employees in attaining their desired and organisational goals. The purpose of this paper is to theoretically analyze the relationship between motivation and job performance and how motivational factors will influence the level of performance of employees. This paper addressed with the following: Work motivation theories, effects of motivation and its impact on job performance, relationship between motivation and job performance. Finally, a summary of motivational factors influencing job performance was used to conclude this paper.

II. WORK MOTIVATION THEORIES

Work motivation concerned with encouraging employees to initiate work related behaviour to perform their jobs and to attain their goals through successful performance. Need theory discuss that need can differ based on time and individual. Different employees have various needs and also these needs changes over time. Need hierarchy theory developed by Maslow states that fulfilling employees need play a significant role in their behaviour. Herzberg's two factor theory views that needs of the employee are addressed through two categories namely motivators and hygiene factors. Motivating factors include achievement, recognition of work, nature of work, promotion opportunities and responsibility where as hygiene factors include pay, interpersonal relationship, supervision, working conditions, job security, organisation policies and so on. According to Herzberg motivation arises from motivating factors, motivating employees through these factors causes job satisfaction which in turn lead to higher

level of job performance. He also states that absence of hygiene factors does not have any impact on job performance, but presence of these factors will increase job performance. McClelland's theory focuses on the needs of achievement, power and affiliation.

Reinforcement theory is concerned with predicting quantity and quality of work as the result of rewards and reinforcements. It describes environmental influences on the basis of motivation where as equity theory deals with employee values. Goal setting theory explains the behaviour of employees in terms of goals and intensions. This theory states that higher level of motivation increases employee productivity which helps in achieving organisation goals with higher level of performance. But, this theory does not address the consequences like absenteeism, turnover and so on which arise as a result of low level of motivation. Expectancy theory addresses the issues with goal setting theory and explains the variables of performance such as productivity of employees, absenteeism and turnover. Expectancy theory focuses on internal states of behaviour that lead to motivation. Self efficacy theory states that motivation is related to the belief of the employees about own capabilities. If an employee believes that he is capable of doing his task then there exists motivation to complete his task. Different theories views motivation from different perspectives and all the theories do not lead to job performance.

III. EFFECTS OF MOTIVATION AND ITS IMPACT ON JOB PERFORMANCE

Rewards

Based on the work performance of employees, rewards can be of two types namely intrinsic rewards and extrinsic rewards. When an employee is rewarded based on the work itself it is termed as intrinsic rewards whereas when he is rewarded from outside his work then it is termed as extrinsic rewards. Ajayi, S. [2] identified that quality of supervision, fringe benefits provided to the employees and rewards perceived by the employee are highly correlated with motivation. Organisation need to improve these factors in order to enhance the productivity of employees. If productivity increases, organisational goals can be achieved by the employees with a higher level of job performance. He also states that organisation needs to provide challenging jobs and growth opportunities continuously in order to motivate their employees. He concludes that cash rewards, recognition, interpersonal relationship and quality of supervision are the factors influencing motivation.

Khan, I., Shahid, M., Nawab, S., & Wali, S. S. [3] also analyzed the influence of extrinsic and intrinsic rewards and their impact on job performance. The intrinsic reward factors considered for the study are achievement, creativity, activity, ability utilization, moral values, independence, responsibility, security, authority, social service, social

status and variety. Factors in extrinsic reward include recognition, advancement, interpersonal relationship, supervision, company policies, compensation and working conditions. Result shows that among all the factors of intrinsic rewards ability utilization, social service, and job security are highly correlated with job performance whereas recognition is the only factor of extrinsic reward that is highly correlated with performance level of the employees.

Accordingly, Aktar, S., Sachu, M. K., & Ali, M. E. [4] analyzed the relationship between extrinsic and intrinsic rewards and their impact on employee's job performance. Factors in extrinsic reward include three dimensions namely basic pay, merit pay and performance bonus whereas intrinsic reward includes four dimensions namely learning opportunity, challenging work, recognition and career advancement. Employee job performance includes three dimensions namely job quality, accomplishment and productivity. They found that both extrinsic rewards and intrinsic rewards are correlated with employee's job performance. Among all the dimensions of extrinsic rewards basic pay is the most influencing factor of employee performance and challenging work is the most influencing factor in intrinsic rewards.

Muogbo, U. S. [5] also tries to find out the influence of intrinsic and extrinsic motivation on employee's job performance. The result reveals that there exists no correlation between intrinsic motivation and performance level of employees. Extrinsic motivation has significant impact on job performance. He also stated that organisation needs to attract, motivate, satisfy and retain employees by providing extrinsic rewards such as pay, fringe benefits, good working conditions, promotion opportunities, job security, allowances and so on. Intrinsic rewards such as recommendation, praise and so on does not have any influence on job performance and workers productivity. Shahzadi, I., Javed, A., Pirzada, S. S., Nasreen, S., & Khanam, F [6] analyzed the relationship between intrinsic rewards, perceived training effectiveness, employee motivation and job performance. They found that intrinsic rewards are positively correlated with employee motivation and job performance. There exists no relationship between employee's perceived training effectiveness and employee motivation. They stated that there is a strong direct relationship between employee motivation and employee job performance. Results also reveal that working environment will influence motivation by moods, encouragement and well being of employees which has an impact on job performance.

Performance based pay

Two different systems can be followed by the organisations namely uniform pay and performance based pay. Uniform pay is generally provided by the government organisations where employee can get an increase in pay regularly over certain time period. This does not provide motivation to

employees which in turn results in low level of performance. Performance based pay is based on performance level of employees which provides motivation to perform well and attaining goals. It is directly related to job performance.

IV. FINANCIAL AND NON FINANCIAL INCENTIVES

Incentives stimulate employees to achieve their goals and objectives by providing higher level of motivation. Incentives by providing cash or shares for employees good performance is referred as financial incentives. It involves recognizing and rewarding employees by high salary, bonus, commission, allowances, medical facilities and so on. Incentives not involving any monetary benefits such as flexible work timings, recognition of work, appreciation and job security is referred as non financial incentives. Nabi, M. N., Islam, M., Dip, T. M., & Hassain, A. A. [7] investigates the relationship between extrinsic motivation, job enrichment, job security, authority in making decisions and career growth opportunity with job performance. Salary is a dominating extrinsic motivating factor of employee motivation among the other two factors such as compensation and monetary incentives. Work environment is the most influencing factor of job enrichment among the other three factors such as responsibility, promotion, recognition and appreciation of work. They also found that interpersonal relationship, growth opportunity and job security will also influence the level of performance.

According to Said, N. S. M., Zaidee, A. S. E. A., Zahari, A. S. M., Ali, S. R. O., & Salleh, S. M. [8] result reveals that there exists a strong relationship between working conditions and job performance. They identified that personal preference of an individual, needs and working condition are the factors contributing to job performance. They also states that level of job performance depends on both the individual factors and organisational factors. So, organisation need to continuously motivate their employees in achieving organisational effectiveness with minimum turnover and high level of commitment. Ghaffari, S., Shah, I., Burgoyne, J., Mohd Nor, M., & Salleh, J. [9] taken job performance as the dependent variable and various other factors like enhanced salary, fringe benefits, promotion opportunities, supervision, responsibility, training and development as independent variables. The finding shows that responsibility and fringe benefits are the most influencing motivational factors of job performance. Among those two factors responsibility is strongly and positively correlated with the performance level of employees. Promotion opportunity is the least influencing motivational factor of job performance.

Role ambiguity arises when an employee is not clear on what are the roles that are expected from him in his job. Role conflict arises when an individual performs more than two roles at the same time. Both role ambiguity and role clarity affects the level of performance of employees. High

turnover rate and absenteeism are the major consequences in the organisation caused due to lower level of motivation. It takes lot of time and effort to the organisation to recruit and train new employees instead of experienced professionals. It is better for the organisation to motivate employees and to retain them instead of recruitment and training. William, A. [10] finds that work motivation includes work environment, risk taking, motivators, needs fulfillment, superior support and satisfaction level of employees. He also suggests that rewards are the highly motivating tool in employee's performance which includes salary, incentives, bonus, tangible and intangible rewards and so on. He found that employee motivation will influence the job performance of employee and affects the profitability of organisation. Organisational effectiveness can be achieved by high level of job performance. Factors such as high salary, promotion, bonus, incentive system, reward will increase the level of job performance.

Accordingly, Aseanty, D. [11] analyzed the relationship between work ability, motivation and working conditions and their impact on employee performance. He found that all the three variables have an impact on employee's job performance. His results state that working condition leads to the motivation level of employees which lead to higher level of job performance. He also suggests that good supervision and division of work influence the stress level of employees which lead to lower performance.

V. MOTIVATION AND JOB PERFORMANCE

Motivation of employees depends on two factors namely individual factors and organisational factors that affect their job performance. Individual factors denote two groups of individuals namely managers and workers. Job performance depends on both individual and organisational factors like recognition of work, level of satisfaction, competency level, promotion opportunities, accomplishment, financial benefits, job security and so on. Waiyaki, E. W. [12] investigates the impact of goal setting on employee's job performance. Also tries to analyze the relationship between incentives, recognition and rewards on job performance. Results indicate that goal setting factors such as participation in goal setting, specific and clear goals, realistic and achievable goals, challenging work, difficult and challenging goals, achieving organisational goals and guidance by supervisor has an impact on performance level of employees. Financial factors such as pay benefits, comparative and competitive pay, allowances, commission, bonus, profit sharing and company pay policy has an influence on employee job performance. He also found that recognition and reward factors like recognition by superior, recognition by coworkers, fair and equitable rewards will also has an impact on motivation which in turn influence job performance.

Obiekwe, N. [13] states that organisation needs to motivate their employees in order to achieve the organisational

effectiveness. He identified that there exists a correlation between employee's performance, level of motivation and satisfaction. If the level of satisfaction towards his job is higher, employees are motivated to perform their task and job performance is also higher. He states that task identity, skill variety, importance of the task, autonomy and feedback are the five job characteristics that intrinsically motivate the performance of employees. Salary, job security, commitment are the factors that extrinsically motivate the job performance. He also states that both intrinsic and extrinsic motivations are equally important in determining the job performance of employees. Dobre, O. I. [14] study reveals that motivation is highly correlated with organisational effectiveness. He also tries to analyze the factors influencing employee motivation in achieving organisational goals. Organisational performance can be increased by encouragement and recognition of employees. He also states that job dissatisfaction leads to higher turnover rate which arise from the factors like poor working conditions, low salary, coworkers relationship, job monotony, low level of incentives and so on. He also found that recognition, responsibility, achievement and work itself are the motivating factors that will influence the level of job performance.

Khan, M. [15] analyze the impact of motivation and training on job performance. He analyzes overall performance with various factors like motivation, training, working environment, technology and management behaviour. He found that among five factors only two factors namely training and motivation influences the overall performance level of employees. He also found that training plays a most significant role in employee's job performance. If an employee is trained well, there will be higher level of job performance. Job performance is directly related with the training provided. Pham, H. [16] analyzed the impact of job motivation and job satisfaction with job performance by keeping job motivation and job satisfaction as predictor variables. Gender, age, marital status, educational level, salary and stress as control variables. He found that both job satisfaction and job motivation are directly related with job performance and also both motivation and satisfaction are good predictors of job performance. In order to attain organisational effectiveness, organisations need to motivate and satisfy their employees to enhance their work performance.

Onanda, B. [17] identified the effects of motivation on job performance by considering job performance as an independent variable and factors such as non financial rewards, financial rewards and training as dependent variables. He found that salary and fringe benefits are the financial incentives that motivate the employees. Non financial incentives like promotion, rewards, recognition and appreciation will motivate employees to perform well in their job. He also founds that high level of motivation

results in lower absenteeism, reduced turnover, reduced wastages with higher quality of work and high efficiency in their work. Schiphorst, F. [18] analyzes the relation between work motivation and job performance by considering factors such as unsatisfactory work performance, strategic intervention, performance management approaches, good work performance, extrinsic and intrinsic motivators. Performance management approaches includes planning work, setting expectations, supervision, training and monitoring work performance. Extrinsic motivating factors include pay, working conditions, work environment, job security and interpersonal relationship whereas intrinsic motivating factors include responsibility, achievement, recognition and career advancement. Results reveal that extrinsic motivators along is highly sufficient to motivate the employees in order to achieve their desired goals and objectives. Among all the variables of extrinsic motivators pay is an important factor that will influence the level of performance of employees.

VI. CONCLUSION

Retaining employees is a bigger challenge for today's organisations. Organisations need to continuously motivate their employees to enhance their capabilities and engage them in their work towards achieving organisational goals. Review outcomes reveal that motivation is highly related with job performance. If the level of motivation is higher, then the employees tend to work more which will increase their productivity and quality of work, which in turn leads to a higher level of job performance. Performance of an employee depends not only on motivation itself. It also depends on various factors like satisfaction level of employees, ability, role perception, resources in the organisation and so on. Reward is an important factor that influences employee job performance.

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