



A STUDY ON THE IMPACT OF MOTIVATION ON EMPLOYEE PERFORMANCE WITH REFERENCE TO AGILE CAPITAL SERVICES

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ABSTRACT :

This project is done on “A study on the impact of motivation on employee performance” in the area of Human Resource Management. The motivation of professionals is not based solely on good monetary remuneration. Nowadays, every experienced professional is interested first and foremost in a healthy work environment in a company and then on the pay level. The key aim of the project is to analyse about various factors such as salary, increments, promotion, recognition etc. leading to motivation of employees and to assess their relationship between the motivation and performance. This study aims to analyse the factors driving employee motivation within Company, focusing on both monetary and non-monetary incentives. Through surveys diverse motivational factors influencing employee performance are been studied. Additionally, the relationship between motivation and performance outcomes, exploring how varying levels of motivation impact employee productivity and job satisfaction are been assessed. Specifically, the effect of monetary and non-monetary benefits on employee performance, aiming to understand their relative significance in driving organizational success are examined. The descriptive research has been conducted with a convenient sampling of 200 respondents.

INTRODUCTION :

This study examines the correlation between motivation and employee performance, exploring whether motivational factors influence workplace productivity and efficiency. Motivation is the process that initiates, guides, and maintains goal-oriented behaviours. It is what causes you to act, whether it is getting a glass of water to reduce thirst or reading a book to gain knowledge. Motivation involves the biological, emotional, social, and cognitive forces that activate behaviour. In everyday usage, the term "motivation" is frequently used to describe why a person does something. It is the driving force behind human actions. Motivation is a driving force which affects the choice of alternatives in the behaviour of a person. It improves, stimulates and induces employees leading to goal-oriented behaviour.

OBJECTIVES OF THE STUDY

- To analyze the factors that motivate the employees.
- To assess the relationship between the motivation and performance.
- To study the effect of monetary and non-monetary benefits on the employee's performance.

SCOPE OF THE STUDY

- The study will explore a wide range of factors that contribute to employee motivation, including intrinsic and extrinsic motivators such as recognition, rewards, job design, work environment, and career development opportunities.
- The study will evaluate the impact of both monetary incentives (such as salary, bonuses) and non-monetary benefits (such as recognition, flexible work arrangements) on employee motivation and performance.
- In addition to performance, the study will examine the relationship between motivation and overall employee satisfaction, encompassing factors like job security, work-life balance, and interpersonal relationships within the workplace.

NEED FOR STUDY

- The basic need of the study is to identify the motivational factors and its impact on employee's performance as motivation plays a vital role on employee's performance and productivity of the organisation. Hence, a project is conducted to see how different variables motivate employees and support the organization to improve the performance of employees.

- Vallerand, R. J., & Houl fort, N. (2019). Passion at work: Toward a new conceptualization. In *Advances in Motivation Science* (Vol. 6, pp. 1-25). Academic Press.
- They discuss how harmonious and obsessive passion influence motivation, engagement, and performance in work settings.

REVIEW OF LITERATURE

- Grant, A. M. (2019). The significance of task significance: Job performance effects, relational mechanisms, and boundary conditions. *Journal of Applied Psychology*, 104(9), 1086-1104.
- It discusses how perceiving one's work as meaningful and impactful influences motivation, relational dynamics, and performance outcomes, highlighting boundary conditions that moderate these effects.
- Latham, G. P., & Locke, E. A. (2019). New developments in and directions for goal-setting research. *European Psychologist*, 24(3), 217-227.
- This article discusses recent developments and future directions in goal-setting research, emphasizing its impact on employee motivation and performance outcomes.
- Ryan, R. M., & Deci, E. L. (2017). *Self-determination theory: Basic psychological needs in motivation, development, and wellness*. Guilford Press.
- This book delves into self-determination theory (SDT), elucidating its theoretical underpinnings and practical implications for motivation, personal development, and well-being
- Deci, E. L., Olafsen, A. H., & Ryan, R. M. (2017). Self-determination theory in work organizations: The state of a science. *Annual Review of Organizational Psychology and Organizational Behaviour*, 4, 19-43.
- This review article provides an updated overview of self-determination theory (SDT) and its application in work settings. It synthesizes empirical research on SDT's relevance for understanding employee motivation, engagement, and well-being in organizational contexts, offering practical insights for organizational practices.
- Gagne, M., Forest, J., Vansteenkiste, M., Crevier-Braud, L., Van den Broeck, A., Aspel, A. K., ... & Westbye, C. (2015). The Multidimensional Work Motivation Scale: Validation evidence in seven languages and nine countries. *European Journal of Work and Organizational Psychology*, 24(2), 178-196.
- This article presents validation evidence for the Multidimensional Work Motivation Scale (MWMS), a comprehensive tool for assessing various dimensions of work motivation across different cultural contexts. It underscores the importance of considering cultural diversity in understanding and measuring employee motivation.
- Steers, R. M., Mowday, R. T., & Shapiro, D. L. (2004). Introduction to special topic forum: The future of work motivation theory. *Academy of Management Review*, 29(3), 379-387.
- This introductory article sets the stage for a special topic forum on the future of work motivation theory. It discusses emerging trends, challenges, and directions in motivation research, highlighting the need for integrating diverse perspectives and adapting motivation theories to contemporary work contexts.
- Rosso, B. D., Dekas, K. H., & Brzezinski, A. (2010). On the meaning of work: A theoretical integration and review. *Research in Organizational Behaviour*, 30, 91-127.
- Rosso et al. provide a comprehensive review and theoretical integration of research on the meaning of work, highlighting its implications for employee motivation, engagement, and performance.
- Sala nova, M., Llorens, S., & Schaufeli, W. B. (2011). Yes, I can, I feel good, and I just do it! On gain cycles and spirals of efficacy beliefs, affect, and engagement. *Applied Psychology*, 60(2), 255-285.
- This article examines the concept of gain cycles and spirals in relation to efficacy beliefs, affect, and work engagement, shedding light on how positive psychological states contribute to employee motivation and performance.
- Podsakoff, N. P., Whiting, S. W., Podsakoff, P. M., & Blume, B. D. (2009). Individual-and organizational-level consequences of organizational citizenship behaviours: A meta-analysis. *Journal of Applied Psychology*, 94(1), 122-141.
- Podsakoff et al. conduct a meta-analysis on the individual and organizational consequences of organizational citizenship behaviours, revealing their positive impact on employee motivation, job performance, and organizational effectiveness.
- Baard, P. P., Deci, E. L., & Ryan, R. M. (2004). Intrinsic need satisfaction: A motivational basis of performance and well-being in two work settings. *Journal of Applied Social Psychology*, 34(10), 2045-2068.
- Harter, J. K., Schmidt, F. L., & Hayes, T. L. (2002). Business-unit-level relationship between employee satisfaction, employee engagement, and business outcomes: A meta-analysis. *Journal of Applied Psychology*, 87(2), 268-279.

- This meta-analysis explores the relationship between employee satisfaction, engagement, and business outcomes at the business unit level, providing insights into the impact of employee attitudes on organizational performance.

HYPOTHESIS 1

Null Hypothesis H0: There is no significant relationship between motivation and overall employee performance.

Alternative Hypothesis H1: There is significant relationship between motivation and overall employee performance.

Particulars	Salary	Promotion	Promotion	Recognition	Incentives
			talks		
Employee					
Performance	0.24	0.19	0.13	0.13	0.12
Pearson Sig.	0.04	0.03	0.03	0.02	0.01
N	200	200	200	200	200
Correlation	Positive	Positive	Positive	Positive	Positive
Conclusion	Hypothesis	Hypothesis	Hypothesis	Hypothesis	Hypothesis
	proved	proved	proved	proved	proved

INTERPRETATION

The p value which is less than the significance value (0.05) hence null hypothesis (H0) is rejected. And H1 is accepted.

INFERENCE

Therefore, there is significant relationship between motivation and overall employee performance.

HYPOTHESIS 2

Null Hypothesis H0: Motivation does not influence overall employee satisfaction.

Alternative Hypothesis H1: Motivation is positively associated with overall employee satisfaction.

Case Processing Summary

	Cases Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Motivation * Employee Satisfaction	100	99.0%	1	1.0%	101	100.0%

Employee Motivation* Satisfaction Crosstabulation

Count

		Employee Satisfaction			Total
		Satisfied	Neutral	Dissatisfied	
Motivation	Agree	98	23	9	130
	Neutral	19	20	5	44
	Disagree	11	8	7	26
Total		128	51	21	200

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	8.574a	6	.199
Likelihood Ratio	8.012	6	.237
Linear-by-Linear Association	5.254	1	.022

N of Valid Cases	100		
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a. 7 cells (58.3%) have expected count less than 5. The minimum expected count is .40.

INTERPRETATION

The p value is 0.022 which is less than the significance value (0.05) hence null hypothesis (H₀) is rejected. And H₁ is accepted.

INFERENCE

Therefore, motivation is positively associated with overall employee satisfaction.

FINDINGS :

- Majority 56% of the respondents are male.
- Majority 26 % of the respondents belong to the age group of 35-44 category.
- Majority 29 % of the respondents are employed for 2-5 years.
- Majority 45 % of the respondents belongs to Bachelor's degree.
- Majority 58% of the respondent work location is on-site.
- Majority 86% of the respondents require motivation at workplace.
- Majority 49% of the respondents agree that the management system is interested in motivating the employees.
- Majority 64% of the respondents need both monetary and non-monetary benefits from the company.
- Majority 49% of the respondents satisfied with present incentives schemes
- Majority 49% of the respondents agree that the company is showing eagerness in recognizing and acknowledging employee work.
- Majority 43% of the respondents agree that there are periodically increases in the salary.
- Majority 38% of the respondents agree that Job Security is existing in the company.
- Majority 42% of the respondents are satisfied with the co-workers.
- Majority 41 % of the respondents agree that there is Effective Performance Appraisal System.
- Majority 37 % of the respondents agree that there is Promotional Opportunities in the job.
- Majority 37% of the respondents feel sometimes Career Development opportunities helpful for employees to get motivated.
- Majority 41 % of the respondents agree that the Performance Appraisal activities helpful for getting motivated in company
- Majority 52 % of the respondents promoted at work in the last two years.
- Majority 39 % of the respondents agree that the management involves them in decision making.
- Majority 73 % of the respondents agree that the incentives and other benefits will influence performance.

SUGGESTIONS

- Promote internal employees rather than external recruitment.
- Encourage open end communication.
- Provide hybrid mode facility to the employees.
- Arrange more Management activities for employee involvement.
- Provide employees Professional Development Training for enhancement of their Professional Skills.
- Provide more monetary and non-monetary benefits for effective performance.
- Involve them in decision making process which is connected to their department
- Increase the incentives and other benefits consistently.
- More career development opportunities must be created in the company.
- Encourage employees to prioritize their well-being by promoting work-life balance initiatives. Provide resources for stress management, wellness programs, and flexible scheduling to support employees' overall health and happiness.

CONCLUSION

- The major conclusion of the study are the motivational factors such as salary, promotion, job security, recognition and incentives.
- Most of the employees agreed on that the motivation is required at the workplace.
- Monetary as well as non-Monetary both are important for the employees.
- Company is showing interest in recognizing and acknowledging employees work at the workplace.
- Most of the employees agreed on the periodically increment in salary in the organization.
- Most of the employees are satisfied on the good relation with their coworker in the organization.
- Motivation and performance have the direct relationship to each other

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