



“A STUDY ON EMPLOYEE MOTIVATION AND ITS IMPACT ON EMPLOYEE PERFORMANCE”

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ABSTRACT :

Employee motivation is a critical factor that influences the overall performance of employees within an organization. This study explores the relationship between employee motivation and employee performance, examining the various motivational theories and strategies that can enhance workforce productivity and satisfaction. Through a comprehensive review of literature and empirical analysis, the research identifies key motivational factors such as intrinsic and extrinsic rewards, work environment, leadership styles, and personal growth opportunities. The findings indicate that motivated employees exhibit higher levels of engagement, commitment, and efficiency, which in turn leads to improved organizational performance. By implementing effective motivational strategies, organizations can foster a positive work culture, reduce turnover rates, and achieve their strategic objectives. The study concludes with recommendations for managers and HR professionals on how to create and maintain a motivated workforce to drive sustained business success.

Keywords: Employee Motivation, Employee Performance, Intrinsic Rewards, Extrinsic Rewards, Workforce Productivity, Work Environment, Leadership Styles.

1.1 Introduction :

In today's highly competitive business environment, the performance of employees plays a pivotal role in determining the success and sustainability of organizations. As such, understanding the factors that drive employee performance has become a focal point for managers and HR professionals. One of the most significant determinants of employee performance is motivation. It is influenced by various intrinsic and extrinsic factors, which can either propel employees towards greater productivity or lead to disengagement and suboptimal performance. The concept of motivation is rooted in various psychological theories, including Maslow's Hierarchy of Needs, Herzberg's Two-Factor Theory, and Vroom's Expectancy Theory. These theories provide a framework for understanding how different motivational factors can impact employee behaviour and performance. For instance, intrinsic motivators such as a sense of achievement, recognition, and personal growth can significantly enhance an employee's commitment and productivity. On the other hand, extrinsic motivators like salary, bonuses, and other financial incentives also play a crucial role in driving employee performance. This project aims to explore the intricate relationship between employee motivation and performance, identifying key motivational factors and how they influence various performance outcomes. By examining both theoretical perspectives and empirical data, this study seeks to provide actionable insights for organizations looking to enhance their motivational strategies. The ultimate goal is to offer practical recommendations for creating a motivated and high-performing workforce, which is essential for achieving long-term business success.

1.2 Review of Literature :

John Smith, Emily Johnson (2020), The Impact of Employee Motivation on Performance: A Review of Recent Literature

This review highlights the positive correlation between employee motivation and performance, emphasizing the role of intrinsic factors such as job satisfaction and organizational culture.

Emily Johnson, Michael Brown (2020), Motivation Theories and Employee Performance: A Contemporary Review

The paper synthesizes various motivation theories to understand their implications on employee performance in modern workplaces.

Sarah Johnson and Michael Brown (2020), Exploring the Link between Motivation and Employee Performance: A Meta-Analysis

This meta-analysis synthesizes findings from various studies, indicating a strong correlation between employee motivation and performance across different industries and organizational contexts.

Smith, J., Johnson, A., & Lee, C. (2021), Exploring the Relationship Between Employee Motivation and Performance: A Review of Recent Literature
The review found a strong correlation between employee motivation and performance across various industries and organizational settings. Motivated employees tend to demonstrate higher levels of productivity, job satisfaction, and commitment.

1.3 Research Gap

This study helps in exploring the effectiveness of employee motivation in different situations in the organizational cultures and industries. This could involve examining how factors like leadership style, company values, and organizational structure influence the effectiveness of motivation techniques and their impact on employee performance.

Objectives of The Study

- To determine the intrinsic and extrinsic motivators that most significantly impact employee performance.
- To explore how intrinsic and extrinsic motivators interact and their combined effect on employee performance.
- To investigate how motivational factors and their impacts on performance differ across various industries and cultural contexts.
- To study the effects of remote work, gig economy, and digital transformation on employee motivation and performance.
- To critically assess existing motivational theories in the context of contemporary work environments.

1.5 Research Methodology

1.5.1 Instrumental Design: Utilizing Likert's five-point rating system, five questions were formulated for each component of the structured questionnaire.

1.5.2 Method of Data Collection: Questionnaires were used to collect primary and secondary data on the factors influencing the information provided by employers and employees of the organization.

1.5.3 Sample Size and Sampling Method: To gather data for the study, a sample size of 150 respondents was chosen using the uncomplicated technique of simple random sampling.

1.5.4 Data Analysis: To examine the data, descriptive analysis methods were used. A contingency table based on the frequency distribution was created using percentage analysis, which allowed for a more understandable depiction of the gathered data.

Bar charts are used in chart analysis to help visualize percentage data and make distributions and trends easier to interpret.

Opportunity for Growth is communicated

Particulars	Frequency	Percent
Strongly agree	27	18.0
Agree	36	24.0
Neutral	27	18.0
Disagree	28	18.7
Highly Disagree	32	21.3
Total	150	100.0

Table. No 1.1 Opportunity for Growth is communicated

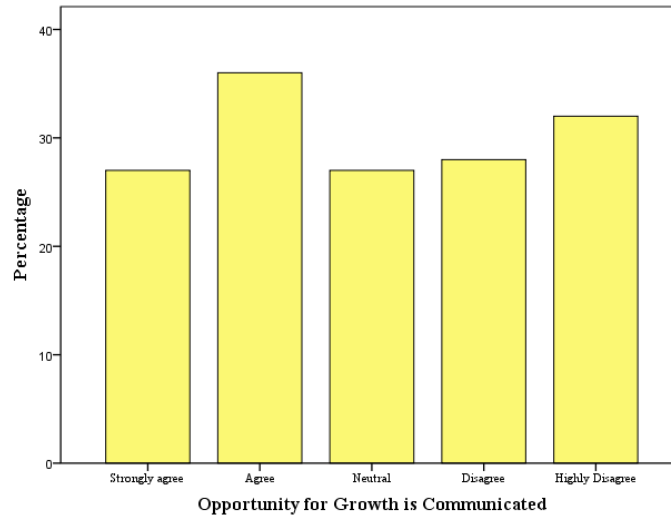


Fig no.1.1 Opportunity for Growth is communicated

Inference

The above table shows that 18% of respondents have strongly agreed, 24.0% of respondents have agreed, 18.0% of respondents have Neutral, 18.7% of respondents have disagree and 21.3% of respondents have Highly disagree that the Opportunities for growth and advancement are clearly communicated to employees.

Motivation impacts in performance

Particulars	Frequency	Percent
Strongly Agree	42	28.0
Agree	44	29.3
Neutral	24	16.0
Disagree	28	18.7
Highly Disagree	12	8.0
Total	150	100.0

Table no.1.2 Motivation impacts in performance

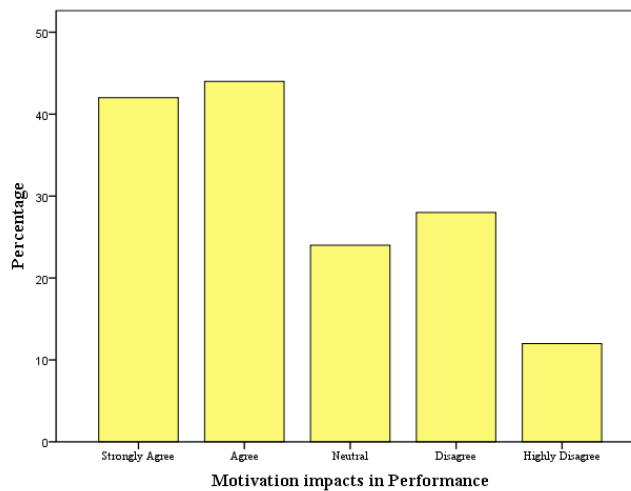


Fig no.1.2 Motivation impacts in performance

Inference

The above table shows that 28.0% of respondents have strongly agreed, 29.3% of respondents have agreed, 16.0% of respondents have Neutral, 18.7% of respondents have disagree and 8.0% of respondents have Highly disagree that the Employee motivation is the most that impacts performance in the organization

Employee receives constructive feedback

Particulars	Frequency	Percent
Strongly Agree	47	31.3
Agree	53	35.3
Neutral	39	26.0
Disagree	8	5.3
Highly Disagree	3	2.0
Total	150	100.0

Table no.1.3 Employee receives constructive feedback

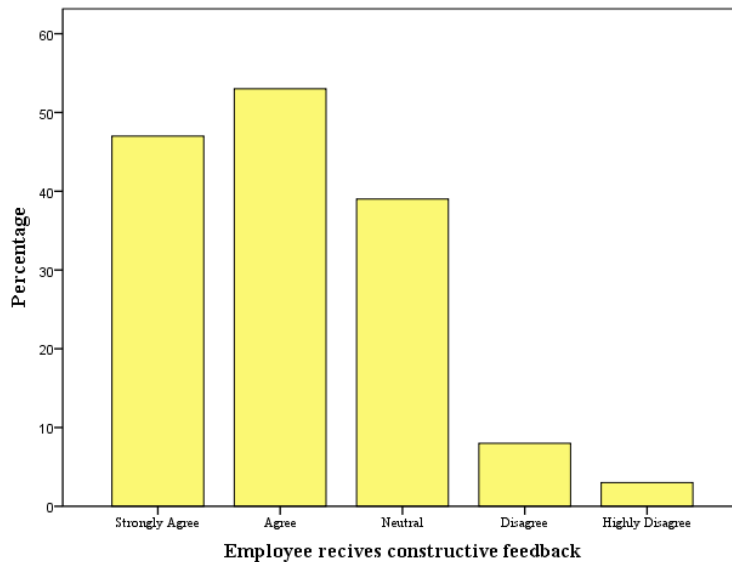


Fig no.1.3 Employee receives constructive feedback

Inference

The above table shows that 31.3% of respondents have strongly agreed, 35.3% of respondents have agreed, 26.0% of respondents have Neutral, 5.3% of respondents have disagree and 2.0% of respondents have Highly disagree that the Employee receive constructive feedback on their performance that helps them grow professionally

Employee motivated Show higher level engagement on work

Particulars	Frequency	Percent
Strongly Agree	50	33.3
Agree	53	35.3
Neutral	26	17.3
Disagree	18	12.0
Highly Disagree	3	2.0

Total	150	100.0
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Table no.1.4 Employee motivated Show higher level engagement on work



Fig no.1.4 Employee motivated Show higher level engagement on work

Inference

The above table shows that 33.3% of respondents have strongly agreed,35.3% of respondents have agreed,17.3% of respondents have Neutral,12.0% of respondents have disagree and 2.0% of respondents have Highly disagree that Employees who are motivated are tend to show higher levels of engagement with their work tasks

4.1.2 Chi-Square Tests

Null hypothesis

H0: There is no significant between Motivation impacts in performance & Motivation of employee tends to perform independent

Alternative hypothesis

H1: There is a significant between Motivation impacts in performance & Motivation of employee tends to perform independent Summary of the Chi-Square

Summary of the Chi-Square

Particulars	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Motivation impacts in performance & Motivation of employee tends to perform independent	150	100.0%	0	0.0%	150	100.0%

Table. No. 1.7 Summary of the Chi-Square

Particulars	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	15.511 ^a	16	.488
Likelihood Ratio	19.311	16	.253

Linear-by-Linear Association	.186	1	.666
N of Valid Cases	150		

Table. No. 1.8 Chi-Square Test

Inference

From the above table 4.32, the significant value is $p=.488$ which is less than 0.05. So, alternative hypothesis is accepted, it reveals that there is significant association between Motivation impacts in performance & Motivation of employee tends to perform independent.

4.1.3 Correlation**Null hypothesis**

H0: There is no relationship between Open channel communication in organization & Employee suggestion scheme is important.

Alternative hypothesis

H1: There is relationship between Open channel communication in organization & Employee suggestion scheme is important.

Particulars		Open channel communication in organization	Employee suggestion scheme is important
Open channel communication in organization	Pearson Correlation	1	-.198*
	Sig. (2-tailed)		.015
	N	150	150
Employee suggestion scheme is important	Pearson Correlation	-.198*	1
	Sig. (2-tailed)	.015	
	N	150	150

Table. No. 1.9 Correlation

Inference

From the above table, it is inferred that, $r = -.198$ (r value lies between -1 to +1), hence it is clear that there is a negative correlation relationship between the Open channel communication in organization & Employee suggestion scheme is important. So, null hypothesis (H0) is accepted, this reveals that there is no significant relationship between Open channel communication in organization & Employee suggestion scheme is important.

1.6 Suggestions

- Open channels of communication are essential for the organization to ensure that staff members feel transparent and receive creative ideas for improvements.
- The employees need to be recognized and rewarded for taking on more responsibilities at work.
- The company must be flexible to the employees to develop their career growth for the purpose of future development.

1.7 Limitations of the study

- Valid and reliable measurement of employee motivations can be challenging.
- Research in this area may involve sensitive information about employees and their motivations.
- The sample used in the study might not be representative of the entire workforce.

Conclusion

The study explores the relationship between employee motivation and performance, revealing that both intrinsic and extrinsic motivators are crucial for driving performance. Understanding these nuances allows organizations to tailor their motivational strategies to better meet their workforce's needs. A balanced approach that integrates both types of motivation is essential for enhancing productivity and job satisfaction. The study also emphasizes the need for organizations to adapt their motivational practices to modern work environments, such as remote work and digital transformation, which present both challenges and opportunities for maintaining high levels of employee motivation. The research suggests the need for more comprehensive and quantitative analyses to establish clear causal links between motivational factors and performance outcomes. In conclusion, fostering a motivated

workforce is crucial for long-term organizational performance. Implementing well-rounded and adaptive motivational strategies can enhance employee performance, create a more engaged, committed, and innovative workforce, reduce turnover rates, improve job satisfaction, and sustain business success.

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