



## A STUDY ON IMPACT OF EMPLOYEE MOTIVATION ON INDIVIDUAL PERFORMANCE AMONG SELECTED EDUCATIONAL INSTITUTIONS IN BANGALORE.

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### ABSTRACT

*This study is based on motivation and how it relates to individual performance. Motivated employees generally are quality oriented and they always look for better ways to do job. Highly motivated workers are more productive than apathetic workers. Every organization requires human resources, in addition to the need for financial and physical resources of it to function. People must be attracted not only to join the organization but also to remain in it. A comprehensive understanding of the way in which organization functions requires that increasing attention be directed towards the question of what motivate people behave as they do on the jobs. Motivational factors for employees among educational institutions include salary, promotion, incentives, awards, working culture of the organization, etc., A study has been conducted among employees of selected educational institutions to understand the impact of employee motivation on individual performance, prevailing work culture, satisfaction level of the employees, factors that motivate them and finally the effectiveness of motivating factors in the work place. It has been found that the employees are satisfied with the work culture and 'Incentives and Rewards' found to be the most preferred motivating factor among the employees of the educational institutions. Factors like organisational policies, training programmes, job security, proper and human resource planning also have to be paid attention to by the management so as to get the high performance output from the employees.*

**Key words:** Motivation, performance, salary, incentives, promotions, job security, organisational policies, training programmes.

## INTRODUCTION

Motivation represents an unsatisfied need which creates a state of tension or disequilibrium, causing the individual to move in a goal directed pattern towards restoring a state of equilibrium by satisfying the need.

Motivation is a six-phased process consisting 1). Need deficiency, 2). Search & choice of strategy, 3). Goal directed behavior, 4). Evaluation of performance, 5). Rewards& punishment and 6).Revaluation of needs.

Phase wise representation of the above are discussed as below: First Phase represents need deficiency, also called inner state of disequilibrium, tension or urge, which is the starting point in the motivated model; Second Phase represents the employee expected to search for strategies to get promotion and make achieve among them; Thirdphase represents goal directed behavior like, regular attendance, completes allotted work on schedule and works hard; Fourth phase represents assessment of employee performance by his boss; Fifth phase represents the evaluation of performance, wherein the employee is either promoted (reward) or promotion is denied to him (punishment); and finally the Sixth Phase, Revaluation of needs represents individuals working hard. A comprehensive understanding of the way in which organization functions requires that increasing attention be directed towards the question of why people behave as they do on the jobs.

## OVERVIEW OF MOTIVATIONAL THEORIES

**Maslow's Hierarch Theory (1943):** According to Maslow, human needs form hierarchy, stating at the bottom with physiological needs and ascending to the highest need of self-actualization. This theory is explained in the following order:(i) Physiological needs: These are the basic necessities of human life like, Food, water, shelter etc.,(ii) Security and Safety needs: Includes security and protection form physical and emotional harm.(iii) Social needs: Includes affection, belongingness, acceptance and friendship and finally (iv) Self-Actualizations need Includes growth, achieving one's potential and self-fulfilment.

**Herzberg, Mausner and Snyderman (1959)** developed the two factors theory of motivation. Furthermore, this theory has two groups of factors which are called motivators and hygiene factors. In the same scope, McClelland (1985) studied three types of needs achievement, affiliation and power as motivators.

**Frederick Irving Herzberg theory (1959)(Two factor theory):** According to him, the first group of needs is such things as company policy and administration, supervision, working conditions, interpersonal relations, salary, status, job security and personal life. Herzberg called these factors are dissatisfied and not motivators.

**Frederick Irving Herzberg theory (1966):** Motivators (Eg: challenging work, recognition, and responsibility) that give positive satisfaction is arising from intrinsic conditions of the job itself, such as recognition, achievement, or personal growth.

**Aldefer (1972)** proposed an alternative to Maslow's theory known as ERG theory. He combined Maslow's theory into three levels which are existence, relatedness and growth. Existence needs include physiological factors such as food, shelter, clothes, good pay, fringe benefits and good working conditions. Relatedness needs address the relationship with others such as families, friends &work groups and growth needs are related to actualization.

**Richard Hackman & Greg Roldham (1976):** Hygienic Factors (Ex: status, job security, salary, fringe benefits, working conditions) that do not give positive satisfaction through dissatisfaction result from their absence. These are extrinsic to the work itself and include aspects such as company policies, supervisory practices and or wages/salary.

Cognitive theories of motivation are widely used. Expectancy theory is one of the most known theories that use cognitive processes for motivation.The theory argued that the strength of likelihood to act in a certain way depends on the strength of an expectation.

## LITERATURE REVIEW

Many studies have been carried out by various authors with regard to employee motivation and also individual performance among various categories of employees in both manufacturing as well as service oriented industries. Some of them are highlighted hereunder:

A study carried out by **Burney et al,[1991]** revealed that the level of performance of employees relies not only on their actual skills but also on the level of motivation each person exhibits. Motivation is an inner drive or an external inducement to behave in some particular way, typically a way that will lead to rewards.

**Dessler and Harrington [2003]** observe that over-achieving, talented employees are the driving force of all institutions so it is essential that institutions strive to motivate and hold on to the best employees. The quality of human resource management is a critical influence on the performance of the institution. Concern for strategic integration, commitment flexibility and quality, has called for attention for employees motivation and retention. Financial motivation has become the most concern in today's organization, and tying to Maslow's basic needs, non-financial aspect only comes in when financial motivation has failed.

**Linz [1990]** revealed that several studies have found that there are positive relationship between intrinsic motivation and job performance as well as intrinsic motivation and job satisfaction. This is significant to institutions in today's highly competitive business environment in that intrinsically motivated employees will perform better and, therefore, be more productive, and also because satisfied employees will remain loyal to their institution and feel no pressure or need to move to a different institution.

**Deci and Ryan [2000]** conducted and replicated an experiment that showed the negative impact of monetary rewards on intrinsic motivation and performance. A group of college students were asked to work on an interesting puzzle. Some were paid and some were not paid for the work. The students that were not paid worked longer on the puzzle and found it more interesting than the students being paid. When the study was brought into a workplace setting, employees felt that their behavior was being controlled in a dehumanizing and alienating manner by the rewards. It was discovered that rewards would seriously decrease an employee's motivation to ever perform the task being rewarded, or one similar to it, any time in the future.

**Robison, [2010]** observe that motivated employees feel less stress, enjoy their work, and as a result have better physical and mental health Furthermore, motivated employees are more committed to their institutions and show less insubordination and grievance. They are also more creative, innovative, and responsive to customers, thus indirectly contributing to the long-term success of the institution. In short, motivated employees are the greatest asset of any institution.

**Mulwa [2003]** conducted a study on employee performance in public audit institutions in Kenya. He explains the various motivation theories like Abraham Maslow's hierarchy of needs, Herzberg's two factor theories and the equity theory of Adams. The review shows that motivation is key for the productivity, profitability and sustainability of every institution - as the employees are its movers and its live blood. That motivation is not a one off undertaking rather it's a continuous undertaking by management as long as the organization does exist. That it is the responsibility of the management to continually work on employee motivation for sustainability of the organization.

Even though many studies have been conducted in both manufacturing and service oriented industries, not much work has been done with respect to the impact of employee motivation on individual performance among educational institutions and hence this study.

## OBJECTIVES OF THE STUDY:

- 1.To study working culture among educational institutions
- 2.To find out the satisfaction level of employees w.r.t. incentives provided by the management of educational institutions.
- 3.To study the factors which motivate the employees of educational institutions.
- 4.To find out the effectiveness of motivating factors in the workplace under study.

**NEED FOR THE STUDY:**

Educational Institutions play a very important role in providing quality education to the future leaders of this country. Most of the people from rural areas depend upon the educational institutions in Bangalore. In their mind there will be confusion about the quality of education, which in turn depends upon the performance of the employees in these educational institutions. Hence, this study is to understand the extent of level of satisfaction of the employees and the Impact of motivational factors on individual performance among selected educational institutions.

**RESEARCH METHODOLOGY**

Research Design	Descriptive research design
Data Collection Method	<b>Primary data collection</b> (Questionnaires and Interview method with respondents) <b>Secondary data collection</b> (The required data was collected from Websites, Journals, Newspaper, Articles and Discussion made with the representatives of the managements of e and medicine field person to know the availability of educational institutions in Bangalore)
Sampling Technique	Convenience sampling method from Non-probability sampling technique.
Sample Area	Educational Institutions in Bangalore
Sample Size	150 (Due to time and also resource constraints, a maximum of 150 samples were collected from the educational institutions in Bangalore)
Statistical tools utilised	1. Percentage analysis 2. Chi square analysis 3. Correlations analysis 4. Descriptive analysis and 5. One way Anova

**RESULT AND DISCUSSIONS****Percentage Analysis****TABLE – 1****Demographic Details and Factors motivating the respondents**

Sl. No	VARIABLES	RANGE/ FACTORS	GENDER	
			MALE	FEMALE
1	GENDER	Male/Female	114 (76.0)	36(24.0)
2	AGE	Less than 30 years	2(1.33)	1( 0.67)
		30 to 45 years	48 (32.0)	21(14.0)
		45 and above	64 (42.67)	14 (9.33)
3	YEARS OF SERVICE	0 to 5 Years	13(8.67)	4(2.67)
		5 to 10 years	69(46.0)	21(14)
		10 to 15 years	29(19.33)	9(6.0)
		Above 15 years	3(2.0)	2(1.33)

(Figures in brackets denote percentage)

Source: Primary data by the authors.

From the above table, it can be seen that 114 respondents are male and 36 are female. With regard to age group the respondents belong to, 2 male and 1 female respondents belong to the age group of 'less than 30 years'. 48 male respondents and 21 female respondents belong to the age group between 'more than 30 years but

less than 45 years', whereas 64 male respondents and 14 female respondents belong to the age group above 45 years. Regarding the years of Service of the respondents, 13 male respondents and 4 female respondents are having an experience of less than 5 years, whereas 69 male respondents and 21 female respondents are having 5 years to 10 years of experience. Again, 29 male respondents and 9 female respondents are having 10 years to 15 years of experience and finally 3 male respondents and 2 female respondents are having more than 15 years of experience.

### Descriptive Analysis

**TABLE – 2**  
**Factors which satisfy the employees**

INCENTIVES	N	MIN	MAX	MEAN	STD. DEVN
Increase in salary	150	1	4	1.9123	1.1854
Incentives and Rewards	150	1	4	2.8944	.99819
Timely Promotions	150	1	5	2.6778	.98762
Appreciation Letters	150	1	5	2.7978	1.22326
	150				

Source: Primary data by the authors.

The factor, which has higher mean, has higher influence on the type of incentives preferred by the respondents. 'Incentives and Rewards' has highest mean value with 2.8944 and has standard deviation of .99819. Appreciation letters has a mean value of 2.7978 with a standard deviation of 1.22326; 'Timely promotions' has a mean value of 2.6778 with a standard deviation of .98762 and finally Increase in Salary has a mean value of 1.9123 with a standard deviation of 1.1854. Therefore, we can infer that Incentives & Rewards and Appreciation Letters make the employees feel satisfied.

**Hypothesis1:  $H_0$**  There is no significant association between Age and Satisfaction level of the respondents.

### Chi-Square Tests

**TABLE – 3**  
**Age and Satisfaction Cross tabulation**

Age * Satisfaction Cross tabulation	Value	df	Assymp. Sig.(2-sided)
Pearson Chi-Square	24.927*	2	0.00
Likelihood Ratio	25.846	2	0.00
Linear-by- linear Association	23.857	2	0.00
No. of Valid Cases	150		

Source: Primary data by the authors.

The calculated value is 24.927 which means 249.27 and its significant at this level of Significance 0.000 at degrees of freedom 2. In SPSS, if the significant value is less than 0.05 then reject null hypothesis and accept alternate hypothesis. In the above obtained result the significant value is less than 0.05 so, reject null hypothesis. Hence, there is significant association between Age of the respondents and Satisfaction level of the employees.

**Hypothesis2:  $H_0$**  There is no significant association between Experience and Satisfaction level of the respondents

**TABLE – 4**  
**Experience and Satisfaction Cross tabulation**

Experience * Satisfaction Cross tabulation	Value	df	Assymp. Sig.(2-sided)
Pearson Chi-Square	20.532	3	0.002
Likelihood Ratio	24.823	3	0.000
Linear-by- linear Association	1.885	1	0.724
No. of Valid Cases	150		

Source: Primary data by the authors.

The calculated value is 20.421 E2 which means 204.21 and it significant at this level of significance 0.001 at degrees of freedom 2. In SPSS, if the significant value is less than 0.05 then reject null hypothesis and accept alternate hypothesis. In the above obtained result the significant value is less than 0.05 so, reject null hypothesis. Hence, there is significant association between Years of service and Satisfaction level of the employees.

**Correlations**

The correlation between Work Culture and Satisfaction of the respondents is  $r = -.007$  and significant values is .952. This indicates that Work Culture and Satisfaction of respondents are not dependent on each other. Here the value of  $r$  is  $-.007$ . So it is considered to be a strong negative correlation.

**TABLE – 5**  
**Correlations**

		Work Culture	Satisfaction of Incentives
<b>Work Culture</b>	Pearson Correlation	1.000	-0.007
	Sig. (2- tailed)		.952
	N	150.000	150
<b>Satisfaction of Incentives</b>	Pearson Correlation	-.007	1.000
	Sig. (2- tailed)	0.952	
	N	150	150.000

Source: Primary data by the authors.

**ANOVA**  
**TABLE – 6**  
**ANOVA**

Satisfaction	Sum of Squares	‘df’	Mean Square	F	Sig.
Between Groups	9.096	2	4.653	3.857	0.037
Within Groups	178.359	147	1.324		
Total	187.455	149			

Source: Primary data by the authors.

Based on the result generated by SPSS, the significant value is 0.037 and it is lesser than 0.05 Hence, it can be concluded that there is a significance difference in the satisfaction of respondents among the selected educational institutions.

## **FINDINGS**

In this study 76 %of the respondents are male and 24%are female. With regard to age group the respondents belong to, 1.33 % male and 0.67 % female respondents belong to the age group of ‘less than 30 years’. 32 % male respondents and 14 % female respondents belong to the age group between ‘more than 30 years but less than 45 years’, whereas 42.67 % male respondents and 9.33 % female respondents belong to the age group above 45 years.

Regarding the years of Service of the respondents, 8.67 % male respondents and 2.67 % female respondents are having an experience of less than 5 years, whereas 46 % male respondents and 14 % female respondents are having 5 years to 10 years of experience. Again, 19.33 % male respondents and 6.0 % female respondents are having 10 years to 15 years of experience and finally 2 % male respondents and 1.33 % female respondents are having more than 15 years of experience.

‘Incentives & Rewards’ has highest mean value followed by ‘Appreciation letters’ ‘Timely promotions’ and finally ‘Increase in Salary’. Ultimately, ‘Incentives & Rewards’ and ‘Appreciation Letters’ make the employees feel satisfied.

Based on the calculations done using the data, it has been found that there exists a significant association between Age of the respondents and Satisfaction level of the employees. Also, it has been found that there is a significant association between Years of service and Satisfaction level of the employees.

Likewise, Correlation analysis also indicates that there is a strong negative correlation between Work Culture and Satisfaction of respondents.

Finally, based on the result generated, it has been concluded that there is a significance difference in the satisfaction of respondents among the selected educational institutions.

## **SUGGESTIONS**

Most of the respondents prefer appreciation and acknowledgement by the management for the performance exhibited by them. Hence, it is suggested that the management recognises the contributions made by the employees by regularly sending appreciation letters to those who have contributed to the performance and achievement of its goals. Frequent training to the employees may be arranged by the management so as to send a strong message to the employees that they should keep themselves update about the knowledge, skills and attitude required for executing the jobs assigned to them. Frequent interactions with the employees, irrespective of their cadre, will keep the management informed about the requirements by the employees. These suggestions, if implemented, will help the management in terms of achieving its aims and goals, which in turn will, result the institution becoming a much sought after one by all the stake holders especially by the students community and the prospective employers to provide placement to the students.

## **CONCLUSION**

It is found that employees at work become more effective when they understand how their work is benefiting them in terms monetary benefits and non-monetary benefits. Monetary benefits like periodical increase in salary, Incentives etc., Non-Monetary benefits like job security, working culture of the organisation, good relationship with the staff members, team work, effective performance appraisal system, promotional opportunity system, recognition, proper human resource planning etc.,

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