

A literature review on Employee motivation

Sireesha Nethi

Assistant Professor, Department of MBA, Samskruti College of Engineering and Technology, Kondapu (V), Ghatkesar (M), Medchal (D), Telangana. E-mail ID: siri.nethi@gmail.com

ABSTRACT

Research on employee motivation has attracted both the academics and corporate companies from the past few years. In the present study, possible dimensions of motivation have been extracted and explain about its direct and indirect impact on motivation techniques. This study has examined the multidimensionality of motivation from the existing literature and present a conceptual framework based on it and explains about various motivation techniques which are having a positive impact on quality of life, performance of the employee in the organization and employee satisfaction about their work. The originality of this study lies in its theoretical framework where an attempt has made to come up with a construct nature having dimensions that are directly or indirectly influences employee motivation. In the previous research papers few dimensions of motivation were used to explain the different models of motivation theory which has direct impact on employee motivation in the organization. However the models need to be validated by using quantitative measures. To make the study more relevant, only those studies were included which were published on motivation in the last few years. In order to study the various issues related to employee motivation, a large body of literature mainly from different journals and books of different authors have been take in.

KEY WORDS

Employee motivation, Motivational dimensions, Employee performance, Motivation techniques, Motivation theories.

INTRODUCTION

The motivation perceptions of all types of employees throughout the world are fast changing in response to a number of key variables. The conventional motivational rein forcers either extrinsic or intrinsic are gradually losing importance. What exactly can motivate again varies with time and space.

Motivation directly links to individual performance that gain to organization performance and as a catalyser for all individual employees working for an organization to enhance their working performance or to complete task in much better way than they usually do.

Organization runs because of people working for it, and each person contributes toward achieving the ultimate goal of an organization.

Panagiotakopoulos: concluded that factors affecting staff motivation at a period where the financial rewards are kept to the least leads to stimulate employee performance, management personnel's responsibility to motivate their employees to work as per the expectation to enhance the organization's performance.

Dysvik and Kuvaas: concluded that intrinsic motivation was the strongest predictor of turnover intention and relationship between mastery-approach goals and turnover intention was only positive for employees, low in intrinsic motivation. The only thing organization needs to do is to give employees with ample resources and platform to do.

As per Kuo: a successful organization must combine the strengths and motivations of internal employees and respond to external changes and demands promptly to show the organization's value. In this paper, we have taken various techniques of motivation from existing literature, and managed to make flow of motivation from young-age employees to old-age employees. From organization perspective managers need to understand the flow of motivation, it helps them to create a culture where employees always get motivated to do better.

Barney and Steven Elias: They found that with extrinsic motivation there exist a significant interaction between job stress, flex time, and country of residence. Leaders know that at the heart of every productive and successful business lies a thriving organizational culture and hardworking people collaborate passionately to produce great results. In the body of literature, various frameworks are used

by the researchers based on theory of motivation, with only few dimensions of motivation.

LITERATURE REVIEW

One of the most important functions of management is to create willingness amongst the employees to perform in the best of their abilities. Therefore the role of a leader is to arouse interest in performance of employees in their jobs. In a complex and dynamic environment, leader of the organization used to create the environment in which employee feel trusted and are empowered to take decisions in the organization which leads to enhance motivation level of employee and ultimately organizational performance are enhanced. Fredrick W Taylor was one of the first theorists to attempt to understand employee motivation. His theory of scientific management, also referred to as Taylorism, analyses the productivity of the workforce.

Taylor's basic theory of motivation is that workers are motivated by money. He viewed employees not as individuals, but as pieces of a larger workforce; in doing so his theory stresses that giving employee's individual tasks, supplying them with the best tools and paying them based on their productivity was the best way to motivate them.

Taylor's theory developed in the late 1890s and can still be seen today in industrial engineering and manufacturing industries. In the mid-1920s another theorist, [Elton Mayo](#), began studying the workforce. His study of the [Hawthorne Works](#), lead him to his discovery of the Hawthorne effect. The [Hawthorne effect](#) is the idea that people change their behaviour as a reaction to being observed.

Mayo found that employee's productivity increased when they knew they were being watched. He also found that employees were more motivated when they were allowed to give input on their working conditions and that input was valued.

Smith and Rupp stated that performance is a role of individual motivation, organizational strategy, and structure and resistance to change, is an empirical role relating motivation in the organization.

Likewise, advancement of human resources through rewards, monetary incentives, and organizational behaviour modification has generated a large volume of debate in the human

resource and sales performance field. According to Orpen better the relationship between mentors and mentees in the formal mentoring program, the more mentees are motivated to work hard and committed to their organization.

Likewise, Malina and Selto conducted a case study in one corporate setting by using balance score card (BSC) method and found out that organizational outcomes would be greater if employees are provided with positive motivation (2001).

The establishment of operations-based targets will help the provision of strategic feedback by allowing the evaluation of actual performance against the operations-based targets. Goal directed behaviour and strategic feedback are expected to enhance organizational performance. Kunz and Pfaff stated no substantive reason to fear an undermining effect of extrinsic rewards on intrinsic motivation (2002).

Decoene and Bruggeman in their study developed and illustrated a model of the relationship between strategic alignment, motivation and organizational performance in a BSC context and find that effective strategic alignment empowers and motivates working executives (2006).

Leaders motivate people to follow a participative design of work in which they are responsible and get it together, which make them responsible for their performance. Monetary rewards can be a very powerful determinant of employee motivation and achievement. Garg and Rastogi identified the key issues of job design research and practice to motivate employees' performance and concluded that a dynamic managerial learning framework is required to enhance employees' performance to meet global challenges.

Vuori and Okkonen stated that motivation helps to share knowledge through an intra-organizational social media platform which can help the organization to reach its goals and objectives (2012). Den and Verburg found the impact of high performing work systems, also called human resource practices, on perceptual measures of firm performance (2004).

Ashmos and Duchon recognizes that employees have both a mind and a spirit and seek to find meaning and purpose in their work, and an aspiration to be part of a community, hence making their jobs worthwhile and motivating them to do at a

high level with a view to personal and social development(2000).

METHODOLOGY

The primary objective to write this review is to highlight the flow of motivation and reveals what motivation technique works more efficiently in different stages of life. This study provides useful managerial implication for employee motivation in an organization. The dimensions are made fit into a model that can benefit organization to enhance their performance; however, the model needs to validate through case study or quantitative study. To study the various issues highlighted in this study related to employee motivation, this study reviews a large body of literature mainly in different journals. Once all the issues have been identified, each issue is used as a keyword to search the relevant literature. To make the study more current only those studies are included which are published in previous years.

Table 1 show that the number of articles or reviews published in last one decade.

Table 1 Article or review published on motivation

Year	No. of article or review published on motivation	% increase in publication
2000	3412	7.05
2001	3580	4.92
2002	3995	11.59
2003	4643	16.22
2004	5125	10.38
2005	5878	14.63
2006	6429	9.37
2007	6943	7.99
2008	7585	9.24
2009	8501	2.07
2010	9173	7.90
2011	9861	7.90

2012	10679	8.29
2013	11858	9.26
2014	11924	10.01
2015	12001	9.59
2016	12258	7.98
2017	12732	5.89
2018	13231	4.46
2019	13256	2.98

DIMENSIONS OF MOTIVATION

Training Training refers to “the systematic accretion of skills, command, concepts or mind-set leads to improve performance” (Lazazzara and Bombelli 2011). Baldwin et al. (1991) indicates that individuals with higher pre-training motivation on the basis of their willingness to attend training have greater learning outcomes as compared to individuals heaving lower pre-training motivation. Commeiras et al. (2013) point out that traineeship is continuing to grow. In business, context training basically refers to action of teaching employees and providing proper knowledge and skills to make themselves job fit as well as organization fit. Training teaches employees how to work and enhance their skills, hence motivate them to achieve the common goal of organization as well as of employee. In the today’s competitive world, every organization wants to achieve competitive edge over their competitors and be impossible to achieve without employee involvement, which forces management to motivate their employees by different means.

Monetary incentives

As summarized by Park (2010), monetary incentive acts as a stimulus for greater action and inculcates zeal and enthusiasm toward work; it helps an employee in recognition of achievement. Likewise, Beretti et al. (2013) discussed that monetary incentives used to build a positive environment and maintain a job interest, which is consistent among the employee and offer a spur or zeal in the employees for better performance. For reason, monetary incentive motivate employees and

enhance commitment in work performance, and psychologically satisfy a person and leads to job satisfaction, and shape the behaviour or outlook of subordinate toward work in the organization.

Job transfer

The work of Azizi and Liang (2013) indicated that workforce flexibility can be achieved by cross-training and improved via job rotation. In the same way, Eguchi (2004) concluded that job transfer plays a significant role in preventing workers from performing influence activities for private help. As summarized by AsensioCuesta et al. (2012) job rotation provides benefits to both workers and management in an organization and prevents musculoskeletal disorders, cast out fatigue and increases job satisfaction and morale. As a result, job transfer gives the opportunity to learn multiple skills and outlooks to the workers. It avoids the dullness caused by monotonous jobs and simultaneously brings smoothness in technological job with the help of handling different circumstances at different levels and it leads to effective learning of many aspects in the organization.

Job satisfaction

In (2011), Parvin and Kabir studied the tested factors affecting job satisfaction for pharmaceutical companies and described job satisfaction as how content an individual is with his or her job, and viewed job satisfaction is not the same as motivation, although clearly linked. Similarly, Pantouvakis and Bouranta (2013) indicated job satisfaction as a consequence of physical features and as an antecedent of interactive features. Wickramasinghe (2009) investigated that gender and tenure are significant in job satisfaction measurement. So here it can be said that job satisfaction is often determined by how well outcome meet or exceed expectations. For example, a good work environment and good work conditions can increase employee job satisfaction and the employees will try to give their best which can increase the employee work performance.

Promotion

A study by Garcí'a et al. (2012) identified that perceptions of promotion systems affect organizational justice and job satisfaction. Likewise, Koch and Nafziger (2012) specified that promotions are desirable for most employees, only because they

work harder to compensate for their "incompetence." As a result, promotion at regular interval of time has an optimistic approach behind and they are generally given to satisfy the psychological requirements of employees in the organization.

Achievement

The work of Hunter et al. (2012) defines that achievement is a unique and specialized form of organizational performance. As per Satyawadi and Ghosh (2012), employees are motivated to a greater extent by achievement and self-control. Now this can be understood: an employee who is achievement motivated seeks achievement, bringing realistic but challenging goals, and betterment in the job. There is a strong need for feedback from the higher officials in the organization as to achievement and progress, and a need for a sense of attainment.

Working conditions

In (2012), Jung and Kim stated that good work environment and good work conditions can increase employee job satisfaction and an employee organizational commitment. So the employees will try to give their best which can increase the employee work performance. Similarly, Cheng et al. (2013) concluded that there were evidences of moderating effects of age on the associations between psychosocial work conditions and health. Now the importance and the need of working condition is so describing or defining the physical environment by Employees having poor working conditions will only provoke negative performance, since their jobs are mentally and physically demanding, they need good working conditions.

Appreciation

A study by Mahazril et al. (2012) organizations had the duty to appreciate the employee from time to time and offer other form of benefits such as payment, which will help in employee motivation. Likewise, Kingira and Mescib (2010) define appreciation as the abstract of immaterial incentives; "employees giving immaterial incentives (appreciation, respect etc.) as much as materiel incentives with working department" shows employees do not agree with this behavioural statement. With this result, it can be stated that employees being employed in different parts can take their different opinions at different levels.

Among the variable of responsibility and being appreciated, it is understood that “success of employers always be appreciated with education.” The more effective quality and practicality of education employees had, the more contribution they will have to businesses.

Job security

As per Yamamoto (2013) if an employee perceives they will be getting rewards for good work and their job is a secured one, the performance will automatically be better. Similarly, Zhang and Wu (2004) indicated that with Job security, an employee gets confident with the future career and they put their most efforts to achieve the objectives of the organization. So we can say job satisfaction is the most influential tool of motivation and put the employee very far off from mental tension and he gives his best to the organization, ultimately it leads to profit maximization.

Recognition

According to Candi et al. (2013), a growing recognition of the opportunities of innovation is through experience staging. Mahazril et al. (2012) concluded that rewards and recognition and communication may motivate them to work. Recognition enhances the level of productivity and performance at job whether it is a first time performance or a repeated action at the job in a progressive way and ultimately reinforces the behaviour of employee.

Social opportunities

In (2013), Harvey indicated that an employee is accepted as part of the social group or team. Most staff has an acute need that their contribution is worthwhile, appreciated, and acknowledged. Organizations need to look beyond the traditional economic incentives of career opportunities and salaries to other social and lifestyle factors outside the workplace. Similarly, Kingira and Mescib (2010) concluded that, different opinions between the employees in terms of behavioural statements which can be “Social opportunities providing at the highest level with working period leads the employee to achieve their goals of the organization.” Therefore, a social opportunity for the employee is used to boost their motivation level and ultimately helps in achieving the goals and objectives of the organization.

Figure 1: Flow of motivation

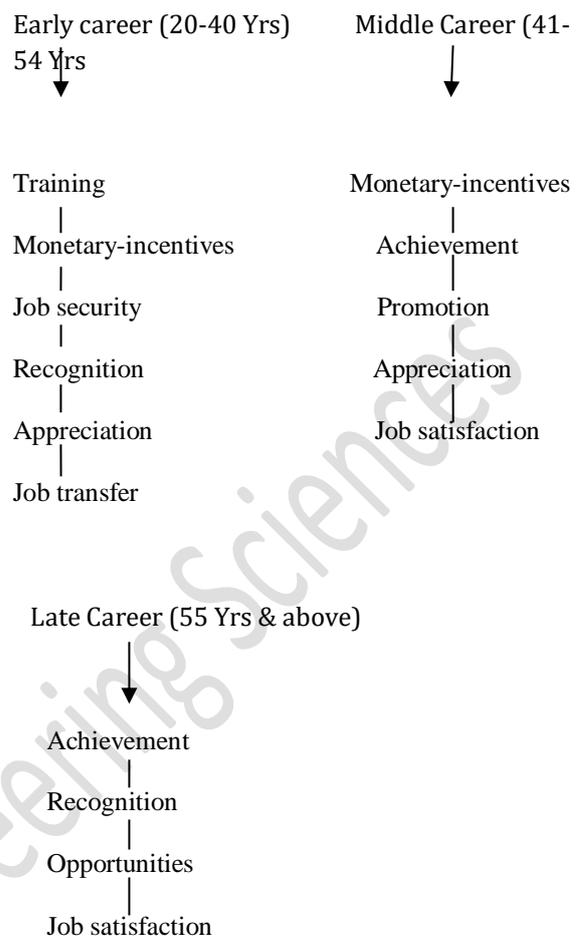


Figure 1 explains how motivation works in different stages of life, and motivation dimension plays a vital role in enhancing individual performance in different stages of life of human being. In the developed and developing nations around the world people experiencing the phenomenon of population aging i.e., participation of worker in their late career stage is low in the labour market. Levinson’s (1986) life stage model pointed out that adult life is characterized by a consecution of stages, such as early, middle, and late career stage, divided into various sub-stages and concerned with career development (comparable to the career stage model of Super (1984)). Here we have considered early career stage between 20 and 40; middle career stages between 40 and 54, and late career stage 55 and above.

In the early and middle stage of life, money is important to goal setting because offering such incentives bring person being more willing to

expand effort to meet a given goal level than not offering the incentives. Given the willingness to expand effort, a goal tells the individual during different career stages where to expand effort, how much effort to exert, and how long to exert the effort. For example, younger employees early in their careers may have a propensity for higher immediate compensation and benefits, such as fully paid family medical plans or maternity/paternity leaves; because employees in later career stages might prefer stock options or most company contributions to their retirement plans. Wiley (1997) concluded that good pay is an important motivator regardless of age.

Fig. 2 Theoretical construct of research dimensions

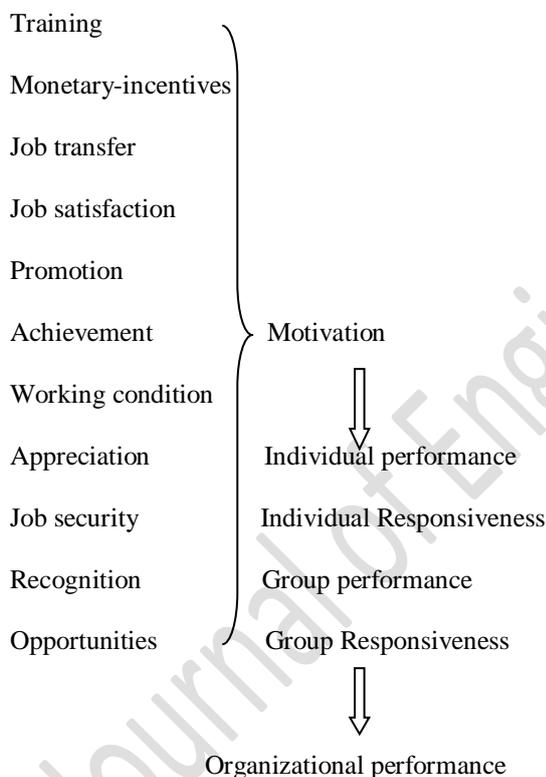


Figure 2 explains how motivation dimensions influence individual and organization performance. In this competitive environment, organizations work harder to integrate its workforce and to keep the coordination among employees to enhance the working as well as employee productivity. The positive impact of motivation works toward enhancing individual responsiveness toward work. Individual enhanced responsiveness help organization working that directly links toward increase in profit and increase in organization

responsiveness. Customer will be more satisfied if organization shows fast response toward his/her queries and if organization takes responsibility to fulfil his demand.

If we talk the motivation dimension that enhances organization performance, training used to enhance the skills, efficiency, and knowledge of employees for doing a particular job during their earlier career stage because it familiarizes them with the organizations goals, rules, and regulations and the working conditions in one hand since updates and amendments take place in technology, purchasing a new equipment, changes in technique of production, and computer impartment. The employees are trained for use of new equipment's and work methods. Training moulds the thinking of employees and leads to quality performance of employees. Supervisors believe that older workers are less motivated to learn, less flexible, and do not want to take part in training programs. So, companies do not invest in training or development opportunities for older people. In turn, older workers become less self-confident due to the lack of support in terms of training and their skills rapidly become out dated (Maurer 2001; Van Vianen et al. 2011).

Giving a job security to an employee makes him more responsible toward job. Job security can be explained as, affirmation that an employee has for the continuity of gainful employment for his or her job. It is more essential for younger employee during different career stages of life (job) because it arises from the terms of contract of employment, labour legislation that results in prevention of arbitrary termination, layoffs, and lockout. Likewise, Pravin and Kabir (2011) indicated that with job security in pharmaceutical companies employee is "neither happy nor unhappy" and hence influence job satisfaction in pharmaceutical companies. Job security has been considered from several theoretical perspectives, including as a motivational precursor to job performance.

Employee recognition is used to fulfill the inherent need to appreciate as well as work to be validated by the employee contribution. During the early and later stage of life of the employee, the most important tool to motivate the employee by recognizing positive behavior from employees means that those desired behaviors that drive business success will be reciprocated. Recognition is essential to an outstanding workplace because

people want to be respected and valued for their contribution. Recognizing employee for their good work sends an extremely powerful message to the recipient, their work team, and other employees through formal and informal communication channels. Employee recognition is a dynamic communication technique to improve employee performance which leads to enhance organizational performance.

In an organization, it is important to make the employees valued and appreciated because of which they get motivated and they work harder and be more loyal toward the organization. During the early and middle career stage of the job employee want more appreciation from his next boss in the organization. Many ways of appreciating employee are news for companies looking for inexpensive ways to show appreciation to employees who made an appreciative effort, to thank employees several times a week, often through notes mailed to their homes and admits an employee-of-the-month program, the least time-consuming way to make sure his staff continued to appreciate.

In an organization employees have the opportunity to transfer to another job if they are moving or have the want to switch occupations. It brings positive energy among the early career stage employee to work in a new environment, which gives workers the opportunity to learn multiple skills and outlooks. When employees continue working at the same tasks for an extended time, they are likely to build tight relationships with particular individuals and companies, which can yield help to the employees, and to the organization.

In the early stage of the employee, they used to seek the working environment and aspects of an employee's terms and conditions of employment. This includes the employee payment, organization of work, and work activities; training, skills, and employability; amenities, physical environment, health, safety, and well-being; and working time and work-life balance. These used to motivate the employee to do better and achieve the organizational goals and objectives. Changes in working conditions and other aspects of the employment relationship can generate serious industrial relations problems.

Williams et al. (2003) argues that the job satisfaction works toward making good relationships with staff and colleagues, control of

time off, enough resources, and bring autonomy for employee in the organization. It is essential in the stages of employment i.e., early, middle, and late career stage of life because it brings any combination of physiological, psychological, satisfaction that invokes a person truthfully to say I am satisfied with my current job and it leads to employee motivation to achieve goals of the organization. Job satisfaction refers doing a job one enjoys, and being rewarded for one's accomplishment. It is the key ingredient that leads to recognition, income, promotion, and the achievement of other goals that lead to a feeling of fulfillment of the desired goals and objectives (Kaliski 2007).

In the middle and late career stages of their employment, employees have an opportunity to showcase their achievements with pride. Employees work in organizations not just to make a living, but to make a life. It encourages heightened ownership at work. Tangible benefits (salary) and intangible benefits (achievements of the knowledge) and other perks are necessary to engage employees, and motivate them to do their personal best. Mehta et al. (2000) pointed out that four most highly ranked rewards for sales managers in the late career stage have mean values that exceed 6.0, which includes achievement of market goals, retaining respect of salespeople, opportunities for promotion, and bonus.

A motivated and dedicated employee in the middle career stage of their job in the organization is an asset for any organization and proves instrumental in building a high-performance culture that drives organizational advancement. Promotion is always employee's ultimate wish for the service rendered by him in the organization and this is the only way for an employee career development. Promotion is the ultimate motivating for any employee because it moves employee forward in hierarchy of concern organization added with other responsibility, higher respect, honours, with increase in grade pay and allowances. It stimulates self-development and creates interest in the job in one hand and minimizes discontent and unrest.

In the late career stage of their employment social opportunities for employees to get involved in leveraging the core competencies of the organization to create business value and positive social change can increase employee motivation and job satisfaction and help workers to more effectively

manage job stress. This can lead to positive gains for the organization by enhancing organizational effectiveness and improving work quality, as well as by helping the organization attract and keep top quality employees, which can bring growth and development to the organizations and can improve the quality of their employees' work experience and realize the benefits of developing workers to their full potential.

CONCLUSION

Motivation works as a catalyser for individual employees working for an organization to enhance their working performance or to complete task in much better way than they usually do. In this paper, authors identified the key motivation techniques from existing literature and linked it through organization performance. These motivation techniques has long been acknowledged as an important personnel work with the potential to improve employee motivation and hence performance, and to deliver management with the control needed to achieve organizational objectives. Authors made flow of motivation from early career motivation techniques to late career motivation techniques and reached on a conclusion: if employees are provided with right motivation technique at right time, their morale and confidence goes up and had a direct positive impact in individual performance and organizational performance. It is indicative of the above discussion, most of the motivation dimensions viz. training, monetary incentives, promotion, and working conditions has been met and for reason the efforts made to motivate are bound to succeed. This conclusion is built on the emphasis made by earlier researchers to motivate people, organizations need to first have the baseline in place; in the absence of the baseline, motivation is not possible to achieve. The study has shown success in intrinsic motivators and extrinsic motivators to improve performance in the organization.

LIMITATION

The major limitation of this study is that the proposed framework is designed on basis of extensive literature review and so needs to be confirmed using quantitative measures. This framework is not been implemented in specific industry, due to its generality in nature. Although

extensive research is reviewed and every possible dimensions of motivation are studied, it cannot be stated explicitly that these dimensions will be able to create the baseline which will motivate the employees through the motivators. Thus, they create a dilemma as to whether these motivation dimensions are enough to create a solid baseline which has an impact on the motivators.

REFERENCES

[Kenneth W. Thomas](#) (April 13, 2009) *Intrinsic Motivation at Work: What Really Drives Employee Engagement* 2nd Edition, Kindle Edition.

Judy Cameron, W. David Pierce. Bergin & Garvey (2002) *Rewards and Intrinsic Motivation: Resolving the Controversy*.

Doug Jensen, Tom McMullen, Mel Stark. American Management Association (2007) *The Manager's Guide to Rewards: What You Need to Know to Get the Best For--And From--Your Employees*. John Eric Adair; Neil Thomas Thorogood (2004).

[The Concise Adair on Teambuilding and Motivation](#). Basford, Tessa E.; Offermann, Lynn R. *Journal of Management and Organization*, (November 2012). *Beyond Leadership: The Impact of Coworker Relationships on Employee Motivation and Intent to Stay*.

Richmond, F. Lynn; Schepman, Stephen *Journal of Organizational Culture, Communications and Conflict*, July 2005. [Fifty Years of Employee Motivation Surveys: Three from the Final Half of the Twentieth Century](#).

Carleton, Karen *International Journal of Management*, (June 2011). *How to Motivate and Retain Knowledge Workers in Organizations: A Review of the Literature*.

Ashmos, D. P., & Duchon, D. (2000). *Spirituality at work: A conceptualization and measure*. *Journal of Management Inquiry*.

Azizi, N., & Liang, M. (2013). *An integrated approach to worker assignment, workforce flexibility acquisition, and task rotation*. *Journal of the Operational Research Society*.

Barton, L. C., & Ambrosini, V. (2013). *The moderating effect of organizational change cynicism on middle manager strategy commitment*. *International Journal of Human Resource Management*.

- Casad, S. (2012). Implications of job rotation literature for performance improvement practitioners. *Performance Improvement Quarterly*.
- Cheng, A., & Brown, A. (1998). HRM strategies and labor turnover in the hotel industry: A comparative study of Australia and Singapore. *International journal of human resource management*.
- Chenhall, R. H. (2005). Integrative strategic performance measurement systems, strategic alignment of manufacturing, learning and strategic outcomes: An exploratory study. *Accounting, Organizations and Society*.
- Chiaburu, D. S., & Tekleab, A. G. (2005). Individual and contextual influences on multiple dimensions of training effectiveness. *Journal of European Industrial Training*.
- Clark, C. S., Dobbins, G. H., & Ladd, R. T. (1993). Exploratory field study of training motivation: Influence of involvement, credibility, and transfer climate. *Group Organization Management*.
- Colquitt, J. A., LePine, J. A., & Noe, R. A. (2000). Toward an integrative theory of training motivation: A meta-analytic path analysis of 20 years of research. *Journal of Applied Psychology*.
- Den, H. D. N., & Verburg, R. M. (2004). High performance work systems, organizational culture and firm performance. *Human Resource Management Journal*.
- García, I. A. L., Moscoso, S., & Ramos, V. P. J. (2012). Reactions to the Fairness of Promotion Methods: Procedural justice and job satisfaction. *International Journal of Selection and Assessment*.
- Swift, P. E., & Hwang, A. (2013). The impact of affective and cognitive trust on knowledge sharing and organizational learning. *Learning Organization*.
- Wiley, C. (1997). What motivates employees according to over 40 years of motivation surveys. *International Journal of Manpower*.
- Williams, H. (2013). Achieving supply chain utopia: Companies need to priorities investing in people. *Development and Learning in Organizations*.
- Williams, E. S., Konrad, T. R., Linzer, M., McMurray, J., Pathman, D. E., Gerrity, M., et al. (2003). Refining the measurement of physician job satisfaction: Results from the physician work life survey.