

# The Impact of Motivation on Employee Job Performance at Workplace- A Review of Related Literature

Ms. Sahiba Sharma

Assistant Professor, Post Graduate Department of Commerce, Mehr Chand Mahajan DAV College for Women, Sec-36-A Chandigarh

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## ABSTRACT

*The aim of the study is to identify the effect of motivation on employee performance at workplace. Employee is the most valuable asset for any organisation and their performance is the key element to the success of the organisation. Nowadays every organisation uses number of motivational techniques to push their employees in the right direction. This study confirmed that there is a positive relationship between employee motivation and employee performance.*

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## Introduction

Motivation has multiple meanings as there are multiple human needs and wants. The simplest definition of motivation relates down to Wanting (Baumeister, 2016), Motivation is a psychological process. It is condition inside every human being that desire the change both in the self and environment. Every employee is motivated by desire, values and goals who experience emotions associated with certain end-state (Reeve, 2015).

Job Performance is the act of doing the job. It is a method to reach a goal or set of goals related to a role, job or organisation (Campbell, 1990). Campbell, 1990 explains that "job performance is not a single action but rather a complex activity (p.708)."

Therefore, there is a need to conduct most scientific research to study the constructive relationship between employee motivation and job performance.

## Dimensions of Employee Motivation

On the basis of review of selected papers, it was found that there exist mainly two types of rewards which are: intrinsic rewards and extrinsic rewards which have significant impact on the employee motivation. Both these types determine the level of motivation among employees working in the organisation. Extrinsic rewards basically mean the rewards which are tangible in nature, for example pay, bonus, incentives and salary. Whereas, intrinsic rewards are those which are intangible in nature for example, appreciation received on the job, inter relationship in the organisation, favourable behaviour or attitude from employees etc (Zafar et al,2014).

According to Zaire et al, (2016), intrinsic rewards are more important and powerful factors in comparison to extrinsic rewards in employee motivation. Relationship at work, career growth opportunities, social respect and job content in the same sequence are the most important and significant intrinsic rewards having impact on employee motivation. However, when young employees are considered the most important intrinsic rewards are autonomy, job content and social respect having significant impact on employee motivation. Similar results were found in a study conducted by Hossain and Hossain (2012) wherein, it was found that non-financial

rewards are most important which plays crucial role in motivating the employees in contrast to financial or monetary rewards. In addition, it was found that work environment and work itself are the most significant factors or determinants impacting motivation of employee at the workplace. So, it is very crucial for organisations to maintain and create a healthy and attractive work environment for employees.

However, in a study conducted by Ali et al (2012) it was found that majority of employees value financial rewards as most important in contrast to non-financial rewards in motivating them at workplace. Further a significant association was found between job related factors (social needs, job satisfaction, salary, power, communication, self-efficiency, job promotion, job interest and physiological needs) and employee motivation (Hosseini (2014)). Furthermore, the relative significance of these determinants depends upon whether the employee is working full time or part time, their socio-economic and demographic profile, their level of experience and situation in which they are and their background.

## Impact of Employee Motivation on Job Performance

For examining and understanding the association or relationship between employee motivation and job performance a number of studies were reviewed. Kuranchie-Menash & Amponsah-Tawiah (2016) conducted a study in which they found that there exists significant relationship between job satisfaction and job performance and job satisfaction in turn is impacted by combination of extrinsic and intrinsic rewards.

Similarly in research conducted by Manjunatha and Manohar (2015) on the educational institutes in Bangalore, it was revealed that both financial and non-financial incentives have significant and favourable impact on employee performance at workplace. Further in research carried out by Aryan and Singh (2015) on the banking sector employees in India it was found there exist favourable relationship between employee performance and monetary incentives most importantly salary. However, among non-financial benefits it was found recognition is the most important factor impacting employee performance.

Onanda, 2015 carried out research examining the association between banking industry employee's performance

and motivation in Kenya. It was found that non-monetary rewards, monetary rewards and training significantly and positively impact employee performance at work. Similarly, Adjei et al. (2016) established that employee motivation has favourable impact on work performance of employees of health sector in Ghana.

A study conducted in Romania by Tampu (2015) found that both the dimensions i.e., intrinsic and extrinsic rewards have significant impact on the performance of employees. Moreover, Hee et al; 2016 found that both the tangible and intangible rewards have significant association with nurses' performance in private hospitals in Malaysia. Ahamed and Mohamad (2015) conducted study on the Federal Government administrators in Somalia established that both financial and non-financial incentives have significant impact on their work performance. Further they found that responsibility, achievement and advancement among non-financial factor while working condition, pay and environment among the financial factors were major factors having impact on work performance.

In addition to the above-mentioned studies wherein author have divided motivation into two dimensions, some authors examined the impact of employee motivation as a whole on the work performance of employees. A study on the hospitality industry of west Bengal, India found that motivation plays a very crucial role in enhancing and improving the employee performance (Hazra et al. (2015)). Similarly, Anuj and Anita 2015 emphasised that if the employees are motivated, they will do more hard work increasing their productivity and workplace performance. Furthermore, it was found that freight industry employees' performance in Kenya was significantly associated with their level of motivation (Mambea and Obwogi, 2015).

A survey was carried out by Olalere, 2015 in Nigeria wherein community development workers were the primary respondents found that employee job performance is strongly impacted by the level or degree of their motivation therefore organisations should try their maximum to increase or enhance employee performance by increasing the motivational benefits to employees. Equivalent results were found in the research carried out by Yusuf et al. (2015) in Nigeria on the library staff wherein it was established that employee performance at workplace is significantly and positively associated with motivational strategies. Similar results were found in the

studies conducted by Nizam and Shah, 2015 on gas and oil sector employees in Pakistan and by Kwapong et al, 2015 on teaching employees of polytechnics in Ghana.

Omollo, (2015) carried out study on the banking sector employees of Kenya wherein the association between financial rewards, motivation and performance of employees was studied and it was found that there exist favourable association among these three variables. It was established that motivation enhances employee performance and motivation in turn is increased by financial rewards and incentives. However, Uzonna, 2013 found that non-financial rewards are more crucial than financial rewards having impact on employee motivation and performance in research conducted in Cyprus. Whereas Gyamfi (2015) found non-significant impact of employee motivation on employee performance at workplace studying the banking sector employees in Ghana.

Moreover, a conceptual study based on the secondary data was carried out by Mustapa and Mahmood ,2013 examining the association between work performance and public service motivation in Malaysia and it was established that there exist significant association between these two variables. Further research was carried out on employees of Immigration department in Malaysia by Mahazrila'Aini et al (2012) involving variables namely, job assignment, reward, recognition, communication, training and development, employee participation and work environment. It was found that communication and work environment have unfavourable impact whereas training and development, rewards and incentives and recognition favourable impact their level of motivation.

## Conclusion

The study has revealed that there is significant relationship between employee motivation and job performance. The conclusion is based upon study of different industries in different countries such as Malaysia, India, Nigeria, Ghana. It was revealed in the study that monetary factors were more important in some countries whereas non-monetary factors were important for other countries therefore it can be concluded that there are multiple motivational factors and there is a need for the organisation to use a combination of these motivational techniques based on the employee background, socio-economic status and job role.

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