

# Impact of Motivation on an Organization's Productivity

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**Abstract:** *The aim of the study is to discover which motivating factors motivate people the most at work, and how this contributes to their work success and contribution to organizational effectiveness. The total number of people who responded was 314, which included both working professionals and interns. This study hypothesized that a motivated individual would achieve higher work output than those who do not feel motivated. According to the study's findings, respondents generally feel inspired while working. Their main motivators are financial security, personal growth, and a healthy work-life balance. They value the variety of the work, the challenging and interesting things it offers, and the good relationships they have with their supervisors and co-workers. They have clear objectives, targets, and strategies at work, together with a suitable working environment.*

**Keywords:** Human resource management, motivation, productivity, intrinsic, extrinsic

## 1. Introduction

HRM can be defined as the effective management of people in an organization. HR management helps bridge the gap between employees' performance and the organization's strategic objectives. Moreover, an efficient HR management team can give firms an edge over their competition. In relation to physical resources, individuals have their own individual desires and habits to be handled if they want to contribute to the growth and development of their organizations. They are people who give their own experiences, beliefs and qualities to organizational life, and can bring major benefits for organizations if handled effectively. However, when handled poorly they have the potential to significantly restrict organizational development and threaten the profitability of a company.

The success of every business depends on managers' ability to provide their workers with a motivational atmosphere. The challenge today for managers is to keep workers motivated and effective at work. The manager must know each employee's actions and what might personally inspire them. Managers can appreciate the benefits of employee engagement by understanding the needs of workers. Companies may be placed in a very dangerous situation without a driven workplace. Motivated workers can boost efficiency and help an organization's performance to be higher.

## 2. Literature Review

The research study by Osabiya, and Babatunde Joseph (2015) concluded that the hired staff should be given a job he/ she has been trained for and is best suited so that the staff can enjoy doing what he knows the best. Employees are well motivated when they are granted responsibility and some sort of authority to reach the self-esteem stage. When the employees are motivated, they have a sense of belonging, recognition, and achievement with which they perform their tasks with a sense of responsibility, humility, and efficiency. The organization must use periodic performance reviews, basing recognition upon systematic evaluation to motivate workers on a regular basis.

Vinay Chaitanya Ganta (2014) concluded that the key aspect of organizational psychology is motivation. Managers must know why their people behave the way they do so that these buttons can be pushed at the manager's discretion. A motivator is that which impels or compels an individual to act toward meeting a need. Some major motivational theories should be explored and Practical ways of applying these theories to real people should be considered in an organization. There is a link between employee motivation and performance that seems to be quite obvious. That's because every time when we deem a task to be important and valuable to us, we act with a high level of dedication and enthusiasm to its completion. With that in mind, managers need to find creative ways in which to consistently keep their employees motivated as much as possible. Motivation is very important for every company to improve the employee performance and productivity of the organization. This study focuses on the combination of extrinsic and intrinsic motivation, specifically internal motivators that can influence the behavior of the employees and encourage them to contribute their best towards organizational productivity while achieving personal goals.

### **Motivation**

"Motivation is psychological forces that determine the direction of a person's behavior in an organization, a person's level of effort and a person's level of persistence". The concept of motivation could be broad; however, there are three major components of motivation which are direction, intensity, and persistence.

Direction is a goal that forces an individual to perform an act to achieve it. A goal is chosen consciously or unconsciously by an individual. There are factors that influence a person in selecting a goal, including both internal and external factors, and the final goal is the best one chosen among potential alternatives. The intensity is the level of determination or effort put by an individual in the process of achieving the goal; how hard an individual has tried, and how much energy, time, money, or any other mental or physical things have been used during the process to achieve the goal.

Persistence is the ability of an individual to maintain motivation through time even though obstacles may exist.

It is not an exaggeration to suggest that motivation is the most important factor in achieving success. A motivated individual is more likely to voluntarily put in more effort to complete a mission, and a positive outcome is more likely. As objectives are met, workers experience a sense of fulfillment and satisfaction, which fosters a positive mindset in the work place.

Additionally, the concept also mentions the classification of motivation types which can be divided into Intrinsic (internal) motivation and Extrinsic (external) motivation.

Intrinsic motivation stems from a desire to learn new things and push oneself to new limits. It's the desire to learn, acquire information, and discover one's own values and abilities. When a person is intrinsically motivated, he or she is interested in and enjoys their work. Such people are more likely to be involved in their careers, to work with zeal and willingness, to strive for the best performance and self-reward, and to develop their skills and abilities on a regular basis.

Extrinsic motivation, on the other hand, refers to completing tasks in order to produce the desired results. Both internal and external factors may contribute to extrinsic motivation. The majority of the time, however, it is triggered by external causes rather than internal ones (e.g., individual himself).

#### **Motivation for organization's effectiveness**

Even in today's highly competitive business climate, all companies, regardless of scale, industry, or technology, want to be successful and make continuous progress. To achieve those goals and objectives, plans must be formulated and well-implemented, using all available resources to the fullest extent possible. Few businesses agree that their workers are valuable assets that can help them solve obstacles, push beyond their limits, and achieve success. In contrast, companies that put their personnel at the center of the business, maintain a positive and strong relationship with their employees, and persuade them towards task fulfillment are proven to result in higher effectiveness and productivity.

#### **Employee**

retention, on the other hand, is a problem for today's businesses. Companies are attempting to maintain workers by building inspiration and a healthy environment, acknowledging the critical position of employees and the significant impact they have on organizational effectiveness. This is critical since a lack of concentration among employees is linked to a decrease in company efficiency and effectiveness. A company cannot succeed unless and until its workers are empowered and happy.

Motivated workers perform better than demotivated employees, according to several studies. Employees who are inspired are more creative because they are constantly searching for new ways to accomplish a mission. They are goal-oriented and self-directed. They can produce high-quality work with increased or increased efficiency and productivity, resulting in increased profits.

Employee engagement has a major impact on an organization's effectiveness. While organizational effectiveness is abroad word, this research adheres to the principle of "locating goals and achieving them proficiently inspired and energetic surroundings". The focus of this study is on human performance, especially on the aspect of employee motivation.

In conclusion, motivation is critical for both individuals and organizations. Individual motivation is a critical element that helps people to accomplish their personal objectives. Motivation is said to be a factor that contributes to employee happiness within an organization. Motivation often encourages a person to broaden his or her horizons, to discover and realize his or her full potential. Correspondingly, from the organizational aspects, motivation leads to a positive attitude in the workplace, easy adaptation to changes, and more creativity. The more motivated the employees are, the more contribution they bring, thus the more profitable and successful the business.

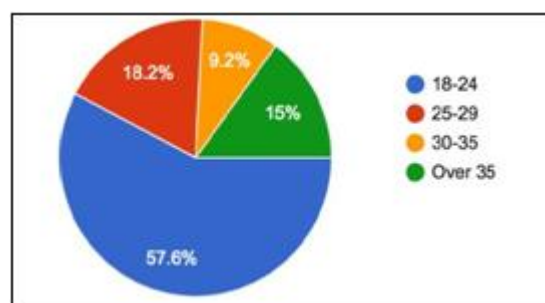
### **3. Discussion**

The main purpose of this study is to analyze the impact of staff motivation on organizational effectiveness. Through this study, the researcher will identify the effective extrinsic and intrinsic motivation that has an impact on employees' psychology and their willingness to contribute toward the organization's goal.

The objective of the study

- 1) To understand the impact of employee motivation on organizational performance.
- 2) To find out the relationship between the impact of reward systems on Organizational performance.
- 3) To identify the most effective extrinsic and intrinsic motivation that has an impact on the behavior of an employee

The first three questions are structured to decide who the respondents are. The gender, age, and length of time they have worked in their current position were asked, and the results are shown in Figures 1 and 2.



**Figure 1:** Respondent's age group

Female respondents made up 55 percent of the total, while male respondents made up 45 percent. The age ranges of the respondents differed, with the majority being between 18 and 24 years old (57.6%), followed by 25 to 29 years old (18.2%). These figures revealed that the majority of respondents were very young, with females responding at a higher rate than males.

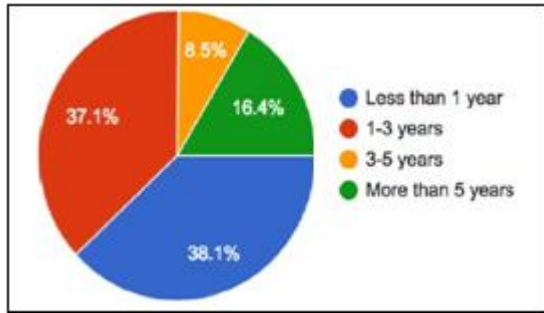


Figure 2: Respondent's year of working

38.2% percent of the respondents have only been at their new job for a year or less. Additionally, there were 8.6% from three to five years, with 16.6% with more than five years of working experience. It is clear that the majority of the respondents are seasoned workers who have spent a significant amount of time in their current position.

**Motivation level**

The survey goes on to ask about levels of motivation. The next three questions are about a person's self-evaluation of their work motivation and what they think about the connection between motivation and job performance. The outcomes are shown in Figure 3 & 5.

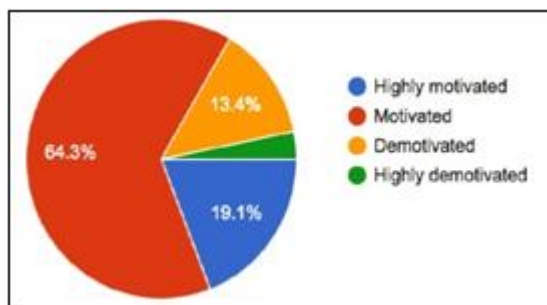


Figure 3: Respondent's motivation level

Surprisingly, but positively, the findings came out. Figure 3 showed that 19.1% of respondents were highly motivated at work, while 64.3 percent considered themselves to be motivated. On the other hand, 13.4% of respondents said they were demotivated at work, with a small but alarming 3.2 percent of total respondents saying they were strongly demotivated.

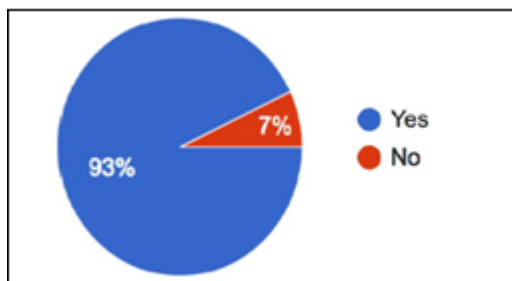


Figure 4: Motivation and work performance linkage

In addition, when asked whether there are any correlations between one's motivation and work performance, 93 percent of respondents agreed with the assertion, while only 7% disagreed (figure 4).

The emphasis of the survey's second section is on examining the results of the sixth issue, which were used to endorse the study's two key theoretical structures, Maslow's Hierarchy of Needs and Herzberg's Two-factor theory. According to Maslow, an individual can progress to higher levels of need only after completing or reaching a satisfactory level of the previous lower levels. Applying this principle to organizational environments, organizations must meet the needs of their workers in order for them to achieve their full potential at work. According to Maslow's theory of needs, the method of meeting needs must be done in a linear order, beginning with the most simple and progressing to the most complex.

And, as the findings indicate, 98.1 percent of respondents accepted that they are empowered to succeed at work and achieve improved work success when their needs are met by the company. However, 1.9 percent of respondents disagreed with the assertion (figure 5).

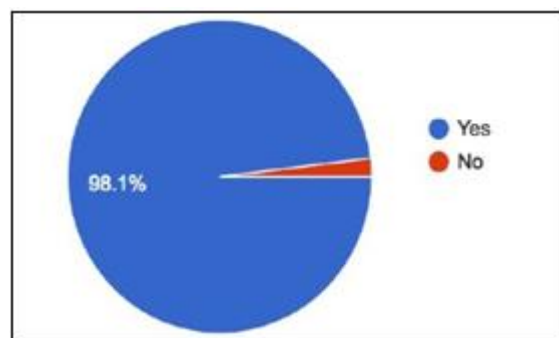


Figure 5: Employee's performance in connection with needs fulfilment

In summary, the findings from the first six questions partially support the researcher's hypothesis that motivated individual would achieve higher workout put than those who do not feel motivated. Furthermore, both the literature structure and practical statistics show that there is a clear correlation between employee engagement and organizational effectiveness.

**Motivation factors**

Following the questions regarding motivation levels, the survey went on to a more thorough analysis of the factors that most inspire respondents at work. The response choices were based on Herzberg's Two-factor Theory and included financial benefits, work-life balance, advancement opportunities, appreciation and acknowledgment, organizational cultures, personal development, and empowerment. The respondents were asked to choose the top three motivating factors that related to their cases, and the results were compiled as shown (figure 6).

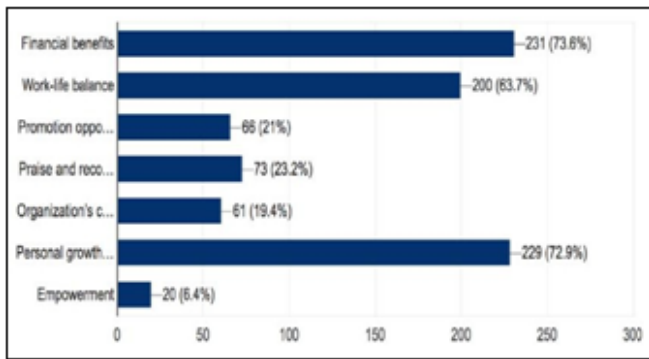


Figure 6: Motivation factors

Financial benefits came in first with 73.6 percent of the vote among the seven choices. Money is unquestionably significant. People work to earn money, which they use to protect their lives and meet their basic needs. As compared to the theoretical models of this study, where money represents a person's most basic need that must be met first, this is true. People are more driven by intrinsic motivation factors once this need has been met. Personal growth came

in second with 72.9 percent of the vote, according to the respondents. Development does not only refer to a rise in salary or advancement opportunities; it also refers to a person's ability to develop, challenge themselves, gain experience, and learn new things. Personal growth-oriented employees are highly motivated, committed, enthusiastic, and optimistic. They prefer to put in more effort and aim for the highest possible standard in their work. Work-life balance ranked third in the top three factors, with 63.7 percent. The respondents stressed the importance of finding happiness and satisfaction while remaining engaged at work and living life to the fullest.

However, it seems that the reasons that motivate workers at work are not the same as the factors that motivate them to stay in their jobs. While motivation may contribute to improved results, it is the feeling of fulfillment and satisfaction that keeps workers in their current positions.

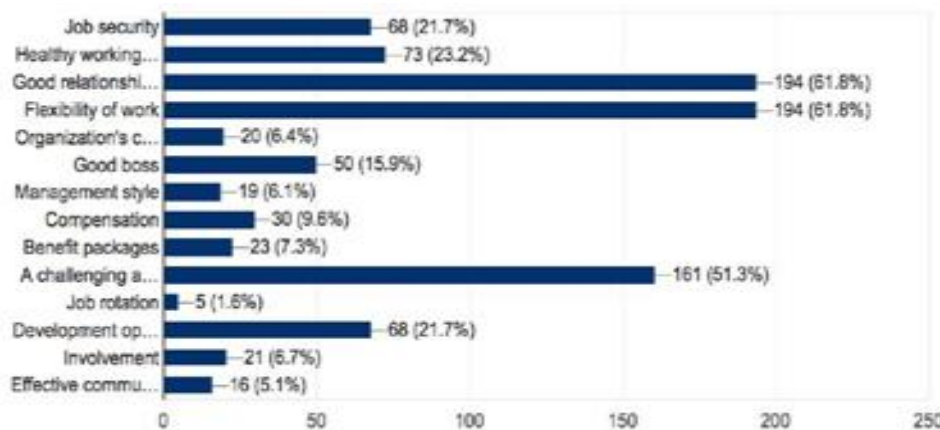


Figure 7: Reasons for job retention

The next question seeks to identify the factors that motivate respondents to remain in their current positions (figure 7). The solution options were developed using Maslow's Hierarchy of Needs and Herzberg's two-factor theory, with an emphasis on Herzberg's theory. The outcomes were not the same as those of the previous questions. Money, which was previously ranked first as the most motivating factor for workers, is now ranked eighth and seventh, respectively. With 61.8 percent, work versatility and a supportive relationship with supervisors/coworkers were the most critical variables, followed by a challenging and interesting job with 51.3 percent. Job protection, a safe working climate, and growth opportunities were also listed as some of the factors that contribute to job retention, with about 20% of respondents agreeing. Intrinsic influences were found to have a greater impact on a person's decision to keep their work.

- 2) "I am inspired to meet my goals at work"
- 3) "I am determined to give my best effort at work each day"
- 4) "I have clear goals, priorities, and objectives in my work"
- 5) "I am provided with adequate materials and equipment needed to do my job"

To proceed with the motivating variables, a Likert scale query was used to find out how the respondents felt about their employment. The respondents were asked to rate their degree of agreement with the following statements using the words "strongly agree," "agree," "disagree," or "strongly disagree".

- 1) "I am happy with my job"

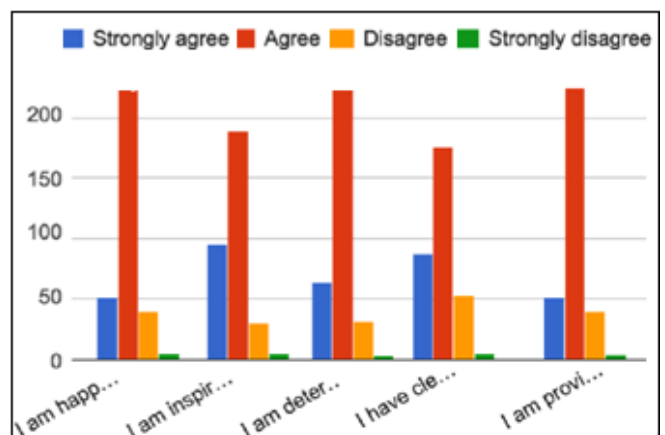


Figure 8: Respondent's feelings about work

The outcomes proved to be compelling. The overwhelming majority of respondents said they are happy with adequate working conditions that enable them to perform better. The essence of the work and the course of the project were both recognized. The respondents were inspired and eager to go above and above at work to achieve their objectives. Most importantly, they were pleased with their jobs.

#### Job retention and recommendation

The survey ends with two questions concerning work retention. After analyzing all facets of motivation, the respondents were asked whether they would ever dream of leaving their current jobs.

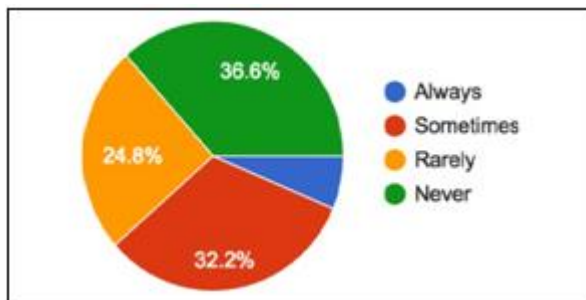


Figure 9: Job retention

"Never" was chosen by 36.6 percent, while "rarely" was chosen by 24.8 percent. However, one-third of all respondents labeled the response "sometimes," and 6.3 percent said "still."

The survey's final question asked whether respondents would recommend their company to other people as a great place to work. 80.9 percent of respondents said "yes," while 19.1 percent said "no."

#### 4. Summary

The findings of the study indicate that respondents are generally inspired by their work. They are mostly driven by income, personal development, and a work-life balance. They appreciate the work's versatility, the demanding and fascinating aspects it provides, and the positive relationships they have with their managers and coworkers. At work, they have specific goals, targets, and strategies, as well as adequate working conditions. They are motivated to put in their best effort and achieve the set objectives on a daily basis. Above all, they are pleased with their current job and are proud to recommend their company as a great place to work.

However, there are still several aspects that need to be changed in order to boost employee motivation. The respondents, for example, had a low level of empowerment, according to the findings. It may be the result of a lack of job participation, a low degree of commitment, or a lack of independence in making decisions and carrying out tasks. Furthermore, the availability of promotion opportunities should be increased, and an organizational culture that is consistent, cohesive, and distinct should be established. Job rotation, changing management style, and ensuring good contact within the company are all ways to boost employee motivation.

#### 5. Conclusion

Employee satisfaction is one of the most important factors in an organization's effectiveness and contributes significantly to its development and properties. As a result, every employer must know what really motivates workers and how to improve overall job efficiency. The study's theoretical structure and results suggested that employees' motivation is influenced by two key factors: intrinsic and extrinsic motivation. Extrinsic motivation is derived from factors outside of one's control, such as a paycheck or other benefits package. Intrinsic motivation, on the other hand, comes from inside an individual. Personal development, work-life balance, an exciting and demanding career, work versatility, and a positive relationship with bosses and coworkers are all examples of intrinsic motivation. It is not only a motivator for workers at work, but it is also a key determinant of job retention.

#### 6. Recommendation

Employees are, without a doubt, a critical component of a company's growth and success. Employee motivation can be achieved by employee empowerment, according to this theory. It shows how involved employees are in decision-making, whether there is a shared relationship between employees and the organization, and whether they have control over the role they are working on. Employee motivation and happiness are higher because there is a high degree of employee engagement. As a result, including staff in meetings and debates and ensuring that their suggestions and contributions are heard and valued. Giving them space and resources to experience and align with the corporate culture, delegating them a higher degree of responsibility for the job they are in charge of, and allowing them the ability to make choices and decisions about their particular tasks are all ways to boost motivation.

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