Effect of Employees' Motivation on Performance in Organizations

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Abstract

Purpose: This study aims to capture the effect of staff motivation in the organization and one form of motivation.

Findings: The main findings of the paper is to find out what motivates employees to do top work for the organization's benefit. Research also allows agencies to discover how employees think about their jobs or perceive their current job.

Methodology: This article analyzes one-on-one payment systems and how they use by businesses and looks at the organization's lifestyle and how it affects employee behavior.

Unique contribution to theory, practice and policy: An organization's progress is directly related to the people willing to work there. This article discusses how employee motivation affects company performance and overall organizational progress.

Keywords: Employee, Motivation, Performance, Organization, Lifestyle, Behavior.
1.0 Introduction

The topic of motivation has been discussed. By the middle of the 20th century, domination of the most intellectual and credible theories, especially the Maslow (1943) management class, Herzberg's Tenny theory (1959), and the Vroom's Expectancy Theory (1964), expanded. Theories focus on the promotion of general energy efficiency and performance. It is generally agreed that employee motivation can play an important role in internal and external motivation. Staw (1976) suggests that one of the first attempts to make this difference led to Herzberg's vision. However, discourses on internal and external motivations have grown in recent years.

The relationship between job motivation and the performance of the whole process has been studied in the past. However, excessive statistical advertising between the two is now being abandoned. However, a subsequent study found that employee motivation was undoubtedly associated with the effectiveness of the whole process. These relationships are discussed in this article, and the purpose is to provide management with helpful information on how internal or external motivation can improve employee performance.

Workplace diversity has given management many benefits from the issues. The big difference between employees in any organization is that there is no standard way to deal with workplace problems. The whole motivation of some employees can be a big problem for modern management, as it can discourage others. In addition to controlling regular operation and a unique praise system, this function also addresses the lifestyle that governs human resources. In the middle of the 20th century, some fundamental motivational theories emerged, including Maslow's Hierarchy of Needs (1943), Herzberg's Two Factor Theory (1959), and Vroom's Expectancy Theory (1964). This study focused on general motivation and staff motivation.

2.0 Staff Motivation

The motivation of employees for many things, such as the environment, large sums of money, and staff, affects the organization's performance. However, human resources are considered to impact the organization's activities significantly. Therefore, it is legal to say that an organization should encourage its employees to achieve the declared goal and objectives. In this study, the motive is clearly defined. Motivation is manifested in many ways. Many researchers have tried to develop a concise theory of motivation, but all have come up with incredible ideas. Research has been done on this topic, and many hypotheses have been put forward that profoundly affect the organization's ethics. For example, Herzberg's (1959) theory of motivation is still used today. According to Staw (1976), Herzberg was one of the first to distinguish between internal and external stimuli. This distinction becomes apparent and helps motivate employees in the workplace (Staw, 1976).

2.1 The Concept of Motivation

The concept of motivation can be defined as a management process that encourages people to serve the general interests of the organization better, giving them motives based on their unmet needs. The question is, "Why should a manager raise employees?" (Herzberg, 1959). According to Smith (1994), it is because of the existence of society. As Amabile (1993) asserted, leaders and managers must learn to comprehend and manage the efficiency of their employees. In today's world, one's employees are the backbone of an organization. Future developments will reveal how unscrupulous employees plan and execute as many low-level tasks as possible from their actual jobs. When employees are motivated, they help organizations thrive and survive in rapidly changing
workplaces (Lindner, 1998). Lindner also points out that the most challenging role for managers is to motivate employees because staff motivation is constantly changing (Bowen & Radhakrishna, 1991). The term motivation was coined in the early 1880s before the term "will of power" was used by prominent philosophers and social scientists who were more concerned with moral issues than human motives (Noguera, 2013). According to them, the motive will be; a business that needs action. Recently, many researchers have come up with different explanations for motivation. The term is defined as psychological processes that provide purpose and serve as guidelines for behavior and morality (Bobocel, Kay, Zanna, Olson, 2018). Voluntary behavior corresponds to unmet needs (Dorian, Peters, Rafael & Richard, 2018); and internal efforts to meet those needs. Management must motivate employees to achieve the outcomes required by the organization. It can also be said that there is a consensus that the motive is personal development, which is defined as meaningful, multifaceted, and valuable.

2.2 Maslow and Herzberg Theory of Motivation

Herzberg (1959) introduced a two-dimensional theory, a well-known theory of motivation. It is explained from the perspective between incentives and hygiene. He emphasized that the issue could be a one-size-fits-all solution, but it could not be the same as shown in figure 1. The most important motivators are rewarding work, awareness, and commitment. Hygiene promotion encourages external factors such as status, employment security, and income. Motivational factors can lead to dissatisfaction and dissatisfaction when hygiene factors are not present, but two factors cannot be treated as contradictory to each other (Saiyadain, 2009).

Figure 1: Hygiene and motivation factors

Source: https://expertprogrammanagement.com/2018/04/herzbergs-two-factor-theory
Herzberg’s Two-Factor Theory is related to Maslow's motivation theory, and Maslow, in his book, outlines his motivational Theory. In his field of service leadership, Maslow says there is at least a set of five goals called basic needs.

1. **Physical needs**: These needs are directly related to a person's health. Sets are usually physical necessities such as food, clothing, and bedding. Lack of these requirements can cause the body to degenerate, and the body's needs are considered very important and must be met first.

2. **Safety requirements**: This is a type of safety measure against various threats, and if a person's safety requirements are met satisfactorily, his or her safety needs are paramount, and they govern behavior. When there is no security in the aftermath of war, natural disaster, family violence, or child abuse, people may suffer post-traumatic stress disorder. Lack of economic security, insecurity due to the economic crisis, and unemployment, these security needs will manifest themselves in ways such as choosing job security.

3. **Social need to be in a group**: It exposes the social size of a person who needs to feel accepted by the groups in his or her family, work, closeness, friendship, and friends. According to Maslow, humanity needs to feel and feel part and accepted among the social groups in life who choose to be a part of it or find themselves in it. These groups can be large or small; other prominent groups may include religious groups, colleagues, professional organizations, sports teams, or criminal gangs, while small groups may include romantic relationships, family members, counselors, colleagues, and confidants.

4. **Requirements for Respect and Trust**: A person needs to feel respected; this includes the need for confidence and trust. Esteem expresses a normal human desire to be accepted and appreciated by others. People often get involved in work or hobbies to gain recognition. These activities give a person a sense of recognition or worth.

5. **Personal development**: According to Maslow, this need aims to get out of this situation to achieve fulfillment. This level of need is a desire to achieve all that one can do.

In 1943, Maslow argued that people have an inner need that compels them to fulfill themselves and elevate themselves. He then came up with the idea that there are five different positions of need, and if we are satisfied with meeting the need in one place, it will affect our attitude. When employees reach such a stage, their attitude begins to deteriorate, and now we place a strong emphasis on working for what is beyond the levels.
2.2.1 Internal and External Motives

Motivation can be divided into internal motivation and external motivation. These two motivations vary from one source of stress to another. Amabile (1993) elaborates on people are deeply motivated when seeking happiness, interest, curiosity, self-expression, or personal challenge at work and people are encouraged unless they work to get a goal outside of the work itself.

2.2.1.1 Internal/Intrinsic motivation

Motivation, derived from personal happiness or interest in work, does not involve the rewards of employment outside the workplace but instead requires an inner sense of enjoyment. It can be seen as a force that involves performing tasks without external motivation. According to Amabile (1993), people are motivated when they seek pleasure, interest, curiosity, self-expression, or personal challenge in the workplace (Amabile, 1993).

2.2.1.2 External/Extrinsic motivation

Contrary to popular belief, it is about taking action to gain external rewards. The source of external motivation comes from the individual's environment. Additional job benefits, higher wages, compensation, and job promotion are some of the rewards that lead to external motivation. (Kendra Cherry, 2021) External motivation is money and oral reward negotiated without a person; on the other hand, internal motivation is linked internally to a person. A person can have a deep motivation to do work if there is no apparent reward for the work done without the work itself or the feelings that come out of work. Amabile (1993) states that employees can have internal or external motivation. Internal and external motivations work differently for people. Vroom (1964) points out that some employees focus on internal outcomes while others focus on external outcomes.
According to Deci (2005), people with high internal motivation prefer challenging mental activities and can control their behavior. Therefore, rewarding and setting external goals or deadlines will not do them any less unless they are also high on external motivation. For highly motivated employees, emphasis can be placed on the type of work involved and the promotion of personal goals and deadlines. Almas (2017) argue that introverts are highly recommended externally, and extraverts are highly recommended. However, not only do people seem to have different motives, but internal and external motivation also affects each other.

Employees work for jobs to get external rewards, but instead, they need an inner sense of fun that comes from the jobs themselves. It can be seen as a functional force without external stimuli. According to Almas (2017), people are motivated when they seek happiness, interest, curiosity, self-expression, or personal challenges in the workplace.

2.2.2 Relationships between Internal and External Motivates

The difference between intrinsic and extrinsic motivation is clear, but researchers argue that intrinsic and isolation also impact each other. Almas (2017) states that external influences can reduce internal motivations in some cases. He says automatic money management reduces internal motivations. Nevertheless, if money is still misused, this will not happen. Amabile (1993) responds to this argument by saying that external motives may contradict internal intentions, but that may have a cooling effect. Satisfaction and performance. Furthermore, in his research, internal and external systems may motivate employees to work, but internal and external motivations can significantly affect employees. In short, employees may have an internal or external interest in performing a particular task (Amabile, 1993) and may reinforce their external and internal motivations. However, in some cases, external influences can weaken the inside. In addition, researchers say that not everyone has the same interests, some employees are highly motivated internally, and some are highly motivated externally.

Motivation is a well-studied topic. The earliest work was done by the founders of their work, Maslow (1943) and Herzberg (1959). Many definitions have been created. Herzberg's workplace motivation is to do it because it seeks to perform work-related behaviors (Herzberg, 1959). There is some variation on the importance of a particular factor. However, motivation is an individual process that is defined as purposeful and multifaceted, and the purpose of motivating the idea is to predict behavior. There is consensus. External inspiration is also described. People are deeply moved when they seek happiness, interest, satisfaction, pleasure, curiosity, self-expression, or personal challenges in the workplace. There is also an external purpose in the workplace to achieve a purpose other than the work itself (Amabile, 1993). Staff mobilization requires both internal and external motivation (Herzberg, 1959). According to Herzberg (1959), managers need to work on all aspects of hygiene and motivation to motivate their employees.

3.0 Employee Motivation, Performance and Organizational Performance

3.1 Performance of Employees

Effective management is an essential tool for motivating employees to perform well. However, it is not a sufficient condition for effective management. Ferreira, Aldonio, Otley, and David (2009) state that the most critical issue in any performance management system is how critical it is and how dedicated it is by management and staff. Performance management is about completeness, harmonization, and development to build value from the customer due to economic value building
to shareholders and owners. The expansion of performance management is enormous, so performance management should be considered within the business as a tool to enhance employees' motivation for high performance. Effective performance management requires an in-depth understanding of the working environment. Taking on responsibilities and projects is part of a company or organizational job description. It is the basis for evaluating how to improve performance when knowing the skills required to do the job. Businesses can evaluate and improve their performance based on their knowledge. Additionally, there is a disconnect between employee performance appraisals and opportunities to improve employee performance. In addition, there is no link to evaluate an employee's work based on the performance of other partners in the same job description.

3.2 Organizational Performance

According to Otley (1999), an organization's performance depends on other factors such as employee performance and the nature of the organization. The difference between organizational performance and professionalism is clear. An effective organization has achieved its goals successfully. In other words, an organization uses sound systems, and its performance results from an employee's work. In addition, the high performance of the work is the skill of the work itself, and the worker must be able to produce better results and be more productive (Hunter, 1986). An organization needs good employee performance because the success of an organization depends on employee awareness, innovation, and commitment. Efficiency and increased productivity are also important in stabilizing the economy. With improved living conditions, higher wages, and increased availability of consumer goods. Therefore, he also points out that performance surveys for each employee are essential to the whole community.

Performance of employees and the ability of employees to do their job are related. Generally, however, productivity is associated with terms that focus on production (e.g., profit and sales), and performance is associated with efficiency or recognition-oriented goals (e.g., oversight and achievement of objectives. In any organization, decisions to develop, retain, or dismiss employees must be consistent. These decisions are made through relative selection and support, and personal relationships within the organization profoundly affect employee promotions and dismissal decisions. Relationships are still meaningful today, but many companies constantly evaluate employee performance to be more productive and profitable. According to Almas (2017), standardized approaches are not available, but the performance of most employees can be measured.

Performance measures are defined as "standard measurements of results and efficiency of a service or program." It means a continuous measure of progress towards achieving accurate results (this is an integral part of the effort towards results). The customization process maximizes customer benefits for services and programs and reduces negative costs. If performance is measured by mistake or not, the user may be given incorrect information and make poor decisions. Therefore, the adage "garbage coming out of the trash" enhances credibility (Hatry, 2006). Performance measures provide general information that can be used for decision-making purposes for managers and employees at all levels. The power measurement system can be a dashboard. This instrument panel is used for strategic implementation, planning, development, and transformation.

The organization's standard operating standards are based on financial and accounting. Currently, it is switching to the latest multi-functional system. First, financial indicators have been used to manage the company's financial resources to support organizational policies. Second, financial
Performance metrics act as a barometer to show results related to key business objectives. Third, they also serve as motivators for future operations. Moreover, they were viewed as windows of the past as factors influencing future success. Despite the advantages of financial measures and accounting measures in performance testing, they were re-operated on a cost basis provides little motivation. Traditional inadequate capital is primarily based on overall performance levels and has further enhanced the appearance of the most appropriate metrics to reach the overall performance level. Financial professionals have taken such steps that preferences are based mainly on total value, spot prices, and average scorecards. It has been gratefully accepted and attracted a great deal of interest in international trade—economic income due to widely published designs in 1998, 2000, and 2002. A function-based primarily on total cost is a way to capture sports, processes, products, and business services. The ABC highlights the regions of purposeful drawing managers with a timely movement that can positively impact revenue or value. Managers should try to reassemble the product, which means sales costs create greater resource demand and produce less.

Costs towards the most aggressive categories with an excessive level of services and products that support a decline in sales reduce global resources to reduce the number of times a sport is spent to reap the same results or reduce re-purchases and provide the current combination of sales and customers. It will promote production software and continuous development to improve quality, reduce set-up time and improve production facility facilities. When targeted designs are placed, managers see that they have achieved a point where they can achieve an equitable result with a small group of participating staff or small equipment. They can reduce spending on a single source. The agency will conduct a recreational activity based primarily on total cost calculations to determine the actual value associated with each product and supplier produced by the agency. Instead of taking advantage of the limited opportunities to charge, ABC binds to disclose the reason and improve the relationship between costs and sport to fairly allocate charges. ABC can make precious regions in line with unique sales units, donations, or customers. The divisive price that does not load prices is focused on caring for the strongest ones. However, ABC is more expensive to set up and maintain than the standard cost system. For example, an ABC system with 25 cost pools is used in 100 different products. ABC is used to develop more expensive products. Total costs include allocating fixed costs (depreciation and administrative salaries). The cost per unit provided by the ABC system does not include the growing costs required for production; additional information is required for decisions (Khan & Jain, 2009).

An investment is an asset or an asset that we purchase in the hope that it will generate income or inform us in the future. The difference between what we put in and what we receive is in return. Therefore, companies invest in a return on investment. The return of a financial asset includes both the profits of the companies when they eventually sell to another person when they are mature and the revenue earned between the purchase and sale. Reimbursement is the return on current investment ROI = (Profit from the investment - Investment costs). With so much investment initially, we cannot be sure of the value of income and the profits we will make. The range of tools we can invest in provides a deviant level of return for uncertainty (Feibel, 2003). The most convincing way to evaluate HRM is to compare the cost of HRM programs with the benefits. In many cases, the cost of HRM systems can be improved or monitored. Although confused, sometimes there are ways to allocate certain costs, and the total program costs can usually be expressed (Feibel, 2003). However, if there is a small investment in the ROI, it may result in very short-term gains but a long-term decline, as the ROI ignores events outside the current period. ROI
can be determined by past investments that have not been fully reduced, thus undermining the impact of current actions. In addition, ROI is not a reliable rate of reduced cash flow rate, both in single and complete corporate projects.

A balanced scorecard is planning system businesses use to direct business operations and company vision and strategies and monitor an organization's performance. The balanced scorecard usually includes customer service performance measurements, innovation and learning, and internal processes. Practical steps for learning and innovation often revolve around the company's research and development efforts. For example, the number of new products developed during the year and their time to reach the market is practical innovations steps. Learning measures can include the number of staff training sessions and the number of employees trained in various skills. Customer service action measures include the number of customer complaints and the number of repeat customers. A customer survey can also measure customer satisfaction in a company compared to competitors. The performance measures of internal processes take into account the length of time it takes to produce a product. The amount of waste is a measure of the efficiency of the company's production processes. Customer Return Value measures the fulfillment of production orders and custom orders. Financial measures include revenue from performance, investment interest rate, and residual interest (Warren et al., 2008).

4.0 Employee Compensation Program

The Employee Compensation Plan contains policies, procedures, and procedures built into the organization that reward employees for sharing their contributions, skills, abilities, and market value. The Employee Compensation System provides benefits in procedures, frameworks, and procedures that provide and maintain appropriate forms and levels of remuneration, benefits, and other forms of compensation. Compensation schemes include monetary compensation (fixed and flexible compensation) and employee benefits, including the total amount of compensation. The award system to support staff re-employment is an appropriate mechanism but is still a practical management approach. The move to bring financial and non-financial rewards to individuals and groups that develop new ideas is crucial for organizations. However, it is equally important to avoid punishing intelligence when it does not succeed in establishing the most successful.

Properly distributed, an award-winning program can create an attractive atmosphere for an organization. Managers in this province should consider that potential candidates can be used for various companies. The effective compensation plan aims to increase competition with other companies seeking specific skills and abilities particularly prominent in future candidates. According to Warren, Carl, James Duchac, and Jonathan (2008), business leaders can create a reward system to reduce absenteeism by combining bonuses with travel rates. Financial Rewards Incentive management rewards can be famous for helping employees complete a project or task. The number of companies distributing cash prizes is increasing, but only 7% use revenues. Big companies use financial compensation schemes to motivate their employees.

5.0 Conclusion

The first conclusion reached is that employees can be encouraged to do good work in the organization, which is an essential management function. There seems to be a self-serving cycle between employee performance, satisfaction, and motivation. Employees get better performance,
It is said that high performance can be achieved if an organization meets specific performance criteria. Second, it has been found that employees are encouraged to perform both internally and externally at the same time very efficiently. Many activities are promoted internally and externally (Amabile, 1993). In conclusion, it can be argued that internal factors may or may not be a factor in motivating employees for longer than external factors. Many researchers argue that enhancing external factors alone does not improve performance. Research shows that in order to motivate employees, organizations need to value five aspects of work.

On the other hand, organizations need to commit to their managers, colleagues, salaries, and employment security to motivate outside workers. The supervisor needs to provide all aspects of the job, as this provides a way for maximum performance of employees. However, it is necessary to argue that this relationship does not end. The employee is not happy with how he or she is working as usual, or one of the three levels of mental functioning may no longer be available. Therefore, organizations should ensure that their profits are constantly changing. It is now possible to argue that there are many ways to improve the performance of employees within an organization (e.g., diversity, leadership). Therefore, managers should not focus only on motivation. It can be concluded that the most important factors can significantly improve the workforce's productivity.

6.0 Recommendations

Employee motivation is not easy to measure. However, there are three common ways that companies can use: First, we can use performance evaluation. Not only can this help you motivate your employees, but it can also be a good indicator. Poor performance reviews can be a strong indicator of low employee motivation and engagement. Once poor performance has been identified, employers should work to identify the cause of low motivation levels. The second important consideration will be employee motivation and engagement surveys. Surveys are one of the most popular ways to measure employee motivation. However, employers should be very careful when choosing survey questions. It is extremely important that employee engagement surveys be anonymous. In addition, it is good to use a combination of different types of questions such as open-ended and scaled questions. Finally, there is customer satisfaction. It usually depends on employee satisfaction. In addition, satisfied employees are more motivated and committed employees.

Therefore, measuring customer satisfaction helps determine the level of employee motivation. It is especially true when employees are in direct contact with customers. This technique is commonly used by salespeople and has been successful with customers. To motivate your employees, you must truly understand what motivates them. According to Maslow's Hierarchy of Needs theory, motivation results from a person's efforts to meet five basic needs: physiological, safety, social, self-esteem, and self-actualization. These needs exist in a hierarchical order. That is, lower-level needs must be met before higher-level needs are met. This theory also helps us understand employee motivation in the workplace. Applying this theory to understand better employee motivation can help companies design strategies that use financial incentives more effectively.

References


