

Smart Practices by Entrepreneurs for Motivating Employees

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Abstract: *A substantial body of theory and empirical evidence exists to attest to the fact that motivation and productivity are concepts which have been subjects of immense interest among researchers and managers. The objective of this paper is to conduct a literature review and analysis on theories and empirical evidence on the relationship between employee motivation and organizational productivity with a view to drawing important lessons for managerial practice. To achieve this, the paper conducted a review of some of the key theories and empirical studies on motivation and its impact on employee productivity drawing experiences from diverse organizational settings in Nigeria and several other countries. The study revealed that there are different factors to consider in motivating employees: some monetary or financial such as pay and others are non-financial like recognition and challenging jobs. Important implications are presented for managerial practice.*

Keywords: Motivation, growth theories

I. INTRODUCTION

Introduction chapter starts with an overview of motivation. Then, the research is focused by providing aims and objectives. The main aim is to understand the relationship between employee motivation in the workplace and its effect on their performance. The research objectives are listed.

Now a days, the main concern of the organization is to increase their profit and customer satisfaction. These organizations, to achieve the goal, they usually send their employees for awareness sessions, trainings and seminars as there are the main asset of the organizations. Employees were considered just an input to the production of the business. The thoughts that employees are just assets have been changed when the study concluded that employees are not just assets, they are the main contributors and affective factors for business production. Furthermore, the above study found that employees are not motivated solely by money and employee behaviour is linked to their attitudes. Sometimes money is not the only thing they need, they need appreciation for the work they have done, support throughout the work and definitely some relaxation.

So, without motivation nothing exclusive will ever occur which will lead the organization to get a high-performance rate, high productivity and hence high profit.

1.1 OBJECTIVE OF THE RESEARCH

Objective of motivation is to create conditions in which people are willing to work with zeal, initiative, interest and enthusiasm with a high moral satisfaction personal as well as group.

II. RESEARCH METHODOLOGY

This research was mostly based on secondary data.

This research firstly investigated the awareness of the motivated theories and that there is different motivation technique to motivate employees. Being aware of motivation theories and approaches will open the gate to examine its relationship with employee's performance.

III. SMART PRACTICES BY ENTREPRENEURS FOR MOTIVATING EMPLOYEES

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3.1 Research Aim and Objectives

The primary aim of this study is to understand the relationship between employee work motivation and employee's performance. The study also analyses the main motivation theories and approaches commonly used and followed. Knowing these approaches will allow the organization taking the decision about the type of motivation approach to be used effectively. In order to do so, the following objectives should be achieved:

- Explore why employees should be motivated.
- Investigate the commonly used motivation theories and approaches.
- Examine the impact of different approaches of motivation on employees' performance in the workplace and the effect of performance on business productivity.
- Investigate the influence of current practices to motivate staff in the oil and gas company on their employee's performance.

Why to motivate employees:

We can say that, Employee is the base of the company because of them the company is growing as they put their efforts to make a change, to fulfil the vision and mission of the company. Keeping them motivated is making the base strong. Thus, every manger has to be aware about the needs and requirements of their employee. Motivated employees can impact a company's bottom line and make the workplace somewhere employees look forward to interact with instead of just a place to "pick up a pay check". Furthermore, A well-motivated organization for sure will have more motivated employees and hence they will be more productive and this will lead to extreme cost savings.

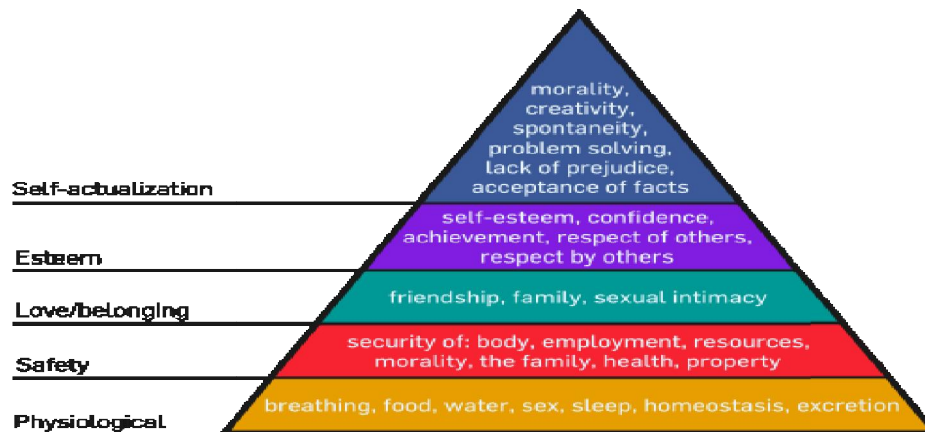
Motivation Theories

There are many live examples now a day company is using to motivate their employees. For example, we can see how google has made the company in USA the work environment and interior infrastructure of the company makes you motivated to work more. A company name ELGI makes their employee to walk every day and to send how many KM they have walked each day in work from home situation so that employee should not get pressurise and depressed about their work. When there was no work from home situation on every Friday there was a 1 hour games played to give some relaxation to their employees in their working hours. These are some live motivation theories every company should apply to motivated their employees and less stressed. Psychologists and behavioural scientists have developed some motivation theories and some of these theories have been developed by researchers. Researchers like Abraham Maslow and Two-Factor Theory of Fredrick Herzberg have developed such theories to motivate employees.

Hierarchy Needs of Abraham Maslow's Theory of Needs

Abraham Maslow (1908 – 1970) along with Frederick Herzberg (1923) introduced the Neo-Human Relations School in the 1950's, which focused on the psychological needs of employees. Maslow put forward a theory that there are five levels of human needs which employees need to have fulfilled at work.

The five levels of needs according on Maslow are:



1. Physiological Needs:

Physiological Needs are the basic needs that every individual needs to survive. They are like food, air, shelter and water. If these basic needs are not met, then the employee will not be able to go through other levels.

2. Safety Needs:

Safety needs are the needs related the feeling of the employee of being secure and safe like having the medical insurance, job security, etc.

3. Social Needs – Love & Belonging:

These needs are related to the interactions with other. The relationship of the individual with the people surroundings. Like having friends and feel accepted from others.

4. Esteem Needs:

- Esteem is the feeling of being important. Esteem needs are classified to internal and external needs.
- Internal esteems are these related to self-esteem like respect and achievement.
- External esteem needs are those such as social status and recognition that comes with the achievement.

5. Self-Actualization Needs.

It is the need of reaching the full potential as an employee. Self-Actualization Needs are like truth, wisdom and justice. There are different ways the organization can satisfy their employees and motivate them. Money is the number one motivation factor that may satisfy the employee’s physiological needs as well as the safety needs. Social needs can be met by providing the employee a workplace in a way that it is easy to communicate and collaborate with others. Also, organizations get to gather and entertainment activities will build good relationships between employees from different levels which will satisfy the social / Love & belonging needs.

Recognitions and rewards either verbally or formally will enhance the self-esteem of the employee. Finally, providing a challenging job with somehow interesting aspects will enrich the self-actualization needs of the employee.

Two-Factor Theory of Fredrick Herzberg:

In 1959 Fredrick Herzberg introduced a theory with two motivation factors. The two factors are hygiene factors and motivators. The theory explains the factors that motivate employees by identifying their individual needs and desires. The dissatisfaction factor is called “hygiene” and the satisfaction factor is “motivators”.

1- Hygiene factors

Hygiene factors are organization related. Like the policies and procedures, salary and job security. Dissatisfaction comes if these factors are not existed in the workplace. It simplifies the physiological needs which the employees expected and need to be satisfied.

2- Motivator factors

Motivator factors determine satisfaction. They are intrinsic factors such as sense of achievement, recognition, responsibility, and personal growth which motivate employees for a greater performance.



Motivation Approaches and their effect on employee’s satisfaction and performance

Motivation approaches have been defined as tools and techniques which can be used to motivate employees. Some of the approaches are:

Praise: It is one of the effective methods is being used to motivate individuals. Appreciating for the efforts and hard work of the employee, they feel more motivated and confident also. Saying thanks and admire individuals is the most common ways of motivating employees. Survey stated that praise was the effective way to motivate employee as now a day people take credit of the work which they have not done which tends to lose less effective work in employees’ performance. When employees feel that their managers appreciate and praise them, they tend to perform better which leads to higher business productivity. So, the more managers’ praise their employees, the easier the tasks will be and the more productive they will be. Furthermore, when managers look around for a way to complement their employees on their work, it is a large drive shot. It is served to let employees know that their work and what have been accomplished by them so far is appreciated.

Salary / wages/ increments: All these are temporary approaches used to motivate employees.

Most of the researches and studies have proved that money and payments are important to employees relative to other motivators as earning a lot of money is an advantage for pushing toward motivation. It clarifies that when employees are satisfied financially, they motivate at work and work hard.

Furthermore, for employees to feel safe in terms of work, they prefer getting good salaries and allowances rather than receiving appreciation. Yes, appreciation is important in order for employee’s motivation, but the previous statement explains that good salaries are more important.

On the other hand, when employees get high performance rate and a very good appraisal, they appear to be sensitive to whether their performance will be rewarded by money and pay increase or not. So, money concerns are always there and it is important for employees to work and give.

Recognition: it is a useful positive tool where usually people get recognized by their work and job done and based on that they receive recognition.

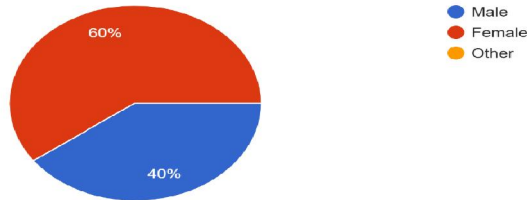
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Pinar, (2011) stated that employees work harder when they are recognized and appreciated for their effort toward the work and tasks have been given and this is a simple, easy and powerful strengthen system. When employees get recognized and appreciated, they do their best to prove the skill, talents and abilities they have.

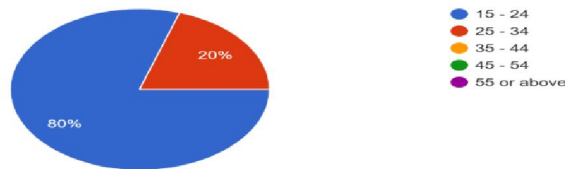
Communication: It is very important to communicate to their employee, this tends to solving their problems, their needs, how happy they are about their job etc. talking it all out is the best way to know the employee and how they feel about the work they have gotten and they are getting enough support and requirement to get the work done because supporting them results in getting work done in best way.

IV. FINDINGS

Gender
5 responses



Age
5 responses



If you were an employee which type of incentives motivates you more?

5 responses

Bonus

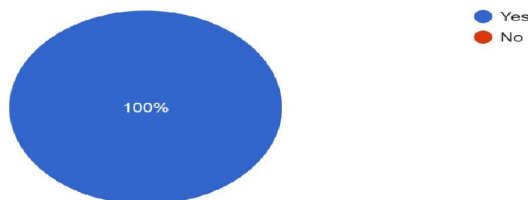
Paid holidays

Money incentives

In monetary Terms/ Promotions to deserving candidate

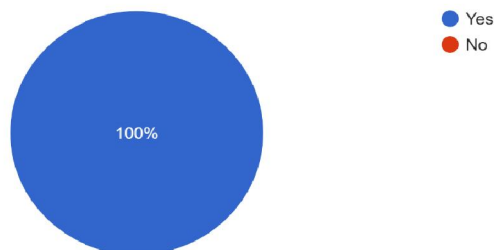
Probably recognition from my Superiors in my work.

Do you think that incentives and other benefits will influence your performance?
5 responses

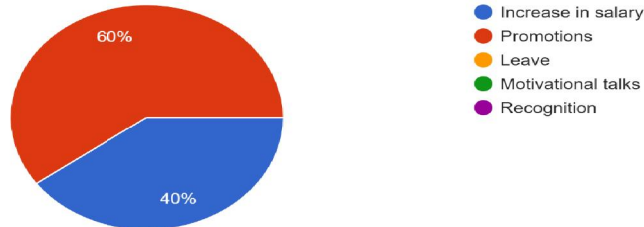


Does it motivate you when the Top Management involve you in decision making which are connected to your department?

5 responses



Which of the following factors which motivates you most?
5 responses



What is the main cause of lack of motivations to work?
5 responses



From your point of view, what will be the “SMART PRACTICES BY ENTREPRENEURS FOR MOTIVATING EMPLOYEES”?

5 responses

The incentives should be both physically visible like salary increase, leaves etc and appreciation of the work, inclusion in the decision making.

N/A

Frequent appreciation should be given to employees.

By taking their own personal times in discussing various problems with the employees so that they feel a friendly environment in the organization. By giving Bonus/Incentives so that employees may be motivated to do their work with full of their dedication.

Giving an extra pay-check on monthly basis to the employee who performs the best and has given a good result.

As you can see, I got few responses, based on that you can see in what ways an employee is motivated and motivation is important factor for growth and accomplishing their vision and mission of the company. All the key factors like appreciation, promotion, work environment etc. one should keep in mind.

V. LITERATURE REVIEW

Motivation tends to increase in productivity and growth of the company. Motivation is a vital element of the company as employees are the base of the company. Different organization uses different motivation techniques to motivate their employees. Main key of motivation is appreciation, promotion, increment, and communication etc... Different theories are proven by researchers, how motivation is important from every aspect. Findings states that paid holidays, fun or relaxation program tends to release stress and then work more efficiently.

VI. CONCLUSION

The above theories provide a clear insight about how motivation is important for growth and effective results of work done. In conclusion, motivated employees not only influence their work performance but also the whole organization performance and business productivity. Every member in the organization has some requirements and expectations from the organization from the first day he/she join the company. He/she might not be aware of how to achieve these needs and goals, and here the role of the entrepreneur comes in the picture. To be a motivator, it is important to be a leader in order to discover what really motivates employees and it is necessary to discover the fundamental needs of the employees.

VII. SUGGESTIONS

It is clear that employees are not motivated and hence are not performing well which affecting business performance. For the organization the best motivation theory is Maslow Hierarchy of Needs will be useful as almost every employee has different needs than the other. And by being aware and following a motivation theory will make it a smooth-running process. Also, motivation researches can be done on the aspect of the gender. For example, whatever motivates females or ladies might not motivate males. So, future research about different motivation approaches and based on gender will be valuable.

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