

## Impact Of Motivation On Workplace Performance: A Work Model For Millennials

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**ABSTRACT:** *Motivation is and has always been the cardinal talk of discussion for management of any organisation. With Millennials joining the organisations, it's becoming difficult for employers to retain them. An organisation invests its resources in molding and shaping its employees and so is always interested in retaining its employees. Millennials can be retained by motivating them to the core and bringing out best in them. There are different needs of an employee, which if fulfilled keeps their working morale high. This paper proposes a motivation model which is based on the factors affecting the performance of an employee at his workplace. The building blocks of this model are the ERG theory of needs. The new formed model defines factors which are a combination of financial and non financial incentives, responsible for boosting motivation of an employee. The study also tries to identify the prominent underlying factors responsible for increasing the level of motivation. Following a descriptive methodology, the study uses a structured questionnaire in which the data was recorded from a sample of 100 Millennials belonging to different age group of employees. The study attempts to find the preference of type of incentives preferred by employees to keep them motivated.*

**Keywords:** *Salary; Recognition; Acknowledgement; Job security; Incentives; Motivation; Performance.*

### INTRODUCTION

Every organization is developing and competing in this fast paced, highly dynamic global economy. Its continuous performance, growth and production are a big challenge and a major concern. Among all the available resources that an organisation has, human resource is considered to be one of the very critical resources on which use of all the other production resources depend. Every organization depends on the performance of its employees for the sustainability in market. An accomplished handling of feelings, emotions and thoughts is required to protect the productivity and performance of employees of an organization. This high productivity is a long-term benefit of employee motivation.

A motivated employee is a worthwhile asset which delivers an immense value to the organisation in maintaining and fortifying its business value and revenue growth. One of the most important functions of management is to create exuberance amongst the employees to perform in the best of their abilities. Motivation influences an organization's efficiency and thereby prompts people to actions and to achieve the goals. Motivated employees are inclined to be more productive than non-motivated employees. The challenge with the employer is to provide the right set of value propositions like individualistic attention, work freedom, freedom to decision making, timely trainings, challenging job profiles, adequate recognition and learning opportunities which can keep them committed towards the workplace. (Arora & Kshatriya, 2018). The potential linkage between satisfaction and performance is nearly as old as the fields of industrial-organizational psychology (Judge et al., 2001). Such employees are more productive, satisfied, organized, happy and self-propelled. To be motivated at work, flexibility and autonomy to work also has a great impact. The contextual factor of managerial autonomy support will lead to overall need satisfaction. (Deci et. Al, 2001). The psychological factors motivating the people's behavior can be- job-work culture, appreciation, achievement, Team Work, Need for Money, Respect and welfare activities. But the basic promise is that an individual's ideas regulate his actions (Locke, 1968). Motivation shows a

measurable increase in both performance and productivity given that there is a consistent provision of financial and non financial rewards. Intrinsic motivation can create big differences in performance though few studies say that extrinsic incentives that are offered for performance often produce detrimental effects on performance (Mc Graw,1978). Various studies conclude that most of Millennial employees are interested in getting the recognition and a word of appreciation in meetings and are happy to perform well in future but according to some researchers' intrinsic motivation are not the fulfilling one and there is a great need of extrinsic motivation for those who are not self-motivated. Therefore, Millennials are found to have high expectations concerning the choice of their employer. The parameters which they evaluate before accepting an employment offer are job security, employment prestige and reputation, challenging job profile, starting salary and employer values; in the order written. (Arora & Kshatriya, 2017). A study by Vallerand provides a hierarchical model involving the intrinsic and extrinsic motivation explaining a framework of motivational process.(Vellarand,1997).A periodic motivation in any form of training, rewards, appreciation letters etc. can keep the employees' morale high always and that can lead to required performance and productivity. Several studies talk about the interaction of intrinsic and extrinsic motivation at workplace (Calder & Staw,1975).

Hence, every supervisor should follow the *Ubuntu* approach, keeping everybody together and happy to motivate his employees.

### 1. PURPOSE OF STUDY

Due to extreme pressure and high appealing targets, Millennials are always under stress. To work to his best degree and to keep moving a Millennial expects some incentives from an organisation. These incentives keep the Millennials motivated and help them in forgetting the pressures which encourages them to work better in future. Human performance at work is affected by intrinsic motivation (Deci, 1976). In this regard, this paper tries to identify the main factors capable of affecting the performance of Millennials. It also tries to understand the preference of incentives by them.

### 2. OBJECTIVES OF STUDY

This research has various objectives which are divided into primary and secondary ones.

1. To find out the relationship between Motivation and Performance & Productivity of the Millennials.
2. To know about the different motivational factors (Financial & Non- Financial) and their preference by Millennials.
3. To determine the factors contributing towards increase in Millennials' performance and productivity.
4. To check the dependence and independence of these factors with a Millennials' performance.

### 3. RESEARCH METHODOLOGY

The study follows a systematic and scientific approach. The research methodology used here is descriptive in nature. This study is aimed to propose a model relating to several factors on which the performance at workplace depends and gain a further insight into the area and look at it with a new perspective. For this, a survey is conducted on 100 people of different organisations where they are working, the responses were taken and recorded using questionnaire. It had questions on the following categories:

1. **Bio-data:** to gain an idea about the sample demographics like age group, etc.
2. **Factors responsible for motivation:** Factors that the respondents believed are important to keep them motivated.
3. **Effect on performance:** The perceived effects of the factors on the work life and performance and productivity of the respondents.

Since this study is of descriptive nature and involved a survey, the data collected is primary and the sampling plan used is convenience plan. The data is collected from 100 respondents. Two highly dominated categories lie between the ages from 20- 25 years. These are the people who are considered to be full of energy and with the feeling of achieving something big and proving themselves. So for them motivation can work as magic pill and therefore is necessary. Out of the 100 respondents from whom data is collected, 45 are females and 55 are males.

#### 4. HYPOTHESIS

A research always starts with a presumption. The assumption is based on some variables under study. Prior to collection of data and while designing the questionnaire, the following variables were identified on the basis of which the hypothesis is framed and then it is to be tested to give conclusive proof about the relationships between these variables, if any. The variables are:

1. Increase in salary
2. Recognition and acknowledgement of work done
3. Regular opportunities
4. Job security
5. Support of coworkers

The study identifies dependent variable as the degree of motivation received at work place and the independent variables are the five factors listed above. On the basis of these variables, the following hypotheses are framed:

Ho<sub>1</sub>: There is no significant difference between getting increase in salary and performance at workplace.

Ho<sub>2</sub>: The factors recognition and acknowledgement and performance at workplace are independent of each other.

Ho<sub>3</sub>: The factors regular opportunities and performance at workplace are independent of each other.

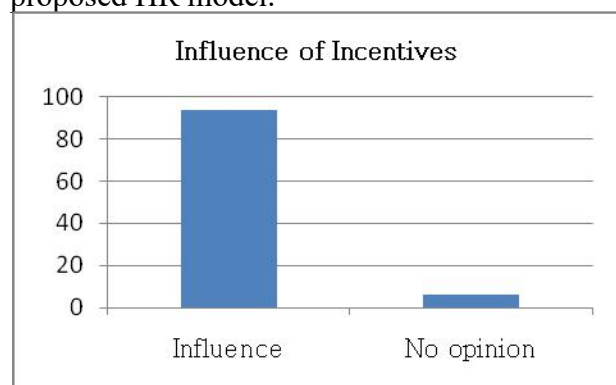
Ho<sub>4</sub>: The factors job security and performance at workplace are independent of each other.

Ho<sub>5</sub>: The factors support from coworkers and performance at workplace are independent of each other.

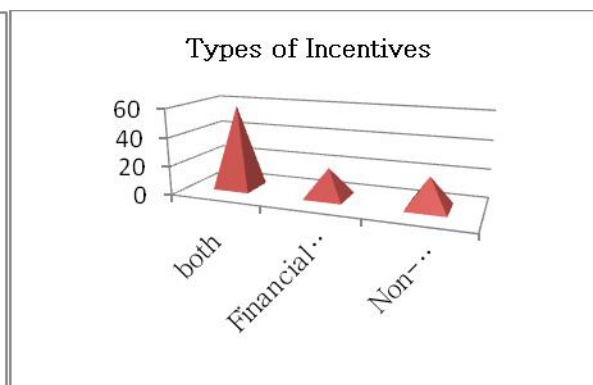
The idea here is to test the dependence of the different variables on the motivation at work for which chi square test is used.

#### 5. ANALYTIC PROCEDURE

While the data is analyzed several responses are taken and interpreted. Though very obvious the first question asked to the respondents was whether the incentives matter for them and actually affects the performance or not. The query seems to be very simple but this is the actual evidence of creating the proposed HR model.



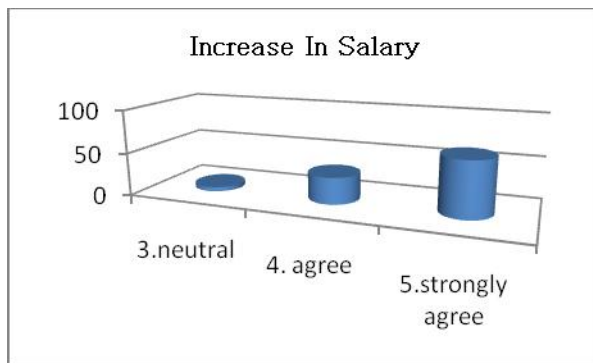
**Fig:1 Influence of incentives on respondents**



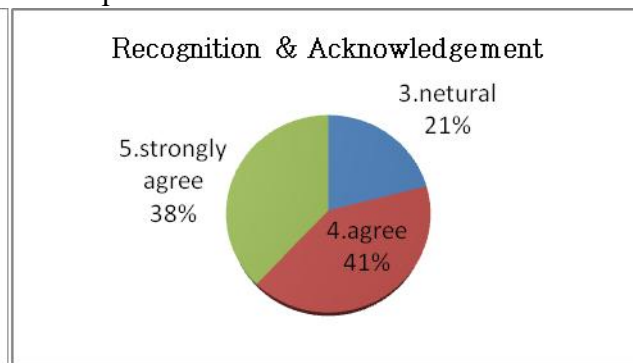
**Fig:2 Types of Incentives**

Fig: 1 shows that the majority of the respondents say that incentives do influence their working and productivity at their organisation. This itself is the strong evidence of the relationship between the

variables under testing. The respondents were first asked about the type of incentives they expect and through which their motivational level increases. Every organisation, whether small or big, aims to retain their employees and for this, whether frequent or less frequent, they time to time motivate their employees. As can be seen from fig: 2, these incentives which are given to employees can be financial or non financial. The above bar chart says that 20 % of employees wish to receive financial incentives as money is the only motivator which keeps them going while 21% believe in non financial ones. But the majority of them, around 59% of respondents believe that both the types are incentives are required to perform well and be more productive for the organisation. Responses about various factors identified were also taken from the respondents.

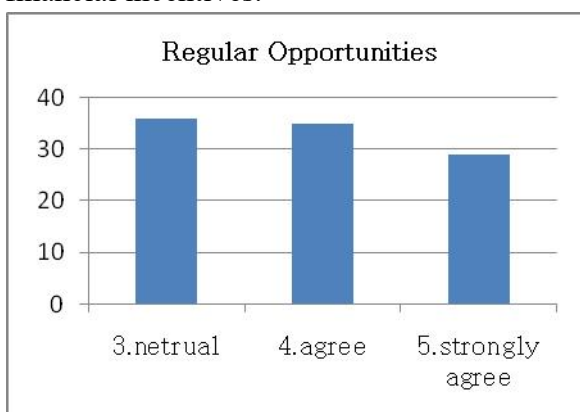


**Fig: 3 Increase in Salary**

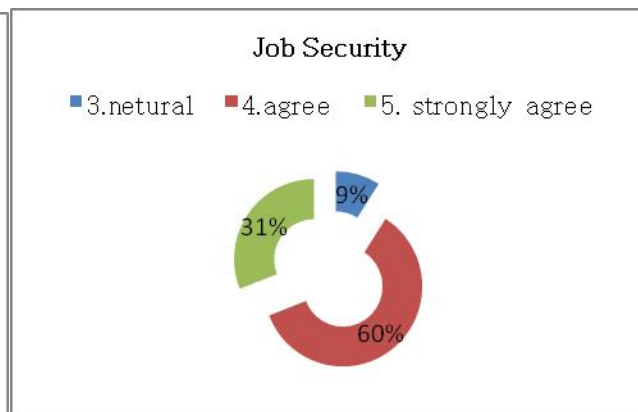


**Fig: 4 Recognition and Acknowledgement**

Fig:3 shows that around 61% people strongly agree that increase in salary is a very important factor to keep them motivated and around 31% people agree to the fact. There are zero responses in the disagreements. The above pie chart in fig:4 interprets that 41% people believe that this non financial incentive is important and the more or less equal number of people strongly agree. The very less difference between the percentage shows that the views of people are not that varied for non financial incentives.

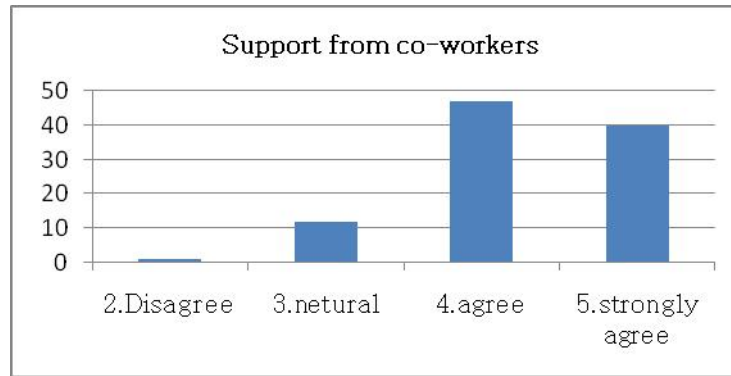


**Fig: 5 Regular Opportunities**



**Fig: 6 Job Security**

Very similar to the above interpretations, fig 5 also 36 and 35 respondents respectively are neutral and agree that regular opportunities keep them happy and boost them to work better. On another hand 29 respondents believe strongly about it which is the lowest count. Fig 6 proves that be it non financial, but the most important factor to be at the job is the security of doing it. The above two interpretations though proved that non financial incentives are not that much motivating but this factor Job security breaks all myths.



**Fig:7 Support from Co workers**

Last but not the least, this factor makes a difference. On one hand around 865 people say in favor that the support of co workers is a necessity to work in today's environment whereas this is the only factor where some disagreements are recorded. There is big variance and that too with a high margin. Analyzing the effect of motivation on workplace performance, there are various factors acting as motivators and are responsible for affecting the employees' performance. The important responsible motivators are: periodic increase in salary as a part of performance appraisal, recognition and acknowledgement for the work done, regular opportunities and challenges to be given, job security and getting support from co workers. Looking at all the factors, the responses show that the factors very closely affect the motivation level of employees which indirectly affect their productivity of the work. The inquisitiveness now is to know whether statistically performance is dependent of these factors or not. The test of chi square is applied among all the different factors to know the relationship between them

Considering the first hypothesis:

$H_{01}$ : There is no significant difference between getting increase in salary and performance at workplace.

$H_{a1}$ : There is significant difference between getting increase in salary and performance at workplace.

**Table: 1 Increase in salary and performance**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	4.423 <sup>a</sup>	6	.020
Likelihood Ratio	4.641	6	.591
N of Valid Cases	100		

a. The minimum expected count is .05.

The result above shows that the significant Pearson chi square value is 0.020. Comparing it with the level of tolerance, it is being observed that the sig value is less than 0.05. So according to the rule  $H_a$  is accepted. This proves that there is significant difference between the increase in salary received and the performance at workplace. The performance significantly dependent on the salary received. The next factor that is very crucial for any employee to stay at the organisation and feel happy for the work done is recognition received and the acknowledgement of the hard work put in. This motivates an employee to work in the similar or in the better fashion the next time.

Next hypothesis is:

$H_{02}$ : The factors recognition and acknowledgement and performance at workplace are independent of each other.

$H_{a2}$ : The factors recognition and acknowledgement and performance at workplace are dependent of each other.

**Table: 2 Recognition& acknowledgement \* effect on performance**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.971 <sup>a</sup>	6	.012
Likelihood Ratio	3.312	6	.769
N of Valid Cases	100		

a. The minimum expected count is .21.

The result above shows that the significant Pearson chi square value is 0.012. Comparing it with the level of tolerance, it is being observed that the sig value is less than 0.05. So according to the rule  $H_a$  is accepted. This proves that the factors recognition and acknowledgement and performance at workplace are dependent of each other. The performance significantly dependent on the recognition and acknowledgement received. An employee doesn't only want a same kind of work which makes the work monotonous. When the management shows trust in its employee and considers him worthy enough to give new work and new opportunities makes an employee believe that he is an important part of the organisation and keeps him motivated.

Another hypothesis is:

$H_{o3}$ : The factors regular opportunities and performance at workplace are independent of each other.

$H_{a3}$ : The factors regular opportunities and performance at workplace are dependent of each other.

**TABLE: 3 Regular opportunities and effect on performance**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	3.722 <sup>a</sup>	6	.014
Likelihood Ratio	3.926	6	.687
N of Valid Cases	100		

a. The minimum expected count is .29.

The result above shows that the significant Pearson chi square value is 0.014. Comparing it with the level of tolerance, it is being observed that the sig value is less than 0.05. So according to the rule  $H_a$  is accepted. This proves that the factors regular opportunities and performance at workplace are dependent of each other. The performance significantly dependent on regular opportunities obtained. The next and the most important factor is job security. The hypothesis for this is:

$H_{o4}$ : The factors job security and performance at workplace are independent of each other.

$H_{a4}$ : The factors job security and performance at workplace are dependent of each other.

**Table: 4 Job Security and effect on performance**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	6.931 <sup>a</sup>	6	.027
Likelihood Ratio	7.004	6	.321
N of Valid Cases	100		

a The minimum expected count is .09.

The result above shows that the significant Pearson chi square value is 0.027. Comparing it with the level of tolerance, it is being observed that the sig value is less than 0.05. So according to the rule  $H_a$



is accepted. This proves that the factors regular job security and performance at workplace are dependent of each other. The performance at workplace is significantly dependent on job security.

The last factor is the support from coworkers. An employee spends half of his day at his organization and so it becomes the second home. Any time of work becomes easier when the coworkers support and they are cooperative. The next hypothesis is:

Ho5: The factors support from coworkers and performance at workplace are independent of each other.

Ha5: The factors support from coworkers and performance at workplace are dependent of each other.

**Table: 5 Support from coworkers and effect on performance**

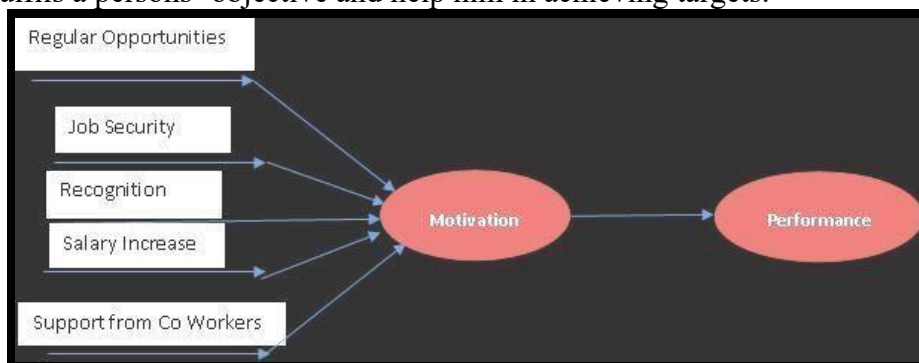
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8.205 <sup>a</sup>	9	.017
Likelihood Ratio	9.026	9	.435
N of Valid Cases	100		

a. The minimum expected count is .01.

The result above shows that the significant Pearson chi square value is 0.017. Comparing it with the level of tolerance, it is being observed that the sig value is less than 0.05. So according to the rule Ha is accepted. This proves that the factors support from coworkers and performance at workplace are dependent of each other. The performance at workplace is significantly dependent on support from coworkers.

## 6. THE MOTIVATION MODEL

The Clayton P. Alderfer's **ERG theory** (1972) compresses Maslow's theory of needs and asserts that there are three categories of human needs which if fulfilled makes an employee work to the best. These categories are existence, Relatedness and growth. The existence need includes all basic desires like food, water, clothing, shelter, love and affection. The other need is the relatedness which is a social need and believes that a person feels secure if he is with his loved ones, family and friends. The last and the most important need is the growth needs which makes a person productive and help him in completing all the works. According to Salanick, needs, job characteristics and job attitudes are components which are incompletely considered while talking about performance (Salanick & Pfaffer, 1977). This study is based on ERG theory and brings out some factors related to all the above needs which fulfils a persons' objective and help him in achieving targets.



**Fig:8 The Motivation Model**

The study formulates a model in line with the ERG model and filters out some specific factors fulfilling the different needs of a person which when sums up motivates an employee to work better and shows a heavy impact on his performance. Human beings are fundamentally and pervasively motivated by a need to belong, that is, by a strong desire to form and maintain enduring interpersonal attachments. (Baumeister & Leary, 1995). The above model takes care of existence need in form of job

security, relatedness need in form of support from coworkers and finally the growth need in form of opportunities received, recognition and acknowledgement given and regular opportunities accepted as challenges. The model hence proposes that the new age employee is majorly concerned with the financial need in form of salary to be achieved and non-financial ones to keep them boosted and motivated.

The Model proposes that the sum of varied weights of the factors mentioned above leads to at par performance of an employee.

## 7. CONCLUSION

The study reveals that there is a very strong relation between the performance of an employee and the kind of incentives being received by him. There is a strong influence of incentives on the work performance and productivity. Checking the results, majority of the Millennials believe the same, which deduces that a Millennial is highly affected by the incentives. Considering financial and non financial incentives, most of the Millennials believe in getting both the types on regular basis. There are various financial and non financial incentives which affect a Millennial, but there is no specific choice between the two separately received. The important ones that this study reveals are: increase in salary, recognition and acknowledgement, regular opportunities, job security and the support from co workers. The analysis reveals that majority of the Millennials say that salary is the main factor for their continuous performance. Recognition and acknowledgement for the work done at the organisation is the second highest chosen factor by them. Around 31% respondents say that even the job security and being stable at the workplace motivates them to work better for the company. Though new and challenging opportunities theoretically and psychologically considered as the best factor but in reality only 29% of the employees feel that it motivates them to work. Though working with the coworkers is the most important factor for any Millennial at the organisation, but only 46% just believe that it has to be there and help them in working better and achieving their targets though there are few disagreements also. Analyzing the above results, the study believes that financial incentives, salary and promotions are more important and preferred by any Millennial. Deducing the results of the chi square test, the study firmly believes that the performance of a Millennial is purely dependent on the five important factors mentioned above. The study proves that performance of a Millennial working for any organisation is dependent on the incentives and the motivating factors received at the workplace. This proves that there is a significant impact of motivation on performance.

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