

CHAPTER 2
LITERATURE REVIEW

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2.1 Documentation Extract:

Alimi Baba Gana and Fatima Bbkar Bababe (2011) proves in the article of "The effects of motivation on workers performance (a case study of maiduguri flour mill ltd. Borno state, nigeria.)" motivating workers sufficiently with relevance incentives as the only alternative towards workers performance to achieve goal and objectives of the organization and it is clear that workers performance of any sort is a function of incentive obtain from the organization and thereby improve and increase productivity. In view of that workers motivation matters a lot and should be concerned for both employers and the employees.

Mohammed Javed Kalburgi, Dinesh.G.P. (2010) in the article of "Motivation as a tool for productivity in Public sector unit" major finding that the employees were highly motivated due to good working environment and highly supported by supervisors to perform the task. Employees feel that their wages and salary are quite attractive. Under performers and non performers should be given more responsibility and different roles and responsibility should be given to them to make them perform well, and the consequence of non performance should be highlighted. All this help to improving performance eventually lead to high productivity.

Scott A. Jeffrey (2009) "Justifiability and the Motivational Power of Tangible Noncash Incentives" studies the motivational power of hedonic noncash incentives compared to the motivational power of an equivalent amount of cash. Results of this study, tangible noncash incentives led to better performance than the cash value of that reward even when participants stated a preference for cash. Firms must be careful in asking employees what incentives they prefer, because the preferred incentive may not be the one that leads to the best performance.

Wellington Didibhuku Thwala, Lydia Nthabiseng Monese (2008) in the article "Motivation As A Tool To Improve Productivity On The Construction Site" has objectives to identify the factors that promote positive motivational behaviour among construction workers as to improve production in the construction site. There are definite differences between different cultures as to how people can be motivated this also must be taken into consideration. Management should play an active and continuous role in managing on site motivational processes; employee's desired outcomes should be tied to performance and management should focus on eliminating performance obstacles.

James Houran, Keith Kefgen (2007) 'Money and Employee Motivation' this research consistently substantiates the effectiveness of financial incentives on job performance, although companies need to consider the issue of job quantity versus quality and also be aware of the limitations of financial incentives. Employees can have vastly different motives for acquiring wealth – including using money to fulfill psychological needs. Thus, it is not surprising that money alone is less an effective motivator for employees than when it is used in conjunction with non-financial reinforcements. Most employees in the private sector view the relationship between money and employee motivation...“Show me the money, show me respect and show me attention...or show me the door.”

Hemanta Doloi (2007) in the article "Twinning Motivation, Productivity and Management Strategy in Construction Projects" finds the preliminary study has concluded that the conducive work environment and incentivized employment contracts in the construction industry will increase employee output. A framework has been developed by establishing a benchmark of the critical motivational attributes found in current management practices. The framework facilitates devising appropriate schemes by incorporating socio-economic motivational factors in overall decision-making processes.

Fredrik Andersson, Clair Brown, Benjamin Campbell, Hyowook Chiang, Yooki Park (May 23, 2005) in the article "The Effect of HRM Practices and RandD Investment on Worker Productivity" find that there are large differences on the impact of human resource practices on labor productivity across levels of technological investment. Preliminary results indicate that firms with high levels of RandD investment and HRM systems with multiple ports of entry, performance incentives, and lower turnover have higher worker productivity than comparable high-RandD firms without these HRM practices. Similarly, firms with low RandD that implement HRM systems with performance incentives have higher productivity than low RandD firms without performance incentives.

Rob H. Kamery (Maui, 2004) states in the article 'Motivation Techniques for Positive Reinforcement'. The use of positive motivational techniques must be consistent and timely in order to be effective. Proper use of positive motivation is critical for managers in constantly changing business environment. How well managers use these techniques to motivate employees directly affects the productivity and efficiency that employees need to compete in business today. Companies with effective motivational programs continue to have the extra edge needed to stay ahead of their competitors and lead in their respective industries.

Giovanni Asproni (2004) states in the article "Motivation, Teamwork and Agile Development" that, Motivational factors are changing as per type of Industry, nature of Employment and current statues of achievement of employees. It noticed that managers tend to use most to motivate employees-salary, is listing in last position for software developers. The first ten motivational factors are Achievement, Possibility for growth, Work itself, Recognition, Advancement, Technical supervision, Responsibility, Relations with peers, Relations with subordinates and last is Salary. Of course money is important, but it becomes a strong motivator or de-motivator only when the availability is respectively very high or very low. Recognition are the rewards linked to achievement.

The rewards must be tied to performance and viewed as appropriate by team members. Recognition is a strong motivator for software developers.

Chris Ajila and Awonusi Abiola (2004) in their article "Influence of Rewards on Workers Performance in an Organization" has prime objectives what magnitude of performance variation can rewards both extrinsic and intrinsic induce taking into consideration the argument and counter argument on the consequences of tying reward to performance. Research shows that there exists a positive relationship between extrinsic reward and workers performance. That is when there is an increase in extrinsic reward like salary, allowances etc. given to workers, there is also a corresponding increase in workers performance. There is no significant relationship between intrinsic rewards and workers performance. That is the value that workers place on the intrinsic rewards like praise, recommendation that they receive from their employees is very minimal and this does not increase their performances.

Harold D. Stolovitch (2004), in this article 'Incentives, Motivation and Workplace Performance: Research and Best Practice' states Incentives impact objective attainment; help produce desired results. When incentives offered to teams, many targeted recipients unclear about individual roles or benefits. Incentives positively and strongly influence

- a. Workplace performance: quality and quantity.
- b. Value workers attribute to goal achievement.
- c. Emotional commitment to achieve goals and increase performance.
- d. Loyalty to the organization.

According to Jonathan Michie, Christine Oughton and Yvonne Bennion (2002) "Employee ownership, motivation and productivity" that the interrelationship of sound employee involvement practices with employee ownership has a positive effect on motivation and performance, in the context in which tax incentives were introduced for employee shareholding. It recognizes that productivity gains are more likely when share schemes 'are combined with modern management practices which promote active

employee participation'. There is positive relationship between Employee involvement, ownership, motivation and productivity.

Timothy M.Gardner, Lisa M. Moynihan, Hyeon Jeong, Park, Patrick, M.Wright (2001) "Beginning to Unlock the Black Box in the HR Firm Performance Relationship: The Impact of HR Practices on Employee Attitudes and Employee Outcomes" results suggest the relationship among empowerment enhancing HR practices, work attitudes, and turnover were most consistent with the theoretical model. These psychological states are theorized to impact both attitudes (motivation, satisfaction, and organizational commitment) as well as behaviors (performance, absenteeism, and turnover). The motivation index consisted of practices related to performance management, pay for performance, and promotion opportunities. Unexpectedly, it was negatively related to turnover in a way not mediated by attitudes.

Carla Valencia (1998) in their article "Motivation and Productivity in the Workplace" has the goal is to reveal what it is that motivates all employees to perform at their best and achieve optimal business results at all times. As per the source of information through questionnaire and survey of 20 employee and 20 managers gathered data was analysed using 't' test for two groups and using statistical tools. Research pointed out in the view of managers that the primary motivation technique was perceived as money followed by training and recognition. From the point of view of Employees, the motivating factors are identified as discipline, recognition followed by money, promotion. The best motivation technique was identified as esprit de corps being at the top followed by recognition and training and money. Proper motivation of employees is directly associated with productivity and with maintenance factors. Workers who are content with their jobs, who feel challenged, who have the opportunity to fulfill their goals will exhibit less destructive behavior on the job. They will be absent less frequently, they will be less inclined to change jobs, and, most importantly, they will produce at a higher level.

Jenkins, Jr, G. D., Mitra, A., Gupta, N., and Shaw, J. D. (1998) "Are financial incentives related to performance?" In this study found that cold-hard cash motivates workers whether their jobs are exciting or mundane, in labs and real-world settings alike. But the research team acknowledges that money is not the only thing that concerns employees – noting that beyond a certain point higher salaries will make employees happier, but it will not “buy” better performance.

Nelson (1996) found that money was not a top motivator, recognition was one of the most powerful tools of motivation. If the employee is not financially burdened, recognition of quality work may have more significant value than monetary rewards. Recognition is not just for the employee who did well. It also sends a message to other employees about the type of performance noticed in a company. Nelson notes things that managers need to do to motivate employees.

1. Personally thank employees for doing a good job, verbally, in writing, or both. Give praise often, sincerely, and in a timely manner.
2. Be willing to take the time to meet with and listen to employees as much as they need.
3. Strive to create a work environment that is open, trusting, and fun. Encourage new ideas and initiatives.
4. Provide information on how the company makes and loses money, upcoming products, and strategies for competing in the marketplace and how the person fits in the overall plan.
5. Involve employees in decisions, especially when those decisions affect them.
6. Provide employees a sense of ownership in their work and the work environment.
7. Recognize, reward, and promote people based on their performance. Deal with low and marginal performers so that they either improve or leave.
8. Give employees a chance to grow and learn new skills. Show them how management can help them meet their goals within the context of meeting the organization's goals.
9. Celebrate successes of the company, the department, and of the individuals in it. Take time for team- and morale-building meetings and activities.

McNerny (1996) states: "Motivating employees is a very challenging task because of the varying needs and desires that drive employees' behavior. No single theory can guide efforts to bolster employee motivation since they are not purely economic, social, political, or psychological beings."

As mentioned above, many researcher done study on motivational factors and techniques of motivation (on individual and both of Monetary and non-Monetary motivational techniques). The techniques and factors are changes as per changes in Industry type, nature, culture, scope, work type and also personnel. Some results states that monetary motivation i.e. money are more important than non-monetary motivation and vice-versa. Also the other motivational factors, techniques are describes. The productivity measures on the basis of total production, efficiency, employee retention rate, absenteeism and performance etc. The results are to be mostly contradictory of impact of monetary and non-monetary practices for workers and professionals, software industry, construction industry and government sector, and as like this impact of motivational reforms on performance is varies.

