

Motivation system in the company

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Abstract: The article presents the phenomenon of employee motivation. It discusses theoretical aspects of the issue and possible models of employee motivation. The subject literature was used for that purpose. Financial and non-financial elements of motivation were presented. The aim of the article is to analyze and evaluate the motivational system shaped in SME. An important aspect is the financial capabilities of the enterprise. The paper explains how motivation influences employee behaviour.

Keywords: motivation, human resources

1. Introduction

Businesses operate in a highly turbulent and competitive environment. In order to stay in the market, they have to introduce new management methods and take care of the employee so that the work they do is efficient. Therefore it is important to care about employee satisfaction [1]. Nowadays, there is no doubt that human resources are one of the most important resources of any company. One of the main tasks of managers is to provide the company with motivated employees. That is why various motivational activities are being undertaken. In today's reality, effective employee motivation is one of the biggest challenges. The success of the enterprise largely depends on the performance of the employee [2].

It is necessary to agree with R. Riggio that motivation has a direct relationship with better job performance [3]. Employee motivation is a long-term process [4]. The relationship between the leader and the employee is crucial, because a good relationship can have a motivating effect on the employee [5]. Leaders' actions are important because they motivate employees through the use of various tools [6]. They can influence the employee through the amount of salary or by using various non-wage techniques such as rewards or promotions.

2. The essence of motivation

The subject literature abounds in definitions of motivation system. Following J. Pence, a motivation system is a deliberately created system in an enterprise consisting of various types of tools for motivation [7].

According to L. Koziol and M. Tyrańska, a motivational system is an ordered set of tools and motivational factors which are interrelated and which form a coherent whole [8].

The selection of tools for motivation must be appropriately matched to the overall enterprise [9], while the tools applied to individual employees should be selected individually. It is recognized that employees feel motivated if the company provides them with the satisfaction of certain needs [10]. A need is defined as an internal state that makes certain outcomes of our actions highly desirable. It is the needs that drive many actions. If a need is not satisfied, a desire to satisfy it arises in a person. The stage of recognition of conditions allowing to satisfy the need begins. In the next stage there is an assessment of the degree of satisfaction of this need. In the case of a positive evaluation, the individual applies

particular solutions. If the assessment is negative, the individual starts searching for a new, more satisfying solution (see Figure 1) [11].

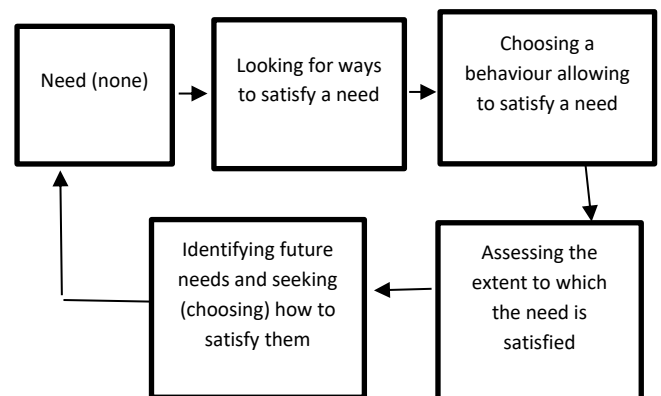


Fig. 1 Motivation scheme

The course of the motivation process and its results depend on the assumptions and motivation tools adopted by the enterprise. A properly developed system of motivation translates into a good work atmosphere that encourages an employee to work more efficiently.

All actions of an employee should be stimulated by a motivational system [12]. The motivational system should be in place in the enterprise already at the time of hiring an employee. A detailed explanation of the purposefulness of the actions taken by the company seems to be the priority issue. At a further stage it is important to create a clear career path for individual jobs. Most employees need motivation at work in order to feel valued and to perform their job well. For some employees money is important, while for others a non-wage motivation system is what matters [13].

At the level of enterprise management, motivation is related to the realization of managerial functions in human resources management. Effectively motivated employees should feel satisfaction from their work, have a sense of self-esteem and have the desire to take action for further development. It should be emphasized that motivation is the basic factor determining the efficiency of an employee during his performance of duties. A sense of self-efficacy also affects a job well done. Employees with high self-efficacy often set high goals for themselves, while those with low self-efficacy tend to set low goals for themselves [14].

3. Motivational tools

Work motivation can be varied. On the one hand, an employee is motivated by the work itself, which fulfills his expectations and needs. On the other hand - the company's management motivates the employee by using various tools. Hence motivation can be divided into:

1. Intrinsic motivation, which consists, among others, of: responsibility, freedom of action, opportunity to use and develop skills or possibility of promotion.
2. Extrinsic motivation, i.e. using a system of rewards and punishments.

The employee motivation system is based on three groups of motivational tools (see Figure 2) [15].

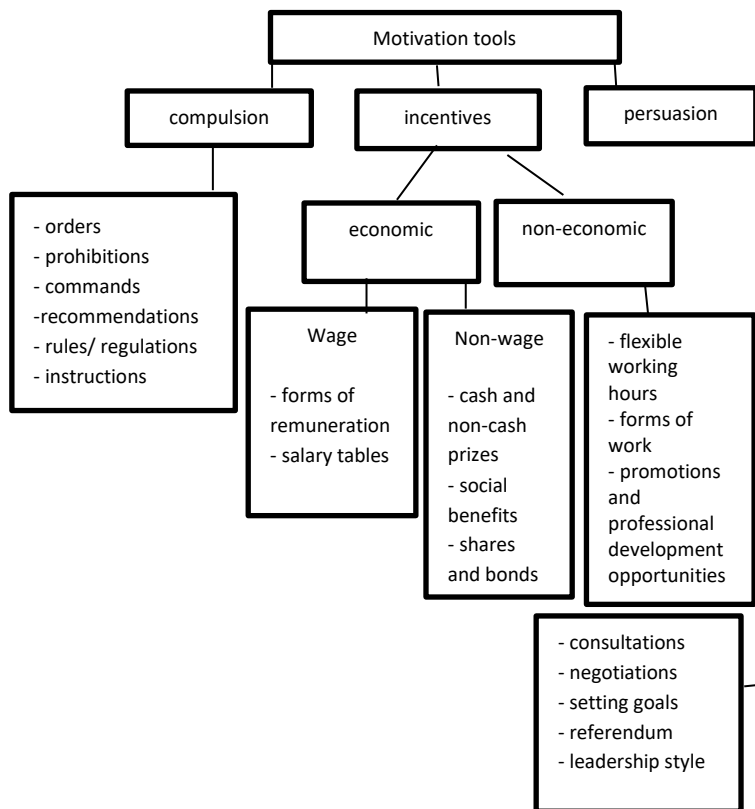


Fig. 2. Motivation tools

As can be seen from the above figure, the primary tools used to motivate employees are rewards and punishments. Therefore, motivation can be divided into positive and negative.

Positive motivation consists in influencing the employee with rewards, which can be: pay rise, bonuses, prizes, etc. As a part of positive motivation one can also mention the possibility of professional development. However, the managers have to be careful here so that giving rewards does not become a kind of norm. Employees need to know that they deserve a given award, which will motivate them to perform their duties better. The value of the awards granted is also important, as they should correspond to the involvement of a given person, his or her contribution to the work for the company.

Negative motivation is quicker and cheaper to apply than positive motivation. In this case the manager influences the employee through the feeling of threat and fear. In this way you can achieve the intended effects in a fairly short time, but it is a short-term activity, because it can contribute to lowering the self-esteem

of the employee. In the case of negative motivation it is worth remembering that after some time the employee may develop a negative attitude towards the employer. Remuneration, which may include tangible and intangible components, plays an important role in the employee rewarding system. The material components of remuneration include salary and bonus. The amount of the bonus depends in particular on the results achieved by the employee. Additionally, for effective work an employee can obtain additional material remuneration in the form of e.g. use of a company car or a laptop.

Intangible components of remuneration include psychological and social benefits which influence the employee in such a way that they feel appreciated and needed. Also the possibility of professional development and promotion are intangible components with which the management may influence the employee.

The last group of tools used to motivate an employee are persuasive means. Their task is to stimulate the employee to effective work through the mental sphere, based on a partnership between the leader and the employee. Such motivational tools have the form of appeal, consultation, persuasion, negotiation, suggestion or counseling. Their role increases as the level of education and qualifications of employees increases.

4. Research Methodology

Wage and non-wage motivational measures used in enterprises are the main subject of this article. The source of information were employees of companies operating in the Silesia region. The empirical research was based on a questionnaire survey. The questionnaire was preceded by a short introductory letter which ensured the full anonymity of the survey. The questions contained in the survey questionnaire directly relate to the objectives presented in the introduction of the paper. The questions contained in the survey questionnaire were of a closed type.

The aim of the research was to evaluate and analyze the motivational system applied by enterprises. The research was to provide answers to the questions:

- Is there a motivation system in the company?
- Have the employees been acquainted with the company's motivation system?
- Do employees have the opportunity to grow within the company?
- Which motivational tools most strongly motivate an employee to work better?
- What tools adversely affect employee motivation?

The survey was conducted among 114 employees. The first part of the questionnaire included questions about age, gender, education and length of service. Most of the respondents were women - 85%, while men constituted 15%. The majority of the surveyed employees had secondary education - 57%, the second group of employees had vocational education - 31%, and the least numerous group were employees with higher education - 12%. The most numerous group were people aged 41-50 years (46%), the second largest group were employees aged 31-40 years (33%), followed by respondents aged 21-30 years (16%) and 51-60 years (5%). In terms of the length of service, the largest group were respondents with between 5-10 years of service in the surveyed company (46%). 23% had between 11-20 years of work service and 31% had between 0-4 years of service.

5. Evaluation and analysis of the motivation system

According to more than 90% of the respondents, the motivation system was not clearly defined. Only for 8% of the respondents the rules were presented in an understandable way. This means that the

employees do not know clear rules of the motivation system in force in the company.

Based on the analysis of the survey results, a ranking of factors that most strongly motivate employees to work effectively was developed. The survey confirmed that employees are most motivated by high salaries (87%), performance-related bonus (18%), good atmosphere at work (33%), promotion opportunities (58%), development opportunities (44%), company car/laptop/phone (64%), passes to the gym (23%), medical package (77%), see Figure 3).

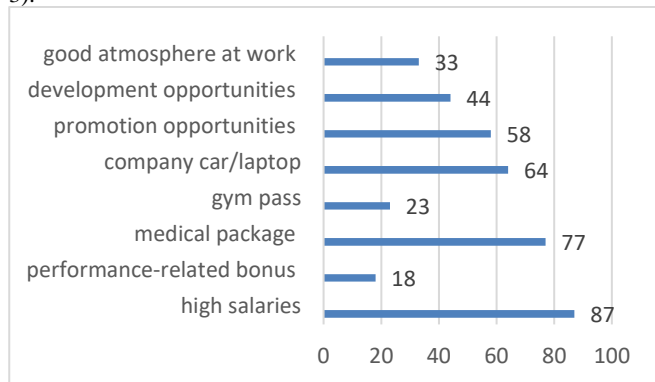


Fig. 3. Ranking of motivation factors as viewed by respondents in %.

Respondents were asked whether their employer motivates them to work? Only 34% of the respondents confirmed that they feel motivated to work more efficiently. The rest 66% do not feel motivated.

The managers have the possibility to motivate the employees through a variety of intangible factors. As the most motivating ones the respondents indicated: bonuses (47%), social benefits (44%), employment stability (40%), partnership relations with the staff (35%), tasks compliant with competences (17%) (see Figure no. 4).



Fig. 4. Factors motivating employees

At the next stage, it was examined whether the rules of granting rewards in the company are clearly defined. The analysis of the survey results confirmed that in the majority of companies no rewards are granted (52%). Among the rest of the respondents the opinions on the system of granting rewards were divided. 27% of the respondents believe that the granting of rewards is influenced by the superior's attitude towards the employee, only 21% admitted that it depends on their job performance (see Figure 5).

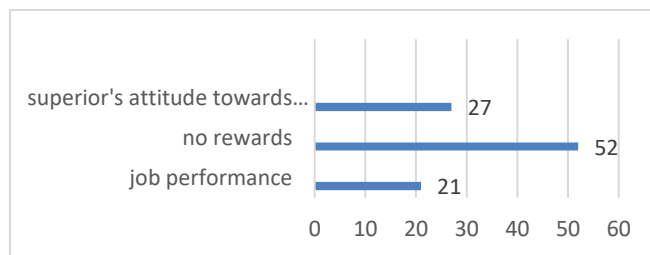


Fig. 5. Rules for granting rewards

Among the tools that have a demotivating effect on employees were: uncertainty of employment (47%), stress (61%), unfriendly atmosphere at work (33%), too low wages (87%), lack of opportunities for promotion (63%) (see Figure 6).

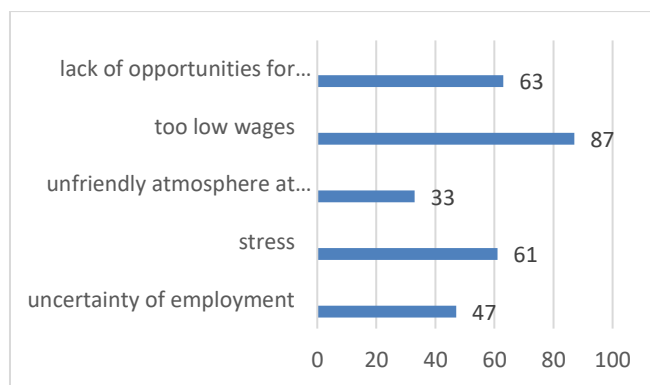


Fig. 6. Factors influencing demotivation of employees

6. Summary and conclusions

The results of the questionnaire research confirm that most of the employees do not know the motivation system operating in the enterprise. According to the surveyed employees the strongest motivation to work are such factors as: high salaries, good atmosphere at work, promotion opportunities, social benefits. The awareness of stable employment influences the employees equally positively.

The most demotivating factors mentioned by the respondents were: too low remuneration, lack of promotion opportunities as well as employment insecurity. It is noteworthy that as many as 61% of respondents considered stress at work as a highly demotivating factor.

The analysis of the survey results confirmed that there is a lack of clear rules in the company, which leads to the conclusion that leaders should work on the motivation system. This requires a lot of changes, but it is necessary, because in the current conditions the motivation system does not meet its basic objectives. Entrepreneurs should analyse the factors pointed out by the respondents. They should construct a motivation system in which the rules of motivation are clear and understandable. Only then the employee will feel motivated to work, which will translate into better results of the company and will increase its competitive advantage.

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