

Employee Motivation and Organisational Effectiveness: A Review of Organisational Practices

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ABSTRACT: *Employee motivation and organisational effectiveness go hand-in-hand. Managers needs to strike a balance between the two. Managers tend to consider organisational survival before employee motivation whereas a motivational and inspired work forces could sustain the organisation. Scientific managers regard money as the most fundamental factor in motivating the industrial workers to attain greater productivity, but rewards, are management tools that hopefully contribute to firm’s effectiveness by influencing individual or group behaviour.*

Emergent motivational methods from literature indicated that some of the methods employed by managers in effecting employee motivation include praise, training and economically oriented motivation. Ironically, while managers tend to think in terms of monetary rewards for motivational packages, several non-monetary packages abound which could be of mutual benefit to both the organisation and employees.

KEY WORDS; *Motivation, Employees, Organisation, Organisational Effectiveness*

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I. INTRODUCTION

Employee motivation and organisational effectiveness go hand-in-hand as there cannot be organisational effectiveness without a motivational workforce; nor a motivated workforce without an effective organisation. Managers are very mindful of this relationship between the two variables, hence demanding a right balance between the two variables. Studies have shown that a good understanding of motivation is valuable to the understanding of the causes of behaviour in organisation for predicting the effects of any managerial action and for directing behaviour so that organisational and individual goals can be achieved (Sakiru, D’Silva, Othman, Daud and Busayo 2013).

In motivating employees, managers are careful to ensure that motivational packages given to employees do not consume the entire profit generated by the organisation. It is expected that whatever is left after motivating employees would leave revenue substantial enough to keep the organisation afloat. Hence when employees demand for increased motivation, management considers this on the basis of the survival of the organisation, therefore organisation weigh employee motivation vis-a-vis organisational survival.

Revenue available to the organisation determines the extent to which the individual organisation could implement further motivational advancement to its employees. This means that without enhanced revenue, the organisation could hardly meet up with the demand for enhanced motivation. This fact was supported by Mescon et al (1981) when they argued that since man consciously and rationally strive to maximise economic gains and utility, a prime means of motivating him is by providing him with monetary incentives. Ahmed (2004) and Fanibuyan (2001) share the same view. Seeing that monetary incentives is preferred to all other motivational packages; but that the use of monetary incentives depletes the organisation’s financial capability, organisations adopt different methods in order to be effective without any ‘threat’ to their financial capability.

This study sets out to consider the various methods by which organisations embark on employee motivation to the satisfaction of all stakeholders without diminishing organisational effectiveness. We shall review the various organisational practices in the area of employee motivation with a view to determine a more preferred approach. All organisations are not of the same financial capability, hence cannot adopt same methods of employee motivation; but how do organisations motivate their employees within their financial capability without affecting organisational effectiveness? These are the salient issues to be treated in this study

II. DEFINITION OF TERMS

For the purpose of this study, the following operational definitions would apply:

2.1 Motivation: This refers to the inner drive in the individual, that makes him/her want to perform for organisational effectiveness. It is the ‘fire’ that ‘burns’ in the individual, propelling him/her towards higher productivity and achievements.

2.2 Employees: This refers to the people working in an organisation.

2.3 Organisation: This refers to the workplace, in which performance is required, in order to achieve the objectives of its founders, while compensating performance.

2.4 Organisational Effectiveness: This refers to a state of being, in which an established workplace performs as required and giving /producing expected results.

Any other terms not treated in this section would be defined as they arise.

III. LITERATURE REVIEW

3.1 Meaning of Motivation

Armstrong (2006) described motivation as the factors that influence people to behave in certain ways. It is a way of encouraging, influencing, inspiring and stimulating staff. It is a way of providing staff with a reason to work well. Motivation in terms of organisational behaviour is the elixir for turning on labour to work harder as buttressed by Sambo (2007) He is of the opinion that this description of motivation is mostly the case when theory of motivation is aligned with practice in the Public Service Management and more so when management objectively and conscientiously applies such principles in management situations

Sambo (2007) explained motivation as individual tendency to exert effort towards attaining organisational goals.

This definition is made up of three key elements; Exertion, Effort and Organisational goals

In other words, motivation is an internal drive to satisfy an unsatisfied need and to achieve a certain goal. This view of motivation reveals that in order to attain assured targets; individual must be satisfactorily energetic and be clear about their destination. In addition, it serves as a procedure that begins through a physiological or psychological need and that stimulates a performance set by an objective. It also shows that motivation is innate in an individual. It only arises when there is something to achieve and it has a nexus with human energy to perform

Hall and Schneider in Ahmed (2004) and Odimba(2006), have found organisational climate to have influence on motivation, productivity and job satisfaction. Organisational climate here represents the entire social system of a work group. It consists of the workplace itself and the treatment received from management. Employees feel that the climate is favourable when they are doing something useful that provides a sense of personal worth.

On the perception of promotion Vroom (1964) argued that promotion enhances motivation for an ambitious person, unlike for a person with strong work group attachment, or strong family relations that such a change in job tasks, salary, work group and transfer which promotion will cause. in a related study, Allan (1996) also confirmed the fairness of promotion as crucial in influencing motivation.

Employee motivation is one of the policies of managers to increase effectual job management amongst employees in organisations (Shadare et al (2009). Amotivated employee is responsive to the definite goals and objectives he/she must achieve; therefore, he/she directs his/her efforts in that direction. Motivation makes an organisation to be more successful because provoked employees are constantly looking for improved practices to do a work, so it is essential for organisations to persuade motivation of their employees (Kalimullah et al, (2010)

On fringe benefits, Michael H Mescon et al (1981) laid emphasis on the individual rational pursuit of economic objectives. They argued that since man consciously and rationally strike to maximise economic gains and utility, a prime means of motivating him is by providing him with monetary incentives. Ahmed (2004) and Fanibuyan(2001) shared the same view.

Job insecurity has also been found to be positively related to motivating an employee that sees that the management cannot just wake up and fire him overnight. He/she will be happy to take up such a job and be happy doing it. That is why majority of people prefer to work for government instead of private organisation where employee can be hired and fired at will. Allan (1996) and Ahmed (2004) have found that job security enhances motivation. In a related study conducted by Kahn (1996) on what workers want from their job, it showed that the most considered factor was steady wages (61 percent) as against high wages (28 percent). This shows that the middle level needs have to be satisfied not exceeded.

Motivation involves providing leadership for subordinates and require the ability to inspire them to put in their efforts in achieving the organisation's objectives, by creating good morale or working spirit among employees. The objective of an organisation can be achieved only through the efforts of people. In addition, people need to be motivated in an understanding way to put in their best. However, what motivates one person might not motivate another, and therefore for the best result, any manager should understand and, as far as feasible, get to know something about each of his/her subordinates. Any manager must endeavour to get the best from each individual members of his/her team or work group, and that might require motivating different members in different ways, while still motivating the team or group as a whole. It requires the building of a good "work environment" based on the spirit of trust and cooperation between Management and other personnel. The human resources manager-along with other managers has an important role to play in development and maintaining a good working environment

On social acceptance or team spirit, Elton Mayo (Cole 1986) in a study conducted in Chicago with team of six women in the western electric factory, found that the increase in production was made possible because the women were greatly motivated and felt that they were in an important team rather than just anonymous worker in a giant company. The emphasis in the Hawthorne studies was on the worker rather than on work; unlike Taylor and the scientific manager.

Praise is the most powerful way of feedback asserted Harvey (1992). He noted that the ideal way to give praise is in a way that reinforces the required action and this is a three-part process: the first thing is to describe the action that you want to praise, praise the individual or group and lastly give the reason for the praise. The purpose of these is to ensure that the action is repeated.

Training in itself can be motivating because training enables people to perform better in their jobs. When they perform better, they feel proud and fulfilled Allan (1996). In many cases, people feel proud in the fact that time and money has been spent on their training. It is a reflection of their worth to the organisation. However, O' Conner and Seymour (1994) believed that training should be an on-going process to be able to maintain motivation. The two other processes likened to training are coaching and mentoring. coaching is for employee that lacks skills; while mentoring is for employee with skills but new on the job.

Since motivation is all about finding out why people at their duty posts behave in the way they do in terms of their efforts and directions, the purpose of motivation therefore is to encourage employee to apply their efforts and abilities, in ways that will enable the organisation to realise its vision, mission and objectives. It is to ensure that individual gets satisfaction on the job. It is also geared towards achieving superior performance. It further increases personnel efficiency, professional growth, smooth and more effective organisation's operations and above all achieves sustained high level of performance.

3.2. Factors Affecting Employees' Motivation

No one works for free, nor should they. Employees want to earn reasonable salary payment and employers desire their workers to feel what they are getting, Sakiru, et al, (2013). Money is the fundamental inducement; no other incentive or motivational technique comes even close to it with respect to its influential value (Sara et al, 2004). It has the supremacy to magnetise, maintain and motivate individuals towards higher performance. Frederick Taylor and his Scientific Management associates described money as the most fundamental factor in motivating the industrial workers to attain greater productivity (Adeyinka et al, 2007). Research has suggested that reward now causes satisfaction of the employee which directly influences performance of the employee (Kalimullah et al 2010). Rewards are management tools that hopefully contribute to firm's effectiveness by influencing individual or group behaviour. All businesses use pay, promotion, bonuses or other types of rewards to motivate and encourage high level performance of employees (Reena et al 2009). To use salaries as a motivator effectively, managers must consider salary structure which should include the importance which the organisation attaches to each job, payment according to performance, personal or special allowances, fringe benefits, pensions and so on (Adeyinka et al, 2007).

Leadership is about getting things done the right way, to do that, you need people to follow you, you need to have them trust you. And if you want them to trust you and do things for you and the organisation, then they need to be motivated (Baldoni 2005). Motivation is purely and simply a leadership behaviour. It stems from wanting to do what is right for people as well as for the organisation. Leadership and motivation are active process. (Baldoni 2005). Empowerment provides benefits to organisations and makes sense of belonging and pride in the workforce. In fact, it builds a win-win connection among organisations and employees; which is considered an ideal environment in numerous organisations and their employees. Empowering can flourish virtual human capacities. Empowered employees focus on their job and work-life with additional importance and this leads to constant progress in coordination and work procedures. Employees execute their finest novelties and thought with the sense of belonging, enthusiasm, and delight, in empowered organisations. Adding up, they work with sense of responsibility and prefer benefits of the organisation to theirs. (Yazdani et al 2011).

Trust is defined as the perception of one about others, decision to act based on speech, behaviour and their decision. (Hassan et al 2010). If an organisation wants to improve and be successful, trust plays a significant role, so, it should always be preserved to ensure an organisation's existence and to enhance employee's motivation (Annamalai 2010). It can make intrapersonal and interpersonal effects and influence on the relations inside and outside the organisation (Hassan et al 2010)

3.3. Employee Motivation and Organisational Effectiveness

Employee satisfaction and motivation towards work refer to prospects of the employee about the organisation and his approaches towards his service (Ali et al 2009). Organisational effectiveness refers to locating targets and attaining them proficiently in spirited and energetic surroundings (Constant, 2001). A study was done to examine the relationship of organisational effectiveness and employee performance and motivation in the telecommunication and banking sector of Pakistan. A sample of 103 respondents was taken and Pearson

correlation was applied. The results showed that there exists significant positive correlation (0,287) between employee motivation and organisational effectiveness (Muhammad et al, 2011). The autocratic leadership styles, mechanistic design of organisation and authoritarian rules as practised in organisations in developing countries depict where decision making is concerned only at top management and employees are just given orders to accomplish different tasks. In these types of organisational environment, the employees may suppress innovativeness and hinder transparency which has a direct negative effect on organisational performance, growth and effectiveness (Constant et al, 2001). An internally satisfied, delighted and motivated worker or employee, is actually a productive employee in an organisation; which contributes in efficiency and effectiveness of organisation and lead to maximization of profits (Matthew et al 2009)

IV. EMERGENT MOTIVATIONAL METHODS FROM LITERATURE REVIEW

Our review of literature in the fore-going section, supported that there exists a positive relationship between employee motivation and organisational effectiveness. There was the indication that every manager should discover what drives each of the team member on, due to the principle of individual differences. This means, motivating different members in different ways, while still motivating the team as a whole. Some of the methods employed by managers in effecting employee motivation include the following:

4.1. Praise

This is regarded as a most powerful way of feedback to the employee to ensure that the action is repeated. By nature, human beings want to be commended for whatever is good, while nobody likes being associated with anything bad, hence, when the individual is commended for doing something good to the employer, it motivates the individual to repeat the action as many times as possible. A certain craftsman in a textile factory at Ikorodu, Lagos state; detected an imminent power failure in the factory due to his perception of the way their electricity generating plant was ‘‘coughing’’. He went to the main switch of the factory and started switching power off and on. That made ‘‘loaders’’ of fibre to stop loading fibre to the system; and before long, all the already loaded fibres flowed out of the system. Then the electricity generating plant packed up, without any molten fibre in the system. That action saved the factory millions of Naira that would have been spent in buying new ‘‘feeder lines’’ if molten thread blocked the lines when the generator packed up abruptly without warning. That craftsman was not only promoted to man the busiest shift in the factory, but written a letter of commendation by management. From that time onwards, all the workers in that factory have been looking for ways to assist management in order to get commendation letter. It must be stated herein, that the management of that factory used that letter of commendation in favour of that craftsman, when there was need to downsize the factory. It has to be stated that praise does not cost the organisation any money, but that the benefits derived by the organisation through praise cannot be quantified money-wise.

4.2. Training

Organisations use training to equip themselves with the required calibre of human resources. Training also ensures that the organisation has the right human resources doing the right jobs at the right time and place. But, unknown to many managers, participation on training sponsored by the employer is a kind of self-fulfilment and pride to the employee, therefore motivational. Cases abound of employees who spend over a decade in their organisation without any sponsorship for training. So, it could be a thing of pride to the individual, that he/she was recognised by the organisation; and organisational time and money spent on him/her. Apart from the fulfilment and pride in receiving training, the self-confidence derived from being well trained is very motivational. This is because, before the training programme, the employee could not do certain tasks. But, with training received, he/she becomes capable of performing functions which he/she could not do before the training event. This is very motivational to the employee, and increases the employee self-worth.

4.3. Economically Oriented Motivation

This kind of motivational approach includes all sorts of financial benefits received by the employee, either directly or indirectly. This includes benefits like: promotion to a higher salary grade level; financial rewards for job well done; bonuses; paid 13th calendar month; and subsidised staff bus. When the management of any organisation considers employee motivation as expensive, they do so in the area of economically oriented motivation. Their reluctance in this area is based on the perceived financial implications of such awards. But, since the purpose of motivation is to encourage employees to apply their efforts and abilities in ways that will enable the organisation realise its vision, mission and objectives; all of which make for organisational effectiveness; then financial awards should not be seen as ‘loss’ to the organisation.

V. FINDINGS FROM EMPLOYEE MOTIVATIONAL METHODS

The fore-going section indicated that managers in organisations apply the use of praise, training, and economic considerations in employee motivation. It also indicated that motivation engenders application of individuals' efforts and abilities in way that would contribute to organisational effectiveness. It could be inferred that managers do not often consider praise as a motivational factor. Every motivation does not require spending of money, but managers more often than not, think in terms of economic considerations. The fact that the Chief Executive Officer (CEO) of an organisation endorsed a letter of commendation to an employee is motivational enough and could add to someone's Curriculum Vitae (CV). Praise has a stabilising effect on the psyche of an individual, putting him/her on the 'side' of management. Managers should apply an all-encompassing approach to motivation which should always include the psychological side of motivation.

Training is often considered as expensive by many managers but they often fail to consider the following aspects of it: first, ignorance. If the manager considers training as expensive, then let him/her consider having a bunch of ignorant personnel in his organisation, in order to find out which is cheaper. Secondly, confidence. The trained personnel perform with confidence, hence using less time in doing the work and making less mistakes. Meanwhile, while the officer is producing at a faster rate with efficiency, he/she is having internal satisfaction for being provided with the wherewithal to perform in that capacity. The outcome of this scenario is grossly in favour of the organisation, which is enjoying relative organisational effectiveness.

In local parlance, we say that 'we use money to pursue money'. If the organisation does not want to spend money on motivation, then let it source for 'free' labour. There is no way an organisation can operate economically with 'free' (not 'cheap') labour. The organisation must pay for the services it receives from its personnel and if they are motivated, it has a beneficial long term effect.

VI. CONCLUSION

Employee motivation is a way of encouraging, influencing, inspiring and stimulating staff to higher productivity. The relationship between the Employer and Employee is that of 'give and take'. Motivation is a way of providing staff with a reason for working well; and one of the policies with which managers increase effectual job management. The individual may have things that personally motivate him/her but managers are bound to apply measures of universal application. A well thought out and implemented employee motivational measures, engenders sustainable organisational effectiveness. Ironically, managers tend to consider promotion as primary before thinking of any other form of motivation; yet this method proves to be more expensive than the others. Ordinary letter of commendation can do the magic.

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