



Determination of Factors that Affecting on Motivation and Assessing their Impact on Employee Performance

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Abstract

Theoretical studies indicate that the effect of motivation on organizational performance. The purpose of present study is to examine this relationship. The Research Sample includes employees and managers of a public institution (Water and Wastewater Company) situated in Chaharmahal and Bakhtiari Province, Iran. Five Motivational factors includes position, recognition, interesting jobs and success is measured, while eight hygiene factors salaries and benefits, working conditions, company policy, social status, job security, supervisor and work life has been evaluated. Results indicated that hygiene factors have a significant impact on performance, while, there was no significant relationship between motivational factors and performance.

Keywords: Motivation, performance, tenor Herzberg, motivational factors, maintenance factors.

Introduction

Sustainable development is concerned with meeting the needs of people today without compromising the ability of future generations to meet their own needs. Companies now realize that they have to develop a powerful social conscience and green sense of responsibility where corporate responsibility is not an altruistic nice to have, but a business imperative¹.

Work psychologists have long been interested to expose the reasons behind individual differences in motivation and job satisfaction. Even recently, various studies have examined how motivational factors correlate with job satisfaction^{2,3}.

Motivation and job satisfaction are often discussed side by side as it is expected that the extent that an individual is satisfied with his/her work directly depends on the presence of some motivational factors such as pay, bonus, perks, and other circumstances that motivate him/her¹. The rationale behind current theories of motivation and job satisfaction is to provide a framework for organizations to be able to influence their employees, to motivate and increase the level of their enthusiasm about their job⁴.

Many studies focusing on organizational behavior have given extensive consideration motivation and employee job satisfaction. All these variables are interdependent on each other. Simply the association between motivation, job satisfaction and organizational performance can be viewed as: Motivation can be elaborated as what individuals strive to achieve better. However, not everyone gets motivated by the identical factors. Someone may get motivated by or satisfied by achieving higher authority and responsibility where some other person merely needs flexibility in work schedule, or someone

may be motivated by sense of accomplishment⁵.

Although theories of job satisfaction have been extensively studied, researchers pay less attention on the impact of Herzberg's two factor theory, Hygiene factors and Motivation factors on performance. Further, it seems very rare to find a good empirical study with respect to job satisfaction and performance of employees in Iranian firm's context. This is the research gap that will be addressed in this empirical study.

Literature Review: Motivation is what people desire to do, the inducement or incentive. The term motivation also can be referred to what makes people tick or the needs, fears and aspirations within people that make them behave as they do currently⁶. Bartol and Martin⁷ have classified the motivation theories into three major categories: needs theory, cognitive theory, and reinforcement theory. The two most famous theories are Maslow's hierarchy of needs and two factor theory.

As pointed by Vroom⁸, the word "motivation" is derived from the Latin word "*movere*", which means "to move". Motivation is an internal force, dependent on the needs that drive a person to achieve. Schulze and Steyn⁹ affirmed that in order to understand people's behavior at work, managers or supervisors must be aware of the concept of needs or motives, which will help "move" their employees to act. According to Robbins¹⁰, motivation is a needs-satisfying process, which means that when a person's needs are satisfied by certain factors, the person will exert superior effort toward attaining organizational goals¹¹.

Two-factor theory or Herzberg's¹² motivation-hygiene theory, developed by Frederick Herzberg introduced the two factors namely "Motivators" and "Hygiene", which lead job satisfaction

at work place. Motivators include recognition, achievement, possibility of growth, advancement, responsibility, and the work itself. On the other hand, hygiene factors include salary, interpersonal relations at work, supervision, company policies and administration, working conditions, factors in personal life, status, and job security². According to Herzberg, the presence of motivators brings job satisfaction and the lack of hygiene factors results in job dissatisfaction. Moreover, the presence of hygiene factors does not result necessarily in increase of job satisfaction, but only reduce or eliminate job dissatisfaction of the employees⁴.

Previous studies generally found that job satisfaction is associated with salary, occupational stress, empowerment, company and administrative policy, achievement, personal growth, relationship with others, and the overall working condition. It has been argued that an increase in job satisfaction increases worker productivity^{13,14}. As mentioned by Dunnette, Campbell and Hakel¹⁵ and Robbins¹⁰, job satisfaction is an emotional state in which a person perceives various features of his/her work or the work environment. Therefore, job satisfaction has a major effect on people's lives. Locke¹⁶ indicated that job satisfaction most commonly affects a person's physical health, mental health and social life. Moreover, Rain, Lane and Steiner¹⁷ wrote that job satisfaction is connected to life satisfaction, whereby people who are satisfied with their jobs

will tend to be happy with their lives as well, and vice versa. Coster¹⁸ supported the view that work can have on people's lives¹⁹.

Conceptual Model: The model or the construct used in this empirical study is Herzberg's Two Factor Theory. Based on our Model, there are two research hypotheses for this paper. The first research hypothesis is to determine the effect of motivation factors on performance. The second research hypothesis is to assess the effect of hygiene factors on performance.

Research Methodology

Both descriptive and inferential statistical methods are used in this empirical study in order to analyze the collected data. Descriptive statistical methods are used to summarize and describe the collected data while inferential statistical methods are employed to answer the research questions.

The population for this research study is composed with employees of a public institution (Water and Wastewater Company) situated in Chaharmahal and Bakhtiari Province, Iran. The total population of this research is 130 persons. Therefore, using Cochran formula, sample size determined as 42 employees.

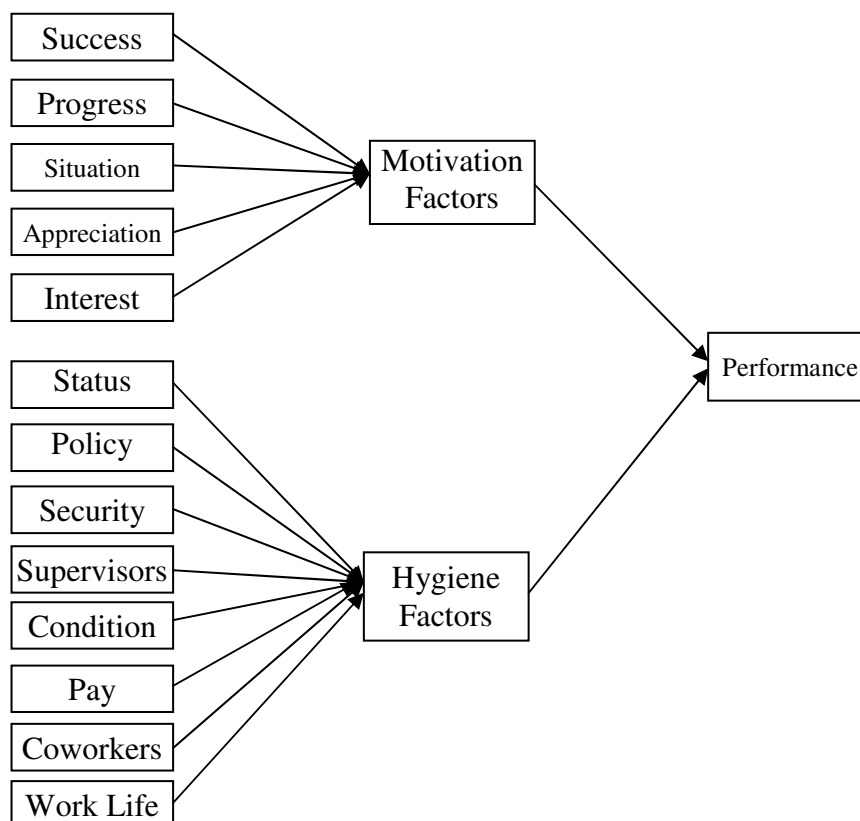


Figure-1
Research Model

Data Collection Method: The method that will be used to collect primary data is questionnaire. The questionnaire included a series of statements and the respondents were asked to indicate their degree of agreement with each statement. Responses were scored on a five-point scale: 1 for "strongly disagree", 2 for "disagree", 3 for "neutral", 4 for "agree", and 5 for "strongly agree". All questions used in the survey pertaining to determinants of job satisfaction were derived from Ewen, Smith, and Hulin²⁰, Graen²¹, Sergiovanni²², House and Wigdor²³, Lindsay, Marks, and Gorlow²⁴, Maidani²⁵, Pizam and Ellis²⁶, Klassen, Usher, and Bong²⁷, and Tang et al.²⁸ and then translated to Persian. A reliability test was performed to check the consistency of the measurement scales. Table 1 show that the results of Cronbach's coefficient alpha were satisfactory (between 0.70 and 0.84), indicating questions in each construct are measuring a similar concept. As suggested by Cronbach²⁹ and Nunnally³⁰, the reliability coefficients between 0.70–0.90 are generally found to be internally consistent.

Table-1
Testing reliability with Cronbach's coefficient alpha

| Items | Number of items | Cronbach's alpha |
|-------------------|-----------------|------------------|
| Success | 3 | .81 |
| Progress | 2 | .72 |
| Situation | 3 | .88 |
| Appreciation | 3 | .76 |
| Interest | 3 | .89 |
| Status | 3 | .82 |
| Policy | 3 | .72 |
| Security | 3 | .79 |
| Supervisors | 3 | .71 |
| Condition | 2 | .68 |
| Pay | 3 | .77 |
| Coworkers | 3 | .75 |
| Work Life Balance | 2 | .70 |

Results and Discussion

The demographic profile of the employees who responded to the survey is summarized in Table 2. In terms of gender distribution, from 42 respondents, 29 are male (65.9%) and 15 are female (31.4%). The majority of the respondents are between 26 and 35 years old (61.4%), and only one is over 45 (2.3%).

As shown in table-4, one paths test statistics are significant, suggesting that one of two hypotheses are supported. The coefficient between hygiene factors and performance is 0.48, suggesting a significant positive relationship between the two.

The strength of the relationship is high. The coefficient between motivators and performance is 0.14, suggesting no directed significant relationship exists between two variables.

Table-2
Demographics of the study subjects

| Demographic characteristic | Frequency (%) |
|----------------------------|---------------|
| Gender | |
| Male | 29 (65.9) |
| Female | 15 (31.4) |
| Age | |
| 18-25 | 3 (6.8%) |
| 26-35 | 27 (61.4%) |
| 36-45 | 13 (29.5 %) |
| ≥ 45 | 1 (2.3%) |
| Education | |
| High school | 3 (6.8 %) |
| 2-Year college | 5 (11.4 %) |
| 4-Year college | 27 (61.4 %) |
| MA or MSc | 9 (20.5%) |
| Experiences | |
| ≤ 5 | 8 (18.2 %) |
| 6-15 | 29 (65.9 %) |
| 16-25 | 7 (15.9 %) |
| ≥ 25 | 0 (0 %) |

The overall model fit indices of the structural portion of the model are summarized in table 3. Table 3 shows that all the fit indices meet or close to the required level. For example, the CFI, GFI, χ^2/df and NFI are all above the cutting value of 0.90 (Brentler, 1990). Both RMSEA and RFI slightly exceed the threshold requirements, suggesting overall model fit of the structural model is good.

Table-3
The fit indices of the structural model

| Model Fit indices | Value | Fit guidelines |
|-------------------|-------|----------------|
| χ^2/df | 2.41 | 2.0 - 5.0 |
| RMSEA | 0.11 | < 0.1 |
| RMR | 0.09 | < 0.1 |
| CFI | 0.91 | ≥ 0.9 |
| GFI | 0.92 | ≥ 0.9 |
| NFI | 0.92 | ≥ 0.9 |
| RFI | 0.89 | ≥ 0.9 |

Table-4
Summary of the hypothesis testing

| Hypotheses | Path | Std. coefficient | P | Result |
|------------|--------------------------|------------------|-------|---------------|
| H1 | Hygines→Performance | 0.48 | 0.003 | Supported |
| H2 | Motivators → Performance | 0.14 | 0.232 | Not Supported |

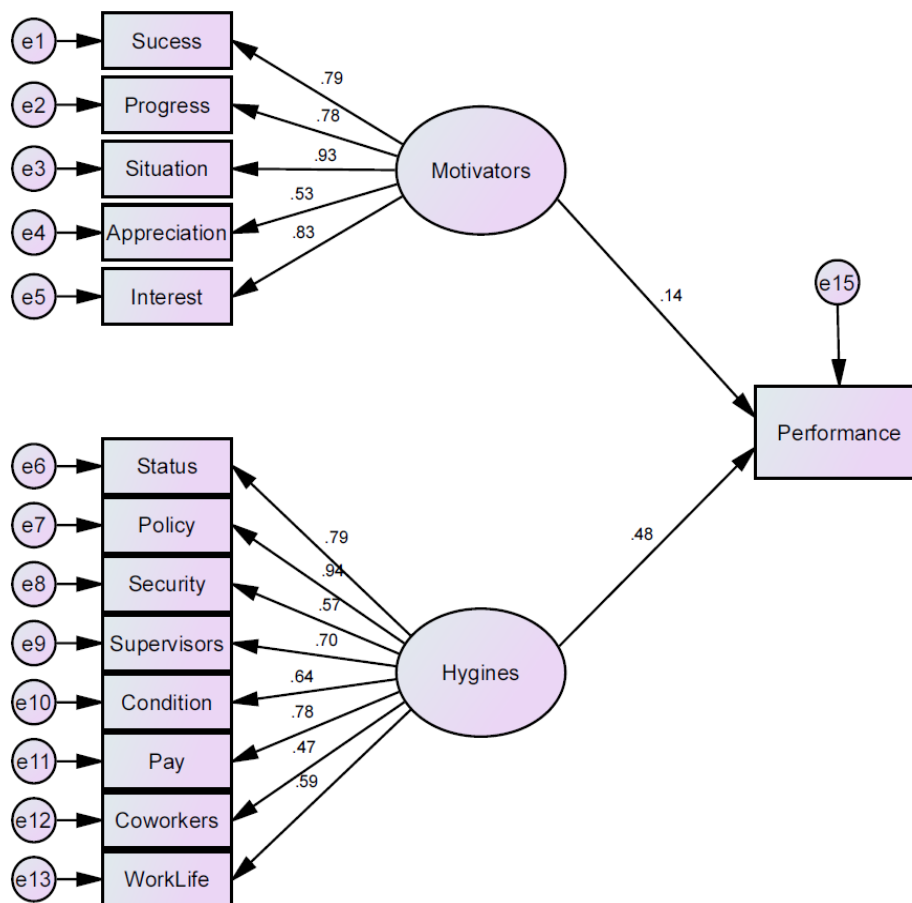


Figure-2
Final Model

Discussion: There are a few researches on the relation between job satisfaction and organizational performance. Thus, the main objective of this study was to determine the impact of motivational and hygiene factors on performance in Water and Wastewater Company situated in Chaharmahal and Bakhtiari Province, Iran. For this purpose, a 44 person sample of the employee determined using simple random sampling, estimated by Cochran formula. Two hypotheses were investigated in this study.

The analysis performed in the previous chapter showed that motivational factors have not a significant impact on organizational performance while hygiene factors showed a significant impact on organizational performance. Regression coefficients were found between the hygiene factors and organizational performance is 0.48, which indicates a linear, positive and strong effect of hygiene factors on organizational performance.

Conclusion

Herzberg theory, widely used in management literature. In their research, Kazemi et al.³¹ aimed to investigate the effects of job motivations, satisfaction, and experience on organizational

commitment. Hussami, Murray, Cano and Miller, Loke, Yoon and Thye³² concluded that job satisfaction affects organizational commitment and performance. Cano and Miller investigated the effective factors on job satisfaction and concluded that depression, absenteeism and chaos in work place is a consequence of job dissatisfaction. Also aghaei et al.³³ and Kazemi et al.³⁴ apply Herzberg theory to investigate about job Satisfaction and customer Satisfaction.

The results of this study confirm that Water and Wastewater Company situated in Chaharmahal and Bakhtiari Province, can improve its performance by paying attention in hygiene factors. Therefore, it is recommended to Regional Water Wastewater Company Management, has shifted their main focus on the hygiene factors and tries to bring these factors to the desired level to prevent employee dissatisfaction and improve their level of performance.

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