

THE EFFECTS OF MOTIVATION ON EMPLOYEES PERFORMANCE IN ORGANIZATIONS

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ABSTRACT

Society since ancient times faced with a weak involvement of human resources in organizations. Therefore motivating employees became today an important objective for organizations that want to remain viable on the market today. Motivation of human resources in the organization will bring extra performance to the manager that hopes to reach the organization's goals.

Keywords: *motivation, management, human resources, strategic management*

perspective to associate the most talented and recommended successor [Bălan, Andreiana, Popescu, Stoica : 263].

Fulfilling proper function of the manager assumes this practice by an appropriate driving style, motivating subordinates differentiated and exciting, and establishing and maintaining communications with them. These

Introduction:

All the time attempted to explain what motivates people to work. The answer to this question is important because it is obviously good to understand what influences people's behavior. However, isn't the only reason for the great interest in the subject of motivation? Managers looking for ways to motivate employees because they claim that motivation can lead to some positive results for a company. Therefore the manager standing between the concerns of experts to form, identifying special qualities, but also for those of a leader allowing

elements form the essence of leadership, which is the driver's ability to obtain performance of his subordinates individually, in groups or scale organization [Ștefan, Dogaru, 2012: 65].

Motivation is defined as all internal and external driving forces that makes the individual to perform an activity, what determines the limits and forms of activity and which give it its activities oriented towards achieving certain goals [Duică, 2008: 142]. The question is whether the motivation really has an influence on people's performance at work. Research shows that indeed there is a relationship between motivation and performance [Deci & Gagne, 2005].

However, motivation and performance cannot be treated as equivalent phenomena. Effective realization of a task is not only of motivation, but also other factor. The picture that emerged from his studies have suggested that even if people are motivated cannot do performance, if not possessing the skills to perform the task. Motivation and skills are equally important. More means earning from people by increasing their capacity are highly motivated to achieve pregnancy than those who are not motivated. It used existing data and indications described the relationship between motivation and performance as a function inverted U (Figure 1).

In other words, the performance is not growing, when the level of motivation is increasing. The highest level of motivation does not result in the highest performance, especially when the task is difficult. In fact, extremely high levels of motivation decrease performance than at a moderate level. This relationship is explained in two ways:

- the first assumed that a high level of motivation reduce cognitive field.
- second suggests that people motivated are afraid of failure and this result leads to lower performance.

Many factors could reduce employee performance, such as practices restricted by their superiors the limits company policies and the physical working environment - lighting, temperature, noise or availability of materials [Hall, 1994; Baron, 1994 quoted in Pinder 1998].

Limitations of human performance are an important topic. However, it seems that there are several studies that seeks the answer to question what can positively influence employee performance. Organizations often use incentives to motivate their employees. Meta-analysis of the effects of incentives on performance at work carried presents some interesting findings. It was found that the average effect of all incentive programs in all work settings increase performance by 22%. This means that incentives can significantly increase performance but the authors argue that they should be implemented carefully.

It indicates that some things are better than others to increase performance. For example, if we consider the stimulus programs, they lead to better performance of employees if the mechanism from program includes the competition among employees to earn a bonus. Another important feature of the stimulation programs is their length. Long programs increase performance more than short programs. One of the biggest differences between levels of performance was between incentives offered by team and individual incentives. Incentives for team had a much stronger effect on performance than individual incentives.

Finally, the incentives have significantly less impact if they are used to force people to do something than to make people make them work in a smarter way or to be more persistent the work that those people began already. It shows that monetary stimulus led to greater performance than non-monetary incentives [Condly, Clark, and Stolovitch, 2008].

Successful management product by motivation shows an important fact that may explain the relationship between performance and motivation. People have different goals in their lives. Therefore, for some reason it affects people differently performance. There are employees who are extrinsically motivated. They fall into two types:

- maximize revenue and asylum status. The maximize income are only interested in making money for consumer goods and considers the job an unpleasant duty.
- applicants seeking comparisons social status. Work for them is a tool to win "positions" on their status.

Employees are also intrinsically motivated. There are three groups characterized by specific features. Those loyal personal identifying with corporate objectives for which they work. Formalists are focused on existing rules and procedures in a company, while autonomists are pursuing their own ideology. The definition of these types of employees helps us to predict what kind of motivators are most effective in improving the performance of individuals. As an example, performance-based pay increases maximizes performance, especially when paid with money than with fringe benefits. Condition to be satisfied is that employees see a clear relationship between compensation and performance.

Applicants' status may also be motivated by salary, as long as distinguished from others. In their case, the compensation must not be in the form of cash. They would rather prefer other benefits that directly show their status. Loyal can understand this kind of satisfaction as a signal that their work is considered by society as inadequate. Formalists may feel that the company is trying to change the way they work.

Finally, autonomists would lose their intrinsic motivation because their concept of self-satisfaction at work is questioned. Non-financial rewards must be appropriate for all employees. Autonomists may feel that manager is trying to attraction organisation and formalists cannot appreciate praise because they "just doing their job." For other employees, autonomy would be an effective way to increase their efforts. Characteristics of types of employees presented here suggests that people have different expectations and desires at work. Some rewards can be really rewarding for them, but others are rather seen as negative factors affecting their performance [Frey & Osterloch, 2002].

The question that arises at this point is whether monetary ways to motivate people are better than non-monetary ways. If they are not, then what are the best ways to motivate non-financial? These issues are widely discussed by many researchers and professionals and seem to bring more opposing views. This is why it will be shown separately below

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Financial motivators versus non-financial motivators

The overall picture of the content and process theories bring some important discoveries. Definitely there is a motivation influence on employee performance. Motivation can be described as intrinsic and extrinsic. Some factors are more motivated than others. Researchers have worked hard to find out which ones are the best motivators. The most frequent factors that are considered come from two categories: financial and nonfinancial incentives.

Money is a motivating factor that satisfy a lot of needs. Is a factor that is essential for life and is necessary to meet basic needs for survival and security? Greater needs, such as self-esteem can also be satisfied by it.

Money allows people to buy things that show their status and create a visible sign of appreciation. In other words, money is a symbol of many goals intangible which makes them a powerful motivator. Some credible studies confirm that, in fact, money is a good motivator, while others, equally credible neglect this.

Another study shows the importance we pay to motivate employees found that money is not a motivating factor for everyone and not in any circumstance. However, an important factor for most people. Money is more important to the current elections people than in their answers to the question about the importance of money as a motivator. That could lead to an underestimation of financial rewards as being one of the motivating factors in the workplace.

A comparison of surveys where respondents were asked to place the factors that motivate the research on actual behaviour shows that people put money in fifth position while the actual conduct money are almost always the most effective motivator. One explanation is that respondents tend to give the answer that is desired. If they are asked what motivates other people, the most frequent answer is money. Similarly, if respondents' role is to assess the attractiveness of jobs, they often choose jobs that are characterized by higher levels of salaries.

The results indicate that if people are asked indirectly about the importance of money as a motivator is much higher rank than if question is posed directly. Money are still the most important motivator for employees, which makes it work well in the company. Intrinsic rewards motivates directly, but after a certain point of his career, money seem to have greater importance.

Long-term incentives are less effective than short-term performance based on incentives. This is the result of associated risk and uncertainty about the future that comes with long-term incentives. In summary, these examples show us the importance of money as a motivator. Some of them indicate the circumstances in which money can be underestimated, while others try to define the conditions under which money plays the most important role. Researchers around the world have shown that there are three reasons nonfinancial (praise from managers, manager attention, a chance to lead

projects or working groups) are motivating more efficient than the three rated financial incentives (cash bonuses, increased basic salary, and the option shares).

The first non-financial motivator, which plays an important role in shaping employee behaviour is the design of the workplace. Hackman and Oldham in 1975 introduced job characteristic model (Figure 2). The essential point of this model is that the "presence of attributes of jobs increases the likelihood that people will find job as important, will experience the responsibility for the results, and will have knowledge reliable the results of their work" [Oldham & Hackman , 2010].

The job as a core characteristic of the theory presents three psychological states (meaning work experience, experienced responsibility for the results of the work, knowing the actual results of work activities) and they narrated by characteristics of the workplace and personal results. If employees make work experience to be significant, they are responsible for the results and have knowledge about their work as a result of their motivation to do better [Hackman & Oldham, 2010]. Features that deliver improved job performance of employees will bring intrinsic rewards.

First, employees should receive meaningful feedback to evaluate their performance. Secondly, jobs must apply using skills that value employee - will lead to the sense of achievement and growth. And thirdly, employees must have a control on setting their goals - which will bring the feeling of self. To summarize, we can say that the design well-done of jobs is significant for employees. This improves workers' morale and positively influence their productivity leading to better overall performance of a company.

The job can become loved by involving employers in solving employees' problems leaving them to plan, organize and control the work they do. Level of responsibility and freedom given employee is closely related to leadership style that characterizes his superior. Leadership style of managers should be compensated with own style of team. Combinations of two variables (about the task and about relationships) were used for group leaders.

The combination of successful leadership styles with styles of team leads to higher productivity. The reason for this could be that leaders' behavior affects employee welfare. A low fit between employees' motivation and the support of the leader could lead to a decrease in employee welfare. Moreover, the wrong style of supervision can lead to undesirable behavior

of employees, such as absenteeism from work. How managers behave is not the only important factor. Also, the way he communicates with employees seems to play an important role.

Communication between superiors and subordinates is a strong predictor of job satisfaction of employees. Also, a language used by leaders can influence their subordinates motivation at work. In conclusion it can be seen from the examples of research on the influence of management style on motivation, how managers treat subordinates act and can significantly increase their performance.

Another tool often used to motivate employees is recognition. Indeed, this may be a strong building which affect the performance of men. The employee not only wants to know how well fulfilled, but also wants to feel that his effort is appreciated. Recognition is a reward for employee performance, which is defined as a confirmation, approval and appreciation of the real (praise, not fake) "[Luthans & Stajkovic 2000, p1]. There are several ways that may arise recognition. It can be a verbal or written praise, formal or informal, public or privately managed. Recognition is really a positive influence on employee motivation. A motivational function of the recognition can be explained by argumentation theory and social cognitive theory. Recognition refers to the actual achievements and reward them immediately after implementation [Armstrong & Murlis, 2004].

Pool Maritz study (www.maritz.com) conducted in 2005 on 1,002 employees showed that managers do not meet employees' needs on recognition. The most commonly used form of recognition is a verbal praise.

The results show that only 50% of employees wish to receive it and 40% would rather praise written. Personality could be an important factor that makes people's preferences about the form of recognition. Some people may be proud to be honored in front of the general public, while others may simply be embarrassed.

The main and most important finding of this study is that a large part of of employees agree that recognition motivates them and affect their performance. In summary, recognition can be a powerful tool used to motivate employees. It is desired by employees and significantly increase their performance. Some authors [Luthans & Stajkovic, 1999] suggests that social rewards, such as recognition may affect employee performance to the same level as payment.

CONCLUSION:

The approaches presented shows that there is no clear answer to the question what kind of motivators are the best to increase people performance. There is strong support for addressing in which the money are priority and are an economic factor motivating of human. On the other hand, there are opinions that do not agree entirely with this model saying that money does not significantly affect people's motivation.

Finally, there are opinions that do not focus on money at all. Instead they put interest and effort to analyze other reasons. The findings show the importance of leadership style and language used by leaders in increasing the performance of subordinates. Designing job is a crucial motivation of employees.

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