



INFLUENCE OF ORGANISATION FACTORS ON EMPLOYEE MOTIVATION IN BANKING SECTOR

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ABSTRACT:

Employee Motivation is essential for any organization to achieve its goals. When employees are motivated to work, they will put their best effort in the tasks which ultimately leads toward organization growth. In this research we analyzed the Influence of organizational factors on employee motivation. In this study a self-designed questionnaire is framed for data collection. Cronbach alpha test of reliability is applied to measure the reliability of the questionnaires. Regression is applied to find out the Influence of Organization factors on employee motivation. Correlation is applied to the measure the level or extent to which the two variables Organization factors and employee motivation vary with reference to each other. In this study we find out that there is positive and significant correlation between Organization factors and Employee motivation and we also found that Organization factors has a significant impact on employee motivation.

Key words: Employee motivation, Organization factors.

INTRODUCTION

Organization Factors – There are many organizational factors that affect commitment of employees. These include the financial factors both monetary and non-monetary, promotion chances, management support, work-family balance and favorable company policies. Monetary benefit is significant instrument in fulfilling employee needs. Promotion indicates the worth of employee in the organization which is moral boosting for the employees as promoted employee feels extremely satisfied. A continuous communication with management helps in motivating the employees. A work-life balance gives an assurance that the organization care for employee's health & safety. Organizational structure and policies also play an important role in job satisfaction of the employee. An autocratic and authoritative structure causes resentment among the employees in comparison to open and fair structure.

Employee Motivation– Employee motivation is a critical aspect at the workplace which leads to the enhanced performance of the organization. There are several reasons why employee motivation is so important. Motivated employees can lead to more productivity at workplace which can allow an organization to achieve its goals consistently. Motivated employees do their best to the assigned tasks. Motivation facilitates employees to achieve their personal goals and commence a sense of accomplishment in them which can further motivate them to achieve higher goals. A motivated employee is more efficient and productive at work which results in an overall productivity of organizations. There are multiple ways to increase employee motivation such as having a routine communication, Valuing individual contribution and employee favorable company policies.

Review of Literature

Shakeel and Lodhi (2015) conducted the research on training and development in banking sectors in Karachi. In the study they found that training and development has a direct and positive impact on employee performances. Employee productivity can enhance with the help of training and development programme. Employees are the assets of the organization so it is necessary for organization to provide training programme to improve the positive attitude and teamwork among employees.

Ganta (2014) studied about the employee motivation in the workplace. He found that organization factor like-money, recognition and rewards are essential for motivating the workers in the workplace. If the employee is not fully motivated and satisfied, he or she will not take interest towards their work. organization factor has direct impact on employee motivation & employee performances. if the employee is satisfied with his or her job, he or she will be more creative, provide quality work and reach one's full potential. This will result in low attrition cost and more loyal workforce for the organization.

Aguinis et al. (2013) He studies that monetary incentives is very helpful to increase the motivation of employee that affects the employee efficiency and result in higher performances.

Azizi and Liang (2013) indicated that workforce flexibility can be achieved by cross-training and improved via job rotation.

Jung and Kim (2012) stated that good work environment and good work conditions can increase job satisfaction and organizational commitment among the employees. The employees will try to give their best at workplace which can increase the work performance.

Kingira and Mescib (2010) defined appreciation as the abstract of immaterial incentives; “employees giving immaterial incentives (appreciation, respect etc.) as much as materiel incentives with working department” shows employees do not agree with this behavioural statement. With this result, it can be stated that employees being employed in different parts can take their different opinions at different levels. Among the variable of responsibility and being appreciated, it is understood that “success of

employers always be appreciated with education.” The more effective quality and practicality of education employees had, the more contribution they will have to businesses.

Mahazril et al. (2012) organizations had the duty to appreciate the employee from time to time and offer other form of benefits such as payment, which will help in employee motivation.

Mahazril et al. (2012) concluded that rewards and recognition and communication may motivate them to work. Recognition enhances the level of productivity and performance at job whether it is a first-time performance or a repeated action at the job in a progressive way and ultimately reinforces the behaviour of employee.

Objectives

- To find out the influence of Organization factor on Employee Motivation.
- To check the correlation between Organization factor and Employee Motivation.

Hypothesis

H01: There is no relationship between Organization factor and employee motivation.

H02: There is no significant impact of organization factor on employee motivation.

RESEARCH METHODOLOGY

2.1 STUDY

The study is causal in nature and survey method is used to collect the data.

2.2 SAMPLE DESIGN

2.2.1 POPULATION

Population included all the respondent from Banking sector.

2.2.2 SAMPLE SIZE

Sample Size includes 50 respondents from Banking sector.

2.2.3 SAMPLE ELEMENT

Individual respondents are the sample elements.

2.2.4 SAMPLING TECHNIQUES

In this study we used non probability purposive sampling technique. It is relevant sampling technique for this study.

2.3 TOOLS FOR DATA COLLECTION

Self-designed questionnaire is used to collect the data. The questionnaire is developed on a five point ‘likert’ type scale where 1 is referred as strongly disagree and 5 is referred as strongly agree.

2.4 TOOLS FOR DATA ANALYSES

Reliability: - Cronbach alpha test of reliability will be applied to check the reliability of the questionnaires.

Correlation: - Correlation is applied to the measure the level or extent to which the two variables Organization factors and Employee motivation vary with each other.

Regression: - Linear regression will be applied to find out the cause and effect relationship between two variables.

Reliability Statistics:

Reliability test is applied to determine whether the questions used in the questionnaire is consistent and reliable to carry out the tests. If reliability is greater than .7 then questionnaire is considered as consistent. We checked the reliability for Organizational Factors and Employee Performance with the help of SPSS 20.00 software.

Reliability Statistics	
Cronbach's Alpha	N of Items
.864	5

From the above table we can see the reliability for the Organizational factor is .864 which is more than .7 so we can say all the question in the questionnaire for this variable is consistent so we can consider them for further study.

Reliability Statistics	
Cronbach's Alpha	N of Items
.919	7

From the above table, the reliability for the Employee Motivation is .919 which is more than .7 so we can say that the questions in the questionnaire for this variable is consistent and can be considered for further study

Correlation Analysis

In this research the correlation method was used to find out the correlation between Employee Motivation and Organizational Factors with the help of SPSS 20.0 software

H01: (Null Hypothesis) There is no relationship between Organizational Factors and Employee Motivation.

To analyze the relationship between Organizational factors and Employee motivation, Spearman correlation was applied between Organizational factors and Employee motivation.

Correlations			
		Organization Factor	Employee Motivation
Organization Factors	Pearson Correlation	1	.773**
	Sig. (2-tailed)		.000
	N	50	50
Employee Motivation	Pearson Correlation	.773**	1
	Sig. (2-tailed)	.000	
	N	50	50
**. Correlation is significant at the 0.01 level (2-tailed).			

From the above table we can see the correlation value is .773 which is significant at .000 So the null hypothesis is rejected, and the result of this test indicates that there is positive and significant correlation between Organizational factors and Employee motivation

Regression Analysis

The linear Regression was applied between Organizational factors and Employee motivation with the help of SPSS 20.0 software to find out the predictability of Employee motivation on Organizational factors.

H02: (Null Hypothesis) There is no significant impact of Organizational Factors on employee motivation.

Organizational factor is an independent variable and Employee motivation is dependent variable. The results of regression analysis are as follows:

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
<[k'	.773 ^a	.598	.590	3.95770
a. Predictors: (Constant Organization factor)				

The R value represents the simple correlation between Employee motivation and Organization factors and is 0.773, which indicates a high degree of correlation. The R Square indicates how much of

the total variation in the dependent variable, Employee Motivation, can be explained by the independent variable, Organization Factors. In this case, 59.8% can be explained, which is very large.

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1118.156	1	1118.156	71.386	.000 ^b
	Residual	751.844	48	15.663		
	Total	1870.000	49			
a. Dependent Variable: Employee Motivation						
b. Predictors: (Constant), organization Factor						

From the ANOVA table the F value of 71.386 is significant at 0.000 level of significance. It denotes a good fit for the data.

Regression is applied between Organizational Factor (independent variable) and Employee Motivation (dependent variable).

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	6.634	2.567		2.584	.013
	Organization Factor	1.108	.131	.773	8.449	.000
a. Dependent Variable: Employee Motivation						

Employee Motivation can be predicted from Organization factors using the coefficient table. The linear equation between employee motivation and organization factors is as follows

$$\text{Employee Motivation} = 6.634 + 1.108(\text{Organization Factors})$$

From the coefficients table the beta value is 0.773 is above 0.5 which is significant at 0.000 level ($p < 0.05$) of significant, null hypothesis is rejected, Hence we can say that there is significant influence of Organizational Factor on Employee Motivation.

CONCLUSION

This research has been conducted to analyze the influence of Organizational Factors on Employee Motivation. In this research we found that various organizational factors such as salaries and wages, promotion chances, and company policies play a vital role in motivating the employee in the organization. Organization factors enhances employee performances and job satisfaction which increase the level of employee motivation.

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