

Impact of Motivation and Recognition on Employee's Performance: A Study on Public and Private Sector Banks in Punjab and Haryana

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Abstract

Purpose: The research will examine the impact of motivation and recognition on employee's performance in public and private sector banks of Punjab and Haryana. In the current era it is a challenge for the managers to imply strategies which motivate employees to improve their work performance and productivity. Design/methodology/approach: Structured questionnaire is used to collect the required primary data from 100 respondents in public and private sector banks in Punjab and Haryana. Descriptive statistics, correlation, regression analysis, factor analysis and t-test are used as statistical tools in analysis

Index terms— motivation, recognition, employee performance, public sectors banks,

1 Introduction

The success of an organization depends not only on technical expertise but also on the interest of the workers. Enthusiasm or willingness to work can be enhanced by motivation. A strong positive motivation will increase the output of employee and native motivation will reduce their performance. Motivation leads to job satisfaction. A person who is not motivated and not in high morale and spirit would not be satisfied. Dessler (2001) support that motivation as the intensity of a person's desire to engage in some activity. Motivation is an inner drive that initiates an employee towards goal directed behavior. According to Frimpong and Fan (2009) performance management is the process through which managers ensure those employees' activities and outputs are congruent with the organization's goal. A highly motivated person will work hard towards the achievement of organizational goal. Luthans (1992) says, "Motivation is a combination of needs, drives and incentives. Motivation is defined as the process that starts with physiological or psychological deficiency or need that activates behavior or a drive that is aimed at a goal or incentive". In today's era it is a challenge for the managers to imply strategies which encourage employees to improve their work performance and productivity. Managers of modern days company in the financial services employees but also help them to achieve competitive advantage in the market. The achievements of individuals and organizational goals are independent process linked by employee work motivation. Individuals motivates themselves to satisfy their personal goals, therefore they invest and direct their efforts for the achievements of organizational objectives to meet with their personal goals also. It means that organizational goals are directly proportion to the personal goals of individuals. Every individual is different from other in terms of ability, preferences, ideology, social and economic background .so every employee has to be motivated in different way. While motivating employee leader should keep in mind the needs of the employee which they desired to be fulfilled. An employee can be only motivated by satisfying is unsatisfied needs. Jobs differ on the basis of their specialization and requirements. A particular type of job will not be liked by every employee of the organization. Certain jobs are challenging and liked by few individuals .There can never be a particular job which could provide pleasure and satisfaction to every individual. Right jobs make people right and motivate them. Motivation has direct link with working conditions and environment. The first reason why motivation is a T Abstract-Purpose: The research will examine the impact of motivation and recognition on

employee's performance in public and private sector banks of Punjab and Haryana. In the current era it is a challenge for the managers to imply strategies which motivate employees to improve their work performance and productivity.

Design/methodology/approach: Structured questionnaire is used to collect the required primary data from 100 respondents in public and private sector banks in Punjab and Haryana. Descriptive statistics, correlation, regression analysis, factor analysis and t-test are used as statistical tools in analysis.

Findings: The study found that Performances of employees are significantly affected by the salary and other monetary benefits provided by the organization. Recognition is the most important non monetary reward which improves performance of the employees of banks. Employees feel that their organization should provide them more opportunities for personal growth and advancement Practical implications: The research offers a more precise way to understand the impact of different factors of motivation and recognition on performance of employees of banks. Management of Public and private sector banks can recognize the importance of non monetary rewards with monetary ones to improve productivity and performance.

Originality/value: This research is conducted for the first time paradigm which explores the effectiveness of motivation of employees in public and private sector banks in Punjab and Haryana. There is currently limited evidence on the impact of motivation in the performance of the extended public sector. This research is one of the very few that has been made from the perspective of employees. difficult job is that the workforce is changing employees join the organization with different needs and expectations their values, beliefs, background, lifestyle perceptions and attitudes are different not many organizations have understood these. Motivating employees is also o more challenging at a time when firms have dramatically changed the jobs that employees perform, reduced layers of hierarchy. Motives can only be inferred, they cannot be seen .What motivates one employee could be failed to motivate another employee. The dynamic nature of needs often poses challenge to any manager in motivating his or her subordinates. An employee at any given time has various needs, desires and expectations. Further these factors change over time and may conflict with each other.

2 II.

3 Literature Review

Motivation has become a dominant topic in recent years. Despite this, there remains a paucity of critical academic literature on the subject, and relatively little is known about how motivation can be influenced by management in banking sector. This literature survey examined peer-reviewed journal articles, working papers, textbooks, and other published resources relevant to employee motivation. The review also identifies gaps and issues that have not so far been investigated, making clear the focus of where further enquiry should be. The review aims to add value to the current state of knowledge by critically evaluating the existing literature on motivation of employees. Uzonna (2013) investigates the factors which prompt people, what influence them and why they stick to particular action .He also evaluate motivation of employees in the banks. Owusu (2012) assess the different motivational packages offering by the organization to its employees and which package influence the performance of employees the most and how it affects the performance of organization. Omollo and Dr.Oloko (2015), demonstrates the effect that motivation had on job of the workers in Kenya commercial bank. He establishes the effect of job enrichment, training and team building on performance of employees. Manolopoulos (2007) tries to understand the relationship between work, motivation and organization in public sector. Ankli and palliam (2012) ?? (2002) used descriptive statistics as a research tool to gain more insights in relation between motivation and employees performance. The purpose of this research is to give a better understanding of motivation and its effect on employee's performance. The research tools used for the study were questionnaires. The information on the influence of motivation on performance was presented as received from the respondent. Descriptive survey is a process of collecting data in order to answer questions concerning the current status of the subject in the study. Uzonna (2013) in his studies found that motivators which are being given in monetary form like fringe benefits and pay for performance had high impact on performance of employees, on the other side bonuses, profit sharing had low effect on the employees performance. Manolopoulos (2007) studied that the demographic characteristics of an employee and its ability to perform task are the major factors which determines the motivational performance of an employee. Ankli and palliam (2012) in their study explored that essential extrinsic motivation can be detrimental to intrinsic motivation. Omollo and Dr oloko (2015) studied that monetary rewards significantly affect the performance of the employee in the organization. In summary, the literature surrounding performance suggests that motivation is the key factor which influences the performance of employee. Management themselves need to be understand the extrinsic and intrinsic needs of the employee so that right motivator can be used in order to influence the performance of employees.

4 III.

Objectives of Study 1. To investigate the effect of motivation on employee performance at public and private sector banks.

IV.

5 Research Methodology

The scope of the study will be limited to the public and private sector banks in Punjab and Haryana. This research will cover the aspects related to the activities related to motivation and recognition in public sector banks and the different tools that are used by 2. To establish the effect of recognition on performance of employees in public and private banks.

public sector banks for motivation. This study was conducted in public and private banks in Punjab and Haryana. The data was collected from top level and middle level employees as the target group of the study. This research took a period of two months during which data was collected from the field, organized, analyzed and presented in analytic form. The significance of this study is to find that which motivators affect the performance of employees the most. Therefore findings of this study will provide important information to decision makers and human resource managers of the bank to either change ways of motivating staff of the bank. The results of the study will also add to the existing body of knowledge on the issue of motivation and productivity in the public sector banks. All the items under consideration in any field of inquiry constitute a population .we select only a few items from the population for our study purposes. The items so selected constitute what is technically called a sample. Sekeran, (1990) defines a sample as a portion of the population that has attributes as the entire population.

The target population for the study consists of staff of private and public sector banks of Punjab and Haryana.

The study employed the use of self structured questionnaire to collect the required primary data. Descriptive statistical analysis technique was employed to obtain useful summary of responses. Simple random sampling is used and total sample population of hundred employees. Sampling is necessary because population interest is large, diverse and scattered over a large geographic area (Kothari 2008). Simple random sampling was used since no complexities were involved. Simple random sampling is used and total sample population is hundred respondents. Primary data was collected through the use of self-structured questionnaires. A questionnaire consisted of a number of questions in a definite order on a form or set of forms. The questionnaire contained both structured and semistructured questions.

V.

6 Data Analysis and Findings

The data collected was processed using the statistical package for social science (SPSS).The results of the study are shown in tables, percentage charts and graphs. Both qualitative and quantitative methods of data analysis were used for the study. The variables of interest to the researcher were motivation and recognition was analyzed.

A self designed questionnaire was used to explore various factors of motivation which affects on the different questions regarding factors of motivation which improves employee's performance. In the above data Mean clearly shows that respondents are agreed with the fact that motivational factors do impact their performance, except in the case of retirement benefits where means lies at 3.4, where employees are neutral or disagree that the retirement benefits available are sufficient. Standard deviation of collected data also shows that data is normal which signifies that the response of the employees is not skewed either positively or negatively. The response of respondents is forming a particular group which signifies that they are agreed in same manner.

The above correlation table is showing the interdependency of various factors of motivation. Salary is correlated to promotional opportunities to the extent of 50%.Bank employees see their personal growth and advancement if they get promoted. Recognition for their work is 62% correlated to potential of employees. Rewards are also showing good percentage of relation with potential of the employees. Potential of the employees is the variable which is highly correlated to recognition, rewards and working conditions. Above table is showing regression analysis in which satisfaction of employee has been taken as dependent factor and others as independent factors. Dependent factor is regressing by 65%.This table provides the R and R 2 values. The R value represents the simple correlation and is 0.655 (the "R" Column), which indicates a high degree of correlation.

7 Model Summary of regression

The R 2 value (the "R Square" column) indicates how much of the total variation in the dependent variable, satisfaction can be explained by the other independent variable. In this case, 65.5% can be explained, which is very large.

8 ANOVA

9 Conclusion

The conclusions have been drawn by the researcher based on the research questions that had been formulated in chapter one and they are as follows; to investigate the effect of motivation and recognition on employee performance at public and private sector banks in Punjab and Haryana. Performances of employees are significantly affected by the salary and other monetary benefits provided by the organization. Recognition is the most important non monetary reward which improves performance of the employees of banks. It can be confirmed that Incentives and other benefits provided by the organization significantly affect job performance. Employees feel that they should be rewarded for meeting specific criteria above and beyond normal duties. Study

reveals that good physical working conditions provided by the organization could highly motivate the employees to perform their duties. The research has given some valuable insight into motivation and its role in the organization. Organizations need to provide growth opportunity and challenging jobs in order to better motivate employees. The study reveals that recognition plays a major role in employee's motivation. Employees feel that their organization should provide them more opportunities for personal growth and advancement. Participating in cultural activities does not make any difference in motivational level of employees. Retirement benefits provided by the organization and its affect on motivation are still a question in this research because new policy of government on retirement benefits is yet to come. We can conclude that monetary rewards have higher impact on performance of bank employees but to bring out cent percent efficiency of them non monetary rewards play indispensable role. It is recommended that further study can be extended to more states of the country to find out the effects of motivation on employee performance. The sample size can be increased in those regions and different statistical tool can use in the research. This finding could bring relative different factors of motivation that could be implemented. Apart from this other financial institutions can also investigate levels of motivation that can improve performance of their employees. Further finding would help the banks to gain insights about new techniques of motivation which can improve productivity of organization.

VII.^{1 2}

determination theory to motivate workforce of an organization	investigates self
encompassing theory of motivation. Chebat et al (2002)	and he recommended SDT
assessed the effect of managerial tools to increase the prosocial behavior of employee.	Romero and
kleine (2000)	

Figure 1:

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Factor analysis was done to extract and club the factors of motivation. KMO and Bartlett's test is used as correlation matrix.

	benefits	Kaiser-Meyer-Olkin Measure of Sampling Adequacy	increment	growth	promotion status	advancement	recognition	reward	programme
salary	.411	.411 **	.227 *	.462 **	.501 **	.371 **	.082	.230 *	.152
salary benefits increment	.227 **								
	*								
growth	.462 **	.152	.539 **	.660 **	.019	.385 **	-.076	Factor (PA	
promotion status advancement recognition measure of sampling adequacy suggested that the	.501 **	.244 *							
reward	.111	-.024	-.204 *	.133	.212 *				
programme	.216								

Model Regression Advancement .695 Sum of Squares 23.493 Recognition

1

Residual

31.257 Retirement .422

Total 34.750 benefits

Extraction Method: Principal Component Analysis

[Note: A Rotation Method: Varimax with Kaiser Normalization. a VI.]

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