A Study on Employee Perception on Motivational Methods with special reference to Small and Medium Scale Start-ups at Malumachampatti, Coimbatore

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Abstract

Motivation is the key factor that drives the employees to work to the fullest, thereby contributing to the success of the organization. This research paper aims at observing the perception of the employees at Small and Medium Scale Startups in Malumachampatti, Coimbatore on the motivation methods already in place at their organization. Most of the organizations have both monetary and non-monetary forms of motivational techniques. Yet, studying the views of the employees on these techniques is important in order to understand the effectiveness of them and the satisfaction level of employees. Incentives, appreciation letters and awards, bonus, payment for working overtime are few of the many motivational methods used at these companies. Motivation is an important factor that brings employee satisfaction. Every concern requires physical, financial, and human resources to accomplish the goals. It is through motivation human resources can be utilized by making full use of it. This will help the enterprise in securing best possible utilization of resources.
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1. Introduction

The basic objective of any management is the effective utilization of human resources for achievements of organizational objectives. Personnel management is concerned with organizing human resources in such a way to get maximum output to the enterprise and to develop the talent of people at work to the fullest satisfaction. Motivation implies that one person, in organization context a manager, includes another, say an employee, to engage in action by ensuring that a channel to satisfy those needs and aspirations becomes available to the person. In addition to this, the strong needs in a direction that is satisfying to the latent needs in employees and harness them in a manner that would be functional for the organization.

Employee motivation is one of the major issues faced by every organization. It is the major task of every manager to motivate his subordinates or to create the 'will to work' among the subordinates. It should also be remembered that a worker may be immensely capable of doing some work; nothing can be achieved if he is not willing to work. A manager has to make appropriate use of motivation to enthuse the employees to follow them. Hence this study focus on identifying what motivate employees at SMEs and the perception of the employees on the motivation techniques that are already in place.

The Small and Medium Scale Startups have been employing various motivational methods in order to make their employees put their best efforts, to achieve organizational objectives and reap profit [4-7]. Though the companies have been using various techniques to keep the employees motivated, they have not studied the views of employees on those techniques or the satisfaction level of employees on those techniques. This study intends to identify the views of employees on motivation, the essentiality of motivation in an organization, the effectiveness of motivation techniques employed by SMEs and offers suggestions based on the data collected from the employees.

This research paper aims to identify the factors that motivate the employees and their view on employee motivational methods.

1.1 Significance of the Study

The study is intended to evaluate the perception on motivation of employees in the organization. A good motivational program procedure is essential to achieve goal of the organization. If efficient motivational programmes of employees are made not only in this particular organization but also any other organization; the organizations can achieve the efficiency also to develop a good organizational culture.

Motivation has variety of effects. These effects may be seen in the context of an individual's physical and mental health, productivity, absenteeism and turnover. Delighting the employees is important, in order to make them work to their fullest capacity. Hence this study has been carried out at SMEs to identify the impact of motivation techniques used on employees, and their perception on them so the management can focus on the areas of improvement.

2. Review of Literature

Motivation can be intrinsic or extrinsic. Intrinsic motivation is the one where the individual has an innate happiness for successfully completing the task. Extrinsic motivation is external and it depends on job pay, work conditions, benefits pay, job security, promotion etc. Extrinsic motivation includes tangible rewards. Intrinsic motivation, also called psychological motivation, helps to utilize opportunity, sense challenges and achieve success.

Motivation is both the simplest and complex management job. When people get rewarded on their job, they are automatically motivated by the rewards. Motivation is a state or force within an individual that makes him/her act in away designed to achieve some goal. Supervisors motivate and encourage the employees for the necessary action.

Motivation is a force within individuals that make them act accordingly to achieve a goal. Motivation is internally generated in an individual and he acts consequently to attain the purpose. Research suggests that as employees' income increases, money becomes less of a motivator and as employees get older, interesting work becomes more of a motivator.

Motivation is individualistic and helps to explain the behavior. Motivation involves three components - what drives the individual to behave in certain ways, what steers the behavior, and what maintains the behavior. Satisfying the employees is very difficult because each employee has different needs and wants. The factors that organizations have to be concerned about are self-concept, attitudes, values, interests, feelings, personality, and life experiences of the employees.

The social-psychological model of the interaction between extrinsic and intrinsic motivation is introduced in economics as the crowding theory. Intrinsic motivation increases when individuals perceive an external intervention as supportive. Intrinsic motivation increases as paid work increases. Intrinsic motivation is not only influenced by external rewards but also by regulations and commands [1].

Motivation can be defined in a variety of ways, depending on who we ask. Therefore motivation is the force within an individual that accounts for the level, direction, and persistence of effort extended at work. A motivated individual will do things without being forced by commands.

Motivation is the creation of work circumstances that influence workers to perform a certain activity or task of their own free will, in order to reach the goals of the organization, and simultaneously satisfy their own needs. In the field of organization psychology, work motivation is clearly approached from several angles. As a result, a single comprehensive definition of motivation, which covers all purposes in the field, is not possible.

The hygiene factors, which may be equated with Maslow's lower order needs, are placed along a continuum, from a state of dissatisfaction, to no dissatisfaction. These factors involve circumstances surrounding the task which do not lead to job satisfaction, but prevent dissatisfaction, if maintained adequately [3].

Theory X and Theory Y represent ideas on motivation to the direction and control of employees in the workplace. According to McGregor's Theory X, which articulates the traditional approach to motivation, people are not keen

on work, and try to avoid it where possible. As a result, employees must be coerced and controlled by punitive measures to perform effectively. The average person is believed to lack ambition, avoid responsibility, and strive for security and financial compensation only. They are egocentric, and not at all mindful of organizational goals. Theory Y, in contrast, reflects a more modern approach to motivation. People seek responsibility, and are capable of creative problem solving [2].

2.1 Objectives of the Study

- To identify the motivation methods employed at SMEs

- To find out the perception of employees on the motivation techniques employed at SMEs

- To find out the impact of each motivation technique on the employee and to offer suitable suggestions to the organization regarding the areas of improvement in Motivational System

2.2 Research Methodology

Research Design

The type of research used in this study is descriptive research.

Target Sample

The data reported in the research is the result of responses from 150 employees.

Sampling Technique

One hundred and fifty employees have been chosen by the simple random sampling method. Out of the data collected from 150 samples, only 120 samples had provided valid data.

Method of Data Collection

The study depends on primary data. The data required for the study have been collected through Interview schedule. The interview schedule is divided into four sections. Socio Economic Profile, Motivational System in the Organization, Perception on the Motivational System, and General Suggestions are the broad components included in the interview schedule.

Framework of Analysis

The statistical tools used to analyse the data include Simple Percentage Analysis.

Data Analysis and Interpretation

Primary Data has been collected from 120 respondents at SMEs, Malumachampatti, Coimbatore. Each employee was given a questionnaire that has a set of structured questions which covers socio economic profile of respondents, motivational system in the organization, perception of employees on motivational system, and general suggestions. Analysis was done on the collected data. Interpretations were based on the tables, graphs and charts arrived.

2.3 Perception on Motivational System

Sort of Motivation Received:

S.No	Sort of Motivation Received	Numbers	Percentage
1	Monetary	38	31.6
2	Non-Monetary	37	30.8
3	Both	45	37.5
	Total	120	100

Table 1. Sort of Motivation Received in the Organization

The employees were questioned about the types of motivational techniques used in the organization. The organization implements both monetary and non-monetary motivational techniques. Majority of the employees (37.5%) agreed that both forms of motivation are used in the small and medium scale companies.
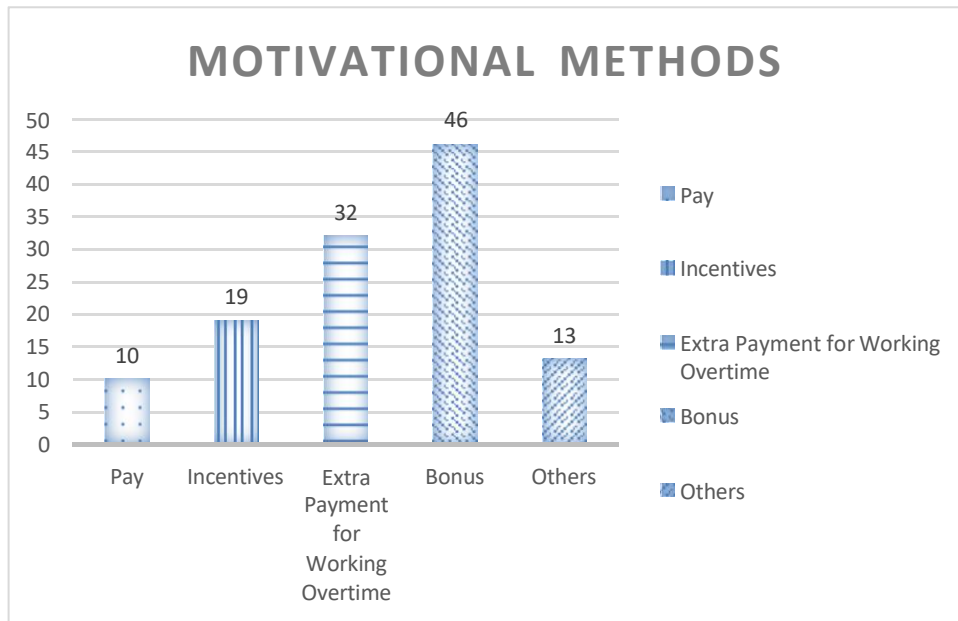
Revision of Pay:
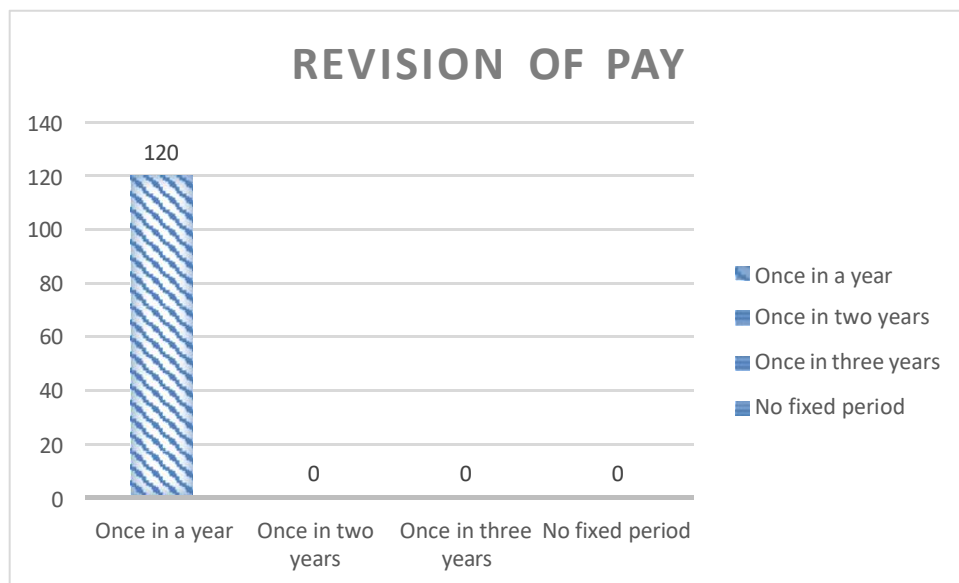
Chart 1. Revision of Pay

From the chart, it is clear that every year the pay of the employees is revised.

2.4 Motivational Methods:

Chart 2. Motivational Methods in the Organization

From the above chart, it is evident that bonus plays a major role in the motivational methods employed by the organization. Also, 26.6% employees agree that they are paid duly for working over-time. Incentives, increment in pay also are used as tools for motivating the employees.

2.5 Non-Monetary Methods of Motivation:

S.No	Non-monetary Methods	Numbers	Percentage
1	Appreciation	4	3.3
2	Merit Certificate	2	1.6
3	Promotion	3	2.5
4	Job Security	60	50
5	Job Enrichment	4	3.3
6	Good Working Condition	45	37.5
7	Others	2	1.6
	Total	120	100

Table 2. Non-monetary methods of motivation

From the table, it can be found that the companies have various non-monetary methods of motivation such as Appreciation, Merit Certificate, Promotion, Job Security, Job Enrichment, and Good Working Conditions.

Small and medium scale companies provide good job security of employees. Majority of employees (50%) have stated that they view job security as their main source of motivation. Apart from job security, they also provide better working conditions to the employees which is agreed by 37.5% employees.

FACTOR 1: MOTIVATION:

S17.1   You will work only if there are motivational system in an organization

S17.2   You can do the work even in the absence of any motivational system

S17.3   Supervisor's interest in solution to employees' problem is appreciable

S17.4   Good impact about companies prevails among the employees

S17.5   Delegation of authority to encourage juniors is quite common in my organization

S17.6   I believe that leadership also influences the level of motivation

Response	S17.1	S17.2	S17.3	S17.4	S17.5	S17.6	TOTAL	AVG	SV	AVG*SV
SA	5	58	39	32	33	28	195	33	5	163
A	52	50	51	60	39	57	309	52	4	206
N	24	9	25	25	36	34	153	25	3	77
D	34	2	5	2	12	1	56	9	2	19
SD	5	1	0	1	0	0	7	1	1	1
TOTAL	120	120	120	120	120	120	720	120		465
										3.87

Table 3. Factor 1: Motivation

From the table, it is evident that majority of the employees (52) agree that they are highly satisfied with the motivation techniques in the organization.

FACTOR 2: SATISFACTION

S17.7 I am satisfied with the present salary and increment given is reasonable

S17.8 Companys' policies and procedures are satisfactory

S17.9 I feel that my job has enough learning opportunities which will help me in career

S17.10 I think there are right opportunities in this organization for my personal growth and promotion.

S17.11 My organization tries to make the job more challenging which prevents us from getting bored on the job.

Response	S17.7	S17.8	S17.9	S17.10	S17.11	TOTAL	AVG	SV	AVG*SV
SA	27	24	18	20	27	116	23	5	116
A	34	52	41	41	39	207	41	4	166
N	35	33	44	42	33	187	37	3	112
D	24	11	17	17	21	90	18	2	36
SD	0	0	0	0	0	0	0	1	0
TOTAL	120	120	120	120	120	600	120		430
									3.58

Table 4. Factor 2: Satisfaction

From the table, it is seen that majority of the employees (41) are satisfied working in the organization.

3. Research Implications

- Employees in the companies strongly feel that a motivational system should be in place, because all of the surveyed respondents (120) have agreed that they need a motivational system in the organization.
- All of the employees agree that they are in need of motivational strategies to keep them going in the organization, as all the 120 respondents have given a Yes to the question asking if they feel there is a need for motivation.
- Both monetary and non-monetary techniques of motivation should be employed by an employer, as a majority of 37.5% of employees have stated that these techniques together help them to put forth the efforts reap the benefits.
- The companies revise the payment of employees once in a year. All of the employees have accepted that their organizations revise their income every year.
- Employees consider incentives as their main source of monetary motivation. A majority of 38.3% employees have agreed to incentives, followed by 26.6 employees for extra payment for working overtime.
- Considering the non-monetary benefits, the employees agree that the organization provides them job security, which is the major driving force. Apart from job security, the employees also agree that they are provided with good working conditions.

Limitations and Scope for Future Research

All the limitations applicable to opinion survey will get extended to this study as well. This paper helps to get a clear picture about the factors which motivates the employees. This in turn helps the management to formulate suitable policy to motivate the employees. Hence, the motivational level of the employees may also change. The factors that motivate the employees may change with change in time because the needs of employees too change with change in time. So continuous monitoring and close observation of factors that motivate the employees is necessary to maintain a competent work force. Only with a competent work force an organization can achieve its objective. Moreover, human resource is the most valuable asset to any organization. A further research with in depth analysis to know to what extent these factors motivate the employees can be carried out.

4. Conclusion

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