

FACTORS INFLUENCING EMPLOYEE MOTIVATION: A CASE STUDY OF PADMA KANYA MULTIPLE CAMPUS IN KATHMANDU

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ABSTRACT

Motivation is the set of forces that make employees willing to behave in an organization. It is a crucial function of management or human resource management. The study's objectives are to determine employees' motivating factors as well as to identify employees' general attitudes towards existing motivational factors. The qualitative research method was used. Primary data were collected adopting focus group discussion, observation, and interviews. Administrative and unranked employees of Padma Kanya Multiple Campus (PKMC) were selected for study by applying the case study method. Thematic analysis of data was applied. The most important motivating factor for both temporary administrative and unranked employees (helpers in office) was job security followed by pay and overtime remuneration. Administrative employees, to great extent, need intrinsic rewards particularly recognition, responsibility, promotion, and fairness whereas unranked permanent employees also, to some extent, were influenced by intrinsic factors such as recognition, equality, fairness. A different motivating factor may apply to different levels of employees in terms of their needs and desires. The general attitude of the research participants regarding motivation seems to be poor. So, both extrinsic and extrinsic factors should be improved.

Keywords: extrinsic - intrinsic - motivating factors - rewards

INTRODUCTION

Motivation is one of the significant parts of management function. Decenzo and Robbins (2005) define HRM as a process consisting of four functions-acquisition, development, motivation, and maintenance of human resources. Motivation is concerned with the preparing function of employees. Human asset is the most important and valuable asset for any

kind of organization. Motivated employees can adapt to rapidly changing technological advancements. These employees play a crucial role in enhancing both individual and organizational performance and productivity through their capability and commitment because they are generally more creative and productive at work. Without motivation, employees in the organization no management or organization can achieve its objective. Therefore, motivated personnel is invaluable property of an undertaking. There is a high relationship between employee motivation and employee or organizational performance (Poudel & Pradhan 2019).

Motivation inspires people to achieve a determined course of action (as cited in Shrestha *et al.* 2073 BS). Motivation is drives, desires, and forces that cause employees in the organization to behave in certain ways. It is psychological forces that guide the action and behavior of people at work in an organization. It creates willingness and willpower for employees. Employee motivation is intrinsic and extrinsic. Intrinsic motivation is related to the behavior of people that is inherently enjoyable (Legault 2016). The author states enjoyment, interest, and inherent satisfaction fall in the intrinsic motivational factor. It is internal to people as opposed to extrinsic motivation. The major source of intrinsic motivation is task or work. Intrinsic motivation renders opportunities for personal growth, an opportunity for advancement, freedom to make a decision, recognition, autonomy, responsibility, and achievement to the individual. Extrinsic motivation is fundamentally contingent upon the attainment of an outcome. It is instrumental and it is done to achieve other benefits. Extrinsic motivation refers to motivation that comes from outside people in exchange for external rewards not derived from the work itself (Owoyele 2017). For instance, an employee works in an office to receive tangible rewards such as money, food, praise, supervision, fringe benefits, personal life, working conditions, and job security.

According to traditional theory, motivation is one of the earliest concepts in the field of management. The traditional approach is best represented by the work of Frederic W. Taylor and scientific management. According to Taylor, managers like the work better than workers, who are essentially lazy and can be motivated only by money (Stoner *et al.* 2000). They remarked that according to the human relations model often associated with Elton Mayo, managers could inspire people by recognizing their social needs and by making them feel important. Managers should know that these needs and drives are more crucial than money in motivating

them. Managers should attempt to create an environment of self-direction and self-control in carrying out routine works for them. A manager may create a circumstance for people to participate in the decision-making process even though he or she had already determined what the decision would be (Griffin 2013).

STATEMENT OF THE PROBLEM

Motivation is a human psychological characteristic that is difficult to identify. Employees are from different cultural backgrounds. Their needs, desire, emotion, etc. are not similar. Thus motivation is a complex subject due to individual behavior being a complex phenomenon. If there is an ability and resource problem for employee performance, the manager can solve it. But if motivation is the problem, the task of the manager is more challenging. So, motivation is important because of its determinants of performance and intangible character (Griffin 2013). Hence the research is very significant on this subject. The researcher, however, has not found any research studies concerning this problem at academic and business organizations in Nepal. Upon observation and review of previous literature, the researchers revealed that there is a dearth of research studies that have been performed on this issue concerning MNCs in Asian countries (Le *et al.* 2021). The problem toward which the study is directed is to explore the following research questions:

What are the intrinsic factors that influence employee motivation at Padma Kanya Multiple Campus, Kathmandu?

What are the extrinsic factors that influence employee motivation at Padma Kanya Multiple Campus, Kathmandu?

What is the existing general attitude of employees about existing motivational factors?

OBJECTIVES OF THE STUDY

The study aims to examine the motivational factors that influence both administrative and unranked employees and to identify the existing general attitude of the employees towards motivational factors at Padma Kanya Multiple Campus, Kathmandu.

LITERATURE REVIEW

Yusoff *et al.* (2013) in their article “Herzberg’s Two Factors Theory on Work Motivation: Does It Work for Today’s Environment?” carried out

research in many countries and companies and concluded that extrinsic factors have directly related to satisfaction. The findings were incompatible with Herzberg's two-factor theory.

Berkson *et al.* (2012), in their research paper, "Employee Motivation and Its Most Influential Factors" concluded that employees having the lower income of the company desired higher pays that were a strong motivational element. They revealed that the efficiency and effectiveness of the company could be positively influenced through promotion along with other long-term benefits. According to the researchers, a high motivational element was mastering a job, as were pays and other financial incentives. Many human resources, however, wanted to seek advancement in the company. Empowering that provided authority and responsibility to the employees was another strong motivator. The distribution of responsibility, power, fairness, equity, and control to employees increases organizational productivity. Recognition and autonomy are crucial motivating factors for employees. Employees may be recognized in many ways. Expression of gratitude that encourages employees and prosocial behavior is the right example.

Manzoor (2012), in his article, found that empowerment and recognition have directly related to employee motivation.

William's theory (2010) "Employee Motivation and Performance," remarked that monetary incentives had a high impact on employee motivation, but other factors were also needful. The author emphasized the recognition that enhanced productivity. So, recognition makes employees acknowledged. This implies that financial incentives alone can't be a motivator, non-financial incentives are more key factors to motivate employees in an organization.

Owoyele (2017) introduced a model that employee motivation depended on intrinsic and extrinsic rewards that directly influenced employees and group behavior to achieve organizational goals. Some employees enjoy satisfaction with a long-term financial incentive such as pension and some may enjoy immediate satisfaction. Pay-for-performance can encourage exploration and motivation. Short-term rewards are common in many organizations. The present research has indicated pay and monetary benefits are the most significant affecting factors in people's decisions.

F. W. Taylor also found a similar result to attain greater productivity. Job security is most crucial and indispensable that boosts employee

motivation and performance. It is especially due to economic and financial causes. Money is the basic motivator, no other way can be compared with money (as cited in Manzoor 2012).

A study conducted by Bawa (2017), in his article, found several motivating factors: some financial and others nonfinancial. The author revealed that robust pay, recognition, promotion was important for enhancing motivation. The author revealed that academic institutions including several universities had planned, executed, and maintained personnel recognition schemes to inspire effectiveness and hard work.

Chaudhary and Sharma (2012) concluded that the main affecting factors for motivation were remuneration, developing their skills, trust, flexibility, and high-quality working surrounding.

Uzonna (2013), in his article, concluded that recognition as a non-monetary motivating variable that has a high positive impact on employees' performance ranked the most. This was followed by advancement, challenging tasks, job safety, responsibility. Fringe benefits ranked the highest concerning monetary motivational factors,

A survey conducted by McKinsey (2009) as cited in Bawa (2017) sought three non-monetary influential motivating factors. They were: value by leadership, the opportunity to lead teams or projects, and appreciation by the supervisor

A study performed by Le et al. (2021), in their article, on "Factors Affecting Employee' Motivation" concluded that independent variables such as salary- benefit, working condition, work nature and work result, coworker, and superior strongly impacted employee motivation.

Research framework

Le et al (2021) have categorized factors influencing employee's motivation into three groups:

Group one: Intrinsic factors. They are also called human-related factors that categorize individual objectives, personal attitude, one's advantage, experience, the capability of persons. Group two: External factors, examples: employee policies, corporate culture. Group three: Work nature-related factors that are pay, job security, autonomy, responsibility, work's attraction, work complexity. Berkson *et al.* (2012) propounded a model like this:

Effectiveness depends on employee motivation.

Employee motivation depends on empowerment and recognition.

Herzberg's two-factor theory, Maslow's hierarchy of needs, and ERG theory are other models that describe how motivation can be achieved. Based on previous studies and models the researcher has depicted the research framework mentioning themes as given in Figure 1:

Themes

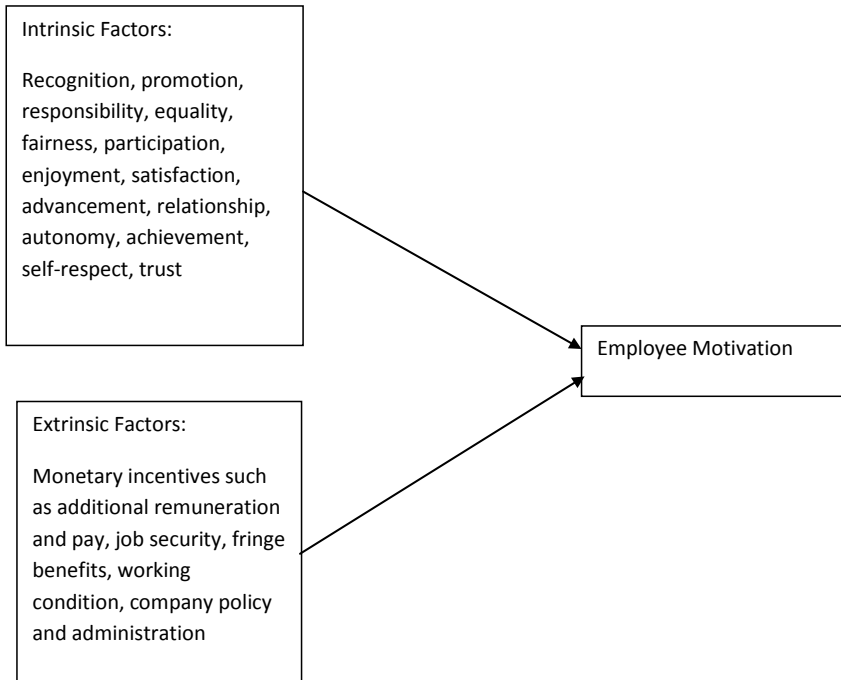


Figure 1: Research framework

METHODOLOGY

This study used the interpretivism paradigm. This study followed the descriptive research design. Data were obtained from the case study method to assess the views of different levels of administrative employees of Padma Kanya Multiple Campus, Bagbazar, Kathmandu. In this study, primary data were gathered through focus group discussion, observation, and interviews with concerned employees of the campus using the purposive sampling method. One-third of the employees participated in the collection of data. The research was carried out adopting a qualitative method.

It is based on multiple realities. Coding of qualitative data may support simultaneously to create ideas on how the data may be displayed, as well as, to draw some preliminary conclusion (Sekaran & Bougie 2010). They state that qualitative data analysis is not a step-by-step, linear process. After the collection of qualitative data thematic analysis was applied. Collection and analysis of data take place simultaneously in this type of analysis. The researcher coded, summarized, reduced, and displayed the data by applying the analysis.

RESULTS AND DISCUSSIONS

In a focus group discussion with the administrative employees of the case campus, the researcher found:

- *A permanent job is the most crucial motivator especially for temporary employees as well as employees who are working on a daily wage basis. For them, employment on a contract basis was an influential motivating factor that would lead to job safety, pay increment.*
- *Almost all research participants want to get additional remuneration adding thirty percent that is equivalent to administrative employees at the central office of Tribhuvan University (TU).*
- *They also desired equal opportunity amongst the employees within the campus in terms of financial as well as non-financial opportunities.*
- *Professional development, fairness, impartiality, and increased pay are desired by them.*
- *Hearing of grievances, elimination of nepotism, and favoritism are essential.*
- *Some research participants wanted their son or daughter to study at a discount price at Bachelor in Business Administration and Bachelor in Business Management programs at the campus.*

In researcher observation, they expect empowerment, autonomy, recognition, equality, fairness, promotion, and participation in work-related activities.

Unranked employees (helpers in office) who have no rank in organizational structure and hierarchy as per concerning rules and regulations of Tribhuvan University (TU) especially fall under low status. Padma Kanya Multiple Campus, the case campus is one of the well-known constituent campuses of the university. The researcher carried out focus group discussions among unranked employees of the campus to meet the findings of the objective of the study. Following views and opinions were collectively expressed by the employees (research participants) in the focus group discussion:

- *To get justifiable pay and overtime remuneration based on their contribution.*
- *To execute sympathy and appropriate behavior from the campus administration and upper-level employees especially the chief of the sections.*
- *To provide cash and other rewards based on their contribution.*
- *To cooperate and make circumstances of harmony from their bosses.*
- *Promoting is necessary.*
- *To implement a reward and punishment system based on the evaluation.*
- *To get freedom at their workplace so that they could express their views and challenges at concerned agencies, officials, and seniors.*
- *To get their leave in urgency and festivals. They feel deprived of getting their leave due to adequate unranked employees. They collectively felt it as injustice and deprived of authority and facility. So, it should be addressed. Fresh employees should be hired to fulfill the vacant posts.*
- *To arrange rest and suitable working conditions.*
- *To eliminate discrimination, unfair and biased behavior between ranked and unranked and amongst unranked employees too.*

The researcher interviewed an employee. In a face-to-face interview, a participant commented, “*The campus is reluctant to pay traveling and*

daily allowances while driving the car as a driver of the concerned campus outside Kathmandu valley. Justifiable salary and fringe benefits are needed. I want job security, praise at his workplace” (Field Survey 2021). Another participant remarked, “Employees desire fairness and equality among them at the workplace. We should not be deprived of the opportunity to involve in work-related decision-making to motivate us” (Field Survey 2021).

In a one-on-one interview, one research participant responded: *“Employees who are idle and workless need work, achievement, role, job security, and responsibility. We need appreciation, respect, and empowerment. We prefer freedom to work and challenging jobs. We like self-direction and self-control. The barrier to moving ahead should be removed and growth opportunities are opened. Equality and participation in decision-making are also applied. An increase of monetary awards is not so influential to encourage employees” (Field Survey 2021).*

A senior employee viewed: *“Promotion, advancement, autonomy, recognition, and equality are regarded as a key element for motivation at our campus. It, however, seems to be almost impossible. The general perception of the employees is that politicization is the major barrier to achieving professional development for them and then nepotism and favoritism. It makes employees worried. So, such malpractice must be corrected and improved as soon as possible to motivate them. Employee training and learning are also inevitable. On the other hand, employees are demanding at least thirty percent additional or overtime remuneration by contributing daily one hour more time at their work. This will inspire them. Also, employee motivation depends on campus chief and chief of the sections of administration and account” (Field Survey 2021).*

One of the assistant campus chiefs of this campus remarked, *“The major grievance and complaint of ranked and unranked employees are about job security concerning temporary employees and additional remuneration in performing overtime work by them. Late arrival and early departure are the attitudes of some of the employees. They hesitate to take initiation at their workplace. Instead of demotivation to them, fair treatment is a suitable solution” (Field Survey 2021).*

A former assistant campus chief shared his experience, *“Some of the unranked employees are money-minded and reluctant to work. They,*

to a great extent, perform their duty and responsibility because of fear of disciplinary action. He also perceived disrespecting to officials and omitting their duty (Field Survey 2021). Views and experiences of assistant campus chiefs were consistent with McGregor's theory X.

Some of the research participants (administrative employees) at the central office of TU jointly responded with views, their responses were: *"Equality, advancement, promotion, and fair treatments are a key factor to motivate employees. One of the senior employees focuses on trust to the employees by the concerned official in the workplace. Also, provision of reward and punishment based on performance appraisal should be effectively implemented"* (Field Survey 2021).

In an interview, one participant at the central office of Tribhuvan University (TU) expressed the view and commented: *"Discrimination between teaching and administrative employees is the major barrier to motivating the latter. To motivate administrative employees, she argues that administrative employees should be provided responsibility, recognition, participation in decision making, and equal opportunity equivalent to teaching employees especially in terms of participation in management decision making and daily time contribution on TU. Discrimination also hinders individual and organizational effectiveness at TU"* (Field Survey 2021).

Three employees of the audit division at the head office of TU jointly suggested: *"Equality and fair treatment are key factors to motivate employees. One of them focuses on trust to employees by bosses at the workplace. Another employee wants the provision of a reward and punishment system based on fair performance appraisal to motivate employees"* (Field Survey 2021).

In a face-to-face interview, an executive director of TU opined: *"It is more unlikely to motivate existing employees at present. They have no drive and willingness at their work. They are age-old and can not adapt themselves as per the present rapidly changing environment. Thus, they should be properly managed and innovative and energetic ones should be hired"* (Field Survey 2021). This opinion is in line with McGregor's theory X.

Intrinsic and extrinsic factors that influence employee motivation and the general attitude of employees, at Padma Kanya Multiple Campus in Kathmandu, toward motivating factors are research questions in this study. In researcher observation, administrative employees need intrinsic rewards particularly recognition, responsibility, participation, achievement and promotion, autonomy whereas unranked permanent employees also, to some extent, are influenced by intrinsic factors such as appreciation, self-respect, enjoyment, equality, enjoyment. Employees who want to get at least thirty percent additional remuneration by performing one hour overtime work are their common influential factor.

The study discovers that extrinsic motivating factors include additional remuneration, basic salary, job security, working condition, campus policy and administration, and fringe benefits. From the above analysis, the researcher finds job security is the most important and influential motivating factor for both categories of temporary employees at the campus. The study identified recognition, fairness, promotion, equality, and additional remuneration equivalent to employees of the central office of TU as the most cited factors influencing employee motivation. A general attitude of the research participants was that both intrinsic and extrinsic factors perceived and needed by them should be improved, changed, and executed to motivate them. If so happens, further efficiency and effectiveness of the campus can be enhanced.

Many researchers have performed important research studies in motivation. Among them, this finding is not fully consistent with Maslow's hierarchy of needs theory. Maslow classified human needs into five hierarchical categories from lowest to highest. They are physiological, security, belongingness, esteem, and self-actualization (Stoner *et al.* 2000). Critics argue that Maslow's hierarchical category is not universal. For example, a capable individual, despite basic needs, may accomplish high-level needs such as self-actualization. Maslow's theory also did not acknowledge the simultaneous meeting of more than two needs (Poudyal & Pradhan 2019). This finding is in favor of critics' argument. It means the finding supports all categories of the theory but doesn't support sequential hierarchical order. This finding is in line with Herzberg's two-factor theory. In the theory, motivating factors (satisfier) include recognition,

achievement, responsibility, trust, work itself, and personal growth. Hygiene (dissatisfier) factors include company policy, working conditions, salary, security, interpersonal relations, supervision. Maslow's physiological, safety, and social needs are consistent with Herzberg's hygiene factors. Similarly, Maslow's Ego and self-actualization needs are consistent with Herzberg's motivating factors. This finding is, to great extent, is similar to the ERG theory propounded by Clayton Alderfer. In this theory, existence needs are related to Maslow's physiological and safety needs. Relatedness needs are similar to the needs of the relationship. Likewise, growth needs are similar to the highest level needs such as needs of personal creativity or productive influence (Griffin, 2013 & Stoner *et al.* 2000). This finding supports Berkson *et al.* (2012) but rejects Yusoff *et al.* (2013). Also, the finding is in line with Owoyele (2016), Bawa (2017), Uzonna (2013), and (Le *et al.* 2021).

CONCLUSIONS

On the ground of this study, the researcher conclude that employee motivation is indispensable to increase their performance and achieve organizational goals. There is no single general strategy applicable to motivate employees. A manager may apply any kinds of factors of motivation as needs of organization and employees. Different motivating factors may apply to the different levels of employees in terms of their needs, drives, and desires. The purpose of the study is to examine factors influencing employee motivation at Padma Kanya Multiple Campus in Kathmandu. The dominant factors that influence employee motivation at the case campus are extrinsic factors that are monetary incentives such as salary, additional remuneration, fringe benefits and working conditions, and organization policy and administration. Job security is the most wanted influential factor, particularly for temporary employees. The study also finds several influential intrinsic factors that influence employee motivation. These are recognition, participation, responsibility, promotion, social needs, achievement, autonomy, and satisfaction. The study identifies fairness, equality, self-respect, and additional remuneration as the most cited motivators. The existing general attitude of the research participants concerning motivation seems to be poor. That's why both intrinsic and

extrinsic factors perceived by employees should be improved, changed, executed for further motivation.

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