Comparison of the Employee Motivational Tools in Industrial Companies

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Abstract

Motivation research has a long history of considering employee motives. For the topic of our paper we chose motivation and motivational tools and their effectiveness in companies. The purpose statement of this research is to examine the importance of employee motivation in various companies. The human factor is a fundamental resource of a company. Therefore the main question is that, how can a company encourage the employees to work effectively in order to achieve the corporate objectives. In the theoretical part of our work we present the basic concepts of motivation, the most important motivation theories, and forms of financial and also the non-financial tools used. In the practical part of this paper we study the effectiveness of motivational tools used by companies. For this purpose questionnaire surveys and personal interviews were used. In the questionnaires we were surveying the employee's opinions about the effectiveness of the motivational tools used by the company. The personal interview is representing the opinion of the company's leader and the effectiveness of the motivational tools used by them.

Key words: motivation, motivation theory, motivational tools, benefits, non-financial tools

JEL Classification: J3, J4, J30, N3,

1 Introduction

In addition to skills and competences, the performance of individuals in an organization is also influenced by motivation. In our world of increasing economic competition, motivated personnel are one of the most important factors of production. Personal motivation may have a number of components (e.g. hunger, feeling of security, feeling of belonging, self-realization, etc.), depending on the given person and on his/her current circumstances.

Motivation is defined in a number of ways; according to Hebb (1975) motivation is the tendency of living organisms to perform activities, which, depending on its intensity, varies from the low level characteristic of deep sleep to the high level characteristic of alert, excited conditions. Motivation is an internal need which consciously, semi-consciously or unconsciously influences our will, thus prompting us to take action. It answers what we do and why (Adair, 2005).

According to Maslow, motivation resides in the inner part of the human organism and it induces a need. Needs can be assessed in the form of a motivational pyramid; the stronger a motivational factor is, the most fundamental it is and the closer it is to the lower levels of the pyramid. As we move up along the pyramid we find needs that are increasingly characteristic ofhumans (e.g. prestige, ambition). It is a characteristic of the hierarchy of needs that we can only progress to higher levels, if the lower ranked needs have been satisfied (Maslow, 1943).

In the study of Herzberg (1987), influencing factors at the workplace are sorted into two groups, which Herzberg calls motivators and hygiene factors. According to his views, hygiene and motivating factors are distinct from one another.

According to McClelland, the internal impetus of the worker and his/her external motivation are one of the most significant factors of production. In his works McClelland highlighted that human actions are influenced and controlled by subconscious motives (McClelland, 1987).

Vroom's theory of expectancy (1964) is based on the concept that individuals only strive to make an effort, if this has results that are favourable to them and yields the expected rewards.   The equity theory of Adam (1999) on the other hand states that individuals would like their performance to be recognized equitably, compared to that of others. In his opinion it is not only the magnitude of the reward that needs to be considered, but also its extent compared to other rewards. If the individual identifies inequity in the rewarding system, this may result in conflicts within the organization.

Skinner (1938) believed that if we are familiar with what behaviour of a given individual resulted in his/her rewarding or punishment we will be able to fully understand the behaviour of the given individual. He believed that the general theory that explains behaviour is that of affirmation. The basic concept behind his theory is that the consequences of past actions have an impact on the probability of the occurrence of future actions.

Hunt's objective theory (1988) states that modern organizations cannot be successful without objectives and personal and organizational objectives need to be reconciled.

A good manager is able to motivate his/her employees without incurring unjustified expenses. Financial rewards cannot be endlessly increased, and managers also need to be familiar with other methods (e.g. recognition, praise) for enabling the maintenance of motivation within the organization (Hagemannová, 1995).
Different employee satisfaction levels are also related to position; therefore, employees working higher up the company hierarchy have higher job satisfaction (Seligman-Csíkszentmihályi, 2000).

2 Result and Discussion

2.1 Material and method
In our modern world we spend a significant part of our lives at the workplace. Whether we feel good or bad in this environment has a significant impact on our workplace performance. In our

study, based on our own analyses, we strive to present the differences between the motivational tools impacting workplace performance.

The fundamental objective of this study was to explore the differences between motivational tools through the examples of industrial companies and to make a recommendation as to their suitability for employment.

Our study was conducted between 2011. and 2014. amongst Hungarian companies. In the course of the study we evaluated a total of 500 questionnaires. The questionnaire consisted of 25 questions, including open- and closed-ended ones, as well as Likert scale questions.

2.2 Evaluation of our own findings

Our study is restricted to presenting only a few of the responses received in the questionnaires, the ones that are the most relevant to our topic. The main findings of our study are presented using the Herzberg dual factor model.

Responses to what role hygiene factors play in motivation are summarized in Table 1. The data are given as percentages.

Tab. 1 Role of hygiene factors in personal motivation, results expressed as a percentage

	A	B	C	D	E
operation of the organization	1	19	43	28	9
relationship between manager and employee	5	11	24	23	37
work conditions	9	12	23	26	30
wages, financial rewards	2	6	8	44	40
relationship with colleagues	2	11	23	36	28
workplace environment	6	17	31	22	24
feeling of security	9	14	18	24	35

A)   Significantly reduces my motivation to work
B)   Reduces my motivation to work
C)   Does not impact my motivation to work
D)   Increases my motivation to work
E)   Significantly increases my motivation to work
Source: author´s own processing

The non-fulfilment of hygiene factors results in dissatisfaction at the workplace, while their fulfilment results in a lack of dissatisfaction. From among the different factors, our inquiries included the operation of the organization, the relationship between the manager and the employee, work conditions, wages, the relationship with colleagues, the workplace environment and the feeling of security.

Based on Table 1 we can confirm that 43% of the respondents are not motivated by the operation of the organization. Regarding the relationship between the manager and the employee, 37% of respondents are significantly motivated by a good manager-employee relationship. 30% of respondents believe that good workplace conditions play a part in motivation. Based on the findings of our questionnaire, wages and financial rewards seem to play the most significant role in workplace motivation; 88% of respondents can be motivated using tools related to wages. A good relationship with colleagues may also be a motivational factor; workplace relationships with colleagues are of great significance to 28% of the respondents. According to respondents, the workplace environment has a medium impact on workplace motivation (24 %), while the feeling

of security (e.g. no fear of losing one's job) plays a more significant role with 35% of respondents regarding the feeling of security as an important factor.

From among motivators, we assessed the recognition of performance, work content, advancement opportunities and participation in training. If these are available, this results in satisfaction, while their absence results in a lack of satisfaction. Respondents used a five-step scale for providing their responses.

Tab. 2 Role of motivators in personal motivation, results expressed as a percentage

	A	B	C	D	E
recognition of performance	5	9	20	38	28
work content	8	14	47	17	14
advancement opportunity	9	14	24	33	20
participation in training	7	18	40	19	16

A)   Significantly reduces my motivation to work
B)   Reduces my motivation to work
C)   Does not impact my motivation to work
D)   Increases my motivation to work
E)   Significantly increases my motivation to work
Source: author´s own processing

From among the motivating factors assessed, the recognition of performance was important to 28% of respondents, while work content only impacts motivation for 14%. 20% of respondents believe that advancement opportunities are an important motivational factor, while participation in training is a less important factor, with such participation significantly increasing the motivation of only 16% of respondents.
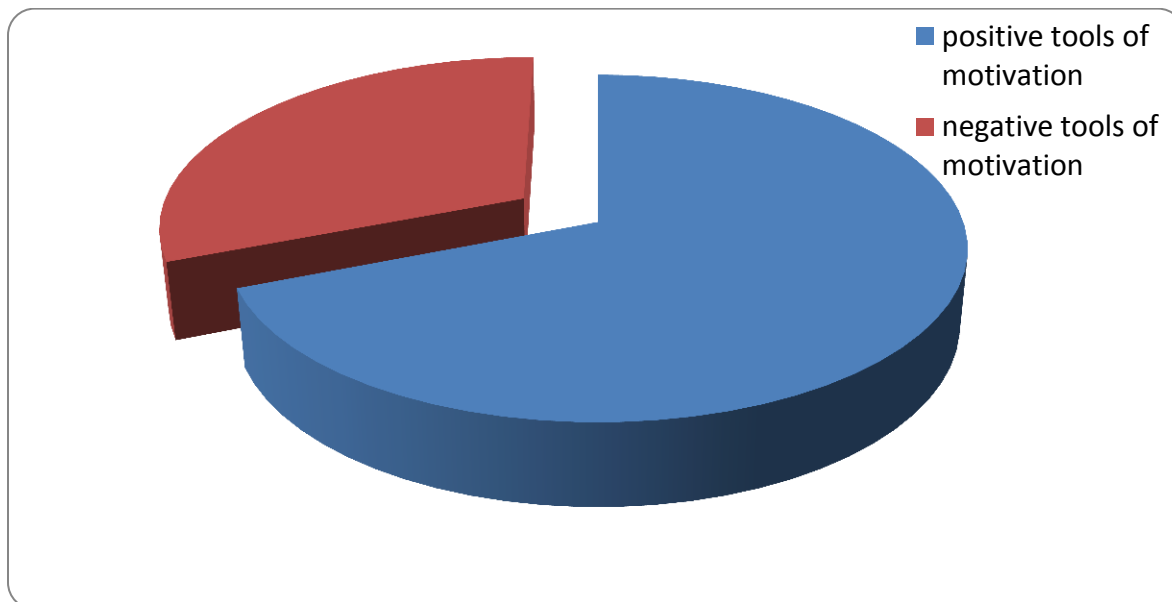

Fig. 1 Which tools of motivation are more effective, results expressed as a percentage

We separately examined positive and negative motivational factors; in this respect we primarily aimed to establish which tools employees prefer. 69% of the respondents of the questionnaire

believe that positive motivational tools are more productive. Respondents primarily mentioned financial rewards, wage increases, praise and promotion as effective positive tools of motivation, while mentioning fines, the withholding of remuneration, demotion and threats from among negative motivational factors (1. Figure).

In our study we also separately examined non-financial tools of motivation. The encouragement and praising of employees involves no costs, yet a number of managers are reluctant to give such non-financial rewards. Our study has shown that positive feedback and the recognition of the importance of the individual may significantly motivate employees (2. Figure).
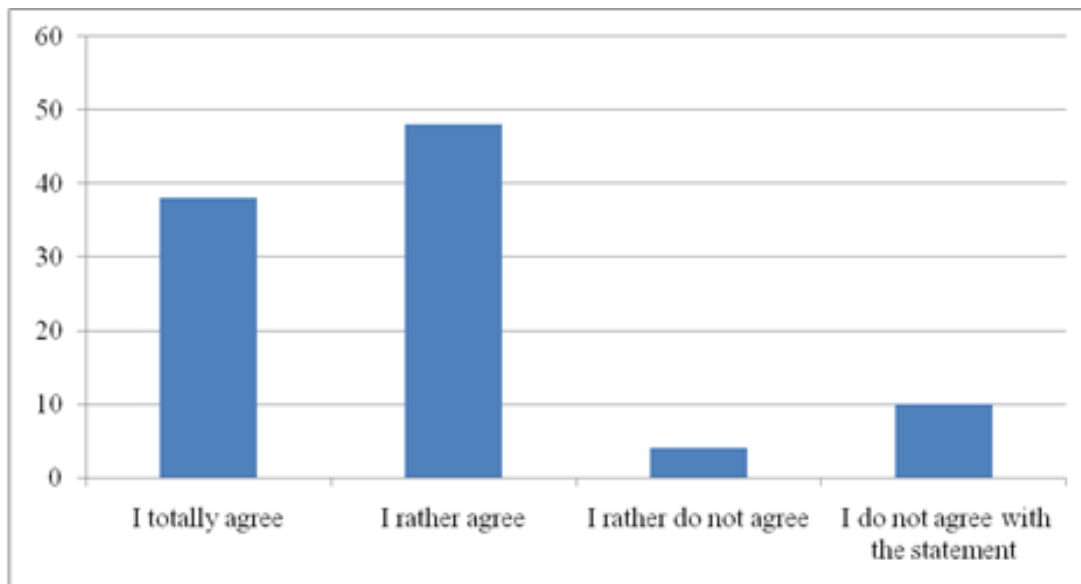

Fig. 2 Non-financial tools of motivation may likewise be effective, results expressed as a percentage

3 Conclusion

In the course of our study we confirmed that positive tools of motivation (e.g. a raise in wages, recognition) are more effective than negative ones (e.g. disciplinary measures, punishment).
The majority of respondents were satisfied with their work. Certain people find their activities exciting and motivating, owing to which they tend to push their limits and seek out challenges.
88% of the respondents can be motivated using money and other financial tools (e.g. bonuses). The majority of employees are dissatisfied with their salaries; they believe it to be disproportionate to the content and difficulty of their jobs.

At the same time, however, our study has also shown that non-financial tools of motivation (e.g. praise, recognition) may neither be neglected along financial ones, since these play an important role in employee satisfaction at the workplace and may provide an opportunity for managerial motivation in case of the potential unavailability of financial resources.

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