



IMPACT OF EMPLOYEES MOTIVATION ON JOB SATISFACTION AND ORGANIZATIONAL COMMITMENT AT BALCO

Dr. Vivek Bajpai*, Sweksha Rajpot

* Associate Professor, Department of Management Studies, Dr. C.V. Raman University, India

DOI: 10.5281/zenodo.1255785

KEYWORDS: Motivation, Recognition, Organizational Commitment, Job Satisfaction

ABSTRACT

The purpose of this paper is to identify the factors that effects employee motivation and examining its impact on job satisfaction and organizational commitment. The study employed a survey research method to collect research data from employees belonging to different functional level at BALCO where a sample of 100 respondents were selected based on the judgment of researcher and data is collected with the help of questionnaire. The literature review from different sources and studies shows that there is direct and significant impact of employee's motivation over their performance, satisfaction and commitment towards organization. These studies also shows a correlation among satisfaction and organizational commitment. The study revealed that various motivational factors affects job satisfaction by 78% and organizational commitment by 68%. **“Training, Projects and Teamwork”, Decision Making and Service Awards”** and **“Technology and Best Employee Awards”** are the factors considered as most influential motivating factors by the employees of BALCO. It is recommended to the management of BALCO to provide best training and engage their employees in more projects for realizing them satisfied with job. Collective decision making need to be started at BALCO and best employee and service awards need to be given to the best performer

INTRODUCTION

Every organization and business wants to be successful and have desire to get constant progress. The current era is highly competitive and organizations regardless of size, technology and market focus are facing employee retention challenges. To overcome these restraints a strong and positive relationship and bonding should be created and maintained between employees and their organizations. Human resource or employees of any organization are the most central part so they need to be influenced and persuaded towards tasks fulfillment. For achieving prosperity, organizations design different strategies to compete with the competitors and for increasing the performance of the organizations. A very few organizations believe that the human personnel and employees of any organization are its main assets which can lead them to success or if not focused well, to decline. Unless and until, the employees of any organization are satisfied with it, are motivated for the tasks fulfillment and goals achievements and encouraged, none of the organization can progress or achieve success.



Global Journal of Engineering Science and Research Management

The focus of this study is to study the various motivational aspects persists among the aluminum production unit i.e. BALCO as the working condition in such production plants are tough and critical. Hence, strong motivational urge is required to bring out the best performance among these employees. The purpose of the study is to analyze the impact of employees' motivation on their job satisfaction and organizational commitment. The study has two sub-objectives; firstly the factors that increase motivation of employees are to be determined. Secondly the relationship of employee motivational factors with their job satisfaction and organizational commitment is to be examined.

OBJECTIVES OF THE STUDY

- To study the most effective factors which motivates the employees of BALCO.
- To assess the impact of various factors on job satisfaction and organizational commitment of the employees of BALCO.

REVIEW OF LITERATURE

Rizwan et al, (2010) in their study "*The Relationship Between Rewards and Employee Motivation in Commercial Banks of Pakistan*" describes motivation as a set of courses concerned with a kind of strength that boosts performance and directs towards accomplishing some definite targets. It is an accrual of diverse routes which manipulate and express our activities to attain some particular ambitions. They proved that the motivation boosts expresses and continues conduct). The motivation of an individual envelops all the motives for which he selects to operate in a definite approach. In fact motivation is "inside another person's head and heart".

Wagner (2010) in his research "*Predicting nursing turnover with catastrophe theory*" asserted that nursing turnover is a dangerous outcome because it is linked to loss of individual and organizational performance, significant reduction in quality of care, increase in workload on the staff that survived the turnover, loss in morale, and further turnover. Excessive turnover can determine the so-called "dysfunction" in organizations. In fact, recent studies showed that a high nursing turnover can impact negatively on the organization's ability to efficiently respond to the needs of patients, and to provide them a high level of care. Research has suggested that reward now cause satisfaction of the employee which directly influences performance of the employee. Rewards are management tools that hopefully contribute to firm's effectiveness by influencing individual or group behavior. All businesses use pay, promotion, bonuses or other types of rewards to motivate and encourage high level performances of employees. To use salaries as a motivator effectively, managers must consider salary structures which should include importance organization attach to each job, payment according to performance, personal or special allowances, fringe benefits, pensions and so on.

Malik et al (2011) conduct a research "*Organizational Effectiveness: A Case Study of Telecommunication and Banking Sector of Pakistan*" by taking sample size 103 employees of Telecommunication companies and different banks of Pakistan and discuss employee motivation, employee performance and organizational effectiveness. Motivated employees are more productive as compared to de-motivated employees. There is positive relationship



Global Journal of Engineering Science and Research Management

between organization effectiveness and employee motivation and performance but not more strong relationship between them.

Mishra & Mishra (2005) in their study “*Relationship between achievement motivation and organizational commitment among the supervisory level telecom officers*” explored the relationship between achievement motivation and organizational commitment of supervisory level officers of one of the fastest growing Govt. Department, the telecom department. The sample consisted of 100 supervisory level telecom officers of U.P. East Zone. The correlational analysis revealed a positive relationship between the achievement motivation and organizational commitment.

Singh and Sundaray (2012) in their study “*Job Satisfaction of Executives: A comparative study on public and private sector*” has found that the relationship with ‘co-workers’ is an important aspect of job satisfaction occupying one of the priority positions, as executives working in public and private sector enterprises were found to be highly satisfied with the relationship they have with their co-workers.

Saba Salem et al., (2013) in their study “*Determinants of Job Satisfaction among Employees of Banking Industry at Bahawalpur*” examine the impact of determinants of job satisfaction on employees of the banking industry and found that all the variables such as organizational policy and strategy, nature of work, communication, job stress, employee personality and recruitment and selection procedures have significant association with employees job satisfaction.

METHODOLOGY ADOPTED

An attempt was made to collect comprehensive data through employees working at different levels and hierarchy in the plant of BALCO. The sample size for this research is 100 sample respondents. As this research is direct to know the motivational factors which motivates the employees of BALCO, hence sample respondents selected for this study are the employees working at different levels in BALCO. These employees were selected on the basis of superior judgment of the researcher, which he thinks qualifies the basic criteria of being a respondent and which had ability to understand the major objective of this research. Researcher has tried to cover all the levels as well as different period of tenure of services so as to make comparison among motivational factors of employee based on their tenure of services and their position in the organization. The primary data was collected using self-administered questionnaire under the guidance of supervisor where questionnaire used in similar research topics were adopted and modified slightly to suit the purpose of this study. The questionnaire is designed in two parts. Part A consists of demographic information, general information about respondents and questions gathering information about the motivational techniques used by the management in BALCO. Part B assesses the job satisfaction and organizational commitment of the sample respondents.



MOTIVATION

Motivation is the inner drive that pushes individuals to act or perform. Specific theories may propose varying set of factors influencing motivation (Harder, 2008) but many scholars agree that motivation is the psychological process that causes the arousal, direction, intensity and persistence of behavior (Locke and Latham, 2004).

Fundamentally, motivation is the process that leads to behaviour, and this process cannot be directly measured or observed. Consequently, earlier researchers on motivation have identified various factors that could be applied in measuring motivation. In particular, Herzberg (1966) empirically identified satisfaction/no-satisfaction factors and dissatisfaction/no-dissatisfaction factors as the determinants of staff motivation and staff contentment at work respectively. Satisfaction/no-satisfaction related factors motivate and/or de-motivate workers, while dissatisfaction/no-dissatisfaction factors provide hygienic and conducive working environment or non-hygienic and non-conducive working environment, which could either eliminate or encourage workers' complaints about working conditions. Jaafar, Ramayah and Zainal (2006) affirm that hygiene issues can minimize dissatisfaction if handled properly and can only dissatisfy if they are absent. Nelson and Quick (2003) note that motivation factors are the more important of the two sets of factors because they directly affect a person's motivation drive to do a good job. They added that hygienic factors only support *the motivators* but they (the hygienic factors) do not directly affect a person's motivation to work; they only influence the extent of the person's discontent.

Basic Model of Motivation

The basic model of motivation explains the mechanism or the process of motivation. Need of an employee is the basis of work motivation. Such felt deprivation creates tension in the minds of the employees. Then, they try to overcome their tension by engaging themselves in a behaviour which leads to the goal fulfillment and satisfaction of their needs. The satisfaction of one need leads to the feeling of another need. Thus, motivation is the goal - directed behaviour and it is a continuous process.

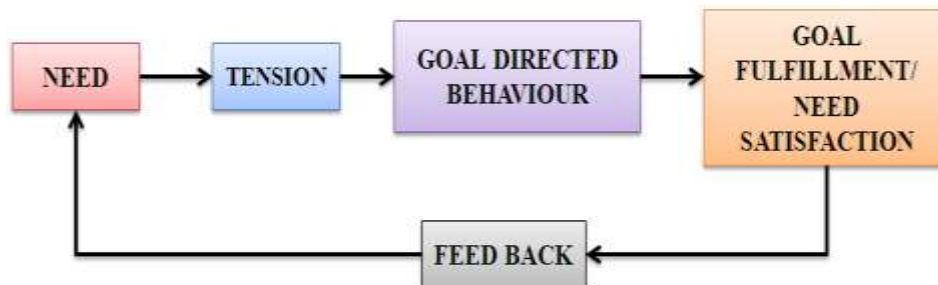


Figure 1: Basic Model of Motivation



Types of Motivation

Motivation is classified into six different categories, based on their distinct characteristics. These are discussed below:



Figure 2: Classification of Motivation

- (i) **Positive / Incentive motivation** - It is a process of influencing the employees by promising them to give monetary or non-monetary reward for their performances. Monetary incentives include high pay, profit sharing, paid vacation and fringe benefits etc. Whereas, non-monetary incentives include appreciation, recognition, participation and piesitige etc.
- (ii) **Negative / Fear Motivation** - It is a process of influencing the employees to do the desired work by using force and fear. The fear of punishment causes the employees to act in an expected manner.
- (iii) **Extrinsic Motivation** - It is induced by the external motivators which are primarily physical and financial in nature. Extrinsic motivators include high {my, profit sharing, paid vacation, and fringe benefits etc.
- (iv) **Intrinsic Motivation** - It is induced by the internal motivators which are basically psychological in natureIt is self - generated and is independent of financial rewards. Intrinsic motivators include appreciation, recognition, authority, responsibility, and status etc.
- (v) **Attitude/Self-Motivation** - Before one can motivate others, one must motivate oneself. The employees do not get self-motivated due to the emotional reactions within themselves. Anxiety affects the conscious mind while inner conflict affects the subconscious mind. Similarly, the inner conflict includes unwillingness to work, excuse for failure and inferiority complex etc.



Global Journal of Engineering Science and Research Management

(vi) **Group Motivation** - A group can be motivated by improving human relations and dealing with the employees in a human way, by developing their will to do the work by encouraging them to get involved in their work and by giving them an opportunity to improve their performance. It should be kept in mind that the maximum productivity can be obtained when each member of a group is properly motivated. Hence, personal attention should be paid for the motivation of individual employees in the group.

JOB SATISFACTION

Paul Spector (1997) defines job satisfaction as what a person feels toward his job and various aspect of the job. In line with this Locke (1976) defined job satisfaction as a satisfactory or positive emotional state resulting from good work judging or work experience. At the same time, it is considered that job satisfaction, in addition to emotional satisfaction, includes also cognitive and behavioral component.

As already mentioned job satisfaction can be described as an emotional response to work related situations (Kinicki & Kreitner, 2003). In line with this, Megginson, Mosley, and Pietri (1982) stated that people experience job satisfaction when they feel good about their job and that feeling often arises from achievements and recognition after job well done. Since job satisfaction is influenced by employees' emotions and feelings, it has a major influence on various aspects of life (Sempene, Rieger, & Roodt, 2002).

ORGANIZATIONAL COMMITMENT

Organizational commitment can be defined as "*an effective response or attitude resulting from an evaluation of the work situation which links or attaches the individual to the organization*" (Mottaz, 1988, p. 468). There is widespread agreement in the literature that organizational commitment is based on attitude (Solinger, van Olffen, & Roe, 2008), however, it can also be based on individual behaviour (Becker, 1960). Porter et al. (1974) point out that organizational commitment is characterized by three factors; a strong confidence in the organization's goals and values, willingness to exert effort on behalf of the organization, and a strong desire to be a member of the organization.

Meyer and Allen (1991) interpret organizational commitment as a psychological state that consists of three factors called the three-component model (TCM). The TCM ties together three psychological states that describe the employee's relationship to the organization, and they are decisive outcomes when the employee is deciding whether to stay or leave the organization (Meyer et al., 2002; Solinger, van Olffen, & Roe, 2008). All the components vary in strength over time, depending on the work situation. Figure 3 illustrates the TCM.

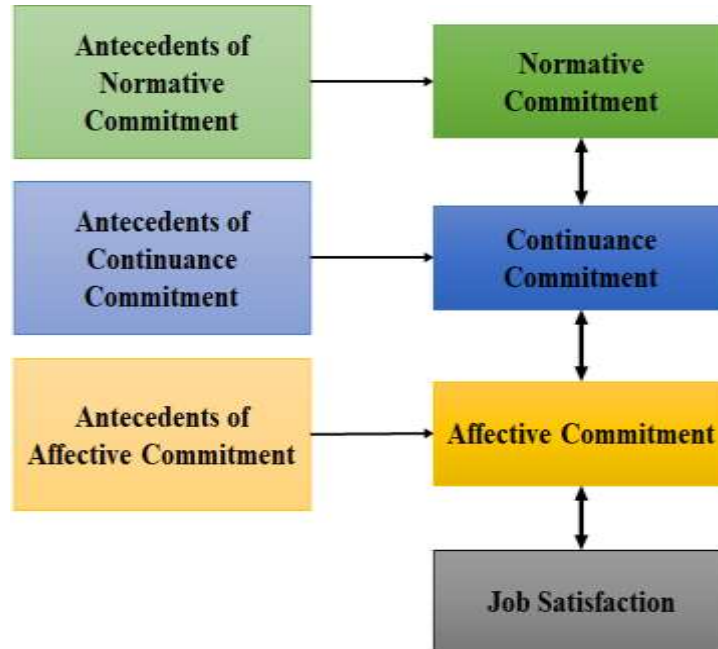


Figure 3: TCM (Meyer, Stanley, Herscovitch & Topolnytsky, 2002)

RESULTS AND DISCUSSION

Table 1 reflects the demographic profile of the respondents. The results of descriptive analysis for demographic information indicated that among the analyzed samples (n = 100) In terms of age group, the ages of the respondents ranged from upto 25 years to above 45 years old, with the majority of respondents falling between the age group of “26-35” (47%), followed by the age group “36-45” (29%), upto 25 years (5%), “> 45” (19%). Majority of respondents were married (65%) and have education upto graduate level (43%) followed by post graduate 29% and others (17%). Majority of the respondents have monthly income of 25,001 – 75,000 (88%).



Global Journal of Engineering Science and Research Management

Table 1: Respondent Demographics (n = 100)

Demographic	Frequency	%
Gender		
Male	89	89.0
Female	11	11.0
Age		
Upto 25 Year	5	5.0
26-35 Year	47	47.0
36-45 Year	29	29.0
Above 45 Year	19	19.0
Marital Status		
Married	65	65.0
Unmarried	29	29.0
Others	6	6.0
Education		
Diploma	11	11.0
Graduate	43	43.0
Post Graduate	29	29.0
Others	17	17.0
Income		
Upto 25,000	4	4.0
25001-50,000	61	61.0
50001-75,000	27	27.0
Above 75,000	8	8.0

With respect to the status in organizational hierarchy, it was found that majority of respondents either belongs to junior management level (56%) or non-managerial background (33%) i.e. from production unit in plant and very few respondents belongs to middle level (7%) or senior level management (4%). It was also found that majority of respondents are not much experienced and working in BALCO since 5 years (59%) which point out towards high attrition rate whereas some respondents had good experience of working in BALCO (41%). This shows that people were satisfied on some grounds and enjoyed their work. These findings are in line with the findings of study conducted by Ranjit (2012) which shows that years of experience of employee do influences the level of job satisfaction. These



Global Journal of Engineering Science and Research Management

findings also confirms the findings of Jain et al, (2012) which indicates that layoff threats, quick turnover, less welfare schemes, and less scope for vertical growth increase job dissatisfaction. On the other hand, secure job environment, welfare policies, and job stability increase the degree of job satisfaction.

Table 2: Status in organization (n=100)
Status in organizational hierarchy

	Frequency	Percent	Valid Percent	Cumulative Percent
Non-managerial	33	33	33	33.0
Junior Management	56	56	56	89.0
Valid Middle Management	7	7	7	96.0
Senior Management	4	4	4	100.0
Total	100	100.0	100.0	

Table 3: Tenure of service (n=100)
Tenure of service

	Frequency	Percent	Valid Percent	Cumulative Percent
Up to 2 Years	16	16	16	16.0
2 – 5 Years	43	43	43	59.0
Valid 5 – 10 Years	33	33	33	92.0
Above 10 Years	8	8	8	100.0
Total	100	100.0	100.0	

Since this research has utilized proper likert - type scale it is important to test the internal consistency and the reliability of the questionnaire and thus employ a Cronbach's alpha test. A total of 26 scale constructs were tested for reliability and the below table clearly shows that the set of constructs used in this study is perfect and highly reliable. The following table of Reliability Statistics inform us about the value of the coefficient of Cronbach for the research scale is $0.894 = 89.4\%$. This gets over the percent of 80%, which is a good value for the internal consequence of the conceptual construction of the investigated scale (Anastasiadou, 2010; Nouris, 2006).



Global Journal of Engineering Science and Research Management

Table 4: KMO & Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.822
Bartlett's Test of Sphericity	Approx. Chi-Square	277.865
	Df	45
	Sig.	0

From the Table 4 we found that the value for KMO was more than 0.6, and it is 0.822 also Bartlett's Test of Sphericity has sig value less than 0.05 at 5% level of significance. So factor analysis could be conducted successfully for data reduction.

Table 5: Total Variance Explained (Factor Analysis)

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.119	30.271	30.271	2.119	30.271	30.271	2.085	29.787	29.787
2	1.396	19.940	50.211	1.396	19.940	50.211	1.408	20.114	49.901
3	1.029	14.694	64.904	1.029	14.694	64.904	1.050	15.004	64.904
4	.979	13.993	78.897						
5	.600	8.572	87.469						
6	.491	7.012	94.481						
7	.386	5.519	100.000						

Extraction Method: Principal Component Analysis.

Exploratory Factor Analysis is performed on all the 26 dimensions of five factors considered for this study by using principal-component method. After removing all the cross loadings it is found from the rotation sums of squared loadings and that total sum of twenty two variables has been extracted and the same has been grouped into three components which have Eigen value of more than one. It ranges from component no. 1 to component no. 3 with the cumulative percentage from 29.787 percent to 64.904 percent. The percentage of variance ranges from 22.787 percentage to 15.004 percentage.



Global Journal of Engineering Science and Research Management

On the basis of Table 6 we found three components, for our 26 variables. Based on the item loading, these factors were respectively labelled as:

1. The factor “*Training, Projects and Teamwork*” explains the 1st component
2. The factor “*Decision Making and Service Awards*” explains the 2nd component
3. The factor “*Technology and Best Employee Awards*” explains the 3rd component

These emerged three factors were considered as most influential motivating factors considered by the employees of BALCO.

Table 6: Rotated Component Matrix (Factor Analysis)

Rotated Component Matrix^a

	Component		
	1	2	3
Internal Training Course	.829		
High Technology/Equipment			.505
Decision Making		.843	
Community Projects	.791		
Team Work	.860		
Kudo/Applause/Service Year Awards		.820	
Best Employee Awards			.850

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 4 iterations.

Table 7: Predicting Organizational Commitment and Job Satisfaction.

Dependent	Independent	b-value	Beta	t-value
<i>Organizational Commitment</i>	Career Development	0.11	0.12	2.33
	Monetary Benefits	0.52	0.39	6.85
	Non-monetary Benefits	.117	.265	2.852
	Working Condition	0.26	0.19	3.34
	Recognition Programmes	.142	.129	2.405



Global Journal of Engineering Science and Research Management

$R^2 = 0.78$, $F = 102.78$, $p < 0.05$

Job Satisfaction	Career Development	0.253	0.281	4.883
	Monetary Benefits	0.257	0.299	5.075
	Non-monetary Benefits	0.076	0.039	0.652
	Working Condition	0.285	0.176	3.097
	Recognition Programmes	0.376	0.152	2.388

$R^2 = 0.691$, $F = 91.74$, $p < 0.05$

Multiple regression analysis was carried out to assess the impact of various motivational factors on organizational commitment and job satisfaction. In identifying those significant variables accounting for organizational commitment of employees of BALCO, it is revealed that all factors have a significant influence on organizational commitment of the employees. The adjusted R^2 of this model is 0.78, which indicates that these factors create 78% of the variation in the organizational commitment level of employees of BALCO. Highest variation in Organizational commitment was created by monetary benefits (at 39.8%) and lowest by Career development (at 21.9%). The significant F-ratio ($F = 102.78$, $p = 0.000$) indicates that the results of the regression model could hardly have occurred by chance. Thus, the goodness-of-fit of the model is satisfactory. All the 5 factors significantly and positively influences organizational commitment of the employees of BALCO. Based on the beta coefficient of each independent variable, it is possible to assess the impact of each variable on the dependent variable, organizational commitment. According to Table 7, the variable “Monetary benefits” was the most important determinant of employees motivation at BALCO; it had the standardized coefficient value, 0.39, and the highest t-value, 6.85, followed by Working Conditions with standardized coefficient value, 0.19, and t-value, 3.34.

Separate regression analysis was conducted to investigate the influence of the motivational factors on job satisfaction of employees at BALCO. Table 7 provides the results of the regression analysis with job satisfaction as the dependent variable. It was noted that all the 5 factors has significant influence on job satisfaction of employees at BALCO. The adjusted R^2 of this model is 0.691 which indicates that these different dimensions or factors influences the job satisfaction of employees by 69%. Highest variation in job satisfaction was created by Monetary Benefits (at 29.3%) and lowest by Non-monetary Benefits (at 9.12%). The significant F-ratio ($F = 91.74$, $p = 0.000$) indicates that the results of the regression model could hardly have occurred by chance. According to Table 7, the variable “Monetary benefits” was the most important determinant of job satisfaction among employees of BALCO; it had the standardized coefficient value, 0.299, and the highest t-value, 5.075, followed by Career Development with standardized coefficient value, 0.281 and t-value, 4.883.



CONCLUSION

Motivation plays a significant role in performance of employees which leads to enhance job satisfaction and their level of commitment towards organization. This study shows that the various dimensions or factors of motivation discussed above impacts the organizational commitment of employees of BALCO by 78% and job satisfaction by 69%. Some new factors were emerged which were considered as most influential motivator factors and able to creates a variance of about 64% on motivation level of employees of BLCO. By appreciating the employees for their work done and giving them participation in decision making, internally satisfies them with their job, organization and organizational environment. Thus their enthusiasm and motivation towards accomplishment of tasks increases which leads to enhanced performance. Fully motivated employees are valuable asset to any organization. These employees not only increase productivity but will remain loyal towards the organization. It is recommended that management must provide regular training to the employees at each levels and give service and best performance awards not only to motivate but to create an urge of competition and achieving more. Making employees as a part of organizational decision making process make them feel part of family and give rise to the feeling of belongingness among employees.

REFERENCES

1. Harder, M. (2008), How Do Rewards and Management Styles Influence the Motivation to Share Knowledge? *Centre for Strategic Management and globalization (SMG) Working Paper No. 6*. Web-site: <http://ssrn.com/abstract=1098881>.
2. Herzberg, F. (1966), *Work and Nature of Man*, Cleveland: World.
3. Jaafar, M., Ramayah, T. and Zainal, Z. (2006), Work Satisfaction and Work Performance: How Project Managers in Malaysia Perceive It? *Academy of World Business, Marketing and Management Development Conference Proceedings*, Vol. 2, No.113, pp. 1305-1313.
4. Kinicki, A., & Kreitner, R., (2003). *Organizational behavior: Key concepts, skills and best practices*. New York: McGraw-Hill.
5. Locke, E.A. (1976). The Nature and causes of job satisfaction. In M.D. Dunnette (Ed.), *Handbook of industrial and organizational psychology* (pp. 1297-1343) Chicago: Rand McNally.
6. Locke, E.A. and Latham, G.P. (2004), What Should We Do About Motivation Theory? Six Recommendations for the Twenty-First Century, *Academy of Management Review*, Vol. 29, Vol. 3, pp 388 – 403.
7. Malik, M.E., Ghafoor, M.M. and Naseer, S. (2011), Organizational Effectiveness: A Case Study of Telecommunication and Banking Sector of Pakistan. *East Journal of Psychology and Business*, 2, 37-49.
8. Megginson, L.C., Mosley, D.C., & Pietri, P.H. (1982). *Management concepts and applications* (4th ed.). New York: Harper Collins.



Global Journal of Engineering Science and Research Management

9. Mishra, S. and Mishra, P.C. (2005). Relationship between achievement motivation and organizational commitment among the supervisory level telecom officers. *Indian Journal of Community Psychology*, 1(1), 106-113.
10. Nelson, D.L. and Quick, J.C. (2003), *Organizational Behaviour: Foundation, Realities and Challenges* (4th ed.), Australia: Thomson South-Western
11. Rizwan, K.U., Farooq, S.U. and Ullah, M.I. (2010), The Relationship Between Rewards and Employee Motivation in Commercial Banks of Pakistan. *Res. J. Int. Stud.* Vol. 14, P. 37-52.
12. Saba Salem, Sadia Majeed, Tariq Aziz, Muhammad Usman (2013), Determinants of Job Satisfaction among Employees of Banking Industry at Bahawalpur. *Journal of Emerging Issues in Economics, Finance and Banking (JEIEFB)*, Vol.1, No.2 February, pp 150-159
13. Sempene, M.E., Rieger, H.S., & Roodt, G. (2002). Job satisfaction in relation to organisational culture. *South African Journal of Industrial Psychology*, 28(2), 23-30.
14. Singh, T. and Sundaray, B.K. (2012) Job Satisfaction of Executives: A comparative study on public and private sector. *Training and Development Journal*, Vol.3, Issue 1, January pp. 1-5.
15. Spector, P.E. (1997). *Job Satisfaction: Application, Assessment, Causes and Consequences*. Thousand Oaks, CA: Sage Publication.
16. Wagner, C. M. (2010). Predicting nursing turnover with catastrophe theory. *Journal of Advanced Nursing*, Vol. 66, P:2071-2084.