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Determinants and Effects Analysis of Employee Motivation in the Banking Sector of Pakistan

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Abstract

The cornerstones of any organization are the employees working in it. Employees are the building blocks of an organization. This research has been executed with an aim of exploring employee motivation in banking sector. This study focuses on the relationship between employee motivation job satisfaction, employee performance and organizational commitment. We conducted a survey based descriptive and causal study. This study uses regression analysis for hypothesis testing. A sample size of 200 bankers was taken and self administered questionnaires were distributed among them. Results of the study indicate that intrinsic and extrinsic rewards are the antecedents of the employee motivation and employee motivation is significantly related with job satisfaction, employee performance and organizational commitment. This study can play a undeniable and gripping role for the future researches conducted in this area.

Keywords: *Employee motivation, intrinsic and extrinsic rewards, organizational commitment, employee performance, job satisfaction*

1. Introduction

With the intense turbulence in the competitive business world, organizations have to confront a number of challenges. Out of which the utmost challenge is to acquire and retain human resources. Human resources have proven to be the most precious assets for the organizations. They carry out daily operations and can make and break an organization with the manner with which they do work. For achieving organizational objectives effectively and efficiently, either short-term or long-term, employee motivation is indispensable and central. Employees of every organization, irrespective of its size and type, will put maximum efforts when they are aware of the fact that they will be rewarded for their work and efforts by the management. Employee performance is being influenced by a number of features and factors like company's policies, performance management procedures, working conditions of the organization, level of job security, relationship between employee and employer, opportunities for career development and compensation and benefit policies etc. Among all these factors, the most fundamental is the motivation that results from the rewards being given to the employees for the duties and responsibilities which they perform. Undoubtedly, motivated personnel can accelerate the process of organizational learning and development through their better performance as compared to de motivated ones. Every organization has four types of M's i.e. Men, Money, Material and Machinery. Out of these, men are noteworthy as organizational performance is based on individual performance. So employees should be motivated. Motivation is defined as a fusion of different processes which manipulate and direct our behavior and actions to accomplish some specific goal or objective (Baron, 1983).



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Contemporary organizations are well aware of the fact that motivated employees are a real source of competitive advantage. So these organizations invest in effective strategies to get motivated workforce enhance their performance. Traditionally, it was believed that salary or the financial rewards are the wholly and solely motivators for the employees. But with the passage of time this has been proven wrong. There are many other factors within the internal environment of the organization that motivate the personnel (Rasheed, Aslam & Sarwar 2010). Motivation level of the workforce in any organization is being influenced by two dominant aspects: personal characteristics and the workplace characteristics and environment. Engaged and motivated workers have proven to be propitious for the organizations in numerous ways. These workers perform in the favor of organizational objectives rather than emphasizing their personal objectives. Two-way communication aids the organization in accepting employees and it also facilitates to figure employee perceptions about a company. It has been observed that employee motivation and satisfaction have a positive impact on customer satisfaction in the service sector (Harter, Schmidt & Hayes, 2002).

For an individual, the significance of motivation can be an aggregate of having career development, personal development, achieving goals and being satisfied with the job. Motivation has proven to strengthen the skills of employees and it also raises the quality of work with minimum wastage and maximum utilization of resources. According to Armstrong (2003), those employees who are highly motivated are more empowered which prove to be a precious asset for the organization by working hard as an individual and in teams as well. They are more creative and profitable for the company and have a positive attitude towards work. Motivation has been defined by different authors in a number of ways. According to Daft (2006), motivation is considered as a sum of internal and external forces that elicit human behavior towards a destination. Employees working in organizations try to fulfill their needs with the help of financial and non-financial rewards they get in return of their services (Bateman & Snell, 2007; George & Jones, 2006).

Employee motivation is a debatable issue. For better utilization of human resources, managers need to understand its significance. They should also address different issues regarding motivation of workforce. When employees enter an organization they have a lot of hopes and expectations tied with the organization and if these expectations are fulfilled, they get motivated and perform better (Beer et al, 1984). Butkus & Green (1999) are of the view that motivation is a process that persuades people to act in a particular direction and perform those actions that gratifies their needs and provides them a sense of satisfaction. Baron (1983) advocated that "motivation is compilation or arrangements of procedures and processes involved in the push and pulls forces that reinforce the actions towards reaching a certain goal. Kinicki and Kreitner (2001) defined motivation as the psychological phenomena that stimulates human beings and persuades them to take actions towards specific goals.

This study attempts to examine the relationship of motivation with Job Satisfaction, Intrinsic and Extrinsic Rewards, Employee Performance, Organizational Commitment and Job satisfaction of employees in the banking sector of Pakistan.

2. Literature Review

2.1 Employee Motivation

A process which is initiated through our physiological and psychological want and that ultimately enhances our performance with the intention to achieve an objective is known as motivation. An employee who is motivated is always receptive towards the ultimate objectives and goals which he/she must achieve, thus he/she struggles towards that direction.

Studies have proved that rewards are the basis of employee satisfaction which affects the employees' performance (Kalimullah et al, 2010).

Rewards are organizational tools that effectively add to organization's effectiveness by persuading individual or group conduct and performance. Every organization practices to give salaries, bonuses, promotions, appraisals and other sort of rewards for the purpose of motivation of employees to encourage them to perform at their best level. (Reena et al, 2009).

There is an obvious relationship between employee performance and its outcomes which are meant to satisfy a particular need which is possible only through motivation. Porter and Lawler supported that the workplace environment should be constructed in such a way that would lead towards extrinsic and intrinsic rewards, and in turn this would yield job satisfaction. Motivation



inspires the individuals psychologically to work with full effectiveness for the achievement of a particular job and in this way encourage individuals to be more motivated and committed towards their work.

According to (Deci, Connell, & Ryan, 1989) intrinsic motivation is known as the action taken for the performance of an activity which will give an internal contentment and pleasure. Self-determination and cognitive evaluation theories explain rewards as the ability of person and content the one's need for independence and self-sufficiency that will result in the enhancement of intrinsic motivation (Gagne' & Deci, 2005).

Pfeffer (1998) stated in his study that the companies who give strategies for the optimum and proper utilization and management of their human resource would be always successful in long span of time. And to achieve organizational efficacy, there must be contented employees and the work significance should be obvious to the employees. Frey (1997) has shown in his findings that monetary rewards have a negative and adverse impact on intrinsic motivation. It has perceived that intrinsic motivation is critically dependent on extrinsic rewards. According to the research findings of Wright and Pandey (2005) that devotion and affection are the vital and key aspects of motivation for employees that in turn enhances the commitment towards organization and along with it fringe benefits also increases the motivational level in employees.

Allen & Meyer (1990) put an effort to find the reply for the query that how organizations explore ways to know whether their employees are devoted, contented and pleased with the organization. Furthermore, he also stated that there is no perfect answer to this query and many other aspects and reasons are also present that effects motivation and those factors are connected to employees and this will make the employees responsible and committed towards an organization. Nohria (2008) discovered in a current research that the level of motivation can be measured through many factors commitment, gratification, pleasure and the willingness to leave the organization. Rainey (2001) concluded that motivation is the degree of pleasure, contentment, and direction in a workplace which will lead to a person trying to put efforts and work properly. Even though monetary terms are persuasive aspect at every phase but money cannot be the only factor for the enhancement of motivation of every employee, but other intrinsic factors like (appreciation, acknowledgement, authority etc.) act as stimuli to inspire employees for their effective and efficient performance (Fuhrmann, 2006).

2.1 Intrinsic and Extrinsic Rewards

Rewards can be distinguished into two basic categories i.e. extrinsic and intrinsic. Extrinsic rewards are provided to the employees in the shape of salaries, bonuses, incentives, fringe benefits, level of job security and promoting an employee to a higher level. Extrinsic rewards are also known as tangible rewards. These types of rewards are externally linked to the job or the task performed. On the other hand, intrinsic rewards are those rewards that are intangible or internal to the job. For example authority given to an employee in a job, appreciation, job rotation, giving new challenges to the employee and trust and positive attitude given to the employee by employer. Frey (1997) advocated that when an employee gets a raise in salary to an optimum level then intrinsic rewards become a major source of motivation for him/her. For attaining organizational goals, human resources require intrinsic rewards such as recognition and appreciation.

Carraher et al (2006) put his opinion that organizations should design effectual compensation policies and reward system because compensation and benefits are a source of attracting and retaining the talented and motivated workforce and should be given on the basis of the productivity of the employees. Rewards are the foremost foundation that impact employees' motivation and that is the reason that a lot of literature is present in this area. Many researchers have tried to explore the impact of rewards on motivation of workforce. It is very important for the top management to develop such policies and devise such reward system that maximizes the satisfaction and motivation of employees. Rewards should be given on the basis on merit and performance. Bishop (1987) explored the same point that reward system of any organization depends upon the resources it has and its size. He also concludes that employees should be given pay according to the performance they exhibit. According to the literature present on individual performance, there are a variety of individual and organizational factors that influence performance of employees. The common individual factors that affect individual performance are the attitudes (Williams, 2004), ways of cognition (Scott and Bruce, 1994), personality of the employees and certain demographic characteristics of employees such as age of employees, education level, and their past Research & Development experience (Roberts, 1991 and Rothwell, 1992). Rutherford (1990) is of the view that motivated employees are a great source



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of competitive advantage for any company because they bring unique and innovative ideas which are very beneficial for the firm. So it is the responsibility of the management to ensure the presence of all those processes and procedures that strengthen the performance of the workers. Ajila and Abiola (2004) stressed those rewards that are present within the job are referred to as intrinsic rewards. For instance autonomy and authority provided to the worker, appreciation from the supervisor and satisfaction that arises from achieving the targeted goals and objectives. These rewards provide motivation to the employees whereas extrinsic rewards are known as tangible rewards given to the employees for their services like pay, incentives, bonuses, fringe benefits, promotions and so many others.

When we talk about organizational antecedents, there are some important factors that are of value to the employees and help to improve their performance. These factors include expenditure a company makes on Research and Development (Hadjimanolis, 2000), cooperating with outside parties that provide technology, impact of leader (Hage and Dewar, 1973), and reward system of a particular organization (Eisenberger and Cameron, 1996; Janssen, 2000; Mumford, 2000). Research proves that those organizations that have sound compensation and reward policies help to attract and motivate employees whereas those organizations that have a poor system of rewarding employees for their efforts create de motivation among employees and as a result individual and ultimately organizational performance is lowered. Reio and Callahon (2004) concludes that whether the rewards are extrinsic (tangible) or intrinsic (intangible), they have a strong influence on the motivation level of employees and as a consequence it raises the productivity and efficiency of workers which help organizations to prosperous and make a mark in the competitive business world.

- H1: There is a significant relationship between authority and employee motivation.**
- H2: There is a significant relationship between appreciation and employee motivation.**
- H3: There is a significant relationship between pay and employee motivation.**
- H4: There is a significant relationship between fringe benefits and employee motivation.**

2.3 Employee Performance

The achievement of a particular assignment judged through specified criteria of preciseness, extensiveness, cost and speed is known to be performance and it is considered as the completion of a duty and responsibility. There are many aspects and factors on which performance of an employee depends. These may be appraisal systems, motivational factors, satisfaction level of employees, reward and compensation, human resource training and development, job security and many other factors but in our study the main focus is on employee motivation, which has a great impact on the performance of employees.

Vroom's theory is built on the fact that the determination of employee will enhance the performance of the employee and this will produce rewards and incentives for them. (Vroom, 1964). Higher the rewards, the more will be the motivational level of employees and vice versa and in turn the motivated work force will be the high performers. Counter. Yazici (2008) has revealed that the organizational effectiveness and compensation management system has a great influence on morality and production. Most of the organizations have established that in order to complete the definite goals and objectives of the firms, their reward systems and performance were motivating a dynamic and counter-productive attitude and behavior.

On the contrary, path-goal model clearly depicts the relation between employee performance and reward management system. This theory explains that "if an employee realizes increased output as a way that leads to the fulfillment of one or more individual objectives, then he will have a tendency to enhanced production. On the other hand, if he if an employee realizes low output as a way that leads to the fulfillment of one or more individual objectives, then he will have a tendency to low production. We can also say that the personnel will be inspired and motivated to put high effort and struggle in his work if his last struggle has resulted in the achievement of rewards and incentives".

- H5: There is a significant relationship between employee motivation and employee performance.**

2.4 Organizational Commitment

According to (Mowday et al., 1982) Organizational Commitment is described as an individual behavior & attitude to retain relationship with an organization as well as acceptance of



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organizational goals. Therefore the idea of Organizational Commitment is essential part of behavior research.

The categories of Organizational commitment were three, 1) Affective Commitment, can be defined as the individual level of association with organization.2) Continuance Commitment refers about the knowledge & concerns about financial issues of employees, in case if they leave the organization.3) Normative Commitment refers the sense of responsibility to continue the job & retain long term association with organization.(Meyer & Allen ,1991). The identification of career is theoretically related to work commitment (Salancik, 1977).Therefore employee motivation may have a positive relationship with organizational commitment. The all three categories of commitment including Affective, Continuance & Normative commitment are important in measuring organizational commitment, but the role of affective commitment is high.

The concept of commitment is the most essential element of measuring work attitude, capability & obligation of employees towards the accomplishment of their organizational goals (Meyer and Allen, 1997).The organizations who are enriched with highly committed employees, have low absenteeism & turnover of employees, The higher the level of commitment the lower would be the turnover of Human resource (Kim et al., 2005).Job satisfaction is also influenced by organizational commitment (Chenget al., 2003).

Many studies show that organizational commitment influences the employee performance. According to (Brown, 2003:31), In comparison of continuance & normative commitment, the employees who have the high capability of affective commitment would likely to be more motivated & contributed towards efficient meaningful performance. The employees who are highly committed are likely to motivate at higher level of performance & would able to perform efficiently even in complex and difficult conditions.

The stress has no influence on the working performance of the employees of the organization who focused on organizational commitment, & those employees who have low commitment are influenced by stress & job discontent (Begley and Czajka (1993).

H6: There is a significant relationship between employee motivation and organizational commitment.

H7: There is a significant relationship between organizational commitment and pay.

H8: There is a significant relationship between organizational commitment and fringe benefits.

H9: There is a significant relationship between organizational commitment and employee performance.

2.5 Job Satisfaction

Job satisfaction is the feeling of employees towards their jobs outcomes that whether it provides pleasure & main elements which are considered important by them. Job satisfaction is the sense of pleasure & happiness which comes from the appreciation from their job experience (Locke, 1976). Employees have expectation from their bosses to provide pay, promotion, learning environment according to their performance, so that they may able to respond on these positive features (Luthans, 1998).The role of Job satisfaction is very important in the field of managing Human Resource. Job satisfaction motivates the employees to perform their tasks happily (Ramayah, Jantan, and Tadisina, 2001). Job satisfaction is the degree of positive behavior of employees, which comes after the appreciation from their bosses in case of achieving objectives for the organization successfully. Locke (1969).Appreciation from the boss for their employees makes them able to motivate & enhance the feeling of pleasure & job satisfaction. Therefore, employee motivation increases employee performance.

The impact of job satisfaction as a psychological phenomenon influences the employees to complete their assignments happily, & appreciation plays an important role in enhancing performance (Khan 2006). (Moser, 1997) focused on the importance of Job satisfaction as it plays an important role in enhancing the performance & organizational commitment. A Job satisfaction encourages employees to continue their jobs & reduced the factor of absenteeism. (Rusbult et. al, 1988). The system of different types of rewards especially monetary rewards in an organization influences the degree of job satisfaction of employees. (Aswathappa, 2003). Velnampy (2008) concluded from his results that the positive job behavior of employees through satisfaction makes them able to show high commitment & level of satisfaction for their work. The organizations should focus on the idea of job satisfaction as an essential component

in their planning process for increasing the degree of work satisfaction of workers.

H10: There is a significant relationship between organizational commitment and job satisfaction.

H11: There is a significant relationship between employee motivation and job satisfaction.

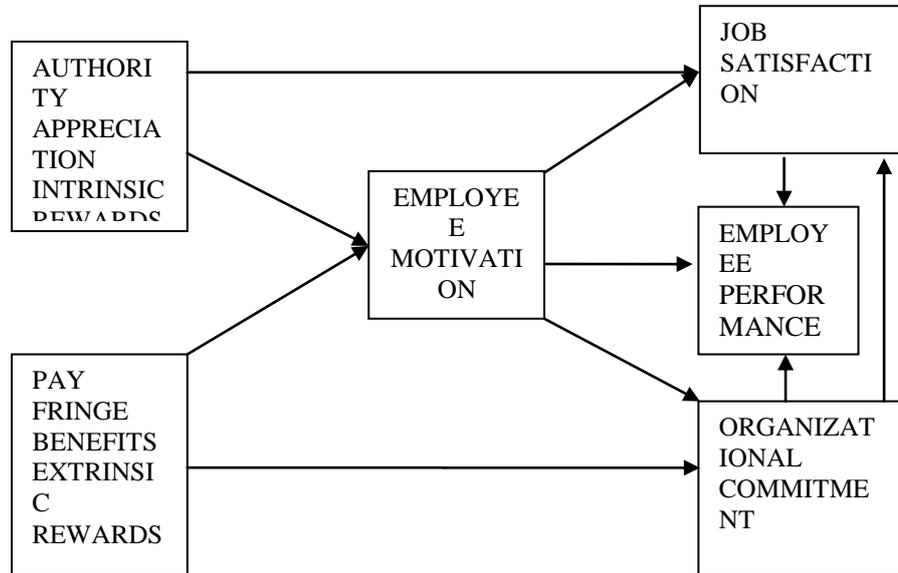
H12: There is a significant relationship between employee performance and job satisfaction.

H13: There is a significant relationship between authority and job satisfaction.

H14: There is a significant relationship between appreciation and job satisfaction.



3. Theoretical Framework



4. Research Methodology

The study is descriptive in nature. The survey research design methodology was used in this study to get an idea about the phenomenon or to explain the nature of the study. The causal relationships of the independent variables were measured on dependent variables. Regression analysis technique is used to test the hypothesis and to develop the relationships among the variables.

4.1 Sample/Data

The target population was employees from banking sector. The sample of the study was 165 employees from banking sector. In the process to collect the relevant data, self-designed questionnaires were distributed among employees of different banks in Punjab and data collection is made through survey method. Non probability sampling technique is used to collect the data.

4.2 Instruments/Measures

A self-designed questionnaire is developed. The scales were adopted from already available studies and literature. The questionnaire is based on two sections. First includes demographic questions including gender, age, income level and qualification. The second section consists of 34 items to determine the responses of the participants about the motivational level and the factors affecting employee motivation in banking sector, along with consequences in the form of progression in performance, job satisfaction which an employee gets if one is satisfied from his job. The items are evaluated by using 5-point Likert Scale. The items are graded from 1 – 5 ranging from 1 - Strongly Agree, 2 - Agree, 3- Neutral, 4 - Disagree and 5 - Strongly Disagree.

Table 1: Scales of the Study

No.	Variables	Items	Reference
1.	Authority	1. I have the authority to correct customer problems when they occur. 2. I am encouraged to handle customer problems by myself. 3. I have control over how I solve customer problems. 4. I am able to control the social contact with others around me.	
2.	Appreciation	1. I am happy with my work responsibilities. 2. I am happy with the recognition and rewards for my outstanding work and contribution 3. I am appreciated by my boss for any extra work which I do.	
3.	Pay	1. I am satisfied with the existing salary structure of the company. 2. I am satisfied with the compensation I get & I think it matches with my responsibility. 3. My salary structure is revised annually. 4. I get salary according to the duties I perform.	(Hayes, 1994)
4.	Fringe Benefits	1. My organization offers fringe benefits(pension, medical benefits etc) 2. I am satisfied from employee assistance policy (e.g. lunch & transport etc) of the organization. 3. I am satisfied with long term benefits (retirement plans) & insurance policies of the organization. 4. I am satisfied with the existing fringe benefits (pension, medical benefits etc) structure of the organization.	
5.	Employee Performance	1. Overall, I am pleased with my work, My performance is better than that of my colleagues with similar qualifications. 2. I am satisfied with my performance because it is mostly good. 3. My performance is better than that of Bankers with similar qualifications in other Banks.	(Bowra et al., 2011)
6.	Job Satisfaction	1. Overall, I am pleased with my job. 2. Overall, I am satisfied in my current practice. 3. My current work situation is not a major source of frustration in my life. 4. My work in this practice has met my expectation. 5. If I am given an option to work in this organization and any other place, I would still choose to work where I do now.	Konrad et. al (1999)
7.	Employee Motivation	1. I feel a sense of personal motivation when I do this job well. 2. My opinion of myself goes down when I do the job badly 3. I take pride in doing my job as well as I can do. 4. I fell unhappy when my work is not up to my usual standard. 5. I like to look back at a day's work with a sense of job well done. 6. I try to think ways of doing my job effectively.	
8.	Organizational Commitment	1. I would accept almost any type of job assignment in order to keep working for this organization. 2. I am loyal to this organization. 3. I am proud to tell others that I am part of this organization. 4. I talk up this organization to my friends as a great organization to work for. 5. It is unlikely in the given situation that I leave this organization.	Mowday et al. (1979)





4.3 Procedure

The questionnaire was distributed among 200 respondents in different commercial banks of Bahawalpur and Rahim Yar Khan, Punjab. Almost 200 questionnaires were distributed among the employees and 165 questionnaires were returned. So, the response rate is 82.50% which is above the expected level of 75%.

The collected questionnaires were coded and entered into SPSS for further analysis.

4.4 Reliability Analysis

Table 2: Reliability of Measurements Instrument

Scales	Items	Cronbach Alpha
Authority	4	0.751
Appreciation	3	0.750
Pay	4	0.792
Fringe Benefits	4	0.824
Employee Performance	3	0.727
Job Satisfaction	5	0.809
Employee Motivation	6	0.872
Organizational Commitment	5	0.848

5. Hypotheses Testing

5.1 Profile of the Respondents

The table below explains the demographic characteristics of our sample i.e. their gender, age, education level and their income level.

Table 3: Profile of the respondents

Variables	Category	Frequency	Percentage
Gender	Male	121	73.3
	Female	44	26.7
Age	20-25 years	15	9.2
	25-30 years	50	30.7
	30-35 years	37	22.7
	35-40 years	19	11.7
	40-45 years	18	11.0
	Above 45 years	26	14.7
Income	Below 15000	6	3.7
	15000-25000	20	12.3
	25000-35000	52	31.9
	35000-45000	28	17.2
	Above 45000	59	35.0
Qualification	Matriculation	5	3.1
	Intermediate	5	3.1
	Bachelors	40	23.3
	Masters	109	66.9
	MS/M.Phil	6	3.7

5.2 Hypothesis Testing

5.2.1 Authority and Employee Motivation

According to the regression results of our study, authority has a significant relationship with employee motivation. Authority shows a significant positive relationship with ($\beta=0.161$) and significance level= $0.046(p<0.05)$. It shows that authority contributes more than 16% to employee motivation. The results of the study authenticate the H1.



5.2.2 Appreciation and Employee Motivation

Regression analysis illustrate that appreciation is significantly related with employee motivation with ($\beta=0.298$) and ($p<0.01$). The results prove that appreciation contributes more than 29% to employee motivation. The results of the study support H2.

5.2.3 Pay and Employee Motivation

Regression estimates results demonstrate that pay has a insignificant relationship with employee motivation. These both variables are negatively related with ($\beta= -0.111$) and ($p> 0.05$). Based on these results, we reject H3 and conclude that there is not a positive relationship between pay and employee motivation.

5.2.4 Fringe benefits and Employee Motivation

The results of the study prove that there is a positive relationship between fringe benefits and employee motivation with ($\beta=0.203$) and ($p<0.05$). These results explain that fringe benefits contribute more than 30% to employee motivation. On the basis of these results, we verify H4.

5.2.5 Employee Motivation and Employee Performance

According to our research and analysis the variable employee motivation has a positive and significant relationship with employee performance where ($\beta=0.311$) and ($p<0.001$). Thus we conclude that employee motivation contributes almost 31% towards employee performance and H5 is supported according to the study.

5.2.6 Employee Motivation and Organizational Commitment

According to the results of analysis, H6 is also accepted and employee motivation has a positive significant relationship with organizational commitment with ($\beta=0.504$) and ($p<0.001$). So, we get to know that the impact of employee motivation towards organizational commitment is approximately 50%.

5.2.7 Pay and Organizational Commitment

The results of analysis shows that there exists no relationship between pay and organizational commitment with ($\beta=0.069$) and ($p>0.05$), thus H7 is rejected.

5.2.8 Fringe Benefits and Organizational Commitment

According to the results of regression analysis, we get to know that there is a positive and significant relationship between fringe benefits and organizational commitment with ($\beta=0.177$) and ($p<0.05$). The variable fringe benefits contribute approximately 18% towards organizational commitment and hence the H8 is also validated.

5.2.9 Organizational commitment and Job satisfaction

According to the results of study, Organizational commitment has no significant relationship with ($\beta=0.189$) and ($P>0.05$), Based on these study we reject H9, and did not find significant relationship between these two variables.

5.2.10 Organizational commitment and Employee Performance

While evaluating the relationship between Organizational commitment & Employee Performance, the study shows significant relationship between organizational commitment & employee performance with ($\beta=0.312$) and ($P<0.001$), that means Organizational commitment contributes more than 30% to employee performance, Based on these study we validate H10.

5.2.11 Employee Motivation and Job Satisfaction

Regression analysis of employee motivation shows that there is no significant relationship between Employee Motivation and Job Satisfaction with ($\beta=0.196$) and ($P>0.05$), Based on these study we reject H11, and did not find significant relationship between these two variables.



5.2.12 Job Satisfaction and Employee Performance

Regression analysis of employee motivation shows that there is no significant relationship between Job Satisfaction and Employee Performance with ($\beta=0.121$) and ($P>0.05$), Based on these study we reject H12, and did not find significant relationship between these two variables.

5.2.13 Authority and Job Satisfaction

According to the results of study there is no significant relationship between Authority and Job Satisfaction with ($\beta=0.020$) and ($P>0.05$), Based on these study we reject H13 and conclude that study did not find any significant relationship of Authority on Job satisfaction.

5.2.14 Appreciation and Job Satisfaction

The regression estimates results confirm the significant relationship between Appreciation and Job satisfaction with ($\beta=0.454$) and ($P<0.001$), that means Appreciation contributes more than 45% to Job satisfaction; Based on these study we validate H14.

The table below summarizes the regression conclusions of our study.

Table 4: Regression Results

Hypothesis	Model Variable	S.E	P	Results
H1	Authority → EM	.084	0.046	Supported
H2	App → EM	.079	0.001	Supported
H3	Pay → EM	.085	0.262	Rejected
H4	FB → EM	.081	0.033	Supported
H5	EM → EP	.069	0.000	Supported
H6	EM → OC	.070	0.000	Supported
H7	Pay → OC	.075	0.406	Rejected
H8	FB → OC	.077	0.038	Supported
H9	OC → JS	.071	0.011	Rejected
H10	OC → EP	.066	0.000	Supported
H11	EM → JS	.071	0.006	Rejected
H12	JS → EP	.065	0.016	Rejected
H13	Authority → JS	.069	0.762	Rejected
H14	App → JS	.061	0.000	Supported

6. Discussion and Conclusion

This study specifies that employee motivation is a result of several factors. The results of our study indicate that appreciation and authority have a significant effect on employee motivation. This shows that employees of every organization irrespective of its size, get motivated by the appreciation which they get from their supervisor and the authority which they have in a particular job position.

According to our study, fringe benefits are also an important factor in motivating employees of the banking sector. So organizations should emphasize on devising such compensation policies including fringe benefits, which will increase the motivation level of employees. The utmost rationale of this research is to demonstrate the relationship between employee motivation, which is our area of interest and employee performance, job satisfaction and organizational



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commitment. We have also explained few antecedents of the employee motivation which can create a huge impact on employees' motivation and their performance. The current study reveals that employee motivation and job satisfaction do not have a significant relationship. It is not important that those employees that are motivated will be satisfied too. Every employee's motivation and satisfaction level differs from others. One of the important factors that influence job satisfaction of employees is appreciation. Appreciation from the boss creates a huge impact on job satisfaction so employees should be praised for the duties and responsibilities which they perform at workplace.

Human resources are a huge source of competitive advantage for any firm and they can make a mark with their outstanding performance. They can develop organizations if they are motivated through different strategies. Unless and until employees are offered attractive salaries, financial and non-financial rewards they cannot work with their full zeal and zest. To fully utilize their skills, management must understand the needs of their employees. According to our results, pay does not have a significant. Appreciation, authority fringe benefits are important to strengthen their job efficacy. Based on the results of current study employee motivation has significant impact on employee performance, so motivated employees show high performance. Employee motivation has a significant impact on organizational commitment, which shows that motivated employees are highly committed towards their job assignments & organization. Previous studies also confirm that there is a significant relationship between employee motivation & organizational commitment, The identification of career and motivation is theoretically related to work commitment (Salancik, 1977). Therefore employee motivation have a positive relationship with organizational commitment. Surprisingly, according to our regression results pay has no impact on employee motivation and organizational commitment. This is because for every employee there are different motivational factors. Some get motivated through monetary rewards, while for others environmental conditions, training and development opportunities, employee and employer relationship, praise from the boss, flexible working hours, authority etc can play a motivational role. Secondly, we collected our data from private banks and private banks have comparatively low salaries as compared to public sector banks. An important intrinsic reward that plays a significant role is appreciation. Our results exhibit that appreciation has a significant relationship with employee motivation and job satisfaction. This shows that when employees are appreciated for their hard work and duties they perform and they get more motivated for their job assignments. So to get better results and to enhance the performance, managers should appreciate their workers for achieving organizational goals and milestones. According to our results, it is not important that employees who are satisfied from their organization will perform well. The reasons behind this result can be that there are lack of training and development opportunities, a lot of work burden, excessive working hours and biased appraisal systems. All these rationales play a noteworthy role in satisfying employees and enhancing employees attitude towards work and in the absence of these factors employee are not satisfied. Organizations should develop such policies that maximize the satisfaction and motivation of employees. For motivating and satisfying employees, understanding employee behavior is very essential. Motivated employees are committed with their organizations. They think less of leaving the organization because they are satisfied with the organizational policies and they have attachment with their organization and are well aware of all the costs that will incur if they leave the organization. So organizations can get benefit if they motivate and satisfy their employees.

7. Limitations

Despite the incontrovertible significance of the findings, this study carries three limitations. Firstly, the results of our study cannot be generalized to all the employees of banking sector, because we collected data only from private banks. So the results of this study cannot be implicated to the public sector banks as their pay structure and other policies are different from the private ones. Secondly, there can be a number of factors that determine the motivation level of employees. Therefore, other variables that determine motivation could have been identified. These few limitations can be avoided in the future researches to obtain a more precise and lucid picture of employee motivation. Thirdly in future studies employees of other service sector can be considered for evaluating factor analysis of employee motivation.

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