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# EMPLOYEE MOTIVATION AS AN ELEMENT OF THE DEVELOPMENT PROCESS IN AN ENTERPRISE

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#### Abstract

Motivation is one of the most important elements from an enterprise development perspective which, in turn, provides a basis for the development of other strategic perspectives. However, several barriers may distort the positive correlation between staff motivation and the development perspective of the enterprise. The research problem concerns the location of employee motivation in the development perspective as one of the key elements of the strategic scorecard. The research objectives within the research problem are the analysis of the level of employee motivation and the correlation of the level of motivation with the results of the organization.

The aim of the article is to analyze the level of motivation of employees in a production and trade company. The subject of research is the motivational system. The basic research method was a survey. The research results demonstrated which elements of the motivational process, and to what extent, should be analysed and improved, as required by the evaluation. There exists a close relationship between employee motivation and the perspective of internal processes, the client's perspective and, consequently, the financial perspective.

#### MOTYWACJA PRACOWNIKÓW JAKO ELEMENT PROCESU ROZWOJU PRZEDSIĘBIORSTWA

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Słowa kluczowe: pracownik, motywacja, perspektywa rozwoju.

#### Abstrakt

Motywacja to jeden z najważniejszych elementów perspektywy rozwoju przedsiębiorstwa, który z kolei daje podstawę do rozwoju innych perspektyw strategicznych. Problem badawczy dotyczy lokalizacji motywacji pracowników w perspektywie rozwojowej jako jednego z najważniejszych elementów strategicznej karty wyników. Celem badawczym w ramach problemu badawczego jest analiza poziomu motywacji pracowników oraz korelacja poziomu motywacji z wynikami organizacji. Celem artykułu jest analiza poziomu motywacji pracowników firmy produkcyjno-handlowej. Przedmiotem badań jest system motywacyjny. Podstawową metodą badawczą jest ankieta. Wyniki badań wskazują, które elementy procesu motywacyjnego i w jakim zakresie powinny być analizowane i poprawiane, jeśli wymaga tego ocena. Istnieje ścisły związek między motywacją pracowników a perspektywą procesów wewnętrznych, perspektywą klienta, a w konsekwencji perspektywą finansową.

#### Introduction

Employee motivation is one of the key successes of an organisation. An employee who is satisfied identifies himself or herself with the organization and likes the work performed, is effective, committed, productive, loyal to the employer and is efficient. The essence of human work performance lies in the acquisition of his or her internal motivation. An employee should want to work and not be forced to do so. Only when people show their willingness to do something and are properly motivated to do it can the results be assured.

Employee motivation provides reasons why people want to do their job well. Each management system must take into account the basic values of the employee, which can be achieved through work (Kozłowski, 2010, p. 11-13). Therefore, this involves the potential inherent in people, and not their legal authority to make decisions (Walkowiak, 2008, p. 4).

Motivation is one of the basic management functions. It is the process of exerting a deliberate and purposeful impact, through appropriate means, on the behaviour of employees by creating the opportunities and situations necessary to achieve their own goals and to achieve the goals of the organisation (Damij *et al.*, 2015, p. 3-6). Nevertheless, the process of acquiring a properly motivated workforce is extremely complex (Bratnicki *et al.*, 1988, p. 24-28; Nogalski,

1998, p. 45-48). The knowledge of employee needs and personalities may be of interest to managers; yet, most importantly, a future manager should be able to understand people so that he or she can offer them appropriate working conditions and affect their behaviour. Therefore, managers who can find the key to the internal motivation of employees can draw on a vast source of productive energy (Drucker, 2003, p. 56-59).

The motivational function in business management poses the greatest challenge for managers, as it refers to understanding and, as far as possible, satisfying the needs of employees of different personalities (Penc, 2001, p. 75-77). Motivation is treated as a complex, internal process of controlling human behaviour. The function of this process is to control behaviour, i.e. to determine direction. The condition for the occurrence of the motivational process is to bind the result of the undertaken action to a certain value (Jamrożek & Sobczak, 2000, p. 69-71).

The research problem concerns the location of employee motivation in the development perspective as one of the key elements of the strategic scorecard. The research objectives within the research problem are the analysis of the level of employee motivation and its correlation with the organizational motivation to obtain results for the organization. The aim of the article is to analyze the level of motivation of employees of a production and trade company in terms of company development. The subject of research is the motivational system. Research was conducted in November 2019 among 56 employees from the production, sales and accounting departments. The primary research method was a survey procedure.

## The place of employee motivation in the development process of the enterprise

When analysing the employee motivation process, it is necessary to translate it into the effectiveness of the company by defining a measure of the level of employee motivation and its influence on the development of particular areas of the examined entity. A tool to correlate motivation with company development is a strategic scorecard, which is used as a tool to quantify the motivation within the enterprise.

In addition to financial measures, the Strategic Scorecard also includes measures which determine other elements that affect the future of the company and result from the vision and strategy of the organization (Tyagi & Gupta, 2010, p. 35-38). The factors are considered from the viewpoint of four perspectives: financial, client, internal processes and development. The most difficult perspective to measure and determine its impact on the company's development is the perspective of development (Kaplan & Norton, 2002, p. 41-43).

The perspective of enterprise development identifies human resources that the organisation must acquire or develop to create a basis for long-term development and performance improvement (Kaplan, 1990, p. 130-136). Employee motivation in the perspective of company development is the potential that forms the foundation of the enterprise. With this foundation, business prospects, such as the financial perspective, customer service or internal processes of the enterprise, can develop (Fig. 1).

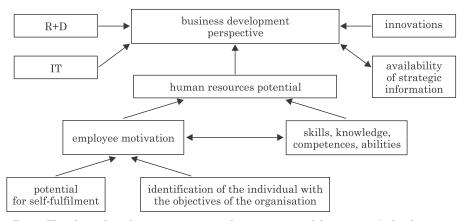


Fig. 1. The place of employee motivation in the perspective of the company's development Source: own work.

The most important elements affecting the level of employee motivation, which should be the subject of specific care on the part of managers, include two key elements, i.e. the identification of the individual with the objectives of the organisation and the potential for self-fulfilment (Fig. 1) (Pietrasiński, 1994, p. 17-19). Self-fulfilment of an employee refers to the possibility of improving skills and acquiring knowledge (including those exceeding the scope of the position held) which often results from employee self-direction in development (Tokarski, 2007, p. 71). If these two areas are neglected, demotivation, a sense of meaninglessness and a general frustration among employees will replace motivation.

It should therefore be assumed that:

- the level of employee motivation is positively correlated with the development of the enterprise;
- the higher the level of motivation of employees, the greater the perspective of the development of the enterprise;
- a measure of the relationship between employee motivation and development prospects is an increase in the company value.

The theory of organisational and management sciences provides a number of approaches describing employee motivation, most of which have been covered by a vast amount of empirical material. The most common classification of the motivation theory in the literature is based on content theories, process theories and enhancement theories (Griffin, 2002, p. 459-465). In management practice, the so-called Japanese approach to motivation is gaining in importance. "Japanese" motivation is not a separate theory or a model of motivation, but it is rather related to the management philosophy. The basic assumption is to create a partnership between the management and its employees. This means that both the managerial staff and the employees form one group and one team. However, it is hard not to ask the question: In the culture of the European school of management, are we able to break down stereotypes concerning the relationship between those two groups? Can Machiavellianism as a dominant feature of the European School be naturally turned into the *bushido* code?

That question will be left unanswered. From a practical perspective, the most popular models for analysing employee motivation in the organisation include: models developed by A. Maslow, M. Richards and P. Greenlaw, F. Herzberg, Ch. Argyris, J.W. Atkinson, D.C. McClelland, C.P. Aderfer, Ch. Skinner, V. Vroom, L. Porter and E. Lawler, E. Latham and E. Lock, J.S. Adams (Kozłowski, 2017, p. 31-51).

From the practical point of view, verification of the above-mentioned theory is often reduced to assessing the motivational system as one of various separate systems, which helps to determine whether the level of motivation is high or not, which motivators and mental factors (e.g. remuneration) are satisfactory and which should be improved. A separate analysis of the motivational system in the company and the lack of measurement of the correlation between motivation and development strategy results in a decrease in the role of motivation in management. The time of organised organisations is coming to an end and the era is beginning in which the ability to understand, facilitate and support self-organisation processes becomes the essential skill, which cannot be achieved without an appropriate level of employee motivation. Organizations of the information era are established under new assumptions regarding the conditions in which they will conduct their operations, i.e. with interdisciplinarity, globalisation, innovation, as well as an educated and motivated staff.

The new model of organization imposes the necessity to integrate perspectives (functions) affecting the implementation of the company strategy (Antoszkiewicz, 1996, p. 56-60, Kubik, 2005, p. 23).

Managers often face the need to cut costs and decide to reduce expenditure on training or improving employees' qualifications, thus contributing to lower motivation and, consequently, the perspective of company development (Allaire & Firsorotu, 2000, p. 264-268).

Motivation is one of the most important elements of the business development perspective which, in turn, forms the basis for the development of other aspects, crucial from the perspective of the company strategy (Woolridge, 1988, p. 134-136).

There are several barriers preventing a positive correlation between the motivation of employees and the development perspective of the company, such as:

- no information on the company's vision and development strategy for employees;
- no participation of all employees in the implementation of the company strategy;
- the objectives of individual units, teams and employees are not linked to the company strategy;
  - the feedback is of a tactical, not a strategic nature;
  - the motivational system is not in line with the company strategy;
  - no information or education programs are in the company;
- discrepancies between the implementation of the strategic scorecard and the method of management by objectives;
  - domination of Machiavellianism<sup>1</sup> over humanism in business management.

### Analysis of the motivation level based on the example of a manufacturing and trading company

The measurement of motivation was based on F. Herzberg's model (Herzberg, 1987, p. 29, 30), which assumes that the motivation of employees is influenced by two groups of factors: motivators and mental hygiene factors. According to the model, employee satisfaction and dissatisfaction is due to the level of intensity of motivators and mental hygiene factors. Only motivators can affect the motivation to work. On the other hand, mental hygiene factors can block motivation if their level is not in line with employee expectations. An important claim of the model is the definition of remuneration as a factor of mental hygiene.

Ten motivators and ten mental hygiene factors which could have a significant impact on employee satisfaction or dissatisfaction were defined (using the expert method) in the examined company. The intensity of these factors was then measured and compared with the level of employee expectations.

The survey was conducted among 56 employees, representing 85% of the total workforce. The analysis of the above table shows that motivational factors related to the level of the diversity of tasks performed, independent task performance and delegation of tasks are characterized by the highest level of employee satisfaction (they exceed or are at the level of employee expectations). A large discrepancy between the satisfaction and the expectations of the employee occurs with such

<sup>&</sup>lt;sup>1</sup> Machiavellianism is characterized by cold calculation and the manager's desire to have power. In order to maintain power in the company, a rational "prince" is not guided by Humanism or Romanticism, but, above all, he surrounds himself with people who are unable to take away his power in any way.

 $\label{eq:Table 1} \mbox{Table 1}$  Level of motivators in the examined company

Motivational factor	Level of expectations Scale 1-5	Level of satisfaction Scale 1-5	Deviation
Recognition of commitment and success	4.7	3.6	-1.1
Clearly defined objectives and tasks	5	4.8	-0.2
Delegation of tasks to an employee	3.5	4	+0.5
Training policy	4.7	4.0	-0.7
Competence development	4.8	2.5	-2.3
Performance reporting	5	4.0	-1
Clear career path	3.4	2.4	-1
Independence in task performance	4	4.5	+0.5
Diversification of tasks	3.0	3.0	0
Open employee assessment	4.8	3.6	-1.2

Source: own work.

motivational factors as: competence development, open employee evaluation, lack of proper recognition for achieving professional success, inadequate reporting of achieved results and lack of a clear career path in the enterprise. The level of discrepancies in some of the examined areas is high (from -1 to -2.3), which may indicate the demotivation of employees and thus their limited role in the development of the organisation.

As regards factors of a mental nature, ten items were identified and presented in Table 2.

 ${\it Table \ 2}$  Level of mental hygiene factors in the examined enterprises

Mental health factor	Level of expectations Scale 1-5	Level of satisfaction Scale 1-5	Deviation
Remuneration	4.80	4.3	-0.50
Good atmosphere at work	4.5	3.6	-1.9
Employment security	3.5	4	+0.5
Social benefit package	4	4.1	+0.1
Flexible working hours	4.4	5	+0.06
Communication in the company	5	3	-2
High standard of the workplace	3	3.5	+0.5
Integration meetings and trips	3	3.5	+0.5
Participation in board meetings or study groups	3	2	-1
Interest shown to the employee regarding issues not related to work	2	2	0

Source: own work.

The analysis of the table above shows that the employees do not find mental comfort as a result of poor communication within the organization (level of satisfaction in relation to expectations -2), negative atmosphere in the company (-1.9) or lack of participation in senior level meetings. Higher levels of satisfaction for particular elements of the motivational system in relation to the expectations concerned employment security (+0.5), workplace standards (+0.5) and integration meetings (+0.5).

Knowing the level of discrepancy between the intensity of individual factors of the motivational system and the level of employee expectations, it is possible to focus on areas that require improvement. Naturally, this depends on the capabilities and organisational culture of the company. According to the research, remuneration determined by the situation, related to effects, competencies or skills of employees, is considered to be the best method of motivation (Armstrong, 2009, p. 282). Finding answers to two fundamental questions: (1) what is the basis upon which we want to evaluate employees and their work? and (2) what are we prepared to pay them for? is important in the process of establishing such remuneration systems (Stachowska, 2010, p. 230).

#### Conclusion

Motivation is one of the most important elements of the business development perspective which, in turn, forms the basis for the development of the remaining perspectives in the strategic scorecard model. Creating a perspective for the development of a company based on the potential and motivation of employees depends on understanding, and at the same time simplifying the techniques for measuring motivation, which seems to fill a gap between the values and the economy of the enterprise.

Employee satisfaction is a prerequisite for increased productivity, flexibility, product quality and proper customer service. Therefore, it is important to implement an annual employee satisfaction survey. The overall satisfaction indicator can be included in the strategic scorecard and, subsequently, concerning departments, sections or individual managers. An important role in the examined motivation process is the ability to identify individual factors of the motivation system, to measure them and then improve those which are characterized by a large discrepancy between employee satisfaction and expectations.

Building a development perspective for the company based on employee potential and motivation is contingent upon understanding the nature of motivation, which fills a gap between values and the economy of the enterprise.

Satisfaction of employees with their work determines the increase in productivity, flexibility, quality and proper customer service. Therefore, it is important to implement an annual employee satisfaction survey. The overall satisfaction indicator can be included in a strategic scorecard, and subsequently, in relation to departments, sections or individual managers.

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