

A Study on the Factors influencing employee motivation in Manufacturing Industry

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Abstract:

The success of an organization largely depends on the motivation level of its employees. Factors such as salary and wages, working conditions, and job security play a vital role in influencing employee motivation. Inadequate compensation may lead to dissatisfaction and reduced commitment, while unfavourable working conditions can result in stress, health issues, and decreased efficiency. Similarly, lack of job security creates uncertainty, negatively affecting morale and employee loyalty, ultimately leading to low productivity and poor performance. This study aims to analyse the factors influencing employee motivation. A descriptive research design was adopted, and data were collected from 120 respondents using a convenience sampling method. Primary data were gathered through a structured questionnaire, and statistical tools such as simple percentage analysis, chi-square analysis, and correlation were used to interpret the data and draw meaningful conclusions. The findings indicate that there is no significant relationship between salary and wages and employee motivation, whereas job security shows a positive relationship with motivation. It is recommended that organizations periodically review salary structures to ensure fairness and implement efficient payroll systems for timely payment. Overall, improving motivational factors such as fair compensation, supportive working conditions, and job security can enhance organizational performance and foster long-term employee commitment and stability.

INTRODUCTION

Employee motivation refers to the drive that encourages individuals to perform their tasks effectively and remain committed to their roles. A motivated workforce tends to show higher productivity, better engagement, and positive work behaviour. Various factors influence motivation in the workplace, including fair salary, supportive working conditions, job security, and opportunities for recognition and growth.

Adequate compensation and timely payment enhance job satisfaction, while a safe and comfortable work environment helps individuals perform efficiently. Job security, confidence and loyalty, reducing stress and uncertainty. Additionally, recognition of effort and opportunities for career development encourage individuals to improve their performance.

Motivation also plays an important role in shaping attitudes toward work. When individuals feel valued and supported, they are more likely to take initiative, cooperate with others, and maintain a positive mindset. This improves both individual effectiveness and overall work atmosphere.

Furthermore, focusing on motivational factors helps in achieving long-term goals and improving overall outcomes. By understanding the needs of individuals and creating supportive systems, it is possible to enhance satisfaction and reduce conflicts.

Scope of the Study

- The scope of the study is confined to analysing employee motivation within an organizational setting.
- The study focuses on identifying the factors influencing employee motivation.
- It highlights employees' perceptions regarding the motivational factors prevailing in the organization.
- The study examines key elements such as salary and wages, working conditions, and job security, and provides suggestions to enhance motivation levels.
- The sample size for the study is 120 respondents, and primary data were collected directly from employees.

Need of the Study

- To understand the importance of employee motivation in improving organizational performance and productivity.
- To identify key factors such as salary, working conditions, and job security that influence employee motivation.
- To assess employees' perceptions of existing motivational practices in the organization.
- To determine gaps or shortcomings in current motivation policies and strategies.
- To provide recommendations for enhancing employee motivation, satisfaction, and retention.
- To help management create a positive work environment that supports long-term organizational growth.

Objectives of the Study

- To identify and analyse the key factors influencing employee motivation, including salary, working conditions, and job security.
- To assess the overall level of employee motivation and provide recommendations to enhance satisfaction, performance, and organizational commitment.
- To study on factors influencing employee motivation in manufacturing Industries.
- To examine the working conditions as the motivating factor in the company.
- To analyse the job security for the employees in the company.
- To assess the level of employee motivation in the company.

REVIEW OF LITERATURE:

Girdwichi (2020) the study examined the relationship between employee motivation and employee performance among academic staff in Indonesian business schools using a survey-based approach. The study found a significant positive relationship between motivation and performance, indicating that motivated employees tend to perform better. Training was observed to have a moderate positive impact on performance, while the work environment did not significantly mediate the relationship. However, a healthy and supportive work environment directly contributed to improved performance levels. The research emphasized the importance of organizational initiatives such as relaxation zones to enhance creativity and reduce stress. It suggested that organizations must identify key motivational drivers and continuously support employees. Overall, the study highlights motivation as a crucial determinant of performance.

Darmawan (2020) this study investigated the impact of salary on employee motivation and performance in a small Indonesian firm using a saturated sample of 35 employees. The study employed simple linear

regression to analyze the relationships between variables. Findings revealed a strong positive correlation between salary, motivation, and employee performance. Employees who perceived their wages as fair and sufficient demonstrated higher motivation and improved productivity. The study identified salary as a key extrinsic motivational factor influencing work outcomes. It emphasized the importance of designing compensation systems based on employee contributions. The research concluded that fair pay structures are essential for enhancing both motivation and organizational performance.

Ali et al. (2020) it explored how working conditions influence employee motivation and job performance across various organizations using a cross-sectional survey design. The study found that work conditions indirectly affect performance through motivation and job satisfaction. A conducive physical and psychological work environment was shown to significantly enhance employee motivation. Improved motivation, in turn, positively influenced job performance and engagement levels. The findings highlighted the importance of organizational practices in shaping employee attitudes. The study suggested that companies should focus on improving workplace conditions to foster better outcomes. Overall, it reinforced the role of environment as a key driver of motivation and performance.

Sohail, Ali, Shuja & Alam (2020) the study analyzed the impact of job security and motivation on employee performance in a Pakistani banking context using a quantitative research design. Data were collected from 250 employees and analyzed using structural equation modeling. The results indicated that job security had a strong positive effect on employee performance, sometimes even stronger than motivation. Employees with a sense of stability were more committed and productive in their roles. The study identified job security as a crucial extrinsic motivator. It emphasized that organizations should ensure stable employment conditions to maximize performance. The research underlined the combined importance of motivation and job security in organizational success.

Afsar, Badir & Kiani (2020) this study examined the relationship between psychological empowerment, meaningful work, and employee motivation in service organizations. Using a survey of 379 employees and structural equation modeling, the study found that meaningful work significantly enhances intrinsic motivation. Employees who perceive their work as meaningful are more likely to engage in innovative behaviors. Psychological empowerment was also identified as a key factor influencing motivation and creativity. The research highlighted the importance of job design in fostering engagement. It concluded that intrinsically motivated employees contribute more effectively to innovation. The study suggests organizations should focus on empowerment and meaningful work to boost motivation.

Ryan & Deci (2021) the study explored employee motivation through the lens of Self-Determination Theory, focusing on autonomy, competence, and relatedness. Using a conceptual and empirical review approach, the study synthesized findings from various organizational contexts. The results showed that intrinsic motivation is strongest when employees experience autonomy and support. Controlling work environments were found to reduce motivation and engagement. The study emphasized that the quality of motivation is more important than its quantity. It recommended autonomy-supportive leadership practices to enhance employee motivation. Overall, the research highlights the critical role of psychological needs in sustaining workplace motivation and performance.

RESEARCH METHODOLOGY

Research design is the overall structure or plan that guides the entire research process. It provides a systematic approach for collecting, analysing, and interpreting data in order to achieve the research objectives. In this study, a descriptive research design was adopted. This type of design focuses on describing the situation or characteristics of a particular phenomenon. It aims to answer questions related to “what” by examining existing conditions, behaviours, and attributes without manipulating any variables.

SOURCES OF DATA:

Primary data:

Primary data refers to information that is collected for the first time to address a specific research objective. In this study, primary data was gathered using a structured questionnaire through a survey method. This approach helped in obtaining direct responses from participants relevant to the research topic.

Secondary data:

Secondary data refers to information that has already been collected and published for purposes other than the current research. In this study, secondary data was obtained from various sources such as websites, magazines, academic journals, and books. These sources provided additional background information and support for the research.

SAMPLE SIZE: A Total of 120 youth respondents was selected randomly for the study

LIMITATIONS OF THE STUDY

- The study was limited to **120 employees**, which might not represent the views of all employees in the organization.
- The study was conducted only in **Manufacturing Industries**, so the findings could not be generalized to other companies or industries.
- The **time period of three months** restricted detailed observation and long-term analysis of employee motivation.
- The study relied mainly on **primary data collected through questionnaires**, which depended on the honesty and understanding of the respondents.

Data Analysis and Interpretation

Percentage Analysis

Table 1 Gender of the Respondents

Gender	No of respondent	Percentage
Male	74	61.7
Female	46	38.3
Total	120	100

INTERPRETATION:

The above table shows that 61.7% of the respondents are male 38.3% of the respondents are female. Thus, majority of the respondents are male.

Percentage analysis

Table -2 Age group of the respondents

Age	No of respondent	Percentage
Below 25	15	12.5
25-35	60	50.0
36-45	19	15.8
46-55	13	10.8
Above 55	13	10.8
Total	120	100.0

The above table shows that 12.5 % of the respondents are in the age group of below 25 years, 50.0% of the respondents are in the group of 25-35 years, 15.8% of respondents are in the age group of 35-45 years, 10.8% of the respondents are in the age group of 45-55 years and 10.8% of the respondents are in the age group above 55. thus and majority of the respondents are in the age group of 35-45 year

Percentage analysis

Table -3 Year of Experience of the respondents

Experience	No of respondent	Percentage
0-3Year	25	20.8
3-5 Year	50	41.7
6-8 Year	27	22.5
Above 8Year	18	15.0
Total	120	100.0

INTERPRETATION

The above table shows that 20.8% of the respondents said that 0-3years, 41.7% of the respondents said that 3-5 years, 22.5% of the respondents said that 6-8 years and 15.0% of the respondents said that above 8 year as their experience of the respondents

Percentage Analysis

Table 4 Department of respondent

Department	No of Respondent	Percentage
HR	15	12.5
Finance	22	18.3
Sales& Marketing	56	46.7
Operations	27	22.5
Total	120	100.0

INTERPRETATION

The above table shows that 12.5% of the respondents said that HR, 18.3% of the respondents said that finance, 46.7% of the respondent said that sale & marketing and 22.5% of the respondents said that operations as their department of the respondents.

Table 5 Employees Are Motivated To Contribute To Organizational Goals

Particulars	No. of the respondents	Percentage
Strongly agree	53	44.2
Agree	22	18.3
Neutral	18	15.0
Disagree	15	12.5
Strongly disagree	12	10.0
Total	120	100.0

Source: Primary data

INTERPRETATION

The above table shows that 44.2% of the respondents are strongly agree, 18.3% of the respondents are agree, 15.0% of the respondents are neutral, 12.5% of the respondents are disagree and 10.0% of the respondents are strongly disagree towards employees are motivated to contribute to organizational goals. Thus majority of the respondents are strongly agree towards employees are motivated to contribute to organizational goals.

CHI-SQUARE ANALYSIS

RELATIONSHIP BETWEEN SALARY AND WAGES AND EMPLOYEE MOTIVATION

Null hypothesis (Ho): There is no significant relationship between salary and wages and employee motivation.

Alternative hypothesis (H1): There is some significant relationship between salary and wages and employee motivation.

Case Processing Summary						
	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
SALARY AND WAGES * EMPLOYEE MOTIVATION	120	100.0%	0	.0%	120	100.0%

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	243.380 ^a	196	.012
Likelihood Ratio	160.850	196	.969
Linear-by-Linear Association	16.628	1	.000
N of Valid Cases	120		

a. 225 cells (100.0%) have expected count less than 5. The minimum expected count is .01.

INTERPRETATION:

As per the above table, it is inferred that the P value is 0.012; it is not significant to 5% (0.05) significant level. The minimum expected count is 0.01. Thus null hypothesis is accepted and it is found that there is no significant difference between salary and wages and employee motivation.

CORRELATION ANALYSIS

RELATIONSHIP BETWEEN JOB SECURITY AND EMPLOYEE MOTIVATION

Correlations			
		JOB SECURITY	EMPLOYEE MOTIVATION
JOB SECURITY	Pearson Correlation	1	.318**
	Sig. (2-tailed)		.000
	N	120	120
EMPLOYEE MOTIVATION	Pearson Correlation	.318**	1
	Sig. (2-tailed)	.000	
	N	120	120

** . Correlation is significant at the 0.01 level (2-tailed).

INTERPRETATION:

The above table indicates that out of 120 respondents, co-efficient of correlation between job security and employee motivation is 0.318. It is below 1. So there is positive relationship between job security and employee motivation.

FINDINGS OF THE STUDY:

- 61.7% of the respondents are male and 38.3% are female.
- 50.0% of the respondents belong to the age group of 25–35 years.
- 41.7% of the respondents have 3–5 years of experience.
- 46.7% of the respondents belong to the Sales & Marketing department.
- 44.2% of respondents strongly agree that they are motivated to contribute to organizational goals.
- Overall employee motivation level is found to be moderate to high.
- Some employees remain neutral, indicating that motivation is not uniform across all respondents.
- Employees show moderate satisfaction with salary and wages.
- Chi-square analysis reveals that there is no significant relationship between salary and employee motivation.

- Salary alone does not act as a strong motivating factor.
- Employees are generally satisfied with working conditions such as safety, cleanliness, and workload.
- Proper working conditions positively influence employee performance and motivation.
- Good workplace environment reduces stress and improves efficiency.

Suggestions:

- The organization should ensure fair and competitive salary structures by implementing regular salary revisions and maintaining timely payment systems.
- A safe, clean, and comfortable working environment should be maintained to improve employee satisfaction and efficiency.
- Modern tools and equipment should be provided to enhance productivity and reduce work difficulties.
- Proper workload distribution should be ensured to avoid employee stress and improve performance.
- Clear policies regarding job stability should be established to strengthen employee confidence and security.
- Organizational plans and decisions should be communicated effectively to reduce employee uncertainty.
- Long-term employment benefits should be provided to increase employee loyalty and commitment.
- Employee achievements should be recognized through rewards and appreciation to boost motivation.
- Opportunities for career development and training should be offered to enhance skills and growth.
- Employees should be encouraged to participate in decision-making processes to increase engagement.

Conclusion:

The study concludes that employee motivation is a crucial factor influencing organizational performance and productivity. The analysis reveals that salary alone does not significantly influence employee motivation, whereas job security and working conditions have a stronger impact. Employees in the organization show a moderate level of motivation, indicating that while basic motivational practices exist, there is still scope for improvement. Job security plays a vital role in enhancing employee confidence, commitment, and loyalty, while good working conditions contribute to better performance and satisfaction. Therefore, organizations should focus on a balanced approach combining financial and non-financial motivational factors. By improving job security, maintaining good working conditions, and implementing effective motivational strategies, organizations can enhance employee satisfaction, productivity, and long-term success.

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