



## Motivation Level of Employees and its effect on Overall Performance in Insurance Sector

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**Abstract:** In organizations, it is important to determine both current and future organizational requirements for both core employees and the contingent workforce in terms of their skills/technical abilities, competencies, flexibility etc. The analysis requires consideration of the internal and external factors that can have an effect on the resourcing, development, motivation and retention of employees and other workers. External factors are those largely out-with the control of the organization. These include issues such as economic climate and current and future labor market trends (e.g., skills, education level, government investment into industries etc.). On the other hand, internal influences are broadly controlled by the organization to predict, determine, and monitor—for example—the organizational culture, underpinned by management style, environmental climate, and the approach to ethical and corporate social responsibilities.

**Keywords:** Motivation, Market trends, HR practices, Dynamic strength, Skill development.

### I. Introduction

Motivating employees can be a challenging task when learning how to supervise people. In order to drive your employees to be perform at their best it helps to understand what motivates people. The key factors that motivate people. Understanding these factors can help in finding the right solutions in motivating employees.

One of the keys to being a successful manager is the ability to motivate employees to perform at their best. When employees aren't interested in their work or they're bored, employee morale is low and productivity drops. Generally, employees are willing and able to work if they feel their job is important and they are appreciated. When motivating employees there are two main types of rewards, intrinsic reward and extrinsic reward.

People are motivated in different ways, one of which is by intrinsic reward. Intrinsic rewards or intrinsic motivation primarily deals with the feelings an employee has when they have done a good job.

They do it because they enjoy it. This can be seen more in hobbies or in the feeling of obligation to do

well at ones job. The second type of reward is extrinsic. Extrinsic rewards or extrinsic motivation refers to a tangible or intangible reward given to you by someone else. Praise, pay increases, bonuses, and promotions are a few examples of extrinsic rewards. The traditional method of motivating employees has been used extrinsic motivation. In order to better understand how to motivate employees you must first understand how motivation works. According to Abraham Maslow, people are motivated by unmet needs. Maslow's hierarchy of needs:

### II. Review of Literature:

The Michigan model is based on the paradigms developed by Chandler (1962) and Galbraith and Nathanson (1978). It is argued that an organization's structure is an outcome of its strategy (Chandler, 1962). This argument was extended by linking different personnel functions such as career paths, rewards, and leadership styles to the organization's mission (Galbraith and Nathanson, 1978). The matching model has been criticized as being too prescriptive by nature mainly due to the fact that its assumptions are too unitarist (Boxall, 1992).

It emphasizes a 'tight fit' between organizational strategy and HR strategies and, while doing so, completely ignores the interest of employees and hence considers HR as a totally passive, reactive, and implementation function. The model's emphasis on tight fit makes the organization inflexible and incapable of adapting to the required changes and hence is a 'misfit' in today's dynamic business environment. The very idea of the model to consider and use human resources like any other resources in an organization seems unpragmatic as it misses the human aspect. Despite many criticisms, the matching model provides a good framework to theory development in the field of HRM. It also provides a promising schema to look at the HR practices in universal and generic term. It, however, ignores the cultural processes. The matching model and the Harvard analytical framework represent two very different emphases

The former is closer to strategic management literature while the latter to human relations tradition. Some aspects of the basic philosophy of 'soft HRM' can be traced back to the writings of McGregor (1960) who, as mentioned by Truss (1999), even used the terminology 'hard' and 'soft' to characterize the forms of management control. McGregor's Theory X describes the 'control' model of management (Walton, 1985) while Theory Y emphasizes the importance of integrating the needs of the organization and those of the individual

The principle of mutual trust again being expressed by Walton (1985) The soft model of HRM traces its roots to the Human Relations School. It involves "treating employees as valued assets, a source of competitive advantage through their commitment, adaptability, and high quality of skills, performance etc." (Storey, 1992)

HRM as a concept emerged in the mid-1980s with the efforts of the writers of management of that decade including Pascale and Athos (1981) and Peters and Waterman (1982) who listed the attributes which they claimed as characterizing successful companies. The 'school of excellence' writers may have exerted some influence on management thinking about the need for strong culture and commitment (two features of HRM) but, they were 'right enough to be dangerously wrong' (Guest, 1993).

It has, however, been observed that "even if the rhetoric of HRM is soft, the reality is often hard with the interests of the organization prevailing over those of the individual" (Truss, 1999). Gratton et al. (1999) identified a combination of soft and hard HRM approaches in the eight organizations studied. The Western countries, especially the US, have done a lot of empirical studies in the area of HR practices. In India, on the other hand, no attempt has been made to systematically evaluate the extent of HRD function or its components or practices, its expected impact on the organization, and its internal working and support provided to it by the management (Pareek, 1997)

### III. Objectives of the research paper:

- To study how difficult the motivation has become most difficult task in organization
- To find the causes of low level of motivation among employees
- To know the positive measures that can improve the workers participation at work level.
- To find the negative measures that can enhance the motivation of your employees

### IV. Research Methodology:

Sr. no.	Universe	Pimpri –Chinch wad and Pune city
1	Research Method	Survey Method
2	Sampling Technique	Simple Random Sampling
3	Research Tool	Questionnaire
4	Sample Unit	Branch managers and Level III employees
5	Sample Size	50
6	Research design	Descriptive research design

### V. Data Analysis and Interpretation:

The data was analyzed using chi square test on SPSS. The null hypothesis and alternative hypothesis were framed.

Which methods of motivation do you feel is appropriate at branch level?

Null Hypothesis H0: All methods of motivation are same

Alternative Hypothesis H1: All methods are different

**Methods of Motivation**

	Observed N	Expected N	Residual
1.00	8	10.0	-2.0
2.00	6	10.0	-4.0
3.00	15	10.0	5.0
4.00	12	10.0	2.0
5.00	9	10.0	-1.0
Total	50		

**Test Statistics**

	Methods of Motivation
Chi-Square	5.000 <sup>a</sup>
df	4
Asymp. Sig.	.287

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 10.0.

From the above Chi-Square table it can be observed that the value of Chi Square is 5.0 and its significant value is 0.287 which is much more than .05 therefore the null hypothesis is accepted and we conclude that all methods of motivation are same.

Do you feel that motivation has become most difficult task in your organization/

Null Hypothesis H0: Motivation is not difficult task

Alternative Hypothesis H1: Motivation is difficult task

**Motivation Difficult Task**

	Observed N	Expected N	Residual
1.00	35	25.0	10.0
2.00	15	25.0	-10.0
Total	50		

**Test Statistics**

	Motivation Difficult Task
Chi-Square	8.000 <sup>a</sup>
df	1
Asymp. Sig.	.005

**Interpretation:**

From the Chi Square table above the significant value is .005 which is less than the significant value 0.05, therefore the null hypothesis is rejected and we conclude that motivation has become difficult task.

What in your opinion are the causes of low level of motivation of your employees

Null Hypothesis H0: No particular cause is significant for low level of motivation or all causes are same

Alternative Hypothesis H1: Causes are different for low level of motivation.

**Opinion**

	Observed N	Expected N	Residual
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1	7	6.3	.8
2	8	6.3	1.8
3	6	6.3	-.3
4	7	6.3	.8
5	8	6.3	1.8
6	4	6.3	-2.3
7	4	6.3	-2.3
8	6	6.3	-.3
Total	50		

Test Statistics

	Opinion
Chi-Square	2.800 <sup>a</sup>
df	7
Asymp. Sig.	.903

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 6.3.

**Interpretation:** From the table above we see that the significant value is 0.903 which is much higher than the significant value. Therefore we accept the null hypothesis and conclude that no particular cause can be attributed for low level of motivation.

Do you think that certain positive measures can improve the workers participation at work level.

Null Hypothesis H0: No particular measure can improve the workers participation

Alternative Hypothesis H1: Particular measures can improve the workers participation

**Positive measures**

	Observed N	Expected N	Residual
1	10	6.1	3.9
2	6	6.1	-.1
3	5	6.1	-1.1
4	4	6.1	-2.1
5	5	6.1	-1.1
6	5	6.1	-1.1
7	6	6.1	-.1
8	8	6.1	1.9
Total	49		

Test Statistics

	Positive measures
Chi-Square	4.388 <sup>a</sup>
df	7
Asymp. Sig.	.734

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 6.1.

**Interpretation:** From the above table the significant value is 0.734 which is higher than 0.05, therefore we accept the null hypothesis and conclude that no particular measure can improve the workers participation.

Do you think certain Negative measures can enhance the motivation of your employees?

Negative measures to improve workers participation	No. of employees
Transfer, Change of Work	7
Punishment for poor	6

performance	
Minimum bench mark standard	9
Minimum chances of advancements	3
Restrictive participative activities	11
Reduction in power to take Independent decisions	9

## VI. Conclusion:

As to various HR practices adopted by the corporation to enhance the growth of manpower planning. The true asset of any organization is its dynamic strength. The dynamism is reflected by the question of manpower planning nurtures and therefore the question of manpower planning is what the organization is. As rightly said by an expert there is no asset like human resource and therefore the development of human resource is what really worth. Human asset are the true asset as they are enriched by experience, the ability to improve with knowledge, skill development and improve performance which are truly to great extend depend on how it frames its human resource policy.

In a present study the researcher makes an attempt to analyse how the human resource practices are developed and how practices are adopted, modified and altered by course of time. Considering the nature of study the researcher has set of selected questions collected from employees and branch managers of life Insurance corporation.

## VII. Suggestion:

- Need and assistance of professional trainee should be taken while formulation of various Motivation development programmes.
- The motivation evaluation mechanism is established to make an assessment of effectivity and utility of various employee within the organization.
- A suitable incentive policy should be brought to increase motivation of employees.

- Efficient and committed employees given merit based incentives to their contribution to organization development.

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