



# The Impact of the Motivation on the Employee's Performance in Beverage Industry of Pakistan

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**Abstract** Motivation plays an important role in all public and private organizations. Without motivating their employees organizations can't run and can't achieve their goals. Purpose of present study is to explore the impact of motivation on employee's performance of beverage industry in Pakistan. The data for present study has been collected from five major cities of Pakistan using structured questionnaire. Results from present study explores that motivation plays a vital role toward the performance of employees in beverage industry of Pakistan.

*Key words* Motivation, employee's performance, motivational theories

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#### 1. Introduction

Motivation is the most important matter for every organization public or a private sector. For the success of any organization motivation play an important role. All organization encounters the matter of motivation whether they are in the public or private sector (Chintallo & Mahadeo, 2013). According to Chaudhary & Sharma (2012) basically motivation word is derived from "Motive". The meaning of "motive" is needs, wants, and the desire of the persons. So that "employees motivation mean the process in which organization inspiring our employee with the shape of rewards, bonus etc. for achieving the organizational goals.

Today organization can easily change their material, needs, goods and services to other organization, or to other countries. But the only one resource which is not easily exchangeable is human resources. So we can say that human resources is the very important or most competitive assets of any organization that cannot be exchangeable. Human resources or human assets mean the workers or the employee of any organization. So the motivation is main factor that affect the human resources of the organization. The organization should be motivating their employees for the best performance or for achieving the organizational goals. In fact motivation is the best tool for best performance. Today there are many discussions about motivation and the relationship of employee's efficiency and the organizational efficiencies. Motivation will lead to the fact that workers or employees of the organization will seriously do his duties and responsibilities (Azar and Shafighi, 2013). Attractive Salaries or pays also a Valuable tool and play an important role to increase employee's performance and also increase the productivity of an organization (MUOGBO U.S, 2013).

According to Iqbal *et al.* (2012), Employee's motivation and their ability collectively participate into employee's performance and in their difficult tasks given by the manger are to purpose get maximum productivity. Now a day's researcher have more concerned with increase productivity, perfection and working ability. Employee's needs and wants having more important in research history.

Motivation is the one of the most important term of psychology and most of mangers who want maximum output and productivity. They tackle this is with a good way and motivate their employee in batter way. And also increase the cooperation between employee and mangers, it also encourage their responsibilities. And also encourage participation their sub ordinates, to take their responsibilities in batter way and also help to overseas other employee and monitor their performance. And motivate get their maximum interaction toward work and knowing employee's working capacity and assign work according to their capacity to get maximum productivity (Ali, Abrar and Haider, 2012).

Another way used to monitor employee performance is Performance Appraisal.by performance appraisal we can monitor quality of performance of an employee. We monitor performance by using these broader performance management system that links: 1. Organization objective; 2. Day by day performance; 3. Professional development; 4. Rewards and incentives. In simple words we said that appraisal is the assessment in individual performance in an systematic way, performance can be measured in such factors e.g. job knowledge, quality and quantity of output, leadership abilities, supervision, dependency, cooperation, judgment, versatility and versatility. Performance cannot depend on past performance of employee.

Employees play important role in the customer perception about the company. Company spend huge amount of money to gain customer loyalty but they forget the Employees motivation. Customer interact with the employees and also carry out company image in their mind through the behavior and attitude. So company should be move their attention toward the employee motivation. Now the era of globalization companies face competition in the market, if company could not successfully motivate their employee. Company didn't exist in competitive environment of business (Ahmad, 2012).

# 2. Literature Review

There are number of views of literary personalities relating to motivation and motivational theories. Content theories give us a lead to know about people's needs and the things which are necessary for motivation work:

- Maslow's Needs Hierarchy;
- Herzberg's theory of Two Factor;
- Alderfer's Hierarchy of Needs That Contains Three Part;
- McClelland's Motivational Achievement theory.

#### Maslow's-Hierarchy of Needs Theory

Maslow's full Name Abraham Maslow. He says that five universal needs motivate a person. He arrange them as:

#### Physiological or Basic needs

According to Anyim (2012) physiological or basic needs are the basic need of a person. It includes as driving force. This is also called felt need. This need causes physiological tension which is shown by any body's behavior. This can be reduced by eating something.

Chintalloo and Mahadeo (2013) also explain physiological needs. According to them physiological needs basically is satisfied the basic need of human. Physiological needs or basic needs also called biological needs. Maslow said when a person fulfills the basic, physiological or biological needs him move up the next level. For example: Food, shelter, clothes, sleeping and breathing etc.

#### Safety needs

Safety needs is the needs for shelter and protection. In this need a person needs security, stability and dependency. In this a humans needs freedom from anxiety law and order and structure. This need is also called security needs. For examples the employee's or the worker's in a private organization demand that the organization or company must be provide their job security, health security and promoting safety. And nowadays private organizations also provide the promoting safety and health plan, and emergency fun and accident cover's benefits.

#### Belongings needs

These needs are also known as social needs. It includes love and belongings. Usually man's needs love and care. These needs can be fulfill by interaction with coworker and colleagues. For examples the feelings of friendship, feelings of love, caring of family or relative etc.

At work, having a good relation with group fellow or colleagues. For promoting the team work and achieving the organizational goal the managers could force the workers that they must be works in groups or in a team.

## Esteem needs

Esteem needs are also known as egoistic needs. In this a man needs self-respect and the esteem of other. Man needs or reputation, prestige, status, fame, glory, dominance and recognition etc.

Esteem needs are difficult to satisfy in some industries. In an organization a manager should be respectively treat their employees. And the workers should also respect the policies or the law of the organization. The worker's also respect each other. Example of these needs is the achievement and confidence.

## Self-actualization needs

This is the highest need. A man wants self-realization and self-development and desire to be able to do something. Morality, acceptance of facts, lack of prejudice, creativity, spontaneity and problem solving are all examples of self - actualization needs.

## Herzberg's Two-Factor Theory

This is called motivation hygiene theory. He says people that having two sets of needs.

- Their these needs to avoid pain as animal
- Their needs to grow psyche of human
- He derived this theory from interviewing a person
- When a person thinks well about job
- When a person thinks negative about a job

There are two factors which is result of this investigation.

#### Satisfiers

Five steps are strong favors as job gratification acquirement, appreciation, restraint and improvement. Last three issues were found to be most significant for changes in approach.

#### Dissatisfies

Company policy, supervision, salary, administrative policies, and working conditions are cause dissatisfaction. Satisfying factors are also called intrinsic factors and dissatisfying factors are called extrinsic factors. These are two different things. Elimination of these dissatisfactory factors brings peace not motivation.

#### Alderfer's Three -Party Hierarchy of Needs:

According to Alderfer theory is closely related to Marlow's theory. His theory name is ERG. Which includes need for existence, growth?

E means existence needs.

R means relatedness needs

G means growth needs

#### Maslow's vs. Alderfer's Philosophy:

• Substances: Maslow's philosophy was created on five needs whereas Alderfer's theory was based on three needs.

• Course terms: Maslow spoke about the contentment advancement, Alderfer talked about both fulfillment and prevention relapse.

• Maslow needs can be fulfilled one by one but Alderfer says these can be fulfilled simultaneously.

Alderfer says that a person fulfills lower order need and then his longer needs. He also says that if higher order need is not satisfied lower level become more desirable.

## McClelland's Achievement Inspiration Philosophy:

He established the concept of inspiration on human need for accomplishment. This need to attain has been abridged as n-ach. He says this need is fulfilled by people to avoid failure and compelling desire for success such person must have following qualities.

He sets judiciously tough but attainable goal:

- He takes 'premeditated perils';
- He likes response on his performance;
- He likes precise and swift response on how he is doing;

• He needs talented co-workers in spite of personal feelings. He says that this can be taught to underdeveloped persons.

According to him there are three needs of human that are very important and necessary. (a) necessity for attainment; an erudite need to outrival and show in life, (b) necessity for power, an erudite need to lead and change the conducts and dogmas of others, (c) need for connection, a speculative need for social interaction with others.

#### **Motivational factors**

There are number of motivational factors that increase the presentation of employee's in an association.

Salaries and wages

If the association administration paid the reason able remunerations in time and fixing the salaries then enactment of the employees habitually increase. Otherwise not well. Because salaries and wages is the main and very important motivational aspect that affect the employees performance in the organization (Agwu, 2012).

#### Bonus

Association administration can easily increase the work performance of the workforces with the help of additional benefit. We can say that additional benefit is the above salary gives the employee's according to their performance. Bonus is an important tool for increasing the productivity (Agwu, 2013).

#### Encouragements

Encouragements mean additional allowances like medical allowance, travel allowance and house allowances etc. company can increase the employee's performance by providing this encouragement.

#### Job Security

Organization increases the employee's performance or productivity by providing job security.

#### Promotion

Organization increases the employee productivity by promoting them.

# 3. Theoretical Framework

#### Motivation

This study involves monetary and non-monetary motivational factors as independent variables. In independent variables monetary motivational factors include main three dimensions salaries and wages, bonus, and special individual incentives. And non-monetary motivational factors include main four dimensions working conditions, job status, job security, job enrichment.

#### Employees' performance

According to literature review employee's performance as dependent variable. And in dependent variable employee's performance include three major dimensions job productivity, job quality, and job accomplishment.

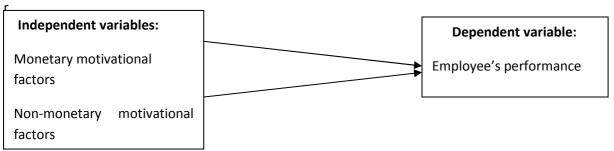


Figure 1. Research frame work on the relationship of motivation towards employee's performance

# Hypothesis development

Ho: Motivation not affects the employee's performance in beverage industry

H1: Motivation affects the employee's performance in beverage industry.

# 4. Material and Methods

# 4.1. Research instrument and sample

To examine the impact of motivation on employee's performance in beverage industry survey method is applied. Questionnaire we have designed comprises of two sections. First section is related to the personal profile of the respondents including their age, gender, marital status, education level etc. which is measured by nominal scale. Second section is related to the questions relevant to variables namely motivation and employee's performance measured by 5-point Likert scale. We selected the 5 cities Lahore, Islamabad, Faisalabad, Multan and Layyah. 150 questionnaires were distributed randomly to the beverage industry (Pepsi, Coke and Gorment).

# 4.2. Analysis, Findings and Interpretation of Results

To observe the impact of motivation on employee's performance in beverage industry we used the regression analysis and correlation analysis to examine the connection between dependent and independent variables. Table 1.1 indicates that motivation is positively correlated with employee's performance in beverage industry with p value of 0.000 which is significant at 1%.

		Motivation	Performance
Motivation	Pearson Correlation	1	.537**
	Sig. (2-tailed)		.000
	Ν	150	150
Performance	Pearson Correlation	.537**	1
	Sig. (2-tailed)	.000	
	Ν	150	150

Table 1.1. Correlations

Table 1.2 shows beta values which mean individual independent motivation variables influence on dependent performance variable. Result indicates that motivation has the strong influence on employee's performance in beverage industry with beta value.0.537.

<b>[</b>	Model			Standardized					
		Unstandardized Coefficients		Coefficients					
		В	Std. Error	Beta	Т	Sig.			
1	(Constant)	1.799	.248		7.260	.000			
	Motivation	.520	.067	.537	7.740	.000			

## Table 1.2. Coefficients<sup>a</sup>

a. Dependent Variable: Performance

The results further suggested that the motivation in beverage industry of Pakistan can significantly influence performance of employees. We can say that if top management put their focus upon motivation of employees then it will leaders toward a positive increase in employee's performance.

# 5. Discussion & Conclusion

In this study having motivational theories such as Maslow's hierarchy of need, Herzberg's Two-Factor Theory and Alderfer's three party hierarchies of needs. We follow two theories of needs Maslow's hierarchy of need and Alderfer's three party hierarchies of needs. These researchers gave their point of view related to human needs and human needs play an important role to motivate the employees of any organization. Anyim (2012) and Chintalloo & Mahadeo (2013) also follow these theories of need. These theories helps us how to motivate the employee. According to Maslow hierarchy of need if organization fulfills basic need, safety need, belonging need, self-esteem need and self-actualization of their employees then the performance of employee easily increase. And according to Alderfer's three party hierarchy of needs if organization fulfill the existence need, relatedness needs and growth needs the performance of employees are also increase.

Present study is used to examine the relationship between motivation and employees performance in beverage industry. Results from present study suggest that if beverage industry (Coke, Pepsi and Gorment etc.) motivate their employee's by using these tools such as job enrichment, job security, reasonable salary and other additional incentives then the employee's performance automatically increased and industry achieve their goals easily.

The results further suggested that the motivation in beverage industry of Pakistan can significantly influence performance of employees. We can say that if top management put their focus upon motivation of employees then it will leaders toward a positive increase in employee's performance.

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