

The Impact of Motivation on Employees' Performance and Satisfaction

Angela-Eliza Micu

angelaelizamicu@yahoo.com

Ovidius University of Constanata

The employees' motivation in the workplace was and still is present for many specialists in from the organizational psychology which continues to explore how we relate to our work and what really motivates us. Although literature offers a wide range of definitions in the process of motivation in the end they all converge on the same content. In everyday language, by reasoning it is understood "the why" for which an action is performed. The cause is a compulsion, desire, energy, envy. Meeting the needs will be done in a certain priority, specific to each individual. To be motivated it must be: a goal to be achieved, a direction of action, an excitement state, feelings that will generate efforts to achieve the goal. The most plausible explanation regarding the motivation is given by Anthony Bagshawe said that "motivation is something that drives us to do what we do." Motivation has always been a complex and delicate issue of great subtlety. It consists in discovering and exploitation of the internal resources of people and identification ways to make them work better and to spend energy more efficiently.

Keywords: Employees performance, motivation, satisfaction, relationship

JEL Code: J24, J28

Introduction

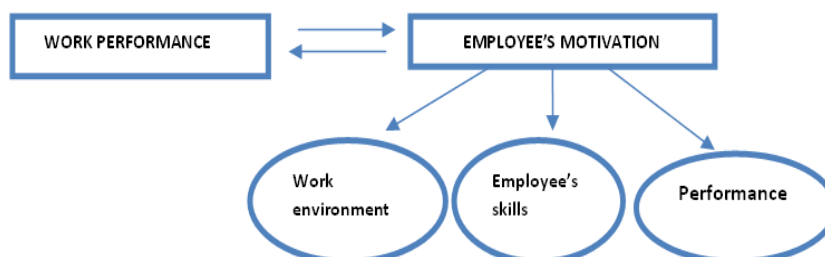
1. Motivation within the organization - the key to success in business, happiness elixir of the employees.

1.1. Relationship between motivation, satisfaction and performance.

In an organization, a manager can not ask his/her employees to be motivated, but he/she can create a climate in the organization to motivate, and so the employees will be more productive. The employees have different motivations, but they must be satisfied in one way or another.

"Motivation is a key factor of performance and the beliefs and needs stay at the basis of motivations." Moreover, motivation is not just a theoretical concept, an aim itself, it is and should be an important tool that should be used frequently by all managers in order to achieve superior results. The relationship between job performance and employee's motivation is that performance depends on: the work environment (better or worse job conditions), employee's skills (skills, qualifications and experience), employee's motivation to achieve a certain performance.

Figure 1. Interdependence job performance, employee's motivation.



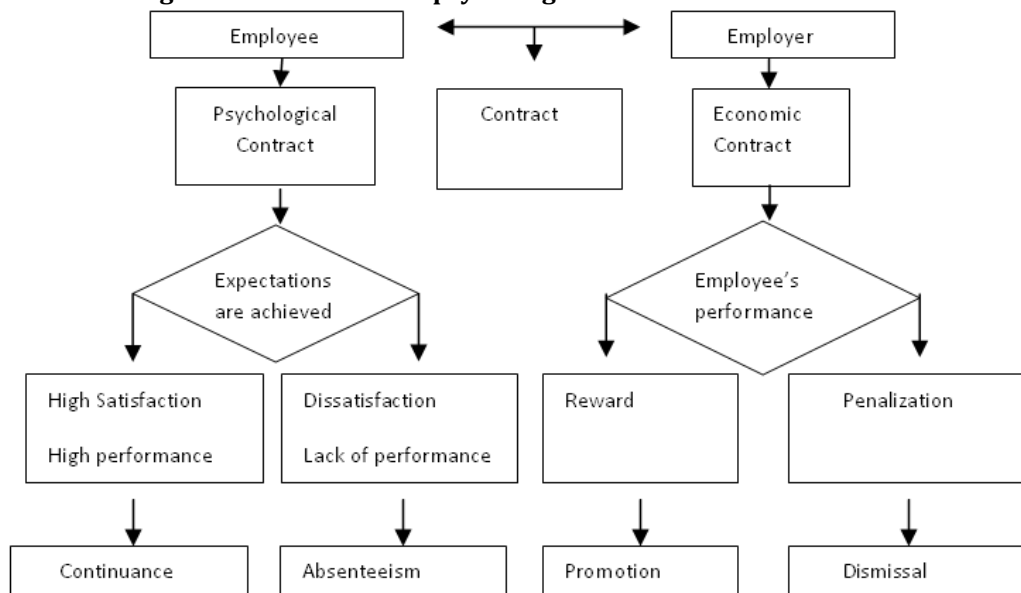
Source: Own contribution

Satisfaction and performance, are normally the result of a favourable social environment and rests on several basic elements: quality of management act; the level of confidence gained within the organization; the level of communication between the organization structure; the feeling of the work utility that is performed; equity in granting awards; involvement and participation of the employees in terms of a career development.

From a conceptual perspective, satisfaction represents the state of materializing some expectations acknowledged or not. According to K. Davis and J. Newstrom, satisfaction represents a set of favourable or unfavourable feelings of the employees towards the work they perform.

Analysis of the extent to which people acquire the desired level of satisfaction was and still is one of the constant preoccupations of work psychology. "What happens to people during a working day profoundly affects both their lives and the society as a whole". The source of satisfaction directly relies on the established report between the level of reward that the employee believes he should receive and the way they perceive the presented level of the reward. When these two are equal, then the employee will be satisfied. When the reward level that the employee believes that he deserves is less than the received reward, then it will be raised the feeling of unfairness or discomfort. On the basis of the expectations of each employee to obtain satisfactions from the performed work is economic employment contract between the employee and the employer. In addition, there is an unwritten "psychological" contract, and which exists in the individual unconsciousness as a benchmark for his/her expectations.

Figure 2. Economic and psychological elements of the contract



Source: after Davis K., Newstrom J.W., *Human Resources Management*, pag 46

1.2. Motivation, an important pillar in the relationship between the emotional state and performance of the employees.

There is a direct correlation between the emotional state of the employees and the company's revenues, which were revealed by numerous studies over time. Simply said, a happy employee is a productive employee.

In other words, a happy employee is represented by that person who firstly has full self-confidence and then has the ability to convey to the others the trust regarding the organization they represent and the products / services they perform.

One of the main criteria that motivate the employees in an organization is to have **clear objectives**, adequately paid. If the objectives either do not exist or are expressed so that the performer does not understand them correctly, it is likely that he be satisfied or to meet his targets.

According to a study performed by **MindTools.com** it is shown that "the majority who say that they feel happy at work, at the same time, exhibit a strong feeling of attachment to the organization."

Lately, there is a tendency of the employees' wishes towards the acknowledgement of merits and a stronger attachment to the organization where they work. Whether in the past the employees

placed the benefits represented by money on the first place in the top of work rewards, currently the wellbeing within the workplace is determined by non-financial rewards.

Non-financial motivation means stimulating the employees to work better, more efficiently, with pleasure, with satisfaction, without financial incentives!

The best non-financial method would consist of letting the employees free. Freedom is a matter almost magical and it is assiduously sought by those who want to be winners, and in this way they can be considered fulfilled and happy at the same time.

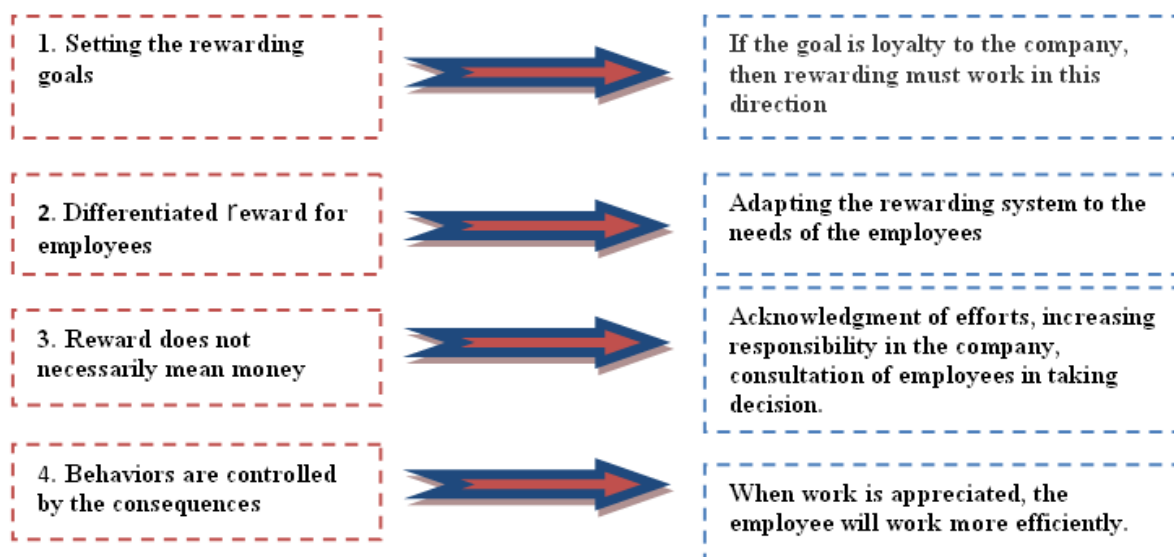
The **purpose** of non-financial motivation is to increase the productivity of the company, to improve its quality, to have satisfied employees, which leads directly to the employees' increased performance.

In point of view of the employee, the factors of non-financial motivation (after H. Ibarra from Harvard Business School) can be divided into three categories:

- Factors related to the oneself;
- Factors related to the company;
- Factors related to the performed work.

Depending on these factors there can be determined a number of principles of the non-financial reward.

Figure 3. The principles of non-financial reward



Source: Own contribution

2. Features of the banking system on the relationship: Motivation – Performance Transilvania Bank –The Bank of Enterprising People

2.1. Organization Presentation

Transilvania Bank (TB) is one of the three largest banks in Romania. The Bank was founded in 1993 in Cluj-Napoca, by a group of local businessmen, with 79% Romanian capital and 21% foreign capital. This year, Transilvania Bank celebrates 20 years since it became operational, together with the opening of the branch in Cluj.

Its activity is organized into four main business lines, namely: corporates, SME, retail and Medics Division. Transilvania Bank has about 1.76 million customers, 550 branches and over 6,000 employees. Since June 2013, the general manager of TB has been Ömer Tetik. Aged 40, he is one of the youngest bankers in Romania.

Transilvania Bank features a performing computer system, centralized, offering the customers, as the main advantage, the possibility of accessing current account from any unit in the country. Transilvania Bank now has three sub-brands: BT Caf[™], BT Golf Cup and TB Academy. From these, the project that has enjoyed the greatest success is BT Caf[™], the first bank café in Romania. The Bank has two such places - in Bucharest, respectively in Constanta, and extending of this concept in some of the most important cities in the country will continue. Transilvania Bank team consists of more than 6,000 employees who share the organizational culture and values of TB, their efforts being directed around the same objective: the quality of their work for customer's satisfaction. In the 20

years of activity, Transilvania Bank has shown that, with the support of the shareholders and by the developed ambitious plans, has become a strong bank, open, flexible and modern.

2.2 Correlation motivation - performance within the banking system: presentation and processing of the results

In pursuit of the case study within the company Transilvania Bank, I applied a self-administered questionnaire among the employees from the organization. Not having the possibility to question all the employees, I have taken a sample of 100 employees, which were distributed evenly, so that 50% of the employees were represented by masculine ones and 50% belonging to the female gender. The questionnaire consists of 10 closed questions with fixed answers.

Using the applied questionnaire, I analysed the following aspects of the company: the existence or not of a positive relationship between the level of wage remuneration and the performance of the outcomes, the work environment and its impact on the employees, opportunities for promotion as part of the non-financial motivation, vision of the employees on a career training within the organization.

Before the questionnaire, the employees were trained on how to fill it in, that they were mentioned that this questionnaire is not a test, there are no correct or wrong answers, respectively that the results of the questionnaire will have no effect on them, remaining confidential. The subjects were asked to answer these questions, in accordance with reality.

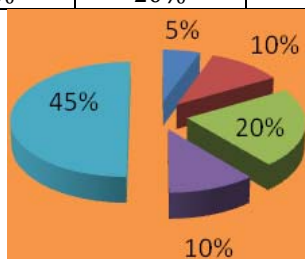
The way of answering the questions consisted in marking with an X the box appropriate to the answer closest to the employee's preferences.

2.3 Analysis of the collected answers:

First, there are gathered the answers to each question, and then these answers will turn into percentage answers.

1. Do you think that the level of your remuneration is in direct proportional relationship with the level of performance of the outcomes?

yes	little	very little	I don't know	no
5%	10%	20%	10%	45%



It can be said that the higher salary requirement is in line with reality taking into consideration the high level performance of the employees. This is based on the positive correlation between the dimensions which lead to the performance of the outcomes: efficiency and cost control and cost operations and safety in fulfilling responsibilities; safety and operability.

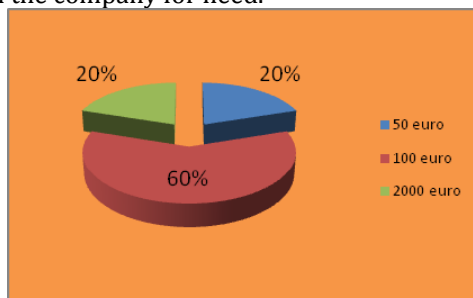
It can be seen from the graph that the majority of those surveyed think that the level of remuneration is not directly proportional to the results performance, leading to an intense demotivation.

5% of the respondents confirmed that the level of remuneration is in the same direction with the resulted performance. It seems that those who have confirmed this aspect are part of the employees whose training is not superior, and the variant that they could leave the organization and recommit elsewhere is not taken into account due to some factors such as: age, reduced professional training, and reluctance to the idea of adaptation to another organization.

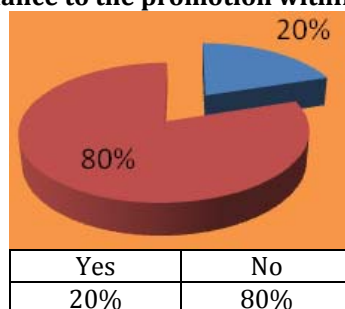
2. For what amount in addition to the salary would you change the current job if you were made an offer by another employer?

It seems that most of those enrolled to the questionnaire answered about the amount that they would be willing to leave their current job, that even for the sum of 100 euros they would be willing to leave their current job.

Thus 60% of the respondents stated that for an extra 100 euros they would be willing to leave the organization, while 20% said that for less than 50 euros and respectively 2,000 euros would not leave the organization. This aspect confirms that within the company there are employees with ideals and employees who are still in the company for need.



3. Do you think you have the chance to the promotion within the organization?



Following this question, I found that the promotion of the employees within the organization is quite slow and that it is possible only for those holding located positions on the lower steps of the organizational structure. Employees who possess managerial positions can advance very hard, and this chance is rarely given to them.

From the survey, 80% of the respondents confirmed that they have no opportunities for promotion and 20% of them claimed that the opportunities exist even though the possibility of promotion in position is heavier.

4. Do you think the promotion in the organization is deserved?

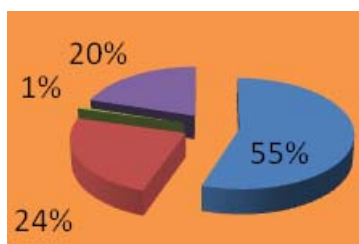


no	I don't know	partially convinced	convinced
10%	30%	40%	15%

The employees have doubts regarding the modality and fairness of promotion within the organization. 5% of the respondents say they are convinced that the promotion is correct and takes into account the ethics, while a 10% claims that promotion in position ignores the rules to be taken and that it also depends on other considerations which are less loyal.

5. How do you feel for the work that you do?

It is noticed that most employees of the organization feel a bad feeling when it comes to job satisfaction. The majority (55%) report that they are not satisfied, which is disappointing. A rate of only 1% considered that the work they perform satisfy them and makes them happy.



Not satisfy	I don't know	Very satisfied	Partial satisfied
55%	24%	1%	20%

These negative things happen because of the extremely big responsibilities that they assume and the low level of motivation.

I believe that there is a positive correlation between the working conditions (professional working environment) and the increase of the overall performance of the employees. From the psychological point of view we can conclude that in achieving high level performance, it is very important to ensure professional working conditions, a relaxed work environment and not tense.

6. What attracts you the most to work in this organization?

The employees are attracted to the current job in a very small proportion by the material compensation (1%). High responsibilities and increased stress within the work environment are felt this time also, as only 10% of the respondents think that what attracts them in the organization is the relaxing environment.

It is noticed, however, the employees' tendency to motivate themselves with the thought that staying for long in the organization is sustained and the possibility of a career is quite high (20%). Some employees are excited about the possibility of upgrading at the trainings offered by the company, even if the Director General stated that they are reduced and the percentage they help the employees is rather low, stating that those courses that truly may help them are not supported by the management and the costs are quite high

7. To achieve the set targets do you need to work individually or in a team?

One thing that distinguishes the organization's employees from other organizations is the fact that the whole work, which is also represented by a huge amount of work and responsibilities and tasks of various degrees of high enough difficulty, is that almost everything is done in team. Employees are advised to work in team and the overall activity makes them to depend on one another at all times. No task can be fulfilled without receiving information from other departments, offices or colleagues from the organization.

The respondents stated that the teamwork is almost imposed (90%) and 1% of them rely on themselves when they have to fulfil difficult tasks. Some employees, precisely 9%, consider that in order to be efficient and to meet the organization's goals, they should combine individual work with the one of cooperation in team.

8. Where do you see yourself in 5 years?

In terms of the employees' future from the analyzed organization, 50% of them tend to switch to other activities.

This is because the restriction of the freedom within the organization and the high stress levels cause them to want to change their field of activity. A percentage of 30% want to continue work in banking, but in another organization, considering that they will find better conditions and thus they can identify themselves in a large proportion with that organization

9. The criteria for performance evaluation and wage setting are:

As far as it concerns the information at the level of organization and more exactly the mentioning of the criteria of performance evaluation and setting of the wage compensation, the situation is very clear. The employees are informed accurately and precisely about the methodology for evaluation that takes place annually within the organization.

Through the evaluation process there are aimed two major objectives: development and employee motivation and organizational culture coverage.

The respondents confirmed a 60% that all information on the issues mentioned above circulate concisely. 30% of the respondents claimed that these evaluation criteria and wage setting are quite clear, confirming that they are satisfied of these aspects and only 10% answered that these information are transmitted in an acceptable manner.

10. To what extent are you satisfied with your current job?

The final opinion on satisfaction / dissatisfaction of the employees regarding their current job showed that 45% of them are somewhere in the middle in terms of satisfaction / dissatisfaction with the working conditions.

Worrying is the percentage of the respondents who strongly answered (30%) that they are unhappy with their current job.

The conclusion is represented by the fact that all employees have some dissatisfaction with work place, more obvious or more restricted, but there is a risk that at any moment they can leave the organization as such.

3. Conclusions and Proposals

In order to highlight the main aspects of the employees' motivation within the organization Transilvania Bank, the following conclusions will be issued:

1. The employees are motivated in a very limited extent, both as regards the financial motivation and non-financial one. Remuneration is based on achievements, and its level is quite low.
2. The responsibilities and the tasks that are assumed by the employees of the organization are quite difficult and they do not have and are not motivated as they expect.
3. Freedom of decision and freedom at work are compromised, and this aspect demotivates its employees and creates the feeling of sadness. The employees of the organization are most often stressed.
4. The tasks as well as the information on the methods and evaluation criteria are clearly transmitted to the employees so that they know in advance what to expect and what the requirements that must be met in order to access performance are. Also the employees are very familiar with the payment system related to the performed work. They receive a fixed salary plus bonuses and additions based on the targets achieved.

Concluding, the employees of Transilvania Bank are not at all happy. They show a high level of stress and feel a high degree of restriction of freedom. Unfortunately, lacking some motivational practices, they can anytime leave the company, heading towards those organizations where salaries correspond with the difficulty and responsibility of the performed work.

Recommendations: Managers are increasingly concerned about the motivation in their work, especially since the employees want acknowledgement and involvement in meeting their needs without the external control and authority to have a negative result. It can be concluded that the importance of motivation for achieving performance at high level should not be neglected. Motivation in work leads to performance increase, but also to the decrease of staff turnover, to lower absenteeism. Under these conditions there must be established: a payroll system according to some clearly defined criteria, the possibilities for promoting based on performance, the system of bonuses and rewards for the quality and quantity of work performed. Another aspect that should be improved is represented by the internal control on the employees. This aspect makes them tense and work under constant stress. Motivation and performance are in a controversial relationship that needs to be studied considering the multitude of variables that may arise in the relation between them and beyond.

References

1. Romanian Academy, "Explanatory Dictionary of the Romanian language", Univers Enciclopedic Gold Publishing House, Bucharest, 2009.
2. Anthony Bagshawe, "How to improve motivation", Ventus Publishing House, 2011, pag. 14
3. Camelia Frățilă, Mircea Constantin Duică, "Managementul Resurselor Umane", Bibliotheca Publishing House, Bucharest, 2014, pag.10
4. Davis K., Newstrom J.W., Human Resources Management, pag 46
5. Dumitrescu L., "Management of commercial enterprises", Univ. Lucian Blaga Publishing House, Sibiu, 2003, pag. 316
6. Extreme Training, "Non-financial motivation", Bucharest, pag 5.
7. Moman Sokhna Diop, "Management of human resource. New approaches", CH Beck Publishing House, Bucharest, 2012, pag. 20

8. Paraschiv Vagu, Ion Stegăroiu,, *"Motivation in work. From theory to practice"*, Bibliotheca Publishing House, Bucharest, 2007, pag. 18
9. P. Pastor, R. Breard, *"Motiver"*, Liaisons Edition, Paris, 2005, pag 14
10. www.portalhr.ro
11. www.revista-de-hr
12. www.rasfoiesc.com/business/management
13. www.ziare.com/afaceri
14. <http://htdi.ro>
15. www.portalhr.ro
16. www.revista-de-hr.blogspot.ro/2014
17. www.afacerilacheie.net
18. www.bancatransilvania.ro