



# A Study on Employee Motivation and Its Impact on Performance

Sumayya Isak Pathan, Prof. Richa Doshi.

MBA, Zeal Institute of Business Administration, Computer Application & research (ZIBACAR)

**Abstract:** Employee motivation is a critical factor that influences individual and organizational performance. This study examines the relationship between employee motivation and performance using primary data collected from 100 respondents through a structured questionnaire. A descriptive research design was adopted for the study. The findings indicate that both intrinsic and extrinsic motivational factors contribute significantly to improving employee performance. Elements such as financial incentives, recognition, and opportunities for career advancement were identified as key drivers of motivation. The study concludes that effective motivational practices can enhance productivity and overall organizational efficiency.

**Keywords:** Employee Motivation, Employee Performance, Intrinsic Motivation, Extrinsic Motivation, Job Satisfaction

## I. INTRODUCTION

In the contemporary business environment, organizations operate in a highly competitive and dynamic setting where human resources are considered one of the most valuable assets. The success of any organization largely depends on the performance, commitment, and productivity of its employees. In this context, employee motivation has emerged as a critical factor influencing individual as well as organizational performance.

Employee motivation refers to the level of enthusiasm, energy, and commitment that employees bring to their work. It is a psychological process that drives individuals to achieve personal and organizational goals. Motivated employees are more likely to exhibit higher levels of job satisfaction, engagement, and productivity, which ultimately leads to improved organizational outcomes.

Motivation can be broadly categorized into two types: intrinsic and extrinsic. Intrinsic motivation arises from within the individual and is driven by factors such as personal growth, achievement, recognition, and job satisfaction. On the other hand, extrinsic motivation is influenced by external rewards such as salary, incentives, promotions, and job security. Both forms of motivation

play a significant role in shaping employee behavior and performance.

In today's workplace, organizations face the challenge of retaining talented employees while maintaining high levels of productivity. Employees are no longer motivated solely by financial rewards; they also seek recognition, career development opportunities, and a positive work environment. Therefore, it becomes essential for organizations to understand the factors that influence employee motivation and how these factors impact performance.

This study aims to examine the relationship between employee motivation and employee performance. It focuses on identifying key motivational factors and analyzing their impact on employee productivity and satisfaction. By understanding these relationships, organizations can design effective human resource practices that enhance employee motivation and improve overall performance.

## II. LITERATURE REVIEW

Employee motivation has been a subject of extensive research in the field of human resource management and organizational behavior. Various theories and empirical



studies have contributed to understanding how motivation influences employee performance.

Early theoretical contributions laid the foundation for motivation studies. Abraham Maslow (1943) proposed the Hierarchy of Needs theory, which suggests that human behavior is driven by the desire to satisfy a sequence of needs, ranging from basic physiological needs to higher-level psychological needs such as self-esteem and self-actualization. According to this theory, employees are motivated when their needs are fulfilled progressively.

Similarly, Frederick Herzberg (1959) introduced the Two-Factor Theory, which distinguishes between hygiene factors and motivators. Hygiene factors, such as salary and working conditions, prevent dissatisfaction but do not necessarily motivate employees. In contrast, motivators such as recognition, achievement, and growth opportunities lead to higher job satisfaction and improved performance.

Victor Vroom (1964) developed the Expectancy Theory, which explains that employee motivation depends on the expectation that their efforts will lead to desired performance and rewards. This theory emphasizes the importance of perceived fairness and the relationship between effort, performance, and outcomes.

Recent empirical studies have further strengthened the link between motivation and employee performance. Kuswati (2020) found that employee motivation has a significant positive impact on performance, highlighting that motivated employees tend to be more productive and committed. Akerele (2023) also emphasized that motivation plays a crucial role in enhancing organizational effectiveness and achieving business goals.

Wardiansyah (2024) concluded that there is a strong positive relationship between employee motivation and job performance, indicating that motivated employees exhibit higher levels of efficiency and job satisfaction. Nusraningrum (2024) highlighted that motivation, along

with a supportive work environment, significantly improves employee engagement and performance outcomes.

Further studies have focused on the role of intrinsic and extrinsic motivation. Sulistamtama (2024) emphasized that intrinsic motivation, such as personal growth and job satisfaction, is essential for improving creativity and productivity. On the other hand, Hasyim (2024) found that training combined with motivational factors significantly enhances employee performance.

Recognition and appreciation have also been identified as critical motivational tools. Imran et al. (2025) demonstrated that employee recognition positively influences both intrinsic and extrinsic motivation, leading to improved performance. Similarly, Ismail (2025) found that financial incentives and rewards are key drivers of employee motivation and productivity.

Hendri (2025) emphasized that motivation is essential for sustaining long-term employee performance and organizational growth. Furthermore, Johri (2026) highlighted that motivation acts as a mediating factor between leadership and employee performance, reinforcing its importance in organizational success.

Overall, the literature clearly indicates that employee motivation is a vital determinant of employee performance. Both classical theories and modern research findings confirm that organizations must focus on developing effective motivational strategies to enhance productivity, job satisfaction, and long-term success.

### **Objectives of the Study**

- To study the level of employee motivation.
- To identify factors influencing employee motivation.
- To analyze the impact of motivation on employee performance.



- To understand employee satisfaction with motivational practices.
- To suggest measures to improve employee motivation.

### Hypothesis Development

- **H1** (Alternative Hypothesis):
- **H1:** There is a significant relationship between employee motivation and employee performance.
- **H0** (Null Hypothesis):
- **H0:** There is no significant relationship between employee motivation and employee performance.

## III. RESEARCH METHODOLOGY

### Research Design

The study is based on a descriptive research design.

### Data Collection

Primary Data: Collected through structured questionnaires

Secondary Data: Collected from journals, articles, and books

### Sample Size

The study includes 100 respondents. Sampling Technique

Convenience sampling method was used.

### Tools for Analysis

Simple percentage method and graphical representation were used for analysis.

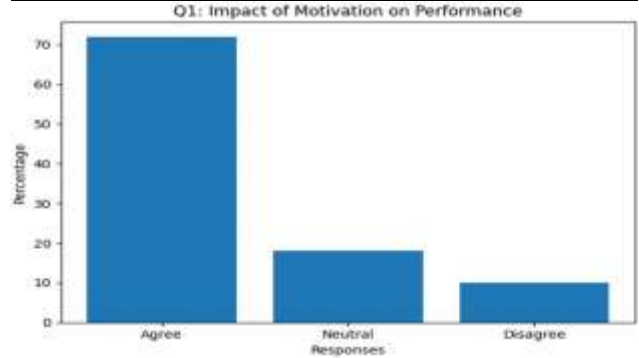
### Data Analysis & Interpretation

Does employee motivation improve your performance?

Response Distribution

Response	Number of Respondents	Percentage (%)
Agree	72	72%
Neutral	18	18%
Disagree	10	10%

Total	100	100%
-------	-----	------

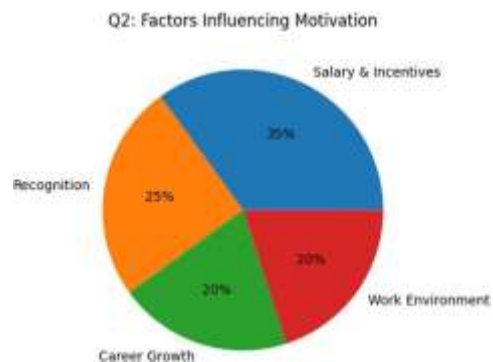


### Interpretation

The above table shows that a majority of respondents (72%) agree that motivation improves employee performance. Only 10% disagree, while 18% remain neutral. This indicates a strong positive perception among employees regarding the impact of motivation on performance. Hence, motivation is considered a key factor influencing employee productivity.

Which factor motivates you the most at work? Factors Influencing Motivation

Factor	Number of Respondents	Percentage (%)
Salary & Incentives	35	35%
Recognition	25	25%
Career Growth	20	20%
Work Environment	20	20%
Total	100	100%





### Interpretation

The table indicates that salary and incentives (35%) are the most significant motivating factors for employees. Recognition (25%) and career growth (20%) also play an important role, while work environment (20%) contributes equally. This suggests that both financial and non-financial factors are essential for enhancing employee motivation.

### Findings

- A majority of respondents (72%) believe that employee motivation has a direct impact on performance.
- Financial factors such as salary and incentives are the most influential motivators for employees.
- Non-financial factors like recognition and appreciation also significantly enhance employee performance.
- Career growth opportunities play an important role in increasing employee motivation.
- A positive work environment contributes to higher motivation and better performance outcomes.
- Both intrinsic and extrinsic motivational factors are essential for improving employee productivity.
- Employees who are motivated tend to show higher job satisfaction and commitment toward organizational goals.

### Suggestions

- Organizations should provide competitive salary and incentive structures to motivate employees.
- Implement reward and recognition programs to appreciate employee efforts and achievements.
- Offer career development and training opportunities to enhance employee growth.
- Create a positive and supportive work environment to improve employee morale.
- Encourage employee participation in decision-making to increase engagement and motivation.
- Conduct regular feedback and performance appraisal sessions to understand employee needs.
- Focus on a balance of intrinsic and extrinsic motivation strategies for long-term effectiveness.

### III. CONCLUSION

The present study highlights that employee motivation plays a crucial role in determining employee performance and overall organizational effectiveness. The findings clearly indicate that motivated employees tend to perform better, show higher commitment, and contribute positively to organizational goals. Both intrinsic factors such as recognition and personal growth, and extrinsic factors such as salary and incentives, significantly influence employee motivation.

The study also reveals that employee satisfaction with motivational practices is moderate to high, but there is still scope for improvement in areas such as career development and recognition programs. Organizations that focus on effective motivational strategies are more likely to achieve higher productivity and employee retention.

### REFERENCES

#### 1. Books

2. Abraham Maslow. (1943). A theory of human motivation. Psychological Review.
3. Frederick Herzberg. (1959). The motivation to work. New York: John Wiley & Sons.
4. Victor Vroom. (1964). Work and motivation. New York: Wiley.

#### 5. Journal Articles (Recent)

6. Kuswati, Y. (2020). The effect of motivation on employee performance. Budapest International Research and Critics Institute Journal, 3(2), 995–1002.
6. Akerele, O. O. (2023). The link between motivation and organizational performance.
7. International Journal of Business and Social Science, 14(1), 45–52.
8. Wardiansyah, D. R. (2024). The effect of employee motivation on job performance.
9. International Journal of Business Research, 13(1), 220–231.



10. Nusraningrum, D. (2024). Enhancing employee performance through motivation and work environment. *Frontiers in Sociology*, 9, 1–10.
11. Sulistamtama, M. F. (2024). The effect of intrinsic motivation on employee performance. *Research Horizon Journal*, 2(1), 15–25.
12. Hasyim, H. (2024). Impact of training and motivation on employee performance.
13. *Paradoks Journal*, 7(2), 85–95.
15. Imran, U. D., et al. (2025). The effect of recognition and appreciation on employee motivation and performance. *Journal of Management Studies*, 12(3), 101–115.
16. Ismail, S. A. (2025). Exploring the impact of motivation on employee performance in private companies. *International Journal of Management Research*, 11(2), 55–70.
14. Hendri, M. I. (2025). Factors shaping sustainable employee performance. *Heliyon*, 11(3), 1–8.