

A Study of Factors Associated with Employee Motivation in IT Multinational Corporations

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Abstract: The purpose of this study was to explore what motivates employees in IT MNCs to work. In order to do so, the researcher aimed to identify motivational factors in an organization. The data were collected from 103 IT professionals working in MNCs. The present study was survey in nature. Data were collected by a tool developed by the researcher. The data were analysed with the help of factor analysis. Five factors were identified such as Accountability, Self progression, Emoluments, Association and Safety. After analyzing the motivational factors in this study, it can be concluded that motivation is highly personal and differs from individual to individual. Many studies have come to the conclusion that money is a great motivator at work and is often put on first place among motivational factors, however, the results from this study showed a different outcome. People choose to work in a company depending on what that organization has to offer to the individual.

Keywords: IT professionals working, IT MNCs, Self progression, Emoluments, Association and Safety.

1. INTRODUCTION

The world is rapidly moving towards a global economy system that is more favorable for international business. The shift toward a global economy means more firms go international. This shift has a certain effect on employers and employees as well. The organizations need to recognize that managing an multinational company is not the same as managing a domestic company. More and more firms are moving outside their domestic borders. This means globalization of business has a significant impact on Human Resource Management. Therefore, it is essential for multinational companies to have an effective Human Resource Management and a greater degree of involvement in their employees. However, motivating people is easier said than done. Motivation is not something that can be commanded (Frey & Osterloh, 2002,).

Motivation is a complex concept and can, therefore, be defined in several ways. Motivation can be described as the need or drive that incites a person to some action or behavior. Motivation is important in everything we do, especially at the work place. If we do not feel driven to do our job then the work will not be successfully accomplished. Motivation is extremely personal; even if two individuals are exposed to the same situation they would still react in various ways and be motivated by totally different factors. Lundberg, Gudmundson and Andersson (2009) study of work motivation on seasonal workers supports the theory that motivation varies between employees. For an employee to experience motivation there have to be certain rewards, meaning that the employee must feel that his/or her work is meaningful and leads to reaching the goals of the company. The combination of motivation and needs will influence action (Kessler, 2003).

Motivation is a subject which is discussed on a regular basis, but despite this, the question: What motivates people to work is hardly ever asked. People are motivated by different things; this study aims to identify various factors which influence motivation. Globalization has a significant impact on IT companies; therefore, IT multinational corporations need to be aware of what motivates their employees in order to gain competitive advantage.

Morley and Collings (2004) points out that human resource management is important for multinational corporations and that MNCs play a significant role in the global economy. Even though employee motivation is a well researched topic,

most studies have particularly focused on small domestic companies. People choose to work in a company depending on what the organization has to offer to the individual, which the study by Moy and Lee (2002) supports. There have been several previous studies on human resource management in MNCs; however, little research or none about employee motivation within these organizations have been documented.

The purpose of this study is to explore what motivates individuals to work focusing on employees working in IT multinational companies in India. In order to do so, the researcher aims to identify key factors which have an impact on motivation at work. This study will contribute with a framework of motivational factors in an IT organization.

SAMPLE: A sample of 103 respondents from multinational companies were selected randomly for data collection. The data were collected from IT MNCs. Sixty percent of employees were from engineering background and 40% were from management background, 52% employees having UG degree whereas 48% were having PG degree and 58% respondents having less than 4 years of experience and 42% of respondents were having more than 4 years of experience. Employment status, Qualification, Work Experience and International work experience of respondents were also considered for data collection.

2. PROCEDURE OF DATA COLLECTION

Present study was survey in nature. Data were collected by using online method through google doc. The randomly selected respondents were mailed the links and requested to fill the tool.

TOOL: A tool was developed by the investigator to measure the motivation of employees. The tool had three parts. Part one deals with the demographic information such as company name, work experience, international work experience, employment status, and qualification. Part two deals with the ranking of most important motivation reason in MNCs. The respondents were asked to rank the ten reasons (from 1 to 10, where 1 being most important and 10 being least important) The reasons were Job security, High salary, Opportunity for challenging work, Good working conditions, career development, Appreciation of work, freedom to make decisions, Chance for promotion, Healthy relationship colleagues, flexible work schedule. Part three deals with measurement of respondents perceptions towards motivation. There are 20 items in the perception scale related to employee motivation. Respondents were asked to read the statements carefully and give their response best suited to them. Item total correlations were applied for item analysis and all the items were retained. Split half reliability was established and it was found to be 0.748. Content validity was established.

ANALYSIS: Data were analyzed with the help of Factor Analysis

3. RESULTS

Identification of Factors for Motivation: The objective of the study was to identify the factors associated with motivation. The data related to this objective were analyzed with the help of factor analysis. The results are given in the following tables:

Factor	Eigen value	% of Variance	Cumulative %
1	2.929	14.644	14.644
2	2.904	14.520	29.164
3	2.842	14.209	43.373
4	2.184	10.918	54.292
5	2.178	10.892	65.184

Five factors were identified from 20 variables and cumulative percent of variance was 65.18. Factor wise loadings are given in following table.

Factors	Variables	Factor Loading
1. Accountability	• Gives me a good status.	.883
	• Satisfied with the responsibility and role that I have in my work.	.796
	• Superior always recognizes the work done by me.	.781
	• Visibility with top management	.612
2. Self Progression	• Best at my own job.	.872
	• Make job-related decisions with a minimum of supervision.	.762
	• Realizing my ultimate personal potential.	.672
	• Opportunities for advancement in this organization.	.482
3. Emolument	• Break, and leaves given in the organization.	.715
	• Financial incentives V/s non financial incentives.	.714
	• The salary increments to employees for jobs very well done.	.641
	• Satisfaction with the salary	.628
4. Association	• Support from the HR dept	.806
	• Fair amount of team spirit.	.736
	• Participation in activities	.670
	• Quality of the relationships	.588
5. Safety	• Good physical working conditions.	.799
	• Feel secured environment.	.776
	• Retirement benefits	.743
	• Medical benefits satisfactory.	.706

Five factors were identified such as Accountability, Self progression, Emoluments, Association and Safety. The details about factors are given below:

Accountability emerged as first factor having variance of 14.64% and covering variables like recognition, visibility, status and responsibility

Self Progression as second factor having variance of 14.52% and covering variables like self enlightenment, opportunity for advancement, own schedule and giving your best to job provided.

Emoluments as third factor having variance of 14.20% and covering variables like salary, increment, incentives and leaves.

Association as fourth factor having variance of 10.91% and covering variables like Team spirit, support, relationship and participation.

Safety as fifth factor having variance of 10.89% and covering variables like working conditions, job security, medical and retirement benefits.

Further, following reasons were also ranked by the respondents.

Indicators	Mean	Rank
Job security	1.78	1
Career development	2.18	2
Freedom to make decisions	2.24	3
High Salary	2.37	4
Promotion in the organization	2.39	5
Appreciation of work	2.4	6
Challenging work Opportunity	2.45	7
Healthy relationship with colleagues	2.8	8
Good Working Conditions	2.86	9
Flexible work schedule	3.77	10

It can be concluded from the above table that Job security is ranked number 1 by the respondents followed by Individual growth, freedom to make decision, high salary, promotion, appreciation, relationship, work conditions and flexible timings.

4. CONCLUSION

The purpose of this study was to explore what motivates employees in IT MNCs to work. In order to do so, the researcher aimed to identify motivational factors in an organization. After analyzing the motivational factors in this study, it can be concluded that motivation is highly personal and differs from individual to individual. Work motivation is also not consistent over time, meaning, the factor which motivates an individual today will most likely not be the same motivational factor a year from now. It is clear that personal circumstances will have an impact on employee motivation. Many studies have come to the conclusion that money is a great motivator at work and is often put on first place among motivational factors, however, the results from this study showed a different outcome. People choose to work in a company depending on what that organization has to offer to the individual, which the study by Moy and Lee (2002) supports. The majority of the respondents decided to work in an IT MNC because of the size, international contacts, accountability, and self progression, Emoluments, Association and Safety factors.

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