THE OVERVIEW OF KEY MOTIVATION FACTORS
FOR EMPLOYEES AT THE INDUSTRIAL ENTERPRISES

The modern science has proved and the working practices have confirmed that the industrial enterprises which are based on the personnel development strategy become more successfully and expand rapidly. For this reason, modern industrial enterprises must substantially improve the working conditions by opening out staff’s potential capabilities and encouraging their self-development. In order to do this, the enterprises should carefully monitor the changes of external and internal factors as all factors constantly interact and, as a result, the changing in one of them will certainly lead to changes in others.

The aim of the study is to overview key motivation factors for employees at the enterprises.

There are three large groups of academic works studying staff motivators. One group of scientific writings is devoted to investigating motivation factors through theoretical analysis. In particular, A. Maslow considered that human needs are the key motivation factor and pointed out that the human society constantly develops and consequently the level of human needs slowly but steadily increase. Following Maslow’s invention, D. McClelland distinguish three basic human needs: 1) need of power that means that employees aim to control all the processes around themselves; 2) need of success that means the process of achieving of staff’s goals; 3) need of involvement that means that people are interested in being a part of a friendly team. By contrast, F. Herzberg studied factors impacting on staff performance clearly dividing them in two groups: motivation factors (recognition, responsibility, growth opportunities, meaning of work) and hygiene factors (working environment, wages, working conditions, work-life balance, good colleagues, person’s post). It is also worth to note that, on Herzberg’s view, the hygiene factors do not motivate staff, they only help to prevent feelings of dissatisfaction, and, for this reason, each company must combine it with the motivation factors. In turn, W. Vroom [1, p. 89-91] proved that the main factor impacting on staff motivation is the interaction of the following components: the receiving of reward (so-called “valence”), the likelihood that efforts done will lead to the expected results (so-called “waiting”), and the likelihood that the achieving of the goal will refer to its remuneration (so-called “instrumentalism”). In other words, people are mainly motivated by the possibility of growth, but not by the reward. S. Adams regarded that the major factor impacting on staff motivation is a degree of
justice (or injustice) which people feel in a certain situation. Justice is the balance between the human contribution to improving the efficiency of the enterprise and the result received from the job done. As shown here these two factors are similar to the “efforts” and “rewards” in Vroom’s, Lawler’s and Porter’s, Nyusem’s models. Thus, the main difference between these three expectation theories is the recognition that means all people compare themselves with others when they assess the significance of received reward. In contrast, B. Skinner claimed that the person getting positive results for sophisticated tasks will behave in the same way in the future. But if the results are negative, then this person much more likely will change the way of the behavior. There is therefore disadvantage of Skinner’s motivation theory that is to ignore the impact of fringe benefits and psychological characteristics on staff motivation. M. Stratheford [1, p. 134-139] argued that the the factors impacting on staff motivation are staff’ knowledge, perceptions, thoughts about the causes and consequences of the processes in consistently changing world. So people are constantly doing something, and how they are doing it does not depend on only their individual needs, personal desires, but it mainly depends on external conditions. As a consequence, the its performance programmm and project future people’s motivation. Taking into account all abovementioned findings, O.-I. Dobre divided motivation factors into external factors (incentives) and internal factors (motivation, needs, interests, and human values). At the same time, M. Kulikov proposed to divide factors impacting on staff motivation into institutional and administrative. M. Doronina, L. Sasina, V. Lugova, and G. Nad’on distinguished motivation factors at macro-, meso-, and microlevels and integrate them in one which is called “culture”. N. Chumachenko defined the motivational factors as a combination of macroeconomic stability, financial stability, fairness in pay, good working conditions and environment.

Further scientific investigations aimed to examine motivation factors used mainly econometric models. It is the second strand of present literature overview. In this line, Fisher conducted a quantitative research which statistically proved that responsibility, growth opportunities, recognition are the decisive factors in order to motivate staff. By applying SPSS 18 and Amos 18 software, A. Barzoki, A. Attafar and A. Jannati carried out a staff survey that showed the following. High salaries, fringe benefits, medical insurance, life insurance, sick-pay, financial rewards have the greatest impact on staff motivation at the Iranian industrial enterprises. In turn, S. Hosseini performed a descriptive and inferential study on how to motivate staff at the Iranian banking institutions using the 52-item Job Motivation Questionnaire and the method of regression analysis. The scientist highlighted that there is the closest relationship between social needs and job motivation level. Meanwhile, according to Hosseini’s calculations, financial incentives are also significant extrinsic factors in increasing job motivation in the banking sector. Based on regression analysis, A. Vorina, M. Simonic and M. Vlasova [2] explored the
The relationship between staff engagement and job satisfaction in the public and private sector of Slovenia. The results presented in the paper also illustrated that there is a close relationship between staff engagement and gender. In this line, A. Khan, S. Ahmed, S. Paul and S. Kazmi employed multiple regression in order to examine the role, importance and contribution of benefits, job environment, empowerment and recognition to the staff motivation in Pakistani banking industry. These authors also assesses the positive effect of staff motivation on long-term productivity growth in the banking sector of this country. Following this path, some researches used not only the method of regression analysis.

The researches of third group of scientific writings uses questionnaires and, on that basis, make practical applications on how to motivate staff. In particular, B. Gupta and J. Subramanian focused on factors impacting on staff motivation in consultancy companies of Vietnam. They argued that According to E. Kuranche-Mensah, financial incentives (good pay and remuneration) are the strongest motivators at the African mining companies. From this perspective, M. Odukah conducted a staff survey and detected a positive and significant effect of recognition, working conditions, training and development on employee motivation at the Kenyan companies. At the same time, T. Ferreira analysed staff distinguishing intrinsic and extrinsic factors and using the tools of descriptive and structural analysis. The scientist proved that among intrinsic factors staff’ goals and skills have great impact on sales force motivation in Portugal and among extrinsic factors transparency and loyalty are the key factors. I. Nemeckova is the author of empirical research backed-up by the roundtable method. That research was devoted to the examination of the role of fringe benefits (or “perks”) such as flexible hours, free parking, occasional lunch from the business in staff development and motivation in the financial sector of the Czech Republic. The research pointed out that “perks” mostly depends on respondents’ gender, age, education, skills, etc. Taking into account previous inventions, L. Thao and C.-S. Hwang constructed a conceptual framework of motivation factors and identified leadership, motivation and training as the principal factors impacting on employee performance in oil and gas industry of Vietnam. W. Zaraket, M. Azakur and M. Fawaz conducted a quantitative study, in which it was detected that there is a positive relationship between financial rewards and employee satisfaction in the banking sector of Lebanon.

Obtained results is the basis for making practical applications on how to motivate staff. So further investigations will be directed to the making practical recommendations on how to motivate staff at the Ukrainian enterprises.

References