

POLITECNICO DI MILANO

**Department of Management, Economics and Industrial
Engineering**



**M.Sc. in Management, Economics and Industrial
Engineering**

Physical and Psychological Factors on to Worker Motivation Levels; A Study Case on the Automotive Industry

Evrin KARABATI-Bilge TASEZER

Advisor: Dr. Gökan MAY

Tutor: Prof. Marco Taisch

October 2014

Acknowledgments

Throughout writing tesina most of people helped us to complete this hard and stressful period. We can not imagine how it would be possible finished this period without their support.

During complete our tesina, we realized that we examined our friendship at the same time because we are friends since 2008 and starting this difficult process together may ruin our friendship. Our fears didn't happen and we are proud our success.

First of all, we are thankful to our supervisor Prof. Marco Taisch and our tutor Gökan May. We appreciate the great support from Gökan May who guided us with patient and he encouraged us from the beginning till the end.

In addition, we would thank to our friends for their patient.

We are grateful to our family member. We can not complete our dissertation without them.

Table of Contents

Acknowledgments.....	i
Table of Contentts.....	ii
List of Figures.....	vii
List of Tables.....	x
Abstract	xi
1. Introduction	
1.1. The Job Demands-Resources model for factory	2
1.2. Dual processes.....	3
1.3The relevance of the research topic.....	5
1.4 Human-centric taxonomy.....	5
1.5. Goals and directions of the dissertation	7
2. The Components of Motivation	
2.1. Motivation Process	10
2.2.Motivation Theories	10
2.2.1.Maslow’s Theory of Need Hierarchy	11
2.2.2 Hygiene Factors Theory	14
2.2.3. Goal Setting Theory	14
2.3. Motivational Factors.....	14

2.4. The Reason of the Need of Motivation for the Businesses in Sector.....	16
2.4.1.Firm-specific pool resources.....	16
2.4.2.Multi-tasking	16
2.4.3.Fuzzy tasking	17
2.4.4. The transfer of tacit knowledge	17
2.4.5. Creativity and innovation.....	17
2.5. Physical and psychological factors on Motivation.....	19
2.5.1 Awarding Systems and Motivation	22
2.6. Work Satisfaction	23
2.7.Intrinsic Motivation	25
2.8. Importance of Motivation Employee Performance for industry.....	29
2.8.1.Economical Importance.....	29
2.8.2. Psycho-sociological Factors.....	30
2.8.3. Organizational and Management Factors.....	33
3.Physical and Psychological Factors on to Worker Motivation Levels; A Study Case on the Automotive Industry	
3.1. The Restrictions of the Research.....	35
3.2. The Questionnaire Development and Scaling.....	35
3.3. Data Analyzing Methods.....	37
3.3.1. Pilot Test.....	37
3.3.2. Reliability and Validity	38

3.4. Findings Of The Survey.....	38
3.4.1. Demographical Characteristics of the Respondents.....	38
3.4.1.1. The Distribution of Gender	38
3.4.1.2 Education Level.....	39
3.4.1.3. The Distribution of Seniority.....	40
3.4.1.4. The Distribution of Title	41
3.4.1.5.The Distribution of Position in the Company.....	42
3.4.2. Interpretation of the Items Used in the Questionnaire	43
3.4.2.1. Level of wage and its affect on the motivation	44
3.4.2.2. Accepting the wage as fair and its affect on the motivation	44
3.4.2.3. Wage fairness essence levels for the employees	45
3.4.2.4. Appraisal and its affect on the motivation	45
3.4.2.5. Appreciation levels of employees	46
3.4.2.6. Rewarding mechanism rewarding on the motivation.....	46
3.4.2.7. Rewarding mechanism level essence of employees on motivation	47
3.4.2.8. Punishment mechanism rewarding on the motivation.....	48
3.4.2.9. Promotion opportunities - affect on the motivation.....	49
3.4.2.10. Promotion mechanism's effect on motivation.....	49
3.4.2.11 Opinion on business development trainings within the company....	50
3.4.2.12 The relations with the superiors and its affect on the motivation	51
3.4.2.13 The factors relations with the work chief.....	51
3.4.2.14 The relations with the colleagues and its affect on the motivation...	52

3.4.2.15 The effect on motivation of the state of friendship	53
3.4.2.16 Authority/responsibility dependence requests affect othemotivatio.	53
3.4.2.17 Using equipment within the company and its affect on the motivation	55
3.4.2.18 Working period and its affect on motivation.....	56
3.4.2.19 The degree that employees' working hours are with their life style..	56
3.4.2.20 The effect on motivation of employees' vacation opportunities	57
3.4.2.21 The social opportunities of the company being satisfactory and its affect on the motivation.....	58
3.4.2.22 The effect on motivation of employees' social activity hours	59
3.4.2.23 The match between overtime hours and lifestyle and its affect on the motivation.....	59
3.4.2.24 The sufficiency of management sensibility in the workplace problems and its affect on the motivation	60
3.4.2.25 .What kind of internal motivation tools should be used in order to get your performance to a higher level in the coming days?.....	61
3.5. Comparison of the Factors that Motivate Employees According to the Demographical Characteristics of Employees	61
3.5.1. Gender	61
3.5.2. Comparison of the Factors According to the Age Groups of the Participants.....	62
3.5.3 Comparison of the Factors According to the Education Level of the Participants	63
3.5.4. Comparison of the Factors According to the Titles of Participants	64

3.5.5 Comparison of the Factors According to the Seniority of Participants	65
3.5.6 Analysis of the Specific Factors' Effect on Motivation.....	66
3.5.7 Appraisal and its effect on motivation	67
3.5. 8 Rewarding and its effect on motivation.....	67
3.5.9 Punishment and its effect on motivation.....	68
3.5.10 Promotion opportunities and its effect on motivation.....	68
3.5.11 The relation with the superior and its effect on motivation	69
3.5.12. The friendship and its effect on motivation	69
3.5.13. Rise in authority and its effect on motivation	70
4. Conclusion.....	71
4.1.Summary of the Findings	71
4.2.Fulfillment of the Research Gaps.....	73
4.3.Further Research.....	73
References.....	77

List of Figures

Figure 1: Research Framework	8
Figure 2: Maslow's Hierarchy of Needs.....	11
Figure 3: Intrinsic Motivation	25
Graphics 1 The gender distribution of the employees.....	39
Graphics 2 The age distribution of the employees	39
Graphics 3 The graphics of distribution of level of education	40
Graphics 4 The graphics that displays the working period of the company .	41
Graphics 5 The graphics of title distribution	42
Graphics 6 The graphics of position distribution of the company.	43
Graphics 7 Level of wage and its affect on the motivation.....	44
Graphics 8 Accepting the wage as fair and its affect on the motivation.....	44
Graphics 9 Wage fairness essence levels for the employees	45
Graphics 10 Appraisal and its affect on the motivation	46
Graphics 11 Appreciation levels of employees	46
Graphics 12 Rewarding mechanism within the company and its affect of rewarding on the motivation.....	47
Graphics 13 Rewarding mechanism level essence of employees on motivation	48
Graphics 14 Punishment mechanism within the company and its affect of rewarding on the motivation	48

Graphics 15 Promotion opportunities within the company and its affect on the motivation.....	49
Graphics 16 Promotion mechanism’s effect on motivation.....	49
Graphics 17 Opinion on business development trainings within the company	50
Graphics 19 The factors that should be effective within the relations with the work chief.....	51
Graphics 18 The relations with the superiors and its affect on the motivation	52
Graphics 20 The relations with the colleagues and its affect on the motivation	52
Graphics 21 The effect on motivation of the state of friendship of the employees with each other	53
Graphics 22 The state of authorization of the employees.....	54
Graphics 23 The effect of motivation on the authorization of the employees	54
Graphics 24 Using equipment within the company and its affect on the motivation.....	55
Graphics 25 Working period and its affect on motivation.....	56
Graphics 26 The effect on motivation of employees’ working hours	57
Graphics 27 The degree that employees’ vacation opportunities are in line with their life style.....	57
Graphics 28 The effect on motivation of employees’ vacation opportunities	58

Graphics 29 The social opportunities of the company being satisfactory and its affect on the motivation.....	58
Graphics 30 The effect on motivation of employees' social activity hours ...	59
Graphics 31 The match between overtime hours and lifestyle and its affect on the motivation.....	60
Graphics 32 The sufficiency of management sensibility in the workplace problems and its affect on the motivation.....	60

List of Tables

Table 1 :The Comparison of the Factors According to the Gender	61
Table 2 The Comparison of the Factors According to the Age Group.....	62
Table 3 :The Comparison of the Factors According to the Age Group.....	63
Table 4 The Comparison of the Factors According to the Title Groups.....	64
Table 5 Comparison of the Factors According to the Seniority of Participants	65
Table 6 Analysis of the Specific Factors' Effect on Motivation	66

Abstract

Physical and psychological factors on to worker motivation levels; A study case on the automotive industry

Motivation is one of the major problems of the managers and employers. Pulling the required work power to the company and employing them for a long time all depends on the motivation that is provided. The factors that are motivating the employees are directly related with their psychological and economical structure. The purpose of motivation is to make the employees more ambitious and efficient towards the business and the organization. Many instruments can be used to reach this target. The factors that are effecting the motivation could be counted as ; social factors, economical factors, psychological factors and administrative factors.

The objective of this study is to examine the motivation factors and the interaction of these factors with the workers' demographic characteristics. Thinking that theoretical and practical study would be useful; by making a literature search over motivation topic primarily, theoretical part of the study was finished. Thus, the relations between the theoretical and practical sides of the topic were aimed to be searched.

The study will be structured as follows: the first part consists of the definitions of motivation and motivation process with motivation theories as well as performance. This part also includes motivational factors, need of motivation, motivation strategies as well as the relationships of performance measurement, awarding systems, organizational culture and quality circles with motivation. The second part analyzes the relationship between individual and organization; employee and work through work satisfaction, intrinsic motivation and work design. This part also involves motivation tools to increase employee performance, which are economical incentives, psycho-sociological incentives also organizational and management incentives. The next part provides a brief conclusion and managerial implications and suggestions for motivating employees

to increase employee performance to be followed by an application of motivation incentives of motivation tools on an automotive sector.

1. INTRODUCTION

Motivation is essential to nearly all behavior at work. However, it is easy to define. Motivation can mainly be thought of as the force that drives behavior. While it is important, motivation alone does not dictate all of a person's behavior. A person's ability clearly also matters, and so do factors like the resources a person is given to do his or her job. Successful work performance can arise from a variety of motives. Motivation can also be defined as the willingness to exert high levels of effort to reach organization goals, conditioned by the effort's ability to satisfy some individual need. Although motivation refers to effort toward any goal, here it will refer to organizational goals because our focus is on work-related behavior. The three key elements in this definition are effort, organizational goals and needs.

Motivating high levels of employee performance is such an important organizational consideration that both academic researchers and practicing managers have been trying to understand and explaining motivation for years. The earliest attempts at explaining motivation focused on pinpointing what motivated individuals. However, these theories were not able to effectively explain why employees' motivation levels differed; that is, there was no recognition that what motivated individuals were different for each person. Therefore, this study aims to provide an indepth understanding of motivation theories by taking account individual differences rather than traditional way of management that takes all individuals as the same. Therefore, providing a modern approach to management, the study analyzes the motivational tools in order to increase employee performance. The study is structured as follows: the first part consists of the definitions of motivation and motivation process with motivation theories as well as performance.

This part also includes motivational factors, need of motivation, motivation strategies as well as the relationships of performance measurement, awarding systems, organizational culture and quality circles with motivation. The second

part analyzes the relationship between individual and organization; employee and work through work satisfaction, intrinsic motivation and work design. This part also involves motivation tools to increase employee performance, which are economical incentives, psychosociological incentives also organizational and management incentives. The last part provides a brief conclusion and managerial implications and suggestions for motivating employees to increase employee performance.

1.1. The Job Demands-Resources model for factory

The main assumption of the Job Demands-Resources (JD-R) model (Bakker & Demerouti, 2007; Bakker, Demerouti, De Boer & Schaufeli, 2003a; Bakker, Demerouti, Taris, Schaufeli & Schreurs, 2003b; Demerouti, Bakker, Nachreiner & Schaufeli, 2001) is that every occupation has its own specific risk factors associated with job-related stress. These factors can be classified in two general categories (i.e. job demands and job resources), thus constituting an overarching model that may be applied to various occupational settings, irrespective of the particular demands and resources involved. Job demands refer to those physical, psychological, social, or organisational aspects of the job that require sustained physical and/or psychological (cognitive and emotional) effort or skills and are therefore associated with certain physiological and/or psychological costs. Examples include high work pressure, an unfavourable physical environment and irregular working hours. Although job demands are not necessarily negative, they may turn into job stressors when meeting those demands require high effort from which the employee fails to recover adequately (Meijman & Mulder, 1998).

Job resources refer to those physical, psychological, social, or organisational aspects of the job that are either/or:

1. functional in achieving work goals
2. reduce job demands and the associated physiological and psychological costs
3. stimulate personal growth, learning, and development.

Hence, resources are not only necessary to deal with job demands, but they also are important in their own right. This corresponds with Hackman and Oldham's (1980) job characteristics model that emphasises the motivational potential of job resources at the task level, including autonomy, feedback, and task significance. In addition, this agrees on a more general level with conservation of resources (COR) theory (Hobfoll, 2001) that states that the prime human motivation is directed towards the maintenance and accumulation of resources. Accordingly, resources are valued in their own right or because they are means to achieve or protect other valued resources. Job resources may be located at the macro, organisational level (e.g. salary or wages, career opportunities, job security), the interpersonal level (e.g. supervisor and coworker support, team climate), the specific job position (e.g. role clarity, participation in decision making), and at the level of the task (e.g. skill variety, task identity, task significance, autonomy, and performance feedback).

1.2. Dual processes

A second premise of the JD-R model is that two different underlying psychological processes play a role in the development of job-related strain and motivation. The first is a process of health impairment, which suggests that demanding jobs or jobs with chronic job demands (e.g. work overload, emotional demands) exhaust employees' mental and physical resources and may therefore lead to the depletion of energy (i.e. a state of exhaustion) and to health problems (e.g. general health and repetitive strain injury) (Bakker, Demerouti, & Schaufeli, 2003; Demerouti et al., 2000, 2001; Leiter, 1993). According to Hockey (1993), individuals use performance-protection strategies under the influence of environmental demands. Such strategies are the mobilisation of sympathetic activation (autonomic and endocrine) and increased subjective effort (use of active control in information processing). Even though the use of these strategies may inhibit decrements in primary task performance, according to Hockey's theory, indirect degradation may be identified. Such degradation may take the form of strategy adjustments (narrowing of attention, increased selectivity, redefinition of task requirements), and fatigue after-effects (risky choices, high

levels of subjective fatigue). The long-term effect of such compensatory strategies may be a draining of an individual's energy, which could eventually result in a breakdown.

The second process proposed by the JD-R model is motivational in nature, whereby it is assumed that job resources have motivational potential and lead to high work engagement, low levels of cynicism and excellent performance. As follows from our definition, job resources may play an intrinsic motivational role because they foster employees' growth, learning and development, or they may play an extrinsic motivational role because they are instrumental in achieving work goals. In the former case, job resources fulfil basic human needs (Deci & Ryan, 1985), such as the needs for autonomy (DeCharms, 1968), competence (White, 1959), and relatedness (Baumeister & Leary, 1995). For instance, proper feedback fosters learning, thereby increasing job competence, whereas decision latitude and social support satisfy the need for autonomy and the need to belong, respectively (see Van den Broeck, Vansteenkiste, De Witte & Lens, 2008). Job resources may also play an extrinsic motivational role, because, according to the effort-recovery model (Meijman & Mulder, 1998), work environments that offer many resources foster the willingness to dedicate one's efforts and abilities to the work task. In such a case it is likely that the task will be completed successfully and that the work goal will be attained. For instance, supportive colleagues and proper feedback from one's superior increase the likelihood of being successful in achieving one's work goals. In either case, be it through the satisfaction of basic needs or through the achievement of work goals, the presence of job resources leads to engagement, whereas their absence evokes a cynical attitude towards work (Demerouti et al., 2001; Lewig, Xanthopoulou, Bakker, Dollard, & Metzger, 2007; Schaufeli, Bakker & Van Rhenen, 2009).

1.3 The relevance of the research topic

The research methodology adopted for the study is discussed including the goal and scope, the restrictions and the type of the research. Also, data collecting and analyzing methods, questionnaire development and sampling were described. So,

this part of the study goes through an automotive company operating in Italy so as to control and test the implications reached through the literature review in the preceding sections.

1.4 Human-centric taxonomy

In today's everchanging world, organizations can only survive by adapting these changes. Organizational culture plays an important role in this adaptation. It is the main determinant of organization's objectives, strategies and policies. Thus, it is the key factor for organizations to gain competitive advantage. The world is in the transition period to knowledge society and knowledge has become the most important factor of production recently. In this circumstances, it is believed that managing knowledge as the key factor of competitive advantage raises organizational performance. But, as knowledge management refers to the human centered process, it is affected by organizational culture. In this case, knowledge management would be a mediator variable that affects organizational performance and at the same time is affected by the organizational culture.

The first step to develop a framework for a human-centric workplace is the analysis and the knowledge about workers, factories and context. The requirements are identified as follows:

- Development of techniques and tools for worker characterization, applicable in real factory settings: for this aim, the model has been characterized anthropometry of the workers, functional capabilities, and knowledge/skills/ expertise of the workers involved in production related processes.
- Development of tools and procedures for a factory representation from the worker's perspective, establishing a formalized representation of the key risk factors to be integrated in the factory model;
- Establishing a worker-factory assessment model aimed to optimize technical and organizational strategies taking into account design and development of the production processes;
- Analysis of the territorial context in which factories are located to support context strategies in terms of economic, social, and environmental

sustainability(Wiley, 1997) .

Diametrically opposite the mechanistic approach is the employee-centric vision. This vision goes deeper than the attention for social aspects in organizations as advocated by the human resources movement (McGregor, 1960; Likert, 1965). In addition to believing that employees are willing to work in a committed and motivated manner, the employee-centric vision is based on the conviction that employees are the crucial core for organizational success. Drucker (1985) therefore advocates a shift in management attention, since in his view, aspects of employee behaviour should be the primary areas of management focus. Adequate behaviour of employees is seen as the essential source for competitive advantage (Cooke, 1992; Pfeffer, 1994). A study of the Conference Board Europe among 166 organizations, identified employees as the only permanent source for competitive advantage (Csoka, 1994). Not the possession of patents, a unique technology, or the execution of a brilliant strategy determined the essence of competitive advantage, but the characteristics of human resource management (Pfeffer, 1994; Collins and Porras, 1994). All too often however, the capabilities of human resources are barely used. According to Prahalad (1995), human resources form the largest unused source for knowledge and skills in organizations. After illustrating the tenacity and limitations of mechanistic thinking, the importance of the human-centric view will be argued with respect to employee involvement for securing and improving organizational performance.

Determinants of employee behavior The human-centred approach to organizing will be reflected in the organizational culture, the management practices and the organizational structure and systems. These organizational macro variables are considered to be the employee behavioural determinants, and as such considered key success factors with respect to TQM initiatives. We will briefly discuss the three behavioural determinants in order to illustrate their influence on employee behaviour. Subsequently we will argue their mutual relationship to support the position that behavioural change can only be sustained under consistency and coherence regarding the variables determining behaviour. Behavioural determinants constitute the behavioural context. The argued focus on this context

concur with the observation of Ghoshal and Bartlett (1997) stating that the power of the behaviour context lies in its impact on the behaviour of individual organizational members.

Companies are realizing ergonomic changes to reduce injuries and cost: either they pay now or they should pay much more for ergonomic changes in the long term, and they also possibly sacrifice the quality of workers' life. Considerations about these crucial issues are also consistent with international quality assurance activities. The themes mentioned in the literature are anthropometry, workplace principles, manual materials handling and cumulative trauma disorders, etc. The first gap that is derived by analyzing the literature is the wide distance between workers' needs and safety. What has not been said so far about ergonomics is the important role of this discipline to increase the motivation and satisfaction of employees. review (May, 2014).

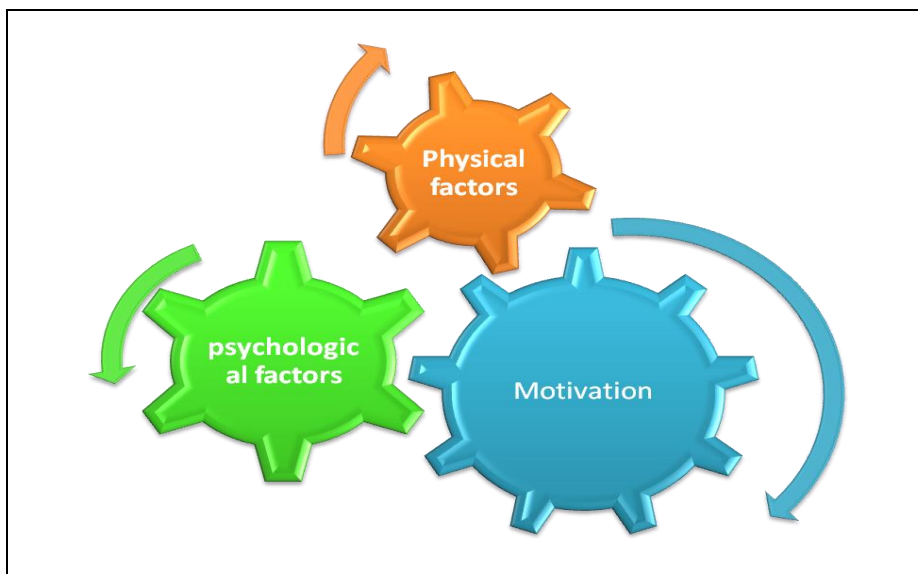
1.5. Goals and directions of the dissertation

The goal of this study is to shed light on the effect of motivation tools on employee performance with special focus on Italy, an emerging market. The purpose is aimed at to be realized via a case analysis on an automotive companies in Italy. The scope of this research comprise of an automotive company operating in Italy. This sub-sector has been chosen as there is a lack of research related to this field. Since the company doesn't let us to use its name, the company will be announced with hereafter Company X.

2. THE COMPONENTS of MOTIVATION

The Latin origin of the word “motivation” means “to move”; hence, in this basic sense the study of motivation is the study of “action”. Modern theories of motivation focus more on the relation of beliefs, values, and goals with action. Motivation theories have emerged from different intellectual traditions like expectancy, reasons for engagement, equity, consolidation etc.

Figure 1: Research Framework



A simple definition of motivation is the ability to change behavior. It is a drive that compels one to act because human behavior is directed toward some goal. Motivation is intrinsic (internal); it comes from within based on personal interests, desires, and need for fulfillment(Sage, 1992). However, extrinsic (external) factors such as rewards, praise, and promotions also influence motivation. As defined by Daft, motivation refers to “the forces either within or external to a person that arouse enthusiasm and persistence to pursue a certain course of action”(Brace, 1997).

People who are committed to achieving organizational objectives generally outperform those who are not committed. Those who are intrinsically rewarded by accomplishments in the workplace are satisfied with their jobs and are individuals

with high self-esteem. Therefore, an important part of management is to help make work more satisfying and rewarding for employees and to keep employee motivation consistent with organizational objectives. This is a complex task with the diversity of contemporary workplaces. Many factors, including the influences of different cultures, affect what people value and what is rewarding to them. From a manager's perspective, it is important to understand what prompts people, what influences them, and why they persist in particular actions. There are four underlying principles that are important to understanding motivation(Wiley, 1985):

- People have reasons for everything they do,
- Whatever people choose as a goal is something they believe is good for them,
- The goal people choose must be seen as attainable,
- The conditions under which the work is done can affect its value to the employee and his or her perceptions of attainability or success.

When management was first studied in a scientific way at the turn of the twentieth century, Frederick Taylor worked to improve productivity in labor situations so important in those days of the developing Industrial Revolution. Taylor developed efficiency measures and incentive systems. When workers were paid more for meeting a standard higher than their normal production, productivity increased dramatically. Therefore, workers seemed to be economically motivated. At this time in history, social issues involved in human behavior were not yet considered. A more humanistic approach soon developed that has been influencing management ever since.

During the late 1920s and early 1930s, Elton Mayo and other researchers from Harvard University conducted studies at a Western Electric plant in Hawthorne, Illinois, to measure productivity. They studied the effects of fatigue, layout, heating, and lighting on productivity. Employee productivity levels increased as the illumination level was increased; however, the same effect was noted when the illumination level was decreased. The researchers concluded that the attention paid to the employees was more of a contributing factor to their productivity level

than the environmental conditions. The fact that paying attention to workers could improve their behavior was called the Hawthorne effect. As a result of this research, it was evident that employees should be treated in a humane way. These findings started the human relations movement, that is a change in management thinking and practice that viewed increased worker productivity as grounded in satisfaction of employees' basic needs. Many years later, it was discovered that the workers in the Hawthorne experimental group had received an increase in income; therefore, money was probably a motivating factor, although it was not recognized as such at the time(Kleinginna,1981).

The following definitions of motivation were gleaned from a variety of psychology textbooks and reflect the general consensus that motivation is an internal state or condition (sometimes described as a need, desire, or want) that serves to activate or energize behavior and give it direction(Franken,1994).

- internal state or condition that activates behavior and gives it direction;
- desire or want that energizes and directs goal-oriented behavior;
- influence of needs and desires on the intensity and direction of behavior.

Franken provides an additional component in his definition: the arousal, direction, and persistence of behavior. Today, many researchers are beginning to acknowledge that the factors that energize behavior are likely different from the factors that provide for its persistence.

Most motivation theorists assume that motivation is involved in the performance of all learned responses; that is, a learned behavior will not occur unless it is energized. The major question among psychologists, in general, is whether motivation is a primary or secondary influence on behavior. That is, are changes in behavior better explained by principles of environmental/ecological influences, perception, memory, cognitive development, emotion, explanatory style, or personality or are concepts unique to motivation more pertinent. For example, people respond to increasingly complex or events (or stimuli) in the environment

up to a point and then responses decrease. This inverted-U-shaped curve of behavior is well-known and widely acknowledged(Yerkes,1980).

2.1. Motivation Process

Motivation process has roots in individual needs. If there is a need of an individual, she or he wants to satisfy his or her needs; hence, the individual is stimulated with a pushing factor. The individual has internal and external motivational factors and the aim is to satisfy the needs.

2.2.Motivation Theories

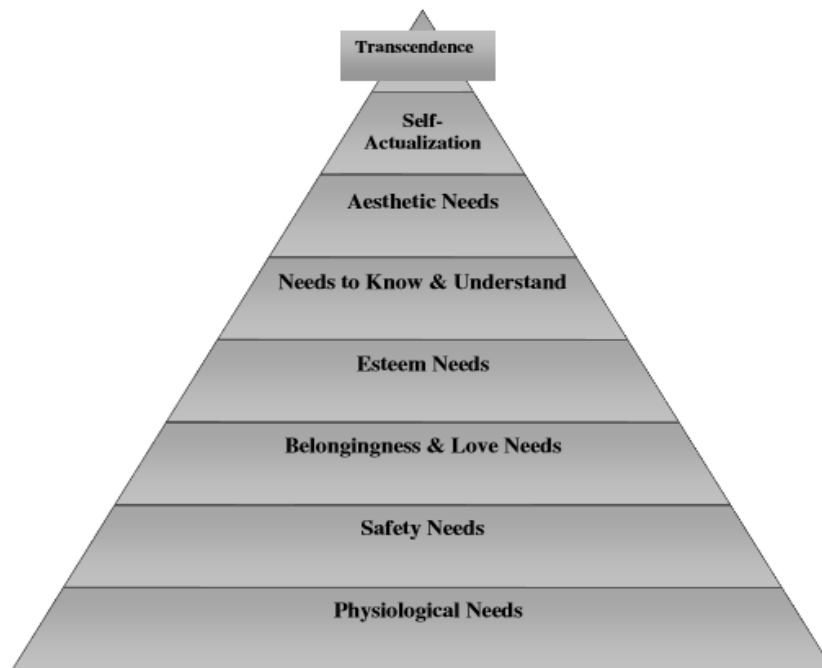
There are many theories of motivation that change in terms of their origins. However, their common feature is that they present very basic motivation strategies in business.

2.2.1.Maslow's Theory of Need Hierarchy

In 1954, Abraham Maslow attempted to synthesize a large body of research related to human motivation. Prior to Maslow, researchers generally focused separately on such factors as biology, achievement, or power to explain what energizes, directs, and sustains human behavior. Maslow posited a hierarchy of human needs based on two groupings: deficiency needs and growth needs. Within the deficiency needs, each lower need must be met before moving to the next higher level. Once each of these needs has been satisfied, if at some future time a deficiency is detected, the individual will act to remove the deficiency. The first four levels are:

- Physiological: hunger, thirst, bodily comforts, etc.;
- Safety/security: out of danger;
- Belongings and love: affiliate with others, be accepted;
- Esteem: to achieve, be competent, gain approval and recognition.

Figure 2: Maslow's Hierarchy of Needs



Source: A. Maslow; R, Lowery. (ed.), Toward a psychology of being, 1998, Wiley.

According to Maslow, an individual is ready to act upon the growth needs only if the deficiency needs are met. Maslow's initial conceptualization included only one growth need self-actualization. Self-actualized people are characterized by: i) being problem-focused; ii) incorporating an ongoing freshness of appreciation of life; iii) a concern about personal growth; and iv) the ability to have peak experiences.

Maslow also differentiated the growth need of self-actualization, specifically naming two lower-level growth needs prior to general level of self-actualization¹⁰ and one beyond that level. They are:

- Cognitive: to know, to understand, and explore;
- Aesthetic: symmetry, order, and beauty;
- Self-actualization: to find self-fulfillment and realize one's potential;
- Self-transcendence: to connect to something beyond the ego or to help others find self-fulfillment and realize their potential(Eisenberger,1999).

Maslow's basic position is that as one becomes more self-actualized and self-transcendent, one becomes more wise (develops wisdom) and automatically knows what to do in a wide variety of situations. Daniels suggests that Maslow's ultimate conclusion that the highest levels of self-actualization are transcendent in their nature may be one of his most important contributions to the study of human behavior and motivation (Daniels, 2001).

Norwood proposes that Maslow's hierarchy can be used to describe the kinds of information that individuals seek at different levels. For example, individuals at the lowest level seek coping information in order to meet their basic needs. Information that is not directly connected to helping a person meet his or her needs in a very short time span is simply left unattended. Individuals at the safety level need helping information. They seek to be assisted in seeing how they can be safe and secure. Enlightening information is sought by individuals seeking to meet their belongingness needs. Empowering information is sought by people at the esteem level. They are looking for information on how their ego can be developed. Finally, people in the growth levels of cognitive, aesthetic, and self-actualization seek edifying information. While Norwood does not specifically address the level of transcendence, it is said that individuals at this stage would seek information on how to connect to something beyond them or to how others could be edified (<http://www.deepermind.com>).

The few major studies that have been completed on the hierarchy seem to support the proposals of William James (James, 1962) and Mathes (Mathes, 1981) that there are three levels of human needs. James hypothesized the levels of material (physiological, safety), social (belongingness, esteem), and spiritual. Mathes proposed the three levels were physiological, belongings, and self-actualization; he considered security and self-esteem as unwarranted. Alderfer developed a comparable hierarchy with his ERG (existence, relatedness, and growth) theory. His approach modified Maslow's theory based on the work of Gordon

Allport(Allport,1961) who incorporated concepts from systems theory into his work on personality.

2.2.2 Hygiene Factors Theory

Frederick Herzberg, a professor of psychology at Case Western Reserve University, studied the attitudes of workers toward their jobs. Herzberg proposed that an individual will be moved to action based on the desire to avoid deprivation. However, this motivation does not provide positive satisfaction because it does not provide a sense of growth. Herzberg's research found that positive job attitudes were associated with a feeling of psychological growth. He thought that people work for two reasons: for financial reasons to avoid physical deprivation and for achievement because of the happiness and meaning it provides. Herzberg also identified the concept of job enrichment, whereby the responsibilities of a job are changed to provide greater growth and challenge. His motivation-hygiene theory includes two types of factors:

Motivation is based on the positive satisfaction that psychological growth provides. The presence of factors such as responsibility, achievement, recognition, and possibility for growth or advancement will motivate and satisfy people. The absence of these factors will not necessarily de-motivate or cause dissatisfaction.

Hygiene is based on an individual's desire to avoid deprivation and the resulting physical and emotional discomfort. Hygiene factors include willingness to supervise; positive working conditions; interpersonal relations with peers, subordinates, and superiors; status; job security; and salary. These factors do not motivate, nor will their presence cause job satisfaction. However, their absence will cause dissatisfaction.

2.2.3. Goal Setting Theory

Individual aims theory focus on the necessity of managers and workers in order to determine clear and consistent targets. The theory provides a positive effect of

determining individual aims on motivation. In Locke's motivation model, values and judgments are concepts that people aim to obtain and maintain. People experience these concepts through their emotions and desires.

Instead of giving vague tasks to people, specific and pronounced objectives, help in achieving them faster. As the clarity is high, a goal orientation also avoids any misunderstandings in the work of the employees. The goal setting theory states that when the goals to be achieved are set at a higher standard than in that case employees are motivated to perform better and put in maximum effort. It revolves around the concept of "Self-efficacy" i.e. individual's belief that he or she is capable of performing a hard task.

2.3. Motivational Factors

Research on motivation has distinguished intrinsic and extrinsic motivation. Extrinsic motivation is motivation gained by externally influenced need satisfaction and is thus for example stimulated by monetary incentives(Frey,1997)Agency theorists exclusively rely on extrinsic motivation in order to assess the amount of effort an agent is expected to display. This way, they neglect the potential effects of the incentive contract on intrinsic motivation. The existence of intrinsic motivation is difficult to reconcile with agency theory. Intrinsic motivation indicates that under certain conditions employees are prepared to undertake a task for immediate need satisfaction or for its own sake(Ryan,1985) and that some tasks will be performed without monetary payments. This is contradictory to the standard economic assumptions of agents being self-interested and the disutility of labor. Although agency theorists consider intrinsic motivation irrelevant for their purposes even founders of agency theory have stressed the importance of the psychological impact of incentive compensation on behavior(Frey, 1997). Reconciling both research streams, Deci first described a relationship between external rewards and intrinsic motivation in forming the cognitive evaluation theory. He stated that external interventions, such as monetary incentives, (may) have a controlling and an informing aspect.

These two aspects however have an opposing effect on intrinsic motivation. The controlling aspect on the one hand enhances the feeling of being put under external pressure and thereby establishes a negative effect of a controlling intervention on intrinsic motivation. The informing aspect on the other hand can influence the perceived competence and strengthens the feeling of being in control: it generates a positive association between the intervention and intrinsic motivation(Eisenberger,1999).

This cognitive evaluation theory is closely related to the crowding theory as described by Frey (Frey, 1997). The crowding theory distinguishes two potential effects of external interventions on the level of intrinsic motivation. Whenever agents perceive an external intervention to be controlling, the intrinsic motivation will decline, which is called crowding-out. If the agent perceives an external intervention to be informing or supporting, her level of intrinsic motivation is expected to increase, which is called crowding- in (Frey, 1997). This leaves the ultimate effect of external intervention on motivation undetermined. Another relationship between external interventions and motivation described in the social psychological literature is based on the impact of psychological contracts(Osterloh, 2000).

Various relationships and ties between the agents and principal are expected to influence the level of motivation. For example the perception of fairness of a contract is an important element of psychological contracts. Reciprocity theory postulates that agents prefer a condition of fairness in their exchange relationships with the principal. This fairness can be quantified by the size of the surplus seized by the principal. An agent is expected to at least partly determine the level of motivation on her perception of fairness. Standard agency theory, based on rationality of the agent, is not able to deal with this type of interaction between the agent and the principal(Fehr, 2000).

Extrinsic motivation serves to satisfy indirect or instrumental needs. For example, money is almost always the means to an end like paying for vacation or buying a car; and not an end itself. From a career perspective, extrinsic motivation stems

from the desire to satisfy directly one's non-work-related needs. In that sense, a job is simply a tool with which to satisfy one's actual needs by means of the salary it pays().

2.4. The Reason of the Need of Motivation for the Businesses in Sector

Companies are dependent on the motivation of their employees for several reasons. Since there are two dimensions of motivation, which are intrinsic and extrinsic motivations, this section analyzes the reasons for both separately.

Firm-specific pool resources, multi-tasking, fuzzy tasking, the transfer of tacit knowledge, creativity and innovation are related to intrinsic motivation(Frey, 2002).

2.4.1.Firm-specific pool resources

When a company is launched into the market, all employees are included in this action with ramifications for other employees, but this cannot be precisely attributed to a single employee. Examples include a company's good name, its unique corporate culture, good relations with its customers and suppliers and accumulated knowledge. These are defined as firm- specific common goods or pool resources. Every employee benefits from these firm-specific resources even if he or she has not contributed to them. Self-centered employees, interested only in their personal gain, will contribute nothing of their own will. At that point, the problem is "free-riding". Under these circumstances, the resource pool would only be created in the presence of a line manager acting in a command and control capacity. However, intangible resources cannot be easily created through this kind of command or control. Therefore, only intrinsically motivated employees will achieve to contribute to the firm-specific resource pool.

2.4.2. Multi-tasking

The term “multi-tasking” refers to the following problem associated with firm specific pool resources. If a company pays its employees on the basis of targets such as sales and customer satisfaction and the targets in question vary in terms of the ease with which they can be quantified (for instance, sales can be measured more easily and clearly than customer satisfaction), then extrinsically motivated employees will concentrate on those areas which can be best measured. Activities which are less easily quantifiable will be neglected. However, these include many key aspects of working life, such as respect for one’s colleagues, discretion, initiative and team spirit. The more diverse and complex the job, the more imperative the intrinsic motivation of the workforce becomes.

2.4.3. Fuzzy tasking

Line managers are not in a position to set clear and quantifiable goals for their staff. They are dependent on employees’ participation in the goal-setting process. If employees are paid according to clear, concrete targets; however, they will be less inclined to come up with inevitably less clearly quantifiable changes to the system. According to an empirical study, students will choose for problems which will challenge them. If a financial incentive is introduced; however, they will opt simple and quantifiable problems in order to improve their chance of getting a reward (Shapira,1976). The result is a second-rate system of targets, lacking innovation. At the end of the day, new ideas cannot be measured by old standards.

2.4.4. The transfer of tacit knowledge

Certain aspects at a firm’s disposal cannot be written down or expressed in symbols. The distinction between explicit and tacit knowledge is crucial in that sense. Explicit knowledge is coded knowledge which can be conveyed in writing or symbols. The transfer of such knowledge is easily managed. However, only a small proportion of knowledge is explicit, since many things are thought but little

of them are said explicitly. In terms of total knowledge, explicit knowledge is referred to the metaphor of iceberg. A greater proportion of iceberg is tacit knowledge. This knowledge cannot be coded because it is not made up of conscious routines or information. It is far more difficult to ensure the transfer of tacit than explicit knowledge by means of either the carrot or the stick. This is because tacit knowledge is not generally tradable and its bearing on commercial success is often unclear. Therefore, the transfer of tacit knowledge is dependent on the intrinsic motivation of the employees in question. Only when implicit and tacit knowledge are combined, a new knowledge is created. In today's market, the capacity to generate new knowledge is the single most important strategic competitive advantage. Hence, the intrinsic motivation of employees is a key strategic resource.

2.4.5. Creativity and innovation

Activities of a creative, innovative nature depend on intrinsic motivation. Extrinsic motivation slows down and diminishes the learning process. Experimental studies show that conceptual understanding and the speed are affected by supervision. Under the pressure of a reward-based system, the preference is for a less rigorous learning effort. Work is more hurried. As a result, intrinsically motivated employees tend to follow the tried- and-tested route without question. Moreover, if extrinsic factors intervene to prevent employees carrying out a task perceived as more challenging, they will be fatigued.

Although intrinsic motivation is important, extrinsic motivation is also crucial. There are several reasons to prove its importance:

The “right” intrinsic motivation is difficult to create: Motivation is not an end itself; but it should serve the objectives of the firm. The aim is not to engender intrinsic motivation, for instance the motivation to surf through internet or take up mountaineering, but to ensure a coordinated employee effort in keeping with corporate objectives. If this is not achieved, it hurts the company's objectives. The

company that refrains from attempting to persuade its members will enjoy greater elasticity. The reason for this lies in the price effect, which holds true for jobs of little inherent interest. Empirical research shows that, in the case of jobs perceived as monotonous, the offer of a reward does nothing to make the job more interesting but improves employee satisfaction.

Intrinsic motivation can also have an immoral dimension: Intrinsic motivation can also assume an amoral or undesirable dimension. History has shown that the worst crimes against humanity are often intrinsically motivated. On the other hand, there are occasions for example when extrinsic motivation leads professional soldiers and mercenaries alike to show greater compassion towards prisoners of war.

Extrinsic motivation can keep unwelcome emotions in check: Extrinsic motivation can serve to discipline emotions. A lid can be kept on undesirable emotional conflict within a company if employees have a common vested financial interest. The emotional conflict can be harnessed as a means of satisfying employees' non-work-related aspirations such as taking up an expensive hobby. This effect has its roots in history.

Rewards can sometimes serve to create intrinsic motivation: If intrinsic motivation arises as a result of a combination of self-determination and a sense of competence and this also gives rise to a "pleasant flow experience", then a reward can lead people to tackle which are initially unfamiliar and perceived as excessively demanding. Over time, as the person gains experience, new intrinsic motivation is fostered. These "hidden benefits of inadequate reward" are the flip side of the coin to the "hidden costs of reward". However, these are not symmetrical. It is easier to destroy employees' morale than to create it. Therefore, it is difficult to know where to draw the line so as to avoid creating intrinsic motivation only to undermine it with misplaced rewards.

2.5. Physical and psychological factors on Motivation

Motivation strategies in business vary according to the type of the job and the position of the employee. However, one of the main motivation tools used in business environment are economic compensation, incentives, bonuses etc. Successful work performance can arise from a variety of motives. Two people doing similar jobs may both be successful but for very different motives. For example, one salesperson may be motivated by the commission earned on sales, while another may be more concerned about rising to the challenge of meeting sales targets, perhaps for his or her own satisfaction, or perhaps because of a desire to please the boss.

Cash compensation consists of a basic salary that is a fixed income component, the level of which depends on the position and activity carried out within the company. It also includes performance-based compensation, the level of which depends on individual employee performance. In good times, this performance-based compensation can easily amount to ten times the annual basic salary for traders and other frontline specialists. Employees in support functions can double the amount of their fixed income, generally through bonuses. For example, currently, it seems that the pay for performance principle in banking sector only works in one direction: high profits mean high bonuses. If profits are not as good the next year, yet the link between profits and bonuses is not going to be accepted by employees. No matter what, bonuses are going to increasingly be considered as a fixed income component. Also, some companies offer performance-related bonuses guaranteed over several years, which are bonuses on the basis of a retention scheme. Hence, they are barely linked to individual employee performance. In a labor market in which demand exceeds supply, there are limits to how free management is to structure bonus levels at will. Similarly, long-term monetary incentives are other tools of economical motivation. Some companies attend to develop long-term employees' ties to the company through deferral programs which raise the financial barrier for employees wishing to leave the company. In addition, depending on the company profits, stock options are given

to employees at the management level and so-called high potentials like to particularly high qualified specialists in the frontline business.

Fixed compensation, as opposed to variable compensation, does not induce effort and its role is limited to retention and selection. In practice, completely fixed compensation that is totally unrelated to performance is extremely rare, for instance, the probability of being fired creates an incentive to perform. Two forms of fixed compensation are primary compensation and secondary compensation. Primary compensation consists of monetary payments for employees. Secondary conditions are the non-monetary benefits such as a company car, cell phone and pension benefits. In this paper we will focus on monetary payments only. Besides incentive compensation, we also consider the incentive functioning of career concerns. Apart from an improvement in fit between employee and job, promotions also have an incentive effect, since increased monetary and non-monetary rewards are usually associated with a promotion. In addition, a higher position in the organizational ranks increases the status of the employee and a new job can also bring about new challenges that can strengthen intrinsic motivation. The combination of these elements of the compensation system, (i.e. performance measurement and evaluation, monetary compensation and career concerns) link employee performance to motivation, which in turn affects effort and other indicators for the level of motivation.

Psycho-sociological motivation is another tool to improve productivity and efficiency⁵³. There is a need for a psychoanalytic sociology that addresses the unconscious processes that underlie motivation, perception and the human imagination. For Habermas freedom equals knowledge of the real processes underlying human consciousness and motivation. The psycho-sociological perspective sees the firm as a social organism in which people participate in order to obtain the incentives offered by the firm, and also to satisfy other needs through interaction with people within the business itself. The person is seen as being motivated not only by extrinsic factors, such as rewards, but also by intrinsic ones, such as learning, professional development, sense of achievement, etc. Also, with

psycho-sociological factors, the ultimate aims of the organization are twofold: efficiency and attractiveness. Here, the organization is on alert, it does not want to risk losing valuable and efficient employees. Hence, the company creates a sense of family among employees. Work-family policies are implemented in order to attract and retain people by creating favorable working conditions. These factors also lead to organizational and management motivation and communicational motivation because these types of motivation depend on the peaceful and secure environments by which only family kind of relationships can be achieved(Torres,2006).

One way managers can stimulate motivation is to give relevant information on the consequences of their actions on others. To this researcher it seems that there is no known organization in which people do not usually feel there should be improvement in the way departments communicate, cooperate, and collaborate with one another. Information availability brings to bear a powerful peer pressure, where two or more people running together will run faster than when running alone or running without awareness of the pace of the other runners. By sharing information, subordinates compete with one another(Olajide, 2000).

No matter how automated an organization may be, high productivity depends on the level of motivation and the effectiveness of the workforce. Staff training is an indispensable strategy for motivating workers. The library organization must have good training program. This will give the librarian or information professional opportunities for self-improvement and development to meet the challenges and requirements of new equipment and new techniques of performing a task. Several training benefits might be defined as follows(<http://www.alliancetac.com>).

- Establish the fundamentals for an effective performance management process,
 - Increase the confidence and comfort level of managers and supervisors,
 - Increase employee performance through coaching and goal setting,
 - Increase morale through better feedback,
- Avoid potential adverse legal action due to subjective ratings,

- Generate better performance expectations and standards,
 - Avoid arguments and bad feelings over appraisal ratings,
 - Sidestep the most common evaluation pitfalls and problems,
 - Build and maintain the credibility of the evaluation process.
 - Moreover, cross training is another source to increase employee performance.
- Benefits of cross training might be defined as follows(Belilos,1999).
- Offers a learning and professional development opportunity,
 - Rejuvenates all departments,
 - Improves understanding of the different departments and the hotel as a whole,
 - Leads to better coordination and teamwork,
 - Erases differences, enmity and unhealthy competition,
 - Increases knowledge, know-how, skills and work performance,
 - Improves overall motivation,

Leads to the sharing of organizational goals and objectives, Research suggests that giving employees flexibility, information and financial assistance can improve the whole organization's performance and raise employee satisfaction, thus motivation. Many employers continue to strive to create better work places in order to(Gallinsky,2003):

- Increase employee commitment and engagement,
- Improve retention,
- Improve mental health and productivity.

2.5.1 Awarding Systems and Motivation

Incentives are widely discussed in the agency literature. An agency relationship can be defined as "...a contract under which one or more persons (the principal(s)) engage another person (the agent) to perform some service on their behalf which involves delegating some decision making authority to the agent(Jensen, 1976).

According to Thierry, the effectiveness of a compensation system depends on three perceived characteristics. These are transparency, fairness and controllability(Thierry,1987).

Transparency: The perceived transparency of a compensation system depends on two characteristics: communication and complexity. A transparent system informs risk adverse employees not only of the rules of the compensation system, but also of the objectives of the firm. Clear communication of these rules towards the personnel will enhance the understanding of the methodologies, measures and targets used and thereby create a better basis of support for the compensation system. In sum, the perception of transparency is expected to have a positive relationship with extrinsic motivation. Diminishing the risk of exerting effort without being rewarded accordingly is expected to have a positive effect on the willingness to exert effort.

Fairness: Although economic theory of trust is not well developed, the veracity and honesty of the principal is expected to have great impact on the actions of the agent. Several other theories have focused on the concept of fairness as well, but have used different perspectives. Reciprocity theory emphasizes the agent's need to receive a fair amount of compensation relative to the principal. The surplus, created by the agency contract, should be fairly divided in order to maximize incentives, according to this theory. If this condition is not met in the perception of the agent, her motivation is expected to decrease. Moreover, equity theory emphasizes the agent's need to receive a fair amount of compensation relative to the other agents. The agent is expected to compare her ratio of performance over reward to the same ratio of other agents. Hence, perceived fairness is expected to be a determinant of motivation.

Controllability: The third characteristic we use to evaluate the compensation system's effectiveness is the perceived relationship between effort and (variable) compensation. Baker defines controllability as the extent to which the agent is able to control or influence the outcome. This strives for 'noise reduction' is one of the two main criteria that determine the choice of the optimal performance

measure: the effect of effort on the performance measure should vary as little as possible in order to have control of one's incentive compensation.

Awards system can be associated with economic development and economic incentives. Various studies have been conducted in order to prove the positive relationship between economic development and motivation(Thierry,1987)

2.6. Work Satisfaction

Studies on work motivation seem to confirm that it improves workers' performance and satisfaction. For example, Brown and Shepherd examine the characteristics of the work of teacher-librarians in four major categories: knowledge base, technical skills, values, and beliefs. He reports that they will succeed in meeting this challenge only if they are motivated by deeply-held values and beliefs regarding the development of a shared vision. Some motivational issues were salary, fringe benefits, job security, physical surroundings, and safety. Certain environmental and motivational factors are predictors of job satisfaction. While financial incentives will get people to do more of what they are doing, motivation and managerial styles in the private and public sector are also important. The results indicate that there is a little difference between the motivational needs of public and private sector employees, managers, and non-managers

Locke and Lathan give a comprehensive definition of job satisfaction as pleasurable or positive emotional state resulting from the appraisal of ones job or job experience. Job satisfaction is a result of employee's perception of how well their job provides those things that are viewed as important¹⁰⁶. According to Mitchell and Lasan, it is generally recognized in the organizational behavior field that job satisfaction is the most important and frequently studied attitude. While Luthan posited that there are three important dimensions to job satisfaction(Luthans,1998):

-Job satisfaction is an emotional response to a job situation. As such it cannot be seen, it can only be inferred,

-Job satisfaction is often determined by how well outcome meet or exceed expectations. For instance, if organization participants feel that they are working much harder than others in the department but are receiving fewer rewards they will probably have a negative attitudes towards the work, the boss and or coworkers. On the other hand, if they feel they are being treated very well and are being paid equitably, they are likely to have positive attitudes towards the job,

-Job satisfaction represents several related attitudes which are most important characteristics of a job about which people have effective response. These to Luthans are: the work itself, pay, promotion opportunities, supervision and coworkers.

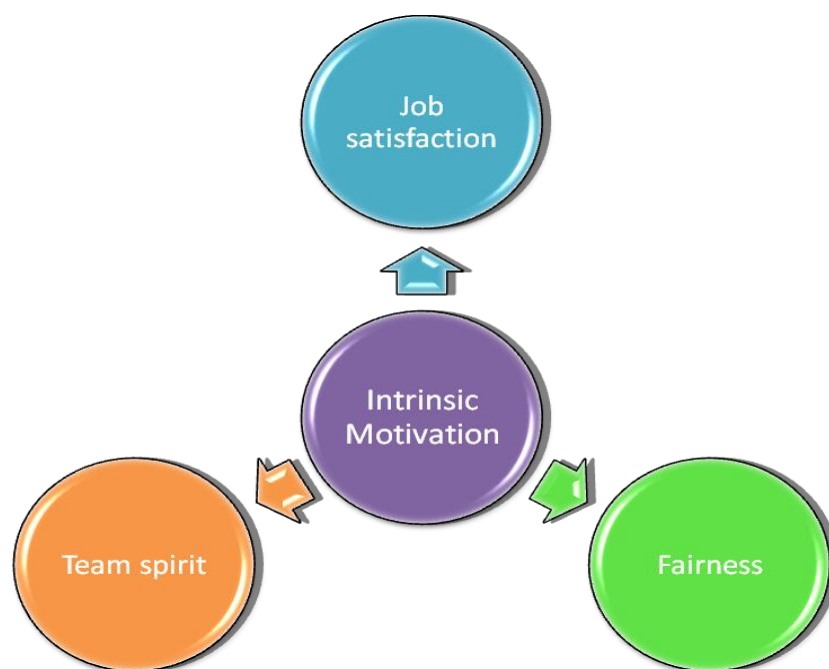
-Job satisfaction of the librarian naturally depends on the economically, social and cultural conditions in a given country. A librarian who can not get a sufficient wage will be faced with the problem of maintaining his or her family's life. This problem puts the librarian far from being satisfied. Especially the social facilities (transportation services, and consumer cooperatives –cash boxes) are sufficient because of the economic conditions. Low wages and lack of status and social security affect motivation. Job satisfaction cannot be talk of where there is absence of motivation. Job satisfaction of the librarian who has an important place in the information society will affect the quality of the service he renders. In this respect, the question of how the material and moral element affect the job satisfaction of the librarians gains importance(Kaya,1995).

2.7.Intrinsic Motivation

For over thirty years, researchers in social psychology have argued that rewarding people for doing activities produces detrimental effects. The claim is that when individuals are rewarded for performing a task, they will come to like the task less

and spend less time on it once the rewards are no longer forthcoming. Rewards are said to destroy people's intrinsic motivation. A recent meta-analytic review of experiments on the topic, however, shows that under some conditions, rewards actually enhance people's motivation and performance(Cameron,2001). Specifically, when people are offered a tangible reward (i.e. money) to meet a designated performance level, studies show increases in measures of intrinsic motivation.

Figure 3: Intrinsic Motivation



Source: Bruno, S. Frey and Margit Osterloh (eds.). “Motivation: A Dual-Edged Factor of Production”, Successful Management by Motivation, 2002, p: 8-9.

Since the 1970s, more than 140 experiments have examined the effects of reward on intrinsic motivation. A number of meta-analyses have been conducted on the experimental studies. Some researchers argue that negative effects of rewards are pervasive(Ryan,1999); others contend that negative effects are limited(Cameron,2001). The major area of disagreement in the various meta-analyses concerns what has been termed “performance-contingent” rewards. According to Deci et al., performance-contingent rewards are those “given

specifically for performing the activity well, matching some standard of excellence, or surpassing some specified criterion”. In their analysis of this reward contingency, Deci et. al. found that performance-contingent rewards, on average, led to decreased intrinsic motivation(Deci,1999).

In a recent meta-analysis on the topic, Cameron et al. suggested that the category “performance-contingent” was too broad and that distinct reward procedures that produce positive effects were being combined with those that produce negative effects. Cameron et. al. demonstrated that when studies are organized according to the actual procedures used in experiments, rather than by any theoretical orientation, negative, positive, and no effects of performance-contingent reward are detected. Negative effects of performance-contingent reward occurred when the rewards signified failure or were loosely tied to level of performance. In contrast, intrinsic motivation was maintained or enhanced when the rewards were offered for meeting a specific criterion or for surpassing the performance level of others(Cameron,2001).

In the few studies that have shown positive effects of tangible rewards on intrinsic motivation, experimental participants were offered a reward to meet or exceed a certain score on a task (absolute standard) or to do better than a specified norm (normative standard)(Harackiewicz;1984). For example, in a study by Eisenberger, Rhoades, and Cameron, undergraduate students worked on a “find-the-difference” task. The task involved finding six differences in two drawings that were identical. Participants were asked to find one difference on a first set of drawings, two on the second, three on the third, and four on the fourth. Half the participants were required to exceed a performance level greater than 80 percent of their classmates and half were required to meet an absolute standard of performance. The participants were told they had met the performance standard when they had found four differences on the last set of drawings. Half the participants in each group were offered and delivered a reward (pay); the other half was assigned to a no-reward condition. The results indicated that participants in reward conditions had higher levels of intrinsic motivation than those in non-

reward groups, suggesting that rewards based on exceeding a normative standard or an absolute standard have positive effects. Although participants in the study of Eisenberger et. al. were required to meet a progressively demanding standard of performance over the trials, reward was not tied to the increasing demands(Bandura,1997).

Several theoretical views are important for understanding how rewards could affect intrinsic motivation when reward is tied to meeting a constant or progressive standard. One account, social cognitive theory, asserts that rewards given for achievement of challenging performance standards can result in high task interest. According to social cognitive theory, feedback from rewards based on progressive accomplishments increases self-efficacy (i.e., the belief that one can cope and succeed at a given level of an activity, task, or problem). Enhanced self-efficacy, in turn, contributes to increased task interest. Social cognitive theory proposes that rewards given for progress and graded achievements are likely to act as positive feedback for judgments of self-efficacy and, in doing so, increase interest. Perceived self-efficacy mediates the effects of rewards on interest and motivation from a social cognitive perspective. Considering rewards given for attainment of a constant versus a progressive performance standard, social cognitive theory would predict that perceived self-efficacy will be greatest when rewards are tied to meeting progressively challenging accomplishments. Furthermore, the increase in perceived self-efficacy should result in greater intrinsic motivation.

Cognitive evaluation theory (CET), in contrast, offers an alternative theoretical account of the effects of rewards on intrinsic motivation. A requirement of the theory is that the activity or task be of moderate to high initial interest. Rewards can only undermine intrinsic motivation when people are initially interested in the task. CET has typically focused on negative effects of rewards; however, there are circumstances in which CET points to possible positive effects. Specifically, Deci et. al. discuss the controlling versus informational aspects of rewards. Rewards that are closely tied to performance standards are said to be perceived as

controlling and tend to undermine perceptions of self-determination, leading to a reduction in intrinsic motivation. However, rewards linked to achievement can also provide information about competence that affects the cognitive evaluation process. When people succeed at attaining a performance standard, the rewards convey competence information that is positively evaluated; this evaluation may offset some of the controlling aspects of rewards and enhance intrinsic motivation. The competing tendencies of the controlling and competence-affirmation aspects of rewards must be considered in predicting the results of the present study(Deci,1999).

Based on a consideration of CET, rewards given for achieving a constant standard (constant reward) could enhance intrinsic motivation because of their informational value. According to CET, these rewards would reduce intrinsic motivation because of their controlling nature. However, the positive informational value could offset this control. Relative to a no-reward group, CET would predict that rewarding achievement of a constant standard could mitigate the negative effects of rewards. Using a similar analysis, rewards given for attainment of a progressively increasing performance standard (progressive reward) would further enhance competence affirmation. This increased perceived competence would lead to higher levels of intrinsic motivation relative to no-reward conditions. The progressive reward condition would also be expected to show higher intrinsic motivation than the constant reward group. Attribution theory and the overjustification hypothesis provide another explanation. As with CET, the focus has been on the negative effects of rewards; rewards tied to performance are said to decrease intrinsic motivation by altering people's attribution of causation for their behavior(). When rewards are given for performance, people are said to discount the internal causes of their actions (intrinsic interest) and to focus on the external incentives (rewards). This shift in attribution from internal to external causes results in a loss of intrinsic motivation.

Lepper, Keavney, and Drake have also extended the attributional framework to account for positive effects of rewards. The important condition for enhanced

motivation is that rewards are given for successful performance. When individuals are rewarded for success, perceptions of competence increase¹²¹. Another study suggests that the increase in perceived competence directs attributions of causation toward self. This leads individuals to attribute their behavior to internal causes rather than external ones and intrinsic motivation for an activity is enhanced. This extended attributional account would predict that rewards based on achievement will increase perceptions of competence, lead people to internal attributions, and increase intrinsic motivation for an activity. Based on the attributional framework, rewards given for attainment of constant and progressive performance standards should lead to enhanced intrinsic motivation relative to no-reward groups (Lepper and M. Keavney; 2002)

When rewards are given for achievement of performance standards, Eisenberger suggests that people learn a general level of industriousness. Eisenberger's theory of learned industriousness is built upon the concept of effort. When individuals are rewarded for expending a large amount of effort on one activity, the sensation of high effort acquires secondary reward properties, thereby increasing people's readiness to expend high effort on a subsequent task. In contrast, rewards given for low effort on task condition sensations of low effort with secondary reward value and people expend little effort on later tasks (Eisenberger, 2002).

In an extension of Eisenberger's theory of learned industriousness, rewards linked to meeting progressively demanding performance standards lead people to choose challenging tasks and activities. When rewards are tied to achieving a graded level of performance, people's sensations of rising effort are paired with mounting levels of reward. Based on this conditioning, intensifying sensations of effort could take on secondary reward value. People with this kind of reward history would evoke these sensations of effort when they choose challenging tasks over less demanding ones. In contrast, when rewards are tied to an unchanging and moderate level of performance, people would not experience the satisfying effects of increasing effort. In this case, people would prefer less demanding activities and spend less time on them. The major finding from this experiment is that

people who are rewarded for meeting progressively demanding performance standards on an activity spend more time on the activity in a free-choice situation than those who are rewarded for attaining a constant level of performance or than those who are not rewarded for meeting performance standards. In other words, rewarding individuals for meeting a graded level of performance increases their intrinsic motivation(Pierce,2003).

2.8. Importance of Motivation Employee Performance for industry

2.8.1.Economical Importance

There are two opposite views of the motivational effect of economic incentives, mainly wages. The first is that an increase in wages will have an incentive effect and induce the employee to work harder. This second is that an increase in wages undermines motivation and can thus reduce performance.

Performance related pay is central to today's economic theory of the principal-agent theory. This theory poses the following question: "how can managers (principals), as representatives of the organization, best ensure that their subordinates (agents) do what is best for the organization?" There are two problems to address: one is that subordinates act in their own self-interests and aim to expend as little effort as possible on work; the second is that managers cannot observe or check whether their subordinates are completing the tasks allocated to them or if they are performing them in a satisfactory manner. Therefore, the manager has to give subordinates an incentive to act in the interest of the company.

Performance related wage enables managers to elicit the desired performance from employees. If performance related wages are set correctly, employees carry out precisely the tasks stipulated by their managers. Since deviation will be reflected by a lower income, employees will avoid such deviation. Today, the idea of 'pay for performance' has become popular in practice. Fixed basic salaries are

declining in significance, while performance related variable wage components are becoming increasingly important. As well as paying various types of bonuses linked closely to the performance of the individual concerned, today's businesses can resort to a whole arsenal of stock option plans(Core,1999).

There are many studies on the relationship between management compensation and corporate success. Findings suggest that, in general, there is only a weak link between management compensation and corporate success. Where a weak positive link has been established, it is attributed to non-indexed stock options. However, such plans do not tend to qualify as performance related compensation(Frey,2002).

Several studies show that when performance-related pay might be considered an appropriate means of increasing performance in line with company wishes. For example, in the case of Safelite, the United State's largest windshield fitting company, the company paid its employees fixed hourly wages before switching to piece rates. When the company introduced wages directly related to worker's individual output labor productivity rose by 44 percent. The workers responded strongly to a well- designed performance related wage plan (Lazear.1999).

On the other hand, relevant literature discusses various reasons why performance related pay often fails to motivate employees to produce the desired performance. For example, in the case of delayed aircraft departures, two different approaches can be taken to reducing delays. One is that the source of the errors is identified and the responsible parties are punished. In response, the employees concerned invest a great deal of energy and resources in passing the blame to others. The second one is that the whole team is made responsible. As a consequence, there is a sharp reduction in delays.

In addition, Pfeffer identifies the following persistent and 'dangerous myths' about pay(Austin; Hoffer,2002):

- Labor rates and labor costs are the same thing,
- Labor costs can be reduced by cutting labor rates,
- Labor costs constitute a significant proportion of total costs,
- Low labor costs are a potent and sustainable competitive weapon,
- Individual incentive pay improves performance,
- People work for money.

He argues that it is productivity that matters, not rate of pay, and he disputes the claim that competing on labor costs will create sustainable competitive advantage. Instead, organizations should compete on quality, customer service, product, process and service innovation, or technological leadership.

As for individual incentives, he argues that despite ‘the evident popularity of this practice, the problems with individual merit pay are numerous and well documented. It has been shown to undermine teamwork, encourage employees to focus on the short term, and lead people to link compensation to political skills and ingratiating performance.’ Other problems noted include the difficulty in measuring individual performance, perceived unfairness, the potential for fraud and customer alienation, and the absorption of management time. Furthermore, he argues that people want more out of their jobs than just money, and that extrinsic rewards not only diminish intrinsic motivation but large extrinsic rewards can actually reduce creativity and innovation.

Pfeffer argues that organizations paying on a more collective basis (such as profit-sharing) perform better than those who do not. Moreover, the more aggregated the unit used to measure performance, the more reliably can performance be assessed. Managers should de-emphasize pay, make pay practices more public, and recognize that pay has both substantive and symbolic components. Pay is only one means of building, or reducing, commitment, teamwork, and performance, and leaders must ensure congruence between pay and other management practices. Finally, he argues that ‘companies that have successfully transcended the myths

about pay know that pay cannot substitute for a working environment high on trust, fun, and meaningful work?.

2.8.2. Psycho-sociological Factors

Many organizations use praise to motivate employees. Praise may take many forms. Ceremonies are held to honor particular workers or departments, citations such as “employee of the month” are awarded, and incentive travel and other gifts are offered. As long as praise is perceived as supporting an employee’s sense of personal worth, it can booster intrinsic motivation and willingness to perform. However, praise can also be perceived as controlling when it is not given in earnest. It also loses its motivating effect if it is taken for granted(Frey,2002).

Agency theory assumes that (monetary) incentives affect effort; however, economic literature has largely neglected the various psychological effects of monetary rewards on motivation and thus on effort. Economic scholars have taken a clinical approach to motivation, meaning that the behavior of agents is assumed to be rational. Industrial-organizational psychology and organizational behavior have spent greater attention to the confusing concept “motivation”. Recently however, serious attempts have been made to insert psychological approaches in economic theory(Frey,1997).

Research on motivation has distinguished intrinsic and extrinsic motivation. Extrinsic motivation is motivation gained by externally influenced need satisfaction and is thus for example stimulated by monetary incentives. Agency theorists exclusively rely on extrinsic motivation in order to assess the amount of effort an agent is expected to display. This way, they neglect the potential effects of the incentive contract on intrinsic motivation. The existence of intrinsic motivation is difficult to reconcile with agency theory. Intrinsic motivation indicates that under certain conditions employees are prepared to undertake a task for immediate need satisfactio or for its own sake and that some tasks will be performed without monetary payments. This is contradictory to the standard

economic assumptions of agents being self-interested and the disutility of labor. Although agency theorists consider intrinsic motivation irrelevant for their purposes even founders of agency theory have stressed the importance of the psychological impact of incentive compensation on behavior (Calder and Staw, 1985).

Reconciling both research streams, Deci first described a relationship between external rewards and intrinsic motivation in forming the cognitive evaluation theory. He stated that external interventions, such as monetary incentives, (may) have a controlling and an informing aspect. These two aspects however have an opposing effect on intrinsic motivation. The controlling aspect on the one hand enhances the feeling of being put under external pressure and thereby establishes a negative effect of a controlling intervention on intrinsic motivation. On the other hand, the informing aspect can influence the perceived competence and strengthens the feeling of being in control (Eisenberger, 1999). It generates a positive association between the intervention and intrinsic motivation.

This cognitive evaluation theory is closely related to the crowding theory as described by Frey. The crowding theory distinguishes two potential effects of external interventions on the level of intrinsic motivation. Whenever agents perceive an external intervention to be controlling, the intrinsic motivation will decline, which is called crowding-out. If the agent perceives an external intervention to be informing or supporting, her level of intrinsic motivation is expected to increase, which is called crowding-in (Frey, 1997). This leaves the ultimate effect of external intervention on motivation undetermined.

2.8.3. Organizational and Management Factors

Hierarchical organizations are founded upon commands and sanctions that are imposed if the commands are not followed. Commands constitute an outside intervention, which is perceived to be controlling and which can crowd out intrinsic motivation. However, commands can have very different effects

depending on the type of employee. For example, those who pursue higher wages and status and those who are loyal to the organization see commands as a controlling restriction of their opportunities for self-determination as an obstacle to the achievement of their goals. However, as with monetary incentives, the countervailing incentive effect must also be taken into account. Hence, the net effect on performance is hard to assess(Osterloh and Frey, 2000).

An econometric study investigated the behavior of 116 managers in mid-sized Dutch business with between 100 and 30,000 employees in 1986 in order to measure the effect of the type of control on effort. Accordingly, there are three types of control exerted on manager. Impersonal and less intensive control through parent company resulted in significantly positive effort. Impersonal control through board of directors gives no significant difference in effort. Personal control through CEO creates significantly negative effort(.Barkeman,1998).4

Moreover, participation is another factor on the level of performance because employees feel that their own goals are being taken seriously. However, some of them might see participation as a waste of time because they are mostly extrinsically motivated and not interested in the work itself like income maximizers. Empirical research shows that participation raises intrinsic motivation because it bolsters perceived self-determination(Frey,1997).

1. However large or small a company or business is, it is employees at all levels that can make or break it. This holds true not only for the people we hire on a regular basis, but also for temporary and contracted workers. It is as important to research and study the needs, drives, and expectations of people we hire or employ, and aim at responding to and satisfying those, as it is with regard to customers.

2. In actual fact, considering the role each "employee" plays in a company's success, analyzing and planning an adequate response to employees' motivations deserves first place in the order of business.

3. Before going any further, let us shift our approach from grouping people under the generic category of "employee" to individual human beings and term them as "hired workers" or "working partners". This is what they are. We must acknowledge them as human beings with individual needs, drives, characteristics, personalities, and acknowledge their contribution to the business success

3. PHYSICAL and PSYCHOLOGICAL FACTORS on to WORKER MOTIVATION LEVELS; a STUDY CASE on the AUTOMOTIVE INDUSTRY

3.1. The Restrictions of the Research

The study pertains to 2014, which is the time limitation. More focus on motivation tools was made through the surveys, while they didn't permit us to go through specific (i.e.) personal implications, as this was not an interview type of research. The survey was in Italy, the native language of the surveyor and the surveyed.

In this study, the questionnaire method was used to collect the data. The questionnaire pertaining to the research was composed of close-ended questions. A questionnaire-based approach could be an efficient tool to use for data collection and analyses are simpler and speedier than is achievable with interviews. The main disadvantage is in the lack of depth and detail of data. Questionnaires invariably have the benefit of greater efficiency for the researcher. Key issues in their use centre on what questions to ask, in what form and of whom. It is generally agreed that questionnaires are best suited to asking specific rather than general questions, and for closed rather than open questions¹⁴⁹. They therefore fit well to collect data to test theories, hypotheses or propositions. The semi-structured formation of the questionnaire made it possible to use Likert and semantic differential scales, thus making it easier to administer and to code leading to analysing ease.

3.2. The Questionnaire Development and Scaling

A self-administrated questionnaire was used for this research. The questionnaire used in the study was adapted from the researches of Kaplan, Elbir . The questionnaire consisted of two sections and included multiple choice and open-ended questions. This questionnaire seeks to determine the tools that motivate

employees and to measure the effect of these tools on the performance of employees.

The first section of the questionnaire has been formed for determining the tools that motivate employees and measuring the level of importance of these tools for employees. By this way, it could also be possible to determine the effect of these tools on employee performance. So, in this section, 35 close-ended questions with 5-type Likert and 2 open-ended questions were asked to indicate the tools and their significant levels. On the other hand, the second section of the questionnaire contained questions relating to socio-demographic data about the respondents. Six questions were asked such as gender, age, education etc. to indicate the characteristics of employees.

Questionnaire was scaled to indicate the tools that motivate employees as fivepoint Likert scale ranging from (5) Very High to (1) Very Low or (5) Very Fair to (1) Not Fair. Also, a five-point Likert scale ranging (5) Very Important to (1) Very Unimportant was used to rate the importance level of the tools. Because of the fact that the data are scarce, that they don't fit in to normal distribution and that many data are not distributed proportionally, the assumptions will be constructed with oral expression. The numerical hypotheses that make the analysis of the average or the variance will not be used in this case. The company policies have affects on the employees and this affects is great. In this study, all the scale types (nominal, row and proportional) are employed.

Nominal scale is a type in which the variable is defined with oral expressions, and though this variable assumes numerical values, it has no mathematical meaning, merely displaying an equality in the groups. For instance, according to this information, the "gender" variable in the survey is defined as 0 = Female, 1 = Male. Here, the numbers 0 and 1 indicate no numerical value but only a coding which may facilitate the analyses of the statistical software package(SPSS). The survey participants are divided into two groups: Men and women. Some very

limited statistical techniques may be applied to the data belonging to this variable.

The ordinal scale is a scale type slightly more advanced than the nominal scale. It not only comprises the same qualities but also hosts for a rank of superiority between the groups i.e. row. For example, the “level of education” variable in the survey has been defined in ordinal scale in SPSS. Groups have been defined as primary school, high school, graduate, post-graduate, master. In this scale, the superiority of the reciprocal groups has been introduced to the analysis.

The proportional scale is a type in which all of the statistical techniques can be applied, and the most advanced scale that the numbers have mathematical meaning. Therefore it is the most reliable scale type. The variables, defined as Likert scale in the survey are introduced as elements of proportional scale in the software, SPSS.

3.3. Data Analyzing Methods

The Statistical Package for the Social Sciences (SPSS) version 18.0 was used to analyze the data. The survey forms of the persons have been keyed in as variables in SPSS. After the task of definition has been finished, appropriate coding has been completed and the data are transferred to the SPSS application.

Descriptive statistics was used to indicate the demographic characteristics of the respondents. To determine the tools that motivate employees the most and to analyze the importance level of these tools, the percentages related to the questions were explicated. In addition, to indicate the effect of these tools that motivate employees on their performance, chi-square analysis was employed for statistical significance. There is limitation to the use of the chi-square when sample sizes are small, as in this research.

Chi-square results were interpreted by looking at the significance of the results. The significance is reported by SPSS as Asym. Sig. in their charts. Since the gathered data were not matched the assumptions of parametric tests, to test the significant differences between the tools that motivate employees and their demographic characteristics, Mann-Whitney U Test for two independent groups and Kruskal-Wallis H Test for independent groups more than two were carried out. Also, to test the reliability of the scale used in the study, reliability analysis was employed. All analyses have been conducted at the 0.05 significance level.

3.3.1. Pilot Test

Before the main study, a pilot test was undertaken to assess the reliability, and to ensure that the wordings of the questionnaire were clear. Five questionnaires (i.e. 10 per cent of the targeted sample) were completed by employees working Company X in accompaniment of researcher. Some problems were identified with the wordings and implications of some statements, so some minor revisions were made to avoid confusion. Also invaluable academic advice from Marmara University for feedback purposes was taken into consideration before finalizing the questionnaire, as well as all other parts of this dissertation.

3.3.2. Reliability and Validity

The data gathered from the pilot test were used for assessing the reliability and validity. Reliability analysis was applied to test the internal consistency of the items. As well as there are a number of different reliability coefficients, Cronbach alpha is the most commonly used method for assessing the reliability. Cronbach's alpha is a reliability coefficient that indicates how well the items in a set are positively correlated to one another. The closer Cronbach's alpha to 1, the higher the internal consistency reliability. The results showed that the overall alpha of the scale used in the study was 0.8276. As this result was quite high, it was possible to say that the scale was internally consistent and reliable. On the other hand, in this study, content validity of the instrument was established through the adoption

of question items that have been utilized by other researches, one pretest which shows some minor revisions needed to be made and some problems with the wording and finally interviews with experts in this topic. Also, academic advice was taken into consideration before ending up the questionnaire.

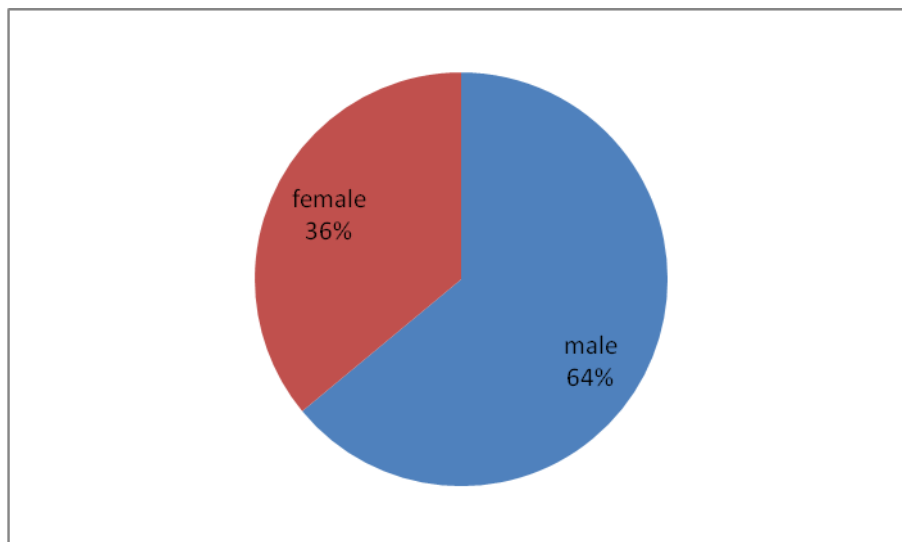
According to all these efforts, it was possible to say that the scale used in this study was valid and acceptable.

3.4. Findings Of The Survey

3.4.1. Demographical Characteristics of the Respondents

3.4.1.1. The Distribution of Gender

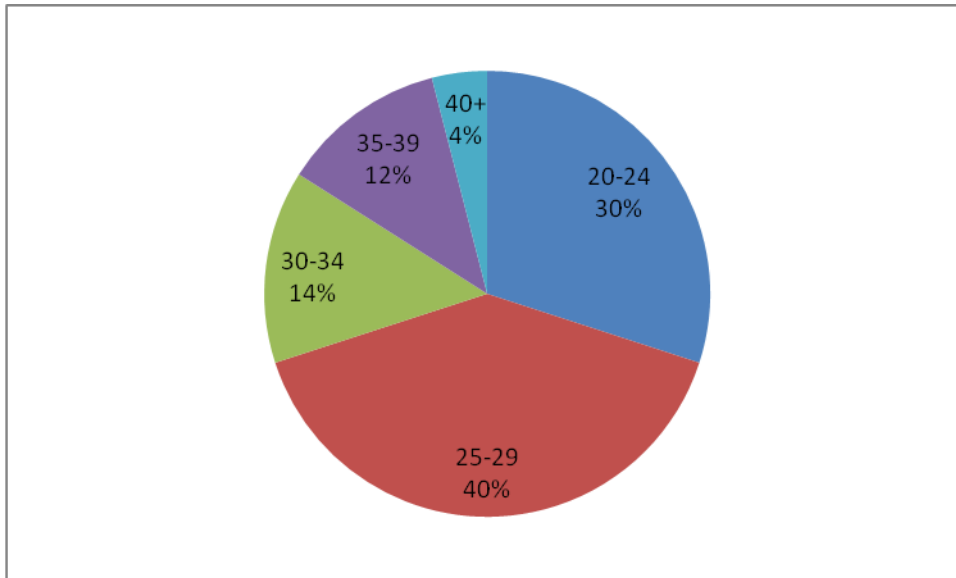
The gender distribution of the employees can be seen in Table 4 and Graphics 1. According to these results, %64 of the participants of the survey are male and %36 of the participants are female. The number of men participants is higher than women.



Graphics 1 The gender distribution of the employees

In the survey, the age question has been formed as a 5-group variable. The age groups are formed according to the age range:

Between 20 – 24 group 1,
Between 25 – 29 group 2,
Between 30 – 34 group 3,
Between 35 – 39 group 4,
Upper 40 is defined as group 5.



Graphics 2 The age distribution of the employees

Graphic 2 shows the age distributions of the respondents participate in survey. According to these results, it can be said that the %40 of the employees that joined the survey are between the ages 25 and 29. %30 of the employees are between the ages 20 and 24. A great part of the employees who joined the survey are below the age 30.

3.4.1.2 Education Level

In the survey, the education level question has been formed as a 5-group variable.

The education variable is applied as following:

Primary School = 1

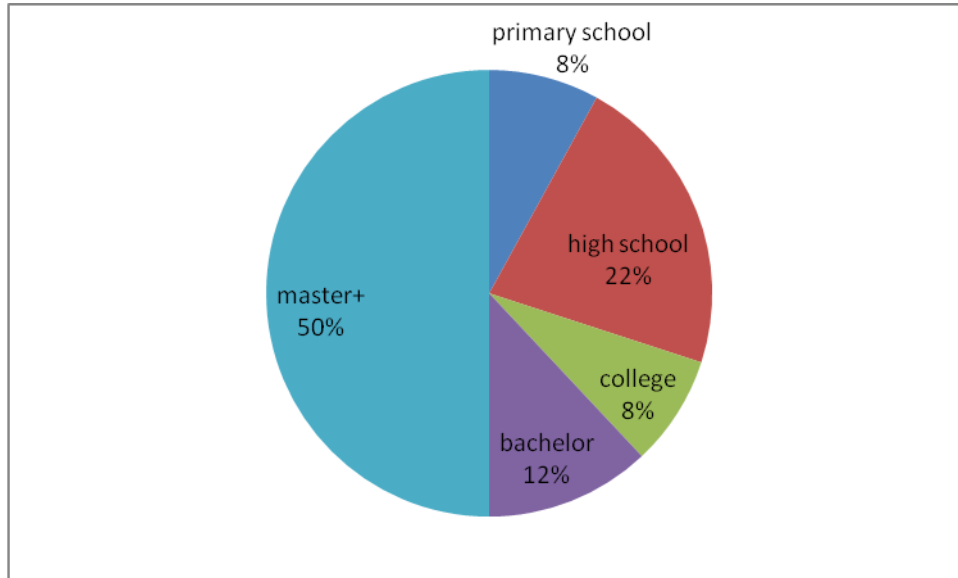
High School = 2

College = 3

Graduate = 4

Post Graduate = 5

Master = 6



Graphics 3 The graphics of distribution of level of education

The education level distribution of the employees can be seen in Graphics 3. According to these results, 50 percent of the 50 employee is found to have post-graduate or master degree. Those who hold graduate degree is observed as 12 percent. %22 of the respondents have been graduated from high school whereas %8 have been from primary schools and %8 have been from college.

3.4.1.3. The Distribution of Seniority

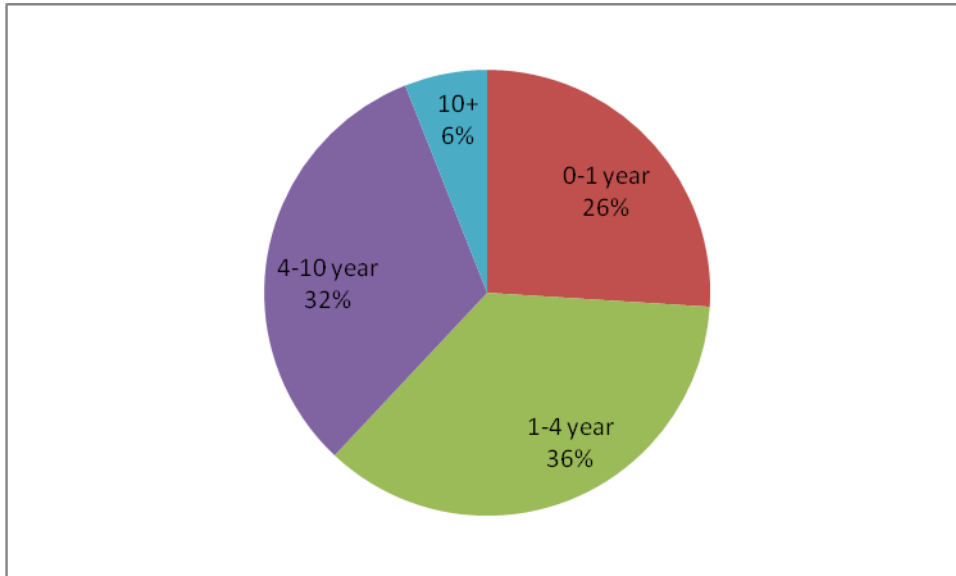
The length of working has been asked to the participants. The length of working has been grouped as below:

0 to 1 year working period represented by 1,

1 to 4 year working period represented by 2,

4 to 10 year working period represented by 3,

10 and more years working period represented by 4

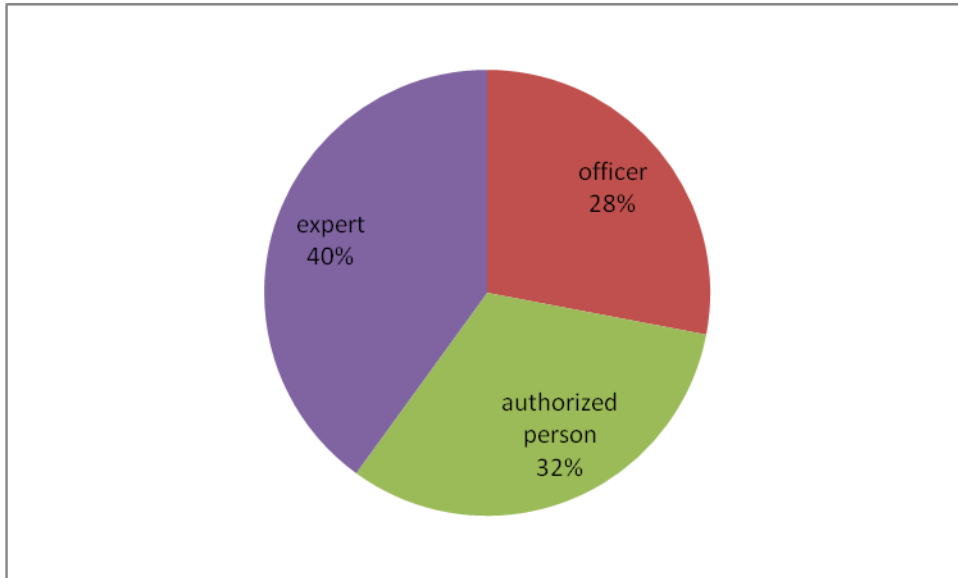


Graphics 4 The graphics that displays the working period of the company

Graphic 4 shows the seniority distributions of the respondents participate in survey. According to these results, it can be said that the 36 percent of those who joined the survey have been working in the X company for more than 1 year and less than 4 years. 32 percent of the participants have been working in the level of 4 to 10 year working period and 26 percent mentioned that they have been for less than 1 year for the company X.

3.4.1.4. The Distribution of Title

Business titles are asked to the participants. Titles are divided into 3 categories, the officer, the authorized and the expert.

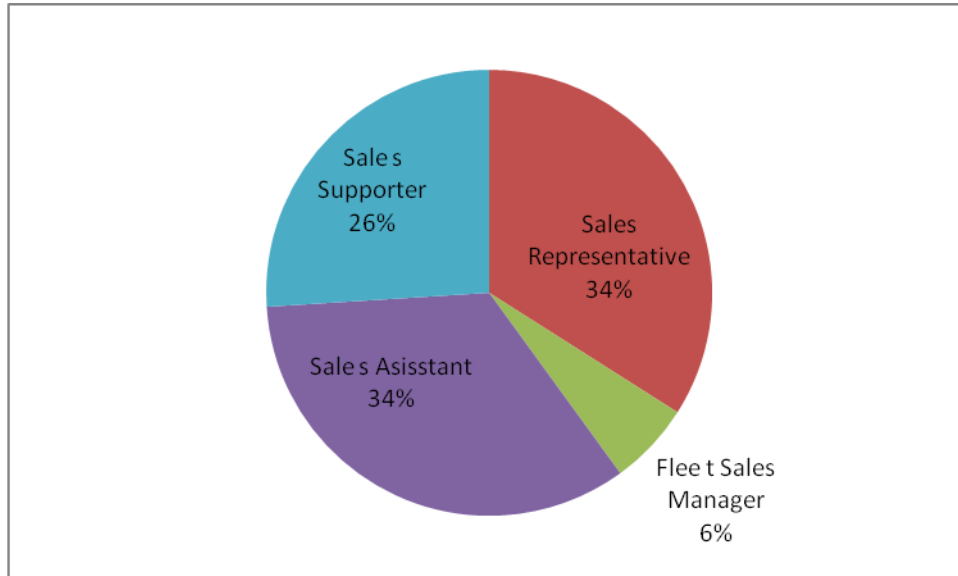


Graphics 5 The graphics of title distribution

The title distribution of the employees can be seen in Graphics 5. According to these results 40 percent of the participants have said that they are expert, 32 percent have stressed that their title is authorized person and 28 percent defined their title as officer.

3.4.1.5.The Distribution of Position in the Company

To find out the distribution of positions of the employees working in Company X, a open-ended question was asked. The employees were asked to fill out the blank with the position they were at. When we checked the results, four different positions discovered. The results can be observed at



Graphics 6 The graphics of position distribution of the company.

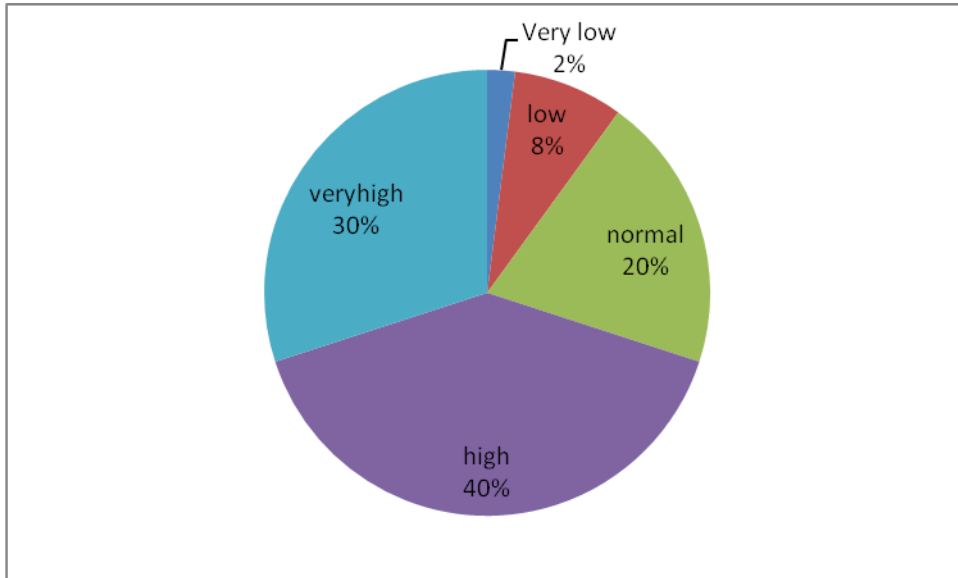
Graphic 6 shows the position distributions of the respondents participate in survey. According to these results, it can be said that 34 percent of the participants have declared themselves to be sales representative, yet 34 percent told themselves to be sales specialist assistant, 26 percent said that they have been working as sales support assistants and 6 percent fleet sales manager.

3.4.2. Interpretation of the Items Used in the Questionnaire

First of all, in the survey the employees are asked about their opinion on the level of their wages. Afterwards, they were asked that at what extent the level of wages affects the motivation.

3.4.2.1. Level of wage and its affect on the motivation

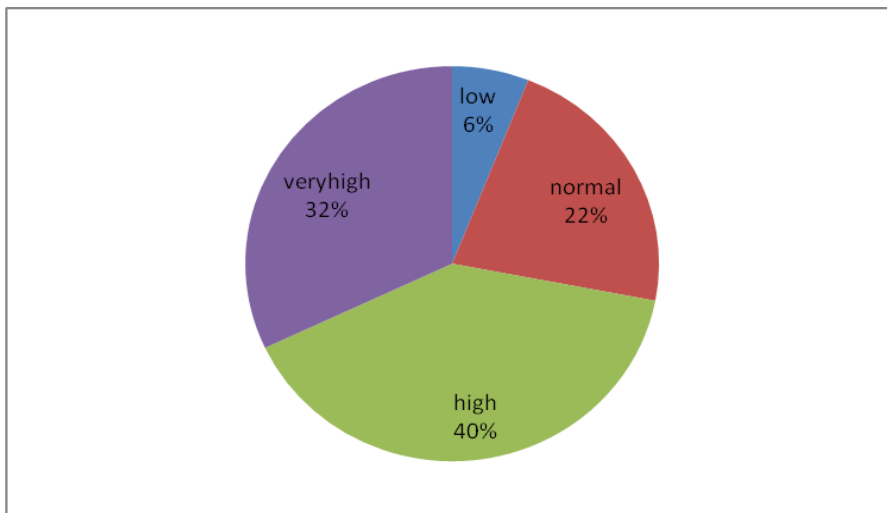
Percentages of wage level of the employees. According to the results, those who believe that their level of wage is high is 40 percent. 30 percent has said that their level of wage is very high. Those who believe that their level of wage is low is 8 percent.



Graphics 7 Level of wage and its affect on the motivation

3.4.2.2. Accepting the wage as fair and its affect on the motivation

Percentages of wage fair acceptance among employees. According to the results, 44 percent of those who joined the survey has indicated that they find their wage fair. 32 percent believe that their level of wage has been determined very fairly.

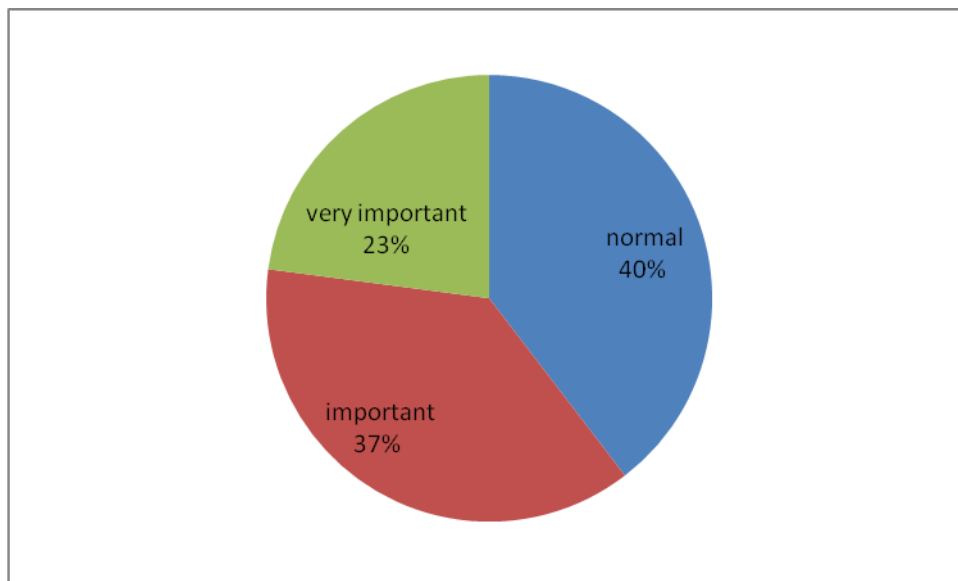


Graphics 8 Accepting the wage as fair and its affect on the motivation

Firstly, in the survey the employees are asked about whether they find their level of wage fair or not. Secondly, they were asked that at what extent finding their level of wage fair affects their motivation.

3.4.2.3. Wage fairness essence levels for the employees

The percentages of wage fair essence levels for the employees. According to the results, 38 percent of those who participated the survey believe that the fair distribution of wages is unimportant in affecting the motivation whereas 4 percent of participants is very important.

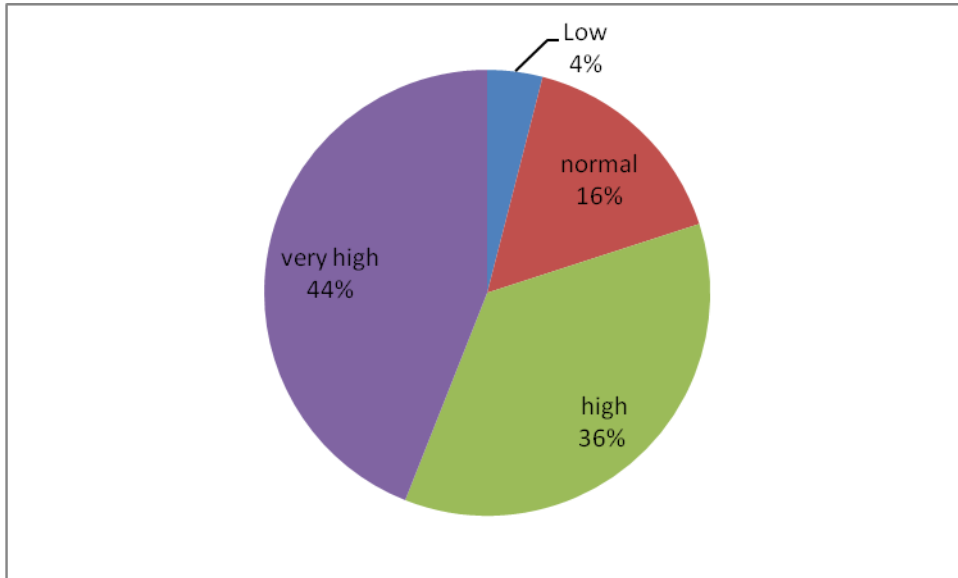


Graphics 9 Wage fairness essence levels for the employees

In the survey, first the employees are asked about how they find the appraisal level in the company. Afterwards, the affect of appraisal on the motivation has been questioned.

3.4.2.4. Appraisal and its affect on the motivation

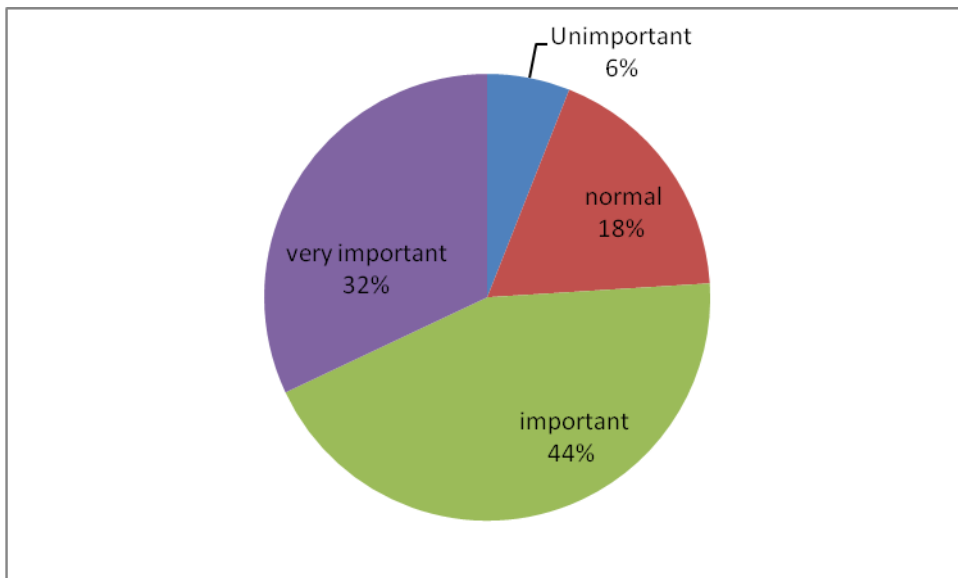
The percentages of appreciation levels of the employees. According to the results, 44 percent of those who joined the survey mentioned that appreciation in the company was at a very high level, 36 percent of the participants have stressed that it was at a high level.



Graphics 10 Appraisal and its affect on the motivation

3.4.2.5. Appreciation levels of employees

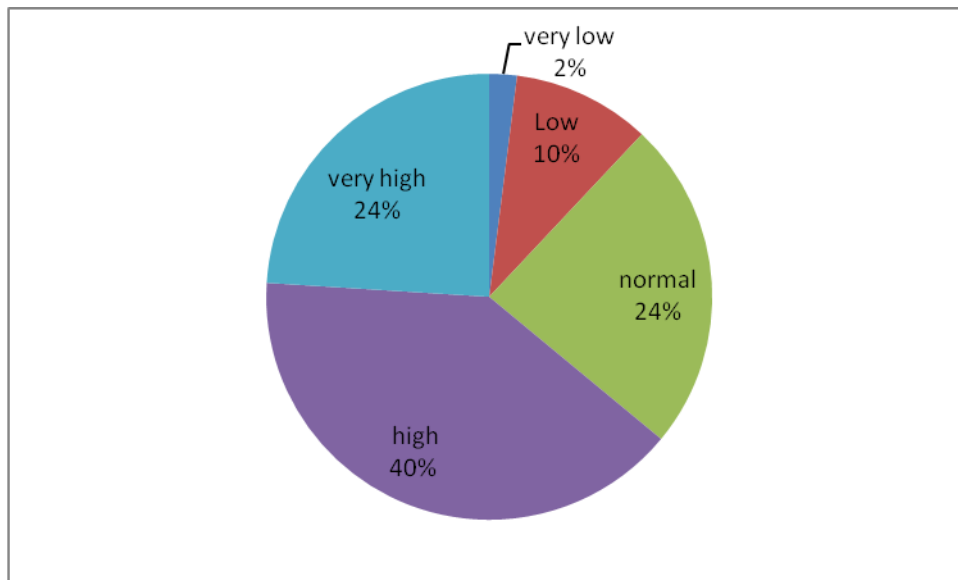
The percentages of appreciation levels of employees on employees. According to the results, 44 percent of the employees believe that appraisal affects the motivation to a very important degree. Those who believe the appraisal to be trivial is 18 percent.



Graphics 11 Appreciation levels of employees

3.4.2.6. Rewarding mechanism within the company and its affect of rewarding on the motivation

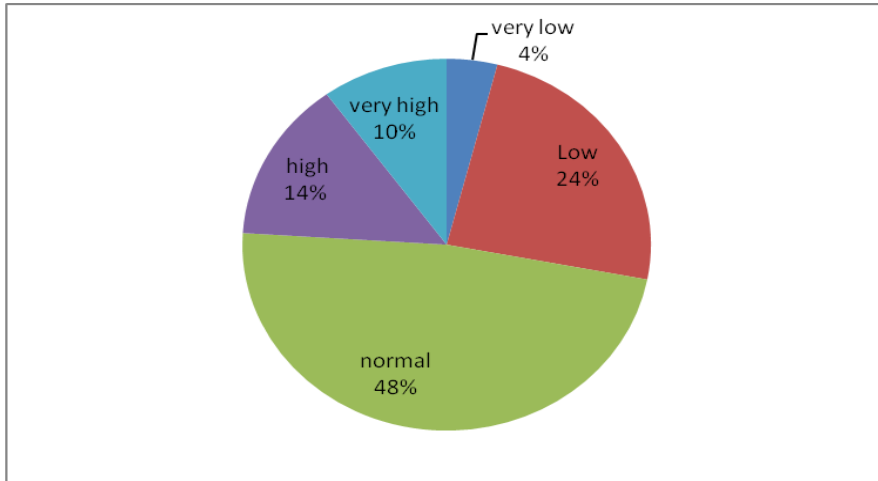
Firstly, the employees were asked about rewarding mechanism within the company. Secondly, they were asked about the affect of rewarding on the motivation. The percentages of rewarding mechanism levels of employees on motivation. According to the results, 40 percent of those who joined the survey told rewarding mechanism was high, 24 percent of the participants have mentioned that it was high. 10 percent of the employees believe that rewarding mechanism is low.



Graphics 12 Rewarding mechanism within the company and its affect of rewarding on the motivation

3.4.2.7. Rewarding mechanism level essence of employees on motivation

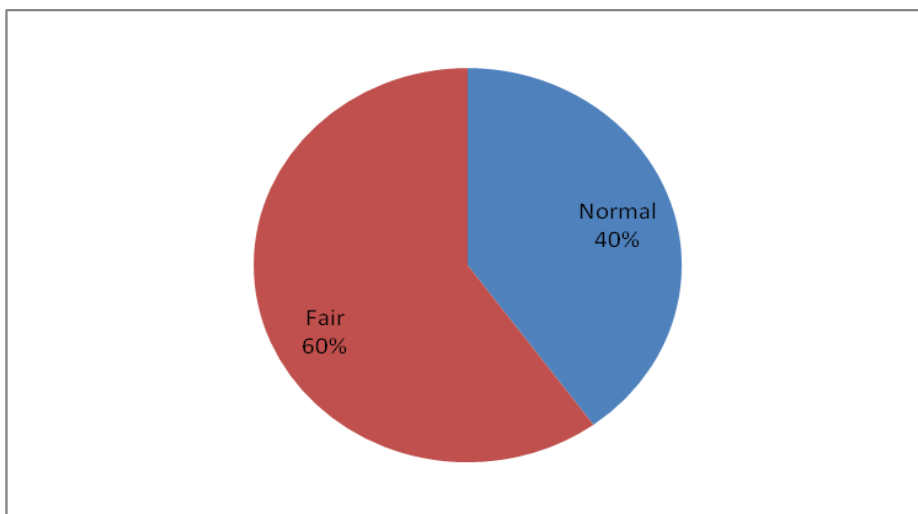
The percentages of rewarding mechanism levels essence of employees on motivation. According to the results, those who believe that the rewarding mechanism affects the motivation to a very high degree is 10 percent. 48 percent of the participants have said that it affects the motivation at a normal level.



Graphics 13 Rewarding mechanism level essence of employees on motivation

3.4.2.8. Punishment mechanism within the company and its affect of rewarding on the motivation

Firstly, in the survey the employees were asked about Punishment mechanism within the company. Secondly, they were asked about the affect of punishment on the motivation. the percentages of punishment mechanism’s justice appreciation of employees. According to the results 60 percent of those who joined the survey told that punishment mechanism was fair, 40 percent of the participants havementioned that it was normal.

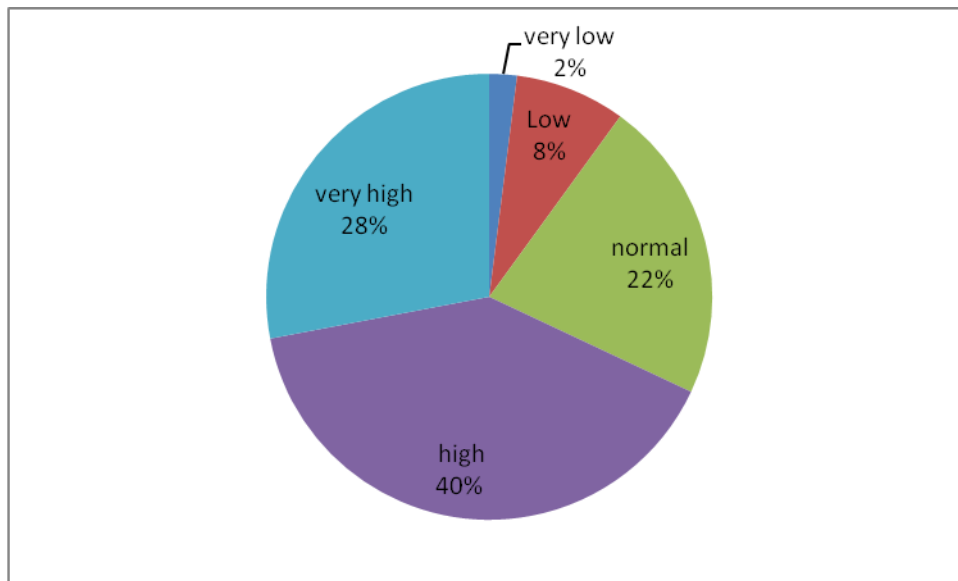


Graphics 14 Punishment mechanism within the company and its affect of rewarding on the motivation

We saw that the percentages of punishment mechanism's effect on motivation of the appreciation of employees. According to the results, 52 percent of the employees believe that punishment mechanism is affects the motivation at an unimportant level.

3.4.2.9. Promotion opportunities within the company and its affect on the motivation

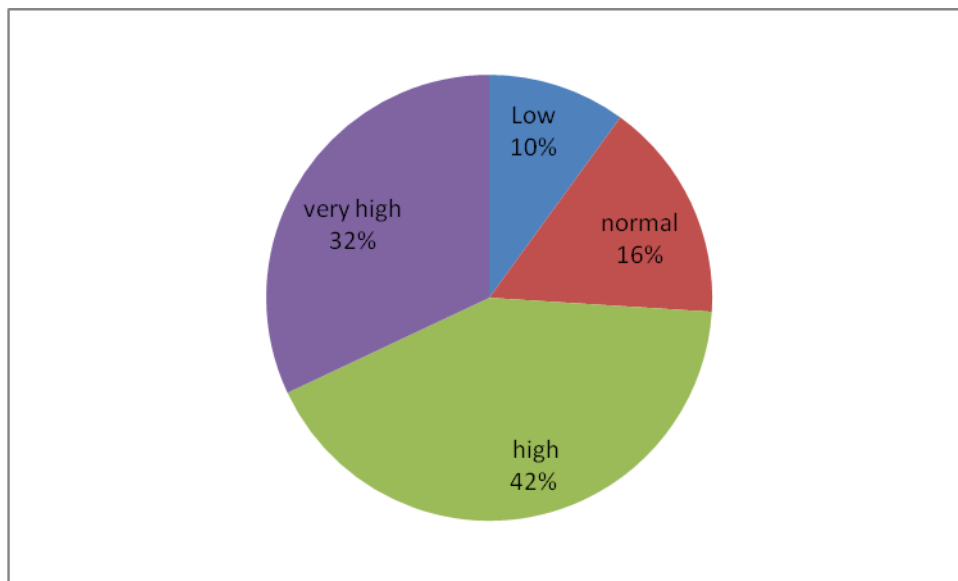
In the survey the employees were asked about promotion opportunities within the company. Secondly, they were asked about the affect of promotion on motivation. percentages of promotion mechanism's appreciation of employees. According to the results, 40 percent of 50 employees that joined the survey told promotion opportunities were high, 28 percent of the participants have mentioned that it was very high. 22 percent of the employees believe that promotion opportunities were normal.



Graphics 15 Promotion opportunities within the company and its affect on the motivation

3.4.2.10. Promotion mechanism's effect on motivation

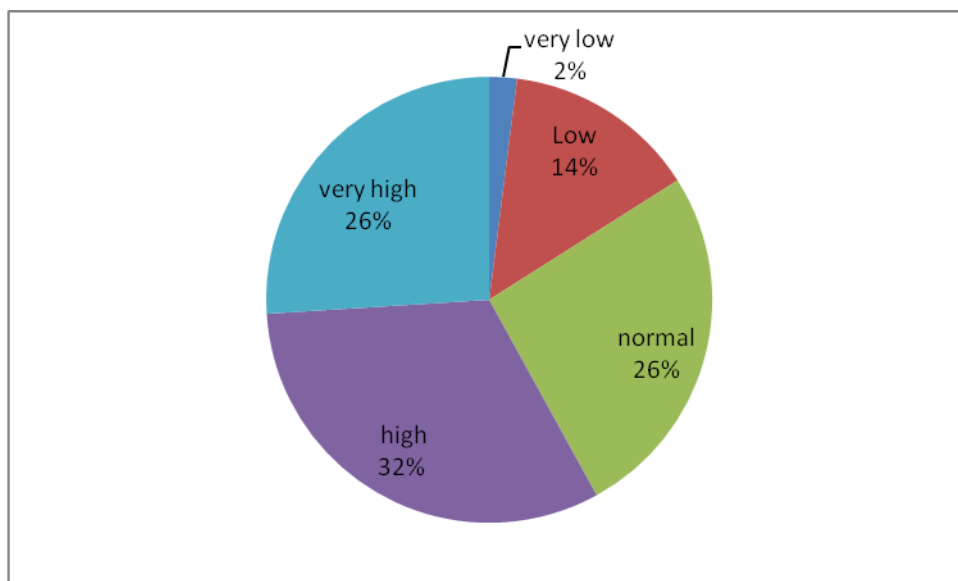
The percentages of promotion mechanism's effect on motivation. According to the results, those who believe that the promotion opportunities affect the motivation at a high degree is 42 percent. 32 percent of the participants have said that it affects the motivation at a very high level.



Graphics 16 Promotion mechanism's effect on motivation

3.4.2.11 Opinion on business development trainings within the company

Firstly, in the survey the employees were asked about their opinions on business development trainings within the company. Percentages of opinion distribution on business development trainings within the company. According to the results, of the 50 employees participating in the survey, 32 percent suggested that the business development trainings were high and 26 percent mentioned that it was very high. On the other hand, while 26 percent of the participants suggested that the business development trainings were normal, totally 16 percent mentioned that the business development trainings almost low.

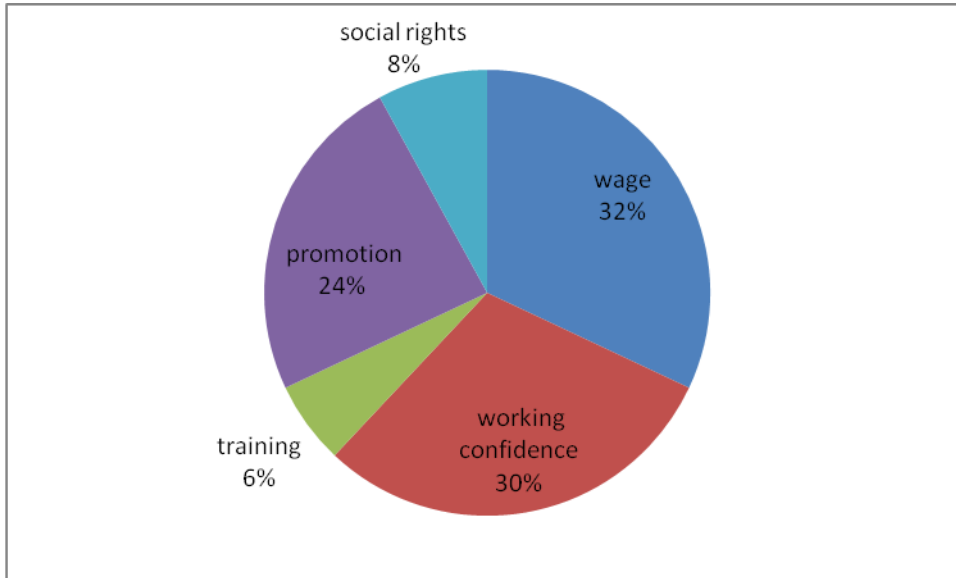


Graphics 17 Opinion on business development trainings within the company

Firstly, in the survey the employees were asked about their opinions on personnel trainings within the company. According to the results, of the 50 employees joining the survey, 42 percent suggested that the personal development trainings were low and 18 percent mentioned that it was high, 16 percent found personal development trainings normal. This difference may be stemming out from the trainings varying according to position and title.

3.4.2.12 The relations with the superiors and its affect on the motivation

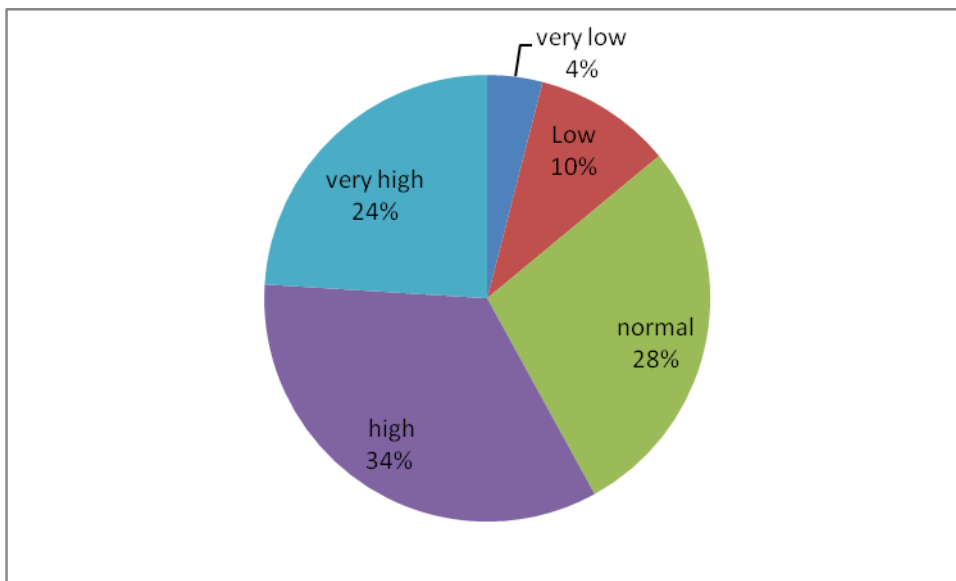
Firstly, in the survey the employees were asked about the relations with the superiors in the workplace. Secondly, they were asked about the affect of the relation with the superior on motivation. According to the results, 32 percent of the participants have affirmed the factors affecting the motivation were the wage, 30 percent work security, 24 percent promotion opportunities, 8 percent social rights and 6 percent the training.



Graphics 18 The relations with the superiors and its affect on the motivation

3.4.2.3 The factors that should be effective within the relations with the work chief

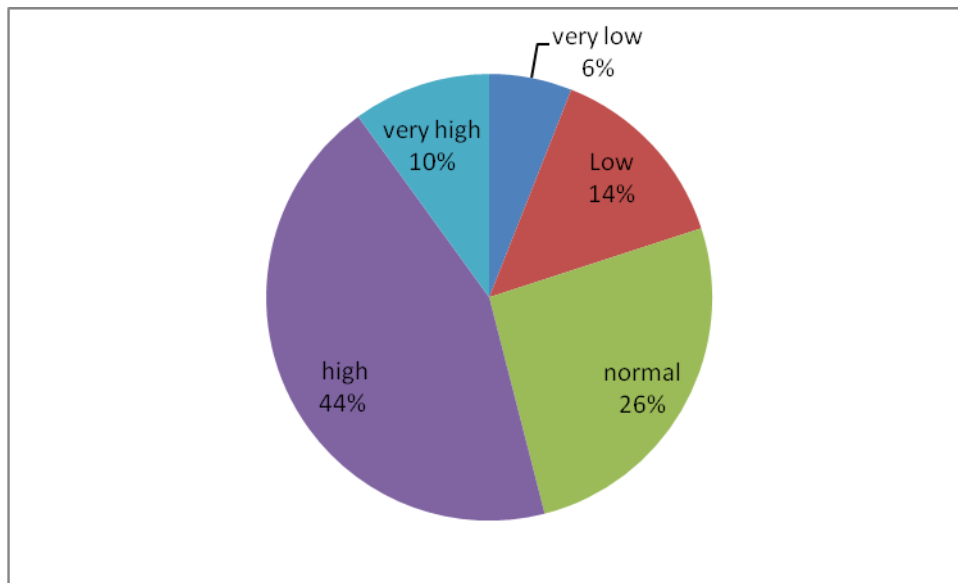
According to the results, 34 percent of participants that joined the survey told their relation with their superiors was high, 24 percent of the participants have mentioned that it was very high. 28 percent of the employees believe that the relation with the superiors affect on motivation is normal.



Graphics 19 The factors that should be effective within the relations with the work chief

3.4.2.14 The relations with the colleagues and its affect on the motivation

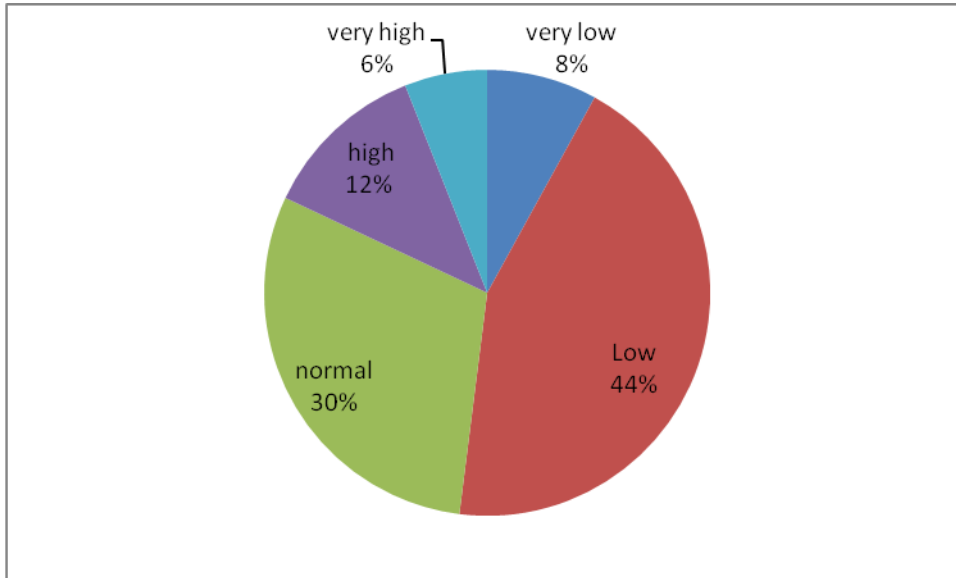
Firstly, in the survey the employees were asked about their relations with peers. Secondly, they were asked about the affect of the relation with peers on motivation. According to the results, a high percentage, 44 percent of participants that joined the survey told their relation with their colleagues was high, 26 percent of the participants have mentioned that it was normal.



Graphics 20 The relations with the colleagues and its affect on the motivation

3.4.2.15 The effect on motivation of the state of friendship of the employees with each other

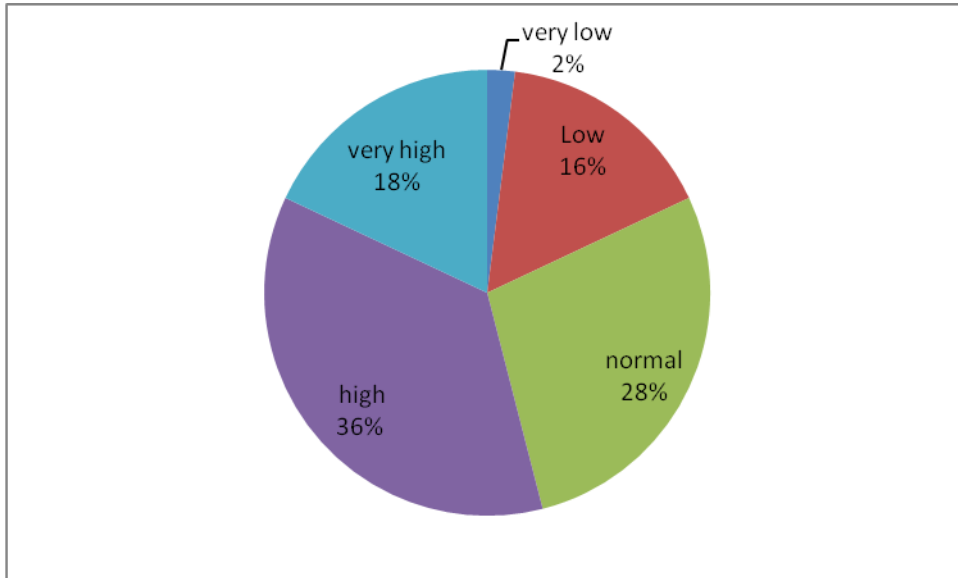
According to the results 44 percent of the employees believe that the relations with the colleagues affect on motivation is low. 30 percent believe it to be at an important level.



Graphics 21 The effect on motivation of the state of friendship of the employees with each other

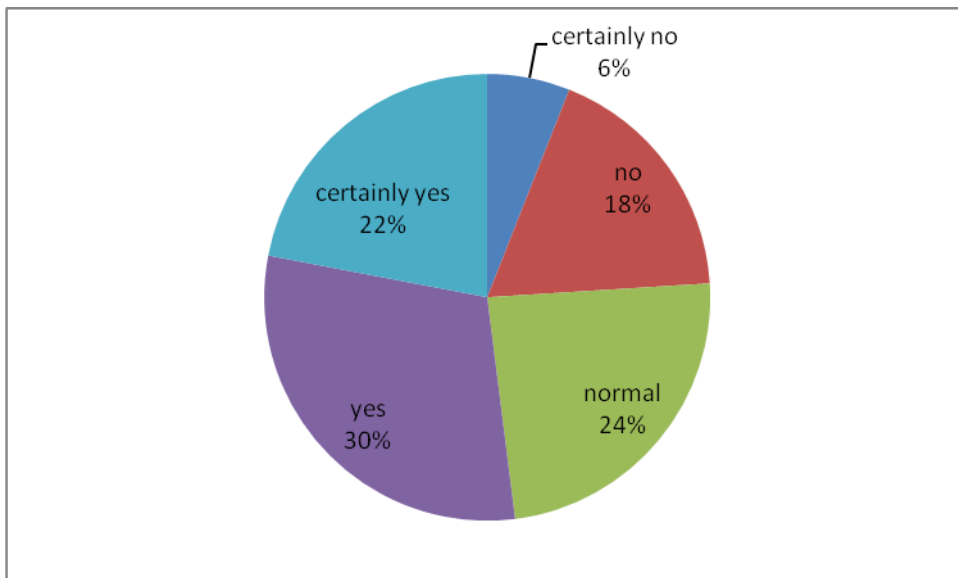
3.4.2.16 Authority/responsibility and dependence requests in the workplace and its affect on the motivation

Firstly, in the survey the employees were asked about their authority/responsibility and dependence request level. Secondly, this parameter on motivation is researched. According to the results 18 percent of the participants believe that the state of authorization of the employees is very important. With the high degree that is 36 percent of the participants have said that the state of authorization is important. Those who believe that the state of authorization of the employees is unimportant and very unimportant is %16 and %2.



Graphics 22 The state of authorization of the employees

The percentages of the effect on motivation of the authorization of the employees. According to the results 30 percent of participants answered the question of rise in authority/responsibility/dependence as yes. 22 percent affirmed as completely yes, 24 percent said normal. Only 6 percent rejected this idea. 36 percent of the employees joining the survey has indicated that the increase in authority has rise the motivation.



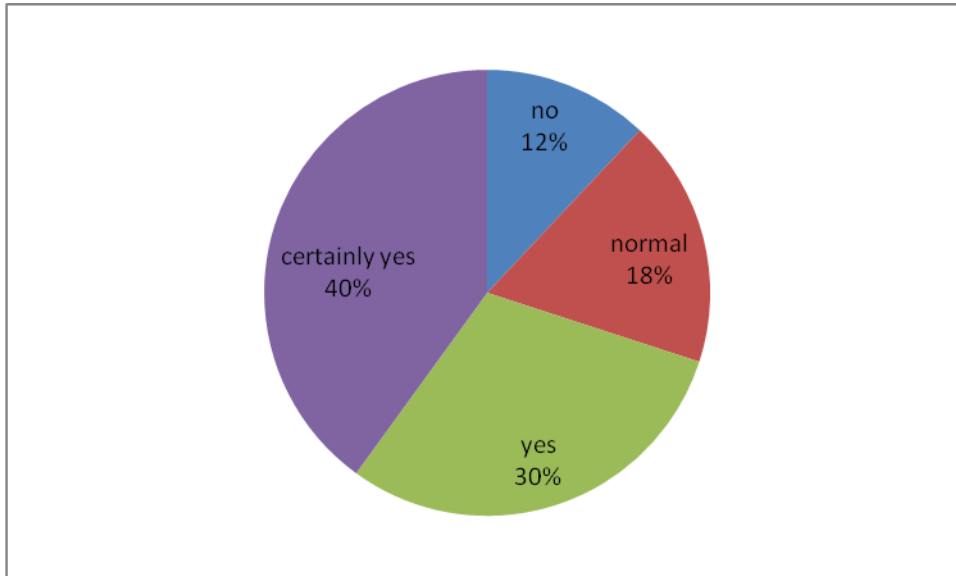
Graphics 23 The effect of motivation on the authorization of the employees

Firstly, in the survey the employees were asked about their inclination to join the decision of business processes. Secondly, the effect of the state of workers' inclination to join the decision of business processes on motivation is researched. According to the results, 40 percent of the employees have said that their involvement in the decisions was low, 28 percent said they definitely did not join in the procedure. Totally 16 percent of the participants stated that they involve in the decisions.

The percentages of the effect of the state of employees' inclination to join the decision of business processes on motivation. According to the results, totally 66 percent of the employees said they believed that involvement in the decisions within the company has a very great impact on the motivation. While 16 percent of the participants assess the effect of the state of employees' inclination to join the decision of business processes on motivation is normal, totally 18 percent of the participants believed that it was not important

3.4.2.17 Using equipment within the company and its affect on the motivation

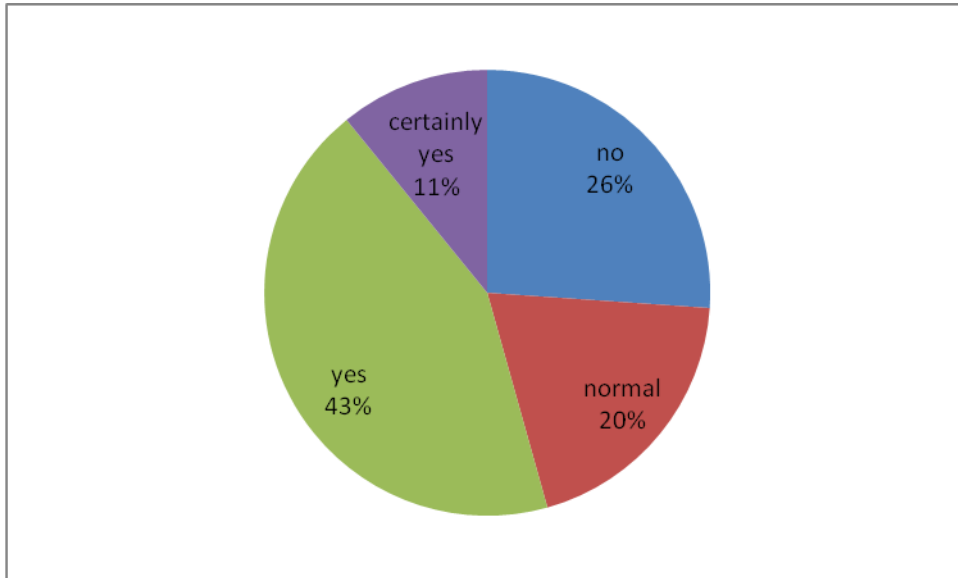
Firstly, in the survey the employees were asked about the degree that their needs to meet their material demand are met regularly. Secondly, the effect of the degree that employees' needs to meet the material demand are met regularly is researched. According to the results, 70 percent of the employees joining in the survey said that they were being used the required equipments. The percentage of the participants who say that they were not being used the required equipments is only 12 of total. The participants who say that their degree of using required equipments were 18 percent.



Graphics 24 Using equipment within the company and its affect on the motivation

3.4.2.18 Working period and its affect on motivation

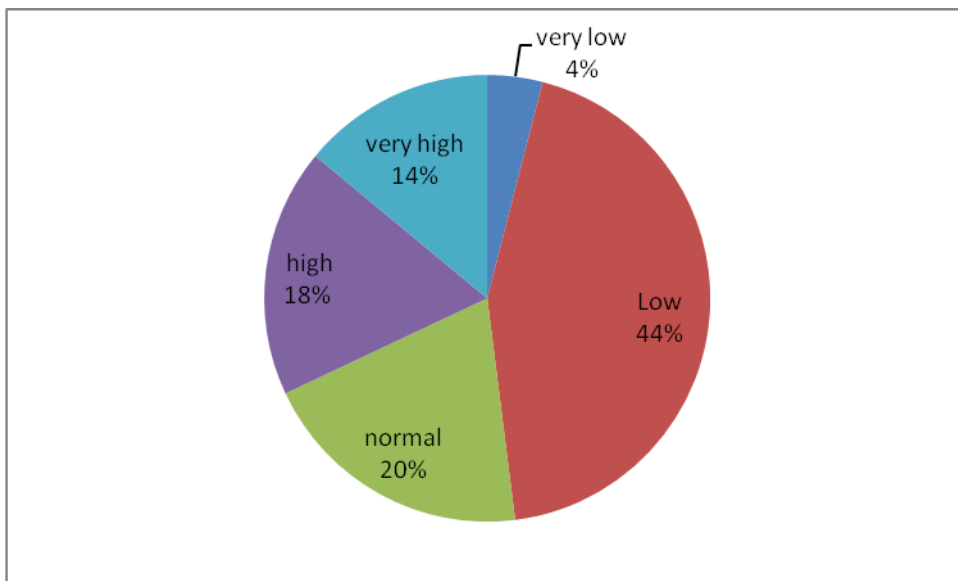
Firstly, in the survey the employees were asked about the degree that their working hours are in line with their life style. Secondly, the effect on motivation of employees' working hours is researched. The percentages of the degree that their working hours are in line with their life style. According to the results, totally 50 percent has told that their working hours are in line with their life style. Those who say working hours are not in line with their life style make up totally 32 percent of the participants.



Graphics 25 Working period and its affect on motivation

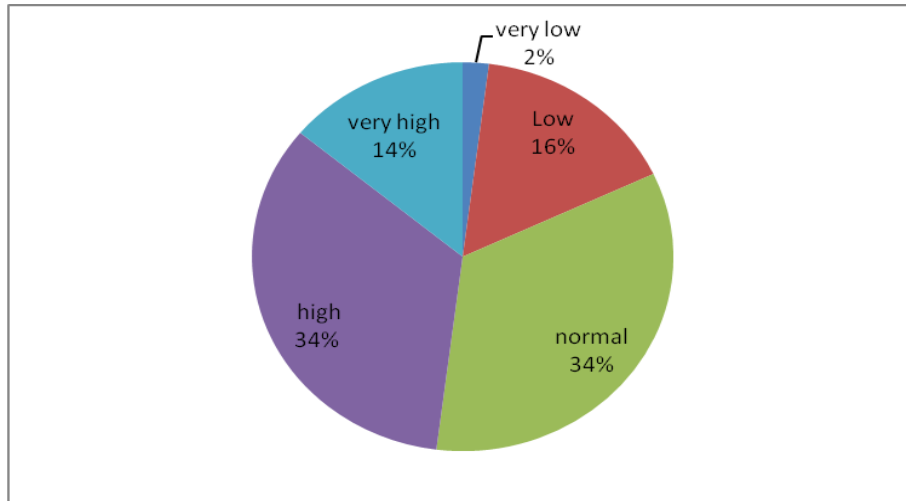
3.4.2.19 The degree that employees' working hours are in line with their life style

According to the results, 32 percent has indicated that the match between their lifestyle and working hours has affect on motivation at an important level. Those who say working hours has no affect on the motivation make up 4 percent of the participants.



Graphics 26 The effect on motivation of employees' working hours

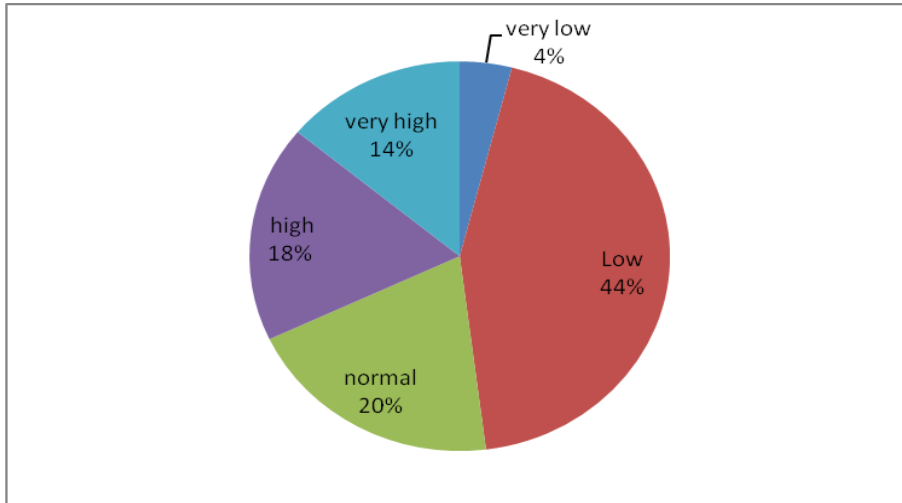
The percentages of the degree that their vacation opportunities are in line with their life style. According to the results, totally 48 percent has told that their vacation opportunities are in line with their life style. Those who say vacation opportunities are not in line with their life style make up totally 18 percent of the participants.



Graphics 27 The degree that employees' vacation opportunities are in line with their life style

3.4.2.20 The effect on motivation of employees' vacation opportunities

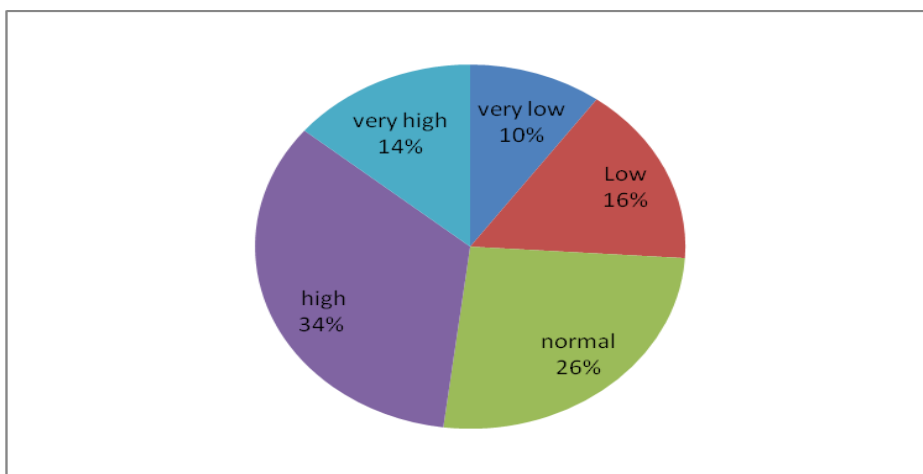
According to the results, 32 percent has indicated that the match between their lifestyle and vacation opportunities have affect on motivation at an important level. Those who say working hours has no affect on the motivation make up 4 percent of the participants. 44 percent of them believe that holiday opportunities do not affect the motivation.



Graphics 28 The effect on motivation of employees' vacation opportunities

3.4.2.21 The social opportunities of the company being satisfactory and its affect on the motivation

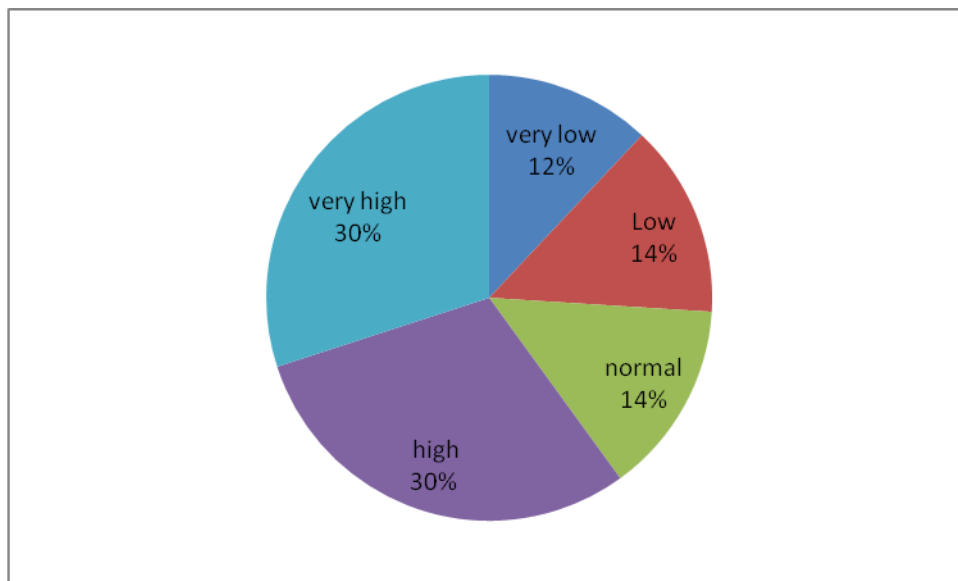
Firstly, in the survey the employees were asked about the degree that employees' resting periods and social activities are in line with their life style. Secondly, the effect on motivation of employees' social activity hours is researched. According to the results, totally 48 percent has told that their resting periods and social activities are in line with their life style. Those who say vacation opportunities are not in line with their life style make up totally 26 percent of the participants.



Graphics 29 The social opportunities of the company being satisfactory and its affect on the motivation

3.4.2.22 The effect on motivation of employees' social activity hours

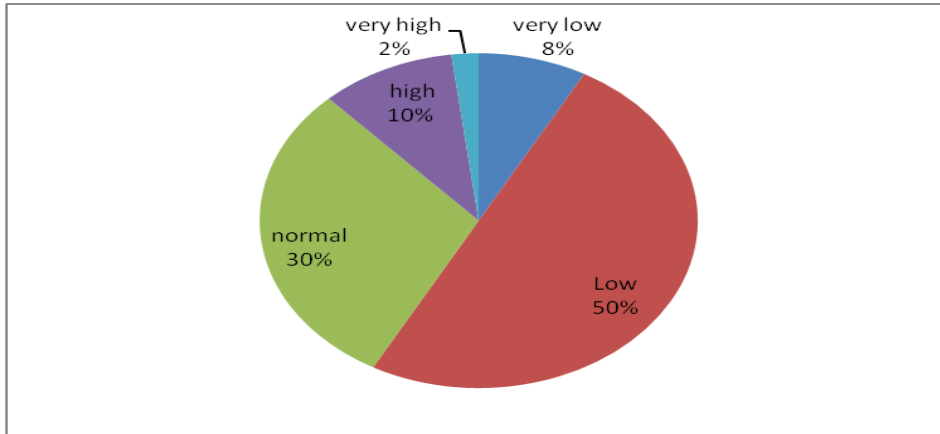
According to the results, 60 percent has indicated that the match between their lifestyle and social opportunities have affect on motivation at an important level. Those who say social opportunities have no affect on the motivation make up totally 26 percent of the participants.



Graphics 30 The effect on motivation of employees' social activity hours

3.4.2.23 The match between overtime hours and lifestyle and its affect on the motivation

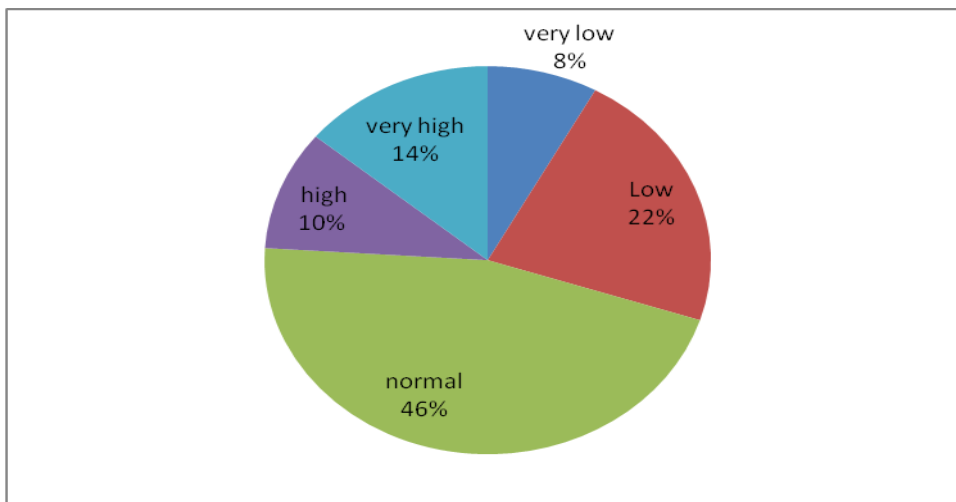
Firstly, in the survey the employees were asked about the degree that employees' overtime working periods are in line with their life style. Secondly, the effect on motivation of employees' overtime working periods is researched. According to the results, totally 12 percent has told that their overtime working hours are in line with their life style. Those who say overtime working hours are not in line with their life style make up totally 58 percent of the participants.



Graphics 31 The match between overtime hours and lifestyle and its affect on the motivation

3.4.2.24 The sufficiency of management sensibility in the workplace problems and its affect on the motivation

Firstly, in the survey the employees were asked about the degree that managers are sensible to workplace problems. Secondly, the degree that managers are sensibility to workplace problems is effective on motivation is researched. According to the results, 46 percent of the participants of survey believe that in the workplace management has been sensible at a normal level, 22 percent think that the management is insensible to the problems of the employees.



Graphics 32 The sufficiency of management sensibility in the workplace problems and its affect on the motivation

3.4.2.25 .What kind of internal motivation tools should be used in order to get your performance to a higher level in the coming days?

This is an open ended question of the survey. In the open ended questions, the participants are set free to answer. The thoughts of the employees in response to this open-ended question are summarized as below:

- o More trainings within the company
- o The review of the company wage policies
- o More projections and plans
- o New recruiting and workload

3.5. Comparison of the Factors that Motivate Employees According to the Demographical Characteristics of Employees

As it was said before, the factors that motivate employees were discriminated to two factors as motivating factors and hygiene factors according to the Herzberg's Two Factor – Hygiene and Motivation – Theory. To explore the significant relations between these factors that motivate employees and the demographical characteristics of the employees, some analysis were made. So, to test the relations, Mann-Whitney U Test for two independent groups and Kruskal-Wallis H Test for independent groups more than two were carried out. The results of these analyses were presented below.

3.5.1. Gender

To compare the motivating and hygiene factors according to the gender of the participants, Mann-Whitney U Test were used. The results of this analysis can be observed in Table 1.

Table 1 :The Comparison of the Factors According to the Gender

Factors	Gender	N	Mean	P Value (Mann-Whitney U)
Motivating Factors	Male	32	23,05	0,04
	Female	18	32,65	
Hygiene Factors	Male	32	24,55	0,03
	Female	18	33,62	

The results of Mann-Whitney U test were depicted in Table 10. It was found that there were significant differences (at p-level 0,05) between the factors and respondents' gender characteristics. According to the results presented in Table 10, it can be said that females had higher values than males in both factor groups. These results showed that females considered both motivating ($p=0,04 < 0,05$) and hygiene ($p=0,03 < 0,05$) factors more seriously than males.

3.5.2. Comparison of the Factors According to the Age Groups of the Participants

To compare the motivating and hygiene factors according to the age groups of the participants, Kruskal-Wallis H Test were used. The results of this analysis can be observed in Table 2.

Table 2 The Comparison of the Factors According to the Age Group

Factors	Age Group	N	Mean	P Value (Kruskal- Wallis H Test)
Motivating Factors	20-24	15	26,75	0,97
	25-29	20	24,55	
	30-34	7	27	
	35-39	6	21,67	
Hygiene Factors	20-24	15	23,58	0,38
	25-29	20	25,73	
	30-34	7	25,3	
	35-39	6	22,12	

The results of Kruskal-Wallis H test were depicted in Table 11. It was found that there were not significant differences (at p-level 0,05) between the factors and respondents' age groups. Thus, these values presented in Table 11 indicate that both motivating ($p=0,97>0,05$) and hygiene ($p=0,38>0,05$) factors do not significantly differ across the four age groups of the respondents.

3.5.3 Comparison of the Factors According to the Education Level of the Participants

To compare the motivating and hygiene factors according to the education level of the participants, Kruskal-Wallis H Test were used. The results of this analysis can be observed in Table 3.

Table 3 The Comparison of the Factors According to the Age Group

Factors	Education Level	N	Mean	P Value (Kruskal-Wallis H Test)
Motivating Factors	Primary	4	12,23	0,03
	High	11	14,15	
	College	4	22,27	
	Bachelor	6	27,36	
	Post Graduate	25	31,17	
Hygiene Factors	Primary	4	17,12	0,07
	High	11	18,14	
	College	4	22,17	
	Bachelor	6	26,13	
	Post Graduate	25	28,12	

The results of Kruskal-Wallis H test were presented in Table 12. It was found that there were not significant differences (at p-level 0,05) between the hygiene factors and respondents' education levels. Thus, the values related to hygiene factors presented in Table, indicate that hygiene ($p=0,07>0,05$) factors do not significantly differ across education levels of the respondents.

On the other hand, as a result of the values given at Table, it can be said that there were significant differences (at p-level 0,05) between the motivating factors and respondents' education levels. These values indicate that as long as the education level of the employees go up, the importance of the motivating factors such as, apprising, promotion, rewarding, business and personal development trainings, participation in decision-making, taking responsibility, authority etc. arises. In particular, the employees who have the graduate and post graduate education level consider the motivating factors such as apprising, rewarding etc. more seriously than the ones who have lower education levels.

3.5.4. Comparison of the Factors According to the Titles of Participants

To compare the motivating and hygiene factors according to the titles of the participants, Kruskal-Wallis H Test were used. The results of this analysis can be observed in Table 4

Table 4 The Comparison of the Factors According to the Title Groups

Factors	Titles of Participants	N	Mean	P Value (Kruskal-Wallis H Test)
Motivating Factors	Officer	14	22,16	0,000
	Authorized	16	30,24	
	Expert	20	33,76	
Hygiene Factors	Officer	14	31,19	0,000
	Authorized	16	23,47	
	Expert	20	28,39	

The results of Kruskal-Wallis H test were depicted in table. It was found that there were significant differences (at p-level 0,05) between the factors and respondents' title groups. Thus, these values presented in Table 13 indicate that both motivating ($p=0,00<0,05$) and hygiene ($p=0,000<0,05$) factors significantly differ across the title groups of the respondents. According to the results, officers and experts consider the hygiene factors such as wage, job security, social opportunities, relationships with superior and colleagues etc. more seriously than authorized persons. On the other hand, the values presented in table also proved that authorized persons and experts consider the motivating factors more seriously than officers.

3.5.5 Comparison of the Factors According to the Seniority of Participants

To compare the motivating and hygiene factors according to the seniority of the participants, Kruskal-Wallis H Test were used. The results of this analysis can be observed in Table 5

Table 5 :The Comparison of the Factors According to the Seniority

Factors	Seniority of Participants	N	Mean	P Value (Kruskal-Wallis H Test)
Motivating Factors	0 1 years	13	30,16	0,000
	1 4 years	18	28,19	
	5 10 years	16	28,44	
	10 + years	3	43,14	
Hygiene Factors	0 1 years	13	22,54	0,000
	1 4 years	18	24,12	
	5 10 years	16	30,56	
	10 + years	3	44,42	

The results of Kruskal-Wallis H test were exhibited in table. It was found that there were significant differences (at p-level 0,05) between the factors and respondents' seniority. Thus, these values presented in Table indicate that both motivating ($p=0,00<0,05$) and hygiene ($p=0,000<0,05$) factors significantly differ across the seniority groups of the respondents. According to the results, the employees who have 10 + years and 4-10 year seniority consider the hygiene factors such as wage, job security, social opportunities, relationships with superior and colleagues etc. More seriously than the ones who have less seniority. This finding could be resulted from the belief that the employees who have 10+ years and 4-10 year seniority want to take more opportunities such as more wage, job security, social opportunities and etc. than the other groups of seniority. These values indicate that as long as the seniority of the employees go up, the

importance of the hygiene factors such as wage, job security, social opportunities, relationships with superior and colleagues etc. arises.

On the other hand, the values presented in table also proved that there exist significant differences among seniority of the participants. According to the results presented in table, the employees who have 10 + years and 4-10 year seniority consider the motivating factors such as apprising, rewarding, promotion personal and business development trainings more seriously than the ones who have less seniority. When we look at the results of employees who have 0-1 year seniority, we can say that this difference results from their wish to have a good position in the Company X. Especially, promotion acts very important role in this part. As the employees with 0-1 year seniority want to ascend the stairs in the Company quickly, they may be considered the motivating factors more seriously than the other groups. Similarly, the employees who have 10 +year seniority may be considered the motivating factors such as apprising, rewarding, since they want to get more satisfaction with the job they've done.

3.5.6 Analysis of the Specific Factors' Effect on Motivation

To indicate the affect of some specific tools that motivate employees on their performance, chi-square analysis was employed for statistical significance. Chi-square results were interpreted by looking at the significance of the results.

Table 6:Level of wage and its affect on motivation

	Value	df	P value
Pearson Chi-Square	27,042	16	0,041
Likelihood Ratio	30,757	16	0,014
Linear-by-Linear Association	6,34	1	0,012

The employees who are pleased with the level of wage believe that the wage rises the motivation positively. Chi-square test has been meaningful. Pearson's

chisquare has a value of 27,042 with a significance of 0,04 which is smaller than $p=0,05$. According to these results, the relation is relevant. Good level of wage and its affect on motivation is a strong correlation.

3.5.7 Appraisal and its effect on motivation

Table 7 represents the results of the effect of appraisal on motivation.

Table 7 Appraisal and its affect on motivation

	Value	df	P value
Pearson Chi-Square	22,976	16	0,028
Likelihood Ratio	27,515	16	0,007
Linear-by-Linear Association	0,387	1	0,534

The employees who mind about appraisal, believe that this positively affects the performance. Chi-square test has been meaningful. Pearson's chi-square has a value of 22,976 with a significance of 0,02 which is smaller than $p=0,05$. According to these results, the relation is relevant. Appraisal and its affect on motivation is a strong correlation.

3.5. 8 Rewarding and its effect on motivation

Table 8 represents the results of the effect of rewarding on motivation.

Table 8 :Rewarding and its affect on motivation

	Value	df	P value
Pearson Chi-Square	46,891	16	0,000
Likelihood Ratio	39,81	16	0,000
Linear-by-Linear Association	17,79	1	0,000

The employees who believe that rewarding mechanism is very important, think that rewarding mechanism positively affects the performance. Chi-square test has been meaningful. Pearson's chi-square has a value of 46,891 with a significance of 0,00 which is smaller than $p=0,05$. According to these results, the relation is relevant. Rewarding and its affect on motivation is a strong correlation.

3.5.9 Punishment and its effect on motivation

Table 9 represents the results of the effect of punishment on motivation.

Table 9: Punishment and its affect on motivation

	Value	df	P value
Pearson Chi-Square	21,04	16	0,04
Likelihood Ratio	22,691	16	0,03
Linear-by-Linear Association	3,645	1	0,046

The employees who believe that punishment is made fair, think that punishment positively affects the performance. Chi-square test has been meaningful. Pearson's chisquare has a value of 21,040 with a significance of 0,04 which is smaller than $p=0,05$. According to these results, the relation is relevant. Punishment and its affect on motivation is a strong correlation.

3.5.10 Promotion opportunities and its effect on motivation

Table 9 represents the results of the effect of promotion opportunities on motivation.

Table 10 Promotion opportunities and affect on motivation

	Value	df	P value
Pearson Chi-Square	28,226	16	0,005
Likelihood Ratio	29,707	16	0,003
Linear-by-Linear Association	0,557	1	0,455

The employees who think promotion opportunities within the company to be high, believe the promotion positively affect the motivation. Chi-square test has been meaningful. Pearson's chi-square has a value of 28,226 with a significance of 0,00 which is smaller than $p=0,05$. According to these results, the relation is relevant. Promotion opportunities and its affect on motivation is a strong correlation.

3.5.11 The relation with the superior and its effect on motivation

Table represents the results of the effect of the relation with the superior on motivation.

Table 11 :The relation with the superior and its affect on the motivation

	Value	df	P value
Pearson Chi-Square	29,164	16	0,004
Likelihood Ratio	31,47	16	0,002
Linear-by-Linear Association	2,58	1	0,108

The employees who say their relation with their superior is in a good state, have high motivation. Chi-square test has been meaningful. Pearson's chi-square has a value of 29,164 with a significance of 0,00 which is smaller than $p=0,05$. According to these results, the relation is relevant. The relation with the superior and its affect on motivation is a strong correlation.

3.5.12. The friendship and its effect on motivation

Table represents the results of the effect of the friendship on motivation.

Table 12 The friendship and its affect on motivation

	Value	df	P value
Pearson Chi-Square	23,298	16	0,025
Likelihood Ratio	21,954	16	0,038
Linear-by-Linear Association	2,14	1	0,143

The employees who say the friendships are in a good state have higher motivation. Chi-square test has been meaningful. Pearson's chi-square has a value of 23,298 with a significance of 0,25 which is smaller than $p=0,05$. According to these results, the relation is relevant. The friendship and its affect on motivation is a strong correlation.

3.5.13. Rise in authority and its effect on motivation

Table represents the results of the effect of the rise in authority on motivation.

Table13: Rise in authority and its affect on motivation

	Value	df	P value
Pearson Chi-Square	7,217	16	0,615
Likelihood Ratio	9,649	16	0,38
Linear-by-Linear Association	0,493	1	0,482

More responsible/authority holder an employee gets, higher his motivation becomes. Chi-square is statistically meaningless. Pearson's chi-square has a value of 7,217 with a significance of 0,61 which is greater than $p=0,05$. According to these results, the relation is not relevant. The increase in authority does not rise the motivation.

4. CONCLUSION

Motivation can also be defined as the willingness to exert high levels of effort to reach organization goals, conditioned by the effort's ability to satisfy some individual need. The effort element in management is a measure of intensity or drive. A motivated person tires hard. But high levels of effort are likely to lead to favorable job performance outcomes unless the effort is channeled in a direction that benefits the organization. Effort is directed toward the organization's goals is the kind of effort that it should be seeking. Finally, it can be said that motivation as a need-satisfying process. It is the fact that motivated employees are in a state of tension. To relieve this tension, they exert effort. The greater the tension the higher the effort level. If this effort leads to the satisfaction of the need, it reduces the tension. Hence, this tensionreduction effort should also be directed toward organizational goals. Therefore, individual's needs are to be compatible and consistent with the organization's goals. When individual's needs and organization's goals do not coincide, individuals may exert high levels of effort that run counter to the interests of the organization.

This study provides a useful in order to detecet motivational factors on workers. This part provides suggestions for motivating employee. These are: to recognize individual differences; match people to jobs; use goals; ensure that goals are perceived as attainable; individualize rewards; link rewards to performance; check the system for equity; not to ignore money. This study aims to determine the tools that motivate employees and to measure the effect of these tools on the performance of employees. Also, it is investigated if there were significant relations between the factors that motivate employees and the demographical characteristics of the employees. In other words, whether the factors classified as the motivating factors such as apprising, rewarding, business and personal development trainings and promotion and the hygiene factors such as wage, job security, social opportunities, relationships with superiors and colleagues significantly differ across the employees' demographical characteristics. The results of this study can be summarized as below.

4.1. Summary of the Findings

According to the results of the demographic characteristics; 32 (64%) of the respondents are male. Twenty of the respondents (40%) are from 25-29 age group, 15 (30%) from 20-24, 14 (7%) from 30-34 age group and two percent (4%) from 40 and above. 50% of the respondents are from post graduate, 22% from high school, 12% from bachelor level and also 8% of the participants are from primary school and college. When we look at the seniority of the respondents, 36% are from 1-4 year, 32% from 4-10 year, 26% from 0-1 year and finally 6% from 10 +year seniority. 20 of the participants in this study, 40% are expert, 32% authorized persons and finally 28% of the participants are officer. When we look at the distributions of respondents' positions, with the same portion that is 34% are sales representative and sales assistant, 26% of the participants are sales supporter and finally 65 of the employees are fleet sales manager. Results also showed that there are significant differences between the factors and employees' demographical characteristics.

It can be said that females had higher values than males in both factor groups. In other words, females considered both motivating ($p=0,04 < 0,05$) and hygiene ($p=0,03 < 0,05$) factors more seriously than males. It was found that there were not significant differences (at p-level 0,05)

between the factors and respondents' age groups. It was found that there were not significant differences (at p-level 0,05) between the hygiene factors and respondents' education levels. On the other hand, it can be said that there were significant differences (at p-level 0,05) between the motivating factors and respondents' education levels. These results indicate that as long as the education level of the employees go up, the importance of the motivating factors such as, apprising, promotion, rewarding, business and personal development trainings, participation in decision-making, taking responsibility, authority etc. arises. In particular, the employees who have the graduate and post graduate education level

consider the motivating factors such as apprising, rewarding etc. more seriously than the ones who have lower education levels.

It was found that there were significant differences (at p-level 0,05) between the factors and respondents' title groups. Thus, both motivating ($p=0,00<0,05$) and hygiene ($p=0,000<0,05$) factors significantly differ across the title groups of the respondents. According to the results, officers and experts consider the hygiene factors such as wage, job security, social opportunities, relationships with superior and colleagues etc. more seriously than authorized persons. On the other hand, the results also proved that authorized persons and experts consider the motivating factors more seriously than officers.

It was found that there were significant differences (at p-level 0,05) between the factors and respondents' seniority. Thus, both motivating ($p=0,00<0,05$) and hygiene ($p=0,000<0,05$) factors significantly differ across the seniority groups of the respondents. According to the results, the employees who have 10 + years and 4-10 year seniority consider the hygiene factors such as wage, job security, social opportunities, relationships with superior and colleagues etc. more seriously than the ones who have less seniority. This finding could be resulted from the belief that the employees who have 10+ years and 4-10 year seniority want to take more opportunities such as more wage, job security, social opportunities and etc. than the other groups of seniority. These values indicate that as long as the seniority of the employees go up, the importance of the hygiene factors such as wage, job security, social opportunities, relationships with superior and colleagues etc. arises. On the other hand, the results also proved that there exist significant differences among seniority of the participants. According to the results the employees who have 10 + years and 4-10 year seniority consider the motivating factors such as apprising, rewarding, promotion personal and business development trainings more seriously than the ones who have less seniority. When we look at the results of employees who have 0-1 year seniority, we can say that this difference results from their wish to have a good position in the Company X. Especially, promotion acts very important role in this part. As the employees

with 0-1 year seniority want to ascend the stairs in the Company quickly, they may be considered the motivating factors more seriously than the other groups. Similarly, the employees who have 10 +year seniority may be considered the motivating factors such as appraising, rewarding, since they want to get more satisfaction with the job they've done. To indicate the effect of some specific tools that motivate employees on their performance, chi-square analysis was employed for statistical significance.

4.2.Fulfillment of the Research Gaps

The employees who are pleased with the level of wage believe that the wage rises the motivation positively. The employees who mind about appraisal, believe that this positively affects the performance. The employees who believe that rewarding mechanism is very important, think that rewarding mechanism positively affects the performance. The employees who believe that punishment is made fair, think that punishment positively affects the performance.

The employees who think promotion opportunities within the company to be high, believe the promotion positively affect the motivation. The employees who say their relation with their superior is in a good state, have higher motivation.

The employees who say the friendships are in a good state have higher motivation. More responsible/authority holder an employee gets, higher his motivation becomes. The increase in authority does not rise the motivation. As a result of these findings discussed above some suggestions can be made for the companies which use the standard motivational tools. In particular, companies should consider the motivating factors such as appraising, rewarding, promotion, business and personal development trainings more seriously as much as the hygiene factors such as wage, job security, social opportunities, etc. Since the world always changes, the needs of employees also change day by day. The employees who want to earn more, to get more job security and social opportunities, etc., need more appraising, promotion, personal development. The

companies who are aware of these needs and developments try to meet these needs. They try to make such researches to find out the changing needs of the employees. Taking responsibility, using his/her own methods being got promotion, winning recognition makes employees more motivated. So the companies should consider these points and issues seriously. It is the fact that almost every contemporary motivation theory recognizes that employees are not homogeneous. They have different needs. They also differ in terms of attitudes, personality and other important individual variables. For instance, expectancy predictions are more accurate with individuals who have an internal rather than external locus of control. The belief of the internal locus of control that events in their lives are largely under their own control is consistent with the expectancy theory's self-interest assumptions.

4.3.Further Research

Moreover, there is a great deal of evidence showing the motivational benefits of carefully matching people to jobs. For example, high achievers should be sought for a job of running a small business or an autonomous unit within a larger business. The literature on goal-setting theory suggests that managers should ensure that employees have hard, specific goals and feedback on how well they are doing in pursuit of those goals. For those with high achievement needs, typically a minority in any organization, the existence of external goals is less important because high achievers are already internally motivated. Regardless of whether goals are actually attainable, employees who see goals as unattainable, employees who see goals as unattainable will reduce their effort.

Therefore, manager must be sure that employees feel confident that increased efforts can lead to achieving performance goals. For managers, this means that employees must be capable of doing the job and must perceive the performance appraisal process as both reliable and valid. Since employees have different needs, what acts as a reinforcer for one may not do the same for another. Managers should use their knowledge of employee differences to individualize the rewards

over which they have control. Some of more obvious rewards that managers allocate include pay, promotions, autonomy and the opportunity to participate in goal setting and decision making. Managers also need to make rewards contingent on performance. Rewarding factors other than performance will only reinforce those other factors. Key rewards such as pay increases and promotions should be given for the attainment of the employee's specific goals. Managers should also look for ways to increase the visibility of rewards. Eliminating the secrecy surrounding pay by openly communicating everyone's compensation, publicizing performance bonuses and allocating annual salary increases rather than spreading them out over the entire year are examples of actions that will make rewards more visible and potentially more motivating.

Performance management comprises performance appraisal. The point that is wanted to be emphasized with performance management is to improve the performance related to the ideal performance according to the results of the performance appraisal. Employees should perceive that rewards or outcomes are equal to the inputs given. On a simplistic level, experience, ability, effort and other obvious inputs should explain differences in pay, responsibility and other obvious outcomes. Nevertheless, it is easy to get in setting goals, creating interesting jobs and providing opportunities for participation that one forgets that money is a major reason why most people work. Hence, the allocation of performance-based wage increases, piecework bonuses and other pay incentives is important in determining employee motivation.

In designing this study, efforts were made to minimize its limitation, but some still need to be addressed. This study was conducted for only one automotive company. To be able to generalize the findings for this specific sub-sector, a study that would include more automotive companies in a variety of regional settings could be conducted. In addition, the results of this study may not have been representative of the whole population, due to the fact that a convenience sampling method was used to collect the data. Future studies could enlarge the scope of the study by covering more companies to generate segment-specific data.

Future research could also be extended to other sectors such as service and sub-sectors such as telecommunication, hotelmanagement, etc.

REFERENCES

Allport, G. *Personality and social encounter: Selected essays*, Beacon Press, 1960;
G. Allport. *Pattern and growth in personality*, Holt, Rinehart and Winston, 1961.

Austin, R. D.; G.J. Hoffer. *Anomalies of High Performance: Refraining Economic and Organizational Theories of Performance Measurement*, Harvard University. (Retrieved from: Frey et.al., 2002, p: 79.)

Bakker, A.B., & Demerouti, E. (2007). The Job Demands-Resources model: State of the art. *Journal of Managerial Psychology*, 22, 309-328.

Bakker, A. B., Demerouti, E., de Boer, E., & Schaufeli, W. (2003). Job demands and job resources as predictors of absence duration and frequency. *Journal of Vocational Behavior*, 62, 341-356.

Bakker, A.B., Demerouti, E., Taris, T., Schaufeli, W.B., & Schreurs, P. (2003). A multigroup analysis of the Job Demands – Resources model in four home care organisations. *International Journal of Stress Management*, 10, 16–38.

Bandura, A. *Self-efficacy: The exercise of control*. W. H. Freeman and Company, 1997.

Barkema, H. G. “Do Executives Work Harder When They are Monitored?”, *Kyklos*, 48, p: 19-42.

Baumeister, R.F., & Leary, M.R. (1995). The need to belong: Desire for interpersonal attachments as a fundamental human motivation. *Psychological Bulletin*, 117, 497–529.

Belilos, C. (1999), “Cross-Training as a Motivational and Problem-Solving Technique”, Hospitality Consulting Services.

Calder and Staw, (1975); E.L. Deci; R.M. Ryan. *Intrinsic motivation and self-determination in human behavior*, Plenum Press, 1985.

Cameron, J.; K.M. Banko; W.D. Pierce. (2001), “Pervasive negative effects of rewards on intrinsic motivation: The myth continues”. *The Behavior Analyst*, 24, 1-44.

Carolyn W., (1997) "What motivates employees according to over 40 years of motivation surveys", *International Journal of Manpower*, Vol. 18 Iss: 3, pp.263 – 280.

Chinchilla, N.; Torres E. "Why become a family-responsible employer?", International Center for Work and Family, 2006.

Collins, J.C. and Porras, J.I. (1994), *Build to Last. Successful Habits of Visionary Companies*, HarperBusiness, New York, NY.

Cooke, R. (1992), "Human resource strategies for business success", in Armstrong, M. (Ed.), *Strategies for Human Resource Management*, Kogan Page, London.

Core, J. E. et.al. "Corporate Governance, chief executive officer compensation and firm performance", *Journal of Financial Economist*, 51, 1999, p: 371-406.

Csoka, L. (1994), *Closing the Human Performance Gap*, Report No. 1065-94-RR, The Conference Board Europe, New York, NY.

Daniels, M. Maslows's concept of self-actualization, 2001.

Deci, E.L., & Ryan, R.M. (1985). *Intrinsic motivation and self-determination in human behavior*. New York: Plenum Press.

Deci, E. L.; R. Koestner; R.M. Ryan. "A meta-analytic review of experiments examining the effects of extrinsic rewards on intrinsic motivation", *Psychological Bulletin*, 125, 1999, 627-668.

DeCharms, R. (1968). *Personal causation*. New Jersey: Lawrence Erlbaum Associates.

Demerouti, E., Bakker, A.B., Nachreiner, F., & Schaufeli, W.B. (2001). The job demands-resources model of burnout. *Journal of Applied Psychology*, 86, 499-512.

Drucker, P. (1985), *Management*, Harper, New York, NY

Eisenberger, R.. "Learned industriousness", *Psychological Review*, 99, 1992, p: 248-267.

Eisenberger, R.; L. Rhoades; J. Cameron. (1999), "Does pay for performance increase or decrease self-determination and intrinsic motivation?", *Journal of Personality and Social Psychology*, 77, 1026-1040.

Fehr E.; Gächter S., (2000), "Fairness and retaliation: the economics of reciprocity", *Journal of economic perspectives*, 14, 3, p: 159-181.

Franken, R. (1994) *Human motivation*, Brooks/Cole. Frederick, Herzberg. *Work and the Nature of Man*.

Frey, B.S. (1997), *Not just for the money. An economic theory of personal motivation*, Edward Elgar.

Frey, B. S. and Margit Osterloh (eds.), (2002), "Motivation: A Dual-Edged Factor of Production", *Successful Management by Motivation*, p: 8-9.

Gallinsky, E. (2003) "The Changing Workforce in the United States. Making Work "Work" in Today's Economy", *International Research on Work and Family: From Policy to Practice, 2005* (quoted from Chinchilla and Torres, 2006.); *Harvard Business Review*. Motivasyon, Türkiye Metal Sanayicileri Sendikası, p: 135.

Ghoshal, S. and Bartlett, C.A. (1997), *The Individualized Corporation*, HarperBusiness, New York, NY.

Hackman, J. R., & Oldham, G.R. (1980). *Work redesign*. Reading, MA: Addison-Wesley

Harackiewicz, J. M.; G. Manderlink; C. Sansone. (1984), "Rewarding pinball wizardry: effects of evaluation on intrinsic interest", *Journal of Personality and Social Psychology*, 47, 287-300.

Hobfoll, S.E. (2001). The influence of culture, community, and the nested-self in the stress process: Advancing conservation of resources theory. *Applied Psychology: An International Review*, 50, 337-370.

James, W. *Psychology: Briefer course*, Collier, 1892/1962.

Jensen, M.C; Meckling, W.H. (1976), "Theory of the firm: managerial behavior, agency costs and ownership structure", *Journal of financial economics*, 3, p: 305-360.

Hockey, G.R.J. (1993). Cognitive-energetical control mechanisms in the management of work demands and psychological health. In A. Baddely & L. Weiskrantz (Eds.), *Attention: Selection, awareness, and control* (pp. 328-345). Oxford: Clarendon Press.

Kaya, Ebru. (1995), "Job satisfaction of the librarian in the developing countries", 61. IFLA General Conference Proceedings, Aug 20-25.

Kleinginna, P.; A. Kleinginna. (1981), "A categorized list of motivation definitions, with suggestions for a consensual definition". *Motivation and Emotion*, 5, p: 263-291.

Lazear, E. P. (1999), "Personel Economics: Past Lessons and Future Directions", *Journal of Labor Economics*, 17, p: 199-236.

- Leiter, M.P. (1993). Burnout as a developmental process: Consideration of models. In W.B. Schaufeli, C. Maslach & T. Marek (Eds.), *Professional burnout: Recent developments in theory and research* (pp. 237–250). Washington, DC: Taylor & Francis.
- Lepper, M. R.; M. Keavney; M. Drake. (1996) “Intrinsic motivation and extrinsic rewards: A commentary on Cameron and Pierce’s meta-analysis”, *Review of Educational Research*, 66, p: 5-32.
- Lewig, K., Xanthopoulou, D., Bakker, A.B., Dollard, M., & Metzger, J. (2007). Burnout and connectedness among Australian volunteers: A test of the Job Demands–Resources model. *Journal of Vocational Behavior*, 71, 429–445.
- Likert, R. (1965), *New Patterns of Management*, McGraw-Hill, New York, NY.
- Luthans, F. (1998) *Organisational Behaviour*, McGraw-Hill.
- Mathes, E. (1981) “Maslow’s hierarchy of needs as a guide for living”, *Journal of Humanistic Psychology*, 21, 69-72.
- May G.: (2014) *A new Human-centric Factory Model*, 12th Global Conference on Sustainable Manufacturing, Politecnico di Milano.
- McGregor, D.M. (1960), *The Human Side of Enterprise*, McGraw-Hill, New York, NY.
- Meijman, T.F., & Mulder, G. (1998). Psychological aspects of workload. In P.J. Drenth, H. Thierry, & C.J. de Wolff (Eds.), *Handbook of Work and Organisational Psychology* (2nd ed.; pp. 5–33). Hove, UK: Erlbaum.
- Olajide, A. (2000) “Getting the best out of the employees in a developing economy”, A Personnel Psychology Guest Lecture Series, Department of Guidance and Counselling, University of Ibadan, Nigeria.
- Osterloh; Frey B.S. (2000) “Motivation, knowledge transfer, and organizational forms”, *Organization science*, 11, p: 538-550.
- Pfeffer, J. (1994), *Competitive Advantage through People*, Harvard Business School Press, Boston, MA.
- Pierce, W. D.; J. Cameron; K.M. Banko; S. So. (2003), “Positive Effects of Rewards and Performance Standards on Intrinsic Motivation”, *The Psychological Record*, 53, 4, p: 561.
- Prahalad, C.K. (1995), “How HR can help to win the future”, *People Management*, Vol. 1 No. 1, pp. 34-6.

Ryan, R.M. (1985), *Intrinsic motivation and self-determination in human behavior*, Plenum Press,.

Schaufeli, W.B., Bakker, A.B., & Van Rhenen, W. (2009). How changes in job demands and resources predict burnout, work engagement, and sickness absenteeism. *Journal of Organizational Behavior*, 30, 893–917.

Shapira, Z. (1976) “Expectancy Determinants of Intrinsically Motivated Behavior”, *Journal of Personality and Social Psychology*, 34, p: 1235-1244.

Thierry, H. (1987), “Payment by result systems: a review of research 1945-1985”, *Applied psychology*, 36: 91-108.

Van den Broeck, A., Vansteenkiste, M., De Witte, H., & Lens, W. (2008). Explaining the relationships between job characteristics, burnout and engagement: The role of basic psychological need satisfaction. *Work & Stress*, 22, 277–294.

Weiner, B. (1992), *Human Motivation: Metaphors, Theories, and Research*, Sage.

White, R. (1959). Motivation reconsidered: The concept of competence. *Psychological Review*, 66, 297–333.

Yerkes, R.; J. Dodson. (1980), The relation of strength of stimulus to rapidity of habit-formation. *Journal of Comparative Neurology and Psychology*, 18, p: 459-

48