



IMPACT OF MOTIVATION ON JOB SATISFACTION OF EMPLOYEES IN BPO'S: A LITERATURE PERSPECTIVE

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ABSTRACT

Despite the importance of organizations working the lack of research shows how much importance is being given to keep employees motivated. Thereby it is integral to study diverse factors that influence employees to stay committed to work and perform efficiently. This research aims to find a connection between motivation and job satisfaction for BPO employees. Motivation help employees take up projects and ventures which challenge them and bring in excitement once achieved, thereby their performance can also be gauged from the work assigned to them.

Key Words: Business Process Outsourcing (BPO), Motivation, Job Satisfaction, Impact, Productivity

INTRODUCTION

The Business Process Outsourcing (BPO) industry is about a decade old in India. It is the fastest growing segment of the Indian Information Technology (IT)-BPO sector and India is considered the “electronic housekeeper” of the world (NASSCOM, 2009). Services for BPO are typically provided by Information Technology enabled Services (ITeS). Over the last decade, the BPO industry has grown at a frenetic pace. BPO exports from India grew from \$2.45 billion in FY 2002-03 to over \$16 billion in FY 2012. Presently, the IT-BPM sector in India is expected to provide direct employment to over 3.1 million employees and generate revenues of over 8.1 per cent of the national GDP of India (NASSCOM, 2014). India’s market share in outsourcing industry spiked from 51 per cent in 2009 to 58 per cent in 2011. The BPO industry has accounted for around 1.5 per cent of India’s incremental GDP in the last decade. Through portrayal of ‘work as fun’ and ‘workplace as yet another campus’, the potential workers are attracted to and engaged in the BPO sector. The superior image of work in the sector and the vibrant ambience of workplace with sweeping glass and concrete buildings, row of jazzy computers, the company of smart and trendy peers – help in drawing educated and fun-loving youngsters from urban middle class, who are fascinated with Western ways of living and modern work environments (Ramesh, 2004). Notwithstanding these highly encouraging conditions for the establishment of BPO operators, skill shortages and employee turnover have rapidly become major challenges facing the mushrooming industry (Budhwar, Luthar, & Bhatnagar, 2006; Budhwar, Varmam, Singh, & Dhar, 2006). The BPO sector is facing severe dearth of skilled workers, as the rate at which employees are opting out of mid- and low-level jobs has become alarmingly high (ASSOCHAM, 2011). Therefore our research is based on the human resource management practice that is motivation. It will also

provide an insight into the fact that how job satisfaction can be enhanced within the organizations. In developing countries like India, it is required to work on such areas that can be developed to increase the productivity of employees and thus of the organizations as well.

LITERATURE REVIEWS

The literature reviews to support our purpose is divided in three parts. The first part speaks about the job satisfaction, the second part reveals the ideas and ideologies regarding motivation and third part establishes the relationship between motivation and job satisfaction.

JOB SATISFACTION

Locke (1969) explains that job satisfaction is a state of emotional gladness, results from the achievement of the goals that one get through performing his part of contribution inside an organization.

Ramayah, Jantan, and Tadisina (2001) states that Job satisfaction explains how employees are buoyant to come to work and how they get enforced to perform their jobs. What are the things which makes an employee happy on getting the work done and not leaving the job? Further job satisfaction is also the outcome of the worker's appraisal of extent to which the work environment fulfills the individual's needs.

Aswathappa (2003) had discussed about the deciding factors of job satisfaction as it said that the wage payment and monetary rewards are the two determinants. Different organizations incorporate different wage system and other rewards system. Organizations pay compensation along with incentives, perquisites, and other non-monetary benefits.

Rao (2005) in his study discussed that satisfaction at work for any person acts as a motivation factor to work effectively. In other words, motivation leads people to their job satisfaction. It is just not only our own self-satisfaction and identity pleasure, but also blends of psychological and environmental effect of the people for their own happiness with their work (Khan 2006).

Velnampy (2008), in his unique study on employees performance and job attitude narrates that job satisfaction contains positive impact on the performance of the employees as it enhances job involvement and higher performance also makes people feel much more satisfied, committed and dedicated to the organization. The satisfaction level and performance level of an employee works in a cycle and are interdependent. High job satisfaction and involvement of the employee leads him to have high levels of performance and self-satisfaction.

Shahu & Gole (2008), in their research define impact of job satisfaction on performance, they had concluded or sum up their findings on a factor that work satisfaction should be considered by any organization as an important plan which needs to be extend or taken care off in order to improve employees performance where employees can put their best performance. Performance level drastically come down or lowers with lower level satisfaction scores. There has to be some awareness programs, pertaining to areas like stress & satisfaction level in the industries. It will

definitely help organizations to understand the benefits of stress knowledge in relation to satisfaction and achievement of goal in the industry.

Shah (2008), in his study on "job satisfaction and fatigue variables" found the negative relationship between fatigue and satisfaction from the job. The fatigue was termed or found as negative predictor of Job Satisfaction. Shah's study clearly indicates the various issues for Call Centre/BPO employees in the context of Indian economy in which the researcher said that there are various factors which leads to dissatisfaction which may be "on the job" and "off the job". It has also been discussed in the study that if fatigue happens to get minimized, job satisfaction can definitely be improved by various innovative, encouraging and interesting strategies.

The topic of Job satisfaction has always remained an interesting and talked about area for discussion in the study of management, psychology especially in organizational behavior and human resource management for a very long period. Many economists have shown utmost interest, have paid attention and inclination towards this subject in recent years (Kosteas, 2009).

WORK MOTIVATION

The term "Motivation" has been derived from the Latin word "movere" meaning thereby to move, direct or channelize. Motivation is a driving force, an internal process that activates guides and maintains desired behaviour/action over time. It is a force which results in persistent behaviour directed towards particular goals. Motivation to work is a condition / state of mind that influences the direction and maintenance of efforts in work settings. Motivation arises in different ways in different persons as per their needs, goals and/or intentions; and it tends to appear in the activities in which he/she is engaged. According to the definition given by Stephen P. Robbins, "Motivation is a process that account for a person's Direction, Intensity and Persistence toward any given goal or task in general, and also the organizational goal in particular".

If we analyze this definition, motivation to work seems to be a result of three things namely,

- Intensity to have something meaning thereby how strongly one wants something...
- Direction of efforts to put in to achieve the desired end meaning thereby channelizing the work behaviour in the right direction...
- Persistence of hard work and efforts to achieve the desired end meaning thereby how long he/she can maintain the performance even in the face of adversities also...

The importance of motivation can be well explained and understood from the following equations formulated by Dr. A. S. Abani.

$$\mathbf{Knowledge * Skill = Ability}$$

$$\mathbf{Attitude * Situation = Motivation}$$

$$\mathbf{Ability * Motivation = Potential Behaviour / Potential Performance}$$

$$\mathbf{Potential Performance * Resource (Opportunity Factors) = Actual Performance}$$

Thus, even a person is able to do something; unless he is motivated enough to act / put his/her efforts in the right direction, desired performance will not occur. The direct linkage between motivation and employee performance has been the reason why motivation has been the much talked about topic in the area of Organization behaviour.

Allen & Meyer (1990) have tried to answer the following questions; how an organization can investigate that whether they are keeping their staff happy or not, also satisfied and loyal to the organization. Further he argues in his research that there isn't a concrete answer to prove that work motivation and satisfaction is effected by various other factors those are interlinked to employees; how much they are interconnected with the organization and to what degree the employees feel they are responsible towards the organization.. Work motivation can be evaluated by the degree of feeling of obligations, attachment and rewards in working in organization.

Bacon et al (1996), Deshpande and Golhar (1994), and Julien (1998) have stressed upon the fact that employees have the key position in maintaining a competitive edge over the competitive market by a business.

Simon (1997, p.276) has very clearly define in his research study, why motivation is mandatory? the most important aspect or goal for all companies nowadays, is to motivates their staff towards work for organizational goals and development of organization to the next level, but at the same time Pfeffer (1998) in his findings in his research has given that, the companies who had learnt the tactics or learnt the correct and accurate ways of how to utilize and manage their employees would be victorious and successful in a long run. Also know how to build importance of work and completing the tasks. To keep the employees satisfied or happy in the organization is a way to organizational effectiveness.

Frey (1997) in his study states that extrinsic rewards, like monetary benefits may interact negatively with the intrinsic work motivation. In his study he also shows that there is crucially dependence of intrinsic motivation on the extrinsic incentives.

Luthans (1998) asserts that motivation is the process that arouses, energizes, directs, and sustains behavior and performance. Motivation can encourage and push people internally towards their own actions which helps them to accomplish the preferred task, employ effectiveness is a way which can inspire people to their work and can bring more work motivation, dedication and commitment of their respective jobs. Intrinsic motivation, in a way can be defined as the motivation to perform or complete an activity for it, which in order to experience the pleasure and satisfaction inherent in the activity performed (Connell, & Ryan, 1989).

Horwitz et al (2003) predicted in his study and research that employee gets very high motivation through support of the management and challenging work environment. If the employees are competitive and want to do work with full efficiency as it will utilize all their capabilities, then challenging work is the best motivator. Many employees love to make relationship with the colleagues and also like to contact more and more of the higher authorities. By making more and more contacts or rapport make them feel that they are been observed by everyone from top to bottom and they tend to work with more motivation.

Locke and Latham (2004, p.388) has analysed the effectiveness of work motivation as a result of both internal and external factor that forces the employee to work with more vigour, dedication, commitment and loyalty which results into ultimate job satisfaction .

According to cognitive evaluation theory and self-determination theory (Gagne´ & Deci, 2005), rewards that are interpreted as information about one's competence and satisfy individuals' need for autonomy, will enhance intrinsic motivation.

Wright and Pandey (2005) in their work described that loyalty and emotional attachment is one of the most important factors of employee motivation that binds the employee to stick to the organization, apart from this there are many other benefits associated with the organization which are also part of motivation.

RELATION BETWEEN MOTIVATION AND JOB SATISFACTION

Herzberg et al.'s (1959) in his study has described a relationship between two variables, Job Satisfaction is the result of two different kinds of factors, intrinsic as well as extrinsic factor; intrinsic factors appraised the job satisfaction and extrinsic factors may cause dissatisfaction and also may reduce the level of job satisfaction. The extrinsic factors which we say are also termed as hygiene factors. According to Herzberg, the hygiene factors may result in the form of dissatisfaction and these were external or environmental features e.g. company policy, supervision, administration, work conditions, salary and other benefits. The intrinsic factors are also termed as satisfiers and motivators which included creative or challenging work environment, responsibility and advancement or growth opportunities.

Kovach (1987) in his study tried to identify the relationship; the need to provide the basic necessities of life which motivates most of the people, which in return make the employees satisfied with their jobs and organization. Whereas Brown (1996) in his study examines that when an organization is having some very satisfied and delighted employees, it is very much likely to have satisfied and a delighted customers as well. Brown said the employee satisfaction and delightedness acts as a prerequisite of customer satisfaction.

Wagar (1998) in his research and study explained that in the global market, any organization can be successful only when it has highly motivated, satisfied, and motivated workforce that can produce quality goods at low costs. People were and are always a vital resource of any organization. At times, they are often neglected at their workplace which lead to their performance to come down and ultimately can lead to failure. Thus, it is very important and vital or any organization to understand what motivates people and how they get satisfied from their job or at workplace that leads to organizational performance and success. Motivation could be described as a driving force which helps people to think positive and be charged up for better performance. So it is said that the concept of motivation can never threaten people to work hard but always work with ease and comfort. Threats can create fears of stress and resentment in the employees which are always likely to be ineffective in the long run. Furthermore, it is always better that people should be motivated as it is believed that

the driving force which comes out from motivation will compel people to put in their best efforts, commitment, dedication out of their own willingness.

Gupta & Joshi (2008) in their research has discussed the impact and the connection between the job contentment and work inspiration for the employees. Efficiency and Productivity in the work of an employee is the outcome of satisfaction and comfort, and productivity can be taken as indicator of job satisfaction and happiness. Employees generally will have to spend most of their time at workplace and thus needs satisfaction and comfort at that place to perform better and yield better result.

CONCLUSION & FUTURE DIRECTION OF RESEARCH

Popularly known as “Motivation – Hygiene Theory” also, this theory was propounded by Frederick Herzberg in the 50s. Based on the findings of his pioneering study on 200 accountants and engineers, he found that there are two different sets of factors, one relating to job satisfaction and another related to job dissatisfaction. He classified them as “Motivators” and “Hygieners” respectively. According to him, the Motivators are internal to the job and they always lead to job satisfaction. On the other hand, the Hygieners are external to the job and their presence never lead to motivation, but their absence lead to dissatisfaction and demotivation. The research purpose is to apply the said theory in case of BPO industry and try to find out the impact of motivation on the job satisfaction of the employees in context of the Motivating factors and Hygiene factors on the basis of opinions and analysis of the opinions of the employees in the BPO industry.

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