



ROLE OF PERSONNEL MOTIVATION POLICY FOR EMPLOYEES' PRODUCTIVITY OF BIG COMPANY

*Doctoral student **Laura Kersule***

*University of Latvia; Latvijas Mobilais Telefons
Aspazijas bulv. 5, Riga, LV-1050, Latvia
E-mail: Laura.Kersule@lmt.lv*

*Dr.oec., Professor **Biruta Sloka***

*University of Latvia
Aspazijas bulv. 5, Riga, LV-1050, Latvia
E-mail: Biruta.Sloka@lu.lv*

*Dr.oec. **Iluta Skruzkalne***

*GfK Baltics
E-mail: Iluta.Skruzkalne@gmail.com*

Keywords: employee motivation, effectiveness, productivity, job performance, organizational commitment, knowledge workers

Abstract

The present study contributes to our understanding of relationships between employees' productivity and organizational commitment, welfare and self-determined motivational factors in telecommunication sector by exploring differences on evaluation of productivity related issues between big and small size telecommunication companies and comparing those with general working population in different industries. Findings of this study will give certain knowledge on the meaning of knowledge workers' productivity in telecommunication industries and on the specific challenges involved in the management of knowledge workers' productivity.

Commitment as used in this context refers to loyalty and job satisfaction, while productivity refers to employee job performance and effectiveness. Specifically, Aswathappa (2004) argued that welfare involved physical, mental, moral and emotional well-being of an individual, which according to Singh (2009) involves occupational health, suitable working time and appropriate salary that can increase motivation and satisfaction¹. In this context we defined Welfare as body of hygienic benefits, incentives provided by employer and self-determinant motivation refers to intrinsic motivators.

In the pages below that follow, we first review theoretical framework of involved concepts like productivity, commitment and motivation. This is followed by a description of our research method, the presentation of our findings and conclusions.

¹ Chukwunye ,I.O., Akpoebi D. Amgbare, Staff Welfare And Productivity In Patani Local Government Council Of Delta State, Nigeria, Culture & Religion Review Journal, Vol. 2011 Iss.1, 14 p.



New Challenges of Economic and Business Development – 2012

May 10 - 12, 2012, Riga, University of Latvia

Introduction

The issues of productivity, professionalism and performance are being central concerns for many years. Concern for productivity is becoming more and more crucial due to fundamental structural changes economy and in the labour markets. These changes are connected with the growing proportion of service industries, with the application and increasing use IT and communication technology, which influence on reproductive process is of such importance that innovations and knowledge have become the new unique production factors besides labour, land and capital. These new production factors condition transition of economy to a new quality that is known as knowledge or new economy. The new economy is marked as a society based on knowledge or information society in which technological changes and the influence of knowledge determine and modify economic development.

Competitiveness was and still is the best parameter which determines the survival of enterprises and organizational excellence in this scenario. Now competition is transformed to hyper-competition and the most crucial variable is knowledge. Knowledge workers are rapidly becoming the largest single group in the work force of every developed country. Thus the ability of organizations – and not only of businesses— to survive will come to depend on their “comparative advantage” in having the best knowledge workers and making them more productive. The term “knowledge work” was first coined by Dr. Peter Drucker in the 1960s as any work that requires mental power rather than physical power (Fisher, 1998). It has been further defined as work that involves analyzing information and applying specialized expertise to solve problems, generate ideas, teach others, or create new products and services (Evans, 1993)². The ability to attract and hold the best of the knowledge workers is the first and most fundamental precondition³. Therefore the greatest challenge facing companies will be to evaluate, measure and rise productivity of knowledge and service workers⁴. High productivity and organizational performance could not be realized without the employee’s support and contribution. This is because these human assets are largely responsible for the achievement of organization’s vision, mission and goals. Employee motivation is in fact an essential component of business operations – high motivation coincides with job satisfaction, a sense of pride in one’s work, a lifelong commitment to one’s organization, and the desire to put the achievement of organizational goals ahead of personal goals, thereby enhancing an organization’s performance and productivity (Linz, Good, & Huddleston, 2006). To ensure that employees are satisfied with their job, they need to be motivated and compensate with rewards that are valued by the employees. Employee motivation is widely practised exercise today across all corporate sectors regardless of their size of being either big or small. Just like the psychological need for any individual to be appreciated over his efforts, the same idea of thought stems the need for rewards and recognition in order to increase the work drive of an employee and increase his efficiency and seriousness towards work. Employees’ motivation at work can take place in two ways. First, Intrinsic motivation-people who are intrinsically or internally motivated generally

² Jones E.C., Chung C.A., A Methodology for Measuring Engineering Knowledge Worker Productivity, *Engineering Management Journal*, Vol. 18, No. 1, March 2006, 32 p.

³ Drucker P.F., Knowledge-workers Productivity: The Biggest Challenge, *California Management Review*, Vol. 41, No. 2, Winter 1999, pp. 79-94, 94 p.

⁴ Drucker P.F., The New Productivity Challenge, *Harvard Business Review*, 1991, December, 69 p.



New Challenges of Economic and Business Development – 2012

May 10 - 12, 2012, Riga, University of Latvia

don't need external rewards such as pay or praise to do well in a job. They are self-motivated because they enjoy performing the actual tasks or enjoy the challenge of successfully completing the tasks. Herzberg proposed that these positive elements (the 'satisfiers') are job content factors such as a sense of achievement, recognition, interest in the work itself and advancement. Second group relates to extrinsic motivation and describe employees, who are externally motivated, generally don't enjoy the tasks but are motivated to perform well by some kind of reward, pay, promotion, praise or avoid any negative consequences and conversely. These are so called the 'dissatisfiers' or 'hygiene factors' and are associated with the workers relation to the environment in which he performs his task, such as the company policies, ineffective administration among others. Intrinsic motivation is likely to have a strong and longer-term effect on employees because it is inherent in employees and not imposed from the management.

Understanding Productivity

Employee productivity is exchangeable with terms high job performance, effectiveness in the context of this study. Researchers (Scase, 2003; Katzenbach, Smith 1999) defined high performance of teams, giving explanation as one which perform better than the average or deliver performance well in excess similar ones and far above reasonable expectations in their business, team⁵. According to business dictionary job performance has been defined as work performance in terms of quantity and quality expected from each employee. Job performance as the aggregated value to an organization of the set of behaviors that an employee contributes both directly and indirectly to organizational goals (Borman & Motowidlo, 1993; Campbell, 1990). Behavioural approach in such context can express the multiple dimensions, this perspective can provide insight into the specific types of employee behaviors that transmit the effects of engagement to more "objective" outcomes, such as productivity, efficiency, and quality. Efficiency and effectiveness are dimensions of productivity. Effectiveness is defined as the level or extent to which an employee can achieve the set goals and quality, whereas efficiency is the proportion between the accomplished and expected or defined result (Sumanth, 1998). Whereas self-efficacy is defined as people's judgments of their capabilities to organize and execute courses of action required to attain designated types of performances (Bandura, 1986). Self-efficacy perceptions, in concert with self-regulatory behaviors, influence the goals people set, strategies people choose, effort people expend, and perseverance people display (Bandura, 1991). Thus, successful performance requires that a person possess both the appropriate skills and abilities and strong feelings of efficacy (Lent et al., 1994)⁶

However, since fundamental changes in the very structure and nature of the economic system are continuing it is evident that 'productivity' in the traditional meaning of 'relation between quantity of output in relation to amount of input' (Gutenberg 1958; Pedell 1985; Schermerhorn et al. 1988; Gaither, 1996; Sumanth, 1998) cannot be applied to knowledge work.

⁵ Quader M.S., Quader M.R., A Critical Analysis of High Performing Teams: A Cases study Based on the British Telecommunications, *Journal of Services Research*, Vol. 8, No. 2, 2008, 178 p.

⁶ Don C. M., Scott L. Boyar, Charles M. Carson, Allison W. Pearson, A Production Self-efficacy Scale: An Exploratory Study, *Journal of managerial Issues*, Vol. XX, No. 2, Summer 2008, pp. 272-285.



New Challenges of Economic and Business Development – 2012

May 10 - 12, 2012, Riga, University of Latvia

Drucker⁷ outlined discrepancies between productivity of manual-worker and productivity knowledge-worker:

1. Knowledge Workers have to manage themselves. Knowledge workers' responsibility for their own contribution. They have to have autonomy;
2. Continuing innovation has to be part of the work, the task and the responsibility of knowledge workers;
3. Knowledge work requires continuous learning on the part of the knowledge worker, but equally continuous teaching on the part of the knowledge worker;
4. Productivity of the knowledge worker is not – at least not primarily – a matter of the *quantity* of output. *Quality* is at least as important
5. Knowledge-worker productivity requires that the knowledge worker is both seen and treated as an “asset” rather than a “cost”. It requires that knowledge workers want to work for the organization in preference to all other opportunities. Thus employer branding “employer by choice” becoming more crucial
6. Knowledge workers are lead by coaching. Knowledge-worker productivity demands that we ask the question: “What is the task?”

Understanding Commitment

There are long standing discussion among researchers on finding significant differences between conceptualization of motivation and commitment. Comparing the definitions of motivation and commitment reveals an obvious similarity: both have been described as energizing forces with implications for behavior both developed in an attempt to understand, predict, and influence employee behavior. Still there is vague understanding which concept is stronger in explaining employee's performance and which employee turnover. One of the important findings is definition of commitment as generally more seriously related to one's self-responsibility with relatively long-term implications. Commitment is viewed as concept that can better explain intensity and stability of an employee's dedication to the organisation (Mester, Visser, Roodt & Kellerman, 2003). By contrast, motivation can be defined dependent on situational circumstances, being inconsistent behavioural signal with shorter-term implications⁸. However majority researchers are agree on multidimensional structure of employee commitment – first, it is the loyalty and support of workforce to the goals of organization” (Begin, 1997, p. 20, O'Reily, & Chatman, 1986).), second it (Greenberg and Baron, 2000) it is certain extent to which an employee identifies and third, it is involvement in one's organization or is unwillingness to leave it. Three another explanatory angles of employee commitment exist in the workplace: Affective commitment – employees' emotional & psychological attachment and involvement in the organization; Continuance commitment – continuation of employment inspired by the costs and benefits associated with leaving the organization, and

⁷ Drucker P.F., Knowledge-workers Productivity: The Biggest Challenge, California Management Review, Vol. 41, No. 2, Winter 1999, pp. 79-94, 84 p.

⁸ Meyer J.P., Becker T.E., Vandenberghe C., Employee Commitment and Motivation: A Conceptual Analysis and Integrative Model, Journal of Applied Psychology Copyright 2004 by the American Psychological Association 2004, Vol. 89, No. 6, pp. 991-1007, 994 p.



New Challenges of Economic and Business Development – 2012

May 10 - 12, 2012, Riga, University of Latvia

normative commitment – obligation to continue employment with the organization resulting from externally exerted pressure. Of the above three forms of commitment, affective commitment is considered most desirable for an organization, as employees with high levels of affective commitment are more likely to willingly contribute to the organizational performance and productivity, and even do more than it is expected from them (Meyer, & Allen, 1991; Dunham, Grube, & Castaneda, 1994)⁹. Affective commitment to different targets at work may enhance proactive behaviour towards such targets. Den Hartog and Belschak (2007) suggest several explanations for the positive link between affective commitment and proactive behaviour. First, the affective element involved leads to activation that energizes employees to engage in behaviours, thereby facilitating positive action and proactive behaviour (e.g., Cacioppo, Gardner, & Berntson, 1999). Affective commitment to different targets at work may enhance proactive behaviour towards such targets. Den Hartog and Belschak (2007) suggest several explanations for the positive link between affective commitment and proactive behaviour. First, the affective element involved leads to activation that energizes employees to engage in behaviours, thereby facilitating positive action and proactive behaviour (e.g., Cacioppo, Gardner, & Berntson, 1999).

Understanding Telecommunication Industry

Telecommunication industry can be defined as both service and high-technologies industry. However particularly high-technology industries are sensor who follow invention and innovation in business strategy and compete in global and short-cycle product-markets (cf. Milkovich, 1987). In contrast to service and manufacturing industries, these industries rely more heavily on intellectual capital and invest significantly more in research and development. Some evidences from research suggested that employers in this setting are also likely to adopt commitment-based practices aimed at recruiting and retaining highly skilled employees, which can create a climate fostering knowledge exchange and combination (Collins & Smith, 2006). From this perspective telecommunication industry can be defined as one who is dealing with high profile knowledge workers therefore there is crucial to clarify greater understanding on knowledge-worker productivity.

Research Method

Survey methodology was used to collect the data. Two groups of target audience was defined – one employees of telecommunication industry, and employees from others (different ones) industries in Latvia. Two samples' frames for the defined target audiences were used. One sample was designed with involvement of two companies from telecommunication industry. The second sample comprised randomly addressed employed persons representing general public provided by respondents' panel of the respectable research company. Self-selection as sampling method was used for both surveys. Valid questionnaires from 473 respondents of telecommunication companies

⁹ Faizan Mohsan et al, Are Employee Motivation, Commitment and Job Involvement Inter-related: Evidence from Banking Sector of Pakistan, *International Journal of Business and Social Science* Vol. 2 No. 17, www.ijbssnet.com



New Challenges of Economic and Business Development – 2012

May 10 - 12, 2012, Riga, University of Latvia

and 1073 respondents from general panel audience were used in further data analysis. Data was obtained from employee self-evaluation on effectiveness, commitment and evaluation of the focal company's internal culture, technical provision. Each of concepts was measured using multiple items taken, whenever possible, from previous validated measures. All the scales were measured using seven point Likert scale ranging from "strongly disagree" (1) to "strongly agree" (7). As well respondents were asked to evaluate list of intrinsic (10 attributes) and extrinsic (16 attributes) motivators according to company's ability to ensure them ("1" – company is not at all able to meet fulfilment of criteria, and "7" – company meets this criteria at highest level). A list of values that could be used to describe company's culture was provided. Respondents were asked to rate extent (7-point scale was used) on which value is typical for organizations. The same list of values is given to evaluate respondent's own personality. Demographics of gender, age, work experience, education was collected. Data was analysed using SPSS 16 and simple descriptive (i.e. mean, standard deviation and correlation), factor and linear regression analysis were run to analyse the data. Factor analysis did not provide an expected structure of factorial solution according to the preliminary assumed concepts on commitment, positive working emotions and motivational factors. To test authors hypothesised concepts' structure, Principal Component analysis was made by using one factor approach for desirable factor solution (all scales meets requirements of reliability, statistics for "self-made" scales are displayed in Table 1). Seven point scale was transferred to 100-point scale for exhibiting more visible way differences among evaluation of three agents – big size telecommunication company, small size telcom company and other industries.

Measures

Respondents were asked to evaluate productivity, self-efficiency and self-performance by using self-evaluation approach.

Table 1

Reliability test on Constructs' Scales Collinearity statistics

Scales	All industries			Big size Telcom company		Small size Telcom company	
	Items	Cronbach's Alpha	Tolerance	Cronbach's Alpha	Tolerance	Cronbach's Alpha	Tolerance
Effectiveness	5	0.8		0.82		0.78	
Commitment	8	0.88	0.330	0.87	0.287	0.85	0.376
Technical provision	3	0.77	0.593	0.73	0.728	0.79	0.786
Positive workplace emotions	4	0.76	0.365	0.79	0.344	0.69	0.431
Hygienic factors	16	0.91	0.301	0.88	0.254	0.88	0.258
Motivators	10	0.87	0.290	0.88	0.288	0.87	0.293

Source: Authors' transactions based on survey data (Survey method – online, sample method – self-selection, sample size – total 1543, 2011)



New Challenges of Economic and Business Development – 2012

May 10 - 12, 2012, Riga, University of Latvia

The concept of core self-evaluations, a contemporary construct defined as individuals' appraisals of their own worthiness, effectiveness, and capability as people (Judge, Locke, & Durham, 1997). People with high core self-evaluations are well adjusted, positive, self-confident, and efficacious, and they believe in their own agency (Judge, Erez, Bono, & Thoresen, 2003). Individuals with high core self-evaluations appraise demands more positively, have greater ability to cope with these demands effectively, and thus have more resources available to invest in the performance of their work roles (Judge & Hurst, 2007)¹⁰

Effectiveness

To evaluate employee's effectiveness/productivity authors used 5 item scale.

One item was adapted and modified from Wayne and Ferris (1990) to assess overall productivity. However, to reduce the likelihood of bias in the self-reporting of one's own job performance, the referent for each item was changed so that respondents provided the performance rating from the perspective of their supervisor rather than from their own perspective. Accordingly, an example item in this study was „*If your direct supervisor would be asked to evaluate your overall productivity how he/she would rate your productivity (1) as less productive in average at your organization and 7 – as the most productive at your organization in comparing with others*”. The utility of having respondents provide a performance rating from their supervisor's perspective is supported by the results of recent research by Schoorman and Mayer (2008) who found that such ratings are more highly correlated with actual supervisory ratings than are direct employee self-reports of one's own performance. Employee self-efficacy was measured using three out of five items of scale which were adapted from an instrument of work-related expectancies (Sims, Szilagy, McKemey, 1976)¹¹, by assessing probability that effort would lead to good performance (*I always achieve my targets in time and in good quality, I feel fully confident on my skills to perform this job according to highest expectations, Job quality and volume that I perform daily usually fits with or even exceeds expectations towards me*).

Emotional competence is crucial for employees in working environment characterized by stress, intensive load, job autonomy and high self-responsibility. Emotional competence refers to individuals' perceptions of their own emotional abilities on four dimensions: understanding one's emotions, understanding others' emotions, regulations one's emotions and utilization of one's emotions. Employees with high emotional competence are likely to adopt positive coping strategies in the workplace. As suggested by Jordan, Ashkanasy and Hartel (2002) employees with low emotional competence are not well equipped to deal with affective consequences of job-related tension and are likely to react in way that not contribute overall performance¹². Therefore authors propose to include one's ability to direct emotions toward constructive

¹⁰ Rich L.B., Lepine J., Crawford E. J, Job Engagement: Antecedents and Effects on Job Performance, *Academy of Management Journal* 2010, Vol. 53, No. 3, pp. 617-635, 622 p.

¹¹ Wright B.E., The Role of Work Context in Work Motivation: A Public Sector Application of Goal and Social Cognitive Theories, *Journal of Public Administration Research and Theory*, Vol. 14, No. 1, pp. 59-79, 65.

¹² Kim T., Cable D.M., Kim S., Wang A.J, Emotional Competence and Work Performance: The mediating Effect of Proactivity and Moderating effect of job autonomy, *Journal of Organizational Behaviour*, 2009 (30), pp. 983-1000, 985 p.



New Challenges of Economic and Business Development – 2012

May 10 - 12, 2012, Riga, University of Latvia

activities (utilization's dimension) in knowledge-worker productivity's evaluation scale. (*I am fully confident on ability to solve problems in my daily work*)

Commitment

In the context of this study, we also defined organizational commitment as multifaced concept. Commitment is one of the most often studied concepts with different measurement approaches, using from 6 to 33 items for evaluation this behavioural. When composing our understanding of the concept we adapted and formulated items covering several angles of the concept. First, we drawn loyalty idea from conceptualization of affective commitment as it explain attachment to organization (loyalty means both unwillingness to leave – *I would prefer to stay with my current company even if someone offered another good job*, and readiness to identify oneself with organization – *I am ready to recommend my company where to work*). We included also two items of overall job satisfaction as it is component of loyalty. Job satisfaction is important attitudinal variable that reflects an evaluative judgment of one's work circumstances (Weiss, 2002)¹³ (*In general I feel fairly rewarded, I am satisfied with my current job*). Second, as committed employees are more willing to participate in 'extra-role' activities, such as being creative or innovative (Katz & Kahn, 1978) we mirrored this enhancing power of proactive behaviour (*This company inspires to do the best I can; I am ready to go the extra mile to make my company successful*).

Other Self-Report Measures

One more „self-made” factors solution was used in analysis for exhibition of concept on atmosphere at workplace. Muros (2007) measured positive workplace emotions using a measure that combined scores on items that referred to the degree of enthusiasm, happiness, and optimism experienced at work. To measure the emotional aspect of engagement, we drew idea from Russell and Barrett's (1999) research on *core affect*, defined as a somewhat generalized emotional state consisting of two independent dimensions – pleasantness (feeling positive – *Colleagues at my team are energetic and positive*) and activation (a sense of energy – *There is a energetic working atmosphere*).

We measured value congruence using only one item taken as example from Caldwell, Chatman, and O'Reilly (1990) that focus on the alignment of employee values with organizational values (*Internal values and culture in my company fits my personal values*).

Helping coworker behavior (*I help my coworkers with my expertise and knowledge*) was obtained and modified from Coleman and Borman's (2000) scale.

Results

The aim of the research was to find out how does the efficiency and the significance of factors impacting it differ in small and large telecommunication companies operating in Latvia, as well as to compare the evaluation of the employees in these particular companies with that of other company employees. When comparing mean values of all essential variables among the

¹³ Aaron C.H. Schat, Michael R. F., Exposure to psychological aggression at work and job performance: The mediating role of job attitudes and personal health, *Work & Stress* Vol. 25, No. 1, January-March 2011, pp. 23-40, 30 p.



New Challenges of Economic and Business Development – 2012

May 10 - 12, 2012, Riga, University of Latvia

three groups (Figure 1 and Figure 2), we conclude that, first of all, telecommunication companies differ from other firms in terms of ensuring motivation and efficiency; secondly, employees from a small telecommunication companies overall more highly assess the realization of all motivation attributes comparing with large companies in the same sector. This could be explained with greater employee loyalty/commitment due to the advantages of a smaller company, namely, being able to ensure a more family-like environment, more rapid reaction towards the needs of employees etc.

Initially, the authors assumed that the efficiency of an employee is influenced by such factors as commitment, different motivational factors (hygienic and motivators), ensuring the work place with the necessary technologies and systems, as well as the emotional state in a workplace. These factors were defined as independent variables and created by applying Principal Component Analysis (beforehand each hypothetical factor was defined as a scale which encompasses a set of particular statements). In order to find out to how large extent the above mentioned factors influence employee efficiency, we applied linear regression analysis for all three research subjects or separate data files – small, large telecommunication company and overall set of employed. Disregarding the fact that the independent variables were created consciously and therefore the risk of collinearity, all regression equations displayed sufficiently good results which allowed continuing the analysis.

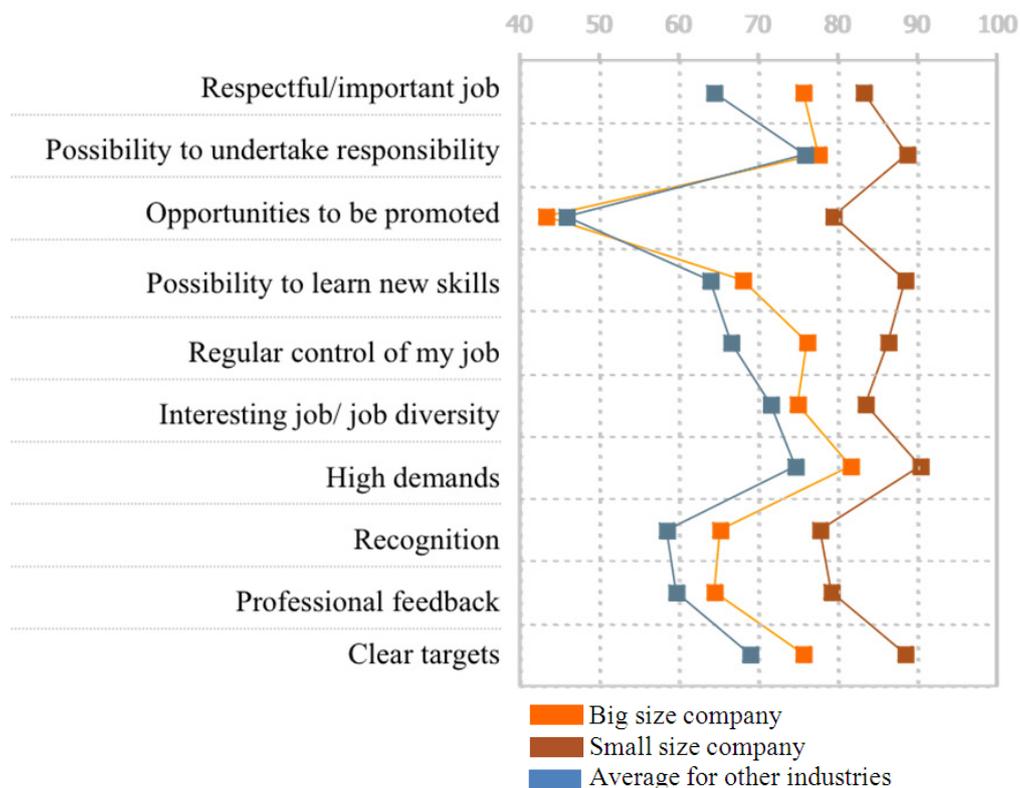


Figure 1. Comparisons on average evaluation on motivators



New Challenges of Economic and Business Development – 2012

May 10 - 12, 2012, Riga, University of Latvia

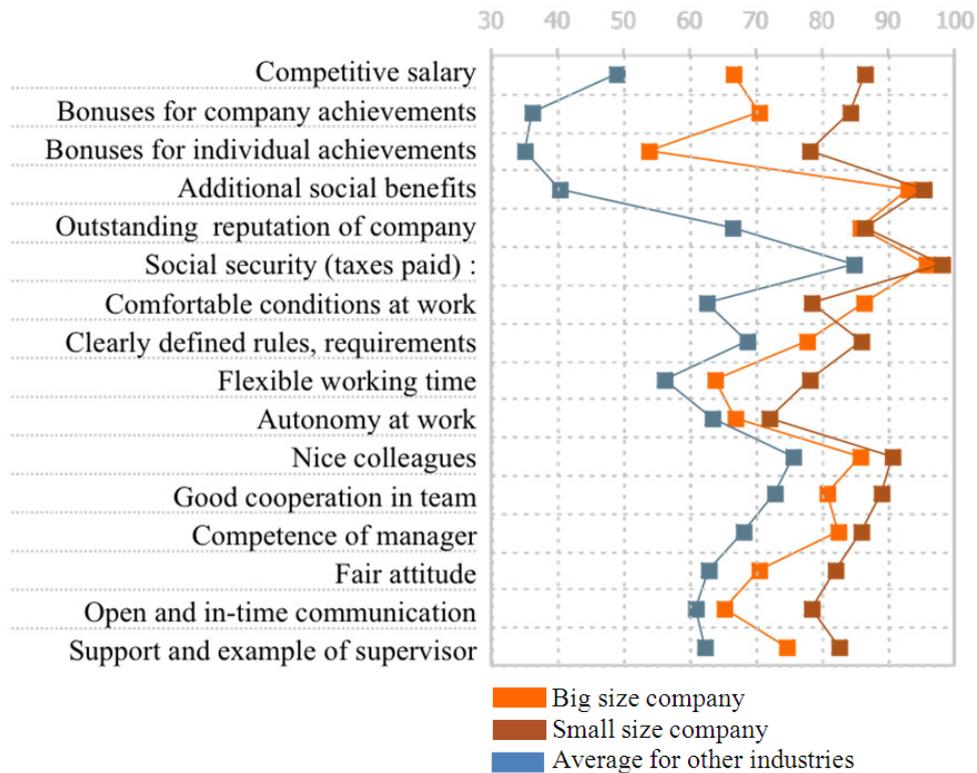


Figure 2. Comparisons on average evaluation on hygienic factors

Source: Authors' transactions based on survey data (Survey method – online, sample method – self-selection, sample size – total 1543, 2011).

From the regression results (Table 2) we can conclude that the efficiency in large telecommunication companies is mostly affected by technological support (β 0.27) and satisfaction with job as such (β 0.27). However, in small companies employee commitment (β 0.30) and technological support (β 0.25) emerge as the most important factors affecting efficiency. Moreover, overall commitment assessment in a small company is higher than in the other two groups (Figure 3) which might imply that employee engagement is the advantage of small telecommunication companies. Taking into consideration knowledge workers and the direction of the economic structure development, this implies that in a particular niche these companies might become a threat to the large firms. In regards to the overall set of employees, positive workplace emotions (β 0.26), commitment (β 0.21) and satisfaction with job as such or inner motivation (β 0.23) are the most significant factors affecting the efficiency of this group. The fact that the Hygiene factors are with a negative sign in all groups and are statistically insignificant in both small samples can be explained in two ways. It is plausible that negative sign could be due to different evaluation scales in the assessment of dependent and independent variables (possess/does not possess when evaluating motivators vs. agree/disagree when



New Challenges of Economic and Business Development – 2012

May 10 - 12, 2012, Riga, University of Latvia

evaluating the efficiency). Another explanation could be regarding the logical data analysis, for instance, if we assume that the equation is internally stable (i.e. not affected by the differing scales), then when increasing the employee satisfaction with hygiene factors, one would expect that the employee efficiency will decline.

Table 2

Regression analysis results on measuring impact on effectiveness

	Big size Telecom company			Small size Telecom company			All industries		
	Stand β	Sig.	Adjusted R Square	Stand β	Sig.	Adjusted R Square	Stand β	Sig.	Adjusted R Square
Commitment	0.02	0.840		0.30	0.03		0.205	0.000	
Technical provision	0.27	0.000		0.25	0.01		0.104	0.001	
Positive workplace emotions	0.22	0.016		0.18	0.64		0.262	0.000	
Hygienic factors	-0.18	0.088		-0.13	0.307		-0.152	0.001	
Motivators	0.27	0.007		0.05	0.644		0.227	0.000	
a. Dependent Variable: Effectiveness			0.23			0.26			0.33

Source: Authors' calculations based on survey data (Survey method – online, sample method – self-selection, sample size – total 1543, 2011)

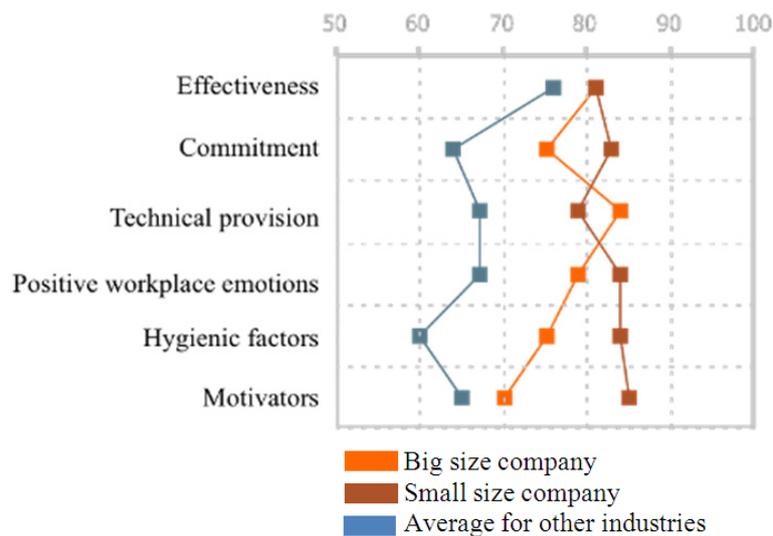


Figure 3. Comparisons on average weighted evaluation on concepts

Source: Authors' transactions based on survey data (Survey method – online, sample method – self-selection, sample size – total 1543, 2011)



New Challenges of Economic and Business Development – 2012

May 10 - 12, 2012, Riga, University of Latvia

On the one hand, this could be plausible in an economy which is characterized by labour force insufficiency in the market. However, one must also consider the time period when the data was gathered (January 2011) and which could be still characterized as the time of crisis when the hygiene factors were to be especially important. Therefore, the authors suggest performing a more profound hygiene factor analysis in regards to employee efficiency. The dependent variables which were included in the regression equations does not provide sufficiently significant explanation in the variation of the dependent variable ($R^2= 0.23; 0.26; 0.33$). Because the statistical indicators for the largest group in the sample (all industries) are in general good, the authors conclude that the inner structure of the scale, namely, the chosen definitions of concepts, are optimal and can be applied in further research.

Conclusions

Our study confirmed that relationships between measures of organizational commitment and job performance are sufficient to affirm assumption on commitment role in predicting job related behaviour. One of the findings of the study is that internal and external motivators differently affect the commitment – if internal motivators have positive impact on effectiveness, in contrast external motivators in certain level can negatively influence growth of effectiveness.

Based upon results of the research, the authors conclude that in order to create a motivating and effective behavior practice in big telecommunication companies, it is necessary to shape a motivating policy with such factors as positive working emotions and internal motivators. Understanding of link between company existing culture and commitment or motivation can help to make corporate mission statement, execution of supporting police more focused

Limitations

Authors based this study on assumption of the hypnotised scale structure and used this “self-made” factor structure for regression analysis. Although multicollinearity statistics for all factors are satisfactory, there can be some drawbacks in explanational power of regression equity.

Factors solution “positive workplace emotions” did not receive sufficient reliability support (Cronbach’s Alpha 0.76; 0.79; 0.69). Authors conclude that some items (value congruence, personal involvement in helping co-workers) from this factors solution had to be included into Commitment concept. Further analysis must take into account previous results on commitment scale validity, for. Example, Meyer et al. (2004) in accordance with Becker, Billings, Eveleth, and Gilbert (1996), indicated that “the primary bases for the development of affective commitment are personal involvement, identification with the relevant target, and value congruence”¹⁴¹⁵

¹⁴ Meyer J.P., Becker T.E., Vandenberghe C., Employee Commitment and Motivation: A Conceptual Analysis and Integrative Model, Journal of Applied Psychology Copyright 2004 by the American Psychological Association 2004, Vol. 89, No. 6, pp. 991-1007, 994 p.



New Challenges of Economic and Business Development – 2012

May 10 - 12, 2012, Riga, University of Latvia

References

1. Aaron C.H. Schat, Michael R. F., Exposure to psychological aggression at work and job performance: The mediating role of job attitudes and personal health, *Work & Stress* Vol. 25, No. 1, January-March 2011, pp. 23-40.
2. Bandura, A., Schunk, Dale H., Cultivating Competence, Self-Efficacy, and Intrinsic Interest Through Proximal Self-Motivation, *Journal of Personality & Social Psychology*, Sep. 1981, Vol. 41, Iss. 3, pp. 586-598, 13 p.
3. Chukwunenye ,I.O., Akpoebi D. Amgbare, Staff Welfare And Productivity In Patani Local Government Council Of Delta State, Nigeria, *Culture & Religion Review Journal*, Vol. 2011, Iss. 1, 14 p.
4. Deci, E. L., Ryan, R. M., The “what” and “why” of goal pursuits: Human needs and the self-determination of behavior. *Psychological Inquiry*, 2000, 11, pp. 227-268.
5. Don C. M., Scott L. Boyar, Charles M. Carson, Allison W. Pearson, *A Production Self-efficacy Scale: An Exploratory Study*, *Journal of managerial Issues*, Vol. XX Number 2 Summer 2008, pp. 272-285.
6. Drucker P.F., Knowledge-workers Productivity: The Biggest Challenge, *California Management Review*, Vol. 41, No. 2, Winter 1999, pp. 79-94.
7. Drucker P.F., The New Productivity Challenge, *Harvard Business Review*, 1991, December, 69 p.
8. Dysvik A., Kuvaas B., The relationship between perceived training opportunities, work motivation and employees outcomes, *International Journal of Training and Development*, 2008, pp. 138-157.
9. Faizan Mohsan et all, Are Employee Motivation, Commitment and Job Involvement Inter-related: Evidence from Banking Sector of Pakistan, *International Journal of Business and Social Science*, Vol. 2, No. 17.
10. Hackman, J. R., Oldham, G. R., Development of the Job Diagnostic Survey. *Journal of Applied Psychology*, 1975, 60, pp. 159-170.
11. Humphrey, S., E.; Nahrgang, J., D.; Morgeson, F., P., Integrating Motivational, Social, and Contextual Work Design Features: A Meta-Analytic Summary and Theoretical Extension of the Work Design Literature, *Journal of Applied Psychology*, Sep. 2007, Vol. 92, Iss. 5, pp. 1332-1356, 25 p.
12. Jeremy Pincus, The consequences of unmet needs: The evolving role of motivation in consumer Research, *Journal of Consumer Behaviour* Vol. 3, 4, pp. 375-387.
13. John P. Meyer, Thomas E. Becker, Christian Vandenberghe, Employee Commitment and Motivation: A Conceptual Analysis and Integrative Model, *Journal of Applied Psychology*, 2004, Vol. 89, No. 6, pp. 991-1007, 992 p.
14. Jones E.C., Chung C.A., A Methodology for Measuring Engineering Knowledge Worker Productivity, *Engineering Management Journal*, Vol. 18, No. 1, March 2006.
15. Jurkštieņe A., Darškuviene V., Dūda A., Management Control Systems and stakeholders' Interests in Lithuania multinational Companies: cases from the Telecommunications industry, *Journal of Business Economics and Management*, 2008, 9(2), pp. 97-106.
16. Meyer J.P., Becker T.E., Vandenberghe C., Employee Commitment and Motivation: A Conceptual Analysis and Integrative Model, *Journal of Applied Psychology* Copyright 2004 by the American Psychological Association 2004, Vol. 89, No. 6, pp. 991-1007, 994 p.
17. McFillen, J.M.; Maloney, William F., *New Construction Management & Economics*, Mar. 1988, Vol. 6, Iss. 1, pp. 35, 14.
18. Mehrdad, G.C., 2010. The relationship between organizational culture and staff productivity public organizations. *J. Soc. Sci.*, 6: 127-129. DOI: 10.3844/jssp.2010.127.129.
19. Meyer J.P., Herscovitch L., Commitment in the workplace: Toward a general model, *Human Resources Management Review*, 2001, Vol. 11, pp. 299-326, 301 p.
20. Moorhead G., Griffin R. W., *Organizational behaviour: managing people and organizations* (5th edition), Houghton Mifflin, Boston, 1998.



New Challenges of Economic and Business Development – 2012

May 10 - 12, 2012, Riga, University of Latvia

21. Latham, G. P., Pinder, C. C., Work motivation theory and research at the dawn of the twenty-first century. *Annual Review of Psychology*, 2005, 56, pp. 485-516.
22. Locke, E. A., Latham, G. P., What should we do about motivation theory? Six recommendations for the twenty-first century, *Academy of Management Review*, 2004. Vol. 28, pp. 388-403.
23. Okyere-Kwakye, E and M.K. Nor, 2011. Individual factors and knowledge sharing. *Am. J. Econ. Bus., Admin.*, 3: 66-72. DOI: 10.3844/ajebasp.2011.66.72.
24. Osterloh, M., Frost, J., Frey, B., The Dynamics of Motivation in New Organizational Forms, *International Journal of the Economics of Business*, Feb2002, Vol. 9, Iss. 1, pp. 61-77, 17 p.
25. Quader M.S., Quader M.R., A Critical Analysis of High Performing Teams: A Cases study Based on the British Telecommunications, *Journal of Services Research*, Vol. 8, No. 2, 2008.
26. Rafikul I., ahmad Zaki Hj, I., Employee Motivation: a Malaysian perspective, 346 p.
27. Rich L.B., Lepine J., Crawford E. J, Job Engagement: Antecedents and Effects on Job Performance, *Academy of Management Journal* 2010, Vol. 53, No. 3, pp. 617-635.
28. Ross, S., George Loewenstein: Exotic Preferences: Behavioural Economics and Human Motivation. Mission Possible? The Performance of Prosocially Motivated Employees Depends on Manager Trustworthiness, *Czech Sociological Review*, 2008, Vol. 44, Iss. 6, pp. 1200-1205.
29. Ryan, R. M., Deci, E. L., Overview of self-determination theory. In E. L. Deci, & R. M. Ryan, *Handbook of self-determination research*. Rochester, NY: University of Rochester Press, 2002, pp. 3-33.
30. Ryan, R.M., Deci, E.L., Self-determination theory and the facilitation of intrinsic motivation, social development and well-being, *American Psychologist*, 2000, Vol. 55, pp. 68-78, 70 p.
31. Sumanth, D., Total productivity management. A Systemic and Quantitative Approach to Compete in Quality, Price and Time. USA, 1998, CRC Press LLC.
32. Van Yperen, N. W., Hagedoorn, M., Do High job Demands Increase Intrinsic Motivation of Fatigue or Both? The Role of Job Control and Job Social Support, *Academy of Management Journal*, Jun. 2003, Vol. 46, Iss. 3, pp. 339-348.
33. Vroom, Victor H., Jones, Stephen C., Division of Labor and Performance under Cooperative and Competitive conditions., *Journal of Abnormal & Social Psychology*, Mar. 1964, Vol. 68, Iss. 3, pp. 313-320, 8 p, 4 Charts.
34. Wang Ke-yi, Liu Lin-lin, An Empirical Study of Service Innovation's Effect on Customers' Repurchase Intention in Telecommunication Industry, *Canadian Social Science*, Vol. 6, No. 5, 2010, pp. 190-199.
35. Wright B.E., The Role of Work Context in Work Motivation: A Public Sector Application of Goal and Social Cognitive Theories, *Journal of Public Administration Research and Theory*, Vol. 14, No. 1, pp. 59-79.