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Employee's Motivation and Satisfaction in light of Economic Recession: Evidence of Grevena Prefecture- Greece

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Abstract

The study of motivation and satisfaction in the workplace has become a subject of intense interest amongst numerous fields of studies. However, especially nowadays, as business and organizations experiencing the effects of the worst economic recession in decades, the understanding of the importance of these concepts is essential for its continued survival. The purpose of this paper is a) to study the role of motivation and satisfaction in the workplace, according to the recent literature, especially during recession b) to identify the most important factors of motivation - satisfaction that could lead the employees of Local Authority, to a more efficient behavior, under the conditions of the current economic crisis and c) to find out if these factors are differentiated in relation to their socio-demographic and job related features. The survey took place in April 2014. During this time Greece was experiencing an economic recession. The study was conducted through a structured questionnaire. The sample consisted of (85) employees of Local Authority. The survey revealed that the most important motivating factors for Local Authority (Regional Unity of Grevena) employees, were interesting work, equal and fair treatment, good working relationships with supervisors and colleagues, objective assessment and good salary.

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Key words: motivation, job satisfaction, motive, factors affecting motivation, factors affecting job satisfaction, motivation - satisfaction surveys.

1. Introduction

In today's business environment of globalization and intense competition, companies and organizations have to face among others the challenges of the "Great Recession", the worst global financial crisis in decades. Greece, in particular, have severely impacted experiencing in additional the impact of the worst debt crisis. The Memorandum austerity measures imposed in Greece since May of 2010 (that Greece resorted to the International Monetary Fund) until today had a serious negative impact on labor issues. Specifically, in April of 2014, in the investigation period, the unemployment climbed up to 27.1%. Thousands of people lost their jobs in both the public and private sectors, while at the same time major salary reductions occurred.

The reduction of government revenue, the increasing pressure on government to bring down the national debt, and generally the low profitability of private enterprises are factors pushing and forcing managers of modern enterprises and organizations to do more with less (Austin Spears, 2013). In order to do this, nowadays, both private and public organizations need to maximize the utilization of their employees' skills. It is obviously that, "a motivated employee is a valuable asset which delivers immense value to the organization" (Rajhans, 2012). Generally, it was felt that the primary motivate factor which could make employees to remain effective and feel satisfaction in their work was the money. However, pioneer studies conducted by Elton Mayo from 1924 to 1932 found that employees are not motivated solely by money and employee behavior is linked to their attitudes (Dickson, 1973). Motivation is a multidimensional framework, because people are usually motivated by a combination of different factors (Cinar et al., 2011). Of all the functions a manager performs, motivating employees is arguably the most complex. This is due, in part, to the fact that what motivates employees changes constantly (Bowen & Radhakrishna, 1991).

The aim of this work is twofold: first to review the existing theories and literature about motivation and satisfaction of employees especially during recession, while studies examining the question under investigation are also reviewed and second to investigate motivation and satisfaction using data of 85 employees in a Greek local authority (Local authority of Grevena-Greece).

2. Theories and literature review on motivation and job satisfaction

Motivation is one of the major issues in behavioral sciences and based on the crucial position and important role of human resources in achieving organizational objectives (Barzoki et al., 2008). Highly motivated employees appear to develop positive work-related attitudes and behaviors such as: they exhibit higher levels of organizational commitment (Crewson 1997; Pandey, Wright, and Moynihan 2008), they believe that their jobs are important, and this belief leads them to work harder (Wright 2003), they tend to develop higher job performance (Naff and Crum 1999; Frank and Lewis 2004; Leisink and Steijn, 2009), and organizational performance (Ritz, 2009), they are less likely to leave their jobs and enjoy higher job satisfaction (Naff and Crum, 1999). Additionally, the drive to understand and explain job satisfaction has been motivated by utilitarian reasons as well as humanitarian interests. Satisfied incumbents tend to engage in altruistic behaviors that exceed the formal requirements, such as organizational citizenship behaviors (Smith, Organ, and Near 1983). On the contrary, dissatisfied employees have a high propensity to engage in counterproductive behaviors (Liu and Tang, 2011).

The terms of motivation and job satisfaction have been extensively defined by academics and managers. Specifically, Buford et al., (1995) have defined motivation as a predisposition to behave in a purposive manner to achieve specific, unmet needs. According to Luthans (1998), motivation can be defined as the process that arouses, energizes, directs, and sustains behavior and performance. On the other hand, Linder (1998) argues that motivation can be defined as "the inner force that drives individuals to accomplish personal and organizational goals". Job satisfaction is an individual's emotional response to his or her current job condition, while motivation is the driving force to pursue and satisfy one's needs (Wang Xie & Lee Haidung, 2013). According to Locke (1976) job satisfaction is defined as "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences". However, Koustelios and Kousteliou (2001) defined job satisfaction as the positive and negative attitudes that an individual has for their work. In the main, in the fields of human resource management and organizational behaviour, motivation is often described as being "intrinsic" or "extrinsic" in nature (Sansone and Harackiewicz, 2000). Extrinsic motivation occurs "...when employees are able to satisfy their needs indirectly, most importantly through monetary compensation" (Osterloh et al., 2002). In contrast, intrinsic motivation is apparent when individuals' behavior is oriented towards the satisfaction of innate psychological needs rather than to obtain material rewards (Ryan and Deci, 2000). Finally, the connection between motivation and job satisfaction have been confirmed by a series of studies (Perry and Wise 1990, Crewson 1997, Brewer and Selden 1998, Naff and Crum 1999, Bright 2008, Taylor 2008, Wright and Pandey 2008, Liu, Tang and Zhu 2008, Liu 2009, Belias et al. 2014 a).

A review in international literature, demonstrates that many contemporary scholars have tried to give answers to which are the main motives for a satisfied employee. Houston (2000) used data of 101 public sector employees and 1,356 private-sector employees in USA. Research results indicated that meaningful work was the most valued job characteristic for both public and private sector employees. Whereas, the second important job characteristic was income for the private sector and chances for promotion for public employees. Furthermore, public sector employees give emphasis on job security, with high income coming in fourth place. 'Thus there appears to be a difference between public and private employees in terms of characteristics of the job that motivate them, although they agree which

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