



Effective Human Resource Management and Long-Term Employee Motivation

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Article History	Abstract
Received: 06 June 2023 Revised: 05 Sept 2023 Accepted: 23 Nov 2023	<i>This research seeks to evaluate the factors that stimulate employee motivation in India and find to what extent motivation affects the performance of employees by investigating the effects of a significant event on the field of management at the present time. The long-term viability of staff is prioritised in this endeavour. This study defines the importance of motivation with sustainability. When employees are inspired to work together towards common goals, executives are better able to identify and address any obstacles standing in the way of the organization's progress. This article shows that in the private sector, sustainability is crucial to employee retention. One hundred employees from various private sector departments make up the sample. Using survey responses from a wide range of employees at a variety of companies, researchers were able to conclusively demonstrate the positive impact of initiatives such as paid and unpaid training and development opportunities, as well as employee participation in strategic decision-making. Keywords: A New approach to motivation, Retention Management, Japanese system of HRM, Retention and Sustainable strategies by India's best Companies 2018, Objectives.</i>
CC License CC-BY-NC-SA 4.0	Keywords: Japanese System, Motivation Sustainability, Work

1. Introduction

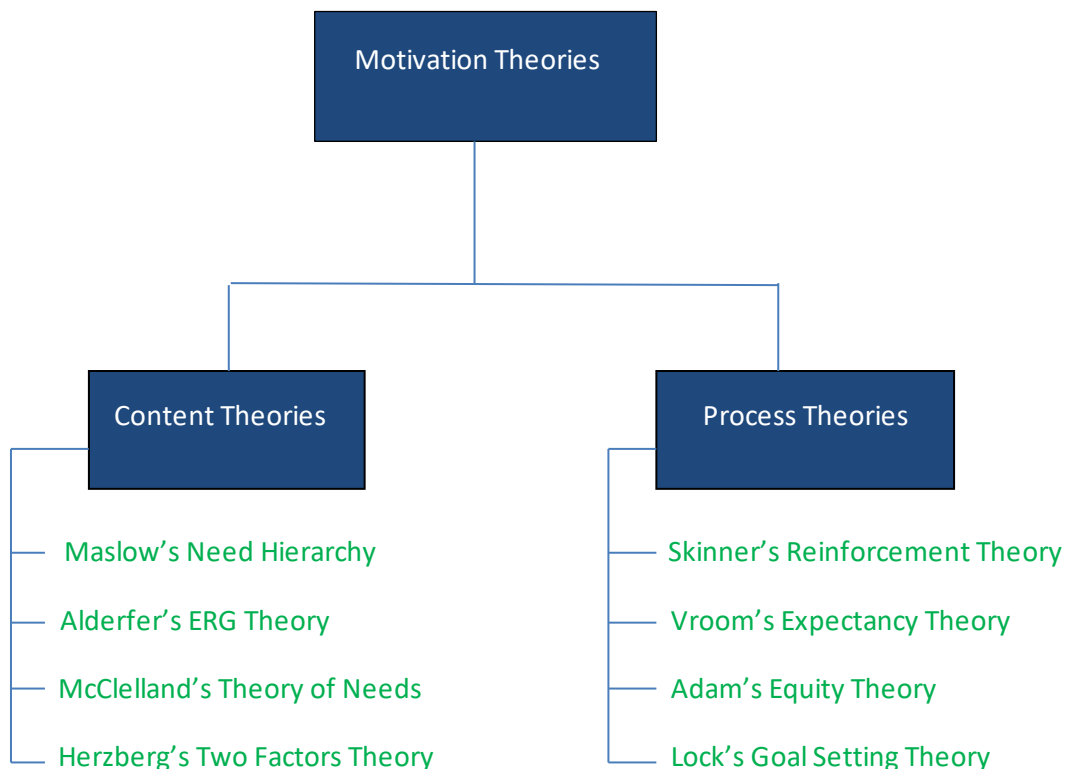
Human resource management is an ongoing procedure that strives to provide a properly staffed and compensated organisation at all times. Human resource management is done in-house. HR Manager advises the line managers throughout the organisation. Human resource management consists of the following fundamental steps: planning for human resources; recruiting; selecting; orienting; training; promoting; transferring; evaluating; and rewarding (directly via mentoring and indirectly through perks). Motivation is seen as a means by which workers might be swayed to work towards the organization's aims and objectives. In today's business world, when every company strives to maximise its use of available resources, this is one of the hottest topics. When it comes to human resource management (HRM), the National Institute of Personnel Management (NIPM) in India has been a major participant. The Institute has proposed 25 measures to address the difficulties posed by the latest tendencies in employee motivation, including the following. i) a generous compensation and benefit package has to be provided. ii) Regular training, re-training, and improvement of personnel is essential, not just in terms of technical skills but also in terms of the emotional ideas that foster longevity and motivation. iii) a culture of open communication and participation in decision-making must be fostered at all levels of the organisation. iv) A comprehensive human resource development strategy and action plan at the national level to boost economic growth v) Personnel management should institute close relationship with the workers terminology inside and outside the organisation so that their ambitions and answers may be known.

Some attempts are designed to select employees with the potential to perform jobs effectively. Whether employees live up to the benchmark of those who selected them depends on the HRM success in motivating them to work effectively. In other words:

$$\text{Performance} = \text{Capability} \times \text{Motivation}$$

Despite the simplification, it's likely that no topic has more strongly tagged the energy of management philosophers than the topic of employee motivation. The management field now has access to a wealth of established ideas.

Motivation Theories: There are two main classes of ideas that attempt to explain what drives people: content theories and process theories. The ideas of motivation used to keep workers on the job vary depending on the type of business.



Maslow's Need Hierarchy Theory: Abraham Maslow, a well-known social scientist, developed a framework for understanding the relative importance of different human needs and a theory about human nature based on the premise that people are driven to act in certain ways by their desire to fulfil a specific set of needs. Just as Adam Smith's "human wants are unlimited" dictum from his theory of economics holds true, so too do an individual's motivational requirements. For instance, Maslow theorised that after an individual's basic needs were met, they no longer served as a source of drive.



Figure: 1.1

Alderfer's ERG Theory: It builds on Maslow's hierarchy of needs and Herzberg's two-factor model of motivation. According to Alderfer's empirical research, there is overlap between physiological, social, security, and esteem demands, and this is not adequately explained. Alderfer proposed three element demands—"Existence needs," "Relatedness needs," and "Growth needs"—to counteract these drawbacks.

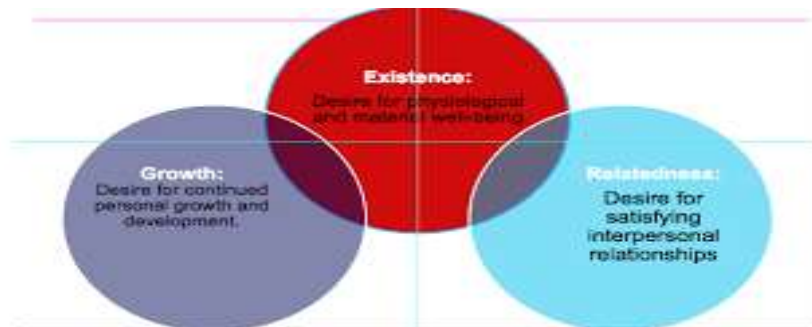


Figure: 1.2

McClelland's Theory of Needs: McClelland presented his theory of motivation, outlining how important it is for businesses to understand what drives their personnel. There were three primary sorts of needs that were highlighted. Increased output can be attributed to satisfying people's demands for power (n/PWR), belonging (n/AFF), and achievement (n/ACH).



Figure: 1.3

Hertzberg two factor theory: Frederic Hertzberg is an American psychologist who studies what makes individuals happy at work. He polled a sample of workers on their positive and negative workplace experiences. According to his research, there are two main aspects (hygiene and motivating) that contribute to an employee's level of motivation.



Figure: 1.4

Skinner's reinforcement theory: An individual's action is a result of its effects, as the theory puts it (management study guide, 2013). Workplace motivation is only one of many fields where reinforcement theory has been used. Unlike the need theories, this one is concerned with actual conduct. Basically, there are four basic ways in this theory: positive punishment, negative punishment, positive reinforcement, and negative reinforcement.



Figure: 1.5

Vroom's Expectancy Theory:

The underlying psychological mechanism of Vroom's expectation theory may be traced back to the decision behaviour and utility idea of classical economics. According to Vroom, the key to employee motivation is finding a balance between positive and negative aspects of work. Vroom has referred to motivation as a "force" that may be demonstrated mathematically.

Thus,

Motivation (force) = \sum Valence x Expectancy.



Figure: 1.6

Adam's Equity Theory: Motivating employees through the social exchange process was central to the equity theory of work. Employees feel motivated if employers maintain equitable relationship between their performance and compensation relative to others. Two presumptions form the basis of equity theory. First, the worker puts forth effort in hopes of reaping benefits in return. Second, workers determine if their compensation is fair by comparing their efforts to those of their coworkers and adjusting for any discrepancies they find.

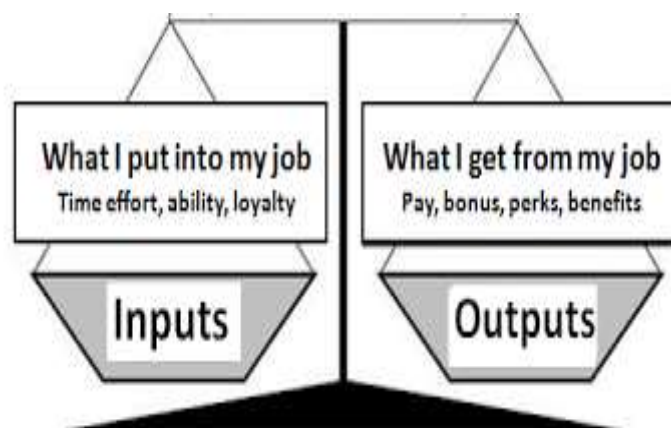


Figure: 1.7

Lock's Goal Setting Theory: Dr. Edwin Locke and Dr. Gary Latham spent many years in establishing idea of "Goal Setting" delivering feedbacks to the staff also stimulates them to work for better organisational productivity. According to Locke's research, workers who face difficult tasks consistently outperform those who have it relatively simple.



Figure: 1.8

Although there are other theories that focus on motivation, the ideas are widely employed in the business world and have been shown to increase employee retention.

Retention and Sustainable strategies by India's best Companies 2018:

1. SAP Labs India Pvt Limited- Ranked as one best company to work. SAP has always put its workers first, and they promote an environment that welcomes and celebrates diversity in all its forms. Its core competency is in providing autonomy to its staff.

2. With a total of 7,423, Intuit India is the second-best company in which to work according to a recent survey. Fringe benefits, like as health insurance, parental leave, and paid sick days, are among the many that Intuit offers to its employees. They also emphasised accommodating schedules that let workers have some personal time. Total number of workers: 974.

3. American Express India came in at on the list of greatest places to work in India. American Express is committed to fostering an environment where employees may develop professionally and become client advocates. The company provides enough compensation to its employees in recognition of their efforts. Employee strength 11882.

4. Adobe Systems India Pvt Limited- Ranked as fourth best firm to work. Adobe thinks its employees are its most valuable resource. Employees are valued and encouraged to further their careers; this contributes to an environment of trust and cooperation.

5. DHL Express India Pvt Limited, with 5,117 workers, is the fifth-best place to work in India. DHL honed down on two core principles that characterise its corporate culture. Honour and Effectiveness. This indicates that while they recognise the importance of outcomes to their current success, they will not sacrifice respect for their staff to obtain those results.

6. With a staff of 2,426, Marriot Hotels India Pvt. Ltd. is the sixth-best place to work in India. Culture Wizard is one of Marriott's best practises; it links staff members to an online encyclopaedia of world cultures, where they may learn about their own cultural preferences and compare them to those of people from different countries. At Marriot, the principle of putting customers first is paramount. When we invest in our staff, they in turn invest in our customers, and the business runs well.

7. Godrej Consumer Products Limited, with a staff of over 16,000, was recently named the seventh greatest place to work in India. Godrej creates an encouraging atmosphere because they value their ambitious and enterprising employees so highly. All employees are given the opportunity to show their worth and get recognition while still maintaining a work-life balance. The company places a premium on providing regular opportunities for professional growth and development.

8. Company also celebrates various festivals which help employees feel pleased and maintain motivated. Music Broadcast Limited, with a total staff of 2,543, was voted the eighth-best place to work in the country. Employee recognition at Radio City Music Hall is mostly offered in the context of the company's bigger aims, making it more meaningful and effective. Ultimately, it's Radio City's dedication to its employees that makes it such a desirable workplace.

9. With a staff of 734, InterContinental Hotels Group (India) Private Limited is the ninth-best firm in India in which to work. IHG's Training and Development programmes provide opportunities for workers to gain new skills via taking on additional responsibilities.

10. The work atmosphere is warm and helpful where employees are acknowledged for their hard work and granted exceptional work life perks. Mahindra & Mahindra, which operates in the automotive and farm equipment sectors, was ranked as the tenth greatest place to work, with a total of 5832 employees. Mahindra & Mahindra encourages its workers to express their thoughts and suggestions and offers them with numerous opportunities to learn and grow. Staff of 10185 strong.

The companies ranked up to 50 has proved that they have employee friendly policies, providing job security, provide employment for diverse backgrounds, opportunities for all current and future team members regardless of gender, colour, race, religion, national origin, age, disability. They also focused on supportive and down to earth and makes it very comfortable approaching them for any issues, providing friendly and healthy working environment, updating employees with company's critical business results, value-based platforms and they also proved to be exemplary employers in one or more ways.

Source: The Economic Times

Literature Review: In recent years, various studies have concentrated on sustainability and HRM on individual analysis (Docherty, 2002) and HRM system analysis (Zaugg, Blum & Thom, 2001). Several sustainability academics acknowledge efforts on interdependencies across social, corporate, HRM, and individual levels of study (Docherty, 2002; Zaugg et al., 2001). Sustainability and human resource management rest on three pillars, as outlined by Zaugg et al. (2001): Several tools exist to assess: (1) work-life harmony; (2) personal accountability; and (3) marketability. You should "...recruit, deploy, HR marketing, retention, deploy, misemployment (exit policy), management, and leadership" (Zaugg et al., 2001).

Ehnert (2008) then went on to address sustainable human resource management, which established a bridge between HRM and environmental concerns. To achieve financial, social, and ecological goals, with an impact inside and outside the organisation, on a long-term time horizon, while controlling for unintended side effects and negative feedback, sustainable human resource management (HRM) is necessary (Ehnert, 2009; Kramar, 2014).

When it comes to the theory behind it all, Ehnert has provided a series of theories that all stem from the German theory. She argues that these ideas are crucial for comprehending the function of Human Resource Management procedures in ensuring the continuity of the workforce. When many perspectives on sustainability are considered together, new insights on HRM's pivotal role in bolstering sustainability within an organisation may be gleaned. The development, replication, and engagement of human resources is crucial to meeting the demands, mobilising the workforce, and satisfying employee wants (Ehnert, 2008).

Paradox theory (Ehnert, 2009), the idea of negative externalities and Stakeholder damage (Mariappanadar, 2012; 2013), and stakeholder theory (Guerri, 2011; Guerri & Pedrini, 2014) are only some of the theoretical foundations that have been offered to operationalize sustainable HRM. The paradox theory has been adopted by Ehnert to examine sustainability and its relationship with HRM. According to the author, "sustainability, if it is defined as balancing Consumed and reproduced resources, brings about paradoxical choices situations and tensions for actors in Sustainable HRM that need to be actively dealt with and that can be a source of innovation and change" (Ehnert & Harry, 2012). Resource-based View theory has been applied in recent studies of HRM's long-term viability. The notion describes how rewarding workers and maintaining their interest in the company are essential to its success. As a result, several studies on the topic of human resource management and business effectiveness have been done. As Brewster (2002) had noted in his article that "the capabilities and knowledge incorporated in an organization's human resources are the key to success". However, even competent workers might have problems at work such as stress, disagreements, health problems, or an inability to find job (Coventry University Blog Network, 2016). This article utilised the Resource-based View theory to examine the significance of resources in achieving financial success and employee engagement through the provision of material incentives (such as pay and benefits) and immaterial rewards (such as work-life balance and autonomy). The interviewers had employed several training and development, leadership, retention, and recruiting measures developed by Zaugg (2001).

On the premise that human capital adds value to the firm and that it is possible to improve the firm's performance through investment in its employees' education and professional development, Resource-based View (RBV) theory suggests that a firm's resources criteria play an important role in achieving competitive advantage (Barney, 1991). Having "Rare, valuable, non-replaceable, and difficult to imitate" (Barney, 1991) resources gives a company a leg up on the competition and helps it expand. Although we consider physical infrastructure (such as buildings and machinery) to be the most

significant resource for gaining a competitive edge, human capital is equally crucial to success (Priem & Butler, 2001). When skilled employees make good use of cutting-edge equipment and infrastructure, for instance, the result is a competitive advantage (Boxall, 1998).

Objective of the Study:

This study is to analyse how employees can sustain in the organization for a longer period and the factors that motivates behind their retention.

Prioritizing sustainable goals towards areas where we can make meaningful impact for faster return on investment (ROI).

A New Approach to Motivation: Good HR manager motivates with the influence of their vision, the appetite of their provision and the fascinating logic for their reasoning, adding up the proper compensations will willingly drive them to the proper direction. When developing strategies and tactics to retain entry level employees HR manager should identify that there are two diverse groups within these groups for instance- employee without experience; and employee with experience who have been for more than six months may want to know how an organization can help them in progress; a new employee will look to help them to increase their comfortable zones. The managers need to stare at the employee not as a problem to be solved but as personnel to be understood. It involves transferring the responsibility for motivation from hierarchical to middle level and middle to operational level.

Retention Management: As we all know that today's environment is substantially more composite than that which existed prior to 1980's and 1990's. Simultaneously, entrepreneurs have been introducing change to cope up with the multiple-task of the environment and competition. Organizations started rehearsing and instigating retention strategies in order to keep the treasured employees, which in turn led to no cost of recruitment, relocation and training. HR managers need to analyse the cause of why employee is planning to quit the organization, make necessary measures like exit interviews, collecting primary data and if possible, negotiating with the employee.

Japanese system of HRM: Retaining employees has become an alarming need in the industrial world of today. The enormity of Japan's economic growth is remarkable and successful in developed and developing nations to imitate. It's been an extraordinary fashionable system in recent years for upcoming management experts to trumpet the potential for learning from the Japanese management. Some of the unique features of Japanese HRM that includes:

1. Employee participation: Small group activities (SGA), where in every personnel gets an opportunity to take initiatives.
2. Life time employment: Long and stable career.
3. Team Work: "The ability of a group of employees to co-operate and work effectively together".
4. Labour- Management Relations: Unions shows a great interest of responsibility and statesmanship of high authority.

These are few features of Japanese work culture for sustaining employees for long run which benefits both management, individual as well as society development at large.

Research Methodology:

Sampling: The present study is based on 100 different levels of management selected on the basis of convenient and cluster sampling.

Data Collection: The primary data was collected at the site of the job with an intention to know the reliability of data. For this purpose, questionnaire was framed, trying to know directly and in directly the various factors leading to motivation and sustainability. For qualitative analysis and to know the motivating factor a few case studies were also done. Before conducting the main study, a pilot study was conducted to test the validity of questionnaire. A few modifications were found essential after the pilot study.

Analysis of data:

Regression and correlation is applied to find the effect of employee motivation on employee's performance involving many variables like motivation, performance, fringe benefits and employee training and development. The outcome of this study shows a noteworthy and progressive relationship that exists between motivation and performance. This study concludes that employee training and development efficacy has a positive relationship with motivation.

Likert Scale: Strongly Agree; Agree; Neutral; Disagree; Strongly Disagree

It is been analysed the correlation between Innovation, Incentives and Motivation (X) and Training and Development (Y) has a high degree of positive correlation ($r=0.926$) with a value of “r” approaching to +1. A pair of agree are connected by a linear relation: $Y = X - 7.72$

Correlation between Training and Development (X) and General Motivating Factors (Y), it also possesses a perfect correlation ($r=0.998$) even though the value of $-x$ was decreasing hence high response correlation was observed.

The correlation between Innovation, Incentives and Motivation (X) and General Motivating Factors (Y) also seamlessly correlated even though the value of $-x$ and $-y$ was increasing and decreasing but still resulted in positive (+) correlation ($r=0.999$).

Primary Data: Collected through Questionnaire (online)

Sample size: 100 Respondents

Type of Sampling: Convenient sampling, Cluster sampling.

Type of Questionnaire: Likert Scale Questionnaire including open-ended questionnaire.

Findings and Suggestions:

1. New practical models and paradigms for understanding the employee's problems have to be implemented for retention.
2. Employee can be motivated by providing qualitative training which enhance employee career.
3. Rotation based technique should be adopted.
4. A company has to provide comprehensive advancements.
5. There should be a fair practice in Compensation management.

Hence forth our findings concluded that personnel are agreeing for motivating factor provided by the organization for sustainability but they are not strongly agreeing, because firms are more focused on profit centric oriented rather than employee.

4. Conclusion

Sustainability is an emerging occurrence in HRM practice and research. Companies found themselves in need to develop more sustainable business models and a strategy, HR department have a key role to play in this process. This paper has attempted to make a contribution to both: sustainability and motivational factors that affect the retention. Firstly, it provided a historical analysis of the emergence and different origins of understanding sustainability in HRM in a nutshell. Then, as a contribution to sustainability literature, research findings of ten highly sustainable corporations were presented and the areas of HR's greatest contribution were indicated. The analysis of sample of the corporations suggests the existence of some relationship between the HR function's positioning in the firm and the degree of its contribution in areas of sustainability-related HR practices. The present stance of HR is to take a call and develop the necessary capabilities to help foster greater business and world sustainability.

Employees are getting motivated with General motivating factors rather than Training and Development as per our analysis (Work environment flexibility; Combo-offs; Internal Job posting (IJP); Interacting with superior).

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