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## **CHAPTER – I**

### **INTRODUCTION**

The efficiency of a person depends on two factors, firstly, the level of ability to do a certain work, secondly, the willingness to do the work. So far as the first factor is concerned it can be acquired by education and training, but the second factor can be created by motivation. A person may have several needs and desires. It is only strongly felt needs which motives become. Thus motives are a product of needs and desires motives are many and keep on changing with time motives are invisible and directed towards certain goals.

Motivation means that process which creates an inspiration in a person to motivation is derived from the word 'motive' which means the latest power in a person which impels him to do a work.

Motivation is the process of steering a person's inner drives and actions towards certain goals and committing his energies to achieve these goals. It involves a chain reaction starting with felt needs, resulting in motives which give rise to tension which causes action towards goals. It is the process of stimulating people to strive willingly towards the achievement of organizational goals motivation may be defined as the work a manager performs in order to induce subordinates to act in the desired manner by satisfying their needs and desires. Thus motivation is concerned with how behavior gets started, is energized, sustained and directed.

## **1.1 OBJECTIVES OF THE STUDY**

### **Primary objective:**

- To study the motivation level of employees.

### **Secondary Objectives:**

- To study the effectiveness of the techniques adopted by the company in employee motivation.
- To study about the benefits and facilities provided to the employees.
- To learn the employee's satisfaction on the interpersonal relationship exists in the organization.

## **1.2 NEED OF THE STUDY**

Motivation is an important tool in the hands of the manager for inspiring the work force and making them to do work with enthusiasm and willingness .If it's an important function of the management to motivate the people working in the organization to perform the work assigned to them effectively and efficiently. The management has to understand the Human behavior if it has to provide maximum motivation to the personnel. Motivation is something that moves a person into action and continues him in the course of action enthusiastically. The role of Motivation is to develop and intensify the desire in every member of organization to work effectively and efficiently in his position.

The main aim of this study is to find out the employee motivation in Areva Industries ltd, Anantapuramu as motivation is an important factor which increases the desire willingness and enthusiasm in workers, to apply their great potentialities for the achievement of common goals.

### **1.3 SCOPE OF THE STUDY**

It is always essential for a concern to access its strategies and reshape its destiny. It is necessary for every organization to study the different aspects that affects the organization development. Every study has a clear and specific scope.

The scope of this study is limited to Areva Industries Pvt. Ltd. In this survey the emphasis is on the motivation of employees. The scope of the study involves the preparation of questionnaire and data of the company.

## **1.4 LIMITATIONS OF THE STUDY**

- As the respondents were busy with their work, it was difficult for the researcher to meet the respondents and gain information.
- The study was limited to a short period only.
- The data depends totally on the respondent's view, which may be biased.
- In this study the sample size is 50.
- The findings of the study cannot be applied to all other fields since it lacks external validity.

## CHAPTER – II

### REVIEW OF LITERATURE

Employee Motivation is an integral part Human Resource Management and it plays a crucial role in the long-term growth of an organization. Motivation can be defined as the inherent enthusiasm and driving force to accomplish a task. It can be used in directing employees' behavior and actions for a constructive vision or goal. Proper motivation turns an employee into a loyal asset and helps in maintaining the retention rate.

#### What is Employee Motivation?

The word motivation is derived from Latin word 'movere' which means 'to move'. Motivation is something – a desire, a want, need or drive – that moves or spurs an individual to act in a particular way to achieve a goal or objective.



The factors that stimulate the behavior and actions of the people are as follows –

- Success and advancement in Life

- Desire for Money
- Desire to be empowered
- Work Satisfaction
- Recognition in the Society etc.

Employee motivation is defined as the commitment, the energy levels, and the creativity that the employees bring to their job. Even though employees' motivation doesn't directly influence organization's growth, it is like a necessary pre-condition because lack of motivation among the employees can have a detrimental effect on their performance.

### **Impact of Well-Motivated Employees**

Well-motivated employees are an asset to the organization and they write the success of organization and therefore, every organization should accord utmost attention to employees' motivation.

A well-motivated employee stays with the organization through its thick and thin. Motivation is essential for establishing an effective relationship between the employer and the employees.

In the modern management system many methods of motivation have been put into practice to enhance productivity of the employees. Apart from various methods of motivation, there are certain well-acknowledged motivators such as job design, nature of job and system of incentives and rewards for the employees that play a decisive role in ensuring employees' longevity, productivity and efficiency.

### **Employee Motivation - Motivating Factors**

Motivation is integral to employees' performance in particular and the growth of the organization in general.

**However, the most important question needs to be answered is how to motivate an employee?**



Human behavior is quite complex to understand. Before knowing how to motivate employees, it is essential to know what motivates them. Employees are motivated by both **financial** and **non-financial motivators**.



### **Financial Motivators**

The motivators related to money are called financial motivators. Regular and good wages and salary, bonus, periodical increments, profit sharing, leave with pay, medical reimbursements are some of the common financial motivators. Lack of these motivators has a negative bearing upon the performance of the employees.

### **Non-Financial Motivators**

Certain motivators that are **not** related to money but have a positive impact on the employees are called non-financial motivators. Some of the non-financial motivators are as follows.

- Job Security
- Performance Appraisal, praise and prestige
- Delegation of authority
- Congenial work environment
- Status and pride

- Participation
- Job enrichment
- Job rotation
- Facilities for paid leaves
- Quality of work life

There are many ways to motivate an employee, but choosing the right way to motivate is the difficult task. Considering the complexity and volatility of human behavior, it is pertinent to study the behavior of the employees who need to be motivated.

Any organization is built with employees; hence, employees are called as the building blocks of any organization. Success of any organization is in the hands of the employee and their collective efforts. Employees contribute their work and skills collectively to the organization for its growth, only when they are motivated.

Every organization needs employees who work dedicatedly and sincerely. And making an employee to do his job, salary is not the only criteria, motivation also plays a major role in this scenario.

Following are some of the useful tips as to how to motivate the employees –

### **Self-Evaluation**

Managers need to evaluate their own behaviors, attitudes and approaches towards their employees. Employee-friendly behavior and attitudes help the managers in motivating, controlling and encouraging the employees.

### **Familiarity with the Employees**

As the manager and the employees together work towards achieving the organizational goals, the former needs to nurture some familiarity with the latter. It is the responsibility of the manager to be acquainted with his/her employees for knowing them better and maintaining a constructive and cordial relationship. A work

environment built on mutual trust and cooperation between the managers and the employees brings in development and growth of the organization.



### **Employee Benefits**

Monetary and non-monetary benefits are the most important means of motivating employees. Hence, financial benefits like good salary, periodical increments, facilities for insurance and medical reimbursement and non-financial motivators like job security, a congenial work environment etc. go a long way in motivating the employees. The management should make possible arrangements for availing these benefits for effective employees' motivation.

### **Introducing New Employees**

New employees should be introduced in such a manner that they will find themselves comfortable and assured in the new work environment. It will motivate them to work with energy and drive them towards realizing the organizational goals.

### **Feedback to Employees**

Feedback is an important tool to motivate employees. Giving feedback to employees endows them with an ability to gauge their own performances. This helps in also appreciation and improvisation. However, feedback should be properly

worded, task focused and to the point so as not to create a sense of inferior complexity in the employees.

The person giving feedback is, in most cases, is superior to the receiver. Friendly and positive feedback proves healthy for both manager-employee's relationship and growth of the organization.

### **Timely Appreciation**

Recognizing the performance of the employees and praising them for their good acts in time motivates them. Lack of appreciation of employees' performance decelerates the pace of work in an organization. A pat on the back of any employee for his good work or achievement, makes him/her motivated and this helps in giving better outputs.

### **Time Management**

Maintaining time is very important and having a control over the time, will make the work to be done in time and that too in a right manner.

### **Pleasant Work Environment**

A friendly and comfortable work environment not only attracts the employees to the workplace but also make them eager to work efficiently. Free space, good lighting system, equable temperature inside the workplace etc. have a positive impact on employees' performance. A stress-laden work atmosphere dampens the spirit of the employees and they perform below expectation.

### **Employee Learning**

Every employee should be given an opportunity to learn new things, which helps in the growth of the individual in them as well the organization.

### **Empowering the Employees**

Employees should be given an opportunity to have a say in how they do their job, how they can improve their performance. If possible, employees should be asked individually as to how they view themselves and can be more efficient. However,

employees' advice in this regard needs to be implemented to give them a sense of empowerment. Certain amount of decision making in performing their job is also quite encouraging for the employees.

### **Effective Communication**

Communication plays an important role in smooth functioning of an organization. An effective communication clears many problems and builds a trust among the employee with transparency. Face-to-face communication with the employees is more effective than other means of communicating and it truly motivates them a lot.

### **Managers Should be Leaders**

By expertise, knowledge and effective managerial qualities, managers should present themselves as leaders worth following. Recognizing the performance of the employees and praising them for their good acts in time motivates them. Lack of appreciation of employees' performance decelerates the pace of work in an organization.

### **Employee Motivation - Importance**

By now it is understood that, employees are pivotal to the evolution and growth of an organization and play an important role in achieving the goals and objectives of the organization.

The importance of motivating employees is second to none in an organization. Employees' motivation is quite useful and beneficial in a number of ways for the organization. The importance and the benefits of Employee Motivation is as follows –

### **Role of Human Resource**

An organization is essentially built upon three basic edifices like physical, financial and human resources. Motivating the employees, who constitute the human resource of an organization, is essential for effective functioning of the organization.



### **Increase Efficiency**

Proper and timely motivation of employees help increase the productivity and efficiency of employees. When employees are motivated they bring energy and speed to the functioning of an organization constitutes motivation in employees can lead to —

- Increase in Production
- Reduction in cost of operations
- Improvising the overall efficiency

### **Organization Goal Achievement**

Motivation is the important factor for achieving the organizational goals. These goals can be achieved with the following factors —

- Effective and efficient utilization of resources
- Congenial and better work environment with better cooperation among the employees while working towards realizing organizational goals
- Employee are to be objective oriented in achieving goals
- Good coordination the employees and the management

## **Enduring Relationship**

When employees are highly motivated they show a great deal of satisfaction in working for the organization. The management or the employees should attempt to strike a cordial relationship with the employees by providing certain possible financial and nonfinancial motivators as discussed above.

## **Workforce Stability**

Workplace and workforce stability is very important aspect of any organization. It will project the goodwill and the reputation of the organization. Being loyal to the organization and utilizing the skills and being efficient towards their respective work the employees can write success after success for the organization they work for. Hence, employee motivation is very important.

Mick Mount and Ning Li, management and organization professors, said if an employee is an ambitious, go-getting extrovert whose high-order goal in life is status, then it will be hard for an employer to motivate the employee, if he or she works in a repetitive job with no advancement opportunity.

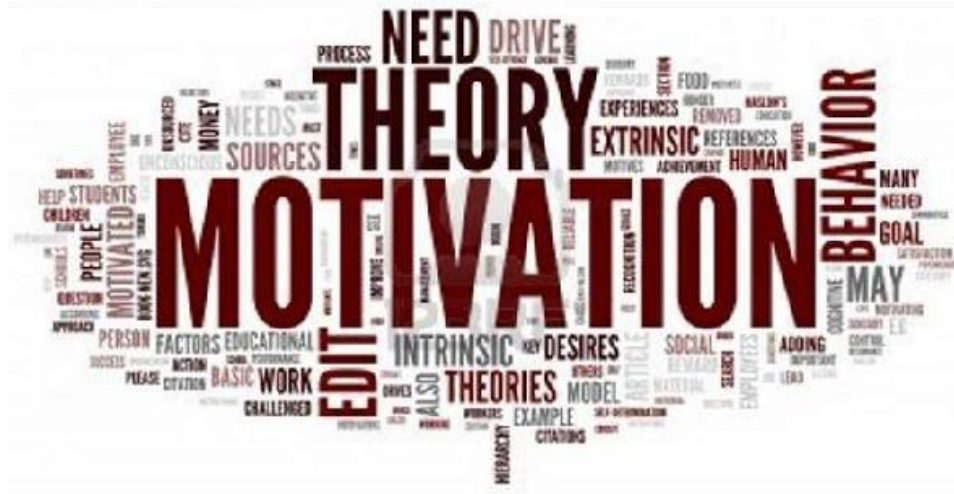
On the contrary, they said in case an employee is a shy, retiring type who wants autonomy, he or she will not be motivated to better performance only by promising a promotion because the last thing he or she wants is he/she doesn't like to be in charge of other people.

"The implication for businesses, then, is that we first need to understand which goals matter to employees and then match those goals to characteristics of jobs so we can make work more meaningful and intrinsically motivating to the person," Mount said.

## **Psychological Approach**

Motivation is a process of energizing and developing interest among the employees, who, when motivated move at a good pace towards achieving the goal of an organization. It influences employees' behavior and the ways they react to different situations. Hence, methods of motivation changes from time to time with different people, environment and situations etc.

It's well-acknowledged that motivation brings in a lot of benefits to an organization. However, getting motivated and making others motivated is the challenging task. During the past several years behavioral and social scientists have made in-depth research and study to find out suitable motivation techniques. They studied what motivates the behavior of a person, how and why?



In the modern management era, many theories have been suggested by behavioral scientists for effective motivation of employees with a view to increasing production and ensuring progress of the organization.

Some of the important modern theories of motivation like **Maslow's Hierarchy Theory** and **Herzberg's Two-factor theory** have considerably influenced the ways the employees of modern organization are motivated.

### **Maslow's Hierarchy of Needs**

Abraham Maslow's widely acknowledged need hierarchy theory evolved in 1940s hold good even today for having a good understanding of human motivation. The theory has tremendous effect on modern management approach to motivation. Basing upon his experience on human behavior, Maslow came to the conclusion that a person's motivational needs can be put in a hierarchical order.

Maslow found five levels in his need hierarchy. They, from bottom to top are as follows –

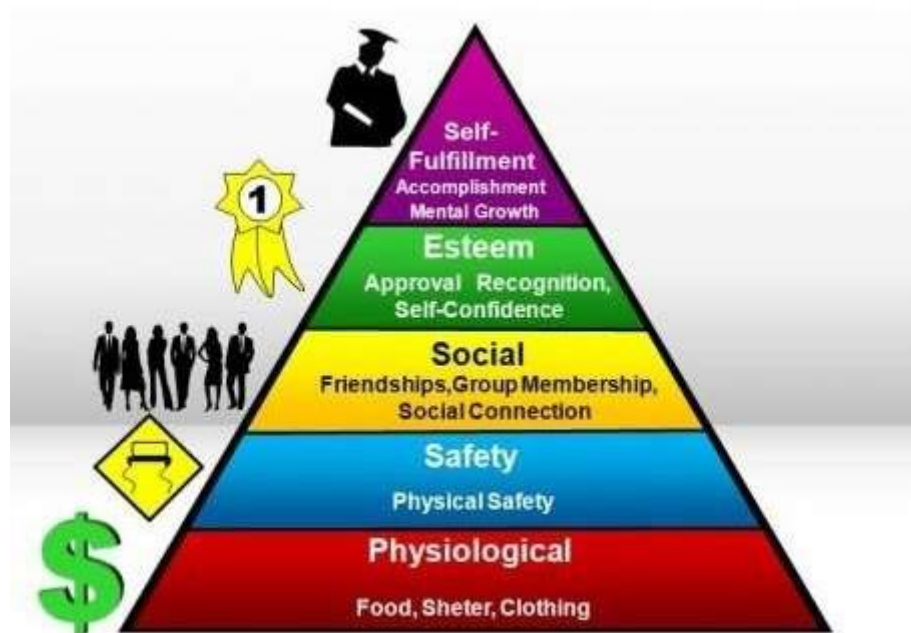


### **Physiological Needs**

Basic needs like hunger, thirst, sleep need primary attention while motivating employees. These needs once fulfilled no longer motivate. However, existence of these needs largely hampers employees' performance.

### **Safety Needs**

It is human nature to feel safe and secure everywhere. Maslow emphasized emotional and physical safety. Fear of losing job, property, shelter etc. demotivates the employees. These are related to physiological needs.



### **Social Needs**

Man is a social animal. As he starts living healthy, safe and secure, he seeks love, friendship, affection and belongingness from other human beings like his kith and kin. These needs motivate the employees' behavior to a great extent at both conscious and sub-conscious levels.

### **Esteem Needs**

Esteem-related needs belong to the highest order needs. Human beings strongly want for power, authority, achievement and high status that give him reputation and esteems in the society.

### **Self-actualization Needs**

It is the higher order need in Maslow's need hierarchy. It is a desire to become what one wants in life. The need to lead a meaningful and satiated life belongs to this level. A sense of self-fulfillment motivates a person to do higher achievements.

### **Herzberg's Theory**

Frederick Herzberg's Theory of Motivation is commonly based upon two important factors of motivation such as Hygiene Factors and Motivation Factors. Hence, Herzberg's theory evolved in 1950s, is otherwise called Two Factor Theory of Motivation. It brings considerable modification in Maslow's need hierarchy.

#### **The Foreground of Two Factor Theory of Herzberg**

Herzberg undertook an interview with about two-hundred engineers and accountants representing a cross section of Pittsburg Industry to discover important factors that motivate them the most. He enquired them of such events at work place which had either increased or reduced their job satisfaction.

Upon the basis of the extensive interview Herzberg found two set of factors that motivate employees. The first set called 'satisfiers' are motivators or growth factors and the second set called 'dissatisfiers' are related to hygiene or maintenance factors.

| <b>Herzberg's Two Factor Theory</b>   |                           |
|---------------------------------------|---------------------------|
| <b>Hygiene or Maintenance Factors</b> | <b>Motivation Factors</b> |

|  |   |
|--|---|
| <ul style="list-style-type: none"><li>• Interpersonal Relations</li><li>• Quality of Supervision</li><li>• Organization Policy and Administration</li><li>• Work environment</li><li>• Job Security</li><li>• Wages or Salary</li><li>• Relationship with subordinates</li><li>• Personal life</li></ul> | <ul style="list-style-type: none"><li>• Challenging Work</li><li>• Achievement</li><li>• Growth in the job</li><li>• Responsibility</li><li>• Advancement</li><li>• Recognition</li></ul> |
|--|---|

### **Hygiene Factors**

Hygiene factors are related to aspects of external environment an employee or employees interact with. The hygiene factors listed above shows man's relationship to the context or environment in which he does his job. These factors are, therefore, related to the immediate surrounding or peripheral aspects of the job, thus, extrinsic to the job.

Hygiene factors don't necessarily motivate employees in an organization to a better performance; yet these factors cause dissatisfaction with their absence while their presence doesn't bring satisfaction. Hence, these factors are named by Herzberg as 'dissatisfiers'. They breed dissatisfaction with their absence while their presence does not bring satisfaction.

Hygiene factors are preventive rather curative. For instance, lack of interpersonal relationship among the employees causes dissatisfaction among the employees but good interpersonal relationship among them slightly motivate them to better performance and effort.



## **Motivational Factors**

Herzberg's second group of factors is a set of real motivators or job content factors. Herzberg found these factors to be real motivators because they have the potential of yielding a sense of contentment or satisfaction. Motivating factors are related to the nature of work and are thus intrinsic to the job itself. They are quite helpful in motivating the employees to higher or superior performance and effort.

Existence of motivators like recognition of jobs and prospects for growth in job prove highly motivating for the employees. Lack of these motivators doesn't cause dissatisfaction while their presence brings satisfaction.

In essence, the factors that ascertain how an employee feels about his job are motivational factors, the variables that influence how an employee feels about his organization is environmental or hygiene factors. Adequate presence of hygienic factors is essential for attracting employees to an organization.

Based upon these factors, Herzberg concluded that people feel motivated if the job is promising and challenging; if there is a prospect of growth exists in it; if they have responsibility and authority to use their mite and discretion in the job. To this

effect, Herzberg suggested job enrichment instead of job enlargement as a viable strategy for motivation.

Herzberg's focus on the significance of job content is a substantial contribution to employees' motivation. However, Herzberg's Two Factor Theory has been criticized for its original research evidence was confined only to 200 workers and he did not establish any cause and effect relationship between satisfaction and performance.

### **Object Oriented Theory**

Motivation in an Employee is the internal factor, which drives him/her for accomplishing the activities which are related to work in the organization. It drives the employee in taking action and making a decision, as to what to do and what not to do?

Everyone needs motivation to achieve something or to put his/her best effort to realize a goal. But, a real winner needs a positive attitude over and above motivation and penchant for winning. A positive attitude enables a person to move towards realizing the desired goal.

Different people with differing mindsets behave differently in different situations, be it in organization or in the society. Many people are quite objective in their approach to any work. They work better, when they have some concrete facts in front of them i.e., what to do and what not to do. Upon this basis the object-oriented theory of motivation thrives.

The Object-Oriented Theory of Motivation describes about the three theories of motivation, which are as follows –

- The Carrot
- The Whip
- The Plant

The aforesaid three methods of motivation are applicable to different people in an organization with different mindsets and expectations.

An employee is motivated when he/she finds his/her needs met and interests fulfilled. If his immediate needs are not met, he is not at all motivated and the motivation is found ineffective. Hence, choosing an appropriate method of motivating a particular employee or group of employees is an onerous task itself.

## **The Carrot**

In the middle of 20<sup>th</sup> century, the carrot method of motivation was the idea of a cart driver, where he/she would tie a carrot to a long stick and dangle it in front of the donkey or horse which pulls his/her cart. As the horse/donkey moves forward towards the carrot, the cart gets pulled and moves forward. This continues, till the cart driver reaches his destination.

Here, the Carrot was given as a reward for encouraging the Horse/Donkey to pull the cart in reaching his/her destination. Carrot in modern day organization may be certain financial or non-financial rewards that spurs employee/s to work with an increasing pace to give better performance. The Provisions for paid leaves, safe and flexible work environment energizes the employees to give their best to the organization.

The Carrot theory talks about motivating employees through the Incentives and Rewards to a better or a best performer in his/her job. This can also be in the form of Bonuses, Promotions and Time-off, which make the employee motivated and happy.



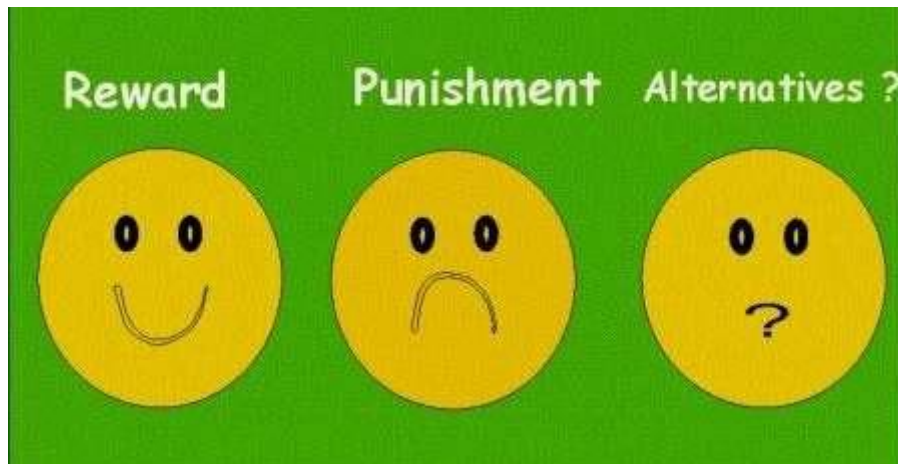
The Carrot approach to motivating employees is a traditional motivation theory which asserts that while motivating people to elicit expected behavior, at times the rewards are given in the form of money, promotion etc. and sometimes punishment or threats are exerted on employees to compel them towards the desired behavior. The Carrot and Stick approach is based upon the principles of reinforcement and was evolved mostly during the industrial revolution in the West.

### **The Whip**

The word 'Whip' describes and represents Threats and bitter Consequences to employees in the organization in case the employees fail to act upto a certain mark. The Whip approach to motivation is in contrast to the Carrot approach. The Whip or stick approach of motivation vouches for threat or punishment to get employees or workers motivated and is the one which needs to be handled with utmost care as it has quite a detrimental effect on the workforce. It as it is perceived negatively by the employees.

Here, the Whip is a kind of threat and punishment given to the employees working in the organization, who intentionally avoids going by company policies, rules, terms and conditions and performs very poorly which affects the overall productivity of the company or the organization.

In the big scenario or big clubs, sometimes, the Threats and Consequences may include termination and suspension. Whereas in small situations or scenarios, a small stick is more than enough, which includes no reward/award, no recognition and no appreciation etc. As this technique is a motivation factor for a short time duration, it is mandatory to know, where to use and when to use and most importantly upon whom the technique can be used.



## The Plant

As the two methods of motivation i.e., the Carrot and the Whip, have achieved some results, when it comes to providing motivation to employee in the organization. But it would not meet the complete aspects of motivation. Hence, the Plant method has come into picture, which is based upon a simple premise.

As a plant needs a combination of nourishing elements for its healthy growth and productivity, so an employee needs a right combination of factors to be motivated. Judgment needs to be used to ensure that each team member gets the right amount of each of the motivational factors. It requires the right amount of balance between using the whip or the carrot.

The plant, name itself represent a positive environment for motivation. In the plant method of motivation, it is the responsibility of the supervisor/superior that he/she should maintain a good rapport and a healthy relationship with subordinates and peers.

The role of the supervisor/superior for motivating the employees is as follows –

- Dealing with all the employee fairly and equally
- Providing training to the employees, who are in need
- Providing a proper and a transparent communication
- Creating a support to the employee, whenever they need
- Maintaining a good relationship for a better place to work

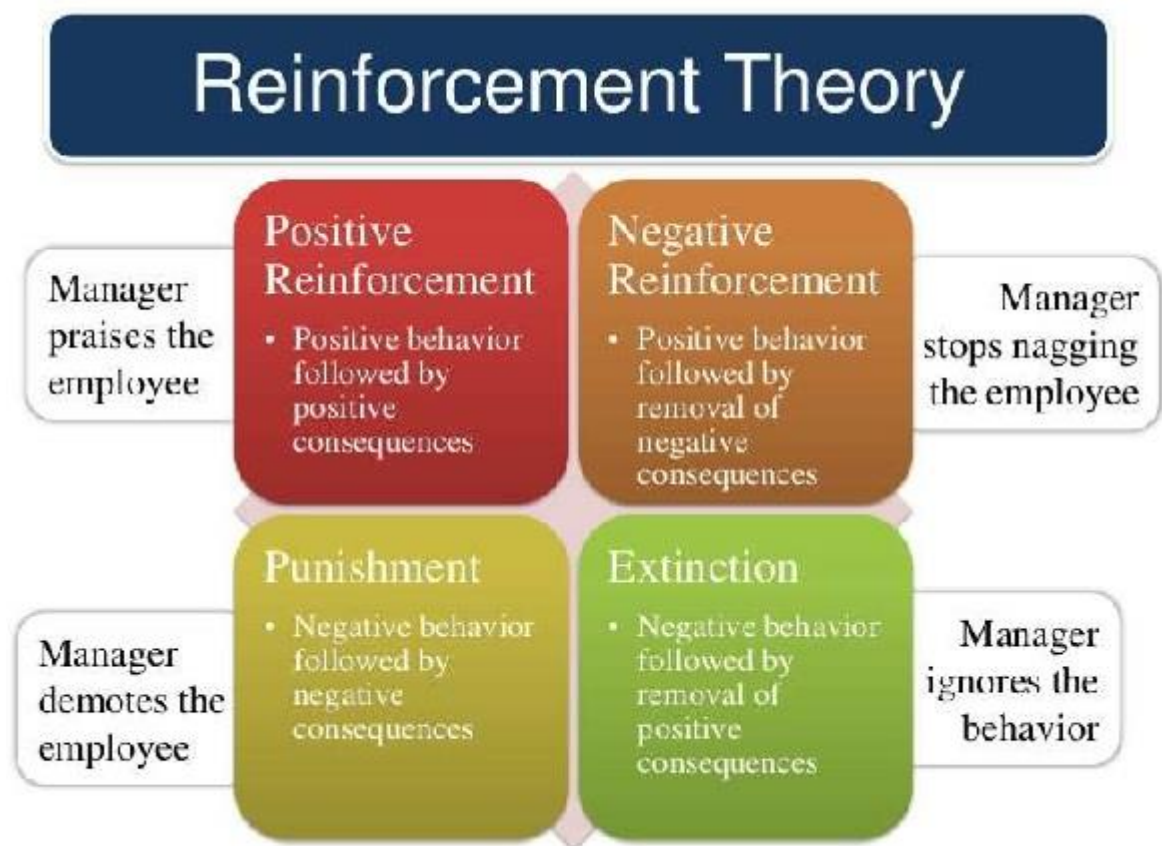


## Employee Motivation - Reinforcement Theory

Reinforcement Theory of motivation aims at achieving the desired level of motivation among the employees by means of reinforcement, punishment and extinction. Reinforcement approach, which can be both positive and negative, is used to reinforce the desired behavior. Punishment acts as a deterrent to undesirable behaviors of the employees. Extinction refers to diminishing the probability of undesirable behavior.

The Reinforcement Theory was proposed by B.F. Skinner and his associates. It is based on the concept of “Law of Effect”, i.e., the behavior of individual towards positive consequences tends to repeat, but the behavior of individual towards negative consequences tends not to repeat.

Skinner said, “Behavior which is reinforced tends to be repeated; behavior which is not reinforced tends to die out or be extinguished”.



Behavior that elicits consequences is called as the operant behavior and the reinforcement theory works on the relationship between the operant behavior and the

associated consequences. This process is called the Operant Conditioning and the change in the behavior is caused due to the reinforcement given after the response.

This theory of motivation totally focuses on what happens to an individual when he/she takes some action. It is no way related to the internal state of an individual i.e., inner feelings and drives of an individual is ignored.

Thus, the external environment of the organization should be designed positively and effectively so as to motivate the employees. This theory is a strong tool for analyzing controlling mechanism for individual's behavior.

Following are the methods for controlling the behavior of the employees –

- **Positive Reinforcement** – Positive reinforcement explains that, when an employee gives a positive and a required behavior, the response towards them should be positive. This stimulates the occurrence of a behavior. Reward to an employee who performs well reinforces his/her desire to perform better because of positive results of doing so.
- **Negative Reinforcement** – Negative reinforcement takes place when certain deterrent(s) or obstruction(s) is removed and the employee(s) responds to a desired behavior after such removal. For instance, an employee who commutes from a long distances wraps up a few projects faster than desired; but, when he is told by the manager to take the projects home for a couple of days and complete them, it stimulates him/her to work as expected. By removing the negative stimuli, the desired behavior is reinforced.
- **Punishment** – Punishment refers to imposing negative consequences or removing positive consequences with a view to preventing employee(s) from repeating undesirable and uncalled for behaviors. It can, therefore, be both positive and negative.
- **Extinction** – Extinction refers to extinguishing a learned behavior by withholding a positive reinforcement or reward that has encouraged the behavior.

To conclude, the reinforcement theory revolves round a basic idea that consequences influence behavior. Consequence that brings rewards propels a

particular behavior and consequences that give punishment diminish the occurrences of a behavior. Last but not the least, the consequences that give neither reward nor punishment put an end to a behavior. The theory helps the managers to choose the right method of motivation to motivate their employees basing upon the prevailing situation.

## **Employee Motivation - On the Job**

Management is the act of getting things done. The job of a manager in the workplace is to get things done through employees. To do this, the manager should be able to motivate his/her employees. It is not as simple as it appears. Motivation practices and theories are difficult subjects relying on several disciplines.

In spite of enormous research, the subject of motivation is not clearly understood and more often than not poorly practiced. To understand motivation, one must understand human nature itself.



Human nature can be simple and can also be complex at times. An understanding and appreciation of human nature is a prerequisite to effective employee motivation in the workplace and therefore, related to effective management and leadership.

To get motivated by self is not as practicable as it seems. Once the level of motivation experiences a barometric fall, it is very difficult to raise it to a required stage. Demotivation or lack of motivation in employee(s) causes boredom, lethargy and seclusion both at work places and at home.

The undercurrent of daily life is to a great extent a negative environment. State of fear, worry, depression and anxiety make life feel dull and monotonous and keep the cycle of procrastination or postponing work. It has a destabilizing effect on the person who suffers from lack of motivation.

Many researchers have found out various accepted ways to get one motivated and focused at work to enable oneself work in a smarter or effective manner.

### **Steps to Increase Motivation Daily**

- Keep energy level high to allow yourself get motivated.
- Identify the task to be achieved and be specific as far as practicable
- Ascertain what you want to achieve the goal and visualize the end
- Prepare an action plan
- Know the skills required to achieve the goals and acquire them if you lack them
- Break down the goals small steps to be covered one by one
- Acknowledge the completion of smaller goals and make modification if any of them is found difficult
- Create an encouraging atmosphere by surrounding yourself with supportive people and environments
- Be prepared to laugh at the setbacks and celebrate success
- Analyze the feedback and act accordingly until unless goal is achieved.

### **Employee Motivation - Key Factors**

There is an old saying that, you can lead a horse to water, but you cannot make it to drink; it will drink only if it's thirsty. The same logic applies to people in general. They will do what they want to do or otherwise only if they are motivated to do. Whether it is to excel on the workshop floor or in the 'ivory tower' they must be motivated or driven to it, either by themselves or through external stimuli.

Human beings are self-motivated if they find the job and organization suitable to their personality type. If they are not motivated they can be motivated by various methods as discussed in the above chapters. This is cardinal for any business to survive and succeed.



Performance is considered to be a function of ability and motivation, thus –

$$\text{Job Performance} = f(\text{ability}) (\text{motivation})$$

Ability in turn depends on education, experience and training and its improvement is a slow and long process. On the other hand, motivation can be improved quickly. There are many options and an uninitiated manager may not even know how and where to start.

Broadly, there are **Sevens Strategies for motivation** –

- Positive reinforcement
- Effective discipline and punishment
- Treating people fairly
- Satisfying employees needs
- Setting work related goals

- Restructuring jobs
- Base rewards on job performance

These are the basic strategies, though the mix in the final 'recipe' will vary from workplace situation to situation. Essentially, there is a gap between an individual's actual state and some desired state and the manager tries to reduce this gap.

### **How to Create a Motivated Organization?**

The development and growth of an organization is not possible only if only the employees are motivated; the organization as a whole need to be motivated. And motivating an organization is not an easy task. s motivated organization as a whole which is necessary for the betterment and the growth of the organization in reaching its goals.

### **Motivation and Organizational Theory**

Though we have discussed motivation extensively earlier, the role of the HR department and the role of the organizational culture in motivating employees have not been discussed at length.

As organizational theory states, employees need to be motivated to actualize their potential and there are several ways of enabling them and empowering them to do so. These include the role of reward systems in motivating employees according to their needs for extrinsic or external motivation and by providing them opportunities that appeal to their intrinsic or internal motivation needs.

For example, there are many multinationals like Fidelity where the HR managers hold one to one sessions with the employees to foster an open and inclusive culture where employees do not hold anything back and where they are encouraged to be as forthright as possible.

## How to Create a Motivational Job?

The workplace environment affects how the employees perform and feel about their jobs. A motivating workplace encourages employees to work harder, which allows them to advance and succeed while your business gets ahead.

The employees may also be more satisfied with their jobs when the environment motivates them at the office. Money often comes to mind as a motivating factor for employees, but other strategies also work to encourage improved work performance from all staff members.

Nowadays, leaders are looking for ways to keep their employees focused and motivated during challenging economic and business conditions. With layoffs, pay freezes, furloughs, and 401K cuts, there's plenty of bad news going on that a leader can't control that can drag a team down.



A motivating environment is when people are pushing themselves harder than any boss could ever push them. It's when people are giving it their all when no one is watching and no one may ever know. They're giving 110% because they want to, not because they have to.

Here is a set of ideas that you can follow to create motivation in employees at workplace –

- Create motivating work
- Hire 'A' players and get rid of 'C' players
- Don't micromanage



- Promote your team's work
- Loosen up the rules and bureaucracy
- Set a good example
- Encourage camaraderie during work hours
- Pay people for what they are worth



## **CHAPTER –III**

### **INDUSTRY AND COMPANY PROFILE**

#### **3.1 INDUSTRY PROFILE**

##### **INDIAN STEEL SECTOR:**

##### **DEVELOPMENT AND POTENTIAL**

At the time of independence in 1947, India had only three steel plants – the TATA Iron & Steel Company, the Indian Iron and Steel Company and Visveswaraya Iron & Steel Ltd and a few electric arc furnace-based plants. The period till 1947 thus witnessed a small but viable steel industry in the country, which operated with a capacity of about 1 million tonne and was completely in the private sector. From the fledgling one million tonne capacity status at the time of independence, India has now risen to be the 5th largest crude steel producer in the world and the largest producer of sponge iron.

As per official estimates, the Iron and Steel Industry contributes around 2% of the Gross Domestic Product (GDP) and its weight in the Index of Industrial Production (IPP) is 6.20%. From a negligible global presence, the Indian steel industry is now acknowledged for its product quality, reflected by trends of rising exports. As it traversed its long history during the past 60 years, the Indian steel industry has responded to the challenges of the highs and lows of business cycles. The first major change came during the first three Five-Year Plans (1952-1970) when in line with the economic order of the day, the iron and steel industry was earmarked for state control. From the mid-50s to the early 1970s, the Government of India set up large integrated steel plants in the public sector at Bhilai, Durgapur, Rourkela and Bokaro.

The policy regime governing the industry during these years involved: Capacity control measures: Licensing of capacity, reservation of large-scale capacity creation for the public sector units.

A dual-pricing system: Price and distribution control for the integrated, large scale producers in both the private and public sectors, while the rest of the industry operated in a free market.

Quantitative restrictions and high tariff barriers.

**Railway freight equalisation policy:**

To ensure balanced regional industrial growth.

Controls on imports of inputs, including technology, capital goods and mobilisation of finances and exports. The large-scale capacity creation in the public sector during these years contributed to making India the 10th largest steel producer in the world as crude steel production grew markedly to nearly 15 million tonnes in the span of a decade from a mere 1 million tonne in 1947. But the trend could not be sustained from the late 1970's onwards, as the economic slowdown adversely affected the pace of growth of the Indian steel Industry. However, this phase was reversed in 1991-92, when the country replaced the control regime by liberalisation and deregulation in the context of globalisation. The provisions of the New Economic Policy initiated in the early 1990's impacted the Indian steel industry in the following ways: Large-scale capacities were removed from the list of industries reserved for the public sector. The licensing requirement for additional capacities was also withdrawn subject to locational restrictions. Private sector came to play a prominent role in the overall set-up. Pricing and distribution control mechanisms were discontinued.

The iron and steel industry was included in the high priority list for foreign investment, implying automatic approval for foreign equity participation up to 50%, subject to the foreign exchange and other stipulations governing such investments in general. Freight equalisation scheme was replaced by a system of freight ceiling. Quantitative import restrictions were largely removed. Export restrictions were withdrawn. 19 The system, therefore, underwent marked changes. For steel makers, opening up of the economy opened up new channels of procuring their inputs at competitive rates from overseas markets and also new markets for their products. It also led to greater access to information on global operations/techniques in manufacturing. This, along with the pressures of a competitive global market, increased the need to enhance efficiency levels so as to become internationally

competitive. The steel consumer, on the other hand, was now able to choose items from an array of goods, be it indigenously manufactured or imported. This freedom to choose established the sovereignty of the consumer and galvanised steel producers to provide products/service levels in tune with the needs of the consumers. With the opening up of the economy in 1992, the country experienced rapid growth in steel making capacity. Essar Steel, Ispat Industries, Jindal Group etc set up large integrated steel plants in the Private Sector. TATA Steel also expanded its capacity. To sum up, some of the notable milestones in the period were: Emergence of the private sector with the creation of around 9 million tonnes of steel capacity based on state-of-the-art technology. Reduction/ dismantling of tariff barriers, partial float of the rupee on trade account, access to best-practice of global technologies and consequent reduction in costs – all these enhanced the international competitiveness of Indian steel in the world export market. After 1996-97, with the steady decline in the domestic economy's growth rate, the Indian steel industry's pace of growth slowed down and in terms of all the performance indicators – capacity creation, production, consumption, exports and price/ profitability – the performance of the industry fell below average. In foreign trade, Indian steel was also subjected to anti-dumping/ safeguard duties as most developed economies invoked non-tariff barriers.

Economic devastation caused by the Asian financial crises, slowdown of the global economy and the 20 impact of glut created by additional supplies from the newly steel-active countries (the steel-surplus economies of erstwhile USSR) were the negative factors. However, from the year 2002, the global industry turned around, helped to a great extent by China, whose spectacular economic growth and rapidly-expanding infrastructure led to soaring demand for steel, which its domestic supply could not meet. At the same time, recoveries in major markets took place, reflected by increase in production, recovery of prices, return of profitability, emergence of new markets, lifting of trade barriers and finally, rise in steel demand – globally.

The situation was no different for the Indian steel industry, which by now had acquired a degree of maturity, with emphasis on intensive R&D activities, adoption of measures to increase domestic per capita steel consumption and other market development projects, import substitution measures, thrust on export promotion and exploring global avenues to fulfill input requirements. The rapid pace of growth of the industry and the observed market trends called for certain guidelines and framework.

Thus was born the concept of the National Steel Policy, with the aim to provide a roadmap of growth and development for the Indian steel industry. The National Steel Policy (NSP) was announced in November 2005 as a basic blueprint for the growth of a self-reliant and globally competitive steel sector. The long-term objective of the National Steel Policy is to ensure that India has a modern and efficient steel industry of world standards, catering to diversified steel demand. The focus of the policy is to attain levels of global competitiveness in terms of global benchmarks of efficiency and productivity. The national policy seeks to facilitate removal of procedural and policy bottlenecks that affect the availability of production inputs, increased investment in research and development, and creation of road, railway and port infrastructure. The policy focuses on the domestic sector, but also envisages a steel industry growing faster than domestic consumption, which will enable export opportunities to be realised.

If we were to pause for a moment to think about the growth of human civilization, we would find that the pace of social and economic growth has been closely linked to the proficiency with which people have been able to use and shape materials. 21 Steel is one such material that has played an important role in the development of mankind in the last century. Today, it is difficult to imagine a world without steel. Steel has become vital to our everyday life. It is at the root of the quality of life that each of us enjoys today, helping to shelter us, to feed us and to facilitate both our working day and leisure activities. We depend on steel for almost everything from our houses and buildings, the cars we drive, roads, bridges, agricultural equipment, machines, the list is endless. Steel is a versatile, constantly developing material that underpins all manufacturing activity.

Even if a product is not made entirely from steel, it will undoubtedly have steel as a component at some point in the manufacturing process. There are currently more than 3,500 different grades of steel with many different properties – physical, chemical, environmental, 75% of which have been developed in the last 20 years. Steel is also an environment friendly material and has the distinction of being the most recycled material in the world today. Today, consumption of steel is also regarded as an indicator of development of a nation. Per capita steel consumption is now universally accepted as an index of economic development of a nation. Given its role, steel has established itself as the backbone of any economy. The steel industry in

India has always been on the ascent, owing to the abundant availability of raw materials like iron ore, limestone and coal, besides relatively cheap labour, which is a major cost advantage.

It is noteworthy to mention that India is the sixth largest producer of iron ore and the tenth largest producer of crude steel in the world. Steel is a core sector industry and the demand for steel affects the economy of the country. Periodic researches and surveys have produced highly optimistic results. The demand for steel is growing and will continue to grow in leaps and bounds. The cross-cultural influence on India is getting pronounced, as a result of which a more 22 enhance lifestyle is on the cards. With cities getting wider and mini townships mushrooming all over, the real estate industry will keep booming, and hence the demand for steel will only keep getting higher in the years to come.

The consistent need for steel will also be form sectors like automobiles, consumer durables and infrastructure. National Steel Policy 2005 envisages steel consumption in the country to go up from 37 million tones presently to 110 million tones by 2020. Above all, the per capita consumption of steel in India is at around 45 kg, which is well behind the global average of 150 kg. with other Asian countries like China (330) kg), Malaysia (405 Kg) and South Korea (925 Kg) having a higher per capita consumption.

As such India's growth potential promises to be undisputedly good. 3.2 Sector structure/Market Size The Indian steel industry entered into a new development stage from 2005-06, resulting in India becoming the 5th largest producer of steel globally. Producing about 55 million tones (MT) of steel a year, today India accounts for a little over 7 percent of the world's total production. India is the only country across the world to post a positive overall growth in crude steel production at 1.10 per cent for the quarter ended March 2010. The recovery in steel production has been aided by the improved sales performance of steel companies. The steel sector grew by 5.7 per cent in May 2010. 3.3 Production, consumption and growth of steel Steel production reaches 28.49 million tonne (MT) in April-September 2009. Further, India, which recorded production of 22.14 MT of steel during April-August 2009, is likely to emerge as the world's third largest steel producer in the current 23 year, according to Gautam Kumar Basak, Executive Secretary, Joint Plant Committee (JPC).

The National Steel Policy has a target for taking steel production up to 110 MT by 2019-20. Nonetheless, with the current rate of ongoing Greenfield and brown field projects, the Ministry of Steel has projected India's steel capacity is expected to touch 124.06 MT by 2011-12. In fact, based on the status of memoranda of understanding (MoUs) signed by the private producers with the various state governments, India's steel capacity is likely to be 293 MT by 2020. The National Steel Policy 2005 had projected consumption to grow at 7% based on a GDP growth rate of 7-7.5% and production of 110 million tonnes by 2019-2020. These estimates will be largely exceeded and it is envisaged that in the next five years, demand will grow at a considerably higher annual average rate of over 10% as compared to around 7% growth achieved between 1991-92 and 2005-06. It has been assessed that, on a 'most likely scenario' basis, the steel production capacity in the country by the year 2011-2012 will be nearly 124 million tonnes.

India's steel consumption rose by 5.7 per cent to 26.49 Mt in the first six months of the current fiscal over the same period a year ago on account of improved demand from sectors like automobile and consumer durables. A Credit Suisse Group study states that India's steel consumption will continue to grow by 16 per cent annually till 2012, fuelled by demand for construction projects worth US\$ 1 trillion. The scope for rising to total consumption of steel is huge, given that per capital steel consumption is only 35 kg – compared to 150 kg across the world and 250 kg in China. Steel players like JSW Steel and Essar Steel are increasing their focus on opening up more retail outlets pan India with growth in domestic demand.

JSW Steel currently has 50 such steel retail outlets called JSW Shoppe and is targeting to increase it to 200 by March 2010. They expect at least 10-15 per cent of their total production to be sold by their retail outlets. Essar Steel, which currently has over 300 retail outlets across the country, plans to set up 5,000 outlets of various formats soon. It expects to sell 3 Million Tonnes of steel through the retail route in two years. A host of steel companies have lined up major investment proposals. Furthermore, with an expanding consumer market, the Indian steel industry is likely to receive huge domestic and foreign investments. According to the Investment Commission of India, the Indian steel industry is—likely to receive huge domestic and foreign investments. Tata steel has raised US\$ 500 million by issuing 'global

depository receipts'— (GDRS) aiming at expansion of its Jamshedpur plant and overseas mining projects.

Steel companies have committed US\$ 122.50 million for setting up sponge—iron units in Koppal and Bellary in Karnataka. SAIL will invest US\$ 724.12 million to set up a 4-million tonne per annum— steel mill at its Bhilai Steel Plant. Uttam Galva Steel Plans a capital expenditure of US\$ 62.8 million – US\$— 104.6 million over the next two years for setting up of a 60 MW power plant. The power plant will help reduce its production costs. Government Initiative Subsequent to the recent fall in international prices of commodities and to protect Indian producers, the Indian government has announced some changes in customs duty rates, which were effective from November 2008.

The government has removed full exemption of customs duty on some industrial and agricultural commodities. Iron and steel products like pig iron, spiegeleisen, semi – finished products, flat products and long products are now subject to a basic custom duty of 5 per cent ad –valorem. The Indian government plans to invest over US\$ 350 billion in industries related to infrastructure and construction which will give a fillip to the steel sector. Moreover, in the Union Budget 2009-10, the government has made a 23 per cent hike in allocation for highway development and US\$ 1.034 billion increase in budgetary support to Railways which will further promote the steel industry. 3.4 Market Outlook Road Ahead While the demand for steel will continue to grow in traditional sectors such as infrastructure, construction, housing, automotive, steel tubes and pipes, consumer durables, packaging, and ground transportation, specialized steel will be 26 increasingly used in hi-tech engineering industries such as power generation, petrochemical, fertilizers, etc.

The new airports and railway metro projects will require a large amount of stainless steel. According to an estimate, with the growing need for oil and gas transportation infrastructure, a US\$ 118 billion opportunity is waiting to be tapped by steel manufacturers in the next five years. Indian steelmakers are set to make the most of booming global demand for steel pipes and tubes with the government withdrawing the 10 per cent duty on the exports of these products. According to a study by ICICI Direct. Indian steel companies are likely to get 19 per cent of the total global demand



in the years to come. Urban Areas: The present steel consumption per capita per annum is about 30 kg in India, compared to 150 kg in the world, and 350 kg in the developed world. 2 The estimated urban consumption per capita per annum is around 77 kg in the country, expected to reach approximately 165 kg in 2019-20, implying a CAGR of 5 percent. Apart from the anticipated growth in the construction, automobile, oil and gas transportation, and infrastructure sectors of the economy, conscious promotion of steel usage among architects, engineers and students by the Institute of Steel Development and Growth (INSDAG) and the large producers will drive this additional consumption. Steps would be taken to encourage usage of steel in bridges, crash barriers, flyovers and building construction. Benefits of steel usage would be added to the technical education curricula in the country. Rural Areas: The rural consumption of steel in India remains at around 2 kg per capita per annum, primarily because steel is perceived to be expensive among the village folks.

Based on the promotional efforts mentioned above, and an active focus on opening new block level rural stock points, a target is set for raising the per capita rural consumption of steel to 4 kg per annum by 2019-20, implying a CAGR of 4.4 percent. 27 Exports: Although the focus of Indian steel industry is on the domestic market, export will be another window on the demand side. The growth of exports of steel from India has been around 10 percent per annum over the past decade. That speaks for the international cost competitiveness of the steel sector. It takes assiduous effort to create, and hold on to export markets.

While the business decision to export will depend on the prevailing relative prices, the Government would encourage strategic alliances with buyback arrangements and dedicated export production through 100% export-oriented units. A growth rate of around 13 percent per annum is envisaged up to 2019-20. Present growth scenario and future outlook India ranks as the fifth largest producer of crude steel in the world. Domestic crude steel production grew at a compounded annual growth rate of 7 per cent during 2004-05 to 2008-09. The increase in production came on the back of capacity expansion, mainly in the private sector plants, and higher utilisation rates. This growth was driven by both capacity expansion (from 47.99 million tonnes in 2004- 05 to approximately 64 million tonnes in 2008-09) and improved capacity utilisation.



India, the world's largest producer of direct reduced iron (DRI) or sponge iron, is also expected to maintain its lead in the near future. Sponge iron production grew at a CAGR of 16% to reach a level of 20.80 million tonnes in 2008- 09 compared to 12.36 million tonnes in 2004-05. India is expected to become the second largest producer of steel in the world by 2015-16, provided all requirements for fresh capacity creation are met.

### **Marketing & Selling Arrangements**

Further this is backward integration of the group so around the group itself likely consumes 10 to 15 %. Selling will be done through dealers network and it will be formed as per the target basis only.

## 3.2 COMPANY PROFILE

**Areva Industries** has been a major metal fabrication company in northern India. We are a quality-oriented manufacturing establishment serving a large number of customers for a broad range of applications. Working with the concepts of precision, reliability, safety and durability, we meet the demanding needs of many industrial sectors. Our product range includes

- **Solar Street Light Battery Box,**
- **Stabilizer Cabinet, MCB Box,**
- **Hospital Locker,**
- **Sheet Metal Cable Tray,**
- **Metal Stabilizer Cabinet,**
- **Hospital Bed,**
- **Cable Tray,**
- **Metal Rack**

**and**

- **All other Sheet Metal Parts.**

We have a rich experience in the fabrication of sheet metal products. Also, we have diverse expertise in the custom metal fabrication work. Our team of talented engineers and skilled professionals work together to bring high-quality metal products. In order to continue with the competitiveness and responsiveness, we manufacture products in different sizes, grades and specifications. With our wide as well as comprehensive range we help clients for their unique sheet metal fabrication requirements. We keep up with high volume production, prototypes, small as well as big jobs.

### **Industries We Serve**

With the expertise and advanced facilities, we have been serving end-users and OEM's in the following industries:

- Electrical Equipment & Electronics
- Infrastructure Development, and Other Industrial
- Solar Industry
- Hospital Equipment

### **Our Dedication**

We are dedicated to quality metal fabrication work to produce rugged products for various industrial needs and applications. Using quality inputs, best industrial practices and thorough craftsmanship, we bring innovative and reasonable solutions. These comprise housing for electrical components, racking for industrial use and other allied metal constructions. Also, we incorporate clients specifications and current norms of the industry so as to provide the best possible metal products. There is a perfect mix of core manufacturing, state-of-the-art technology, proven designs and excellent features. All our products show good characteristics like proper functioning, long-lasting assembly and ease of installation as well as use.

## **CHAPTER – 4**

### **RESEARCH METHODOLOGY**

Research methodology is a method to solve the research problem systematically. It involves gathering data, use of statistical techniques, interpretations and drawing conclusions about research data. Keeping in view the objectives of the study, data is collected from different sources.

The purpose of this section is to describe the methodology carried out to complete the work. The methodology plays a dominant role in any research work. The effectiveness of any research work depends upon the correctness and effectiveness of the research methodology.

#### **4.1 Data Collection**

Data refers to a collection of organized information, usually the results of experience, observation or experiment, or a set of premises. This may consist of numbers, words, or images, particularly as measurements or observations of a set of variables.

#### **Data Sources**

There are two types of data sources available to the research processes. 1. Primary data. 2. Secondary data.

##### **1. Primary Data**

The primary data is collected by using primary methods such questionnaires, interviews, observations etc. For this study questionnaires are used to collect primary data from the employees of the industries.

We know relatively little on a systematic basis about how or why organizations choose to use different combinations of these strategies, though some of the results reported in the study of recruitment and selection and in large firms offers some pointers that are worthy of further exploratory research, particularly among small and medium sized organizations.

## **2. Secondary Data:-**

Secondary data is collected from various Journals, books, websites, Government reports, News papers, and other research reports.

## CHAPTER - V

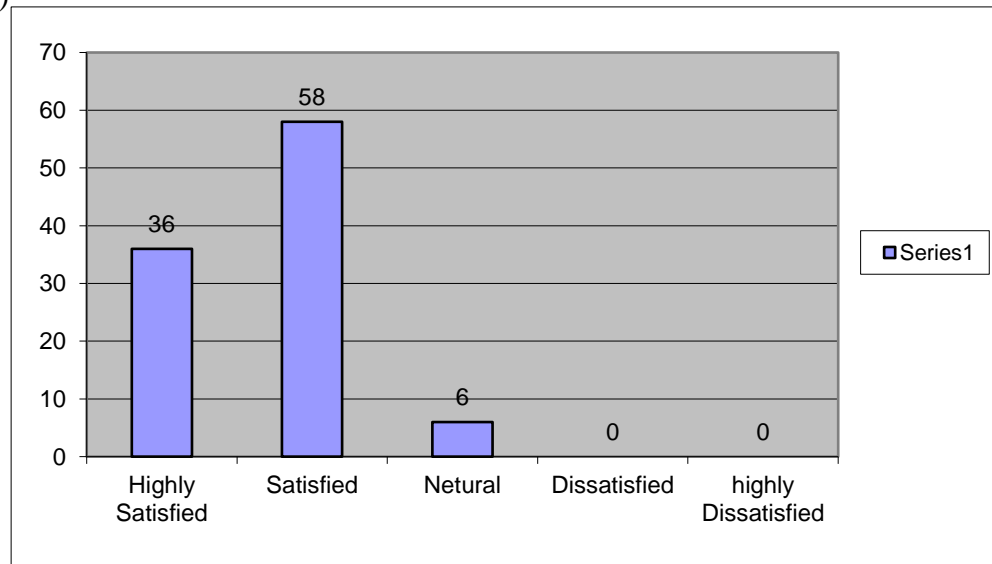
### DATA ANALYSIS AND INTERPRETATION

#### 4.1 DESCRIPTIVE STATISTICS

##### 4.1.1 Response about the support from the HR department

| SL NO | PARTICULAR       | Number of Respondents | Percentage |
|-------|------------------|-----------------------|------------|
| 1     | Highly satisfied | 18                    | 36         |
| 2     | Satisfied        | 29                    | 58         |
| 3     | Neutral          | 3                     | 6          |
| 4     | Dissatisfied     | 0                     | 0          |
| 5     | Highly satisfied | 0                     | 0          |
|       | Total            | 50                    | 100        |

(Table 4.1)



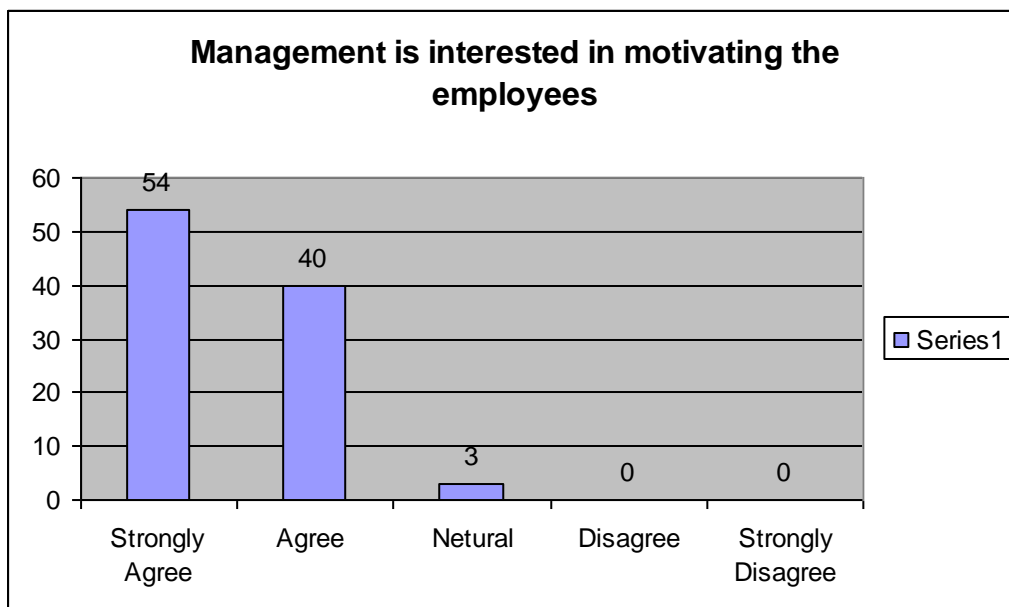
#### **Interpretation**

The table shows that 58% of the respondents are satisfied with the support they are getting from the HR department.

#### **4.1.2 Management is interested in motivating the employees**

| SL NO | PARTICULAR        | Number of Respondents | Percentage |
|-------|-------------------|-----------------------|------------|
| 1     | Strongly Agree    | 27                    | 54         |
| 2     | Agree             | 20                    | 40         |
| 3     | Neutral           | 3                     | 6          |
| 4     | Disagree          | 0                     | 0          |
| 5     | Strongly Disagree | 0                     | 0          |
|       | Total             | 50                    | 100        |

(Table 4.2)



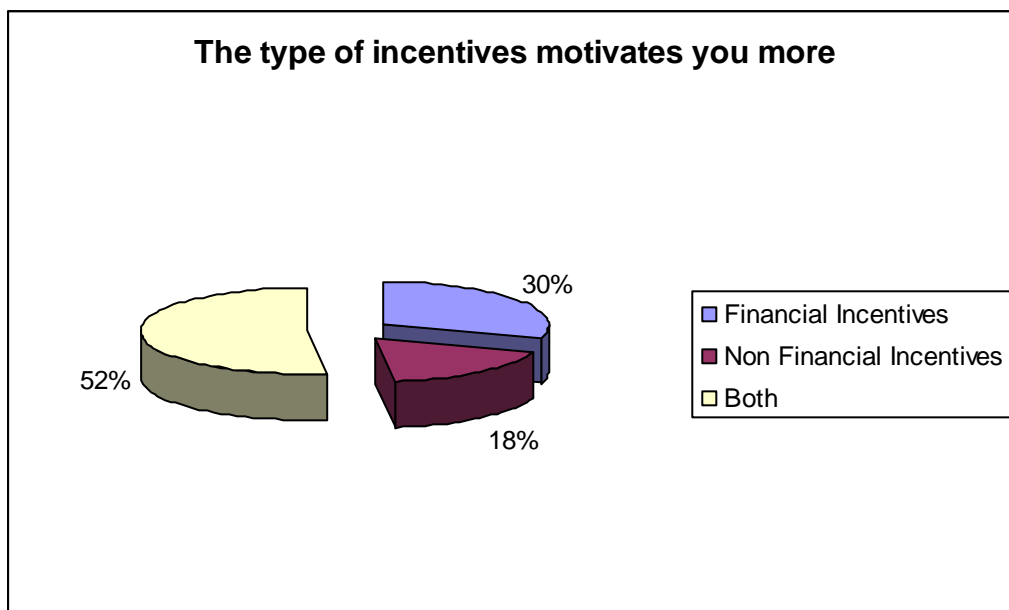
#### **Interpretation**

The table shows that 54% of the respondents are strongly agreeing that the management is interested in motivating the employees.

#### **4.1.3 The type of incentives motivates you more**

| SL NO | PARTICULAR               | Number of Respondents | Percentage |
|-------|--------------------------|-----------------------|------------|
| 1     | Financial Incentives     | 15                    | 30         |
| 2     | Non financial Incentives | 9                     | 18         |
| 3     | Both                     | 26                    | 52         |
|       | Total                    | 50                    | 100        |

(Table 4.3)



#### **Interpretation**

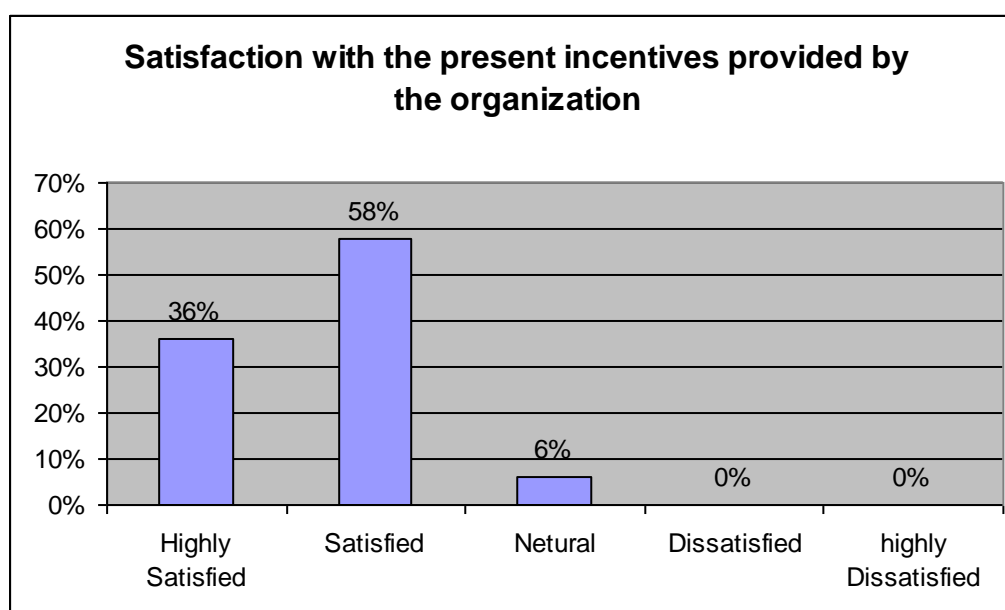
The table shows that 52% of the respondents are expressing that both financial and non financial incentives will equally motivate them.



**4.1.4 Satisfaction with the present incentives scheme**

| SL NO | PARTICULAR       | Number of Respondents | Percentage |
|-------|------------------|-----------------------|------------|
| 1     | Highly satisfied | 18                    | 36         |
| 2     | Satisfied        | 29                    | 58         |
| 3     | Neutral          | 3                     | 6          |
| 4     | Dissatisfied     | 0                     | 0          |
| 5     | Highly satisfied | 0                     | 0          |
|       | Total            | 50                    | 100        |

(Table 4.4)

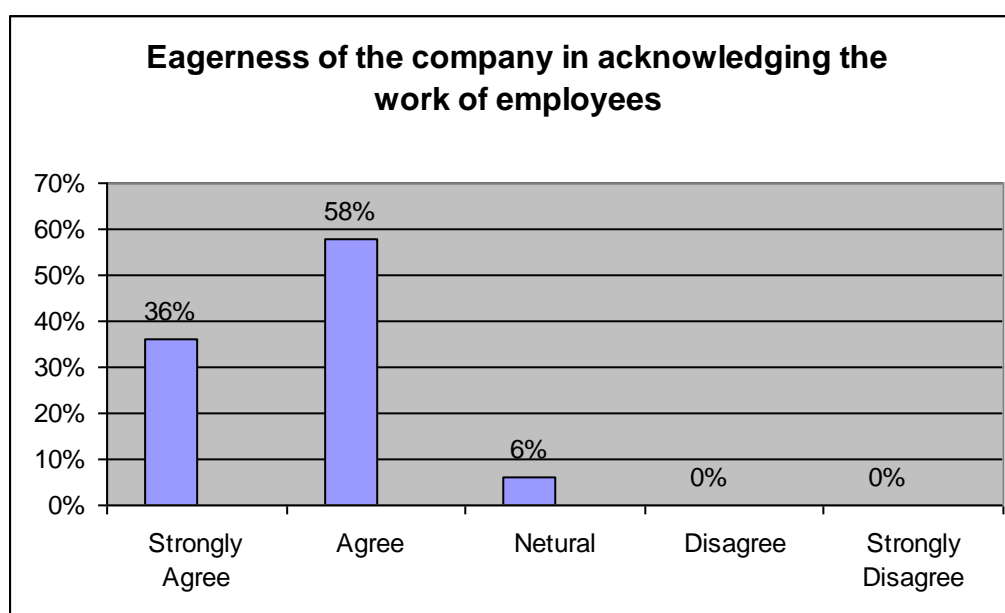
**Interpretation**

The table shows that 58% of the respondents are satisfied with the present incentive scheme of the organization.

#### 4.1.5 The company is eagerness in recognizing and acknowledging employee's work

| SL NO | PARTICULAR        | Number of Respondents | Percentage |
|-------|-------------------|-----------------------|------------|
| 1     | Strongly Agree    | 18                    | 54         |
| 2     | Agree             | 29                    | 58         |
| 3     | Neutral           | 3                     | 6          |
| 4     | Disagree          | 0                     | 0          |
| 5     | Strongly Disagree | 0                     | 0          |
|       | Total             | 50                    | 100        |

(Table 4.5)



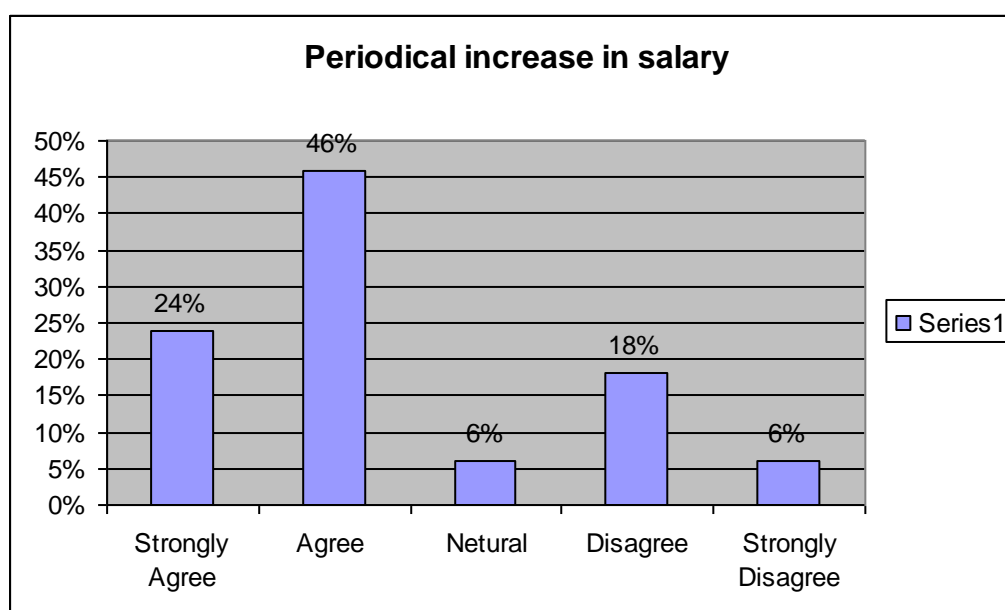
#### **Interpretation**

From the study, 58% of employees agreed that the company is eager in recognizing and acknowledging their work, 36% strongly agreed and only 6% showed neutral response.

**4.1.6.1 Periodical increase in salary**

| SL NO | PARTICULAR        | Number of Respondents | Percentage |
|-------|-------------------|-----------------------|------------|
| 1     | Strongly Agree    | 12                    | 24         |
| 2     | Agree             | 23                    | 46         |
| 3     | Neutral           | 3                     | 6          |
| 4     | Disagree          | 9                     | 18         |
| 5     | Strongly Disagree | 3                     | 6          |
|       | Total             | 50                    | 100        |

(Table 4.6)

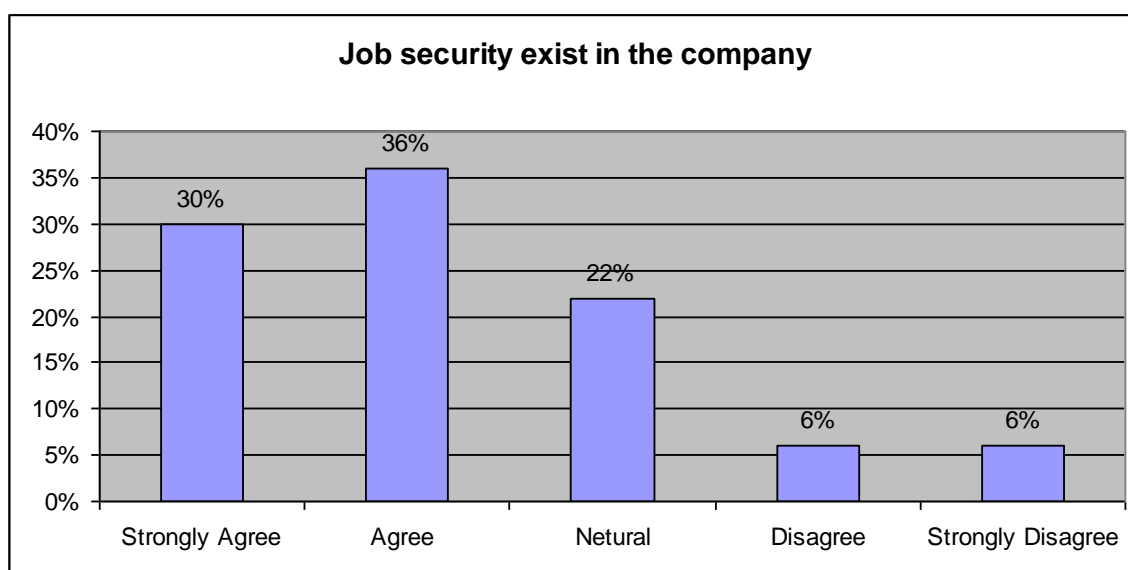
**Interpretation**

The table shows 46% of employees agree that there is a periodical increase in the salary.

**4.1.6.2 Job Security existing in the company.**

| SL NO | PARTICULAR        | Number of Respondents | Percentage |
|-------|-------------------|-----------------------|------------|
| 1     | Strongly Agree    | 15                    | 30         |
| 2     | Agree             | 18                    | 36         |
| 3     | Neutral           | 11                    | 22         |
| 4     | Disagree          | 3                     | 6          |
| 5     | Strongly Disagree | 3                     | 6          |
|       | Total             | 50                    | 100        |

(Table 4.7)

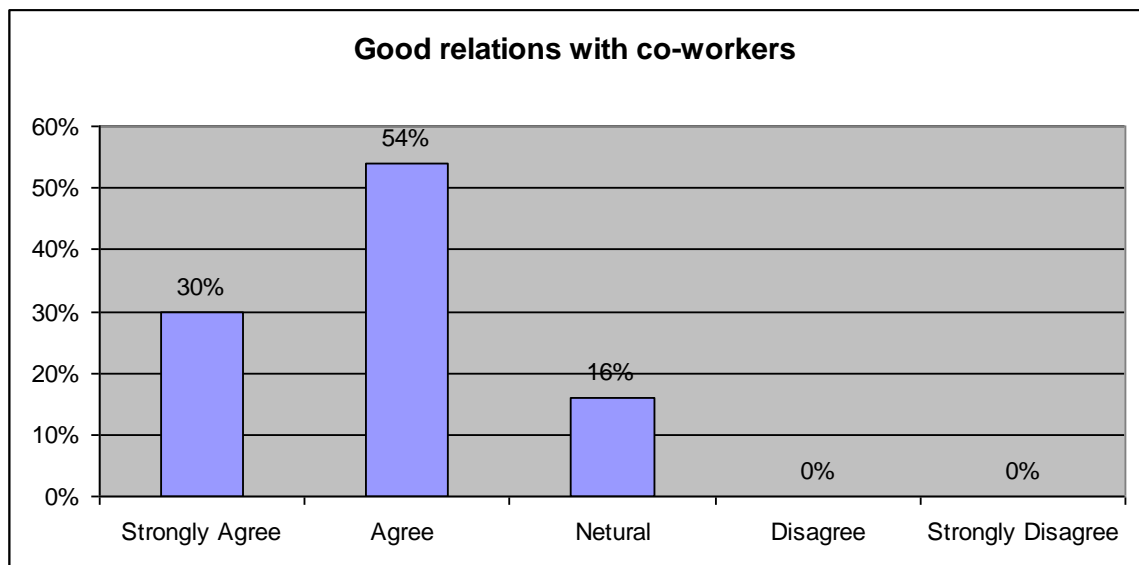
**Interpretation**

The table shows 35% of employees agree with good job security exist in the company.

**4.1.6.3 Good relations with the co-workers.**

| SL NO | PARTICULAR        | Number of Respondents | Percentage |
|-------|-------------------|-----------------------|------------|
| 1     | Strongly Agree    | 15                    | 30         |
| 2     | Agree             | 27                    | 54         |
| 3     | Neutral           | 8                     | 16         |
| 4     | Disagree          | 0                     | 0          |
| 5     | Strongly Disagree | 0                     | 0          |
|       | Total             | 50                    | 100        |

(Table 4.8)

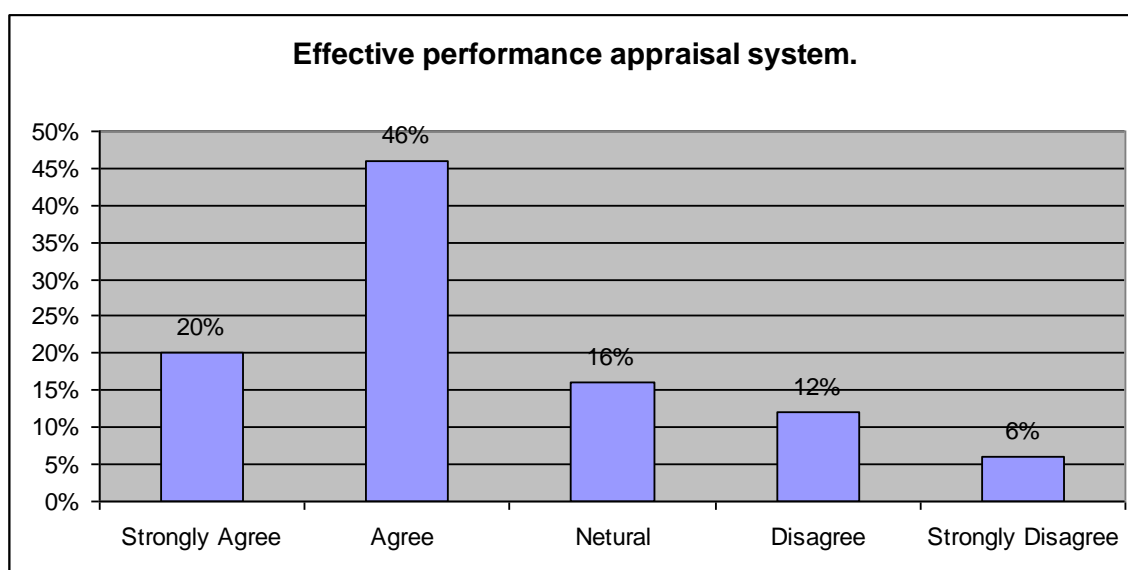
**Interpretation**

The table shows 54% of the respondents agree that they have good relations with co-worker.

**4.1.6.4 Effective performance appraisal system.**

| SL NO | PARTICULAR        | Number of Respondents | Percentage |
|-------|-------------------|-----------------------|------------|
| 1     | Strongly Agree    | 10                    | 20         |
| 2     | Agree             | 23                    | 46         |
| 3     | Neutral           | 8                     | 16         |
| 4     | Disagree          | 6                     | 12         |
| 5     | Strongly Disagree | 3                     | 6          |
|       | Total             | 50                    | 100        |

(Table 4.9)

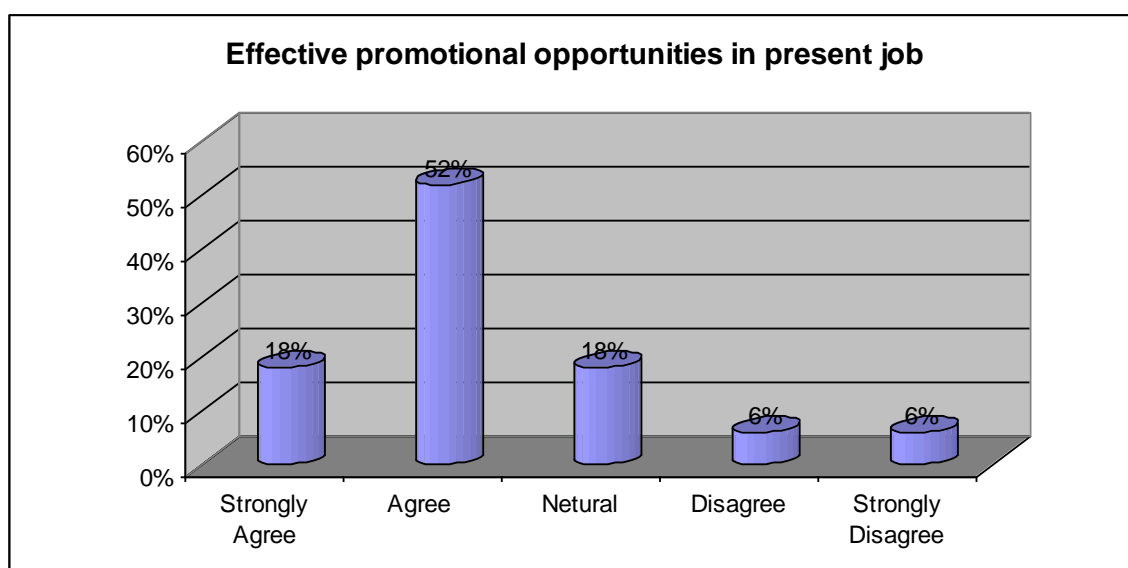
**Interpretation**

The table shows 46% of the respondents agree to effective performance appraisal system existing in the company.

**4.1.6.5 Effective promotional opportunities in present job,**

| SL NO | PARTICULAR        | Number of Respondents | Percentage |
|-------|-------------------|-----------------------|------------|
| 1     | Strongly Agree    | 9                     | 18         |
| 2     | Agree             | 26                    | 52         |
| 3     | Neutral           | 9                     | 18         |
| 4     | Disagree          | 3                     | 6          |
| 5     | Strongly Disagree | 3                     | 6          |
|       | Total             | 50                    | 100        |

(Table 4.10)

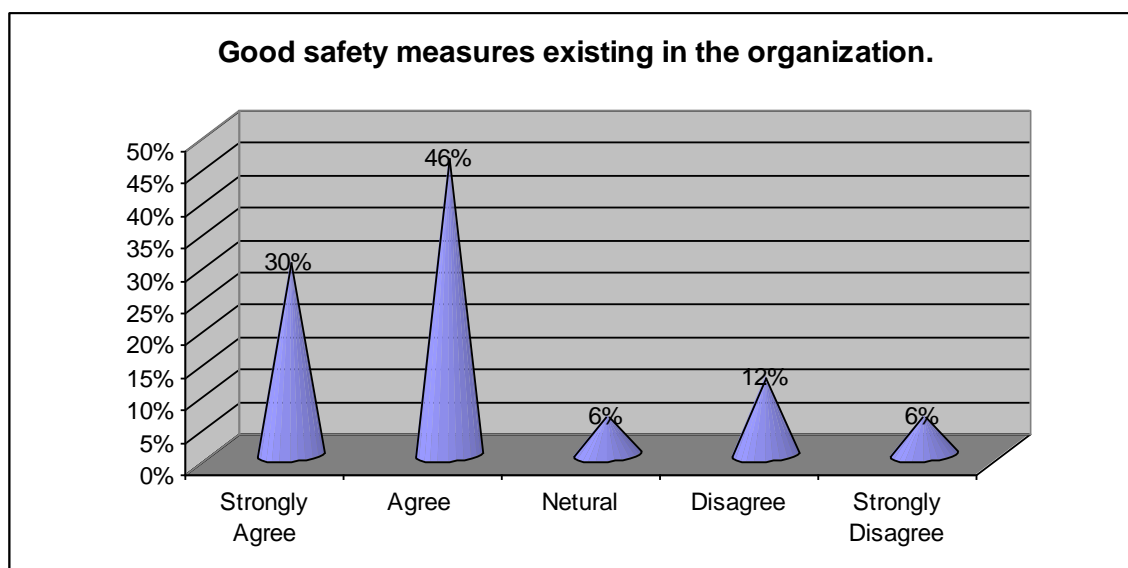
**Interpretation**

The table shows 52% of the respondents agree with effective promotional opportunities in their present job.

**4.1.6.6 Good safety measures existing in the organization.**

| SL NO | PARTICULAR        | Number of Respondents | Percentage |
|-------|-------------------|-----------------------|------------|
| 1     | Strongly Agree    | 15                    | 30         |
| 2     | Agree             | 23                    | 46         |
| 3     | Neutral           | 3                     | 6          |
| 4     | Disagree          | 6                     | 12         |
| 5     | Strongly Disagree | 3                     | 6          |
|       | Total             | 50                    | 100        |

(Table 4.11)

**Interpretation**

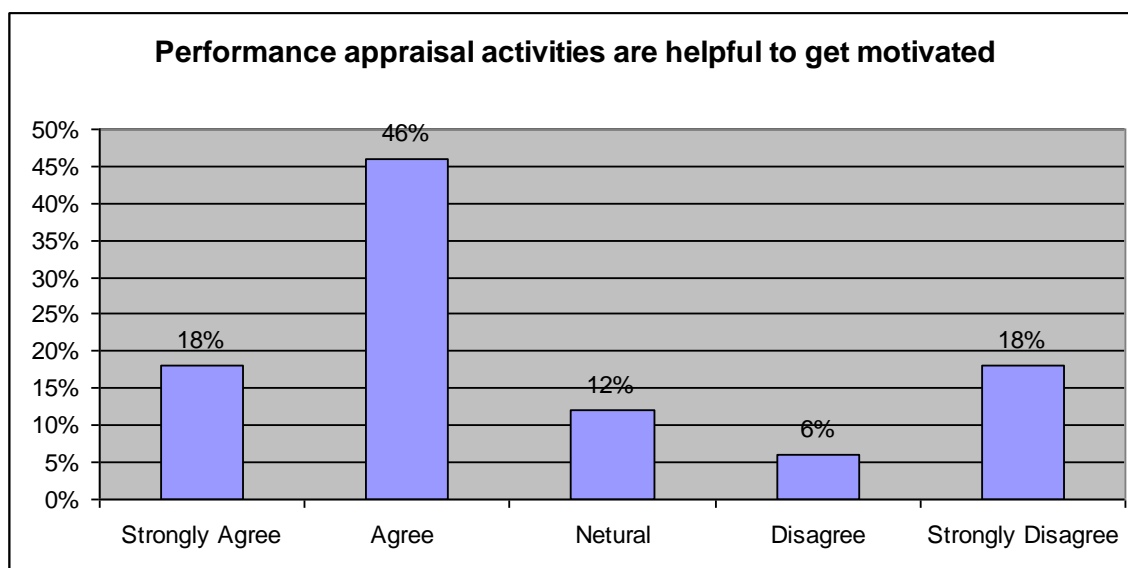
The table shows 46% of the respondents agree that there is a good safety measure existing in the company.



**4.1.6.7 Performance appraisal activities are helpful to get motivated.**

| SL NO | PARTICULAR        | Number of Respondents | Percentage |
|-------|-------------------|-----------------------|------------|
| 1     | Strongly Agree    | 9                     | 18         |
| 2     | Agree             | 23                    | 46         |
| 3     | Neutral           | 6                     | 12         |
| 4     | Disagree          | 3                     | 6          |
| 5     | Strongly Disagree | 9                     | 18         |
|       | Total             | 50                    | 100        |

(Table 4.12)



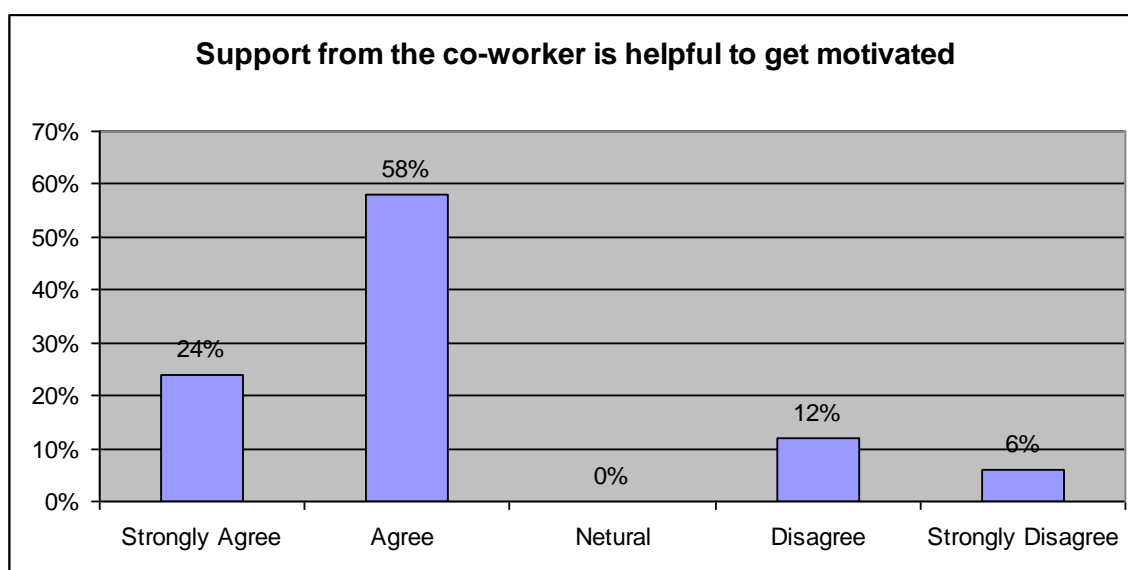
**Interpretation**

The table shows 46% of the respondents agree that the performance appraisal activities are helpful to get motivated.

**4.1.6.8 Support from the co-worker is helpful to get motivated**

| SL NO | PARTICULAR        | Number of Respondents | Percentage |
|-------|-------------------|-----------------------|------------|
| 1     | Strongly Agree    | 12                    | 20         |
| 2     | Agree             | 29                    | 46         |
| 3     | Neutral           | 0                     | 0          |
| 4     | Disagree          | 6                     | 12         |
| 5     | Strongly Disagree | 3                     | 6          |
|       | Total             | 50                    | 100        |

(Table 4.13)

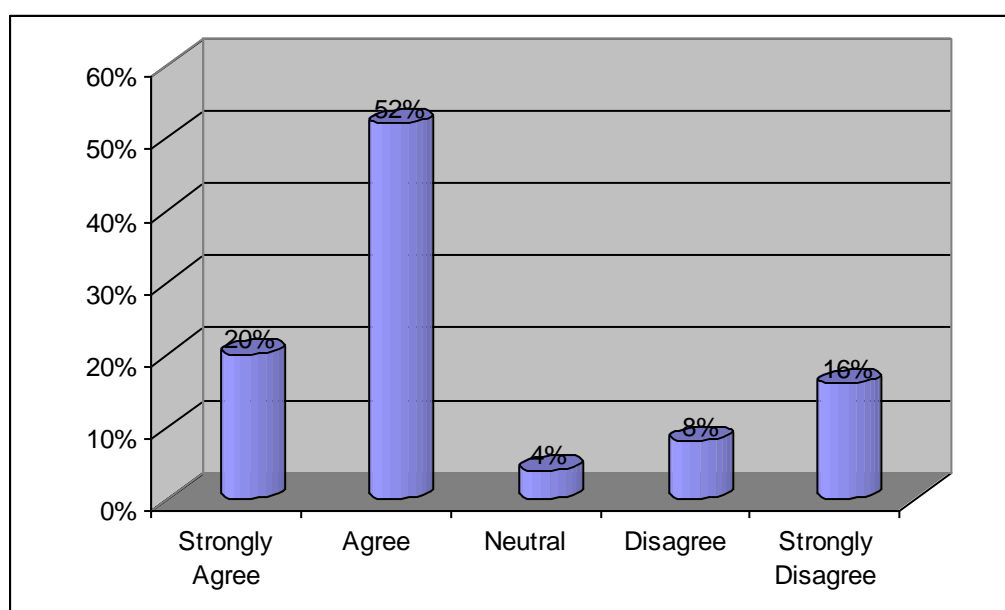
**Interpretation**

The table shows 58% of the respondents agree that the support from the co-worker is helpful to get motivated.

**4.1.6.9 Career development opportunities are helpful to get motivated**

| SL NO | PARTICULAR        | Number of Respondents | Percentage |
|-------|-------------------|-----------------------|------------|
| 1     | Strongly Agree    | 10                    | 20         |
| 2     | Agree             | 26                    | 52         |
| 3     | Neutral           | 2                     | 4          |
| 4     | Disagree          | 4                     | 8          |
| 5     | Strongly Disagree | 8                     | 16         |
|       | Total             | 50                    | 100        |

(Table No.4.14)

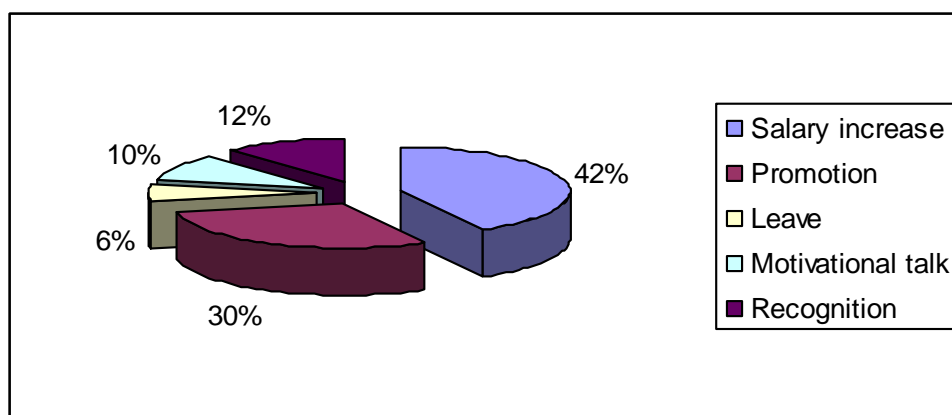
**Interpretation**

The table shows 52% of the respondents agree that the career development opportunities are helpful to get motivated.

#### **4.1.7 Factors which motivates you the most.**

| SL NO | PARTICULAR        | Number of Respondents | Percentage |
|-------|-------------------|-----------------------|------------|
| 1     | Salary increase   | 21                    | 42         |
| 2     | Promotion         | 15                    | 30         |
| 3     | Leave             | 3                     | 6          |
| 4     | Motivational talk | 5                     | 10         |
| 5     | Recognition       | 6                     | 12         |
|       | Total             | 50                    | 100        |

(Table 4.15)



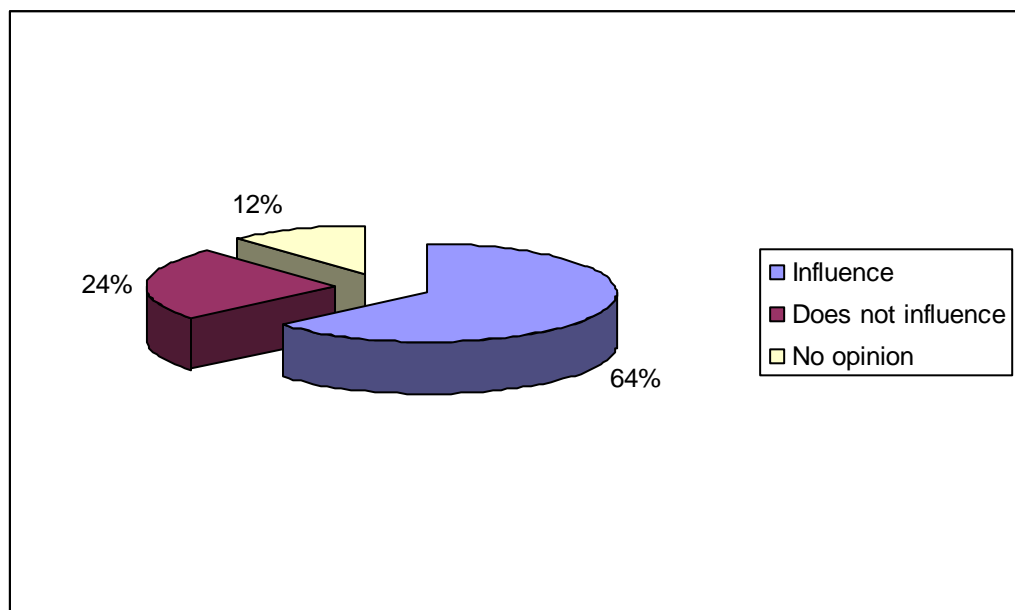
#### **Interpretation**

The table shows that the 42% of the respondent is responding that increase in salary will motivate them the most.

#### **4.1.8 Incentives and other benefits will influence your performance**

| SL NO | PARTICULAR         | Number of Respondents | Percentage |
|-------|--------------------|-----------------------|------------|
| 1     | Influence          | 32                    | 64         |
| 2     | Does not influence | 12                    | 24         |
| 3     | No opinion         | 6                     | 12         |
|       | Total              | 50                    | 100        |

(Table 4.16)



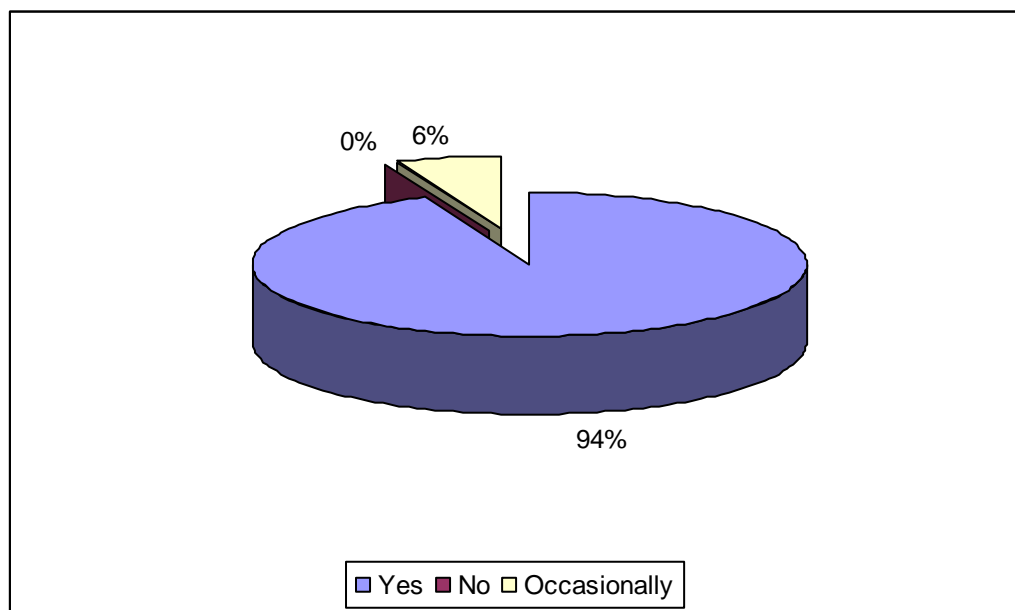
#### **Interpretation**

The table shows 64% of the respondents responded that incentives and other benefits will influence their performance

**4.1.9 Management involves you in decision making which are connected to your department.**

| SL NO | PARTICULAR   | Number of Respondents | Percentage |
|-------|--------------|-----------------------|------------|
| 1     | Yes          | 47                    | 94         |
| 2     | No           | 0                     | 0          |
| 3     | Occasionally | 3                     | 6          |
|       | Total        | 50                    | 100        |

(Table 4.17)



**Interpretation**

The table shows 94% of the respondents agree that they the Management involve them in decision making which are connected to your department.

## 4.2 INFERENTIAL STATISTICS

**Ho:** There is no significant relationship between incentives and employee's performance.

|                      | Mean | Std. Deviation | N  |
|----------------------|------|----------------|----|
| Incentives           | 1.72 | .573           | 50 |
| Employee performance | 1.50 | .707           | 50 |

### Correlations

|                      |                                   | Incentives | Employee performance |
|----------------------|-----------------------------------|------------|----------------------|
| Incentives           | Pearson Correlation               | 1          | .655(**)             |
|                      | Sig. (2-tailed)                   | .          | .000                 |
|                      | Sum of Squares and Cross-products | 16.080     | 13.000               |
|                      | Covariance                        | .328       | .265                 |
|                      | N                                 | 50         | 50                   |
| Employee performance | Pearson Correlation               | .655(**)   | 1                    |
|                      | Sig. (2-tailed)                   | .000       | .                    |
|                      | Sum of Squares and Cross-products | 13.000     | 24.500               |
|                      | Covariance                        | .265       | .500                 |
|                      | N                                 | 50         | 50                   |

\*\* Correlation is significant at the 0.01 level (2-tailed).

**Inference:**

Since the Correlation is significant at the 0.01 level (2-tailed) the null hypothesis that is “**There is no significant relationship between incentives and employee’s performance**” is rejected and an alternative hypothesis is framed.

**H1:** There is significant relationship between incentives and employee’s performance.

**Ho:** There is no significant relationship between career development opportunities and the extent of employee motivation

|  | Mean | Std.<br>Deviation | N  |
|--|------|-------------------|----|
| career<br>development<br>opportunities | 3.70 | 1.035             | 50 |
| extent of<br>motivation                | 3.36 | 1.317             | 45 |

**Correlations**

|  |  | career<br>development<br>opportunities | extent of<br>motivation |
|--|--|--|-------------------------|
| career<br>development<br>opportunities | Pearson<br>Correlation                   | 1                                      | .909(**)                |
|  | Sig. (2-tailed)                          | .                                      | .000                    |
|  | Sum of Squares<br>and Cross-<br>products | 52.500                                 | 52.111                  |
|  | Covariance                               | 1.071                                  | 1.184                   |



|                      |                                   |          |        |
|----------------------|-----------------------------------|----------|--------|
|                      | N                                 | 50       | 45     |
| extent of motivation | Pearson Correlation               | .909(**) | 1      |
|                      | Sig. (2-tailed)                   | .000     | .      |
|                      | Sum of Squares and Cross-products | 52.111   | 76.311 |
|                      | Covariance                        | 1.184    | 1.734  |
|                      | N                                 | 45       | 45     |

\*\* Correlation is significant at the 0.01 level (2-tailed).

### Inference:

Since the Correlation is significant at the 0.01 level (2-tailed) the null hypothesis that is **“There is no significant relationship between career development opportunities and the extent of employee motivation”** is rejected and an alternative hypothesis is framed.

**H1:** There is significant relationship between career development opportunities and the extent of employee motivation

**Ho:** There is no significant relationship between performance appraisal system and the extent of motivation.

|                              | Mean | Std. Deviation | N  |
|------------------------------|------|----------------|----|
| Performance appraisal system | 2.40 | 1.143          | 50 |
| Extent of Motivation         | 2.60 | 1.355          | 50 |

### Correlations

|                              |                                   | performance appraisal system | Extent of Motivation |
|------------------------------|-----------------------------------|------------------------------|----------------------|
| Performance appraisal system | Pearson Correlation               | 1                            | .962(**)             |
|                              | Sig. (2-tailed)                   | .                            | .000                 |
|                              | Sum of Squares and Cross-products | 64.000                       | 73.000               |
|                              | Covariance                        | 1.306                        | 1.490                |
|                              | N                                 | 50                           | 50                   |
| Extent of Motivation         | Pearson Correlation               | .962(**)                     | 1                    |
|                              | Sig. (2-tailed)                   | .000                         | .                    |
|                              | Sum of Squares and Cross-products | 73.000                       | 90.000               |
|                              | Covariance                        | 1.490                        | 1.837                |
|                              | N                                 | 50                           | 50                   |

\*\* Correlation is significant at the 0.01 level (2-tailed).

### Inference:

Since the Correlation is significant at the 0.01 level (2-tailed) the null hypothesis that is **“There is no significant relationship between performance appraisal system and the extent of motivation”** is rejected and an alternative hypothesis is framed.

**H1:** There is significant relationship between performance appraisal system and the extent of motivation.

**Ho:** There is no significant relationship between interpersonal relationship in the organization and extent of motivation.

|                      | Mean | Std. Deviation | N  |
|----------------------|------|----------------|----|
| Employee relations   | 1.86 | .670           | 50 |
| Extent of motivation | 2.18 | 1.119          | 50 |

### Correlations

|                      |                                   | Employee relations | Extent of motivation |
|----------------------|-----------------------------------|--------------------|----------------------|
| Employee relations   | Pearson Correlation               | 1                  | .877(**)             |
|                      | Sig. (2-tailed)                   | .                  | .000                 |
|                      | Sum of Squares and Cross-products | 22.020             | 32.260               |
|                      | Covariance                        | .449               | .658                 |
|                      | N                                 | 50                 | 50                   |
| Extent of motivation | Pearson Correlation               | .877(**)           | 1                    |
|                      | Sig. (2-tailed)                   | .000               | .                    |
|                      | Sum of Squares and Cross-products | 32.260             | 61.380               |
|                      | Covariance                        | .658               | 1.253                |

|   |    |    |
|---|----|----|
| N | 50 | 50 |
|---|----|----|

\*\* Correlation is significant at the 0.01 level (2-tailed).

**Inference:**

Since the Correlation is significant at the 0.01 level (2-tailed) the null hypothesis that is “There is no significant relationship between interpersonal relationship in the organization and extent of motivation.” is rejected and an alternative hypothesis is framed.

**H1:** There is significant relationship between interpersonal relationship in the organization and extent of motivation.

## CHAPTER – VI

### 6.1 FINDINGS

- The study found that 64% of employee motivation with regard to increments given to employees
- About 56% of the employees agree that financial incentives motivate them than non-financial incentives.
- 68% employees are satisfied with salary drawings at present.
- 68% employees are satisfied with regards to the lunch breaks, rest breaks and leaves provided by the organization.
- Majority 72% of the employees agree good working conditions are provided in the organization.
- Majority 72% of the respondents are satisfied with the opinion of the job securities provided.
- Most of the respondents 60% agree that the retirement benefits available are sufficient.
- Most of the respondents 64% of them agree that the medical benefits provided are satisfactory.
- Majority 76% of the respondents are satisfied with the responsibility and role of their work.
- Majority 76% of the respondents visibility with top management are considered important.
- Most of the respondents 60% feel superior recognizes work in the organization.
- 68% of the respondents feels the job gives a good status in the organization
- 76% of the respondents are satisfied with regard to responsibility and role they perform.
- Majority 88% of the respondents quality of relationship in informal workgroup.
- 72% of respondents are satisfied with the support from the HR department.
- Majority of the respondents 72% shows fare amount of team spirit in the organization.

- Most of the respondents 64% show the best performance in their job.
- 60% of the respondents feel schedule of work with regards to job related decisions.
- Majority 88% of the respondents opportunities for advancement in the organization.

## 6.2 SUGGESTIONS

Motivation of employees can still be increased so as to increase the efficiency and satisfaction of work. Some of the areas that can be improved are:

- Employee- employer relations: The employer should make effort to talk to the employees and share his/her view on various topics. Employer should encourage and support the employee.
- Employee- employee relation: Only a few of the employees trust their co-workers, therefore this area needs improvement. Group activities should be encouraged more so that employees can work together and thus strengthen their relation. More informal gatherings should be encouraged so that they can know each other.
- Few of the employees are not satisfied with the lunch breaks, rest breaks provided it can be extended.
- Some of the employees are not satisfied with the relationship between the top management they should be free to speak with their employees.

### **6.3 CONCLUSION**

The motivational strategies used in Areva Industries pvt ltd are very good. The employees are found to be motivated and they are happy with the pay structure, benefits, work hours, freedom to work etc. The organization has to be appreciated for keeping the employee highly motivated and thereby helping them to meet personal as well as organizational goals.



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