



# To Evaluate The Effect On Employee Performance Through Administrative Knowledge And Motivation.

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## ABSTRACT:

Organizational learning has the potential to improve organizational performance. For any organization to sustain long term benefits it requires to establish a mechanism to tap the knowledge and use this knowledge in taking future decisions. This study tries to capture the role of Organizational Learning and Employee Motivation and its impact on the Employees' Performance. The study is exploratory and descriptive in nature. The questionnaire used for primary data collection has its items collected and derived from various standardized questionnaires available. The analysis of the primary data shows that there is a positive correlation between Organizational Learning and Organizational Performance. On understanding Herzberg theory of motivation the study came to conclusion that employees consider hygiene factors of motivation more significant than the motivator factors. The motivation level of employees in an organization has positive impact on the overall performance of any organization. The study helps the organizations to understand the relationship between learning and performance considering motivation as a mediating variable.

**KEYWORDS:** Organizational Learning, Employee Motivation, Organizational Performance.

## I. INTRODUCTION:

It is intensely believed that organizational learning has the potential to improve organizational performance. For any organization to sustain long term benefits it requires to establish a mechanism to tap the knowledge and use this knowledge in taking future decisions. The organization is facing lot of problems when their experienced and skilled employees are poached by competitors. So understanding the aspect that human capital is unstable the organizations must try to lay down such mechanism that could allow organizations to be prepared for future. Organizational learning is an effective and flexible way to conduct training and adaptation to new process in a team. Employee motivation has been topic of continuous research and various studies have been conducted to study its impact on the organizational performance. The present research is based on Herzberg's motivation theory to understand impact of motivator and hygiene factors on performance of employees.

### 1.1 ORGANIZATIONAL LEARNING:

Organizational learning involves creating, acquiring and integrating knowledge aimed for the development of resources and capabilities that will contribute for enhanced organizational performance. Hoy (2008) explored that there is a relation between the performance of employee and his experience curve. The concept of organizational learning gained its significance from experience curve of employees. Lipshitz and Friedman (2007) stated that organizational learning allows organizations to learn from experience, to examine and to adopt new ideas into policy and action plans in order to gain competitive advantage. Chen (2005) researched that organizational learning is a continuous process through which the organizations change themselves to adapt in the external and internal environment by utilizing organizational knowledge resources. Researchers observed that outputs increased relative to inputs as workers gained experience over time Argote (2001). According to Huber (1991) organizational learning process can be sub classified as sequence of steps like knowledge acquisition, distribution of information, information interpretation, and organizational memory. The knowledge further consists of five sub-constructs or sub-processes- drawing knowledge which is available at the organization's birth, learning from experiences, learning by observing other organizations i.e. from competitors, grafting on to itself components that

possess knowledge needed but not possessed by the organization, and searching for information related to organization's environment and performance.

Experimental Learning is a process that organizations go through to acquire learning by various experiments. So it can be acquired unintentionally or unsystematically. The experimental learning include the following:

- Organizational experiments: Experiential learning can be enhanced by the analysing feedbacks. Organizations must create a cause effect relationship between organization's actions and outcome. So experiential learning can be beneficial if feedback accuracy is maintained.
- Organizational Self-Appraisal: It is other form of experiential learning. It includes gathering information about problems and requires changes within organizational members, organizing information, sharing it with the organization's members. To allow members to choose and correct the actions to address problem
- Experimenting Organization: The organizational experimenting is generally directed towards enhancing adaptability of an organization. So such organization would be less resistant to try new approaches and work under new environments. Thus organization will be adaptive.
- Unsystematic Or Unintentional Learning: We chose to analyse more number of alternatives and should strive to bring more accurate selection so that the decision taken is best. Post feedback outcomes are mostly positive.
- Learning from Experience: A desirable learning from experience is that the studies to employ multiple methods example mathematical analysis, simulations, analysis and laboratory experiments of organizational events).

Jones (2000) emphasizes the importance of organizational learning for organizational performance. He defined it as „a process by which managers understand organizational environment and change their actions accordingly be enhance organizational performance. He proposed through organizational learning an organization expands its members. Sohaib, Ihsaan, Yousaf and Majeed (2012) suggested that organizations can learn from environment by carefully analyzing the stimuli present in environment. Organizations can improve their learning capabilities by bringing changes in its systems strategy, structure and its ideologies.

## 1.2. PERFORMANCE:

According to Rao (2012), „Performance is what is expected to be delivered by an individual or set of individuals within a time frame“. Here the term „expected“ refers to results achieved, quality of work, meeting specifications, generating required quantity of output. Performance of an employee in organization can be stated as the output delivered in relation to the role of individual and in defined timeline. The performance of an employee can only be measured keeping in mind its dimensions. The dimensions are as follows:

- Input Dimension: Whether the employees have required skills and competency to perform the job or not. The employee is accomplishing all the activities required for performing task or not.
- Result Dimension: The employee is able to generate final outcome or not. The quantity of output achieved meets the targets as defined by organization.
- Quality Dimension: This refers to the quality of work done, whether all specifications defined by organization are met or not. Depending upon the nature of work, different tasks have different degree for error tolerance.
- Cost Dimension: If the performance of employee is not cost effective it doesn't add value to its organization. Therefore checking upon the cost factor is essential parameter to measure performance of employee.
- Time Dimension: In today's world when there is cut throat competition the time has great value. The task completed after time deadline has no meaning.

Škerlavaj and Dimovski (2006) explained in their research that business environment is characterized with customers, employees and society mostly. So for performance assessment one should not overlook these stakeholders. It is also supported in Freeman's Stakeholder theory (1984, 1994). Considering these stakeholders is important because they have particular interest in organization and will be with it till their goals are met. Brush and VanderWerf (1992) examined thirty-five completely different measures of performance in different studies indicating that researchers perceived many alternative dimensions of performance, which there was no agreement on what measures truly represent overall structure performance. The most frequently used measures of performance were changes in sales, structure survival, changes in range of staff, and gain. Multiple objective measures were rather more frequently used than were subjective or sensory activity measures of performance. Further, the primary suggests that of information assortment was mail surveys, and therefore the primary sources of performance information were managers, executives, founders or homeowners.

Murphy, Trailer and Hill (1996) examined the variables accustomed live structure performance in entrepreneurship analysis within the years 1987 through 1993. They found, consistent with Brush & VanderWerf (1992) and Cooper (1993), that there was no consistency within the variables accustomed live new venture performance. In total, they known seventy one completely different dependent variables accustomed live performance in their sample. They later on categorized these variables into eight separate dimensions of performance. They conjointly found that 75% of the sample articles used primary knowledge sources, twenty ninth used secondary knowledge sources, and only 6 June 1944 used each. The high dependence upon primary knowledge sources is typical in Entrepreneurship analysis, since there square measure typically no in public out there money knowledge sources for personal firms. Another finding was that the performance variables used were primarily money rather than operational. It ought to be noted that some may dispute a number of white potato et al.'s classifications. for example, asset, inventory, and assets turnover square measure typically thought of potency measures, whereas come back on investment, come back on equity, come back on assets, come back on internet price (generally thought of the same as come back on equity), and internal rate of comeback square measure all thought of profit measures, even though white potato et al. classified them as potency measures. Similarly, measures like return to shareholders, market-to-book price, and stock worth appreciation square measure all thought of market measures (Brealey, Myers & Marcus 2001) even if white potato et al. classified them as profit measures. Therefore, whereas the particular measures and dimensions given by white potato et al. square measure meaty, their classifications square measure suspect and should make a case for why their results of their factor analysis failed to adjust to the hypothesized dimensions.

### 1.3. MOTIVATION:

As pointed by Vroom (1964), motivation is derived from the Latin word "movere", which means "to move". It is an internal force which may vary according to an individual's needs which drive him/her to achieve. Schulze and Steyn (2003) affirmed that in order to understand people's behavior at work, managers or supervisors must be aware of the concept of needs or motives, which will help „move“ their staffs to act. According to Robbins (2001), motivation is a needs-satisfying process which means that when an individual's needs are satisfied or motivated by certain factors, the individual will exert superior effort toward attaining organizational goals. Theories of motivation can be divided to explain the behavior and attitude of employees (Rowley, 1996; Weaver, 1998). The content theories are based on the assumption that people have individual needs that impacts their actions, and theorists such as Maslow (1954), McClelland (1961),

Herzberg's motivation-hygiene theory, also known as the two-factor theory was given by analysis of feelings of around 200 engineers and accountants working in nine companies of the United States. Respondents were asked to describe their job experiences either extremely bad or exceptionally good and rated their feelings on the basis of these experiences. Responses about good feelings were generally related to motivators, and responses about bad feelings were associated with hygiene factor. Motivators identified as achievement, recognition, responsibility and advancement. Hygiene factors were extrinsic part of the job, such as salary, supervision, interpersonal relations and company policies Herzberg (1966). Ball (2003) explained that Herzberg's motivation theory is one of the content theories of motivation. This attempts to explain the factors that motivate individuals through identifying and satisfying their individual needs and desires. This theory of motivation is known as a two factor content theory. It can be dichotomized into hygiene factors and motivation factors and also referred as a „two need system“. These two separate needs are to avoid unpleasantness and discomfort and, at the other end the need for personal development. The absence of the motivational factors that positively encourage employees will impact employees to focus on „hygiene“ factors. Understanding Herzberg's theory recognizes the intrinsic satisfaction that may be obtained from the work itself. It attracts attention to job style and makes managers aware that issues of motivation might not essentially be directly related to the work issues will usually be external to the task. When managers can understand what factors can de-motivate the employees a better understanding can be created regarding with employees. Therefore, employee's motivation can be enhanced through analyzing motivators and de-motivators at work place and thereby creating a better work satisfaction for employees.

## II. LITERATURE REVIEW:

### 2.1. Matthew Abioro (2013):

This research study empirically evaluates the effect of employee motivation on organizational performance. Within the present study, the questionnaire was used because the main data collection tool. For a transparent analysis, the study focuses on two general variables; the variable which is that the organizational performance and therefore the experimental variable which is that the motivation of the workers. Three different hypotheses were formulated and tested using descriptive statistics and coefficient of correlation techniques respectively, so as to determine whether there's a relationship between employee motivation, pay, work environment and organizational performance. Research findings indicate that employee motivation features a positive effect on organizational performance. Therefore, it's recommended that the organization take the difficulty of employee motivation seriously to facilitate effective work

## 2.2. Ovidiu-Iliuta Dobre (2013):

Most organizations compete to survive in this volatile and ferocious market. Ambient. Employee motivation and performance are key tools for any success long-term organization. On the one hand, measuring performance is essential for the organization management, as it highlights the evolution and results of the organization. On the other hand, there is a file positive relationship between employee motivation and organizational effectiveness, reflected in many Education. This article aims to analyse the factors that drive employee motivation towards high levels of performance. Addicted Dissatisfaction with monotonous jobs and customer pressure could weaken the organization. Performance. Therefore, absenteeism rates can increase and employees can leave the organization joint competitors offering better working conditions and greater incentives. Not all people are the same, therefore everyone must be motivated using different strategies. For example, an employee may be motivated by higher commission, while another may be motivated by job satisfaction or a better work environment.

### III. OBJECTIVE:

1. To examine the impact of organizational learning on the organizational performance.
2. To examine impact of organizational learning on employee performance and vice versa.
3. To examine impact of employee motivation on organizational performance.

### IV. RESEARCH METHODOLOGY:

#### 4.1. HYPOTHESES:

- H1: Organizational learning does not impact the organizational performance.  
 H2: Employee motivation does not impact organizational learning.  
 H3: Organizational learning does not impact employee motivation.  
 H4: Employee motivation does not impact organizational performance

#### 4.2. RESEARCH DESIGN:

Both the Exploratory research and the Descriptive research has been conducted which includes review of literature and survey which is executed through structured questionnaire. The questionnaire is filled by 215 IT professionals (middle level) in National Capital Region. The selection of respondents has been done on the basis of convenience sampling (Non- Probability).

### V. DATA ANALYSIS:

#### 5.1. RELIABILITY:

Table 1: Reliability Analysis

Sr.No.	Dimension	No of Item	Cronbach Alpha
01	Organizational Learning	06	0.77
02	Motivator Factor	10	0.911
03	Herzberg Factor	12	0.89
04	Motivation	22	0.937
05	Organizational Performance	18	0.793

**Interpretation:** The value of Cronbach's alpha for instrument is above 0.7. So the instrument is highly reliable for the study. Motivation dimension is combination of motivating and hygiene factor.

#### 5.2. DESCRIPTIVE STATISTICS:

Table 2: Group Statistics

	Gender	N	Mean	Std. Deviation	Std. Error Mean
OL mean	Male	189	3.52	.521	.038
	Female	26	3.81	.341	.067
Herzberg's Motivating Factor	Male	189	3.57	.650	.047
	Female	26	3.53	1.082	.212
Herzberg's Hygiene Factor	Male	189	3.33	.645	.047
	Female	26	3.20	.619	.121
OP mean	Male	189	3.44	.395	.029
	Female	26	3.68	.327	.064

**Interpretation:** The above table shows the different means for males and female employees who participated in the research study.

Table 3: Descriptive Statistics

		Minimum	Maximum	Mean	Std. Deviation
Herzberg's Hygiene Factor	15	2	5	3.32	.642
Organizational Performance	15	3	4	3.47	.395
Organizational Learning	15	2	4	3.56	.511
Herzberg's Motivating Factor	15	2	5	3.57	.713
Valid N (listwise)	15				

**Interpretation:** Here Herzberg's motivating factor dimension has highest mean which refers that it dominates the employees. While Herzberg's „hygiene factor“ have least significance on the employees. So, all dimensions have different degree of impact on employees.

### 5.3 CORRELATION:

Table 4: Correlation

	Pearson correlation	Organizational Learning	Herzberg's motivator factors	Herzberg's Hygiene factor	Organizational Performance
Organizational Learning	r	1	.315**	.300**	.482**
Herzberg's motivator factors	r		1	.727**	.603**
Herzberg's Hygiene factor	r			1	.714**
Organizational Performance	r				1

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

#### Interpretation:

Organizational learning has moderate positive correlation with organizational performance, motivating factor and hygiene factor. There exist 0.315 correlation with motivating factor, 0.300 correlation with hygiene factor and 0.482 with organizational performance. Motivating factor have moderate positive correlation with organizational learning. There exist high positive correlation with hygiene factor and organizational performance. There exist 0.315 correlation with organizational learning, 0.727 correlation with hygiene factor and 0.603 with organizational performance. Hygiene factor have moderate positive correlation with organizational learning. There exist high positive correlation with motivating factor and organizational performance. There exist 0.300 correlation with organizational learning, 0.727 correlation with motivating factor and 0.714 with organizational performance. There exist high positive correlation with motivating factor and organizational performance. There exist 0.300 correlation with organizational learning, 0.727 correlation with motivating factor and 0.714 with organizational performance.

### 5.4 REGRESSION

#### 5.4.1 REGRESSION ANALYSIS BETWEEN MOTIVATION AND ORGANIZATIONAL PERFORMANCE

Table 5: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.724*	.0524	.520	.274

a. Predictors: (Constant), Hygiene Factor mean, Motivating Factor mean

Table 6: ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	17.470	2	8.735	116.721	.000 <sup>a</sup>
Residual	15.865	212	.075		
Total	33.335	214			

a. Predictors: (Constant), Hygiene Factor mean, Motivating Factor mean

b. Dependent Variable: Organizational Performance.

Table 7: Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.923	.104		18.472	.000
Hygiene Factor mean	.359	.042	.584	8.462	.000
Motivating Factor mean	.098	.038	.178	2.573	.011

a. Dependent Variable: Organizational Performance.

### Interpretation:

Here standardized coefficient Beta value of is 0.584 for Hygiene factor. It means Herzberg's hygiene factor has 58.3 % on the dependent variable that is organizational performance. While Herzberg's motivating factor has 17.8 % impact on the performance. The sigma value (**0.00**) from the ANOVA table is less than 0.05; hence the model is a good fit.

## 5.4.2 REGRESSION ANALYSIS BETWEEN ORGANIZATIONAL LEARNING AND ORGANIZATIONAL PERFORMANCE:

Table 8: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.482*	.232	.229	.347

a. Predictors: (Constant), OL mean

Table 9: ANNOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	7.746	1	7.746	64.81	.000*
Residual	25.589	213	.120		
Total	33.335	214			

a. Predictors: (Constant), OL mean

b. Dependent Variable: OP mean

Table 10: Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.142	.167		12.860	.000
OL mean	.372	.046	.482	8.030	.000

b. Dependent Variable: Organizational Performance.

## VI. INTERPRETATION:

Here standardized coefficient Beta value is 0.482 which signifies that independent variable impacts dependent variable by 48.2 %. Organizational learning has 48.2 % impact on the organizational performance.

### 6.1. FINDINGS:

- Organizational learning has moderate positive correlation with organizational performance, motivating factor and hygiene factor. There exist 0.315 correlation with motivating factor, 0.300 correlation with hygiene factor and 0.482 with organizational performance.
- Herzberg's motivating factors have moderate positive correlation with organizational learning.
- There exist high positive correlation with hygiene factor and organizational performance. There exist 0.315 correlation with organizational learning, 0.727 correlation with hygiene factor and 0.603 with organizational performance. Hygiene factor have moderate positive correlation with organizational learning.
- There exist high positive correlation with motivating factor and organizational performance. There exist 0.300 correlation with organizational learning, 0.727 correlation with motivating factor and 0.714 with organizational performance.

- There exist high positive correlation with motivating factor and organizational performance. There exist 0.300 correlation with organizational learning, 0.727 correlation with motivating factor and 0.714 with organizational performance.
- Herzberg's hygiene factor has 58.3 % on the organizational performance. While Herzberg's motivating factor has 17.8 % impact on the organizational Performance.
- Organizational learning has 48.2 % impact on the organizational performance

## VII. CONCLUSION:

The study shows that according to employee's perception, organizational learning has positive impact on the performance of organization. That is if organization works on the learning aspects it simultaneously improves the employees' performance. On understanding Herzberg theory of motivation the study came out with conclusion that employees consider hygiene factors of motivation more significant than the motivator. The motivation level of employees in an organization have positive impact on the overall performance of any organization.

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