



IMPACT OF COMPENSATION, JOB ENRICHMENT AND ENLARGEMENT AND TRAINING ON EMPLOYEE MOTIVATION

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Research Guide

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Abstract:

Motivation is a process of inducing and stimulating an individual to act in certain manner. In the context of an organisation, motivation implies encouraging and urging the employees to perform to the best of their capabilities so as to achieve the desired goals of the organisation. Compensation is a monetary payment given to an individual in exchange for their services. In the workplace, compensation is what is earned by employees. It includes salary or wages in addition to commission and any incentives or perks that come with the given employee's position. Job enlargement and job enrichment are distinct approaches to enhancing job satisfaction and employee engagement. Job enlargement expands the horizontal scope of a job by adding more tasks, while job enrichment focuses on vertical development by providing more challenging and fulfilling responsibilities. Job enlargement aims at broadening one's job in order to make the job more motivating. Job enrichment is the process of adding motivators to existing jobs. This means that job enlargement is a way to do job enrichment but not all job enrichment activities are also considered job enlargement. Training is a system of educating employees within a company. It includes various tools, instructions, and activities designed to improve employee performance. It's an opportunity for employees to increase their knowledge and upgrade their skills.

Keywords: Motivation, Compensation, Training, Performance, Employee

Introduction:

Compensations and benefits are an important aspect of human resource management as it helps the workforce keep going. These compensations keep the workforce motivated to achieve more. It helps the organization award its employees on the basis of their performance and helps them excel at every venture they undertaken. Job enrichment is a strategy used to motivate employees by giving them increased responsibility and variety in their jobs. The



idea is to allow employees to have more control over their work. By doing so, one can tap into their natural desire to do a good job and contribute to the overall goals of the company. Job enrichment is a strategy used to motivate employees by giving them increased responsibility and variety in their jobs. The idea is to allow employees to have more control over their work. By doing so, one can tap into their natural desire to do a good job and contribute to the overall goals of the company.

Review of literature:

Impact of Compensation, Job Enrichment and Enlargement, and Training on Employee Motivation

Najameddin Sadeg Tumi, Ali Nawari Hasan, Jamshed Khalid (Article in Business Perspectives and Research · March 2021)

Motivation is the process of increasing employee commitment and it is considered one of the key fundamentals, which are essential for organizational success. In a globalized working environment, implementing an effective compensation system, job enrichment, and enlargement, and appropriate training are some of the critical challenges facing by organizations to keep motivated their employees. Thus, the present study aims to investigate possible influencing factors such as compensation, job enrichment and enlargement, training, and their effects on employee motivation in the telecommunication sector in Libya. The findings revealed that all investigative factors have significant relationships with employee motivation. This study suggests that telecommunication companies should formulate an appropriate compensation system comprising of monetary and non-monetary rewards, provide job training to enhance knowledge and skills, as well as offer job enrichment and enlargement opportunities for the employees to expand their motivation and therefore result in organizational success. The limitations of the study and future research recommendations are addressed at the end.

Job Performance, Job Satisfaction, and Motivation: A Critical Review of their Relationship

Revenio Jalagat Jr.(International Journal of Advances in Management and Economics Available online at: www.managementjournal.info) ISSN: 2278-3369

The objective of this paper is to investigate the relationship between these three variables namely: Job performance, job satisfaction and motivation with the help of theoretical models and literatures. Although many studies had already been conducted on job satisfaction and job performance, its relationship is still subject to much heated debates to specifically



determine the extent of its relationship. With regards to motivation, results showed that, monetary consideration is by far more important than other motivation strategies which emphasized the aspect of addressing the economic needs of the individuals. However motivation like that of Herzberg had proven that pay is not the sole indicator of employee motivation. Furthermore, it was also proven that job satisfaction, job performance and motivation interact with each other and functioned interdependently such that the process is circular rather than linear. When job satisfaction and performance is linked with group performance, the outcome revealed that higher job satisfaction leads to higher performance although it is not always the case. Working together is the key to achieve desirable outcomes which means that employees should not be kept in isolation but should be encouraged to work together to effectively achieve the goals and success whether in group or the organization as a whole.

Impact of compensation and benefits to employee motivation in a business

Dr. Balu.L, Anuksha Sarkar (8 th International Conference on Managing Human Resources at the Workplace, December 6-7, 2019)

One of the biggest challenges facing business entities is the recruitment and retaining employees especially in the 21st century where the interest of employees is not getting employed, but rather in getting satisfaction in their jobs. Many employees come from houses and environments that are violent and chaotic. In the job, such kind of an employee needs to feel happy and forget the home problems. Consequently, employees move from one job to another in search of this environment. One of the ways of keeping these employees is to motivate them, a subject very complex, broad and expensive. In this paper attempt has been made by the presenters to identify the relevance of compensation and benefits in the process of motivating the potential talent.

Motivation:

Motivation is the process of stimulating people to action to accomplish desired goals. Motivation is a managerial function which has been defined by different scholars. Some of the important definitions are as follows:

According to **Edwin B.Flippo**, “*Motivation is the process of attempting to influence others to do your will through the possibility of gain or reward.*”



Importance of Motivation

1. It helps the manager to ignite the will to work amongst the workmen.
2. Good motivation method helps in improving the abilities and capabilities of the employees.
3. It helps in finding out the hidden talents and calibre of the employees.
4. Motivated employees means satisfied employees i.e. satisfied in terms of job as well as their personal motives.
5. Motivation reduces the chances of industrial unrest, strikes and similar labour problems.
6. Motivation helps to change the negative or indifferent attitudes of employee to positive attitudes so as to achieve organizational goals.
7. motivation helps to reduce the employee turnover and thereby saves the cost of new recruitment and training.
8. motivation helps in reducing the absenteeism in the organization.

Compensation:

Providing competitive and fair compensation packages is a great way to show your team that they are valued. This will help to keep them motivated and reduce turnover. A well-designed compensation strategy can boost company profits. Providing employees with the proper incentives can help them achieve their goals and improve their work-life balance. They may also be more likely to stay with the company, which can cut recruiting and training costs. In addition, a satisfied employee is more likely to refer friends and family to work for the business.

A proper compensation package can include monetary payments and non-monetary rewards. Monetary payments can be made through a fixed salary, commissions, bonuses and other incentive structures. A company can also provide benefits such as free gym memberships, catered meals, a casual dress code and a flexible working schedule.

Companies that want to attract and retain top talent should develop a compensation strategy that is aligned with their goals and budgets. They should review the current job market and compare salaries in the industry to determine how much they need to pay their employees. In addition, they should evaluate the base salaries, raise structures, incentives and perks to ensure that their plan is competitive.

The most important factor in motivating employees is ensuring that they have the resources to meet their basic needs. This includes a salary that is enough to support a household and allow employees to save for retirement or other expenses. Employees also need to feel that their company cares about them and will be there for them if they need assistance.



Having a healthy, stable financial situation and feeling that their employer will take care of them when they need it helps employees to focus on higher-level motivational factors. These can include a desire to excel and achieve more, a drive to do a great job and the ability to build a successful career with their employer.

In addition to offering a competitive compensation package, employers should regularly communicate the value of their benefits to their employees. This can be done through internal communications campaigns or by partnering with an outside firm to conduct regular benchmarking surveys. This will ensure that the compensation and benefits package is in line with the company's financial health and profitability goals.

Job enrichment And Job enlargement

Job enrichment is a term used often for the process of achieving and improving the “quality of work life”. Herzberg describes job enrichment as that type of improvement in the context of the job which may give a worker more of a challenge, more of a complete task, more responsibility, more opportunity for growth, and more chance to contribute his or her ideas. The need for such an improvement in the job content is being stressed by the social and behavioural scientists. This is because excessive job specialisation introduced by scientific management and advancing modern technology has been dehumanising the work by making the workers job meaningless, routine repetitive, removing all challenges from it and making the worker a part of the machine culture. As human capabilities are not being fully utilised under such conditions, it is creating frustration among the workers and alienating them from their jobs. The increasing alienation of workers from their jobs is creating a serious human relations problem. Some organisations have been trying to solve the problem of excessive job specialisation by periodic job rotation to provide variety, but this has not proved adequate to reduce work boredom and monotony. In recent years, considerable research has been undertaken with respect to more unusual and seemingly risky changes in job content. Among these are job enlargement, job enrichment and semi-autonomous groups. Job Enrichment and Job Enlargement: Both these changes involve redesigning of the job and have the objective of humanising work by introducing more variety in work, increasing responsibilities, and making work more interesting, challenging and motivating. Job enlargement implies additions of more functions and increasing the variety of tasks and duties to reduce monotony. But the additional responsibilities involved are of a horizontal nature. Job enrichment implies an improvement in the quality and variety of work, and the additional responsibilities are of a critical nature encompassing self-growth by introducing motivators. Again the job enlargement merely makes a job structurally bigger, while job enrichment provides the opportunity for the employees’ psychological growth. The job enrichment approach to job designing is, therefore, more often recommended by the behaviourists.

Training

Motivation of Training is an individual’s driving force or internal desire to engage in and excel at training activities. It encompasses the mental and emotional factors that inspire



employees to actively participate, learn, and improve their skills and knowledge within a training program. The motivation of training plays a crucial role in the success of employee development initiatives and organizational growth.

Training motivation is essential for several reasons. Firstly, motivated employees are more likely to fully engage in training activities, actively participate, and take ownership of their learning. They approach training positively, seeking new knowledge and skills to enhance their job performance. This level of engagement and enthusiasm translates into higher retention rates of training content and improved application of skills in the workplace.

Furthermore, motivation in training positively impacts employee performance and productivity. Employees motivated to learn and develop become more competent and confident in their roles. This, in turn, leads to increased job satisfaction and a sense of fulfillment, as employees are better equipped to tackle challenges and contribute meaningfully to the organization's objectives.

In addition to individual benefits, the motivation of training also significantly impacts the organization as a whole. Motivated employees tend to exhibit higher levels of commitment and loyalty, resulting in reduced turnover rates and increased employee retention. Organizations that foster training motivation create a positive work environment that values growth and development, attracting top talent and enhancing the employer brand.

Benefits of Training Motivation

Training motivation offers several benefits for both employees and organizations. Here are some key benefits:

1. **Increased Employee Engagement:** Employees who are motivated to participate in training become more engaged in learning. They actively seek opportunities to learn and develop new skills, leading to higher involvement and commitment. Engaged employees are more likely to retain information, apply their learning in the workplace, and contribute to the organization's success.
2. **Improved Performance and Productivity:** Motivated employees are more likely to strive for excellence and continuously improve their performance. Employees can enhance their capabilities, efficiency, and effectiveness by actively participating in training programs and acquiring new knowledge and skills. This improvement in performance translates into increased productivity and quality of work, benefiting both individual employees and the organization as a whole.
3. **Enhanced Job Satisfaction and Retention:** Training motivation contributes to higher levels of job satisfaction among employees. When employees feel supported in their professional development and have opportunities to acquire new skills, they experience a sense of fulfillment and growth in their careers. This satisfaction leads to



increased job loyalty and reduced turnover rates, as employees are likelier to stay with an organization that invests in their development.

4. **Cultivation of a Learning Culture:** Training motivation helps foster a culture of continuous learning within an organization. Motivating employees to learn creates a ripple effect, inspiring others to engage in training activities and seek growth opportunities. This learning culture promotes knowledge sharing, innovation, and adaptability, positioning the organization to thrive in a rapidly changing business landscape.
5. **Attract Top Talent:** Organizations that prioritize training motivation and invest in employee development have a competitive advantage in attracting top talent. Job seekers are increasingly seeking opportunities for growth and development in their careers. By emphasizing training motivation and highlighting the organization's commitment to employee learning, organizations can attract highly skilled individuals motivated to excel and contribute to the organization's success.

Conclusion:

Compensation & benefits can lead to greater job satisfaction, meaning employees are happy in their job position and are less likely to want to move jobs. Not only does this result in a lower employee turnover rate but it can also make certain positions in the workplace appear more favorable among employees. Job enlargement and enrichment make the work more innovative, challenging, and rewarding for employees because these techniques allow them to do a range of activities and additional tasks, which help them acquire new knowledge and skills, resulting in increased motivation & performance. Employees are more likely to be motivated and engaged when they can learn and develop new skills. Providing training opportunities can be a powerful way to show your team that you value their growth and development, and it can also help them feel more confident and competent in their work.

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