

# Impact Of Training, Compensation And Working Environment On Employee Motivation

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**Abstract:** the objective of this study is to investigate the impact of training, compensation, and working environment on employee motivation. Survey research designed adopted in this study. To test the hypothesis of the study data was collected using random sampling techniques from 250 Bank Employees, in Rawalpindi. The independent variables were used including Compensation, Working Environment, and Training against Employee Motivation that served as the basis of the dependent variable. The data was run on SPSS to get the results. To find the importance of these variables and to evaluate the results Cronbach's Alpha, descriptive statistics, correlation, regression, and ANOVA were used. The results show that the independent variables Compensation, Working Environment, and Training has a positive and significant relationship with the dependent variable Employees Motivation.

**Index Terms:** Training, Compensation, Work Environment, Motivation, Employee, Organization.

## 1 INTRODUCTION

Every organization strives to strengthen its assets such as human resources, which are considered to be the most sensitive asset and sets the organization's goals. For this reason, an organization needs to use the most revolving ability of their HR, to stay in the test and to suffer, unprecedented affiliations depend on the natural estimation of their HR, and the motivation and obligation of its laborers (Al-Madi et al., 2017). According to Lăzăroiu, (2015), motivation is a fundamental authorization process, and portrayed motivation as a yearning in an individual to perform goal orchestrated direct. At the present, organizations attempt to mix their labor to compete in a customer-oriented business environment. The literature highlighted that motivation is associated with psychology integrated with acknowledgment, personality, knowledge, and this is an acute part of the principal (Nuckcheddy, 2018). Whereas Black et al., (2004) founded for the attainment of organizational improvement motivation is the basic element. As shown by Broad (2007), generous driving forces are effective in extending execution for undertaking not done already', to engage, "thinking progressively sharp" and to support both quality and sum to achieve goals. Driving forces, prizes and affirmations are the prime factors that impact agent motivation. 'As the delegates participate intentionally for their objectives they attain motivation regularly because their working activities are attractive and self-motivated (Al-Madi et al., 2017). Motivation also comes from helpers and prizes and proves to be very supportive and this study marks these supportive elements into account of its influence on motivation. Patrick et al., (2009), revealed that directors are seemed to engage them into delegates and work to execute in staff. Tight control over the actions makes a strong grip on execution and stimulate actions through speculations and money rewards. Furthermore when the root causes of problems bring forward then the enthusiasm of workers in the workplace leads to success. Nevertheless, if the delegates will not work properly

(opposite to the contents) and do not work appropriately to the targets it means there is not the accomplishment of affiliations. Besides rewards leave waves on agents' level of duty. Overpayment to laborers brings satisfaction level in their course of action and ultimately, they perform better. Different individuals have adverse needs and want, some of them have the same nature of needs like some people require security while others may require achievements. Executive and managers must have to measure the needs and wants of laborers and must have to comprehend these. Its highly preferable for the manager to know about genuine things without setting any assumptions (Al-Madi et al., 2017). In the current dynamic business environment like the other sectors, the banking sector also realizing a productive, realistic, effective, and docile environment to achieve a large and quantified yield. Along with the best use of the available resources, organizations believe to accommodate the internal customer to fascinate the best human resources pool and retain the experienced labor to do the best job. It is human resource management that plays an important role in this regard.

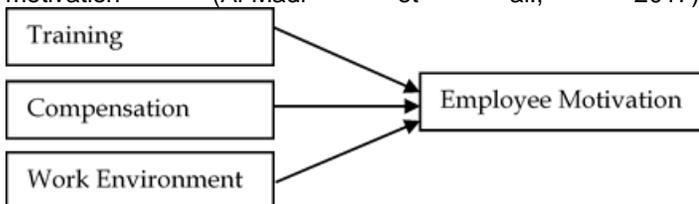
The objective of this paper is to cover that gap by exploring the impact of training, compensation, and work environment on employee motivation, which has been neglected in term of developing nation like Pakistan. Although similar type of studies conducted in South Asian countries like Bangladesh, India but the culture and social setting in Pakistan is quite different than aforementioned country, therefore such type of study is necessary in Pakistani scenario. Prior studies in banking sector was conduct in context of forecasts and hurdles prevailing in Pakistani banking sector, whereas the employee motivation remain unattended.. Thus this study concentrate on employee motivation in banking sector of Pakistan. Being an intangible services provider, the employee quality of work has significant contribution. Therefore this study focus on the private commercial banks only to narrow down the focus and generating more quality resources. Rest of the paper is organized as follows. Section 2 presents survey of previous studies. Section 3 outlines our proposed methodology. Section 4 presents our main findings and finally, section 5 offers conclusions and some important policy recommendations.

## 2.2 LITERATURE REVIEW AND THEORETICAL FRAMEWORK

Specialist Motivation is a by and large practiced exercise now

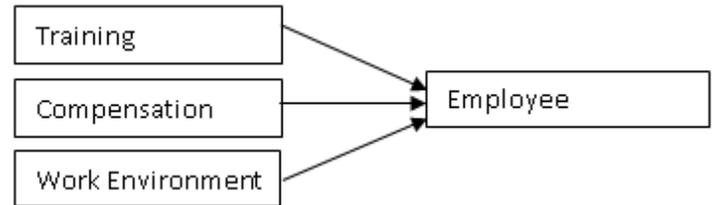
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over each and every business region, the likelihood of motivation is gotten from a Latin word "movere" which means "to move". As statement expressed 'Inspiration is the thing that moves the specialists from weariness to thought' (Al-Madi et al., 2017). (Nadine Sha, 2007)" portray the worker inspiration as: "the enthusiasm to apply abnormal proportions of exertion toward dynamic goals, framed by the exertion's capacity to fulfill some individual need (Al-Madi et al., 2017). Another definition is a development that empowers an agent to go toward a way, which will incite accomplish some objective or to fulfill certain mental needs of authority'(Al-Madi et al., 2017). Inspiration as the methodology that record for a person's ability, bearing, and dauntlessness of exertion toward accomplishing objective. The three key parts in the definition are power, bearing, and consistency. Power is related with how hard an individual undertaking; this is the section a tremendous piece of us base on when we talk about inspiration. Regardless, high power is in all likelihood not going to incite incredible business execution results without the exertion is diverted toward a way: that focal points the association. Inspiration has a confirmation estimation. This is a degree of to what degree an individual can deal with exertion (Al-Madi et al., 2017). There are two sorts of inspiration, regular inspiration and coincidental inspiration. (Thomas & Velthouse, 1990), portrayed trademark inspiration as "a fervently respected encounters that an individual worker. Gets direct from their work errands, originates from a quick association between the expert and the task (Al-Madi et al., 2017), depend upon laborer's volition to envision her lead. They are self-induced because they value playing out the genuine assignments or value the trial of successfully completing the errands. (Deci et al., 1993) describe the laborer motivation (Al-Madi et al., 2017) as: "the excitement to apply anomalous measures of effort toward various leveled targets, formed by the effort's ability to satisfy some individual need". (Robbins & Judge, Essentials of Organizational Behavior | Pearson, n.d.) Portrayed, motivation as the methodology that record for an individual's capacity, bearing, and steadiness of effort toward achieving objective. Furthermore another definition is a movement that energizes, an agent to go toward a path, which will incite achieve some goal or to satisfy certain psychological, needs of specialist (Al-Madi et al., 2017). There are three major parts in the definition are power, bearing, and consistency. Power is associated with how hard an individual activity. This is an extent of to what degree an individual can take care, of effort (Al-Madi et al., 2017). This is the segment a huge part of us base on when we talk about motivation. In any case, high power is most likely not going to incite great work execution results without, the effort is redirected toward a way that points of interest the affiliation. (Thomas & Velthouse, 1990), portrayed trademark motivation as "a decidedly regarded experiences that an individual specialist .There are two sorts of motivation, inalienable motivation, and wasted motivation (Al-Madi et al., 2017).



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successfully completing the errands. Gets direct from their work errands, originates from a quick association between the professional and the task depend upon laborer's volition to envision her lead (Al-Madi et al., 2017).



**HYPOTHESIS**

- H1 Compensation has noteworthy influence and good connection with workers inspiration.
- H2 Work Environment has important effect and positive correlation with workers enthusiasm.
- H3 Training has direct significant impact and positive correlation with employee's motivation.

**Methodology**

**3. METHODOLOGY**

**Research Design**

The researcher used the survey research design to examine the impact of training, compensation on organization performance. Further collection of data from the individuals, the researcher adapted a research questionnaire from published literature as described in table-1. As quantitative research approach is easy to described was the one of reason to adapt this research design for this particular stud. Population and SampleManagerial and Non-managerial staff of banking sectors of Rawalpindi Pakistan was selected to collect data of 250 employees. It includes the both gender (Male & Female). For the collection of data researcher included all ranks of employees associated to bank business. Population and SampleThe population of the present study was the bank employee. In this study, the researcher employed the random and monkey sampling method for the selection of the participants. This means the researcher selects participants because they have indicated their willingness to participate in the study. Measurement Scale The detail of research instrument of this study was described in table -1 below. Here in this study researcher used five point likert scale to collect data from the responded

**Table-1: Source of Questionnaire**

Sr. No.	Variables	Items	Sources of Questionnaire
1.	Training	6	Ozkeser (2019)
2.	Compensation	8	Siddiqi (2018)
3.	Work Environment	6	Siddiqi (2018)
4.	Employee Motivation	7	Ozkeser (2019)

**Data Collection**

After conducting reliability and validity of the questionnaire, researcher distributed among the HR department of banking sector. Two hundred and fifty questionnaire was received duly filled from responded out of 429 distributed questionnaires. The researcher adopted random and monkey sampling techniques to collect the data from the respondents. This approach is most appropriate for this study as it is less costly

and time consumption also very as well.

### Data Analysis Techniques

In this study the researcher used the SPSS softer to test the collected data to achieve the objective of study. In very step, data screen test applied after that the regression analysis of conducted.

## 4. RESULTS

### Descriptive and Co relationship stat

Table 2 Frequency distribution is a chart that shows the frequency of various variables, in which variables take each of its possible value. Each entry in the table contains the frequency or count of the occurrences of values within a particular group or interval, and in this way, the table summarizes the distribution of variables in the sample Gender table tell us frequency of male and female, how many of male and females were included the study

	Descriptive Statistics								
	N	Minimum	Maximum	Mean	Std. Deviation	Skewness	Kurtosis		
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
Employee Motivation	250	1.00	4.60	3.7208	.73159	-2.784	.154	8.120	.307
Compensation	250	1.00	4.80	3.7792	.70742	-2.279	.154	6.260	.307
Working Environment	250	1.00	4.80	3.9040	.81713	-2.615	.154	6.974	.307
Training	250	1.00	4.60	3.9888	.82542	-2.777	.154	7.660	.307

**Table2: Descriptive Stats**

The arithmetic mean is the widely used average. It is obtained by adding all the observations in the collection divided by total number of observations. The above table analyzes the variable through descriptive research. "Mean value of employee motivation, compensation, working environment and training were 3.7208, 3.7792, 3.9040 and 3.9888". Standard deviation is used to show the amount of variation of the data in comparison of central value i.e. arithmetic mean. If the values are very different than the central value, then values in the data set are different and there is deviation .For finding standard deviation we have to calculate the difference between each data value, and then compare it to the mean of that data. In the above table the values of Employee motivation, compensation, working environment and training were "0.73159, 0.70742, 0.81713 and 0.82542". It is necessary to check whether the data is normal or not same as we check the association of variables. If data values in a distribution are at the same distance from mean then they are called symmetrical values and if they depart from the mean then they are called asymmetric values. Coefficient of skewness donated by Sk. The distribution will be positively skewed if the  $Sk > 0$  and will be negatively skewed if  $Sk < 0$ . If the  $Sk = 0$  then the distribution will be symmetric. In the above table the value of Employee motivation, compensation, working environment and training is -2.784, -2.79, 2.615 and -2.777. Correlations analysis used here to show the statistis assessment used in this study to find the relationship between height and weight (variables). This method remains useful whenever relationships between variables are required to measure. If a correlation founded between variables it means a change in one variable leave impact on other variable. Correlation measured numerical positive or negative. Director or positive correlation exists when all variables move towards

the same direction. Negative correlation means when variables move to opposite directions (if one is increasing the other is decreasing).

**Table3: Correlation Stats**

	AVG_EM	AVG_C	AVG_WE	AVG_T
AVG_EM	1			
AVG_EM	.133*	1		
AVG_WE	-.002	.061	1	
AVG_T	.007	.138*	.065	1

The above correlation matrix shows the relationship of all variables with one another. Employee motivation have slightly positive relation with compensation, which is 0.133 and this relation is significant. Employee motivation have slightly negative relation with working environment which is -0.002 and relation is insignificant. Employee motivation has slightly negative relation with Training which is -0.007 which is also insignificant Compensation has positive relation with Employee motivation, which is 0.133 and this relation is significant. Compensation has slightly positive relation with working environment which is 0.061 and is significant. Compensation has positive relation with training which is 0.138 and is significant. Working environment has slightly negative relation with employee motivation, which is -0.002 and relation is insignificant. Working environment has positive co relation with compensation and it is significant. Working environment has positive relation with training which is 0.309 and is significant.

### Regression Analysis

Francis Galton (1822-1911) explained the term relapse as a phenomenon, in which he analyzed the heights the heights of youngsters with their folks. Now a days, regression is utilized in finding a dependence of one variable called subordinate variable on one or more variables least one factors called independent variables. He has given a condition for the estimation of relapse, by foreseeing the normal estimation of the needy variable from the given estimations of the autonomous variable. Independent variable has a fixed value though dependent variable is an arbitrary variable. Relapse connection is a connection between the predictable estimation of autonomous variable and ward variable. In a basic and two variable relapse we think about the reliance of one variable on the other one independent variable. When we have one subordinate variable and two or more free factors then their relationship is called multiple regression. Besides, when the reliance of variable is shown by a straight line condition then relapse is known as linear otherwise nonlinear. It is important to note that the variable of our interest is subordinate variable, while the variable which is used to analyze the variation in the dependent variable is known as independent variable or free factor. Some more terminology: "The subordinate variable is also known as response, regress and, explained and predict and variable whereas the free factor is known as the regression, repressor, explanatory and predictor variable".

**Table 4: Regression Result**

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate

1	.133a	.018	.014	.72652
2	.134b	.018	.010	.72795
3	.136c	.019	.007	.72919

a. Predictors: (Constant), AVG\_C

b. Predictors: (Constant), AVG\_C, AVG\_WE

c. Predictors: (Constant), AVG\_C, AVG\_WE, AVG\_T

Percentage of variation is explained by the coefficient of determination in the dependent variable and changes in the dependent variables is explained by the changes free factors. From the analysis it is appeared that independent variables studied here are Compensation, Working environment and Training. They have positive relation with dependent variable as shown by  $R=0.133$ ,  $0.134$  and  $0.136$  which means 13.3%, 13.4% and 13.6% respectively.  $R^2=0.018$ ,  $0.018$ ,  $0.019$  which tells the variability of variable. This study further worked on analysis of variance to check the importance of the model. The results were shown in the table below.

Table 5: ANOVA

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.371	1	2.371	4.492	.000b
	Residual	130.901	248	.528		
	Total	133.272	249			
2	Regression	2.385	2	1.192	2.250	.018c
	Residual	130.887	247	.530		
	Total	133.272	249			
3	Regression	2.468	3	.823	1.547	.023d
	Residual	130.804	246	.532		
	Total	133.272	249			

a. Dependent Variable: AVG\_EM

b. Predictors: (Constant), AVG\_C

c. Predictors: (Constant), AVG\_C, AVG\_WE

d. Predictors: (Constant), AVG\_C, AVG\_WE, AVG\_T

This chart precisely demonstrates the regression model which exceptionally estimates the dependent variable. This table depicts the statistical importance of regression model that was in progress. Here,  $p < 0.0005$ ,  $0.018$  and  $0.023$  which is less than  $0.05$ , and shows that on the whole regression model, statistically important, derives the resultant variable.

Table6: Regression Coefficient

Model		Coefficients				t	Sig.
		Unstandardized Coefficients		Standardized Coefficients			
		B	Std. Error	Beta			
1	(Constant)	3.200	.250			12.787	.000
	AVG_C	.138	.065	.133		2.119	.035
2	(Constant)	3.233	.324			9.969	.000
	AVG_C	.139	.065	.134		2.121	.035
	AVG_WE	-.009	.057	-.010		-.162	.871
3	(Constant)	3.304	.371			8.900	.000
	AVG_C	.142	.066	.137		2.151	.032
	AVG_WE	-.008	.057	-.009		-.139	.890
	AVG_T	-.022	.057	-.025		-.395	.693

a. Dependent Variable: AVG\_EM

The Coefficients table gives important information so that the independent variable can be predicted from dependent

variable, it indicates the standardized beta for Compensation, working environment and Training which is .133, -0.10, -0.025 which demonstrates that .13, -0.01 and -0.02 units change in dependent variable can be explained for every unit change in independent variable. This beta value shows nature of relationship by explaining the positive and negative relationship and it helps to find whether the following independent variable is statistically important for the model.

## 5. CONCLUSION

As a conclusion employee motivation is very important for any organization so their employee can be fair with them and work hard for the sake of organization. Employee motivation depends on many thing employees are motivated through different means in this activity we gather some factors that can impact on Employee motivation that are compensation, working environment and training. These independent variables of our research we conduct this search on the banking sector. We took banks in Rawalpindi city and conduct research on them how they are motivated through different factors. We conduct a questionnaire survey which was 5 Likert scale. We should use compensation effectively to motivate employee furthermore should start working on work environment that what kind of environment will positively affect employee motivation.

## CONFLICT OF INTEREST

The author declares no conflict of interest is associated with this article.

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