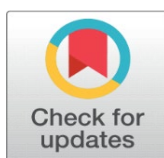
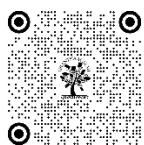


A STUDY ON DRIVERS OF EMPLOYEES' PERFORMANCE IN SELECT SECTORS OF SIKKIM

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ABSTRACT

This study aims to find out the impact of various factors like manager's attitude, organizational culture, personal problems and job content and financial rewards on the employees' performance in the various sectors. It will also highlight how these variables affect the performance either positive or negative. The aim of the present study is to find out the relationship among independent variables and dependent variable. The dependent variable is performance of employees and independent variables are manager's attitude, organizational culture, personal problems and job content and financial rewards. This study is quantitative in nature and data is collected by questionnaire from 100s employees from various sectors of Sikkim.

Keywords: Organizational Culture, Manager's Attitude, Performance, Variables, Quantitative, Sikkim

1. INTRODUCTION

Performance of employees is affected by numerous factors at work place. It is defined as the way to perform the job tasks according to the prescribed job description. Performance is the art to complete the task within the defined boundaries. There are lots of factors that affect the performance of employees. The main theme of the study revolves around those variables. The problem statement is about factors affecting the performance of employees at work place in the scenario of various sectors. This study will focus on the various sectors to know about their performance and factors affecting them.

2. RESEARCH PROBLEM

The present study addresses to study the problem of performance drivers of employees in various sectors – automobile, pharmaceutical, education, insurance, health, banking, research, agricultural, financial services.

3. OBJECTIVES OF THE STUDY

1. To determine the drivers of performance
2. To analyze the relationship between factors and motivation to perform
3. To explore the relationship between factors and employees' commitment
4. To figure out whether motivation to perform and employees' commitment vary depending upon the nature of the sector.
5. To evaluate the impact of demographic factors on employees' performance.

4. HYPOTHESES OF THE STUDY

1. There is no measurable set of factors that drive employee performance.
2. There is no significant relationship between factors of performance and motivation to perform.
3. There is no significant relationship between factors of performance and employees' commitment.
4. Motivation to perform does not significantly differ based on the nature of the sector- private or public.
5. Motivation to perform does not significantly differ based on the industry.
6. Employees' performance is independent of demographic variables such as age, gender, etc.

5. RESEARCH DESIGN

Employees working in various sectors – Automobile, Education, Banking, Healthcare, Financial services, Research in Sikkim constitute the universe for the present study. Sample size is 100 which are drawn using convenience sampling method.

Data collection

The study is based on both primary and secondary data. Primary data has been collected from employees of various sectors by using questionnaire. Secondary data were collected from books, journals, websites, reports, published and unpublished documents.

Data collection instrument

Close-ended questionnaire form was developed and then administered to the target sample for the sake of collecting data for the study as a survey instrument. The survey was based on two sections. Section one consists of personal information about gender, age, income, education, marital status, work experience in current organization, overall work experience. Section two consists of questions pertaining to the factors driving performance and employee loyalty and commitment.

Reliability and validity of the instrument

Out of the various methods used for measuring reliability, the internal consistency method is considered to be the most effective method (Cronbach, 1951). The internal-scale reliability (Cronbach's Alpha; α) of the scale was estimated as 0.926 which is above the acceptable minimum limit of 0.6 (Hair et al., 1995)

Statistical Tools

Data collected were transmitted to the excel sheet. For further analysis and interpretation Statistical Package for Social Science (SPSS) has been used. In analyzing data, statistical techniques such as Descriptive Analysis, has been used. The tools that are utilized for the purpose of data analysis are Factor analysis, Correlation, Chi square, Simple Mean and Percentages. The data representation is done using BARS and PIE CHARTS.

6. DATA ANALYSIS AND INTERPRETATION

The present chapter details with data analysis including testing of hypothesis.

Hypothesis 1: There are no measurable set of factors that affect employee performance drivers.

Hypothesis is tested by using factor analysis

Factor analysis is a method of reducing data complexity by containing the number of variables. With regard to the factors that are important to employees and influence them, a total of 20 variables are subject to factor analysis.

Table 6.1
Factor analysis
KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.770
Bartlett's Test of Sphericity	Approx. Chi-Square	1295.439
	Df	253
	Sig.	.000

The measure of sampling adequacy (Kaiser-Meyer-Olkin; KMO measure) was .770, which demonstrates that factor analysis is appropriate for this data (Kaiser, 1974, Kaiser 1970). Bartlett's Test Sphericity was significant for the test ($\chi^2 = 1295.439$, $df = 253$, $p < 0.000$), which shows that correlations exist among the items.

Table 6.2
Total Variance Explained

Component	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	7.821	34.004	34.004	5.210	22.652	22.652
2	2.230	9.696	43.701	3.549	15.433	38.085
3	1.974	8.584	52.285	2.585	11.239	49.323
4	1.611	7.004	59.290	1.984	8.627	57.951
5	1.364	5.929	65.219	1.672	7.268	65.219
6	.980	4.262	69.481			
7	.924	4.019	73.501			
8	.819	3.563	77.064			
9	.741	3.220	80.284			
10	.676	2.941	83.225			
11	.546	2.373	85.597			
12	.516	2.241	87.839			
13	.510	2.215	90.054			
14	.414	1.800	91.854			
15	.357	1.552	93.406			
16	.307	1.334	94.740			
17	.268	1.167	95.907			
18	.218	.946	96.853			
19	.176	.764	97.617			
20	.168	.732	98.349			
21	.152	.661	99.010			
22	.132	.573	99.583			
23	.096	.417	100.000			

Extraction Method: Principal Component Analysis.

Principal Factor Method (PFM) was applied to this study. Because of its effectiveness in factor extraction to maximize the variance explained for each factor, determined in order of increasing factor number. Six factors are extracted whose eigenvalue is greater than one and the six factors explain 65.219 variance.

Table 6.3 Rotated Component Matrix (a)

	Component				
	1	2	3	4	5
Q1.Importance of work	-.352	.568	.417	.144	-.105
Q2.Job suits interest & capabilities?	.193	.158	.801	.111	.082
Q3.Job activities personally meaningful	.048	.586	.596	.165	.114
Q4.Lack of confidence in job	-.037	-.224	.127	-.854	.010
Q5.Mastered skills necessary for job	.247	-.029	.326	.552	.210
Q6. Lack of autonomy in job	-.163	.185	-.499	-.641	.190
Q7.Great deal of control in org	.202	.094	.594	-.007	-.147
Q8.Fairly happy with present work?	.545	.266	.169	.424	.287
Q9.Satisfied with remuneration & benefits	.647	.149	.430	.166	.109
Q10.Superior work recognized & rewarded	.326	.217	.236	.080	-.612
Q11.Training opportunities improve performance	.300	.782	.083	.173	-.052
Q12.Motivated by the prospect of promotion	.091	.762	.124	-.071	.029
Q13.Superior guidance & support	.311	.768	.060	.008	-.009
Q15.Valued as hardworking individual	.286	.299	.148	.149	.756
Q16.Sense of personal fulfillment from work	.711	.093	.257	.075	.051
Q18.Employees fairly & sincerely dealt	.742	.024	.084	.173	-.131
Q19.Employees informed about org running	.628	.125	.188	.216	-.115
Q20.Employees informed of changes	.582	.402	.381	-.168	-.051
Q21.Manager seeks employees views	.588	.286	.100	.003	-.506
Q22.Managers respond to employees concern?	.536	.466	-.046	.276	-.318
Q23.Targets set with consultation	.709	.188	-.134	-.025	-.135
Q24.Employer can be relied upon	.745	.022	.294	.023	.191
Q26.Employees share company values	.582	.481	-.045	.147	.218

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.

7. FINDINGS

1. Based on factor analysis, five factors of performance are identified - meaningful and Interesting work, confidence and autonomy, advancement, recognition and participation.

2. There is positive correlation between various factors of performance and motivation to perform. Hence null hypothesis is rejected and this implies that with meaningful and interesting work, confidence and autonomy, advancement and recognition, Participation and satisfaction, employees will be motivated to perform.
3. There is positive correlation between factors of performance and employees' loyalty and commitment. Among all the factors, advancement opportunities, followed by participation and satisfaction have high positive correlation indicating that if employees perceive that there are more advancement opportunities and participative climate exists, it will increase employee's loyalty and commitment. Since the correlation values are significant at 1% level, the null hypothesis is rejected establishing positive relationship between factors of performance and loyalty and commitment of employees.
4. Based on F value which is 1.421 and insignificant, the null hypothesis is not rejected. This implies that motivation to perform does not vary between private and public sector.
5. As F value is 1.220 which is not significant, the null hypothesis is not rejected. This indicates that motivation to perform does not significantly vary depending on the industry.
6. Chi-square values are significant for demographic variables such as age, gender, marital status, educational qualification and work experience. Hence null hypothesis is rejected. This implies that employee motivation to perform is dependent on age, gender, marital status, educational qualifications and work experience.
7. Based on chi-square values which are significant for age, marital status, educational qualification and work experience, null hypothesis is rejected and this implies that employee loyalty and commitment is dependent on age, marital status, educational qualifications and work experience. However it is independent of gender as chi-square value is not significant.

8. RECOMMENDATIONS

- Many employees feel that they do not have autonomy in the job. Autonomy is one the important drivers of performance. If employees are not satisfied with autonomy, it will negatively affect motivation to perform. Hence it is required to ensure that employees should have autonomy coupled with accountability.
- Based on employees' perception it is required to ensure that there is work recognition which will enhance motivational level to perform.
- Compensation system has to be the best as it mainly serves as the trigger to performance.
- In these days, the expectations of the employees are changing. They expect that they should be well informed of the changes taking in organization.
- Employer should gain trust and confidence of employees. There must be mutual trust between employer and employees which fosters employee engagement.

9. CONCLUSION

In the competitive era there is no alternative available other than to perform the best. It is very much essential for the organization to survive and grow and have a competitive edge. Hence organizations are taking utmost care in order to ensure good performance. The performance of the organization depends on the performance of the employees. Organizations are trying to understand the drivers of performance. The present study revealed that there are five factors that influence performance such as meaningful and interesting work, confidence and autonomy, advancement, recognition and participation. These factors are positively related to motivation to perform and employees' loyalty and commitment. Hence it becomes imperative for the organization to ensure the presence of these satisfying factors which will drive the performance of the employees which in turn drive the performance of the organization.

CONFLICT OF INTEREST

None

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None

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