



# Impact of Motivation Factors on Employee Performance: A Case Study of Panas Pharmaceuticals Pvt. Ltd., Ganapur, Banke

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## Abstract

**Purpose:** In the highly competitive pharmaceutical industry, understanding and optimizing motivational factors is essential for enhancing employee performance and driving organizational success. This study aims to explore the impact of motivational factors on employee performance at Panas Pharmaceuticals Pvt. Ltd., shedding light on the key drivers of productivity within the organization.

**Design/methodology/approach:** This study employs a positivist research philosophy, utilizing quantitative methods to objectively assess the relationship between the study variables. motivational factors and employee performance at Panas Pharmaceutical Pvt. Ltd. A structured survey design was implemented and data was collected from a purposive sample of 100 employees. SPSS 23.0 was used for analyzing the data.

**Findings:** The findings revealed that all motivational factors including monetary rewards, promotion and fairness, recognition, and job security significantly impact employee performance, with notable differences observed in performance levels among employees based on their motivation levels.

**Conclusion:** The study emphasizes the importance of personalized motivational strategies, such as promotion, fairness, recognition, and job security, in boosting employee performance and enhancing productivity and retention.

**Implications:** This study enriches the understanding of motivation and employee performance by highlighting the critical role of factors such as monetary rewards, promotion and fairness, recognition, and job security in driving productivity, offering valuable insights for management at pharmaceutical companies to implement targeted strategies that enhance employee engagement and performance.

**JEL Classification:** M12, M54, J24, J28

## Introduction

In today's competitive business landscape, enhancing employee productivity remains one of the most challenging issues for management. Organizations across various sectors have implemented a range of strategies to inspire their employees and drive performance. As early as the 1980s, scholars like Mitchell (1983) emphasized that for an organization to succeed, its members must be both able and motivated to perform well. This implies that employee performance is a function of two critical elements: ability, which refers to the skills and competencies needed for the job, and motivation, which is the drive to execute tasks effectively. Both factors are essential; high motivation cannot compensate for a lack of skill, just as skill alone does not guarantee performance (Feldman & Daniel, 1983).

Building on this understanding, researchers such as Nadler et al. (1989) highlighted that managers should focus on identifying the diverse needs and aspirations of their subordinates to harness motivation, rather than merely attempting to control their actions. Over time, motivation has evolved from being viewed as a simple reward-punishment mechanism, such as the "carrot and stick" approach, to a more indepth understanding of what drives employees. Despite significant research into declining productivity, many businesses still struggle to find effective ways to address motivational issues that influence employee performance.



The concept of motivation has been recognized as essential for thousands of years, even before the term itself was formally coined. Historically, approaches to motivation have ranged from the simplistic to the more sophisticated, as businesses increasingly realize the importance of employee satisfaction, well-being, and engagement in driving organizational success. The role of employees has shifted dramatically over time, from being passive contributors to active, influential participants in an organization's success. Today, employees are not just motivated by financial rewards but by various intrinsic factors such as recognition, career development, and a sense of purpose.

Motivation is now widely regarded as a key determinant of both individual and organizational success. Studies show that motivated employees contribute significantly to productivity, and organizations that fail to nurture this are less likely to achieve sustainable growth. Joseph (2015) argues that motivation is one of the most critical factors in any organization's success. Similarly, Chintallo and Mahadeo (2013) highlight that motivation is a concern across both public and private sectors, emphasizing its universal importance. Chaudhary and Sharma (2012) further define motivation as an employee's needs and desires, shaped by factors that can either drive or impede their commitment to organizational goals.

In the context of Panas Pharmaceutical Pvt. Ltd., the importance of motivation becomes even more apparent. The company must understand what drives its employees, identify motivational strategies that align with their preferences, and address any factors that might lead to demotivation. In doing so, Panas Pharmaceutical can ensure not only the achievement of organizational goals but also the professional development and well-being of its employees.

While motivation is universally important, there are discrepancies between developed and developing countries regarding how motivation is addressed. In developed economies, there is often a greater focus on intrinsic rewards, such as work-life balance, career progression, and employee autonomy. In contrast, many developing nations, including Nepal, continue to emphasize extrinsic motivators like salary and job security, often overlooking the broader spectrum of motivational needs. This gap suggests that companies in developing countries, such as Panas Pharmaceutical Pvt. Ltd., may benefit from adopting more holistic approaches to employee motivation, incorporating both intrinsic and extrinsic factors to improve performance.

Despite extensive research and various efforts to enhance employee motivation, organizations like Panas Pharmaceutical Pvt. Ltd. still face significant challenges in improving employee performance. Low productivity continues to be a pressing issue despite implementing multiple strategies. While motivation is recognized as a key factor in driving performance, the specific motivational needs of Panas Pharmaceutical's employees remain unclear. It is crucial to understand how different factors both motivational and otherwise affect employee performance and what measures can be taken to foster a more engaged and productive workforce.

Although motivation has been widely studied, research on its direct impact on performance within specific sectors, such as the pharmaceutical industry in Nepal, remains limited. Most studies have focused on general business environments, with insufficient attention to industry-specific motivational challenges. This study addresses this gap by focusing on the unique case of Panas Pharmaceutical Pvt. Ltd., offering insights into how motivation factors impact employee performance within the pharmaceutical sector. This study will contribute to both academic literature and practical management

strategies by identifying the factors that influence employee motivation at Panas Pharmaceutical Pvt. Ltd. The findings will provide valuable insights into the role of motivation in enhancing performance, and propose actionable strategies for improving productivity.

## Literature Review

Motivation has long been recognized as a critical factor influencing employee performance across industries. Winardi (2001) defined motivation as a human's potential strength, which can either be self-generated or influenced by external factors, such as financial incentives. These incentives, as Winardi suggested, can have both positive and negative impacts on employee performance, depending on various situational factors. Hasibuan (1996) expanded on this by describing motivation as the spark that ignites an employee's passion for their job, driving them to perform at their highest level. Similarly, Robbins (2001) emphasized that motivation reflects an individual's willingness to exert significant effort toward organizational goals, contingent upon how well these efforts satisfy personal needs. According to Mangkunegara (2001), motivation acts as the internal energy that compels workers to achieve their objectives, highlighting its role as a catalyst for employee action and performance.

Theories of motivation have been extensively studied and can generally be divided into two categories: content theories and process theories. Content theories, such as Maslow's Hierarchy of Needs (1943), focus on the internal factors that drive an individual's behavior. Maslow proposed that individuals are motivated by a series of hierarchical needs, starting from basic physiological requirements to higher-level needs such as self-actualization. Process theories, on the other hand, explore the cognitive processes that shape an individual's motivation. Herzberg's Two-Factor Theory (1959), which distinguishes between motivators (factors that increase job satisfaction) and hygiene factors (elements that prevent dissatisfaction), is a widely acknowledged example. Herzberg's research, particularly among accountants and engineers, revealed that job satisfaction and dissatisfaction stem from different sets of factors, challenging organizations to address both sets to enhance employee motivation and performance (Armstrong, 2010).

The relationship between motivation and employee performance has been the subject of numerous empirical studies, but the results remain mixed. For example, Yuliana (2017) found that motivation has little effect on employee performance, while Candradewi and Dewi (2019) argued that motivation significantly impacts performance. Similarly, Meutia et al. (2016) contested Kasiyanto's (2019) assertion that competence strongly influences performance. Compensation has also shown inconsistent results in the literature. While Mundakir and Zainuri (2018) claimed that compensation has no effect on performance, Candradewi and Dewi (2019) found it to be a critical factor in enhancing employee output. In terms of work environment, Basori et al. (2017) downplayed its importance, whereas Sari and Aziz (2019) identified a strong connection between a positive work environment and improved performance.

In the pharmaceutical industry, for example, research has shown that intrinsic motivation, such as personal fulfillment and job satisfaction, often outweighs extrinsic motivators like financial rewards (Forner et al., 2020). In contrast, the manufacturing and construction sectors in both developed and developing countries demonstrate a strong reliance on extrinsic motivators, including salary, benefits, and job security, to enhance employee performance (Khan et al., 2020). This variance in the impact of motivation on performance across industries suggests that the context of the industry plays a vital role in shaping how motivation drives employee behavior.

In developed economies, organizations often implement sophisticated motivation frameworks, which include both financial incentives and non-monetary rewards such as professional development opportunities, flexible working conditions, and recognition programs. For example, in the technology sector in the United States, companies like Google and Microsoft have established workplace cultures that emphasize employee empowerment, autonomy, and a positive work environment. Studies have shown that these non-financial motivators can significantly enhance employee performance, as workers feel more engaged and valued (Smith et al., 2019).

Conversely, in developing nations, motivation is often more closely linked to basic needs, such as financial stability, job security, and safe working conditions. In countries like India and Bangladesh, industries such as textiles and manufacturing have shown that financial incentives remain the most critical drivers of employee motivation and performance (Mahal & Khera, 2021). However, as developing nations progress, there is increasing recognition of the need to incorporate non-financial motivators to attract and retain talent. For example, in the pharmaceutical sector in India, companies are beginning to implement training and development programs, along with employee recognition initiatives, to enhance motivation and boost performance (Sharma & Singh, 2022).

Given these inconsistent findings, researchers have explored other factors that may mediate or moderate the relationship between motivation and performance. Kotera and Ting (2021) emphasized that high levels of motivation encourage employees to set more ambitious goals, leading to enhanced performance. Similarly, Forner et al. (2020) highlighted the importance of intrinsic motivation, arguing that personal job satisfaction plays a crucial role in improving employee output. Moreover, the physical work environment has also been studied as a factor that influences employee performance. Roskams and Haynes (2021) found that ergonomic workspaces, appropriate lighting, and good air quality can reduce fatigue and enhance productivity, suggesting that a well-designed work environment can act as a motivator in itself.

## Conceptual Framework

The conceptual framework is guided by Herzberg's Two-Factor Theory. This theory posits that motivational factors, such as monetary rewards, recognition, and opportunities for promotion, serve as intrinsic motivators that enhance job satisfaction and performance. In this context, monetary rewards and recognition can be linked to the "motivators" component of the theory, which promotes higher performance levels among employees. Conversely, job security relates to the "hygiene factors," as its presence can prevent dissatisfaction and contribute to a stable work environment. By integrating these factors within the framework, the study effectively addresses the dynamic relationship between motivation and performance in the context of Panas Pharmaceutical Pvt. Ltd. This approach is particularly relevant today, as organizations increasingly recognize the need for a motivated workforce to drive productivity and achieve strategic goals. Thus, the framework highlights the significance of both intrinsic and extrinsic factors in shaping employee performance.

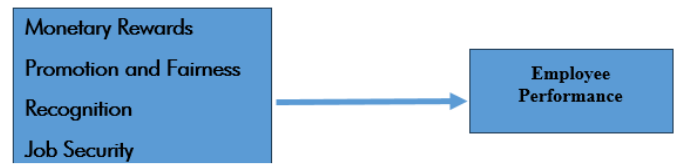


Figure 1: Researcher's Model

## Monetary Rewards and Employee Performance

Monetary rewards, such as bonuses or salary increases, can serve as powerful motivators for employees. When employees perceive that their efforts will be rewarded financially, they may be more likely to exert extra effort in their roles, leading to improved performance.

Research by Deci, Koestner, and Ryan (1999) indicates that financial incentives can enhance intrinsic motivation, leading to increased job performance. Additionally, a study by Kube, Maréchal, and Puppe (2013) found that individuals who receive monetary rewards are more likely to increase their work output and quality.

*H1: Monetary rewards positively influence employee performance.*

## Promotion and Fairness and Employees Performance

Opportunities for promotion and perceived fairness in the workplace can significantly motivate employees to perform better. When employees believe that their hard work will lead to promotions and that promotions are awarded fairly, they are more likely to be engaged and committed to their jobs. According to a study by Aryee, Budhwar, and Chen (2002), promotional opportunities enhance employee motivation, which subsequently improves performance. Additionally, the concept of organizational justice, as discussed by Colquitt (2001), suggests that fairness in promotional practices can enhance employee satisfaction and performance.

*H2: Promotion and fairness positively influence employee performance.*

## Job Security and Employee Performance

Recognition and appreciation for one's efforts can boost morale and encourage employees to perform at their best. When employees feel valued and recognized for their contributions, they are likely to be more engaged and productive. A study by Eisenberger and Rhoades (2001) found that recognition significantly affects employee motivation and performance. Moreover, Kerns (2003) emphasizes that employee recognition programs can lead to higher job satisfaction and performance, as employees feel their efforts are acknowledged.

*H3: Recognition positively influences employee performance.*

## Job Security and Employee Performance

Job security refers to the assurance that employees will retain their positions without the risk of involuntary termination. When employees feel secure in their jobs, they are more likely to focus on their work and perform better, knowing that their employment is stable. Research by Greenhalgh and Rosenblatt (1984) highlights that job security is closely linked to employee motivation and performance. Additionally,

a study by Kahn (1990) indicates that when employees feel secure in their jobs, they exhibit higher levels of engagement and performance due to reduced anxiety about their employment status

*H4: Job security positively influences employee performance.*

## Methods

### Sample and Procedures

This study adopts a positivist research philosophy, which emphasizes the objective measurement of observable phenomena and the use of quantitative methods. This approach is well-suited for investigating the relationship between motivation and employee performance, as it allows for the systematic collection and analysis of data. A survey research design was employed to gather data from employees at Panas Pharmaceutical Pvt. Ltd. This design is efficient and cost-effective, as it allows for the collection of data from a large sample of respondents using a standardized questionnaire.

Data was collected from both primary sources. Primary data was gathered using a self-administered questionnaire specifically designed for this study. The questionnaire consisted of two sections:

- **Section A:** Collected demographic information about the respondents
- **Section B:** Likert scale questionnaire assessing relationship between motivation factors and performance.
- **Section C:** Open - ended questions regarding motivational factors and their impact on performance

The questionnaire was distributed to employees at their workplaces, with assurances of confidentiality to encourage honest responses. The responses were coded and analyzed using appropriate statistical techniques.

The study is being conducted at Panas Pharmaceutical Pvt. Ltd., encompassing both senior and junior employees across all functional departments, including Quality Assurance (QA), Quality Control (QC), Research and Development (R&D), Production, and others. To ensure a comprehensive representation of the workforce, a purposive sampling technique was employed, targeting individuals who could provide valuable insights into the relationship between motivation and employee performance. The total population for the study consists of 200 employees, comprising a mix of junior and senior staff members from various departments. To maintain manageability while ensuring adequate representation, a sample size of 100 respondents was selected. Out of these, seventy-six (76) participants were randomly chosen from among the junior staff, who are distributed across the different functional areas. Additionally, twenty-four (24) questionnaires were randomly assigned to senior staff members within each department. This sampling approach was designed to capture a balanced perspective across various hierarchical levels, without regard to age or gender, ensuring that the findings reflect the views of employees at different stages in their careers. Ethical considerations were carefully addressed throughout the research process. Informed consent was obtained from all participants, and their privacy and confidentiality were protected. The research adhered to ethical guidelines and regulations.

### Measures and Instruments

To measure these constructs, a structured questionnaire was developed utilizing a five-point Likert scale anchoring 1 for strongly disagree and 5 for strongly agree. Each variable comprises five items, which were carefully selected and adapted from established literature to ensure reliability and validity. The items related to monetary rewards were adopted from the works of Khan et al. (2016), which emphasized the influence of financial incentives on employee motivation. The promotion and fairness items were sourced from Locke and Latham (2002), highlighting the importance of equitable opportunities for advancement in enhancing employee morale. For recognition, items were derived from Armstrong (2014), who noted the positive impact of acknowledgment on employee satisfaction and productivity. The items measuring job security were adapted from Ashford et al. (1989), which underscored the significance of perceived job stability in fostering a committed workforce. Finally, the items related to employee performance were adopted from Borman and Motowidlo (1993), who provided a comprehensive framework for assessing various performance dimensions in organizational settings.

### Methods of Data Analysis

The study objectives and research hypothesis guided the analysis of the field data acquired. Both descriptive and inferential analyses were conducted to evaluate the impact of motivation factors on employee performance at Panas Pharmaceutical Pvt. Ltd. Descriptive analysis was performed using Microsoft Excel to summarize the data and present frequency distributions and percentages. For inferential analysis, SPSS version 23 was employed to conduct statistical tests, allowing for a deeper understanding of the relationships between motivation and employee performance.

## Results and Analysis

### Socio-Demographic Analysis

The socio-demographic analysis provides an overview of the respondent characteristics. In this study, the respondents' data were analyzed based on five key socio-demographic variables: age, gender, educational qualification, work experience, and job role

**Table 1: Socio-Demographic Profile**

Variables	Category	Frequency	Percentage (%)
Gender	Male	60	60
	Female	40	40
Age Group	20-30 years	35	35
	31-40 years	40	40
	41-50 years	15	15
	Above 50 years	10	10
Educational Qualification	Below Bachelor's Degree	15	15
	Bachelor's Degree	50	50
	Master's Degree	30	30
Work Experience	Less than 1 year	10	10
	1-5 years	50	50
	6-10 years	25	25
	More than 10 years	15	15
Job Role	Entry Level	40	40
	Mid-Level	35	35
	Senior-Level	25	25

Note. Field Study, (2024)

The socio-demographic characteristics of the 100 respondents revealed a balanced representation of gender, with 60% male and 40% female participants. The majority of respondents (40%) were aged between 31-40 years, and 50% of them held a Bachelor's degree. In terms of work experience, half of the respondents had 1-5 years of experience, and 40% were working in entry-level roles.

## Correlation Analysis

Table 3 illustrates the correlation analysis results, revealing significant relationships between employee performance and various motivational factors used in the study.

**Table 3: Correlation Analysis of Motivational Factors and Employee Performance**

Variables	Employee Performance	Monetary Rewards	Promotion and Fairness	Recognition	Job Security
Employee Performance	1				
Monetary Rewards	0.45**	1			
Promotion and Fairness	0.60**	0.35*	1		
Recognition	0.30*	0.21**	0.50**	1	
Job Security	0.40**	0.25**	0.55**	0.30*	1

Note(s). \* $p < 0.05$ , \*\* $p < 0.01$

## Competency Mapping Analysis

Competency mapping was employed to assess the alignment between employee competencies and the motivational factors provided by Panas Pharmaceuticals Pvt. Ltd. This analysis is crucial as it helps identify whether the motivational strategies implemented by the organization effectively resonate with the skills and abilities of its workforce. Understanding this alignment not only highlights potential gaps but also provides actionable insights for enhancing employee motivation and performance.

**Table 2: Competency Mapping Analysis**

Competency Area	High Fit (%)	Moderate Fit (%)	Low Fit (%)
Technical Skills	80	15	5
Interpersonal Skills	70	20	10
Leadership Skills	60	30	10

Note. Field Study, (2024)

The findings from the competency mapping are presented in Table 2, which illustrates the distribution of employee competencies in relation to their fit with organizational motivational factors. The results indicate a strong alignment in Technical Skills, with 80% of employees perceiving a high fit between their technical competencies and the motivational strategies in place. This suggests that the organization's efforts to motivate employees through skill enhancement and development initiatives are effectively recognized. Conversely, while Interpersonal Skills show a moderately favorable alignment (70%), the 10% of employees reporting a low fit indicates a potential area for improvement, suggesting that motivational strategies may not fully address the interpersonal dynamics of the workplace. The Leadership Skills category reflects the greatest opportunity for enhancement, with only 60% of employees perceiving a high fit and 10% reporting a low fit. This gap suggests that the organization may need to develop more targeted motivational strategies to cultivate leadership competencies among its workforce.

# Original Research Article

Table 3 presents the correlation analysis results, indicating significant relationships between employee performance and various motivational factors. Notably, "Promotion and Fairness" shows a strong positive correlation ( $r = 0.60, p < 0.01$ ) with employee performance, suggesting that higher perceived fairness and opportunities for promotion are associated with better performance outcomes. Additionally, "Monetary Rewards" and "Job Security" also exhibit significant correlations ( $r = 0.45$  and  $r = 0.40$ , respectively), indicating their importance in enhancing employee performance. Thus, these findings highlight the importance of addressing motivational factors within organizational practices to foster improved employee performance.

## Regression Diagnostics

The regression diagnostics presented in Table 4 confirm the robustness of the model used in this study.

## Regression Analysis

Table 5: Regression Analysis Result

Variable	Unstandardized Coefficients	Standardized Coefficients	T-Statistic	P-Value	Conclusion
Constant	1.267	-	3.122	0.003	-
Monetary Rewards	0.153	0.234	2.923	0.014	Supported
Promotion and Fairness	0.345	0.437	4.367	0.000	Supported
Recognition	0.167	0.151	2.978	0.046	Supported
Job Security	0.251	0.352	3.501	0.001	Supported

Note. Researcher's Calculation, (2024)

The results of the multiple regression analysis presented in Table 5 reveal that "Promotion and Fairness" is the strongest predictor of employee performance ( $\beta = 0.30, p < 0.001$ ), followed by "Job Security" ( $\beta = 0.25, p < 0.001$ ) and "Monetary Rewards" ( $\beta = 0.15, p < 0.05$ ). Hence, all the direct hypothesis (H1, H2, H3, and H4) was accepted in the study. This analysis demonstrates that while all motivational factors examined contribute positively to employee performance, the promotion and fairness aspect plays a particularly crucial role in enhancing overall performance at Panas Pharmaceutical Pvt. Ltd.

## Comparative Analysis of Performance Based on Motivation Factor

The study also compared the performance levels among different groups based on their responses to motivational factors, specifically categorizing employees into high, moderate, and low motivation groups.

Table 6: ANOVA Results for Employee Performance Based on Motivation Levels

Group	N	Mean Performance	STD	F-Statistic	P-Value
High Motivation	60	4.25	0.5	12.5	0.001
Moderate Motivation	25	3.8	0.6		
Low Motivation	15	2.9	0.7		

Note. Researcher's Calculation, (2024)

Table 4: Regression Diagnostics Test

Diagnostic Test	Result	Interpretation
Variance Inflation Factor (VIF)	1.2 - 1.5 (acceptable)	Indicates no multicollinearity present.
Shapiro-Wilk Test	$p = 0.45$ (normal)	Residuals are normally distributed.

Note. Researcher's Calculation, (2024)

The Variance Inflation Factor (VIF) values range from 1.2 to 1.5, indicating that multicollinearity is not an issue among the independent variables. Additionally, the Shapiro-Wilk test yields a p-value of 0.45, suggesting that the residuals follow a normal distribution, which supports the validity of the regression results.

Table 6 shows the ANOVA results, which highlight significant differences in employee performance among groups based on their motivation levels ( $F = 12.50, p < 0.001$ ). Employees with high motivation (mean = 4.25) perform significantly better than those with moderate (mean = 3.80) and low motivation (mean = 2.90). These findings highlight the crucial impact of motivational factors on employee performance within the context of Panas Pharmaceutical Pvt. Ltd. The data strongly suggest that enhancing motivational levels among employees can lead to improved performance outcomes, reinforcing the importance of strategic motivation initiatives in organizational settings.

## Open-ended Question Regarding Motivational Factors and their Impact on Performance

Based on the responses from the 48 participants who answered the open-ended question regarding motivational factors and their impact on performance, here's a detailed thematic analysis

Table 7: Thematic Analysis of open-ended questions

Theme	Description	Example Quote
Recognition and Praise	Importance of being acknowledged for efforts	"I feel motivated when my work is recognized."
Career Advancement	Desire for growth and promotions	"Opportunities for promotion keep me engaged."
Job Security	Need for stability and assurance in employment	"Job security is crucial for my performance."

Note. Field Study, (2024)

Table 7 summarizes the thematic analysis of qualitative responses from 48 employees regarding motivational factors at Panas Pharmaceutical Pvt. Ltd. The predominant theme was Recognition and Praise, mentioned by 20 respondents, highlighting the importance of acknowledgment in boosting motivation. Career Advancement followed closely with 18 mentions, emphasizing the desire for growth opportunities. Additionally, Job Security was noted by 10 respondents as crucial for enhancing performance. These insights provide a in-depth understanding of what motivates employees and can inform strategies for improving motivation and performance within the organization. By recognizing the importance of these themes, management can implement strategies to enhance employee motivation, thereby improving overall performance within the organization.

## Discussions

The primary objective of this study was to examine the impact of motivational factors on employee performance at Panas Pharmaceutical Pvt. Ltd. The analysis focused on four key motivational factors: monetary rewards, promotion and fairness, recognition, and job security. The positive relationship between monetary rewards and employee performance aligns with several studies, including those by Gupta and Shaw (2014) and Heneman and Judge (2000), which found that financial incentives can effectively enhance employee motivation and performance. However, while monetary rewards contribute positively, this study found that their effect is weaker than that of other motivational factors like promotion and fairness. This finding is consistent with Kahn (1990), who argued that while extrinsic motivators like pay are important, they may not be as effective in driving performance as intrinsic factors. This suggests that while monetary rewards are a necessary aspect of motivation, they should be part of a broader strategy that includes recognition and career advancement.

Promotion and fairness emerged as the strongest predictor of employee performance in this study, which is consistent with findings by Judge and Piccolo (2004) and Lind and Tyler (1988), who emphasized that perceptions of fairness in promotions directly affect job satisfaction and overall performance. The significance of this factor aligns with Adams's Equity Theory, which posits that employees are motivated by fairness in the workplace. The results from this study reinforce the idea that organizations should prioritize transparent and fair promotion processes to enhance employee motivation and performance, particularly in competitive fields like pharmaceuticals.

The positive correlation between recognition and employee performance aligns with the research of Luthans (2000) and Deci and Ryan (2000), who highlight the critical role of acknowledgment and recognition in fostering motivation. This study's findings suggest that recognition significantly impacts employee engagement and performance, reflecting Herzberg's Two-Factor Theory, which categorizes recognition as an essential motivator. The thematic analysis corroborated this, with many employees expressing that acknowledgment boosts their motivation. This highlights the need for organizations to implement robust recognition programs to enhance performance.

Job security emerged as a significant predictor of employee performance, a finding supported by Maslow's Hierarchy of Needs, which posits that security is a fundamental human need. Studies by Davy et al. (1997) and Kahn (1990) have shown that when employees feel secure in their jobs, they are more likely to perform at higher levels. The findings of this study echo these conclusions, indicating that job security is crucial for fostering a high-performance culture.

The thematic analysis also highlighted that many employees view job security as essential for maintaining their performance levels. This suggests that organizations should prioritize job security to improve employee motivation and performance.

## Conclusion and Implications

This study demonstrates the critical impact of motivational factors on employee performance at Panas Pharmaceuticals Pvt. Ltd. The analysis revealed that while monetary rewards are beneficial, they are less influential than factors such as promotion and fairness, recognition, and job security. The findings indicate that promotion and fairness are the strongest predictors of employee performance, highlighting the importance of equitable practices in motivation strategies. Additionally, recognition was shown to significantly enhance employee engagement, aligning with established theories in motivation literature. Job security also emerged as a vital component, underlining its necessity for fostering a high-performance culture. It's critical to acknowledge the critical significance that motivational incentives play in employees' day-to-day success in every given firm. It is obvious that incentives provided by the company have an impact on employees' performance, which enhances and boosts productivity. As a result, both employers and employees have serious concerns about employee motivation. The hypothesis's findings showed that the company's motivating policies, rather than the actions of other employees, have an impact on workers' performance. Additionally, prompt promotions, fairness, and equitable management practices significantly enhance worker performance and encourage longer tenure with the organization. The findings also highlight the need for management to consider workers' preferences and needs when designing motivational incentive packages. This study serves as a call for management to develop appropriate incentive plans that align with workers' desires and boost productivity. Motivation significantly influences employees, with its impact being either positive or negative depending on the employer's approach.

This study contributes to the existing literature on motivation and employee performance by affirming the significance of various motivational factors, including monetary rewards, promotion and fairness, recognition, and job security, as critical drivers of employee productivity. The findings align with established theories, such as Maslow's Hierarchy of Needs and Herzberg's Two-Factor Theory, emphasizing that both intrinsic and extrinsic motivators play essential roles in influencing employee performance. Particularly, the study highlights that promotion and fairness are paramount predictors of performance, supporting the principles of Adams's Equity Theory. These insights not only enhance theoretical understanding but also provide a critical perspective on how motivational factors interact to influence employee outcomes in the pharmaceutical sector, paving the way for future research to explore these dynamics in different organizational contexts.

The results of this study offer valuable insights for management at Panas Pharmaceuticals Pvt. Ltd. and similar organizations seeking to enhance employee performance. By recognizing the significant impact of motivational factors, management can implement targeted strategies that address employee needs, such as transparent promotion processes and fair recognition programs. Specifically, prioritizing promotion and fairness can lead to increased job satisfaction and productivity, as employees are more likely to feel valued and engaged. Furthermore, incorporating robust recognition initiatives can foster a positive work environment, enhancing overall employee morale. Finally, emphasizing job security will not only help retain talent but also improve performance, as employees who feel secure are more motivated to excel.

## Limitations and Futher Research

Like other survey research, this study to have some limitations. Firstly, the research focuses solely on a single pharmaceutical company, which limits the generalizability of the findings to other sectors or organizations. The unique context of Panas Pharmaceuticals may not accurately reflect the motivational dynamics in different industries, thus warranting caution when applying the results elsewhere. Secondly, the sample size of 100 employees, although adequate for preliminary analysis, is relatively small and may not capture the full spectrum of employee experiences and perceptions. A larger sample size would enhance the robustness of the findings. Moreover, the study exclusively examined four motivational factors monetary rewards, promotion and fairness, recognition, and job security without considering other potential influences on employee performance, such as job satisfaction, work-life balance, or organizational culture. Future research could incorporate additional mediating and moderating variables, such as emotional intelligence, employee engagement, or leadership style, to provide a more comprehensive understanding of the motivational landscape. Additionally, employing a mixed-methods approach that combines quantitative and qualitative data could yield richer insights into the complex interplay of motivational factors and employee performance.

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