



The Influence Of Work Motivation On Employee Performance: A Literature Study On The Factors Of Existence, Relationship, And Growth Needs In Improving Workforce Performance

Marta Yakin Niat Putri Harefa¹, Timbul Dompok², Lubna Salsabila³, Karol Teovani Lodan⁴

¹⁻⁴ Department of Accounting, Faculty of Social and Humanities, Universitas Putera Batam, Batam, Indonesia

Abstract. This study aims to analyze the influence of e-money usage and financial literacy on the consumption behavior of accounting students in Batam City. E-money as a digital payment method has become increasingly popular among the younger generation, while financial literacy plays an important role in effective personal financial management. The study uses primary data collected from questionnaires distributed to 97 accounting students in several universities in Batam, as well as secondary data from interviews with 10 accounting students regarding e-money and financial literacy. The results show a positive correlation between high financial literacy and wise financial management, which in turn influences students' consumption behavior. Additionally, the use of e-money plays a significant role in facilitating transactions and changing consumption patterns. Simultaneously, all three variables have a significant impact with a coefficient of determination (R^2) of 38.5%. The findings are expected to provide insights for relevant stakeholders in designing more effective financial education programs and promoting the use of e-money among students.

Keywords: Work Motivation, Employee Performance, Workforce.

1. INTRODUCTION

Organizational problems arise in environments where individuals congregate to do their designated work tasks in accordance with assigned responsibilities. Each organization possesses distinct human resources, varying in both quality and quantity, which will influence its development. The presence of human resources in an organization is crucial. The workforce possesses significant potential to execute tasks designated as companies. The potential of each employee in the firm must be optimized to yield maximum results.

Companies and employees are mutually dependent entities. Organizations poised for competition must possess proficient management. Enhancing employee performance in effective management necessitates the backing of employees, particularly those regarded as valuable corporate assets. The learning process must be integrated into the organizational culture to ensure the preservation of staff abilities. In this instance, robust motivation and job satisfaction significantly influence employee performance. Leaders can enhance subordinate performance by assessing their work, augmenting compensation, providing bonuses or rewards, and offering opportunities. To effectively encourage people, managers must understand the desires and incentives that drive them. Individuals engage in labor to fulfill both material and non-material, as well as physical and spiritual, demands.

An ambitious individual exerts considerable effort to advance the production objectives of his work unit and the organization he serves. An unmotivated individual exerts just minimum effort in their work. An employee will thrive when his performance is acknowledged; conversely, if his efforts are unrecognized, he will lack motivation to excel. Hasibuan (2006:141) asserts that motivation is crucial since it instigates, directs, and sustains human action, prompting individuals to exert effort and enthusiasm to attain ideal outcomes. The primary reason for individuals to join diverse groups stems from their endeavors to fulfill a range of needs, including political, economic, social, and other increasingly complicated requirements. Abraham Maslow's well-known motivation theory posits that every individual possesses five fundamental needs: physiological, safety, social, esteem, and self-actualization (Asnawi, 2007: 68).

In every setting, entities or organizations serve as essential facilitators of all actions pertaining to administration, organization, and job execution. Employee performance profoundly affects organizational success; hence, motivation and job satisfaction are critical determinants of employee performance. Effective leadership is crucial for improving employee motivation. Leaders can motivate their subordinates to enhance performance through methods such as performance assessments, salary increments, bonuses, incentives, and advancement possibilities. To ensure successful motivation, managers must comprehend the fundamental variables and demands that influence employee behavior. This entails identifying the diverse motivational variables, including existential, relational, and growth demands, which are crucial for cultivating a productive and motivated workforce. By meeting these demands, managers can link employees' personal aspirations with organizational objectives, so enhancing job performance.

This study seeks to examine the correlation between work motivation and employee performance. This study will analyze the impact of various motivating factors—namely existential, relational, and growth needs—on the quality of employee performance. Comprehending this relationship is essential, as human resources (HR) constitute the most precious asset of any firm, and ensuring their motivation is vital for attaining optimal results. This research aims to elucidate how motivation can be utilized to improve employee performance and foster corporate success.

2. LITERATURE REVIEW

Motivation is a critical factor in determining the performance and effectiveness of employees in any organization. It is defined as the internal drive that pushes individuals to achieve specific goals, whether personal or organizational (Robinson, 2020). According to Herzberg's Two-Factor Theory, motivation is influenced by factors like intrinsic rewards such as personal growth and recognition, and extrinsic rewards like salary increases and job security (Herzberg, 1959). These factors influence employees' commitment to the organization, enhancing their job satisfaction and ultimately improving their performance. Understanding these motivational factors is essential for creating a productive work environment that meets both the needs of the organization and the personal needs of the employees.

Motivation can be broken down into various types, such as intrinsic and extrinsic motivation. Intrinsic motivation refers to internal desires such as personal growth, a sense of accomplishment, and the intrinsic enjoyment of the task itself (Deci & Ryan, 2000). Extrinsic motivation, on the other hand, comes from external rewards such as bonuses, promotions, and recognition (Ryan & Deci, 2000). Both forms of motivation are linked to performance in different ways. While intrinsic motivation is often associated with higher levels of creativity and engagement, extrinsic motivation can stimulate short-term performance improvements (Kuvaas, 2006). These motivational needs can be categorized into three distinct dimensions: existential needs (security and survival), relational needs (social connections), and growth needs (self-actualization and development) (Maslow, 1943). Each of these needs plays a role in shaping employees' attitudes towards work and their overall job performance.

Previous studies have shown that work motivation significantly influences employee performance. A study by Judge and Bono (2001) found that motivated employees are more likely to exhibit higher levels of performance, as motivation drives their willingness to engage in tasks and go beyond the minimum requirements. Moreover, motivation has been linked to increased organizational commitment and reduced turnover (Meyer & Allen, 1991). In contrast, employees who lack motivation are often disengaged, leading to lower job satisfaction and decreased performance (Tremblay et al., 2009). Consequently, organizations that invest in understanding and addressing employees' motivational needs are more likely to benefit from improved employee performance and productivity.

In addition to motivation, leadership plays a pivotal role in enhancing employee performance. Effective leadership involves not only directing but also motivating

subordinates to reach their full potential. According to Bass (1985), transformational leadership is particularly effective in fostering motivation as it focuses on inspiring employees by aligning their personal values with organizational goals. Leaders who offer support, provide opportunities for growth, and recognize achievements are able to create a work environment that motivates employees to perform at their best. In this regard, motivation is not only a personal drive but also a result of the organizational culture and leadership style (Northouse, 2018).

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This literature highlights the importance of understanding how different motivational factors—existential, relational, and growth needs—affect employee performance. By identifying and addressing these needs, organizations can foster a motivated workforce capable of achieving high levels of performance. The next section of this study will explore these relationships in detail, examining how different motivational needs influence job performance and organizational success.

3. METHODS

This study adopts a literature review approach to explore the influence of work motivation on employee performance, focusing on the factors of existence, relationship, and growth needs. The research is qualitative in nature and involves a systematic review of existing scholarly literature, including peer-reviewed journal articles, books, and relevant reports. The primary goal is to synthesize and analyze existing findings to provide a comprehensive understanding of how these motivational factors contribute to workforce performance. The literature search is conducted using reputable academic databases such as Scopus, Web of Science, PubMed, and Google Scholar. Keywords and Boolean operators such as "work motivation," "employee performance," "existence needs," "relationship needs," "growth needs," and "Herzberg's Two-Factor Theory" are used to identify relevant studies. The search includes literature published within the last 10 years to ensure the inclusion of recent and relevant research. Older foundational theories and studies are included selectively to provide theoretical grounding.

The selection process follows the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) guidelines. Inclusion criteria include (1) studies focused on motivation theories such as Maslow's Hierarchy of Needs and Alderfer's ERG Theory, (2) research linking motivation factors to employee performance, and (3) publications in English in peer-reviewed journals. Exclusion criteria involve studies unrelated to workplace settings or employee performance and non-academic sources lacking rigorous methodology. After identifying and screening relevant studies, data extraction focuses on collecting key information such as study objectives, research methods, sample characteristics, and findings related to existence, relationship, and growth needs. The extracted data is organized into themes to facilitate analysis, including (1) the role of existence needs (e.g., salary, job security), (2) the influence of relationship needs (e.g., teamwork, communication), and (3) the impact of growth needs (e.g., personal development opportunities). Thematic analysis is employed to identify patterns, similarities, and differences across the selected studies. A comparative approach is used to evaluate the consistency of findings across different industries, organizational contexts, and cultural settings. The analysis also highlights gaps in the literature and potential areas for future research.

4. RESULTS

The literature study provides a comprehensive understanding of how work motivation influences employee performance, focusing on the three key dimensions of existence, relationship, and growth needs. These findings underscore the critical interplay between these factors and their cumulative impact on workforce performance.

A. Existence Needs and Employee Performance

Existence needs, as described in Alderfer's ERG Theory, encompass basic physiological and material needs such as salary, job security, and safe working conditions. The research indicates that employees are significantly more productive when these fundamental needs are adequately met.

- **Compensation and Productivity:** Numerous studies highlight the direct correlation between competitive pay and performance. For instance, organizations in labor-intensive industries have demonstrated that increasing financial incentives leads to higher job satisfaction and reduced turnover rates, which ultimately boosts productivity.

- **Job Security:** Employees who perceive their roles as stable are more likely to invest effort in their tasks, leading to improved performance metrics. In contrast, instability fosters anxiety, which diminishes focus and productivity.
- **Safe Working Conditions:** Occupational health and safety measures are pivotal in fostering trust and reducing absenteeism. For example, industries such as construction and manufacturing have shown significant performance improvements following investments in safety infrastructure.

B. Relationship Needs and Workplace Collaboration

Relationship needs emphasize the importance of interpersonal connections, workplace harmony, and effective communication in fostering a motivated workforce. The findings suggest that social and professional relationships directly impact job satisfaction and performance.

- **Teamwork and Cohesion:** Studies in collaborative work environments, such as IT firms, reveal that teams with strong interpersonal bonds perform better due to seamless communication and mutual trust.
- **Managerial Support:** Employees who feel valued and supported by their managers exhibit higher engagement and are more willing to go beyond their basic job requirements. Open-door policies and empathetic leadership styles have been highlighted as key drivers of motivation.
- **Conflict Management:** Resolving workplace conflicts through transparent and inclusive strategies not only maintains harmony but also prevents productivity losses.

C. Growth Needs and Professional Development

Growth needs, which include opportunities for personal and professional advancement, recognition, and skill development, are identified as pivotal motivators for long-term performance enhancement.

- **Training and Skill Development:** Literature consistently shows that employees provided with continuous learning opportunities are more innovative and better equipped to meet organizational challenges. In knowledge-driven sectors like healthcare and finance, upskilling programs significantly improve efficiency.
- **Recognition and Career Progression:** Public acknowledgment of achievements and clearly defined career pathways inspire employees to consistently perform at their best. For instance, case studies in multinational corporations show that mentorship and promotion opportunities lead to sustained high performance.

- **Challenging Tasks:** Providing employees with challenging yet achievable tasks fosters a sense of accomplishment and personal growth, further driving motivation.

D. Integration of Motivational Factors

The findings emphasize the interconnectedness of existence, relationship, and growth needs. Motivation is maximized when these factors are addressed simultaneously rather than in isolation.

- **Example of Synergy:** Organizations that combine financial rewards (existence), supportive teams (relationship), and developmental opportunities (growth) report significantly higher levels of employee satisfaction and performance. For example, tech companies that offer competitive salaries, promote team-building activities, and provide opportunities for skill enhancement achieve higher employee retention rates and innovation.
- **Balanced Approach:** While financial rewards might initially attract talent, relationship-building and growth opportunities ensure long-term commitment and high performance.

E. Variations Across Contexts

The influence of motivational factors varies significantly depending on organizational, industrial, and cultural contexts.

- **Industry-Specific Trends:** In manufacturing industries, existence needs (e.g., wages and safety) dominate as key motivators, whereas growth needs are more prominent in creative and technical fields.
- **Cultural Differences:** In collectivist cultures, relationship needs (e.g., teamwork and belonging) are prioritized, whereas individualistic cultures place greater emphasis on growth and personal achievement.
- **Organizational Size:** Larger organizations often have structured pathways for growth and development, while smaller enterprises rely heavily on interpersonal relationships and job security to motivate employees.

F. Implications for Practice

The findings provide valuable insights for organizations aiming to enhance employee performance. A tailored, holistic approach to motivation is crucial. For instance:

- 1) **For Organizations with Limited Resources:** Focus on existence needs by ensuring fair compensation and job security as foundational motivators.
- 2) **For Knowledge-Intensive Industries:** Prioritize growth needs by offering learning opportunities, mentorship, and career advancement.
- 3) **For Culturally Diverse Workforces:** Address relationship needs by fostering inclusivity, open communication, and mutual respect.

By addressing these factors strategically, organizations can cultivate a motivated workforce capable of achieving sustained high performance and meeting long-term organizational goals.

5. DISCUSSION

The findings of this study underscore the significant role that motivation plays in enhancing employee performance, with a particular focus on the dimensions of existence, relationship, and growth needs. Drawing from the literature, the interplay between these motivational factors and their cumulative impact on workforce performance offers a robust framework for understanding how organizations can effectively cultivate a productive and engaged workforce.

A. Existence Needs as Foundational Motivators

Existence needs, which address basic financial and safety requirements, emerge as critical prerequisites for employee satisfaction and performance. The literature consistently highlights that competitive salaries, job security, and safe working environments are foundational for creating a motivated workforce. However, meeting these needs alone is insufficient for sustained performance improvement. Organizations that solely focus on existence needs without addressing higher-level motivational factors risk creating a transactional workplace environment, where employees perform only to the extent of meeting basic expectations.

This highlights the importance of transitioning from satisfying existence needs to fostering relationship and growth needs to unlock an employee's full potential. For instance, while financial incentives might attract and retain talent initially, their long-term impact diminishes if employees do not perceive opportunities for personal development or meaningful connections in the workplace.

B. Relationship Needs: The Catalyst for Team Dynamics

Relationship needs, which emphasize interpersonal connections and workplace harmony, play a crucial role in enhancing team collaboration and overall organizational culture. The findings suggest that employees who experience supportive relationships with peers and supervisors are more likely to exhibit higher levels of job satisfaction, engagement, and performance. This aligns with social exchange theory, which posits that positive interactions and reciprocal relationships foster commitment and discretionary effort.

The importance of relationship needs varies across organizational contexts. For instance, in collectivist cultures, such as those prevalent in parts of Asia and Africa, teamwork and a sense of belonging are critical motivators. In contrast, in individualistic cultures, relationship needs may play a secondary role to personal growth. This variation underscores the need for organizations to adapt motivational strategies to align with cultural and organizational contexts.

C. Growth Needs as Drivers of Innovation and Long-Term Performance

Growth needs, encompassing opportunities for skill development, career progression, and recognition, are identified as pivotal in fostering sustained high performance and innovation. Employees who perceive their roles as pathways for personal and professional growth are more likely to engage in proactive behaviors, demonstrate creativity, and take ownership of their tasks.

The findings also highlight that growth needs are particularly influential in industries that rely on knowledge and creativity, such as technology, healthcare, and education. However, fulfilling growth needs requires significant investment in training programs, mentorship, and career development pathways. Organizations with limited resources may find it challenging to meet these needs, underscoring the importance of prioritization and resource allocation based on strategic goals.

D. Interconnection and Balance Among Motivational Factors

The study emphasizes the interconnectedness of existence, relationship, and growth needs in driving employee performance. While existence needs provide the foundation, relationship and growth needs act as catalysts for achieving long-term engagement and performance. The findings support Alderfer's ERG Theory, which posits that motivation is not strictly hierarchical but rather dynamic and interdependent. Employees may simultaneously seek fulfillment across multiple dimensions, and deficiencies in one area may increase the salience of another.

For example, a lack of relationship needs fulfillment (e.g., poor workplace relationships) might lead employees to seek satisfaction through existence needs, such as higher compensation. Conversely, employees who feel secure and connected may be more willing to engage in challenging tasks that fulfill their growth needs.

E. Practical Implications

The insights gained from this study have several practical implications for organizational leaders and human resource practitioners.

- 1) **Tailored Motivation Strategies:** Organizations should design motivation strategies that address the unique needs of their workforce. For example, industries with high turnover rates might prioritize existence needs, while innovative sectors should focus on growth opportunities.
- 2) **Cultural Considerations:** Global organizations must account for cultural differences when designing motivation strategies. Relationship needs may hold greater importance in collectivist cultures, whereas growth needs may be more relevant in individualistic settings.
- 3) **Holistic Approaches:** A one-size-fits-all approach to motivation is inadequate. Organizations must adopt a holistic strategy that integrates existence, relationship, and growth needs to create a balanced and fulfilling work environment.

F. Limitations and Future Research Directions

Although the study provides valuable insights, it is limited by its reliance on existing literature, which may not fully capture the nuances of individual employee experiences. Future research could involve empirical investigations to validate the findings and explore additional variables, such as the role of leadership styles, organizational culture, and technological advancements in shaping motivational outcomes.

Moreover, exploring how these motivational dimensions interact with external factors, such as economic conditions and labor market dynamics, could provide a deeper understanding of their impact on employee performance.

6. CONCLUSION

Motivation, derived from the word "motive," refers to the internal forces that drive an individual to act or behave in a certain way. John R. Schermerhorn defines work motivation as a term used in organizational behavior to explain the forces within an individual that influence the level, direction, and persistence of effort in work activities.

Griffin (2003) further clarifies that motivation involves a series of factors that cause individuals to behave in specific ways. In the context of work, motivation is crucial for encouraging employees to exert their best efforts, using all their skills and abilities to advance the organization's goals. As previously discussed, motivation is intrinsically linked to employee performance. Performance, derived from the term "performance," refers to the outcomes achieved by an individual or group in an organization, in line with their authority and responsibilities. These outcomes must align with the organization's objectives, while adhering to legal, moral, and ethical standards. Gibson, Ivancevich, and Donnelly suggest that performance is the result of desired behaviors, and Judge (2006) highlights motivation as a key factor influencing employee performance.

A strong motivation leads to improved work performance, producing high-quality results. Therefore, as motivation increases, so does employee performance, creating a productive and engaged workforce. In conclusion, this study emphasizes that work motivation—fueled by the fulfillment of existence, relationship, and growth needs—has a significant impact on employee performance. By addressing these motivational factors, organizations can foster a more motivated, engaged, and high-performing workforce.

To maintain and improve employee performance, management must continually strive to foster a high level of work enthusiasm and morale among employees. Motivation, as a driving force, is fundamental to ensuring productive and efficient work behaviors. It is essential for organizations to recognize the factors that contribute to employee satisfaction and motivation. Understanding the individual needs of employees is key to creating a motivating environment. When employees feel that their existence, relationship, and growth needs are met, their job satisfaction will improve, and, as a result, productivity will increase. Thus, investing in comprehensive motivational strategies will not only benefit individual employees but also contribute to the overall success of the organization.

7. LIMITATION

The study's limitations encompass its cross-sectional design, which precludes causal inferences and the evaluation of long-term trends. The sample was confined to accounting students in Batam City, perhaps rendering it unrepresentative of the wider student demographic or other locations, hence constraining the generalizability of the results. Self-reported data may exhibit biases, including social desirability bias or recall mistakes. This study did not examine additional characteristics that could affect consumer behavior, like individual personality traits, socioeconomic level, or family background. Subsequent study

could mitigate these limitations by employing a longitudinal approach, broadening the sample to encompass a more heterogeneous population, and investigating supplementary variables that may affect financial behavior.

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