

## THE MOTIVATION OF MANAGERS IN PUBLIC SECTOR UNDERTAKINGS (PSU): A STUDY ON HINDUSTAN PETROLEUM CORPORATION LIMITED (HPCL), VISAKHAPATNAM

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### **ABSTRACT**

*The present research deals with the study of motivation factors of Managers in Public Sector Undertakings (PSU) and this study is conducted on the Managers of HPCL, Visakhapatnam in August, 2018. This study tries to find out the Motivation level of the respondents and figures it out into three different categories of Low, Average and High. Further, it tries to establish the relationship if any that exists between Motivation factors as a dependent variable and Age, Experience and Education Qualifications of the Managers as independent variables. The Data is collected from both primary and secondary data. The secondary data has been collected through HPCL, Refinery's Records, Texts, Manuals, and websites. Then the Primary data is collected from 81 Managers belongs to different educational qualifications, Job designations, and different age groups through a questionnaire. This instrument employs 12 questions on a 5 - point Likert based scale. The responses from the respondents (Managers) subjected to statistical tests. The results show that Motivation level of respondents (managers) is associated with independent variables.*

**KEYWORDS:** *Age Groups, Educational Qualification, Job Designation, Motivation*

### **INTRODUCTION**

“Employee motivation is the composite forces, needs, tension states, drives, or other means that start and continue voluntary activity directed towards the achievement of personal goals” Hoy and Miskel (1987).

A motivation is an inner state that energizes, activates or moves and directs or channels behavior towards the goals of the Organisation. People are said to be motivated positively when they are shown a reward and the way to achieve it. Such a reward may be financial or non-financial. The main aim of the motivation is the exploit the unused potential of people they are to be motivated. Needless to say that such exploitation results in greater efficiency, higher production and a better standard of living of the people, every human action is the result of a need or desire.

Many studies are conducted in the area of Motivation but still, it remains unexplored to some extent. Yet a general understanding has not been developed when it comes to studies conducted in different work environment and in different times. Currently, the organizations face greatest challenges is how to manage turnover of Human force that may be caused by the migration of a lot of managers or employees, especially, those who are low motivated. Thus, if Managers are highly motivated, it helps the organization to perform better and strive for high quality. This point of

view emphasises the importance of the study of Motivation of managers in Public Sector Undertakings (PSU). So, the present study is very significance for organizations as well as Managers.

## COMPANY OVERVIEW

Hindustan Petroleum Corporation Limited (HPCL) is one of the first major industries of Visakhapatnam and first oil refinery on the East Coast of India. After the nationalization process, HPCL has transformed to a mega Public Sector Undertaking (PSU) and it is the second largest integrated oil company in India. Hindustan Petroleum Corporation Limited (HPCL) is a Government of India (GoI) Enterprise with Navratna Status. It got rank in Global Fortune500 and Forbes 2000 companies. Hindustan Petroleum Corporation of India (HPCL) is also listed on the Bombay Stock exchange (BSE) and National Stock Exchange (NSE); both are major Stock Exchange of India. HPCL operates and owns two major refineries producing a wide variety of petroleum fuels & specialties, one is located in Mumbai and another located in Visakhapatnam. The present study concentrates on HPCL, Visakhapatnam only.

## REVIEW OF LITERATURE

**Deci (1992)** concluded that the Motivational theories have been concerned with both the energization and the direction of human behavior in an Organisation. Motivational theories may perform in certain situations but not in all situations. Sometimes all an employee needs are positive support from the leader. The way of motivation towards the employees also plays a vital role in determining the motivational theories.

**Donald P. Moynihan and Sanjay K. Pandey (2007)** conducted a research on the topic "Finding Workable Levers over Work Motivation": Comparing Job Satisfaction, Job Involvement, and Organizational Commitment. The researcher evaluates the impact of individual attributes, job characteristics, and organizational variables on three aspects of work motivation: job satisfaction, organizational commitment, and job involvement. They found that managers have different degrees of impact over these different aspects of work motivation, with the greatest influence over job satisfaction and least influence over job involvement. A number of variables are significant for work motivation, including advancement opportunities, public service motivation, role clarity; job routineness, and group culture.

**Fisher (2009)** revealed that there are different motivational theories and they are described in two categories a) Content Theories: these theories are linked to tell about motivational aspects and b) Process Theories: these theories tell about the communication between requirements, behavior, and rewards. He found that "Managers must understand that employees will be motivated by needs and that once a need is satisfied, it is no longer a motivation."

**Drucker (2009)** found that the level of knowledge for the effective executives tends to be high. Each and every quality of the leader has an impact on motivating the employees. Everything is possible if employees are motivated positively. Motivational theories depend on a leader's behavior and their approach towards the employees.

**YaseminOraman (2011)** conducted a work to assess the effective dynamics of work motivation and job satisfaction of textile employees. He analyzes the impact of psycho-social, economic, organizational and managerial tools over individuals' motivation in terms of maintaining the motivation and job satisfaction of the managers in the business. He came out with the conclusions that economics tools by the employee are positively and significantly related to the level of motivation increase perceived by the employee. Second regression model plays a key role in determining the level of job satisfaction except for economic and psychosocial tools and has a positive impact on increasing employee or manager

motivation with implementations carried out to increase employee satisfaction at workplace.

**Ishfaq Ahmed and Talat Islam (2011)** studied on the two of the job-related attitudes i.e., job satisfaction and motivation of the faculty members of the institutes of higher education. They considered three facets of motivation or job satisfaction i.e. compensation, recognition and working conditions. For this study, they selected 269 faculty members from the five (5) universities of Pakistan. The observation of the study specifies the positive and significant relationship among working conditions, recognition, and compensation on motivation. Furthermore motivated employees or managers were found to be satisfied with their job.

**Giltinane (2013)** concluded that everyone is born with some talent and with the circumstances and different phases of life, people get to learn different things and that is what the leader should understand and give the necessary training to the team members, so that everyone will be on the same page and have the compatibility to work together. Motivating employees is an important role to be played by the leader. Motivating doesn't only include giving speeches and just telling words. Motivating means giving support, taking care of the needs the employees have, setting goals and clearly explaining the factors that are included to achieve that. No matter how talented a person is, how knowledgeable a person is, all these qualities will not make one a good leader if he is not maintaining a good relationship with the team members and helping them in overcoming their tough challenges in reaching the goals.

**Buble et al. (2014)** conducted a research on Croatian company to study the impact of leadership style on employees in an organization. They discovered that employees are motivated with participative leadership style than with authoritarian.

## **OBJECTIVES**

The objectives of the study are mention below:

- To find out the relationship between motivation factors and age groups of HPCL, Visakhapatnam Managers.
- To find out the relationship between motivation and job designation (positions) of HPCL, Visakhapatnam Managers.
- To find out the relationship between motivation factors and the educational qualifications of HPCL, Visakhapatnam Managers.

## **HYPOTHESES**

- 'Age group' is a factor which determines the impact of Motivation levels among Managers of HPCL, Visakhapatnam.
- The Job designation (Positions) of Managers of HPCL, Visakhapatnam shows the impact on their Motivation levels.
- The Educational Qualifications show the impact on Motivation levels among Managers of HPCL, Visakhapatnam.

## RESEARCH METHODOLOGY

This research is descriptive in nature and mainly it relies on primary data which has been collected from the Managers of HPCL, Visakhapatnam. The primary data is collected through questionnaire and personal interview from the Managers of the Visakhapatnam, HPCL with a sample size of 81. The secondary data was collected from the company records, Magazines, and websites.

A questionnaire is used as a tool for the measurement of the motivation of the respondents. The four motivational theories are used as a theoretical framework and it consists of McClelland's achievement needs theory, Herzberg's two-factor theory, Latham and Locke's goal theory, and Hackman and Oldham's job characteristics model. All of these four theories contribute to different but complementary, aspects of how to motivate Managers. The questionnaire consists of 12 questions and all are the 5-point Likert scale based questions and the responder had to tick anyone from the 5-point responses ranging from 1 to 5. Response 5 gets 5 marks and 1 gets 1 mark. Thus each individual's score will range from a minimum of 12 to a maximum of 60.

### Research Design

The Motivation is the dependent variable and its levels are Low, Medium and High. The Independent variables are Age group, Job designation, and Educational Qualification. By mathematical equation, the relationship between Motivation (dependent variable) and the independent variables can be shown as:

$$M = f(\text{JD}), M = \text{Motivation, JD} = \text{Job Designations}$$

$$M = f(\text{EQ}), M = \text{Motivation, EQ} = \text{Educational Qualifications}$$

$$M = f(\text{AG}), M = \text{Motivation, AG} = \text{Age Group}$$

The dependent variable (Motivation) has been split into three levels: Low, Average and High with respect to the scores obtained from the respondents. The scores can range from a minimum of 12 to a maximum of 60. 11 to 31 are considered here to be low, 32 to 46 as Average and 47 to 60 as high. On the hand, all the independent variables have been treated differently. Job designation (positions) has been split into three groups, namely, lower, middle and top level managers. While the educational qualifications have also been split into three groups: 10<sup>th</sup> class or below, Intermediate and graduation or above. And age has been split into three groups 'below 35 Years age group', 'between 35-50 age group' and 50 above age group.

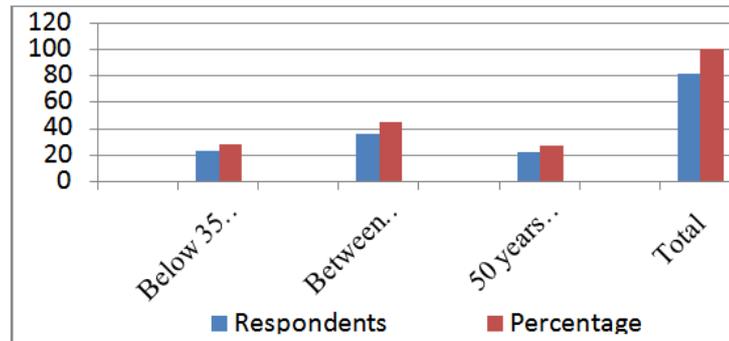
### Sample Profile

The researcher collected data from 81 Managers who belonged to different Job designations (Lower, Middle and Top Managers), different Age group (Below 35 years, 35-50 and 50 above) and with different Education Level (10<sup>th</sup> class or below, Intermediate, and graduate and above).

**Table 1: The Distribution of the Respondents on the Basis of Age Group-Wise**

Age Groups	Respondents	Percentage
Below 35 years	23	28
Between 35-50 years	36	45
50 years above	22	27
Total	81	100

Source: Primary Data



**Figure 1**

Source: Primary Data

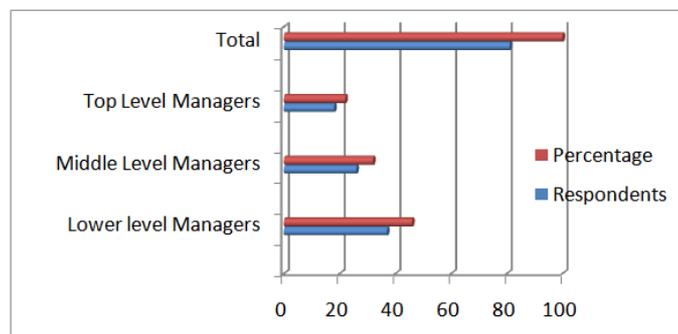
**Inference**

‘Between 35-50 years’ is the highest (45%) then followed by ‘below 35 years’ (28%) and ‘50 years above’ (27%). It can be inferred from the above table that most of the respondents ‘between 35-50 years’ (45%) are the highest among the three age groups.

**Table 2: Distribution of Respondents on the Basis of Job Designation (Positions)**

Job Designation (Positions)	Respondents	Percentage
Lower level Managers	37	46
Middle Level Managers	26	32
Top Level Managers	18	22
Total	81	100

Source: Primary Data



**Figure 2**

Source: Primary Data

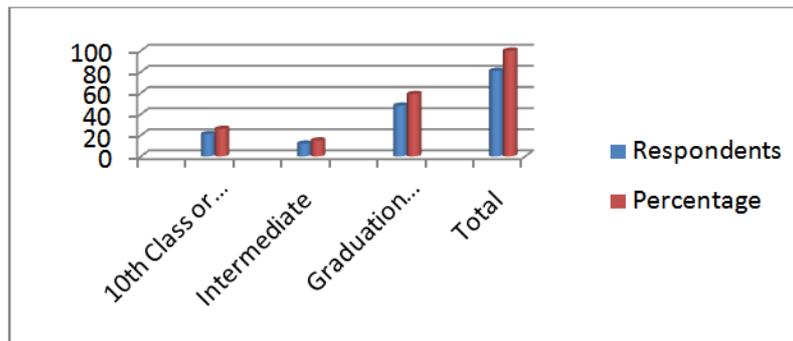
**Inference**

The above table describes that out of 81 respondents, 46% are lower level managers (this group numerically is high), while 32% are middle level and the remaining 22% are the top level managers.

**Table 3: The Distribution of Respondents on the Basis Education Qualification**

Educational Qualifications	Respondents	Percentage
10 <sup>th</sup> Class or below	21	26
Intermediate	12	15
Graduation or above	48	59
Total	81	100

Source: Primary Data



**Figure 3**

Source: Primary Data

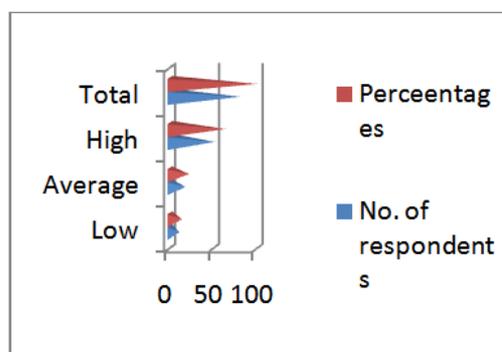
### Inference

The above table shows the categorization of the respondents on the basis of their Educational qualifications. It can be inferred from the table that 26% of the Managers are '10<sup>th</sup> class or below' while 15% are 'Intermediate' level and the remaining 59% are Graduation or above. This shows that 59% of the respondents are 'Graduation or above' is the highest.

**Table 4: Motivation Level-Wise Category of All the Respondents**

Motivation Level	Low	Average	High	Total
No. of respondents	11	18	52	81
Percentages	14	22	64	100

Source: Primary Data



**Figure 4**

Source: Primary Data

### Inference

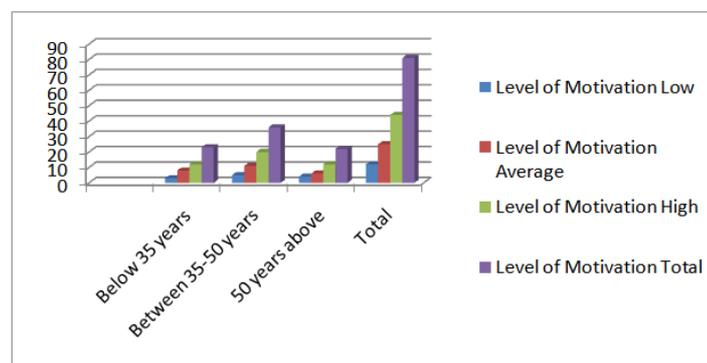
The above table clearly indicates that 64% of the respondents are highly motivated then followed by average motivated (22%) and low motivated (14%).

**DATA ANALYSIS AND INTERPRETATION**

**Table 5: Relationship between Level of Motivation and Age**

Age group	Level of Motivation			
	Low	Average	High	Total
Below 35 years	3	8	12	23
Between 35-50 years	5	11	20	36
50years above	4	6	12	22
Total	12	25	44	81

Source: Primary Data



**Figure 5**

Source: Primary Data

**Inference**

The above table shows the distribution of the respondents on the basis of their age group against their motivation levels (Low, Average, and High). Among the age groups ‘between 35-50 years’, the highest are highly motivated (54%), then followed by average motivated (31%) and Low motivated(15%). On the other hand, Managers who are ‘50 above’, 56% were found to be highly motivated then followed by (27%) Average and low motivated (17%). Among ‘below 35 age group’ managers who are highest are High motivation (52%) then followed by Average motivation (35%) and low motivation (13%). Chi-square test was applied on this data and its value came out to be 1.777. The P (Probability) - a value of chi-square at the degree of freedom 8 was found to be 0.9871. Since the calculated value comes out to be more than the P-value. So, there is the association between motivation levels and Age groups. Here we observe that Age of the group increases then motivation level among managers of HPCL, Visakhapatnam is also increasing. Hence, the hypothesis “‘Age group’ is a factor which determines the impact of Motivation levels among Managers of HPCL, Visakhapatnam.” is accepted.

**Table 6: Relationship between Level of Motivation and Job Designation**

Job Designation (Positions)	Level of Motivation
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	Low	Average	High	Total
Lower Level Managers	7	11	19	37
Middle Level Managers	5	6	15	26
Top Level Managers	1	5	12	18
Total	13	22	46	81

Source: Primary Data

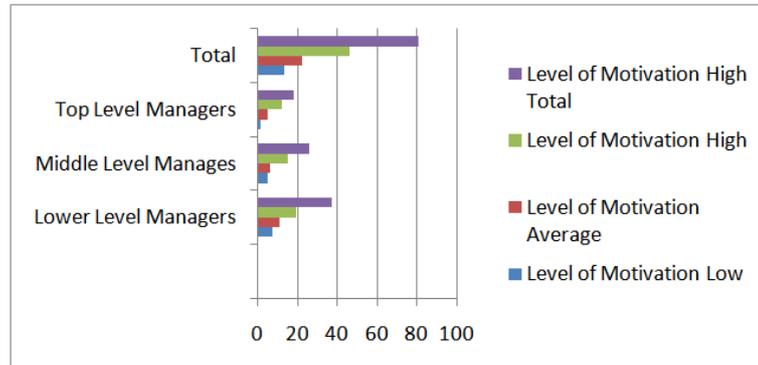


Figure 6

Source: Primary Data

### Inference

The above table shows the distribution of the respondents on the basis of their Job designation against their level of motivation (Low, Average, and High). Among top-level managers, 67% respondents are found to be highly motivated 28% to be averagely and rest 5 % to be lowly motivated. At the middle-level managers, 58% are found to be highly motivated then followed by the Averagely motivated (23%) and low motivated (19%). At the lower manager level (51%) of the Managers are found to be highly motivated then followed by Average motivated (30%) and lowly motivated (19%). To find out the relevance of the second hypothesis we applied chi-square test and we found out the calculated value to be 2.465. When we checked out the P (Probability) value it was found to be 0.96334 at 8 degrees of freedom. Calculated value being more than the P-Value, one makes it clear that there is the association between Motivation variables and Job designation in the hierarchy of the organization. This data indicates that motivation levels are increasing when the Job designation in the hierarchy of organization increases. Hence, the Hypothesis “The Job designation (Positions) of Managers of HPCL, Visakhapatnam shows the impact on their Motivation levels” is accepted.

Table 7: Relationship between Level of Motivation and Education Level

Educational Qualifications	Level of Motivation			
	Low	Average	High	Total
10 <sup>th</sup> Class or below	4	6	11	21
Intermediate	2	3	7	12
Graduate or above	6	11	31	48
Total	12	20	49	81

Source: Primary Data

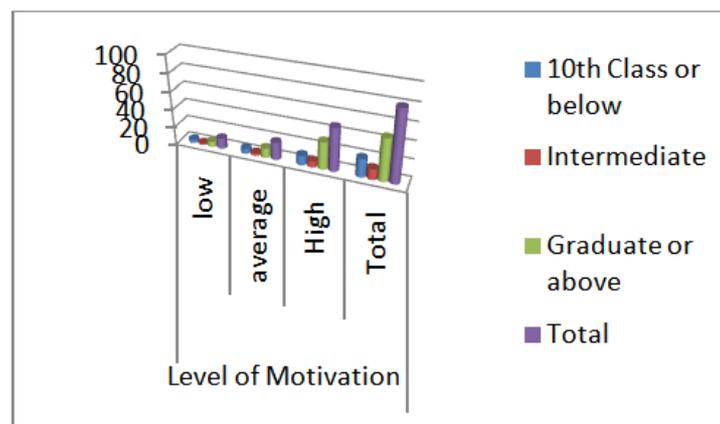


Figure 7

Source: Primary Data

## INFERENCE

The above table categorizes the respondents according to their educational Qualifications against their level of motivation. In ‘Graduate or above’, the highest is high motivated (65%) then followed by averagely motivated (25%) and lowly motivated respondents (10%). Among ‘Intermediate’ level 58% highly motivated respondents, 25% averagely and 17% lowly motivated respondents. Among ‘10<sup>th</sup> Class or below’ the highest are highly motivated respondents (52%) then followed by Averagely motivated (29%) and lowly motivated (19%). To establish the relationship between the variables chi-square test was applied and the value of the Chi-Square came out to be 2.421, which was found to be much less as compared to the P (Probability) - a value of 0.96531 at degree of freedom equal to 8. It shows that there is an association between motivation level and Education Qualification of the Managers. From the above analysis concluded that motivation levels showed more impact on higher educational qualification while compared with low educational qualifications. Hence, the hypothesis “Educational Qualifications show the impact on Motivation levels among Managers of HPCL, Visakhapatnam” is accepted.

## FINDINGS

- The most of the respondents in the age group is ‘Between 35-50 years’ (45%) then followed by ‘below 35 years’ (28%) and ‘50 years above’ (27%).
- Out of 81 respondents, 46% are lower level managers (this group numerically is high), while 32% are middle-level managers and the remaining 22% are the top level managers.
- Here found that 59% of the respondents are ‘Graduation or above’ is the highest then followed by 26% of the Managers are ‘10<sup>th</sup> class or below’ while 15% of managers are at ‘Intermediate’ level
- 64% of the respondents are highly motivated then followed by average motivated (22%) and low motivated (14%).
- When Age of the group has increased then motivation level among managers of HPCL, Visakhapatnam is also increasing. So, the first Hypothesis is accepted

- When the Job designation or rank in the hierarchy of organization increases then the motivation levels of Managers in Visakhapatnam, HPCL are increasing. Thus, the second Hypothesis is accepted.
- Motivation levels of managers in Visakhapatnam, HPCL showed more impact on higher educational qualification while compared with lower educational qualifications. Finally, the third Hypothesis is accepted.

## RECOMMENDATIONS/SUGGESTIONS

- In this study, the Managers revealed that there should be more open communication among top, middle and lower level managers in HPCL, Visakhapatnam. Then the Middle and lower level managers can express their views or opinions without any fear of top-level managers. Hence, it leads to high motivation.
- HPCL, Visakhapatnam should tie up with University and educational intuitions to encourage Higher education (Ph.D. M. Phil, MBA, etc.,) among managers and also HPCL has to provide fee-reimbursement to them. So it is useful to increase more motivation among managers to increase their performance ineffective way.
- The training system plays an important role in motivating the manager. Might be the training system better in HPCL but it should be updated to face the future challenges in the managerial motivation.
- For the better understanding of government policies and goals towards Public Sector Undertakings, the managers of HPCL, Visakhapatnam should be trained at reputed government training agencies like IIPA(Indian Institution of Public Administration), ASCI (Academic Staff college of India), Public Enterprises Centre for Continuing Education, New Delhi, etc.,

## CONCLUSIONS

The results of the study show that Motivational variable is dependent on the independent variables like Age of the group, Job designation and Educational Qualifications of the respondents. In the Table-4, the motivational scores of the respondent show that most of the respondents are highly motivated than followed by average and low. This means that the factors responsible for motivating the employees of an organization are mostly present in the working environment of the organization. So, the policymakers of Hindustan Petroleum Corporation Limited (HPCL) of Visakhapatnam should continue the present motivational methods in a more efficient manner to get the best performance from managers to achieve their organizational goals.

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