

# **A STUDY ON MOTIVATIONAL PRACTICES FOR INDUCING EMPLOYEES' INNOVATION**

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**ABSTRACT:** Employees are critical to the survival and growth of a business. To outperform its competitors, a company must be innovative. Fostering employee innovation leads to increased productivity and achievement within the firm. In actuality, it allows the company to position itself as a leader in its field. Employees are motivated by a variety of traditional causes, which leads to higher production but not necessarily creativity. As a result, the businesses are limited to their current existence and cannot exceed a certain threshold. This study looked at a variety of driving factors that encourage employees to be more creative. These motivating variables were then used to build a conceptual model.

**Keywords:** Employee Motivation, Innovative Workplace and Employee Innovation.

## **I.INTRODUCTION**

Innovation is critical to a company's growth and competitiveness. According to Marcati et al. (2008), human factors have a critical influence in the success of innovation aspects. Individuals that are highly motivated tend to outperform their colleagues in their respective fields, and there are numerous methods and approaches for inspiring employees. Hamilton Dobbs was born in 2006. "Innovation, as defined by a 2005 European Commission publication, refers to the implementation of improved solutions, novel products, and services that address emerging demands and corresponding market needs." It develops new techniques for manufacturing, transporting, and providing commodities, as well as changes to administration, organizational structure, qualifications, and labor conditions. Employing innovative techniques to motivate employees frequently boosts organizational morale while also increasing employee involvement and job satisfaction. Employees frequently regard their

job as a second home since they spend so much time with their coworkers. The user did not enter any text. Companies such as Google have increased their efforts in employee support, resulting in an increase in employee satisfaction. Enhancing employee satisfaction produces good benefits in precisely regulated scientific conditions. Professor Andrew Oswald from the University of Warwick investigated the relationship between employee satisfaction and productivity. Employers must use innovative thinking to inspire and motivate their staff, just as employees must generate new ideas. This essay discusses employee motivating approaches that enhance innovation.

## **II.LITERATURE REVIEW**

Employee motivation must be examined and evaluated because it has a direct impact on their performance. Maslow's hierarchy of needs is a well-known motivational theory, followed by Herzberg's theory, anticipation theory, and other similar concepts. Kanter (1984) observed that rewards play an important role in promoting creativity. However, she found that the specifics of the incentive structure are yet unknown. There is little study on the relationship between ICT, innovative work practices, and motivation (Godard, 2001; Martin, 2011). Previous research has primarily focused on the linkages between related concepts, but the links between creative work practices and the variety of motives identified by Gagné et al. (2010) have not been studied. From this set of studies, we may conclude that a carefully organized work framework improves individual job performance by encouraging employees' positive attitudes. In general, there is a positive relationship between innovative work practices, job happiness, and organizational citizenship. The references used are White and Bryson (2013) and Macky and Boxall (2007).

## **III.INNOVATIVE WORKPLACE MODEL**

The current workplace structure does not meet the demands of the twenty-first century, nor does it take into account the preferences and expectations of today's employees. Less than half of all employees worldwide are satisfied with their occupations, and only 3% are highly engaged in their work. Employers must understand their employees' motivating and personality traits. In 2010, the University of Kentucky Institute for Workplace Innovation (iwin) proposed the creative workplace paradigm. The combination of eight dimensions in this approach attempts to create a dynamic work environment. These dimensions include the promotion of health and wellness, effective leadership and supervision, learning and advancement opportunities, workplace flexibility, an inclusive culture, meaningful work, team development and social support, and competitive salary and benefits. Workplace priorities and practices differ between industries and demographic groupings, resulting in distinct features for each workplace. However, this model has important components and elements that can be applied to a wide range of areas. It is evident that, in challenging economic circumstances, a company's most valuable asset is its human capital. Employers must devise techniques to increase worker productivity, make sound hiring decisions, foster employee involvement, and

realize their employees' full potential. Savvy organizations use research to improve their training, boosting their return on investment. When an organization fails to properly incorporate new and comprehensive strategies into its organizational cultures and daily operations, it confronts challenges such as exhibitions, employee tension, and human resource inefficiencies. Creativity stems from actively listening to others, modifying as needed, and remaining open to new ideas.

#### **IV.MOTIVATIONAL FACTORS FOR INNOVATION**

##### **Innovative Leadership**

The LMX (Leader Member Exchange) hypothesis focuses on the social exchange interactions that occur between leaders and their followers or employees. The LMX hypothesis states that a leader's relationship with their followers influences performance, turnover intentions, role conflict and clarity, supervisor and subordinate satisfaction, and role clarity (Yukl, 2002). Innovation is also associated with the relationship between a leader and a follower (Graen and Scandura, 1987). A leader-follower (employee) relationship that fosters creativity provides challenging work, recognition, crisis intervention, and task-related resources. Transformational leadership encourages innovation and creativity (Kahai et al., 2003; Shin & Zhou, 2003). Transformational leaders encourage their followers to tackle problems from new angles, ultimately increasing their followers' creativity and ingenuity. Followers who experience participatory leadership have both autonomy and influence over the leader's decision-making process. Consultation, collaborative decision-making, and delegation are examples of participative leadership factors that precede and affect innovative behavior among followers. Ms. Indira Nooyi, the CEO of PepsiCo, used a unique technique to engage her employees: she wrote letters to their parents. An employee is recognized for exceeding expectations at work, and the CEO personally sends a letter of gratitude to his parents for allowing him to work at Pepsico and congratulating them on their commitment to PepsiCo. As a result, employees develop a strong emotional connection to the firm and express a desire to stay there for an extended period of time.

##### **Cohesive Suggestion System**

The fundamental goal of a recommendation system is to help an organization's internal decision-making process. Implementing a recommendation system can be an effective way to elicit innovative and inventive ideas from employees (James et al., 2003). Comprehensive suggestion management entails aggressively collecting feedback and suggestions from clients, stakeholders, and management at all levels of the organization. An efficient structured recommendation system and an acceptable reward structure require employees to create creative ideas in order to be recognized and advance in their professional careers. Employee creativity has emerged as a critical aspect in an organization's ability to survive and thrive in a highly competitive market. By providing new and imaginative solutions, we build client loyalty and deliver long-term results. Toyota, founded in 1951, uses the Toyota Creative Idea and Suggestion System (TCISS) to collect recommendations from its employees with the

purpose of improving quality. The organization has established an annual prize to recognize those who generate amazing ideas. Toyota's method enables people to utilize their strengths and creativity, which leads to the production of innovative ideas and recommendations.

### **Autonomic Mentoring**

Intergenerational attitudes within a firm may lead to misunderstandings and confusion. According to Crush (2011), approximately half of employees believe they could outperform their superiors if given the opportunity. When mentoring Millennials and Boomers, it is essential to use a unique mentoring style that stresses giving the mentee agency. Autonomous mentorship fosters innovation and encourages individuals to take responsibility for their decisions and ideas. An ideal mentor-mentee relationship fosters a diverse range of perspectives and provides opportunities for innovation. PayPal's Unity Mentorship Program is immensely appreciated within the business world. This endeavor resulted in the formation of 100 mentor-mentee relationships, which included people of all genders from both the same and other divisions at PayPal. The survey form supported the matching of these pairings, allowing for an assessment of their compatibility on their first encounter. When people with similar cognitive capacities are paired together, they can improve each other's performance in the workplace. Peer mentors are ardent advocates of their colleagues, fostering an environment in which employees can openly express their innovative ideas without fear of failure.

### **Enhancing Risk Taking Propensity**

Strategic risk-taking is vital for promoting organizational innovation. Employees with a higher risk-taking proclivity are more likely to create innovative ideas and show greater adaptability in the face of uncertainty (Barron & Harrington, 1981; Patterson, 1999). Employees that constantly display innovation help the organization gain a competitive advantage by developing unique products and services. The adage that suggests a positive link between risks and rewards may not always be true. Senior management must constantly demonstrate the ability to accept and overlook staff faults and failures, while also taking steps to avoid similar mistakes from occurring again. After the company emerged from bankruptcy, the CEO of Extended Stay America established a program known as the "get out of jail free" policy. 9000 employees were given printed "get out of jail free" cards and told to take risks everytime the card was shown, without requesting clarification. The effort to increase employees' willingness to take risks paid off. A single cold call from an employee resulted in a \$250,000 deal with a movie production firm.

### **Workplace Flexibility**

Grenier et al. (1997) recognized two forms of workplace flexibility: internal and external. Internal flexibility is defined as an organization's ability to adapt and adjust its internal labor market in order to successfully respond to changing situations. External workplace flexibility, on the other hand, capitalizes on labor and outsourcing market trends. The development of internal knowledge will act as a catalyst for leveraging external flexibility, hence driving innovation. According to Atkinson's (1984) flexible firm model, innovation happens more efficiently within companies than in the marketplace. Google Inc. has established a concept

known as "20% time" that allows employees to devote 20% of their work hours to projects that they believe would benefit the company. Google encourages innovation and creativity among its workforce. The "20% time" strategy was also used to create AdSense and Google News.

### **Increasing Spiritual**

Well-being According to Forbes, a substantial majority of Americans (85%) want spirituality to be present in their workplace. Workaholism reduces workplace spirituality, increases stress, and reduces employee productivity. A spiritual workplace fosters a strong corporate culture and a sense of belonging (hrzone.com; Claude & Zamor, 2003). Employees at spiritual workplaces are more inventive and creative due to their strong sense of belonging and personal investment in the organization's success. The leaders of Xerox Inc. attended a seven-day retreat arranged by the Ojain Foundation to discuss vision quests and gain a deeper understanding of the traditional American framework for council sessions. The innovative pursuit of this quest enabled a Xerox executive to create a machine with an impressive recyclability rate of 97%, resulting in a successful product for the company.



**Conceptual Model**

## **V.CONCLUSION**

Employees in an organization can be encouraged to foster innovation for the reasons stated above. At all levels of management, it is critical to stimulate and foster creative thinking. Within a creative organization, it is critical to design a reprimanding system that successfully discourages individuals from making mistakes while yet allowing them to engage in creative thinking. Over time, the company that prioritizes creativity and innovation will become unequalled.

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