

РОЗДІЛ 7

АКТУАЛЬНІ ПРОБЛЕМИ РОЗВИТКУ СУЧАСНОЇ ЕКОНОМІКИ ТА МЕНЕДЖМЕНТУ

UDC 005.32:331.101.3

MODERN THEORIES AND APPROACHES TO EMPLOYEE MOTIVATION IN THE PERSONNEL MANAGEMENT SYSTEM

Myroniuk Viktoriia,

*First-cycle (Bachelor's) student, Private Higher Education
Establishment «Academician Stepan Demianchuk International University of
Economics and Humanities» (Rivne, Ukraine)*

Scientific Supervisor: Demydiuk Serhii,

*PhD in Economics, Associate Professor of the Department of
Management and Marketing, Private Higher Education Establishment
«Academician Stepan Demianchuk International University of Economics and
Humanities» (Rivne, Ukraine)*

Abstract. *The article examines contemporary theories and approaches to employee motivation within the human resource management system in the context of dynamic socio-economic changes. It summarises the evolution of scientific views on work motivation – from classical concepts of material incentives to modern integrated models. Key theories of motivation are analysed, including the hierarchy of needs, the two-factor theory, the theory of expectations, the theory of justice, and the Porter–Lawler model. Particular attention is paid to the role of non-material motivation, corporate culture and the use of HR analytics as tools for improving the effectiveness of human resource management. The necessity of developing comprehensive and flexible motivational systems is substantiated.*

Keywords: *staff motivation, human resource management, theories of motivation, work incentives, non-material motivation, performance effectiveness.*

In today's economic climate, the issue of effective human resource management is of particular importance, as it is the workforce that serves as the key factor in ensuring the stable operation and strategic development of enterprises. For companies operating in a highly competitive environment, such as Nova Poshta LLC, operational effectiveness depends to a large extent on the level of organisation of employee motivation and incentive schemes. A well-

structured human resources management system helps to increase labour productivity, strengthen competitive positions and achieve the organisation's long-term goals.

Nova Poshta LLC is one of the leaders in the express delivery market in Ukraine, demonstrating dynamic growth and the continuous expansion of its service network. Against a backdrop of growing business volumes and increasing customer demands for service quality, the development of a highly qualified, professionally trained and motivated workforce is of particular importance. In this regard, improving mechanisms for incentivising employees and developing their professional potential is one of the priority areas of the company's management activities.

The aim of this article is to systematise and critically analyse contemporary theories and approaches to employee motivation within the human resource management system, to assess their effectiveness in the context of labour market transformation and organisational change, and to identify avenues for improving motivational mechanisms in light of current socio-economic challenges.

In the current economic climate, employee motivation is regarded as one of the key elements of effective human resource management. The growing role of intellectual labour, increased competition and the need for rapid adaptation to changes in the external environment necessitate the use of comprehensive approaches to the development of motivational mechanisms. The theoretical foundation of modern motivation systems is based on a combination of classical and contemporary concepts, which allow for the consideration of both economic and socio-psychological aspects of work behaviour.

An important theoretical foundation for the study of motivation is the analysis of the evolution of approaches to stimulating work activity. In the early stages of societal development, coercive methods of influence, known as the 'carrot and stick' principle, prevailed. Over time, these transformed into more humane forms, notably economic incentives based on the link between income levels and work performance.

Frederick Taylor made a significant contribution to the development of motivation theory, justifying the need for financial incentives based on work standards and individual performance. His approach involved establishing a clear link between productivity and pay levels, which marked an important stage in the development of management science.

To enhance work motivation, F. Taylor proposed various piecework pay systems based on scientifically grounded work standards. F. Taylor's financial incentives were primarily aimed at increasing individual output. Rejecting the idea of group work in the organisation of labour, he believed that a worker should be paid according to his personal achievements, rather than the output of the group to which he belongs. Productivity standards based on F. Taylor's methods were

designed for physically fit, highly skilled and qualified workers. When these standards were met, and even more so when exceeded, financial rewards increased sharply. This was the primary means of motivating high-productivity work.

F. Taylor's motivation methods cannot be viewed in isolation from the other methods of scientific work organisation and management he proposed (the study of work processes using time-and-motion studies, the standardisation of work operations, the establishment of control over each operation, strict regulations on the use of materials and tools, and the correct selection and training of workers). In combination with effective material incentives, these methods formed the basis. When combined with effective material incentives, these methods formed the basis of Taylor's system, which, at the beginning of the 20th century, gave a significant boost to labour productivity, leading to increased production rates in industrial enterprises in the United States and Western Europe.

New approaches to addressing the issue of work motivation were based on the psychological aspects of human behaviour. They originated in the 'human relations' concept, which dominated management theory until the mid-1950s. Proponents of this concept – M. Follett, E. Mayo, A. Maslow and others – argued in their research that the mechanism motivating people towards highly productive work must be based on the satisfaction of their needs.

One of the fundamental theories that remains relevant today is the hierarchical model of needs proposed by Abraham Maslow. According to this concept, an employee's behaviour is determined by the desire to satisfy needs at various levels – from basic physiological needs to the need for self-actualisation. In HR management practice, this means that the employer must ensure not only a decent level of pay, but also conditions for professional development, recognition and career progression. For example, modern organisations are implementing training programmes, internal career progression systems and feedback mechanisms that help to satisfy employees' higher-level needs.

Further developments in motivation theory are linked to research into the psychological aspects of human behaviour. Proponents of the 'human relations' approach, notably Abraham Maslow, proposed viewing motivation through the prism of personal needs. According to his theory, all human needs can be grouped into a hierarchical structure: from basic physiological needs to the need for self-actualisation. The satisfaction of lower-level needs facilitates the fulfilment of higher-order needs, which influences an employee's behaviour.

Maslow's theory of motivation is based on the assertion that all human needs can be divided into five main categories [1, p.46]:

1. Fundamental needs – for food, water, clothing, rest, and shelter (physiological needs).

2. Needs for security and stability – protection from physical and psychological dangers, guaranteeing a minimum standard of living, access to

medical care, and financial security in old age (needs for safety and confidence in the future).

3. Needs to belong to a particular social group, to be a full member of a work team, to have good relationships with colleagues, managers and subordinates (social needs).

4. Needs to have a certain status, to be recognised, to be respected by those around them due to competence and personal qualities (egoistic needs).

5. The need to realise one's potential, to engage in creative work, to solve non-standard tasks, to make independent decisions, and to pursue self-improvement (needs for self-actualisation).

Further developments in the theory of motivation are linked to Frederick Herzberg's two-factor theory, which distinguishes between factors that influence job satisfaction. According to this concept, there are hygiene factors (working conditions, pay levels, interpersonal relationships) that prevent dissatisfaction, and motivational factors (recognition, responsibility, achievement) that stimulate increased productivity. In practice, this means that a pay rise in itself does not guarantee increased work efficiency if the employee lacks opportunities for self-fulfilment. For example, in logistics companies, particularly at Nova Poshta LLC, programmes recognising employees' achievements are used alongside financial incentives, which increases their engagement in their work.

Victor Vroom's expectancy theory has made a significant contribution to the development of modern approaches to motivation. It is based on the assumption that an employee assesses the worth of their efforts depending on the expected outcome and reward [2, p.189]. If an employee is convinced that their efforts will lead to the desired result and will be appropriately rewarded, their level of motivation increases. For example, a bonus system that clearly links performance indicators to the size of the reward encourages employees to increase productivity.

Thus, an effective motivational system must ensure transparency and fairness in the relationship between the effort expended and the results achieved.

The theory of equity, developed by John Stacy Adams, also plays a significant role in modern motivation theory. It is based on the assumption that employees assess the ratio of their own inputs (effort) to the rewards received, comparing it with similar indicators for other employees. A sense of unfairness can lead to reduced productivity, conflicts or even resignation. In this regard, modern organisations pay considerable attention to the transparency of remuneration systems and the objectivity of performance appraisals.

Modern approaches to motivation also take into account concepts such as equity theory and the Porter–Lawler model, which emphasise employees' perception of the fairness of rewards and the complex nature of the motivational process.

A comprehensive approach to motivation is presented in the Porter–Lawler model, which integrates elements of expectancy theory and equity theory. According to this model, work performance depends not only on motivation but also on the employee's abilities, their role within the organisation, and their perception of the fairness of remuneration. An important conclusion of this theory is that job satisfaction is a consequence, not a cause, of high productivity [1, p.47]. This means that an effective motivation system must ensure both the achievement of results and appropriate rewards.

In addition to classical theories, modern management actively employs the latest approaches to staff motivation. In particular, the concept of Management by Objectives (MBO) involves setting clear, measurable goals for employees and assessing their achievement. This approach helps to increase employee accountability and ensures transparency in the evaluation of performance.

Equally important is the approach based on the principles of Total Quality Management (TQM), which involves engaging all employees in the process of continuously improving the organisation's performance. In this case, motivation is achieved through the development of a corporate culture focused on quality, teamwork and continuous development.

In today's environment, non-financial motivation is also becoming increasingly widespread, encompassing tools such as flexible working hours, the option of remote working, professional development, involvement in management decision-making, and the creation of a supportive psychological environment. For example, the introduction of corporate training and coaching programmes helps to improve employees' skills and their loyalty to the organisation.

The use of digital technologies in staff motivation deserves particular attention. HR analytics allows for the assessment of the effectiveness of motivational measures, the identification of key factors in employee engagement, and the prediction of their behaviour [3, p. 86].

This creates the conditions for developing personalised motivation programmes tailored to the needs of individual employees.

Consequently, modern theories and approaches to employee motivation are characterised by their comprehensiveness, flexibility and focus on the individual. They take into account not only financial incentives but also the socio-psychological factors that determine work behaviour. For companies such as Nova Poshta, the implementation of modern motivational approaches is a prerequisite for ensuring operational efficiency, increasing labour productivity and achieving strategic goals.

To summarise, it should be noted that the motivation and stimulation of work activity are complex, multi-level phenomena that combine economic, social and psychological aspects. Their effective implementation is a prerequisite for

ensuring high labour productivity and achieving the strategic goals of the enterprise, in particular those of Nova Poshta LLC.

REFERENCES

1. Baida O., Morguletz O.B. Labour motivation as a component of organisational success. *Bulletin of the Kyiv Institute of Business and Technology*. 2016. No. 1. pp. 45–57.
2. Duda S.T. Motivation and labour productivity of enterprise personnel: their essence and interrelationship. *Scientific Bulletin of the National Forestry University of Ukraine*. 2010. No. 2024. pp. 188–193.
3. Kolot, A. M. Staff Motivation: A Textbook. Kyiv: KNEU, 2014. 345 pp.