

**Czech University of Life Sciences Prague**

**Faculty of Economics and Management**

**Department of Economics**



**Bachelor Thesis**

**Influence of Motivation on Employee Performance and  
Work Behavior**

**Natalia Khudonogova**

# CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Faculty of Economics and Management

## BACHELOR THESIS ASSIGNMENT

Natalia Khudonogova

Economics and Management  
Economics and Management

Thesis title

**Influence of motivation on employee performance and work behavior**

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### Objectives of thesis

This bachelor thesis will focus on the process of generating, developing, and implementing new ideas that further result in innovation and improvement in the work environment. One of the main tasks for enterprises is the search for effective ways of labor-management that ensure the activation of the human factor.

Employee motivation is the main means of ensuring optimal use of resources and mobilization of existing human resources. An ineffective motivation system can cause dissatisfaction among workers, which always leads to a decrease in performance. On the other hand, an effective system stimulates personnel productivity, increases the efficiency of human resources, and ensures the achievement of the whole complex of goals of the system.

The main goal of the motivation process is to use the available labor resources as efficiently as possible, which helps to increase the overall efficiency and profitability of the enterprise. Currently, companies motivate their employees using both financial and non-financial payment methods. Therefore, the aim of the thesis is to study the basics of motivation and achieve steady performance through benefit-motivation systems.

### Methodology

The theoretical part of the thesis is based on the synthesis of knowledge drawn from professional literature, especially from scientific articles and monographs.

The subsequent design part of this thesis uses this theoretical foundation for the employee evaluation system, which is then applied for a selected company.

**The proposed extent of the thesis**

40 to 60 A4 pages

**Keywords**

motivation, work climate, steady performance, fluctuation, evaluation

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## **Declaration**

I declare that I have worked on my bachelor thesis titled "Influence of Motivation on Employee Performance and Work Behavior" by myself. I have used only the sources mentioned at the end of the thesis. As the author of the bachelor thesis, I declare that the thesis does not break any person's copyrights.

In Prague, March 15<sup>th</sup> 2021

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**Natalia Khudonogova**

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# **Influence of Motivation on Employee Performance and Work Behavior**

## **Abstract**

The aim of this bachelor thesis is to study the existing personnel motivation system and develop its effective management in JSC Gazprombank. Its purpose is to determine the features of the formation of personnel labor activity motivation, study information about systems and technologies of personnel motivation, and develop practical recommendations for creating a motivational mechanism and its effective development.

High staff motivation is the most important condition for the success of an organization. It plays a critical role in the structure of an organization and covers all areas of organizational interactions. Using motivation models, the manager will be able to significantly expand his capabilities in attracting a competent employee of today to perform tasks to achieve the organization's goals.

**Keywords:** Motivation, Work climate, Steady performance, Fluctuation, Evaluation, Stimulation, Management, Incentives, Employees

# Vliv motivace na pracovní chování zaměstnanců a jejich výkon

## Abstrakt

Cílem této bakalářské práce je prostudovat stávající systém motivace zaměstnanců a vyvinout jeho efektivní řízení v JSC Gazprombank. Jeho účelem je také zjistit vlastnosti procesu formování motivace činnosti pracovní síly, studium informací o systémech a technologiích motivace zaměstnanců, vypracování praktických doporučení pro vytvoření motivačního mechanismu, jeho efektivní rozvoj.

Vysoká motivace zaměstnanců je nejdůležitější podmínkou úspěchu organizace. Hraje zásadní roli ve struktuře organizace. Pokrývá všechny oblasti organizačních interakcí. Pomocí motivačních modelů bude manažer schopen významně rozšířit své schopnosti přilákat dnes kompetentního zaměstnance k plnění úkolů zaměřených na dosažení cílů organizace.

**Klíčová slova:** Motivace, Pracovní klima, Stálý výkon, Fluktuace, Hodnocení, Stimulace, Řízení, Pobídky, Zaměstnanci

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# 1 Introduction

Motivational concepts are becoming increasingly relevant in modern management. To ensure optimum utilization of resources, staff motivation is the primary tool for mobilizing human resources. The motivation process's essential purpose is to get the most out of the using of labor resources available, which helps to increase the company's overall efficiency and profitability.

To motivate employees, companies today use both tangible and intangible methods of remuneration. Meanwhile, neither the theory of management nor the practice of personnel management gives a definite picture of the relationship between individual aspects of employees' motivational sphere and the most effective methods of managing them.

An ineffective motivation system can cause dissatisfaction among employees, leading to a decrease in labor productivity. On the other hand, an effective system stimulates staff productivity, increases human resources efficiency, and ensures the achievement of the entire set of system goals.

Consequently, there is a relevance to study labor motivation systems used by management in modern economic conditions.

The purpose of the thesis is to improve staff motivation. To achieve this goal, it is necessary to solve the following tasks:

- research of the theoretical aspects of staff motivation and incentives;
- analysis of the motivation used by Gazprombank management;
- development of proposals to improve the motivation of Gazprombank personnel.

The object of the research is Gazprombank.

The subject of the research is the motivation system of Gazprombank.

## **2 Objectives and Methodology**

### **2.1 Objectives**

This bachelor thesis will focus on the process of generating, developing, and implementing new ideas that further result in innovation and improvement in the work environment. One of the main tasks for enterprises is the search for effective ways of labor-management that ensure the activation of the human factor.

Employee motivation is the primary means of ensuring optimal use of resources and mobilization of existing human resources. An ineffective motivation system can cause dissatisfaction among workers, which always leads to a decrease in performance. On the other hand, an effective system stimulates personnel productivity, increases the efficiency of human resources, and ensures the achievement of the whole complex of goals of the system.

The main goal of the motivation process is to use the available labor resources as efficiently as possible, which helps to increase the overall efficiency and profitability of the enterprise. Currently, companies motivate their employees using both financial and non-financial payment methods. Therefore, the aim of the thesis is to study the basics of motivation and achieve steady performance through benefit-motivation systems.

### **2.2 Methodology**

The theoretical part of the thesis is based on the synthesis of knowledge drawn from professional literature, especially from scientific articles and monographs.

The subsequent design part of this thesis uses this theoretical foundation for the employee evaluation system, which is then applied for a selected company.

## **3 Literature Review**

### **3.1 Importance of Motivation**

The main feature of personnel management during the transition to the market is the growing role of the employee's personality. Currently, there is a high degree of uncertainty in the life of every person. Consequently, it's necessary to develop a new approach to personnel management. This approach is as follows:

- 1) The creation of a philosophy of personnel management.
- 2) The creation of advanced personnel management services.
- 3) The application of new technologies in personnel management.
- 4) The creation and development of shared values, social norms, attitudes, which regulate a person's behavior.

The philosophy of personnel management is the formation of individual workers' behavior in relation to enterprise development goals. In such conditions, the motivation of the employees of the company becomes especially important. For high-quality work performance, the employee must be interested in this or, in other words, motivated.

In personnel management, motivation is seen as the process of encouraging employees to perform various tasks (internal motivation) and providing incentives (external motivation) to motivate them to work effectively. The purpose of motivation is to create a condition in which people are willing to work with zeal, initiative—interest and enthusiasm, with a high personal and group moral satisfaction with a sense of responsibility.

Representations of the possibilities for motivating workers have undergone significant changes in management practice. For a long time, it was believed that the only and sufficient incentive to encourage an employee to work effectively is a material reward. Taylor, the founder of the school of scientific management, developed his system of organizing workers' work, convincingly proving the connection between labor productivity and its remuneration. However, Mayo's experiments at Hawthorne found a significant impact on other factors—psychological factors on labor productivity. Over time, various psychological theories of motivation appeared, trying different perspectives to consider the determining factors and

the motivational process structure. As a result, the so-called "carrot and stick" policy was replaced by developing more complex systems to stimulate workers to work, based on its theoretical study results. (E. Mayo, 1933)

The basis of modern theoretical approaches to motivation are ideas formulated by psychological science that explores the causes and mechanisms of purposeful human behavior. From these positions, motivation is defined as the driving force of human behavior based on the relationship of human needs, motives, and goals.

A general characteristic of the motivation process can be represented if the concepts used for its explanation are defined: needs, motives, goals.

Need - this is the state of a person in need of an object necessary for his existence. Needs are a source of human activity, the reason for his purposeful actions.

Motive- this is the person's motive for action, focused on achieving results (goals).

Goal - this is the desired object or its condition, the possession of which a person seeks.

Figure 3.1 illustrates the cycle of the motivational process.

**Figure 3. 1 Motivational cycle**



**Source: L. Petri, 1991**

Motivation as a management function is implemented through a system of incentives, which means that a subordinate's actions must have positive or negative consequences to

satisfy his needs or achieve his goals. Studying the team can allow the leader to create a motivational structure to increase the enterprise's effectiveness. (P. Hersey, 1969)

At present, the organization of an effective staff incentive system is one of the most challenging management problems. Typical problems in organizations associated with the low motivation of employees are:

- High staff turnover
- Low level of operational discipline
- Poorly done work
- Irrational motives of performers
- Weak connection of the results of labor performers and encouragement
- Negligent attitude to work
- Lack of conditions for self-realization of employees' potentials
- Problems of "public cooperation" in the activities of the company
- Low efficiency of influence of managers on subordinates
- Low level of interpersonal communications
- Failures in the production process
- Problems creating a coherent team
- Weak career prospects reflected in the working tone of employees
- Contradictions between the employer and the employee
- Low efficiency of the methods of normative description of labor
- dissatisfaction with the work of employees
- Low professional level of staff
- Lack of initiative of employees
- Management activities are negatively assessed by staff
- Poor morale psychological
- Inadequate workplace equipment
- Organizational confusion
- Lack of attention to study and internship
- Underdeveloped social and cultural life of the enterprise
- Reluctance of employees to improve their skills
- Lack of incentive system

- Inconsistency between the actual behavior of the performer and the expectations of the boss
- Low morale in the team
- Problems in personnel management etc.

The construction of an effective motivation system requires the study of the theoretical foundations of motivation and currently used incentive systems.

### **3.2 Major theories of motivation**

Effective management is impossible without understanding the motives and needs of a person and the proper use of incentives to work. Some people work with interest and pleasure under the same conditions, while others are unhappy. For example, to get a high result, one person needs to be praised, and another should be paid more.

In the classical theories of behavior science, motivation is generally defined as the desire to achieve a certain performance level and therefore is the driving force of human behaviors. Work motivation is the set of energetic forces to initiate work-related behavior and plays a vital role in subjects' performance.

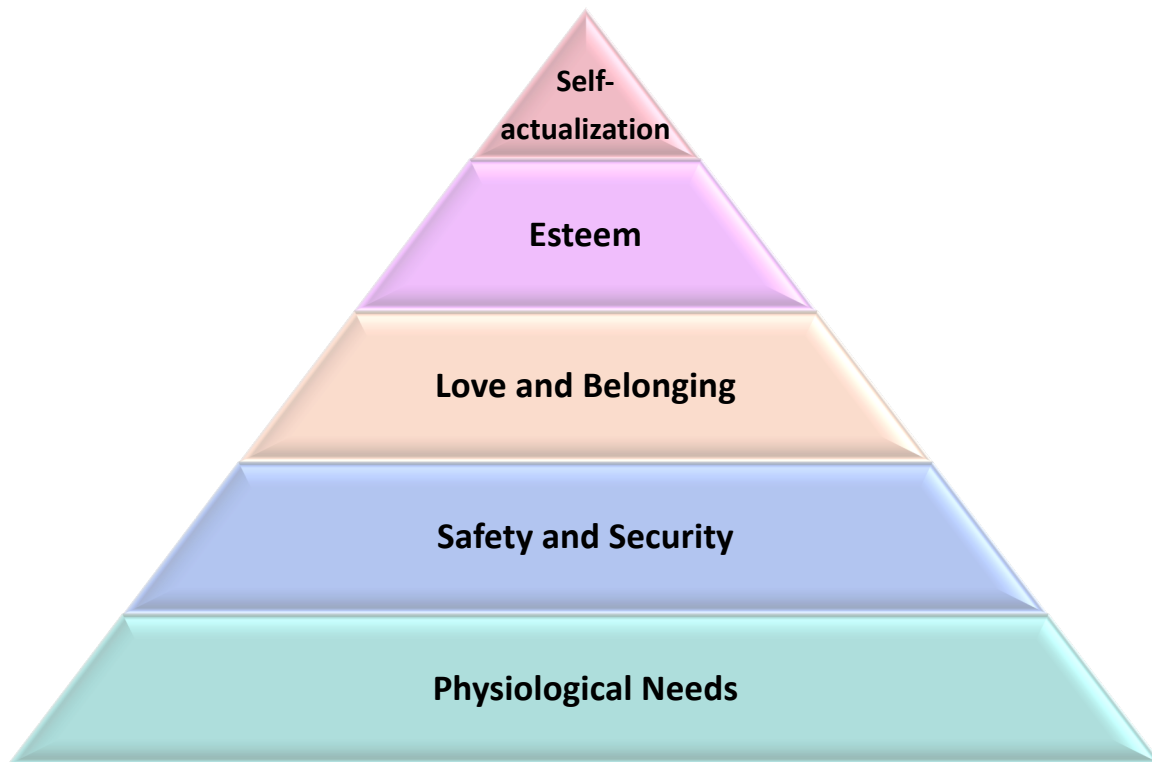
There are two approaches to studying theories of motivation - substantive and procedural. The first approach is based on the study of the substantive side of the theory of motivation. Such theories are based on the study of human needs, which are the primary motive for their implementation. Supporters of this approach include the American psychologists A. Maslow, F. Herzberg, D. McClelland, and C. Alderfer.

#### **3.2.1 Maslow's hierarchy of needs**

Maslow first published his theory in 1954, which presented his theory of how individuals in the context of their work fulfill different personal needs. Based on his observations as a humanistic psychologist, he postulated that there is a general pattern of recognition and satisfaction of needs that individuals generally follow in the same sequence. He also theorized that until her or his presently recognized need was substantially or entirely satisfied, a person could not recognize or pursue the next higher need in the hierarchy. The following figure shows Maslow's hierarchy of needs. It is often depicted as a pyramid with

the need for survival at the broad-based bottom and the need for self-actualization at the narrow top. (E. Gawel,1997)

**Figure 3. 2 Maslow's hierarchy of needs**



**Source: A. H. Maslow, 1970**

According to Maslow's theory, all these needs can be arranged in a strict hierarchical sequence in the form of a pyramid, at the base of which are primary needs and the top are secondary.

### **3.2.2 Two-Factor Theory of Motivation**

The motivation is the force stimulating the behaviors and actions of people to do something with willingness. Different people can be motivated differently according to individual expectations. If individuals' expectations are satisfied, they will be inspired and tend to exert the driving force and effort to work toward the organizational targets.

There are many theories related to motivation. Among these, the Two-factor theory of motivation developed by Frederick Herzberg is one of the most renowned approaches. It was



initially rooted in the job-related investigation of employees' feelings and attitudes. So, this theory is applied in this study.

The Two-factor theory consists of motivators and hygiene factors.

**Table 3. 1 Two-factor theory of motivation**

Two Factor Theory of Motivation	
<p><b>Motivators</b></p> <p>Achievement Recognition The work itself Responsibility Advancement Growth</p>	<p><b>Hygiene Factors</b></p> <p>Company policies Supervision Relationships Work conditions Remuneration Salary Security</p>

**Source: F. Herzberg, B. Mausner & B. Snyderman, 1959**

Motivation factors have an intrinsic relationship with job satisfaction; for example, advancement, recognition, responsibility, etc. The higher employees perceive the higher employees are motivated. Job satisfaction can be obtained. On the other hand, hygiene factors (sometimes is called 'Maintenance factors') are extrinsically related to job dissatisfaction; for example, company policy, personal relationship, work condition, etc. Its presence will not motivate people but will prevent dissatisfaction. Its absence will cause dissatisfaction. The aim of an effective organization is to have highly motivated employees with low dissatisfaction. Thus, the companies should be aware of these two factors and not assume that an increase in the satisfaction factors will decrease the dissatisfaction. Similarly, having no dissatisfying factors does not mean the motivation and satisfaction of the employees. The employees should be motivated by the motivation factors, while the hygiene factors should be maintained to eliminate or decrease employee dissatisfaction.

### **3.2.3 McClelland's theory (theory of learned needs).**

This theory has proposed a theory of motivation that is closely associated with learning concepts. The theory suggests that the lower needs are already fulfilled, the higher needs remain, and their structure is reduced to three factors: the desire for achievement, the desire for power, and recognition. With such a statement, success is seen not as praise or recognition from colleagues, but as personal achievements due to vigorous activity, as a willingness to participate in and take personal responsibility for difficult decisions. (L. Gibson, 1979)

- The need for success (achievement) is a person's desire to achieve the goals before him more effectively than before.
- The need for power - a person, seeks to control the resources and processes in his or her environment.
- The need for affiliation manifests itself in the form of a desire for a friendly relationship with others.

According to McClelland's theory, people seeking power must satisfy their own needs and can do so when occupying certain positions within the organization.

Such needs can be managed by preparing employees to move through the hierarchy to new positions through certification, courses, etc. Such people have a wide social circle and try to expand it.

### **3.2.4 Clayton Alderfer's "Erg" Theory of Motivation**

Existence, Relatedness, and Growth (ERG) theory of Clayton Alderfer states that a person's needs can be combined into separate groups. However, unlike A. Maslow's theory of hierarchy, he believes that there are three groups of consumers:

- the need for growth (self-expression, self-realization, creativity);
- the need for communication (belonging to a team, involvement in a common cause);
- the need for existence (physiological needs, safety).

Maslow was criticized by Alderfer and claimed that human needs should not be categorized in the hierarchy. Alderfer states that some observations have led him to introduce

this theory, which is more dynamic than Maslow's theory, as some scholars say. As opposed to Maslow's hierarchy of five needs, Alderfer believes three human needs classes exist. Explaining his theory, the needs for "life" relate to Maslow's physiological and safety/security needs, better known as lower-order needs. The "relatedness" needs match with Maslow's social/love or belonging needs, while the "growth" needs correspond to Maslow's higher-level needs of esteem/ego and self-actualization. (R. Caulton, 2012)

Even though it has been argued that Alderfer's theory is more dynamic than Maslow's and that it helps workers deal with two sets of needs at once and is often retained as a distinction between chronic or prevalent needs and occasional needs, nonetheless, it has a basic pitfall.

The second motivation method is based on procedural theories. It includes the allocation of employees' efforts and the selection of a specific form of action to accomplish strategic goals. Such theories include the expectation theory of V. Vroom, the justice theory of Adams, the Porter-Lawler model, and MacGregor's "X" and "Y" theory.

### **3.2.5 V.H. Vroom's Expectancy Theory**

Vroom focused his emphasis on the actions of individuals and staff in organizations. Intending to describe the mechanism involved, he studied workers' actions, and his theories were focused on the idea that observed behavior would lead to motivation. The primary technique developed for this is called 'objective observation.'

V. Vroom's theory of expectation is based on the fact that the presence of an operational need is not the only necessary condition for motivating a person to achieve a particular goal. Human behavior is continuously associated with a choice of two or more alternatives. From what a person gives this or that preference, it depends on what and how he does, how he behaves, and what results he achieves. According to the theory of expectation, the process of motivation consists, as it were, of the interaction of three blocks: 1 - effort, 2 - performance, 3 - result.

The employee must have a stable idea that the results of his work depend on his efforts, that inevitable consequences for him follow from the results of his work, and also that the

results obtained by him are of value to him. In the absence of one of these conditions, the motivation process becomes quite complicated.

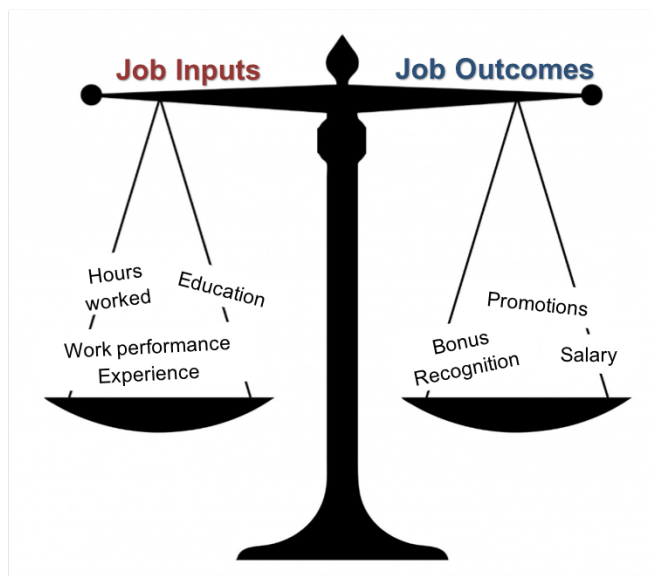
### 3.2.6 Adams' Equity Theory

This theory focuses on human motivation, where people subjectively determine the ratio of reward received to effort spent and then relate their reward to others' reward doing similar work. Inequality of contribution and return is a source of discomfort (guilty or resentment), and therefore people who are not satisfied with their relationship seek to restore justice.

There are two possibilities for development:

- personal remuneration is higher than that of others-the desire to reduce the intensity of their work;
- personal remuneration is lower than that of others in most cases. This does not have a strong stimulating effect on increasing the intensity of their work; it maintains the intensity of their work at the level achieved.

**Figure 3. 3 Equity Theory**

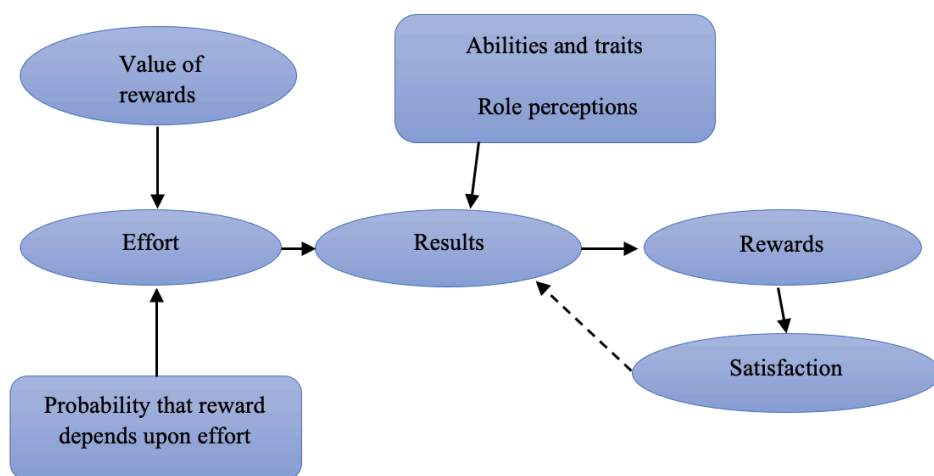


Source: [vtechworks.lib.vt.edu](http://vtechworks.lib.vt.edu)

### 3.2.7 Porter and Lawler's Expectancy Theory

To frame a process-based model, Porter and Lawler used the expectancy theory given in Vroom (1964). Their model is an extension of Vroom's theory of expectancy. Their model has five main variables: effort expended, perception received, results achieved, reward, degree of satisfaction. However, it is essential that effort (energy or motivation) does not lead directly to increased productivity. The skills, characteristics mediate this connection, and the employee's idea of his or her position, i.e., the results achieved depend on the employee's efforts, abilities, and characteristics as his or her knowledge of employee position. The level of effort will be determined by the magnitude of the reward and the level of trust that this level of effort will result in an appropriate level of reward. The relationship between reward and results is established, i.e., the person satisfies his needs by rewarding the results achieved. One of the most important outcomes is that successful work is a source of satisfaction. (D. Elding, 2005)

**Figure 3. 4 Porter and Lawler Model of Motivation**



**Source: L. Porter, E. Lawler, 1968**

Motivation is defined, according to Ryan and Deci and the Business Dictionary, as the combination of internal and external factors that stimulate people's desire and energy to be continuously engaged in and committed to a career, position or matter, or to make an effort to achieve a goal. They illustrate the motivational causes and effects. Motivation results from the interaction of conscious and unconscious factors, such as the intensity of desire or need, the value of the goal or reward, and the individual's and peers' expectations. The primary

motivations for employees in the case of Porter and Lawler's model are the rewards and remunerations in both the intrinsic and extrinsic forms. (M. Ryan, L. Deci, 2000)

### **3.2.8 Douglas McGregor's Theory X and Y**

McGregor states that managers operate two styles of management, traditional and modern styles. Unlike other motivation theories, McGregor's theory of motivation suggests that employees can be managed in two opposite ways. McGregor was one of the first to propose the thesis that a leader's success depends not on his personal qualities but on the ability to adapt to the situation that has developed in the company.

#### 1) Theory X

This part assumes that employees are inherently lazy. They avoid work at all costs and strive for safety and comfort. People are afraid of responsibility and want to be told what to do. They can only be motivated by strict control, money, and punishment - hypothetical or real.

The theory of motivation X McGregor assumes that:

- the main methods of personnel management are strict leadership and control;
- to achieve goals, employees need to be forced to work under the threat of sanctions;
- workers will not do anything without remuneration;
- all employees are looking for benefits for themselves and do not think about the company;
- no employee can be trusted, and the people themselves are to blame for this, not the system.

Easy to understand: theory X implies negative motivation. The X theory leader believes that his employees do not want to work, so he needs to encourage employees to achieve results.

#### 2) Theory Y

"Theory Y" is an addition to "Theory X." It is based on entirely opposite principles. According to this theory, employees are inherently ambitious and willing to take responsibility. Employees want to be creative. The incentive here is the work itself.

McGregor's theory of motivation suggests that: unwillingness to work is not an innate quality but a consequence of poor working conditions; personal development and reward are the best means of achieving the goals of the enterprise; employees form self-discipline and self-control in themselves if the company has created the conditions for this; the labor potential of employees is higher than commonly believed. (J. Ibietan, 2010)

According to the theory of motivation Y, staff should be given as much freedom as possible to exercise independence and creativity. If you remove all the strict rules and obstacles, the staff will show creativity and begin working with dedication, which means that labor productivity will also increase. A democratic management style characterizes leadership: they are open to a positive outlook and the opportunities they create.

In simple language, presented below is the component of theory X and Y.

**Table 3. 2 Douglas McGregor's Theory X and Y**

Theory X	Theory Y
<ul style="list-style-type: none"> <li>○ An average person is lazy and avoids work</li> <li>○ Must be coerced to work</li> <li>○ Need a control</li> <li>○ Avoids responsibility</li> </ul>	<ul style="list-style-type: none"> <li>○ To an average person, work is as natural as leisure.</li> <li>○ Capable of self- direction.</li> <li>○ Commitment is a function of reward.</li> <li>○ Seeks responsibility and can make the right decisions</li> </ul>

**Source: J. Ibietan, 2010**

It should be emphasized that the theory "X" and theory "Y" are not mutually exclusive opposites. On the contrary, theories "X" and "Y" describe the attitudes and tendencies of people. The leader should adhere to the "Y" theory, but also the "X" theory should be kept in mind, as some people need to be treated according to the "X" theory for a while to help them self-actualize and move to the "Y" category.

### **3.3 Principles of influencing people's motivation**

Most organizations use only two main approaches to employee motivation:

The first is based on positive reinforcement of desired staff behavior. These are the familiar bonuses and other financial incentives, the creation of better working conditions, intangible awards, and various praises.

The second approach is the direct opposite of the first and aims to create a desire for workers to avoid troubles, a training course. Reprimands, fines, threats (including the risk of dismissal) are used. The second approach to employee motivation is, unfortunately, more common in organizations.

At the same time, the personnel motivation system should be based on several principles that can be used as the basis for employee motivation:

Personnel motivation principles:

- The principle of positive motivation.

Positive motivation to work is a more effective way to motivate the staff initiative than different punishment types. It is also vital for each employee to be sure that the desired work behavior, and the correct attitude to their duties, achievement of the planned goals will be rewarded.

- The principle of reward.

Rewards for efforts and results of work should not be standard for all employees. At the same time, there should be criteria by which the size and form of remuneration are regulated, both for individuals and groups and divisions. Employees' motivation becomes most effective only if it is carried out not from time to time, but constantly.

All developed rules and mechanisms for remuneration and punishment of personnel should be based on current legislation.

- The principle of accepting the main goals of the organization.

Staff needs to know what is good for the company and why. In this case, employees can partially begin to accept the company's goals and objectives as their own. This means that they understand the relationship between their effective actions and the results of the company.



- The principle of respect for the dignity of employees.

Respect for the employee as an individual on the part of managing employees may motivate him more than money or the possibility of obtaining other material values.

Management style and organizational climate are factors that influence motivation within an enterprise. Other situational factors are interpersonal relationships in the workplace, current pressures at work, the production method used, and the culture and group norms existing in the enterprise.

Situational factors often prevent the employee from completing the task in the desired way (for example, lack of tools), and thus obstacles appear on the way to achieving the goal. For instance, from the management methods of the manager or the personnel policy pursued at the enterprise, it is concluded that the achievement of the goal will in no way entail the desired remuneration. Obstacles to achieving a goal create a sense of futility and reduce motivation. (P. Robbins, 2000)

One of the obstacles may additionally be the absence of their abilities in relevant this task. For this reason, the execution is unsuccessful, and the next time, the motivation for such a task is even lower. On the other hand, success in completing a task stimulates motivation within the relevant work. Consequently, the standard of functions given to the worker, in regard to his abilities and skills, also affects motivation. On the opposite hand, the personality of the worker has a sway when the explanations for fulfillment and failure are visible. Someone who underestimates himself suffers even a tiny low reproach or failure, while the opposite is trying to find a reason outside himself. Often, he's responsible for his bosses, management, or working conditions.

There are various ways to motivate, of which we are going to name the following:

- Normative motivation - motivation of someone to a particular behavior through ideological and psychological influence: persuasion, suggestion, information, psychological infection, etc.;
- Compulsory motivation supported the utilization of power and therefore the threat of degradation in meeting the requirements of the worker within the event that he doesn't meet the relevant requirements;

- Stimulation - the impact on the person on external circumstances with the assistance of advantages - incentives that induce the worker to a certain behavior.

From an economic point of view, people are a costly resource and thus must be used as efficiently as possible. The leader is also obliged to understand that there's a moral factor here. Awareness of this problem poses a brand new one for the manager: What should be the best job for subordinates?

In answering this question, one shouldn't strive for excessive specificity and originality. All the identical, it's rarely possible to require into consideration the difference in tastes and personal opinions of everyone, therefore the leader, as a rule, seeks to increase integral productivity. With the factors below, the manager includes a chance to induce the consent of as many of his subordinates as possible. So, the perfect job should:

- have integrity, i.e., lead to a particular result;
- evaluated by employees as important and deserving to be done.
- empower the worker to form the choices necessary to hold it out; there must be autonomy (within the established limits). Or, as an option, group autonomy.
- provide feedback to the worker, be assessed depending on the efficiency of his work.
- bring fair remuneration from the employee's point of view.

Work designed in line with these principles provides inner satisfaction. This can be a really powerful motivational factor because it stimulates the high-quality performance of labor, as well as, in keeping with the law of the increase of needs, stimulates to perform more complex work.

We will analyze each of these fundamental parameters of work sequentially to decide what they mean and how they influence the "psychological condition" that defines people's attitude to work.

- A variety of skills and abilities.

This term defines the degree to which a job includes a series of actions in its execution and involves using different personnel skills and talents.

Suppose the worker thinks that someone else can do the job just as well. In that case, it is unlikely to benefit him, and it is doubtful that he would feel proud to complete the mission. Work that does not use the employee's valuable skills does not create a need for further training.

- The integrity of work.

This parameter characterizes the performance of labor from start to end with visible results. The definition of a task on the part of the manager is closely associated with this idea.

- The importance of work.

This parameter refers to the degree to which the work performed affects others' life or work within the organization or the external environment. Workers tightening the nuts of the brakes of an airplane regard their work as very important, in contrast to workers filling paper boxes with paper clips. At the same time, the skill level is about the same. The concept of importance is closely related to the performer's value system.

- Autonomy.

Autonomy characterizes the extent to which the work provides the liberty and independence of the worker within the development of a schedule for performing work and actions accustomed to achieve the specified result. If others make decisions, satisfactory job performance is unlikely to be seen as a gift. The person will feel that the work's standard depends on those decisions' correctness and not on his own efforts. There'll be no sense of "ownership" of the task.

In the absence (for some reason - as an example, the employment of a conveyor), the integrity is impossible and autonomy because a violation of the overall coordination of the implementation of individual actions may occur.

The magnitude of the amount of autonomy depends on the individual. There's an optimal level of autonomy for any employee, which provides him a real sense of personal responsibility and doesn't cause stress.

- Feedback.

Feedback ensures that employees receive information about the standard of their work. Feedback efficiency depends on the integrity of the work. It's much easier to supply feedback on the results of a "completed work" than on one piece of it.

By expanding the scope of every job, so the worker is answerable for several interrelated operations, we increase autonomy. At the same time, it increases the integrity of the work, which suggests it provides quick and useful feedback. At the same time, the worker uses self-examination intensively, i.e., personal feedback. He has the chance to find flaws himself, which is far easier to perceive than if somebody else discovered this error to him.

The importance of feedback is obvious. People have to understand how well they're doing their job. Managers are a crucial source of this feedback. However, the most superficial feedback occurs when employees themselves control the standard of their work.

The first three factors discussed above contribute to evaluating add terms of complexity, value, and want. If the work doesn't have such parameters, then it'll not be internally motivated. Doing it well won't create a way of accomplishment or a way of newness or gain.

Work that satisfies all the factors described internally motivates employees, ensures the finished task's outstanding quality, and provides satisfaction. It creates a way of private contribution to the products or services provided and provides employees a way of belonging. Only such work enables someone to express himself.

Analyzing the above material, the following conclusions can be drawn:

1. The initial link, the first "pole" of the mechanism of motivation, is the need that expresses the need, the need for a person of certain goods, objects, or forms of behavior. Needs can be both innate and acquired in the process of life and education.

2. The second "pole" of the motivation mechanism is a stimulus, which is one or another good (objects, values, etc.) that can satisfy a need in the implementation of specific actions (behavior). Strictly speaking, the incentive is focused on fulfilling a need.

Building and maintaining motivation is challenging. Effective incentives (motivations) are transformed depending on the characteristics of employees, tasks, and

time. But there are also general principles of the formation and maintenance of motivation. First of all, constant motivation comes from work. (B. Schyns, M. Veldhoven, 2009)

As a person develops, he wants to have more and more creative and innovative tasks. Hence, the manager must ensure that the content of the work is updated frequently enough.

An essential point in motivating personnel is the precise definition of work results, as well as the specific setting and assessment of goals. If there is no interest in the results of work, if their achievement is not strictly controlled, the subordinate may come to the conclusion that his work simply does not have any value. The participation of personnel in the planning and development of the company as a whole, but primarily in their work and the unit's activities, expand the motivation base. Taking into account the suggestions from below is an acceptable form of participation. Respect, trust, an open and sincere attitude towards subordinates strengthen their motivation. A manager is simply obliged to show genuine interest in the work of his employees and them as individuals in every possible way to demonstrate this interest in his behavior. Another significant factor is that the recognition and gratitude of the management for the results also achieved very actively motivates people.

Acknowledgment and gratitude should be expressed naturally and concisely. A person evaluates gratitude as a real reward for the results achieved, the efforts made, innovation, and enterprise.

## **4 Practical part**

### **4.1 Management of stimulation and motivation of personnel at JSC "Gazprombank."**

#### **4.1.1 Organizational and economic characteristics of the enterprise**

Joint Stock Company Gazprombank (JSC GPB) is one of Russia's largest universal financial institutions, providing a wide range of banking, financial, investment products and services to corporate and private clients, financial institutions, institutional and private investors. The Bank is one of the three largest banks in Russia ranks third in the list of banks in Central and Eastern Europe in terms of equity capital. The authorized capital of the Bank is 19,997,777,000 rubles.

The Bank provides services to key sectors of the Russian economy - gas, oil, nuclear, chemical and petrochemical, ferrous and non-ferrous metallurgy, electric power, mechanical engineering and metalworking, transport, construction, communications, agro-industrial complex, trade, and other industries. The retail market is also a strategically significant field of the Bank's operations, and its scale is consistently increasing. Private clients are offered a full range of services: credit programs, deposits, settlement transactions, electronic bank cards, etc.

In the domestic and global financial markets, Gazprombank offers a strong position, becoming one of the Russian leaders in organizing and underwriting corporate bond issues, asset management, private banking, corporate finance, and other areas of investment banking. Clients of Gazprombank include about 4 million individuals and about 45 thousand legal entities. Gazprombank currently operates seven branches and banks in Russia, Belarus, Armenia, Switzerland, and Luxembourg, and has offices in Astana (Kazakhstan), Beijing (China), Ulan Bator (Mongolia), and New Delhi (India). The regional network of Gazprombank is represented in Russia by 32 branches located. The total number of offices offering banking services of high quality exceeds 500.

Also, Gazprombank is a member of the Russian National Committee of the International Chamber of Commerce.

The main activities of the branch of JSC GPB: settlement and cash services; lending to legal entities, private clients; deposit operations; operations with foreign currency, with securities; depository services; all sorts of services for international bank cards; rent of individual bank safes; consultations on all problems with working with the Bank.

The Bank is managed within the manner prescribed by the present legislation of the Russian Federation and also the Bank's Charter. The Bank's governing bodies are:

- general meeting of shareholders;
- the board of directors;
- one-person (Chairman of the Management Board) and collegial (Management Board) executive bodies.

The legislation of the country and the charter of the Bank define lists of decisions that are made exclusively by the General Meeting of Shareholders and decisions that are made by the Board of Directors.

The supreme governor of the Bank is the General Meeting of Shareholders. The Bank's board of directors is responsible for the overall management of the Bank's activities, aside from the resolution of issues observed by the Federal Law.

Gazprombank possesses the main modern technological base for carrying out various financial transactions within its clients' interests. mainly, the Bank provides such services as:

- conducting money transfers;
- carrying out an operation on current accounts;
- payment of dividends;
- provision of custody services;
- operations with coins made of precious metals and gold bars.

Gazprombank's regional network covers a significant part of the territory of Russia.

The organizational structure of Gazprombank is vertical, i.e., is hierarchical. The Bank's governing bodies are including Meeting of Shareholders, Board of Directors, Management Board headed by the Chairman. The supreme governing body is the Meeting

of Shareholders, which is usually organized once a year, but may also be extraordinary. Data on the organization of management in JSC Gazprombank are presented in the appendix. The Board of Directors carries out general management of the Bank's activities. The number of board members is approved by the General Meeting of Shareholders, but it cannot be less than five people. The competence of the Board of Directors includes the essential areas of activity and further development of the Bank. The management of current activities is carried out by a collegial body - the Management Board, and by the sole - by the Chairman of the Management Board. The organizational structure of the Bank also involves thematic Committees that work on a regular basis: credit, investment, technology, strategy, asset and liability management, client policy, corporate governance, and remuneration.

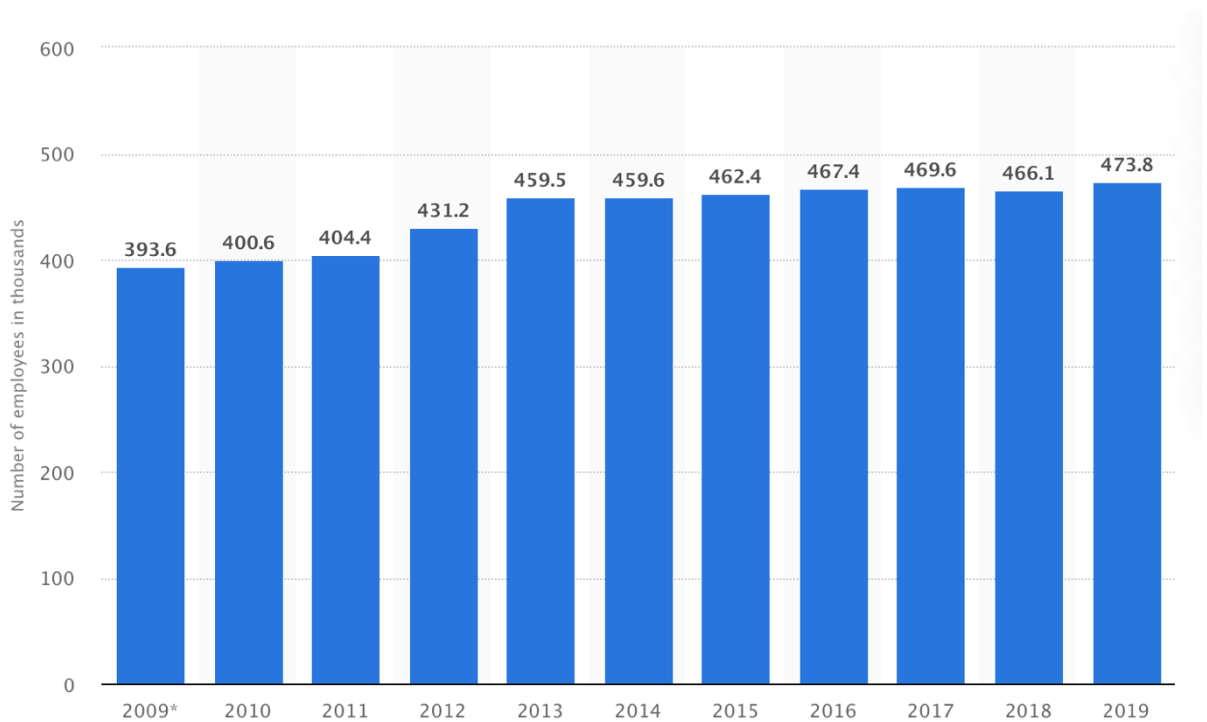
The Bank provides a wide range of services for servicing clients' foreign economic activities, starting from the stage of preparing a contract, filling out the transaction passport, and ending with control over the fulfillment of obligations under the contract. At the negotiation stage, the Bank examines the payment terms of the foreign trade contract (choosing the most advantageous form of payment). After signing the agreements, clients are assisted in drawing up a transaction passport for contracts involving settlements in rubles and foreign currency and other foreign currency document control. The compliance of the terms of the foreign trade contract with the currency legislation of the Russian Federation is being checked.

When servicing its clients' foreign trade contracts, the Bank actively uses documentary forms of settlements that guarantee the protection of the client's interests. The Bank has a vast network of representative offices in many countries to carry out transactions with non-residents.

The graph below shows the number of employees of Gazprombank from 2009 to 2019.



**Figure 4. 1 Total number of employees at Gazprom worldwide**



**Source: gazprom.com, 2020**

## **4.2 Analysis and assessment of the management system for material and non-material incentives for employees**

The main emphasis in the structure of incentives for the personnel of JSC Gazprombank is made on material incentive methods. The company pursues a policy of guaranteeing the stability of the wage system that provides at least the minimum wage guaranteed by law, as well as its timely payment in full. Salaries are paid on time, after the 15th day of each month.

The general director of the enterprise sets the official salaries for managers, technical workers, specialists, and employees in accordance with the position and qualifications of the employee.

When employees are paid for their labor, there is a time-based bonus system of remuneration, which is made according to the established salaries in proportion to the hours worked.

Bonuses are paid to employees on a monthly basis and are paid with the aim of rewarding for high-quality and timely performance of labor duties. The bonus system includes the following types of bonuses, incentives, and rewards:

- bonus for fulfillment and over fulfillment of plans;
- the one-time reward for completing particularly important tasks;
- bonus for improving the final results of economic activity;
- one-time encouragement of employees for anniversaries;
- one-time remuneration for seniority;
- remuneration for continuous work experience;
- remuneration for the year.

The company also has a plan for the team's improvement: employees are provided with spa vouchers once a year.

To maintain the level of qualifications of employees, an annual certification of personnel is carried out. Based on the results of certification, a plan for organizing advanced training is developed, and then personnel changes are made. Due to the annual changes in the Russian Federation's legislative framework, personnel is being retrained, thanks to which everything that has affected the country's economy is taken into account.

Thus, the analysis of the conditions of remuneration and bonuses shows that the size of the enterprise's employees is dependent on the results of their labor activity of the enterprise. In order to find out what factors most motivate workers to work, a survey was conducted. In this survey, 230 people were selected, of which 154 are employees of the lowest level, and 76 are employees of the highest level. They were given the opportunity to choose three factors out of the proposed seven in order of importance for them at a given time. The data are presented in the table 4.1.

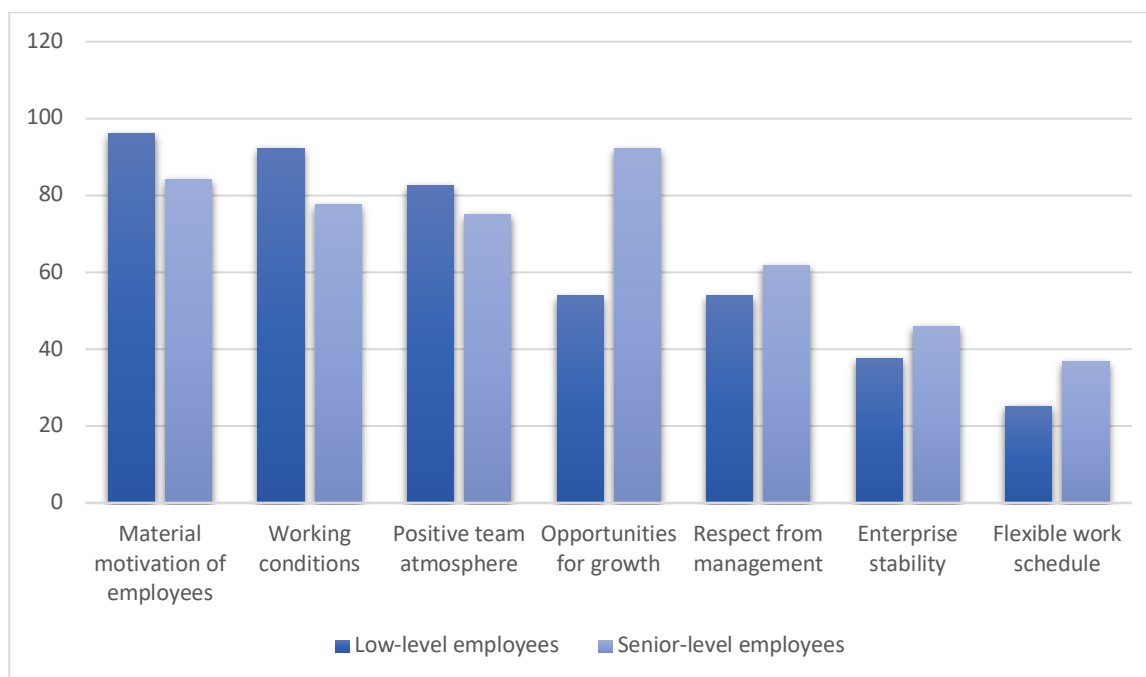
**Table 4. 1 Work Motivation Factors**

Motives	Number of persons		%	
	Low-level employees	Senior-level employees	Low-level employees	Senior-level employees
Material motivation of employees	148	64	96,1	84,21
Working conditions	142	59	92,21	77,63
Positive team atmosphere	127	57	82,47	75
Opportunities for growth	83	70	53,9	92,11
Respect from management	83	47	53,9	61,84
Enterprise stability	58	35	37,66	46,05
Flexible work schedule	39	28	25,32	36,84
Total respondents	154	76	100	100

**Source: by own procedure**

It should be noted that the majority of the surveyed employees of the lower level of the enterprise chose the material motivation of employees and working conditions (96.1% and 92.21%, respectively) - ordinary workers, which include, for example, employees of the cash operations department, accounting department, legal department, and others. The remaining opinions in half of the cases (53.9%) were divided between the possibility of career growth and respect from the company's management. Those employees who are in a higher position, such as department heads, prioritize the opportunity for career growth and only then such a factor as a material motivation of employees. For 77, 63% of the company's top-level employees, the conditions in which they work are essential, and for 75% also a good atmosphere in the team. The stability of the enterprise and flexible working hours remained the lowest priority among employees due to the already held confidence in the stability of JSC Gazprombank and the absence of the need for a free work regime. For clarity of the data described above, a histogram of the percentage ratio of the choice of incentive factors for employees of different levels is presented in the figure 4.2.

**Figure 4. 2 Most important incentive factors for employees in Gazprom**



**Source: by own procedure**

As a result of the survey, it turned out that different motivation factors are important at different management levels. So, for employees of a higher position, this is an opportunity for career growth, material motivation, right working conditions, a positive atmosphere in the team, ordinary workers - first material motivation, and then normal working conditions socio-psychological climate. It follows that each level of management needs its motivational approach.

In addition, employees were interviewed about their point of view regarding training courses and their necessity. These values were then used to calculate the chi-square test.

**Table 4. 2 Contingency table**

	Yes	No	Total
Low-level employees	137	17	154
Senior-level employees	52	24	76
Total	189	41	230

**Source: by own procedure**

The chi-square statistic is 14.656. The p-value is .000129. Significant at  $p < .05$ .

Chi-square test shows that the relationship of all variables relative to employees is statistically significant because p-value is .001 that is less than 0.05. As we can see in the table above, most of the employees agree with the training and development programs held at the bank to improve workers' performance.

### **4.3 Application of the multi-criteria decision-making method to the personnel selection.**

In order to achieve particular goals, multi-criteria decision making (MCDM) approaches are selected from among alternatives. The goal of this study's methodology is to provide project managers in companies with decision-making tools.

The Analytic Hierarchy Process (AHP), a technique for promoting complex decisions, is the most well-known tool of the multi-criteria decision-making processes. It is used to improve the quality of decisions in the corporate and government sectors all over the world.

This chapter explores the application of the AHP methodology for decision-making and evaluation in the selection of employees by identifying the main factors that characterize their abilities.

In this case, three applicants for the position of an employee in Gazprombank were compared (hereinafter referred to as “applicant 1”, “applicant 2”, “applicant 3”). Interviews were conducted to collect weighted results based on the requirements requested from candidates.

The following 5 indicators (criteria) were used for the evaluation:

C<sub>1</sub> – Experience

C<sub>2</sub> – Education

C<sub>3</sub> – Proficient computer skills

C<sub>4</sub> – Flexibility

C5 – Communication abilities

In order to solve the problem using AHP and the procedure for achieving consistency of experts, matrices of paired comparisons of the selected 5 criteria were obtained, matrices of comparisons of three candidates for each of the criteria, the values of the final priorities of the compared candidates in terms of the specified requirements. The calculated priorities of the criteria and the final priorities of the compared candidates are presented in Tables 4.3, 4.4. According to Table 4.4 it is most beneficial to offer employment to the applicant 1 based on the selected criteria.

$$P_1 = 0,49 > P_3 = 0,28 > P_2 = 0,23.$$

**Table 4. 3 Pairwise comparison matrix**

	C <sub>1</sub>	C <sub>2</sub>	C <sub>3</sub>	C <sub>4</sub>	C <sub>5</sub>	Priorities (P)
C <sub>1</sub>	1,00	2,00	2,00	2,00	7,00	0,33
C <sub>2</sub>	0,50	1,00	2,00	2,00	3,00	0,20
C <sub>3</sub>	0,50	0,50	1,00	7,00	5,00	0,21
C <sub>4</sub>	0,50	0,50	0,14	1,00	7,00	0,22
C <sub>5</sub>	0,14	0,33	0,20	0,14	1,00	0,04
$\lambda = 5,42$ ; Consistency Ratio = 0,09						

**Source: by own procedure**

**Table 4. 4 Overall priorities of compared applicants**

	0,33	0,20	0,21	0,22	0,04	Overall priorities
	C <sub>1</sub>	C <sub>2</sub>	C <sub>3</sub>	C <sub>4</sub>	C <sub>5</sub>	
Applicant 1	0,49	0,49	0,53	0,48	0,49	0,49
Applicant 2	0,14	0,14	0,37	0,33	0,37	0,23
Applicant 3	0,37	0,37	0,16	0,19	0,14	0,28

**Source: by own procedure**

The results obtained with the help of the Analytic Hierarchy Process show that the company should select the applicant 1.

## **4.4 Program to improve the efficiency of motivation and incentives for employees of JSC Gazprombank**

### **4.4.1 Proposals, recommendations, and measures to increase the motivation of employees of JSC "Gazprombank."**

In the course of analyzing the employee motivation system at JSC Gazprombank, it was revealed that at the moment, the company is absolutely correct in implementing its personnel policy, thereby optimizing the personnel potential of the enterprise as much as possible.

The Bank is constantly taking measures to anticipate situations that cause an outflow of employees from the company. For example, such as:

1. Improving the adaptation system - allows new employees to get used to work quickly, and the team and reduces the likelihood of an employee leaving in the first year.
2. Convenient work schedule - a standard working day from 9:00 to 18:00, a lunch break from 13:00 to 14:00, and technical breaks during the day.
3. Material incentives - bonuses based on work results, before holidays, at the end of a year, or an important project.
4. Non-financial incentives - an honorary plaque with photos of the best employees of the month, as well as the issuance of certificates for outstanding success in work.
5. Attentive attitude to the problems of employees - timely assistance to the employee (material / non-material) or the ability to let him go once a week to leave early (pick up the child from kindergarten), etc.
6. Team-building events - corporate holidays connected with public holidays, thematic meetings where people communicate on an equal footing, which provides an opportunity to get to know each other better and work together faster.
7. Prospect of career growth for everyone - the opportunity to get a promotion to any employee, not just from those close to the boss.

8. Improving working conditions - modern technology, licensed programs, the ability to receive technical support, timely provision of office supplies.

There are a few notes about the small number of employees who are late for no good reason.

Solutions for this will be:

- Creation of an incentive program for punctual employees. The company can offer incentives for, say, six months straight for workers who turn up on time to work every day. This confirms that it is a vital workplace priority to be punctual.
- Introduction of a system of cards at the enterprise, according to which a mark will be made about when the employee came and left the workplace.

As mentioned earlier, each person at the lower or higher level of the company reacts in his way to a particular stimulus, since the reaction is a product of the work of the individual's consciousness, a comparative assessment of the value of the provided good and other benefits and costs. This also implies a variety of forms and incentive schemes developed by modern management. In addition to the previously listed methods of motivating and stimulating employees, there are also several recommendations that can be implemented to maximize the satisfaction of employees of JSC Gazprombank:

1. Participation in profits - the share of profits is established from which the incentive fund is formed. Applies to categories of personnel that can affect profits (management personnel)

2. Participation in the share capital - purchase of shares of the enterprise at preferential prices, free receipt of shares, dividends.

3. Stimulation of free time - regulation of busy times by:

- providing the employee with additional days off, holidays for active and creative work;
- organization of flexible working hours;
- reduction of the working day due to high labor productivity.



4. Payment of transportation costs or servicing by own transport - allocating funds to pay transportation costs to those employees who sell services to clients on the road.

5. Savings funds - organization of savings funds for employees of an enterprise with interest payments not lower than those established in Gazprombank. The existence of personal modes of accumulation of funds.

6. Catering - allocation of funds for catering in the company, payment of food subsidies.

7. Scholarship programs - allocation of funds for education (covering education costs on the side).

8. Housing programs - allocation of funds for home construction or mortgages at a reduced percentage.

9. Life insurance - insurance at the expense of the company of the employee's life and for a symbolic deduction - of his family members. At the expense of the funds withheld from the employee's income, in case of an accident, an amount equal to the employee's annual income is paid; in the event of a fatal accident, the amount is doubled. The option of insurance in a company with which Gazprombank cooperates at a reduced interest rate is not excluded.

10. Health insurance - medical insurance for employees and their families.

Thanks to these incentive systems, Gazprombank will attract more employees, for example, to carry out a restructuring of personnel if necessary and cover the departing employees with newcomers and retain and satisfy the enterprise's existing employees.

#### **4.4.2 Proposals, recommendations, and measures to improve technologies and procedures for staff incentives**

The formation of the personnel incentive system at JSC Gazprombank is implemented by studying the structure of the organization's personnel motivation, the development, and implementation of both material and non-material components of motivation and incentives. From the above analysis, it follows that there is a need for strict differentiation according to

the levels of personnel, to which the employee incentive system is aimed, which will be distinguished by flexibility and the ability to transform and replicate.

In JSC Gazprombank, the incentive system is based on the following basic principles: consistency, structuredness, organization, flexibility, the ability to transform and replicate, effectiveness, efficiency, consistency, feedback, which allows it to exist in an effective form.

So far, the motivation system in the company is quite decent. However, if its stability is violated, one should start with the existing system of remuneration and bonuses, benefits, and social security as the most costly direction of the enterprise's expenses. It will need to be directed towards modernization and reorganization to meet all modern personnel management technologies, which can be divided into three groups.

The first group uses technologies that provide reliable information about a specialist. This includes selecting new employees for vacancies, periodic rotation of personnel, and career management of employees.

The second group is those technologies that allow finding personnel with the required characteristics. This can be a certification of specialists, qualification examination of employees, conducting individual interviews. This also includes observing how an employee working at the enterprise acts in different situations.

The third group uses personnel technologies that ensure the demand for the capabilities of specialists. The company forms a personnel reserve, carries out personnel planning, etc.

Personnel management technologies are a system of goals, means, and methods of exercising control over personnel. Technology is a tool of influence, the use of which can be entrusted to various intra-organizational actors. JSC Gazprombank should pay attention to the variety of existing forms of personnel management technologies in order to optimally conduct the personnel management process. For an initial acquaintance with the technology of personnel management, three groups are proposed:

1. Technology of recruitment, assessment, and selection of personnel. These include business assessment and selection of personnel, organization of selection of applicants for a vacant position, selection, and placement of personnel, organization of personnel certification.

2. Technology of management of vocational guidance, adaptation and training of personnel - socialization and vocational guidance of personnel, as well as adaptation of employees who have just arrived at the enterprise.

3. Technology for managing the development and behavior of personnel - it includes a business career - personal advancement in any field of activity - management of the personnel reserve.

In order to obtain personal information about an employee, the HR department may use legitimate methods that have a legal basis. It should be noted that the technology of personnel management assumes that all groups are interconnected. Practice shows that they cannot be implemented without the other since they can be called basic. It is also planned to use modern technologies for personnel management, based on the experience of domestic and foreign companies with a similar profile of activity, in order to implement schemes of personnel management technologies already proven on the Russian market.

The result of the program's implementation to improve staff incentives will be the transformation of human resources into a competitive advantage for the organization. The complete influence of incentives on the labor behavior of workers will be manifested in the functions that it performs.

1. Economic function - as a result of labor activity growth, workers' productivity increases, the quality of services rendered increases, various types of resources are saved, profits are generated in large volumes.

2. Moral function - if stimulation is an inducement to activity, then as a result of stimulating external influence, a person develops an active life position, self-discipline, and self-control.

3. Social function - using material incentives, the incomes of the population increase, which affects the formation of society's social structure and can lead to a change in the social status of the employee.

4. Socio-psychological function - involvement in the labor collective affairs, belonging to it contributes to the satisfaction of a person's needs for stability and social belonging.

As in any other organization in Gazprombank JSC, personnel management technologies should be used only on a regulatory basis, when all actions of the personnel department employees and company managers are strictly regulated since only those persons have the right to develop and use personnel technologies in their work. Who have the necessary qualifications. The personal dignity of an employee during the assessment should not be infringed upon, human rights should not be violated, and information that has nothing to do with a person's professional duties should not be disclosed. In addition, the methodology should be explained in detail to all employees so that they do not have any questions.

Another important point is that the enterprise's normative acts must fix all the results obtained during the assessment. This will increase the company's employees' confidence and reduce the likelihood of subjectivity when using personnel management technologies.

## 5 Conclusion

In the modern world, considering the expanding market economy, motivation management is assigned a leading role. There are many different theories and models of motivation, which sometimes contradict each other. Among them are A. Maslow's theory of needs, V. Vroom's theory of expectations, D. McGregor's theory of X and Y, F. Herzberg's theory of two factors, and others. However, organizations' leaders should not look for ready-made recipes for motivating personnel in these works, but, having mastered their main provisions for themselves, it is necessary to develop their own personnel motivation program. It should also be understood that each specific enterprise should have its own particular plan, which would take into account all the features of the company's activities.

The main goal of this work is to develop a project for effective management of personnel motivation.

The tasks set to achieve the goal of the practice were solved during the course work, namely:

- the process of motivation and stimulation was considered;
- the classical theories of motivation were analyzed;
- the motivation used by Gazprombank management was analyzed;
- the proposals to improve the motivation of Gazprombank personnel were developed.

In the thesis were given the concept of motivation and incentives, the principles of motivation and incentives were studied, personnel motivation methods were considered, and personnel motivation theories were enumerated: substantive and procedural. An analysis of the personnel turnover of JSC GPB and its main indicators was carried out. The turnover of hiring and dismissing employees of the organization was calculated. Then the existence of material and non-material personnel incentive systems existing in Gazprombank JSC was analyzed to develop further proposals for their improvement and the entire incentive management system as a whole. As a result, it became clear that different factors must be implemented for varying personnel structure levels that stimulate labor activity at the enterprise. For the majority of lower-level employees, the most significant is material incentives, but for employees of management personnel - the opportunity for career growth and only in second place is financial reward.

Measures were proposed to improve the personnel motivation management system, as well as technologies and procedures for incentivizing employees, and factors were developed for depriving personnel in the motivation system of Gazprombank JSC. With the successful implementation of all measures in this enterprise, in the future, it will be possible to apply them in other companies of the Gazprom group, since the effect they can bring is much higher than the costs incurred by the company by putting them into operation.

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