

# A Study on the Importance of Motivation among the Managers in Construction Companies in Medan

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**Abstract**—Managers as the key employees have a very important role in maintaining the workforce performance which is critical to the construction companies' success in the future. If motivated employees start with motivated managers probably it would seem plausible if the de-motivated ones start with de-motivated managers. This study aims to analyze the importance of motivated managers to their successes and construction companies' successes. In this study, a quantitative method was used and the study area was in Medan, North Sumatera. Questionnaire survey was distributed directly to construction companies in Medan which are listed in the Construction Services Development Board. A total of 60 managers responded and the completed questionnaires were analyzed using the descriptive analysis. The results indicated that the respondents acknowledge the importance of motivation among themselves to the projects and construction companies' success, implying that it is vital to maintain the motivation and good performance of the workforce.

**Keywords**—construction companies, managers, motivation

## I. INTRODUCTION

**S**UCCESSFUL managers require sophisticated and organizational skills, as well as the effectiveness to manage the multidisciplinary activities that approve of the ability to understand the organizational and behavioral elements in order to create the work environment that suits the team's motivational needs and leads a project through effectively its multifunctional phases [1]. In the construction industries which often have unstructured work environments, managers are faced with many challenges internally and externally. Internally, managers must be able to deal with a variety of interfaces and provide support to their workforce. Externally, they must be kept up to date with the changes regarding markets, regulations, technology and other socioeconomic factors. Whether working as the project manager, the general managers, the technical managers, and as the director of marketing, these positions are no less than those of the workers and administration staff or those who work on

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the construction site. Being just like everybody else in the organization, they will perform their best when they are motivated to give of their best [2].

As all the projects are commonly run by people, it is risky for the construction companies to have de-motivated employees, but it will be more risky to have de-motivated managers because of their role in the company and project success; in practice, they are key employees who are responsible for maintaining the project team's performance as well as controlling the project itself, both of which are very critical to the construction company.

This paper is focused on the idea of "the importance of motivation among managers in the construction company". The respondents that were surveyed were the managers who work in 29 established large construction companies which are located in Medan, Indonesia that are registered under the Construction Services Development Board.

## II. MANAGERS AND MOTIVATION

The term of motivation is derived from the Latin language 'movere', and in the present context motivation is embodied in the psychological processes to ask for direction, give direction, and enhance the behavior to do something in order to achieve goals [3].

Motivation is concerned with why people act or do things they do or why they refrain from doing things they do not want to do. In other words, motivation can be defined as all the factors that cause people's behavior [4]. Motivation can also be influenced by other people who know how to control the attempts to satisfy the needs and how to direct needs or wants [5].

According to Whiteley (2002) motivation is having the encouragement to do something and it determines why, whether, and how we work. Being able to motivate others is the most important of management tasks, because to motivate others requires the abilities that the managers should possess such as performing good communication, being able to encourage others, obtaining feedback, being able to involve and to delegate the tasks, developing and training, providing a reward, and being able to brief and inform [6].

According to Williams (1995) motivation can be defined as what causes people to act, the willingness of people to work in order to attain goals, the reason to do things and a directed behavior used to satisfy the needs [7]. According to Harris

(1994) there are three determinants in terms of the basic goals that drive behavior such as rewards, negative consequences, and the impression management [8].

In order to have employees who are willing to work to achieve the company's goals, the commitment to do that is very much dependent on their own wishes [9]. The employees' wishes can be defined as the self motivation that they possess to do the tasks. This self motivation can only happen when their needs and the requirement of the organisation are converged [9].

Therefore in an organization, motivation can be seen as related to two different, but related ideas: the individual's point of view and the organization's or manager's stand point. Individuals see motivation as an internal state or driving forces within a person, due to the unfulfilled needs that will make the person choose between alternative forms of actions in order to achieve desired goals.

Goals may be tangible, such as higher pay, bonus and benefits or intangible rewards such as reputation, respect, recognition or achievement [2]-[4].

Mathis (2001) reveals the motivational process that occurs in our everyday lives. Needs, especially those unfulfilled ones are drives or forces that will initiate certain behavior in individuals. The unfulfilled needs can often create tension in individuals [10].

On the other hand, a manager views motivation as the expenditure of effort to accomplish results [2]. The efforts are forces to perform. In a company or organization, it comes from three groups of people: the individual, the manager and the group of people or the employees. Therefore, individuals and managers view motivation differently.

One of the motivation models under the need or content theory is Theory X and Theory Y which have been developed by Douglas McGregor [11]. This theory describes the views or perception of managers with regards to their employees.

The Theory X manager has a traditional or a pessimistic view of motivation with regards to employees. Thus, these managers, in order to make sure that their employees do their work, have to apply the autocratic style of leadership where the employees have to be constantly directed and controlled. Managers of Theory X view the employees in terms of the following characteristics: inherently disliking work, preferring to avoid work and to be pushed to work, having no ambition, being irresponsible, being unable to cope with changes, feeling that work is of secondary importance, and having no leadership [12].

On the other hand, Theory Y manager views their employees in terms of the following characteristics: willing to work; work is regarded to be as natural as play or rest, willing to accept responsibilities since work brings satisfaction, capable of directing themselves (self-direction), being capable of self-control, frequently using imagination, ingenuity and creativity in accomplishing tasks [13].

It can be concluded that managers in theory X are pessimistic, while managers in theory Y are optimistic. Therefore, managers must try to shift their attention from adopting theory X to theory Y. This is because assumptions

that people are lazy, dislike work and need to be coerced and controlled are sometimes not true. Sometimes, individuals' potentials are not realized. Therefore, to tap the potential and to ensure high work performance, managers should assume the role of Theory Y managers and try to improve their employees' and groups' performance by providing a climate that will give the people opportunities to develop themselves. This is because both people and task should be taken into consideration simultaneously in order to achieve efficiency and effectiveness.

A successful manager more or less is related to his success to run his team to accomplish the organizational goals [6]. As an example, a successful project manager is related to his success in running a project exactly to cost, time, and quality and able to perform well as a leader who is able to motivate his team.

To understand that motivation is important to the success of a manager in leading his or her team, the next paragraph provides a brief explanation or general information on how a motivated manager as a leader to his team will have certain influence to the followers' performance.

The Leader Environment-Follower Interaction (LEFI) theory sees the performance of the follower more broadly. In this theory, the follower's performance is seen as a function of the individual's motivation, ability, role perception, and environmental constraints [14]. In this theory the motivational force is determined by the task goal whether it is the level, the specificity, and the commitment of the task goal, energy potential, and perceived effort requirement.

House in 1971 analyzed the effects of leadership behavior dimensions on the follower motivation using the expectancy model as a foundation. The Path-Goal theory of House can be seen as the most appropriate perspective to assess the leader effectiveness in terms of the leader's influence to the follower's performance [14].

Both of the LEFI theory and the Path Goal theory are related to the leader's impact upon the follower motivation. The LEFI theory uses an expansion of the goal theory of motivation, and the Path Goal theory uses the expectancy theory of motivation.

Wofford (1979) proposes a Model of Leadership where the manager or leader motivation is one of the manager's behaviors that will influence the follower performance. This means that the follower motivation depends on the motivation of the manager himself. That is why it is very important to have a motivated manager who is able to create a workplace that suits the follower motivation so that they can be self-motivated.

Therefore, the manager must look at the environment and make sure that it is one in which the manager himself or herself can be motivated. And as a leader for a team, a manager should consider the right environment for his or her people to be motivated [7].

The managers must be proactive in order to be effective and efficient leaders in responding to competitive threats as well as opportunities in the uncertain changes taking place in the environment of the industry [15]-[16].

Nevertheless motivation, whether seen from the individual's or the organization's point of view addresses the same issue: that is, achieving goals held by the individual or organization. These goals can only be achieved through the cooperation between people and organization. People need organization to achieve their goals and organization needs people to achieve its goals. An organization through its managers should take care of its employees by practicing good motivation and leadership styles.

Good motivation practices will lead to effective and efficient organization and some good motivation practices are: the managers should be sensitive to the differences in needs and values among the people that are supervised, increase the employees' expectations so that their efforts will lead to effective performance, and encourage the subordinates to set performance goals that are specific, challenging and attainable [6]. These are all very important to determine the success of the company, as managers who know how to motivate the employees will give good contribution to the company.

Therefore, a successful manager in the construction company is more or less related to his success to run a project exactly to cost, time, with a good quality and able to perform well as a leader who is able to motivate his team.

### III. METHODOLOGY

The research is conducted by using a quantitative method by means of questionnaire survey as the main source of getting the primary data. The questionnaire was developed in to four major parts, the first part consists of nine questions which highlight the respondent's background, the second part consists of five questions aiming to find out the background of the company, the third part of questionnaire aims to get the information on how important is the motivated manager for the construction company's success and to get the managers perception on motivation, where this third part is using the Likert Scale to test how strong is the agreement of the respondents to each of the statements given. Each of the phases in the Likert scale is: 1 (Strongly disagree), 2 (Not agree), 3 (Neutral), 4 (Agree), 5 (Strongly agree). And the last part is the comments of respondents for the purpose of finding out more opinion from the managers on motivation.

The questionnaires were distributed to the construction companies in Medan under B classification. Construction companies under B classification were chosen because they can be categorized as stable companies which have many experiences in the construction industry, as well as their managers as their key employees who are successful in leading to the success of the company and the goals of achievement that lead to the performance of the company itself.

### IV. DATA ANALYSIS AND RESULTS

From 60 respondents, 21 respondents (35%) are general managers, 16 respondents or 26.7% of them are project managers, 12 respondents or 20% of them are technical managers, and 11 respondents (18.3%) are marketing and financial managers. Since construction companies which are located in Medan mostly are branch offices, usually there are

only two to three managers for each of the companies and the project managers usually will be appointed or selected from the main offices in Jakarta if there are projects in North Sumatera, Aceh or Nias.

Mostly of the respondents have 6-10 years of experience in the construction industry (21 respondents, 35%), 18 respondents (30%) of them have 11-15 years of experience, 14 respondents (23.3%) have 16-20 years of experience, and 3 respondents (5%) out of them have more than 20 years of experience in the construction industry.

Most of the respondents are of the age between 30-39 years old 31 (51.7%), 19 respondents (31.7%) are between 40-49 years old, 5 respondents (8.3%) are between 50-59 years old, 4 respondents (6.7%) are between 25-29 years old and 1 respondent (1.7%) is more than 60 years old. From 60 respondents, 55 respondents (91.7%) had Bachelors, 3 respondents (5%) had Masters, and 2 respondents (3.3%) had Diploma degrees as their academic qualifications.

Mostly the age of the construction companies where the respondents worked are more than 10 years (25 companies, 89%), and 3 construction companies (10.7%) are established between 5-10 years. This shows that mostly the companies classified in B (Big) classification are established for more than five years. 22 construction companies (78.6%) are local private companies and 6 (21.4%) are BUMN (Badan Usaha Milik Negara) or construction companies owned by the government.

The companies' average project values per year are mostly between 10-50 billion rupiah (13 companies, 46.4%), 10 (35.7%) of them have the average project value per year of more than 50 billion rupiah, and 5 companies (17.9%) have less than 10 billion rupiah.

The questions in the third part are related to motivated managers and their responsibility to create a happy workplace in which the employees are self-motivated so that the construction companies where they work to achieve the goals and to succeed, which start with a motivated manager. This part also aims to get supported agreement from the respondents on how important it is to identify what motivational factors have driven the managers in the construction companies to work.

Most of the respondents agreed that motivation had influenced their works' performances (44 respondents, 73.3%), and 16 respondents (26.7%) strongly agreed about the statement. This shows that there are positive feedbacks from all of the respondents, as can be seen in Fig. 1.

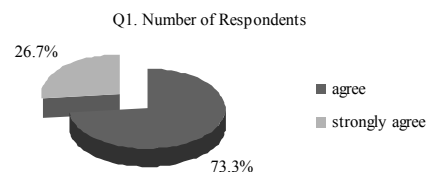


Fig. 1 Motivation influences the performance of the managers in the construction company

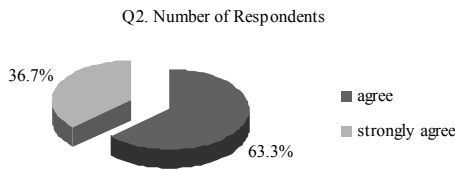


Fig. 2 A highly motivated employee will influence the construction company's success

From Fig. 2, it can be seen that 33 respondents (63.3%) were agreed to the statement that highly motivated employees will influence the construction company's success, and 22 respondents (36.7%) had strongly agreed to the statement.

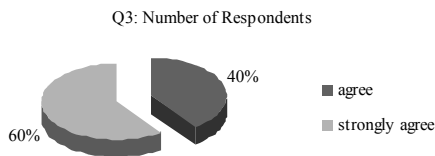


Fig. 3 A highly motivated employee will work harder in order to achieve goals rather than a lowly motivated employee

The statement of a highly motivated employee will work harder in order to achieve goals rather than the low motivated one had received strong agreement from the respondents (36 respondents, 60%), and 24 respondents (40%) had agreed to the statement.

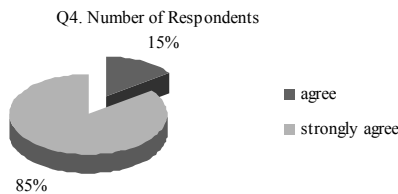


Fig. 4 Managers have an important role in motivating the employees

From the statement that managers have an important role in motivating the employees in Fig. 4, 51 respondents over 60 (85%) strongly agreed and the rest 9 respondents (15%) agreed to the statement.

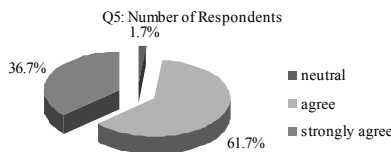


Fig. 5 Creating a conducive workplace in which employees are self-motivated is the manager's responsibility

From the statement 'creating a conducive workplace in which employees are self-motivated is the manager's responsibility', from 60 respondents, 37 respondents (61.7%) agreed to the statement, 22 out of them (36.7%) strongly

agreed to the statement, and only 1 respondent (1.7%) had been neutral as can be seen in Fig. 5.

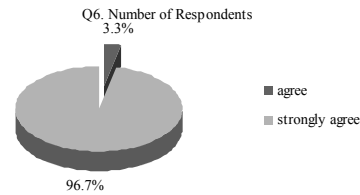


Fig. 6 It is very important for the construction company to have motivated managers in order to remain competitive over the long run

In Fig. 6, the statement 'it is very important to have a motivated manager in the construction company' had been strongly agreed by 58 respondents (96.7%) and similarly, 2 respondents (3.3%) had agreed to the statement.

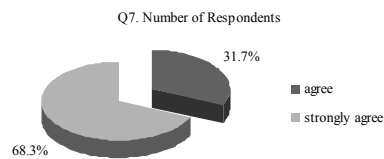


Fig. 7 Managers are the key employees in determining the construction company's success

The statement that managers are the key employees in determining the construction company's success in Fig. 7 received feedback from 60 respondents, as 41 respondents (68.3%) had strongly agreed to the statement, and 19 out of 60 respondents (31.7%) agreed to the statement.

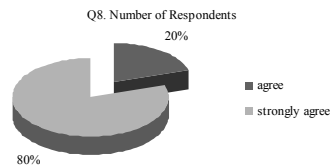


Fig. 8 It is important to identify motivational factors that serve as drivers for the managers in construction companies to work

The statement that it is important to identify motivational factors that serve as drivers for the managers in the construction companies to work was strongly agreed by 48 respondents (80%) and 12 respondents (20%) out of 60 respondents agreed to the statement (Fig. 8). From this study, the managers mostly strongly agreed to the statements that motivation influences their work performance and their successes, highly motivated employees influenced the company's success, a motivated employee works harder than the de-motivated one, and it is thought to be important to have a motivated manager in the construction company. The respondents also strongly agreed that managers were the key employees in determining the construction company's success and had an important role in motivating the workers but when it came to the responsibility of the managers, most of them agreed to the statement that creating a conducive workplace in

which employees are self-motivated is manager's responsibility and only 22 respondents out of 60 (36.7%) strongly agreed to the statement, and only 1 respondent (1.7%) had been neutral to the statement.

#### V. CONCLUSION

The findings on this research explain that the successful managers in Medan's construction companies see motivation as a very important thing that influences their work performance. When the managers are motivated to achieve the organization's goals, they will influence and lead the construction company to success. There are certain qualifications in which a manager should be well regarded as successful and one of them is the ability to motivate the workforces. Managers need to make an effort to understand more on this psychological process if they want to be the successful persons to guide their workers in achieving the organizations' goals or targets. Therefore, to be effective in handling their project team or their subordinates, managers should have an understanding of motivational forces as well as taking seriously the responsibility to create a happy work environment for the employees. More importantly, in the construction industry, the ability to build the project team, motivate others, create organizational structures and a happy workplace environment to the workers' motivational needs are required to make successful project management. However, it can be concluded that there were positive responses from the managers in Medan's construction companies on the importance of motivation in their work performance. But, we should not forget that the managers in the construction companies are also employees that need to be understood and whose motivation is of equal importance so that these key employees can perform their best in fulfilling their tasks as well as leading their workers. Therefore, for further studies it will be interesting to conduct a study on factors that serve as the drivers for the managers in construction companies, and to see the comparison between the managers who work in the construction industry and the managers in other industries if they are given the same list of motivational factors to be contemplated.

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