

# THE ROLE OF MOTIVATION IN THE DEVELOPMENT OF LABOR POTENTIAL OF WORKERS OF CONSTRUCTION ORGANIZATIONS

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**Abstract.** *This article discusses the issues of the stimulating role of wages in construction. The authors analyzed the main forms of remuneration, the concepts of fair and decent wages, as well as the influence of wages on the behavior of workers in a construction organization. Proposals have been developed to increase the influence of wages on the labor potential of workers.*

**Keywords:** *construction, motivation, wages, forms of remuneration, level of remuneration, labor potential of the employee.*

**Introduction.** The implementation of the development strategy of New Uzbekistan requires a radical increase in labor productivity in all sectors of the economy, including construction. Construction is a separate independent branch of the economy of Uzbekistan, which is intended for the commissioning of new, reconstruction, expansion, repair and technical re-equipment of existing production and non-production facilities.

The role of construction for the economy of the Republic of Uzbekistan is confirmed by the following indicators. At the end of 2022, construction work worth 130.8 trillion soums was completed in the republic, the share of construction in the structure of gross domestic product was 6.05%, 1314.3 thousand people were employed in construction, which is 8.07% of the workforce country's resources. [1]

Great importance is attached to construction in the Development Strategy of the new Uzbekistan for 2022-2026 and the approved Strategy "Uzbekistan-2030". In this area, the Strategy provides for "... attracting investments in the amount of 120 billion US dollars over the next five years, including 70 billion dollars of foreign investment. Construction in cities on the site of dilapidated housing of modern residential areas with an area of more than 19 million square meters on the basis of renovation and housing construction programs, creating conditions for the resettlement of over 275 thousand families to new areas." [2]

The dynamic development of the economy of Uzbekistan depends on the material conditions created by the construction industry. To form market relations in the field of investment and contract construction work, as in any other market, it is necessary to create and maintain a competitive environment. At the same time, improving human resource management, which at the present stage of development of the world economy is the main lever for increasing international competitiveness, is of particular importance.

**Literature review.** The problem of increasing the efficiency of construction is devoted to the works of such authors as Asaul A.N., Bakanov M.I., Buzyrev V.V., Galkin G.I., Ivanova N., Kachalov R., Tokunova G.F., Gordeev Yu .F. and others. Issues of payment there and motivation in construction are reflected in the works of V.D. Ardzinov, K.S. Drezinsky, R.S. Kударov, O.V.

Sukhova. etc. At the same time, the analyzed works do not fully reflect the motivational mechanisms for organizing wages in construction organizations. [3,4,5]

**Research methodology.** Systematic approach, abstract-logical thinking, grouping, comparison, factor analysis, selective observation methods were used in the research process

**Analysis and results.** Improving employee motivation in construction is an urgent problem in the development of the industry. This is due to the fact that the increase in construction volumes has a serious impact on the development of the main industries by ensuring the technical equipment of facilities through accelerating the commissioning of new capacities, and by the fact that by performing construction and installation work for other sectors of the economy on the basis of contract agreements, construction organizations are inextricably linked with the activities of customers.

The need to improve employee motivation with the transition to a market economy has become the most pressing issue of human resource management. The growth of the people's well-being became the reason that work turned from a means of survival into a means of personal actualization. Currently, there is no need for hard physical and monotonous repetitive work, since the socialization of productive forces has radically changed the relationship between man and machine. If in the era of industrialization there was an adaptation of workers to the requirements of production, now production is completely subordinated to the capabilities and abilities of people. In such conditions, we can talk about highly productive and efficient work, which is associated with the formation of strong labor potential.

At the same time, the main element of economic motivation of an individual, especially in construction, has been and remains wages. Incentives for workers in the construction industry are not limited to just wages. The actual system of benefits provided by a construction organization to its employees can be quite diverse; for this it is necessary to determine what basic needs the employees focus on.

First of all, it is necessary to define the concept of "motivation". In our opinion, motivation is a set of external and internal driving forces that encourage a person to carry out activities aimed at achieving certain goals, with the expenditure of certain efforts, with a certain level of diligence, conscientiousness and perseverance. The following key elements can be identified in this definition:

- Motivation as a result of external influences represents the internal state of the individual. The reasons that prompt a person to action are formed and come from the person himself;

- Motivation as an action represents forces that disrupt the equilibrium socio-psychological state of the individual. Motives can be internal and external, the latter being determined by a person's desire to possess some objects that do not belong to him or, conversely, to avoid such possession. Internal motives are associated with obtaining satisfaction from an object that a person already has that he wants to keep, or the inconvenience that owning it brings and the desire to get rid of it;

- Motivation leads to the formation of certain goals, which become a guideline for the future or a standard of individual behavior in the present;

- Another aspect of motivation is tension, that is, the application of significant effort, perseverance, overcoming laziness and fatigue, and a conscientious attitude to work.

The motivation of workers in the construction industry is primarily related to economic incentives. This is primarily due to the nature of labor in construction production, that is, the level

of mechanization of work, direct human participation in the production process, differentiation by qualifications, profession, type of activity, etc.

The essence of economic motives is that people, as a result of fulfilling the requirements placed on them by management, receive certain material benefits that increase their well-being. They can be direct (cash income) or indirect, facilitating the receipt of direct income (additional free time, allowing you to earn money elsewhere).

For construction workers, who are essentially hired workers and employees, the main income is wages from their main place of work. For example, in Uzbekistan in 2022, the average salary was 3892.4 thousand soums. At the same time, in the construction sector, the average salary amounted to 4,689.7 thousand soums, or 20.6% more than the national average. [1] An analysis of the dynamics of changes in average wages in construction is given in the following table (Table 1).

It should be noted that wage growth in construction significantly exceeds the inflation rate, which indicates an increase in real incomes of workers.

The average monthly growth rate of wages is stable throughout the period under review and amounts to 3-4%. At the same time, wage growth in December is significantly lower than in January (approximately 113% versus 120%).

**Table 1.**

***Dynamics of wages in construction for 2020-2022 \****

Years	Average monthly salary, thousand soums		Average wage growth rate, %	Wages for January, thousand soums		Wages for December, thousand soums	
2020	3124,0	100	104,26	2612,7	100	4027,7	100
2021	3845,2	123,1	103,35	3152,2	120,6	4492,1	111,5
2022	4548,9	118,3	103,01	3806,0	120,7	5207,1	115,9

\* The table is compiled according to the Statistics Agency under the President of the Republic of Uzbekistan.

**Discussion.** The main forms of cash income associated with work are wages, business profits, various types of payments and benefits. Wages are tied to the minimum wage (minimum wage). At the end of 2022 it amounted to 920.0 thousand soums, therefore the average salary in construction was 5.1 times more than the minimum wage.

In each organization, the salary of employees is set based on their contribution to the organization's activities. Typically, wages depend on the position held, qualifications, length of service, quantity and quality of labor expended. According to the form of organization of accounting for the volume of labor expended, wages are usually divided into three types: time-based, depending on the amount of time spent, piece-rate, determined by the volume of work performed, and piece-bonus. The use of one or another form or wage system for incentive purposes depends on the field of activity of workers, the nature of labor operations, technological processes, etc.

In construction, the time-based form of wages is applied to managers, specialists and employees, as well as those workers whose performance results cannot be accurately recorded and measured or do not require it at all. Depending on the method of calculation, time wages can be hourly, monthly, etc.

The motivating factors within the framework of time wages are its size and structure. The conditions that ensure the effectiveness of its application include: accurate recording of actual time worked; the presence of well-founded norms and standards regulating the volume of production, number of personnel, production tasks; rational distribution of work between performers, taking into account their experience, profession, qualifications, rank.

The piecework form of remuneration is used mainly in relation to categories of workers in primary production, whose specific performance results are easily measurable, and their growth must be stimulated. With direct (individual and collective (team)) piecework wages, its value is determined depending on the volume of work performed at a single price per unit of production. At the same time, individual piecework payment is used where people either work independently or jointly perform work of the same qualifications, for example, in a specialized team. Collective piecework payment is used where persons of different qualifications and specialties work on a complex complex object and are bound by the final result.

The piece-rate wage system combines piece-rate earnings with a bonus for qualitative and quantitative results of activity, such as increasing productivity, reducing costs, and mastering new equipment and technology.

In addition to the basic salary, additional payment plays an important role in motivating productive work, in the form of various kinds of additional payments for professionalism, qualifications, and business skills, which are mainly compensatory in nature. It must be taken into account that workers in construction are more exposed to climatic conditions than workers in other industries. This feature requires great effort to improve employee motivation. In this regard, correction factors are introduced for basic construction, installation and repair work to take into account deviations from standard working conditions.

The level of basic and additional wages provides a formal assessment of the employee's contribution to the final results, diligence, professionalism, and qualifications, and therefore should increase along with them. However, it becomes a more effective stimulating agent when supplemented with another equally important element of economic motivation - the system of final rewards. The data in the last column of Table 1 shows that at present the final remuneration for construction workers does not play a big role in stimulating labor, that is, in the last month of the year there was no significant increase in wages.

The final remuneration represents the distribution of part of the construction organization's disposable income among members of the workforce to stimulate further labor activity. It is this element of wages that is not sufficiently justified and causes a large number of industrial conflicts. The reasons for this include the dominant position of the administration over the trade union, the objective need to allocate funds for the development of the organization's material base, the insufficient amount of disposable income and the difficulty of determining the incentive fund.

In this regard, the problem of fair wages becomes urgent. The complexity of this category lies in the different interpretation of wage fairness by the subjects of labor relations. The employer, employee, social services and trade unions have their own views on wages, which constitutes a potential source of conflict of interest. Remuneration is not only an important factor in production growth, but also in social stability in the team. The level of wages, as well as the terms of payment of wages, are the most conflicting factors: according to sociological research, in every third case, conflicts arise due to late payment of wages and in every fifth case - due to dissatisfaction of employees with its size.

Increasing the stimulating role of wages in construction is inextricably linked with the motivational theory of justice. Ensuring wage equity in the construction industry is the most important goal of any wage system. In construction organizations, fairness can be viewed in three ways:

- organizational (internal) justice in relation to the employee's contribution to the results of the construction organization's activities. The value of employees is assessed not by position or authority, but by the creation of value for the organization. Achieving organizational justice requires carefully developed corporate standards for taking into account the value of the employee;

- external justice in relation to wages in the labor market. The establishment of higher wages at the enterprise is perceived as fairer compared to competitors. Modern recruitment systems make extensive use of this form of competition to lure away good talent. Special employees (headhunters) offer more favorable payment terms than the market as a whole, that is, they play on the feeling of external fairness;

- individual fairness in relation to other employees performing similar work. In construction, the use of a brigade form of labor organization allows workers to carefully analyze the contribution of each employee and the amount of remuneration. Violation of internal justice leads to a decrease in the motivation of an entire team or section.

For example, the brigade form of remuneration involves the allocation of the total amount of wages based on the volume of construction work completed. This amount should be distributed among team members according to the contribution of each employee, his status, complexity of functions, etc. An advanced form of distribution of the team's wage fund is the use of the labor participation coefficient (LPC), which involves taking into account all areas of fairness. The changing nature of work in construction, the emergence of new professions and forms of contribution to collective work require further development of the concept of "fair wages".

Currently, it is customary to use the concept of "decent level of remuneration" to determine the amount of wages. This concept is more social in nature than production, and is based on established social labor relations. For example, a builder's salary should ensure in the future the reproduction of a specialist whose professional and intellectual level is no lower than at present. Therefore, a decent salary must not only cover current costs (meeting the current and future needs of the employee), but also the costs of training the next generation of human resources.

Some problems of motivation in construction can be solved with the help of correct remuneration, based on proportionate and effective reimbursement of the employee's costs in the course of work.

At one time, the classics of motivation theories in management paid attention to the influence of motivational influences on employee behavior. We would like to draw attention to the research of Frederick Herzberg, in which he identifies two main results of motivation: increasing satisfaction with one's position in the organization and stimulating increased effort and productivity [6].

For employees of a construction organization, diligence is manifested in increasing their labor potential, that is, mastering related professions, continuously improving professional skills, striving for horizontal and vertical career growth, improving teaching skills, etc.

In conditions of uneven structure of consumed human resources in construction production, labor potential becomes the determining factor in the growth of labor productivity.

The size and structure of wages constitute the material basis for the growth of labor potential, the development of diligence and conscientiousness in the behavior of employees. There is a need to develop and implement in every construction organization a remuneration system aimed at maximizing the use of the labor potential of workers, an accurate and complete assessment of the quantity and quality of labor.

The research carried out in construction organizations allowed us to develop certain directions for strengthening the influence of wages on the growth of the labor potential of workers, mainly the main production personnel.

The first direction of development of the remuneration system is the individualization of labor assessment of workers in a construction organization. The combination of a brigade form of labor organization cannot be an obstacle to wage differentiation;

The basis for improving wages is the establishment of optimal sanitary and hygienic standards for energy consumption when performing construction work, which forms the basis of the employee's need to restore his working capacity. Then the formation of the consumer basket will be based on real socio-physiological needs.

The amount of remuneration should include compensation for mastering the relevant qualifications, since an employee of the relevant profession and qualifications spent time and resources to achieve the result. Studying at a vocational college, technical school, institute and participation in various advanced training programs should be reflected in wages. The inclusion of this criterion in setting wage levels will stimulate continuous training and improvement of the employee's professional level.

The quality of work is a determining indicator of the employee's integrity, that is, in order to achieve the required quality of work, the employee must carefully follow technological and production standards. Consequently, the quality of work should be taken into account as a separate criterion when setting wages;

An important area is to take into account the employee's efforts in performing his duties. Diligence is manifested in the performance of additional functions, activity, innovation, and the search for non-standard solutions to production problems.

**Conclusion.** In the context of further improvement of the mechanisms of the market economy in the construction industry, the problems of organizing workers' wages are associated with solving a two-pronged problem:

- guarantee the volume and structure of decent and fair wages for each employee in accordance with the results of his work and the cost of labor in the labor market;
- ensure that the employer achieves a result in the production process that would allow him, after selling products on the investment market, to reimburse costs and increase the competitiveness of the organization through the efficiency of labor resources.

The social effect through the organization of wages can manifest itself in the form of a compromise between the interests of the employer and the employee, promoting the development of social partnership relations between the two driving forces of a market economy.

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