Employee Motivation Management

Receiving date: 28.03.2017  Preprint date: 26.05.2017  Taking to print date: 27.06.2017

Annotation: the article is devoted to an important problem of employee motivation management regarding to the achievement of effective management. Motivation helps to provide personal fulfillment and increase production rates. This article considers methods of financial and non-financial motivation. To motivate employees it is necessary to focus on the individual approach towards personnel needs.

Key words: motivation, human resources, employees, manager, individual approach, effective management.

JEL classification: A140.

Employee motivation is one of the key components providing effective work performance. The choice of motivational tools is influenced by an organization’s structure, specifics of operational procedures, chosen leadership style, needs of employees and many other factors. Taking into account permanent changes on the labor market, competition growth, on the one hand, and reorganization of companies as well as changing requirements applicable both to old employees and new ones, on the other hand, motivation system needs constant improving [1, p. 225].

Changing of motivation system or its implementation (in case there is no one) should be of systematic and controlled character. All improvements of motivational tools have to be based on the analysis of personnel’s motivational incentives. Only on the basis of carefully conducted research in this area it is possible to achieve positive changes providing both efficiency of production activities and employees’ satisfaction received by performing their work [14].

Generally speaking, personnel motivation management is a complicated and time consuming process. It consists of a number of tasks among which there are the following: competent recruitment and adaptation of new employees, development of corporate culture, maintenance of favorable working climate, development of financial and non-financial motivational system, corporate training and personnel certification, employee loyalty improvement [4, p. 143].

To set up an effective system of motivation at an enterprise, it should necessarily satisfy aims of strategic goals of this enterprise. Organizational management has to be focused, first of all,
on human potential as the main driving force. Actually, it is personnel of an organization that provides its prosperity. A customer will be interested in long-term relations with a company or enterprise if only it is offered high quality services which can be provided by personnel.

Employee motivation has direct influence on labor productivity. Due to raise of effectiveness and level of work performance of every worker, it is possible to increase both quality of services and production rates. Effective motivational system considerably improves the level of personnel loyalty.

Researches, conducted in personnel management sphere, showed that most employers consider personnel loyalty as one of the main characteristics of employees.

First of all, it is always possible to rely on loyal employees in situations, difficult for an organization, or in cases of unforeseen growth of work scope. Secondly, such workers will always do their best to finish a project in time and, in most cases, will help colleagues despite the fact that they can be overwhelmed with their own work. Thirdly, for loyal employees company’s interests will always have top priority, even if they go against their own ones. Moreover, they will be usually ready to work overtime.

A loyal worker performs their duties with pleasure and in a proper way because they really care. One of the main advantages of an “involved” employee is their readiness to undertake more obligations than what is included in their position description [7, p. 61]. In most cases, they do it not for the sake of a reward, but their company's prosperity and getting experience. It should be noted that loyal employees also follow corporate policies, what is possible only in case of personnel having high credibility level and respect towards their employer.

The first step to personnel motivation management is to create a professional HR department at an enterprise. Staff of this department has to possess not only theoretical, but also practical skills in the field of personnel administration.

For effective work of the HR department its structure has to be built on the basis of certain specialization of department personnel: recruitment and adaptation of employees, staff training, rotation and motivation, HR records management and so on. As a rule, successful companies are able to employ experts dealing with a company’s top managers.

As it has been mentioned above, all specialists of the HR department have to be professionals in a certain field of human resources management. This considerably increases overall performance of the department. Specialists dealing with recruitment within their organization are responsible for headhunting of candidates for open vacancies. They place vacancies on a company’s website, carry out the first stage of an interview, make an offer to the most successful candidates and participate in adaptation of new employees [19].

In some organizations we can see headcount optimization focused on improvement of financial performance. If an employee has too many tasks and duties they can be overwhelmed with their work and get stressed. In most cases employees decide to leave a company. To avoid such cases, the HR department needs to request information from management staff about work performance of their subordinates.

Let us consider responsibilities and obligations of the human resources department that can influence staff motivation.

HR specialists dealing with training and development of personnel are responsible, first of all, for their adaptation. It is a set of measures focused to help employees be involved in specific features of new working process, get more information about manufacturing products or rendering services, corporate rules and policies, colleagues [6, p. 11–12].

During the adaptation period it is essential to provide new employees with all necessary conditions for more comfortable “immersion” into a new social environment. That will, subsequently, help to build a positive image of an organization and maintain employee loyalty.

Specialists responsible for personnel training and development are also engaged in planning and carrying out performance evaluation. They monitor training needs, keep track of learning
programs effectiveness. Moreover, these specialists interact with employees receiving their feedback.

It is important to notice that development of employee potential can make a company competitive at the labor market. Here we mean the development of leadership and communicative skills and ability to resolve conflict situations. In such a way, one of primary tasks of specialists of the development and training department will be monitoring of educational programs fostering these skills.

Here it is essential to emphasize a key role of getting feedback from employees who are being trained. By setting specific goals of training and development it is possible to provide high learning efficiency and put these gained skills and knowledge into practice.

Receiving feedback is one of the management tools focused on employee motivation due to setting up of trust-based relations and feeling of participation. Feedback helps to eliminate all difficulties and misunderstandings which can arise during personnel training programs.

Another significant means to motivate staff is mentoring. Specialists of the development and training department are in charge of its organization and performance. Mentoring helps to transfer experience from a mentor to an employee. Usually a mentor takes a higher position in a company and has a wider range of experience and expertise in a relevant area. In fact, it is a free and unique method of knowledge transfer which promotes professional growth both of an experienced mentor and less skilled employee.

An employee receiving experience from a more skillful colleague can get their support that will help to feel more comfortable in stressful situations [12]. Mentors help new employees to socialize in new environment and, moreover, they are a source of new knowledge.

In addition, mentors themselves improve their management skills. In general, employees who can share their experience with colleagues and, also, be supportive, are more respected. One of the key aspects of mentoring is the creation of professional team that can maintain effective working process and high production level.

One of the important tasks of the development and training department is career planning. Every department manager should be engaged into this process. To increase personnel motivation it is necessary to inform a worker not only about their short-term career prospects, but also long-term ones.

An employee has to understand and strictly follow their work tasks and be aware about what level they should reach to be promoted. It should be noted that in most Russian companies information about professional growth is closed and employees know a little about their career prospects.

Successful staff development and career growth play a strategic role for organizations. High-performance work of every employee leads to a company’s prosperity, therefore, personnel motivation has to become one of the primary objectives of any organization. Moreover, loyal workers can be included in a company’s employee pool.

A talent pipeline is being created through careful potential assessment. It consists of employees having prospects to take senior positions in a company. Creation of an employee pool is aimed at motivation of talented specialists interested in the career growth. It also helps to reduce costs for recruitment and adaptation of new employees holding management positions and prevent critical situations if one of the key employees decides to resign. Creation and management of a personnel reserve is also one of the key motivational tools.

This process has many stages. The first step is to identify all job positions that have potential risks. This means to assess not only an employee taking this position in terms of their age and career ambitions, but also all the potential candidates that can take this place.

The second step of employee pool creation is setting certain requirements for a job position. Then there will be a further recruitment for this position in accordance with the certified requirements.
Carrying out recruitment for personnel reserve is going to be one of the most important issues in this process. Recruitment process can include various test tasks and interviewing.

The following stage is the analysis of recruitment results and drawing up of individual development plans. The purpose of such a plan is to work out specific measures and activities aimed at satisfying employee's objectives. It can include participation in necessary trainings, receiving of additional education, internship in other departments [15].

A personal development plan should be followed by evaluation of employee performance. In case of positive results and availability of a vacant position, a candidate can be appointed to a desirable position.

As we can see, the stage of talent pipeline creation is time- and efforts-consuming both for a candidate and company. It should be noted that a staff reserve can be a reliable source of personnel recruitment.

HR specialists are also engaged in development of salary and compensation systems, as well as ways of non-financial motivation. Ways of financial motivation are the most expensive ones for any organization. They involve monetary payments which are received by employees for labor activity in accordance with their job description and labor activity.

Researches, conducted in the field of financial motivation, have shown that salary increase is effective only during a certain time limit, i.e. about three months, then “the effect” of salary increase disappears [11].

It should be noted that a payment reduction is also one of the effective tools of financial motivation. Such stringent measures can be applied in case of bad results of work performance or when a company bears losses due to an employee’s fault.

Besides salary increase, one of the most popular ways of financial motivation are bonuses and extra payments. They can be paid for overtime, adverse or harmful working conditions, positions overlapping, academic degrees.

Speaking about annual bonuses payments, it is important to admit that in most companies they are paid in compliance with KPI (Key Performance Indicators) that are indicators of personnel work performance.

Many employers are trying to cut costs for 13-month salary, as they have to pay to all employees regardless their individual work performance. This turns out to be unprofitable and, moreover, has lost its motivational effect.

It is connected with the fact that when employees are used to some constant payments regardless their work performance, they are not motivated to improve it. Workers perceive bonuses as their fixed income.

Bonuses payment based on KPI can be also carried out on a monthly or quarterly basis in order to encourage being initiative or successful project completion. In this case, the motivational effect of a timely scheduled payment will cause right associations between successful work performance and its encouragement.

As additional ways of financial motivation many companies offer compensation for mobile service, fitness club cards and language courses. Some enterprises can provide child birth benefits or support financially in case of an employee’s wedding [20].

Such privileges as subsidized sanatoria and holiday-homes vouchers, free places in children’s camps and many other options for employees’ family members help to create a company’s positive image. This, in its turn, can help to form personnel loyalty.

In some companies there is an annual salary indexation. One of success criterion of a company is indexation of salary for all employees, not only for a company’s top management.

Experienced specialists of personnel administration pay much attention to non-financial ways of motivation which, first of all, have to be specific and individually chosen. Non-financial tools of personnel motivation can vary from letters of commendation and birthday cards to submission of comfortable work conditions as well as opportunity to receive feedback from a line manager [22].
An opportunity to communicate with a line manager on a regular basis receiving their feedback plays an important role for every employee.

About twenty years ago many enterprises and companies worked under conditions of short-term assignments and total control of managers. Over the years a new idea of setting annual aims was evolved. The point was to control work result, not its execution. Thus, personnel had some freedom how to plan working process. Employees became completely responsible for work results.

At the moment there is an impression that such approach is not effective. Changes in our modern world are happening too quickly and by the end of a year initial purposes can become irrelevant.

Most big companies with developed personnel control system tend to get regular feedback from their employees. Researchers conducted by consulting companies in the field of human resource management have shown that “the culture” of receiving feedback has simply not been created: employees are either not ready to give comments or they provide only positive reviews about executed work [16].

It should be noted that, generally, in Russian organizations it is not accepted to express gratitude for performed work. This, in its turn, can become one of the factors that can demotivate employees. From this point of view, so-called “thank you program” is essential. Employees have to be sure that their work will be appreciated [10, p. 140].

One of the simplest but safe and proven ways how to teach people to thank each other is to hand out stickers with the phrase “thank you” to one of a company’s departments and then ask its employees to give them to colleagues from their or other departments. Thus, it will be possible to receive feedback (in this case, positive one) and increase team spirit.

Feedback is an effective method of establishing communication. It begins to work only when it is connected with some specific job. For example, receiving feedback can be organized upon project completion.

Speaking about frequency of receiving feedback, it should be regulated by project importance, specifics of its organization and performance.

Thus, if a manager is able to get regular feedback, he or she is better informed about a project status. As for employees, they always have relevant targets.

As it has been mentioned above, other effective tool of non-financial motivation of personnel is providing employees with comfortable working conditions. They can be the following: a comfortable workplace, convenient working hours, opportunity to stay and work at home.

Experienced and effective managers should not only control their employees but also take care of them. Comfortable workplaces, optimal temperature and lighting conditions are necessary for effective work performance [7].

If we speak about manufacturing and industrial enterprises, then all the workers, first of all, should be provided with safe working conditions. Workplaces should be equipped with all necessary means of protection preventing getting injured. Observation of health and safety regulations and its control at enterprises will help to reduce risk of receiving occupational diseases and injures at a workplace.

Recreational zones seem to be obvious advantages. At lunch breaks or after work employees can rest while playing table tennis with their colleagues or simply reading a book. The more comfortable conditions at a workplace the more pleasure an employee can get being there [3].

Personnel motivation has its value when it is focused on individual approach. If we speak about ways of non-financial motivation, an opportunity to work at home or choose more convenient working hours is something that can be really attractive for many employees.

Creation and maintenance of favorable psychological climate is another essential target for employers. All disputes between employees have to be monitored and quickly settled. In case
of serious conflicts, it is necessary to resort to a professional psychologist. Anyway, keeping a
favorable working atmosphere has to be one of the key tasks of any organization.

Team spirit and its unity are a guarantee of effective and high-quality work. As a rule, HR
specialists are dealing with organization of various events from company offsite to office
activities that are focused on teambuilding [2].

As it has been mentioned above, employees are the main resource of any company providing
its prosperity. From this point of view, the primary objective of personnel management is in a
rational use of personnel: providing control of tasks performance, opportunity to train in other
departments and correct evaluation of personnel potential.

To bring positive results to their company an employee should not necessarily try to acquire
a higher position. Many workers feel themselves really comfortable at current workplaces
performing their daily duties and obligations. Some of them tend to hone their skills [21, p. 10].

Other workers can have a desire to acquire new experience and be transferred to another
department. In such a way, this can help them try something brand-new that will definitely
motivate and arouse a lot of interest.

The more efforts a company puts in the development of its employees, the higher the level
of personnel loyalty. Many workers appreciate having career advancement opportunities. As
for companies, it is much more beneficial to cooperate with old employees, as they are more
experienced and involved in internal procedures [13, p. 50].

One of the key indicators of smart personnel management policy is employee engagement
level into working process. “The engagement program” includes staff adaptation at all stages
of their work. It consists of receiving feedback according to work results, drawing up of
individual development plans for every employee, possibility of being involved in important
events, encouragement for excellent work performance and unconventional approach to task
solutions.

Any employee, even not very ambitious, will feel their importance taking part in projects
strategically important for a company. By the way, motivational effect connected with an
opportunity to take part in something global within a company will spread to other colleagues.

According to one research, the level of employee engagement will be stable in those
organizations which encourage their employees for scientific and creative activities. At the
present moment only 26% of successful companies put that into practice [18].

An opportunity to deal with personal projects connected with an employee’s professional
sphere during business hours can be quite beneficial. For instance, the American company 3M
allowed its employees to use 15% of working hours for their personal projects that led to the
invention of the sticky note which became worldwide popular [8].

No doubt that such kind of initiatives can be beneficial for employees’ enthusiasm and
engagement in working activities. Self-realization has always been a criterion of successful and
happy life of every person.

In conclusion it should be noted that the existence of human resources department in a
company is not a key to effective personnel management. HR specialists have to be skillful
psychologists and sociologists in the work, be able to apply effective tools of motivation that
will encourage employees’ aspirations to contribute to a company’s development. If current
ways of staff motivation have stopped being effective, they have to be changed immediately.

With the help of deep analysis of relevant personnel needs it is possible to create a really
effective system of motivation. A truly motivated employee means a loyal employee that is
enthusiastic about his or her job and ready to be beneficial for their company.

References


REFERENCE TO ARTICLE

CONTACT INFORMATION:
Kirilina Tatiana Yuriyevna
Doctor of Sociological Sciences, the Head of the Department of Humanities and Social Sciences
State Educational Institution of Higher Education Moscow Region
"University of Technology"
Gagarin str., 42
41070 Moscow region, Korolev, Russian Federation
E-mail: kirilina_t@rambler.ru

Panina Oksana Igorevna
Lecturer, Department of Foreign Languages
State Educational Institution of Higher Education of Moscow region “University of Technology”
Gagarin str., 42
41070 Moscow region, Korolev, Russian Federation
E-mail: ok_panina@mail.ru