

How tesco motivate key workers and comparative analysis with other industries and...

[Business](#)



A motivated workforce is crucial to ensure employees are happy, engaged, productive and good advocates for the company. (James By water 2009). it does not always take a lot but it is important to ensure that you are motivating the right people in the right way as everybody is different, others prefer encouragement, team working and been appreciated by colleagues. Motivating other people is about getting them to move in the direction you want them to go in order to achieve a result (Michael Armstrong 2006 p: 252). According to Stephen Lockley, (2010) employees are the most valuable assets of an organisation, so ensuring that they are motivated and committed is the key to successful and productive workforce.

Often companies are under pressure to increase productivity, profitability, revenue growth and this overshadows the importance of how an unengaged workforce can negatively affect productivity. According to the chairman of judges for the National Business Awards, He said “ It is emerging that issues relating to the performance of people form the major performance barriers for companies” . It would seem not only desirable but also indeed essential that staffs are kept motivated. Levinson (1989) said every manager must motivate and encourage employees somehow reconciliation the individual needs with the goals of the organisations. All employees have aspiration and objectives which they want to achieve through their organisation, responsible managers ought to help to achieve their modest aspiration. Sir Terry Leahy Tesco chief Executive help steer Tesco from UK’s number three retailer to number one, by application of lessons from Sir Roy Griffiths which greatly helped Tesco.

He had many advantages over the NHS executives because no ministers telling him what to do and no conflicting professional groups, these advantages he forged ahead with creating a flat hierarchical structure with only six levels between checkout and chief executive. However motivation theories have been in existences before the 21st century and it is highly utilized till date, Tesco motivate their employees using motivational theories like that of F. W Taylor, Eton Mayor, Maslow and Herzberg. According to F. W Taylor (1911) who published the earliest motivational theories, workers received" piece rate" that is employees are paid for every item produced and people work purely for money. Tesco employee Reward programme has some similarity to Taylor's theory, it financial reward packages are one of the motivating factors which employees are rewarded for hard working through free shares after one year service, save as you earn share available in high interest account, employee discount card, Christmas or payslip voucher, Holiday discounts, contract free phones with o2 etc.

According to Sarah O'Carroll,(2010) motivating employees is not about money sometimes a pat in the back yields better result and business that continued to offer their employees new opportunities and invest in their people pipeline would be at a better competitive. Elton Mayo (1880-1949) did a research which resulted in the Hawthorne theory. The Hawthorne studies allegedly discovered the influence of human relation or social factors that affect workers motivation and that boredom and repetitiveness of task led to reduced motivation but acknowledgement and degree of freedom to make choices motivate employees'. Tesco apply the Hawthorne theory by motivating employees through communication, training and development

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and personal development plans. Training and development which is done through learning process has been challenged to create that culture that allows continual learning throughout the organisation. As knowledge is what matters, organisation and individuals alike must become continuous learners (Hawkins, p 1994).

According to Garrick (1998) Training is inextricably link to market economics, that knowledge is prized in so far as it can generate a market advantage, this leads to the assumption that through training and development of employees, it can give the organisation advantage, increasing profit. Tesco offers strategic planning to help staff achieve the extraordinary by implementation of personal development tool called 360-degree. The idea of the programme is to take people with you and to gain the hearts and mind of others in order to improve individuals and get things done efficiently. Purcell (2008), states that effective performance management must recognise and make provision for adequate motivation for employees to apply their abilities. These motivation factors may be financial but will almost certainly include social rewards (and sanction) and recognition of contribution as applied by co-workers and immediate bosses.

According to Abraham Maslow, human are motivated by five essential needs. He formed a pyramid demonstrating these needs which he called the hierarchy of needs. At the bottom of the pyramid are basic needs hose that motivate people to work, food and shelter. Maslow suggested that achieving one level motivate us to achieve the next. According to the theory of

Frederick Herzberg (1958), people are motivated based on two factors which are the Hygiene and motivators.

He suggested that often work can be arrange and should be arrange through job enlargement, job rotation and job enrichment. Tesco motivates it employees by empowerment, delegating responsibility, and involving staffs in decision making. orum are held annually, which staffs can be part of the discussion on pay rise. Utilising the theories further, Tesco created training scheme, also created a new and more open lines of communication between managers and staffs, a scheme whereby directors and senior managers spend a week on the shop floor listening to ideas and suggestions from customers, a " talent spotting" scheme to fast- track- shop -floor worker up the promotional ladder and a better understanding of individual employees circumstances. Tesco recently gained recognition via achieving the National Business Award" Employer of the year because its solution were seen to be more holistic".

Tesco recognised how motivated staffs that are committed to their work have a positive effect on the company performance. According to a report by department for business innovation and skill (BIS 2009) this report revealed that only 25% of employees have had the objectives of the organisation for that year clearly communicated to them. Tesco ensures that all employees are aware of the role they play and they can clearly see how their action affects the " big picture" of overall business. The training creates a graphic journey through the history of Tesco, it core purpose, values, business goals, financial aims, operations and marketing strategy and it commitments to

customers. All employees are receiving more training than ever before.

White Lock, 2003) According to Delany (2001) successful organisations keep people issues at the fore front of their thinking and at the core of their decision making and planning.

And Blackwood (1995) said the principal function of any organisation is to increase the value of the business and therefore enhance the wealth of its owners this is obtained by efficient use of limited resources available to them. COMPARATIVE ANALYSIS OF TESCO, LLOYDS TSB, AND BRITISH AIRWAYS MOTIVATE THEIR EMPLOYEES. TESCO LLOYDS TSB BRITISH AIRWAYS Participative leadership style, consultative. Who empower, delegate and involve staffs in decision making processes and also consult customers to listen to their views and opinions. Autocratic leadership style, Task oriented in which leaders sets the goals and reward system for team Charismatic leadership style, encourages and inspire others to do their best, employees work hard and strive to succeed. Power legitimate.

Flat organisational structure one level of hierarchy with six departments between CEO and the checkout. Flat organisational structure Flat organisational structure one level of hierarchy that separate directors at the top from bottom line employees ten departments between CEO and bottom line employees No facilities for disabled employees Provision of disabled facilities for staffs with disabilities and a wide group of assessments to improve performance, recognition and support of such employees which include disabilities tool kit. No identifiable provision for disabled employees Training, learning and development, employees are motivated through

career progression by training and development. Some of the employees progress to the university to be well equipped in performing task better. Training learning and development, employees are provided with enabling environment in which people feel they have the right tools, skills and competences to do their job efficiently.

fund or give financial support providing employees with performance benchmark and portable qualification, the business support personal and career development for employees Training learning and development, is built on a firm commitment to releasing and maximising the potential of every of every British airways employee. Flexible working hours for work life balance Flexible working hour policy to keep employees healthy work life balance_ Availability of free shares that is tax free to employees who worked with the company for more than one year Availability of employee share scheme and bonus and incentive programmes where people share in the success of the company, the free shares are tax free. Availability of employee share scheme, profit share scheme and bonuses. Health and wellbeing in the form of life assurance, private medical facilities, gym members to all employees after spending one year with the organisation. Health and wellbeing offers a range of health care products and services to all employees including gym membership, private medical insurance, health check-up as part of standard employee benefits package, availability of confidential counselling and emotional support to employees. Superb sports and social amenities, opportunity to join BA clubs, and private health care schemes.

Staff discount card
Staffs offer Opportunities for reduced air travel and travel discount
Up to four weeks annual leave. Availability of career break and holiday banking scheme
Generous holiday entitlement. DIFFERENT ECONOMIC SITUATION AND MOTIVATION OF WORKERS
According to Keynesian, economist if the economy is in deep recession an increase in output is unlikely to increase price, workers will be too frightened of losing their job to negotiated pay rises even if an individual firm is expecting an increase in profit and revenue. His theory suggests that income is a major determinant of consumption from 1955-2004 real household disposable income rose 3.9 times whilst real consumer expenditure increases 3.

8 times. During the Lawson boom of (1986-1988), relatively low interest rate helped fuel consumer spending boom. Rise and fall of interest rate makes borrowing more expensive and particular hit spending on consumer durables. (Alan Anderson 2008 pg. : 242) According to Gary McEwan (2010) staff are the lifeblood of an organisation and without them business are unable to deliver services to clients in products to customers. The downturn of the economy in the last two years has made business owners focus in the direction their company is going in and what they need to do to survive, but it is equally important that once business have identified plan they should communicate it to staffs.

Staffs should be motivated and kept positive by leading by example, encouraging and praising staff in good performance is essential to keep them motivated and build confidence in their ability and building a good relationship with staff, training and development, expands the knowledge

and skill of staff, assessing and managing stress will lead to happier, healthier work force, that is productive, efficient and competitive. According to Dr Webber (1995) in the economic down turn “ leading managers are creating work environment where employees gain a sense of involvement in a meaningful process, where they are encourage to make a real contribution to that process or service “ he said this can be a powerful motivator because it appeals to people core valves rather than their superficial needs empowerment. According to Glenndle Sims CEO men cat holding, productivity falls during recession as business are slow to react, while the decline in labour productivity reflects the abrupt slowdown in conomic activities. In recession using non-financial incentives to motivate when cash is tight, during the global financial crisis most companies could no longer afford financial incentives do the your best in keeping the best people by making them feel appreciated and valved. Recieving praises is one of the best retention tools and is often a more effective motivator than financial incentives according to Guthridge (2009). According to L .

Thach and McPherson(2002) by encouraging employees to focus on the future during economic down turn motivation level rises quickly also encouraging staff to find creative ways of completing work-project-in -house that are originally been out sourced. Also increase communication always is crucial during economic downturn, one way to address this is through informal coffee talks in which the entire team are pull together to open talk about what is going on in the world and how it affect business, this discussion usually include an update or restatement of goals, initiatives, valves, and direction. Employees are encouraged to ask questions and raise

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issues that typically might not surface in a regular staff meeting. According to T. M Amabile and S.

J Kramer (2010), Employees can be motivated by scrupulously avoiding impeding progress by changing goals autocratically, being indecisive or holding up resources one of the ways they advise doing things is through cultivating a culture of helpfulness, this can be done in a more direct way “ Roll up your sleeves and pitch in “ all these efforts will not only keep people working but also get the job done faster. According to Hoffman (2010) employees are motivated when they are treated almost like owners, with the business where they are taking ownership for their actions and the result and during the weekly staff development meeting, at which they work verbally recognition for accomplishment and achievement motivates employees during economic downturn. Motivating employees through recognition, incentives, interpersonal support, for making progress and clear goals most employees prefer progress at work or are motivated by progress at work, Although theMckinseyreport states that the number one motivator for employees is recognition, a study byHarvardbusiness school reported in the Harvard business review disagree with recognition, and it says the key motivating and retention of employees is through “ progress”. According to Henie krick a research carried out shows that, the current economic situation does not appear to have the expected negative effect rather employees are actually ore motivated as a result of the fear of redundancies.

According to Weinstein et al (2008) employees should be toast to motivate them, break your team out of its summer doldrums by bring in a sparking

beverage-cider or grape juice will work just fine, to toast your team, pick a random date or mark an important milestone in your organisation history, pop a cork or two offer a few words of encouragement or praise and then ask your staffs to join you as you raise your glass, allow others to offer toasts too watch out for rise in morale because they feel of a sense of belonging, and recognition. Strategy: sit down with your team to evaluate job description and task list, ask staffs what they like doing and what they don't like doing . swap staff assignments to satisfy people where you can, and rewrite job description to reflect the current situation. Look for inefficiencies and eliminate them when possible. as a result you will increase productivity, reduce conflict and boost workplace morale. According to Champy et al (2008) in economic upturn to hire and retain highly motivated employees it is not about pay which was described by Cappello as “ middle road” He keeps his employees happy by encouraging them to speak their mind, giving them chance to work challenging projects from start to finish and making them feel like important parts of a proud can-do-culture.

What keeps employees motivated in economy upturn is the chance to do interesting, challenging work, to see it through to conclusion and be recognised as contributing members of a community of dedicated, result oriented people, this make employees to live in their work and values that they share with their colleague's and it make best people remain committed to an organisation that has both a high sense of purpose and meaningful work to be performed. Dewhurst (2010) thinks remuneration can be cleverly thought out, especially as pay out often undermine moral. It is likely that this creative approach to reward is here to stay as it provides better valve to

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both the executive and employees, she said professional rewards such as secondments and support to gain further qualification are also popular non-financial reward and can bring fresh expertise and skill to the business. By acting now, they could depart the downturn stronger than they entered it. According to Barclays, connecting Business Survey (2010) 58% of business believe competition in their industries is set to increase post-recession.

Investing time and money in giving staff the opportunity to have their existing skills or develop new ones will provide them with a renewed focus and motivation when tackling different task. It is also of added advantage to provide staff with training throughout their development with the company, as they will be better placed to cope with new challenges and requirement as they progress up the corporate ladder. Mentoring is also excellent way to motivate and inspire staff. Pass in the knowledge, tips and skills from senior manager to less experienced staff member, will create a culture of good practise within the organisation. Employers can only get a true appreciation of how staff is feeling by communicating with them on a regular basis.

Appraisals are often a good time for senior management to engage with personnel to give feedback on their performance positive communication with employees and reinforcing their contribution to the business development during the appraisals will leave employees feeling good about their role and motivated to continue a good job. In conclusion motivating employees in different economic situation is essential for organisations and it is a good opportunity to invite employees to express their feelings about their role, the support they can get and any improvement that could be

made. It is expected that the post-recession economy will be more competitive than the pre-recession environment. Management will be able to get a picture of what is working well and what could be better, leading to a happy and motivated working environment.