

Structure,
methodologies and
approach towards
employee satisfaction
and motivatio...



The case study traces over Volkswagen, (South Africa's) organization overview highlighting the structure, methodologies and approach towards employee satisfaction and motivation. The entire backdrop of the case study is about Volkswagen's internal organizational behaviour, management practices and their effective implementation. In this context, the assignment is focussed initially on the innovatory measures suggesting right direction to retain workforce allegiance and devotion towards an organization.

Volkswagen is amongst the few organizations believed to produce world class automobiles, and stands out distinguish, hence the responsibility and related degree of expectations are higher. Considering the competitive environment, today's employee is intelligent yet demanding and hence it has become more complicated to meet their target expectations. The management of VW (SA) is diligently engaged to resolve the issues pertaining to employee's financial stability, professional progression, compensations and benefits, challenging and highly equipped surrounding. In extension to this the company has tremendously transformed its cultural values. The introductory part elaborates the management and organizational behaviour practices of VW (SA), discussing the primary objectives, present situation and future prospects determining specific goals. Employee motivation is essential to keep progressive functioning of an organization. The intermediate portion of the assignment is emphasized on the significance of employee incitement and motivational procedures by discussing four substantial theories of workforce motivation and critical analysis of Volkswagen (SA's) initiatives towards employee motivation strategies. The later part concentrates on the importance of co-workers to amalgamate and function as a single unit. Team work introduces a healthy

<https://assignbuster.com/structure-methodologies-and-approach-towards-employee-satisfaction-and-motivation/>

culture that values collaborative efforts and the team firmly believes in thinking, planning, discussing, deciding and functioning together with cooperation. Team efforts with positive attitudes and correct path are inevitable to succeed. Critical discussion is based upon the conceptions and innovative ideas by which VW (SA) can ensure their teams to produce efficient synergy and higher productivity.

TABLE OF CONTENTS:

EXECUTIVE SUMMARY

1. Introduction 1

2. VW (SA's) Management & Organizational Behaviour 1

2. 1 Overview 1

2. 2 VW” s Behavioural Management Practice 1

(i) In Context of Behavioural Management Theories 2

2. 3 VW’s Organizational Environment Practice 2

(i) In Context of Organizational Environment Theories 3

3. Motivation 3

3. 1 Theories of Motivation 4

3. 2 Analyzing VW’s Employee Motivation Strategy 5

(i) Structuring Remuneration Package and Benefits 5

(ii) Stipulating Fundamental Equipment 6

(iii) Leadership Training and Development 6

(iv) Open Lines of Communication 7

(v) Professional Content and Indemnity 7

(vi) Company Values 8

(vii) Service Excellence Culture 8

4. Definition of a Proficient Team 9

4. 1 Team Contribution to Enhance Productivity 9

(i) Credence on the Leadership 9

(ii) Solidarity of the Members 10

(iv) Articulate Objective 10

(v) Colloquial Ambiance & Group Participation 10

(vi) Dissolving Perplexity 10

(vii) Constructive Criticism 10

5. Methods to Ensure VW's (SA) Labour Efficiency 10

5. 1 Appropriate Selection 11

5. 2 Specifying Codes of Conduct 11

5. 3 Establish Substantial Goals 11

5. 4 Praise and Appreciation 11

5. 5 Developing Sense of Direction 11

5. 6 Building Team Spirit 11

5. 7 Employee Empowerment 12

6. Conclusive Remarks 12

7. Bibliography 13

8. Appendices 14

(i) Appendix A 14

(ii) Appendix B 14

(iii) Appendix C 15

Page # 1

1. INTRODUCTION:

Modern global world is comprised companies and enterprises having highly skilled, knowledgeable, sophisticated and decisive workforce, with dramatically increasing role. Organization's performance and productivity is directly influenced by the commitment and loyalty of its employees. Today's competitive professional atmosphere has compelled the attention of the organizations to apprehend the significance of employee retention and thereby constrained them to develop strategies tailored to fulfil employee satisfaction. The sustainability of an organization is subjected to the overall periphery and circumstances which affect its growth and development. The exemplary employee oriented culture represents correct environment, challenges, individual development, recognition and accurate motivating artifice. Reconciliation of effective leadership and consistent workforce while applying the positive attitudes and correct mind set accounts for higher productivity of an organization.

2. VW (SA's) MANAGEMENT & ORGANIZATIONAL BEHAVIOUR

2. 1 Overview:

Volkswagen of South Africa was established in 1946, and is owned subsidiary of VW Aktiengesellschaft (VWAG) in Germany, located in Uitenhage. VW group is the world's fourth-largest automobile manufacturer, and the largest car producer in Europe, consisting eight brands and operates 44 manufacturing facilities found in 12 European and 6 other countries in the Americas, Asia and Africa. Being aware of its prestigious affirmation in the automotive industry, the organization is focused and consistently engaged to

heighten its profile. In order to achieve the desired level of productivity, internal and external customer satisfaction and indemnification has to be prioritised. VW's brilliant strategy makers have apprehended the situation and are continuously involved in developing policies for the inducement of employees to ensure their retention.

2. 2 VW's Behavioural Management Practice:

Employee positive or negative interaction with its organization and its management is based on the level of satisfaction. An individual is motivated to work proficiently when given appropriate

Page # 2

work environment with sufficient equipment. The behaviour at work is directly affected by the overall atmosphere, the relationship with co-workers, job conditions and requirements, the remuneration package and professional stability. The management must habitually practice to evaluate and address constructively the needs and demands of its employees to gain satisfactory and productive employee behaviour.

(i) In Context of Behavioural Management Theories: Behaviour analysis is the study of individual interaction with the environment and management of such behaviour is an essential element characterised to produce direct effect on the profitability of an organization. The frustrating behaviour of an employee is a clear indication of the system failure as the general worker's behaviour is the reflection of the management policies. Sound policies addressing employee's needs including job security, peaceful atmosphere, stipulated necessary equipment, equality and professional progression is <https://assignbuster.com/structure-methodologies-and-approach-towards-employee-satisfaction-and-motivation/>

more likely to produce the breed of workforce essential for an ongoing productive organization. Mary Parker's behavioural management theory focuses on the fact that influential leadership is the key to motivate employees and for that assessment of their job improvement capacity will benefit. A Hawthorne study highlights the importance of observing the frequency of behaviours and their outputs. An immediate feedback on performance with sufficient information for self correction is necessary to improve functioning. VW's approach towards team building session is appreciable and is in correct direction. However, employees of today are not restricted to information instead willing to participate, share and discuss their own views and creative ideas for implementation. The worker is aware of the strengths and weaknesses relevant to the job and is the one who has excessive knowledge and command over it and hence knows how to control and improve the task.

2.3 VW's Organizational Environment Practice:

Workforce of an organization is essentially compelled to work within groups where behaviour of employees may vary according to the relevant circumstances, work conditions physical or mental state. Provided the situation the environment of an organization is rooted in the behaviour of its employees. Organizational environment must be friendly, supportive and constructive by allowing the management and the common employees to discuss and share their opinions.

Progressive organizations are inclined towards building excellent work status and valued atmosphere for their workforce in order to attain desired results.

(i) In Context of Organizational Environment Theories: An organization is comprised of a group of people and resources brought together essentially for interaction and conscious coordination to acquire a common purpose or an objective. The survival of an exemplary environment is subjected to its equilibrium. There are several processes ongoing simultaneously within an organization and the major difficulty is with proposing any change of structure because once the structure is developed it deters to adapt to environmental changes. Understanding the difference between formal and informal communication becomes a difficult task for leadership. The organizational environment theories underline the internal and external relationships; external resources serve as inputs which are further processed into goods and services resulting in finished outputs in the environment. An open system is usually interacts with the environment while the closed system is self centred and usually fails to be accepted. VW's management is consistently working to develop a culture of excellence where freedom of speech, informal interaction, and service quality meetings can be carried out as casual practices. The concept is commendable yet challenging. The contingency theory emphasizes that the management must be flexible to react to environmental changes. Modern and technological organizations have likelihood to alter the conventional procedures rapidly, so the management must adapt to change with positive attitudes. There can be mechanistic structured organization where management is centralized at the top monitoring its employees and is stable, on the other hand organic

structure of an organization is decentralized and reaching out to employees with a lesser control. Sound environment guarantees the motivated and efficient employees and leads to the higher productivity of the organization.

3. MOTIVATION:

There could be a single or a set of reasons for human behaviour, engaged in certain activity for the desired outcomes, the ground for such activity is referred as Motivation. Every individual has needs and specific goals and human life is engaged in satisfying those needs and to acquire the desired goals. To attain the sense of fulfilment and feeling of achievement can be the prime motivating factors. " Motivation refers to the initiation, direction, intensity and persistence of

Page # 4

human behaviour" Geen, (1994). Human nature can be simple yet too complex at the same time. Understanding of human nature is a pre-requisite for effective employee motivation which accounts for higher productivity.

Regimentation of aims, purpose and values amongst the staff, teams and organization is the most fundamental aspect of motivation. The better the alignment and personal association with organizational aims, the better the platform for motivation. Work organizations offer a degree of satisfaction for an individual which may include financial support, social engagements, mental and physical challenges, self development, and sense of belonging and intellectual stimulation. It is said to believe that " Best businesses have the best motivated workers". It has been observed that the overall

productivity of an organization is increased with highly motivated employees in comparison to the organization with poorly motivated workers.

3. 1 Theories of Motivation:

Motivation theories are the combination of needs, inducement, goals and reinforces.

Need Hierarchy Theory was put forth by Abraham Maslow, which is one of the most highly acclaimed and widely mentioned theories of motivation. He envisioned human needs according to a hierarchical structure of importance, from the lowest to highest, highlighting the five basic physiological needs, sense of security, social drives, self esteem and need of self actualization. The management must pay huge amount of attention to the needs of employees and as the needs may vary from individual to individual, hence it is essential to implement an efficient system to evaluate employee's necessities and furnish feasible solutions.

Herzberg's two factor theories in accordance with Maslow's theory, proposed an idea that certain factors such as challenging work, responsible position and sense of recognition may contribute as prime motivators but on the other hand certain factors including desired salary, fringe benefits and appropriate environment, if absent may result as de-motivators. According to his theory as multiple goals and benefits serve as precursor of motivation, probability of de-motivation arises when perks and privileges do not exist.

Page # 5

Hawthorne experiments of Elton Mayo focused on incentives, pay-cheques and financial satisfaction to be the primary motivation factor. People are motivated by pay and work conditions at higher level. Furthermore he believed that attitude of people at work are highly influenced by the groups and work environment. His theory concluded that human relations and the social needs of workers are crucial aspects of business management.

Mc Roger's theory heavily emphasized on two basic kinds of managements which he categorised in Theory X and Theory Y. The management which falls under Theory X is believed to have a negative approach towards the employees considering them untrustworthy and incapable. Theory Y addresses the kind of management having faith in their employees and thereby recognising their needs positively. He concluded that manager's view of the human nature is based on a certain grouping of assumptions and tends to mold their behaviour towards subordinates according to these assumptions. Numerous theories has been put forth addressing the benefits and moral value of an altruistic approach to treat colleagues and workforce as human beings and respecting their dignity in all its forms, developing a phenomenon to understand that people can never be forced to work, they will work positively only if they want to or otherwise if they are motivated. It has been observed that when an obvious likelihood is established between performance and reinforcement, it leads to and maintains high levels of motivation.

3. 2 Analysing VWs Employee Motivation Strategy:

VW is a German manufacturer of automobiles which is the third largest car producer of the world. The name by itself indicates the value for people as <https://assignbuster.com/structure-methodologies-and-approach-towards-employee-satisfaction-and-motivation/>

Volkswagen stands for “ people’s car” in German, (more literally, folk’s wagon). Within the past few years the intricacy and dynamics within and outside organisations have drastically altered. In this context, it has become prime concern of organisations to carry out future-oriented, active development which pursues an elementary goal i. e., Stand out as a winner. The organization must propose additional benefits for employees, clients and stakeholders because only then will its culture, values and products be responded to with commitment and interest.

(i) Structuring Remuneration Package and Benefits:

Volkswagen approach towards pay and benefits is commendable as it involves market research

Page # 6

and salary surveys. There is a continuous effort behind structuring the salary packages and fringe benefits. However, there is an important aspect slightly ignored during the practice which is to involve the workforce by itself to comment on the remuneration structure thereby, visualising the basic needs and desires within the employees which in-turn will serve as a helping tool for developing effective payroll strategy by keeping in view of employee’s physiological needs as everyone desires to be financially secure. Payroll must be structured such that the income level of an individual well addresses the living standard. Pay scale must be determined by analysing qualification, experience and skills of the employee and must be reviewed according to the efficiency level as reported by the relevant department. While rewarding high performers, average and below average performers might feel

neglected hence it is essential not just to recognise the efforts by high performers but to issue certificate of participation and non-monetary rewards to the rest, recognising their contributions and to keep them within the string.

(ii) Stipulating Fundamental Equipment:

Ceaseless review of the budget for essential materials and equipment is highly recommended. Necessary equipment is a pre-requisite as it enhances the work efficiency and performance level of employees thereby promoting professional satisfaction and rewarding appreciation. In absence of the required material it is imbecilic to expect efficient service by the workforce. It is appreciative that essential equipment can be furnished in accordance to a specific budget but smart management plan keeps control of the equipment handling and propose for a budget review where necessary.

(iii) Leadership Training and Development:

Leadership training is vigorous only when sensibly articulated into the corporate culture with its positive intents and values. Development of a leader is only focused upon an individual personal attributes, behaviour and approach whereas, leadership development is emphasized on the process unfolding interpersonal relationships, social influence process and team kinetics amongst leader and the team at the conjugation level. Volkswagen's strong organizational structure do not require just managers but crave for smart leadership which is essential for workforce motivation and infusing energy in the team members. True leadership is what an ordinary employee will look up to, in order to comply with effectiveness and efficiency. A

dynamic leader supports

<https://assignbuster.com/structure-methodologies-and-approach-towards-employee-satisfaction-and-motivation/>

Page # 7

trains and develops his personnel, while increasing job satisfaction and genuine interest to do the job, within his team. Trusted leaders are likely to produce splendid motivating spirits.” To keep people motivated, you need to display dynamic leadership, and make they feel they are working with you and not for you.” Corelli

(iv) Open Lines of Communication:

Employees feel confident and equally responsible when they believe they are trusted. It stimulates a sense of incitement within the employees, resulting in a propitious work environment. “ If a supervisor or team leader approaches the workplace with a positive, upbeat attitude about the work projects, that enthusiasm should transfer to associates, thus creating a better work environment for all. Leaders and supervisors, who are serious about maintaining a productive work environment and motivating their staff to do their best, need to talk with the associates to find out what is important to them. For example, some associates may not appreciate public forms of recognition, while others will”. Howell, (2000)

(v) Professional Content and Indemnity:

Highly trained and seasoned employee is an asset to a company. Remnant of today’s face paced work environment is the increasing rate of job churn or employees switching one job to another within short time frames. Employee turnover is costly, causing workforce instability, reduced efficiency, lower effectiveness, and negative impact of the company. There could be variety of reasons in the background explaining the boredom, frustrated,

<https://assignbuster.com/structure-methodologies-and-approach-towards-employee-satisfaction-and-motivation/>

discontented and least interested behaviour of the employees. Another important aspect is the lucrative job offers which tend to satisfy the needs and basic requirements but in some cases employees are looking for more than just compensation and rewards and are more inclined towards their visions and challenges. The underlying cause might differ due to the fact that humans act, think, behave and respond differently in accordance with the relevant circumstances, however, the issue remains unchanged. Volkswagen as one of the giants in the automobile business world is relentlessly involved in figuring out possible solutions to this emergence. In order to retain employees it is required to offer a package that satisfies financial, intellectual and the career aspirations of an individual.

Page # 8

(vi) Company Values:

The value of a company represents culture, shared beliefs, attitudes, institutions, and behaviour patterns that characterize the members of an organization. Values of a company naturally emphasize continuous improvement of processes, transformation into a healthy workplace, satisfied customers, and a growing, profitable business. The level of employee's commitment to their work is closely linked with the extent to which the company values are practiced. Ensure that the values of the company are strongly understood and equally treasured by the management and individual employee. Demonstrate professionalism, respect, integrity and duty as the core values of the company. According to a key quote of Harvard Business Review “ Companies that enjoy enduring success have core values

and a core purpose that remain fixed while their business strategies and practices endlessly adapt to a changing world.”

(vii) Service Excellence Culture:

Volkswagen is amongst the very few organization which thinks through, work diligently and proactively to create the culture that will allow the company to succeed long term. Culture is the distinctive personality of the organization which indicates its strength, by which it understands the needs of the workforce and affects the value created for the customers. Therefore, organizations make effort to understand what motivates their workforce and give them what they need to perform well by providing them clear mandates, operating principles, resources, authority, knowledge, and tools so they can fulfil their responsibilities to bring out the best of their talents and recognize by rewarding them in ways they value. Volkswagen is among such high calibre companies demonstrating successful conceptual thinking and with the ability to see patterns among seemingly diverse phenomena and thereby strengthening their employees and motivating them with positive attitude. An effective organisational culture enables a two way process to occur where employees help to influence the direction of the corporate values system, through their individual beliefs and approaches they adopt. A service excellence culture is that which develops a sense of responsibility and achievement together within employees, recognising their contributions and considering themselves as an integral part of the overall reputation and success of the company.

Motivation can either produce profitability to an organization or improve productivity if it is

<https://assignbuster.com/structure-methodologies-and-approach-towards-employee-satisfaction-and-motivation/>

Page # 9

positive, on the other hand if employees are de – motivated it is more likely to reduce profit margin and will hinder overall productivity. The core vision is to encompass human behaviours, needs, attitudes and demands, as machines can operate according to the desired level and mostly produce accurate results, but considering where human beings act as a major workforce it involves a thought process based on mutual understanding in between the management and the employees. It is highly recommended to understand associates yearn and necessities and fulfilling them to some degree and thereby motivating them to produce desired results in the best interest of the organization. The summation accounts for the fact that if appropriate motivation level is maintained within an organization, the management will gain productive associates.

4. DEFINITION OF A PROFICIENT TEAM

A bunch of individuals possessing particular expertise, collectively working to attain a common purpose or goal; by collaborating and consolidating their knowledge and actively participating in healthy discussions. The essence of a team work is togetherness and the success lies within its concrete leadership, which accounts for the productivity of an organization. It is well addressed that “ When you break down barriers, misunderstandings, prejudices, insecurities, divisions, territories and hierarchies – you begin to build teams”.

4. 1 Team Contribution to Enhance Productivity: Firm belief in the reliability and trust upon the honesty of the members are the prerequisites of a

productive team. The level of cooperation and understanding builds strong bondages between individuals. Every member of an efficient and productive team is open to support and encourage the co-workers for the completion of required task. Following are the characteristics by which teams can contribute effectively in the success of an organization.

(i) Credence on the Leadership: It is essential that a high level of trust and confidence is present within the team members upon the leadership. True leader make sure that each individual of the team is equally supported, respected, privileged and heard. The amount of patience and credible efforts for keeping the team members within a string enhances acceptance and faith of the members which results in high performance.

Page # 10

(ii) Solidarity of the Members: Every team member must actively participate to explicitly discuss the team procedure and functioning to attain a common goal or a sole objective. The entire team tends to share mutually agreed approach, mechanics, norms, expectations and rules to follow. The unity of team pledge for its success.

(iii) Articulate Objective: The team must set clear and focused objectives and translate into well-defined concrete milestones against any measured obstacles. Larger goals and objectives are easily accessible followed by a habit of practicing a series of small wins.

(iv) Colloquial Ambiance & Group Participation: Environment to function effectively as a team requires being informal, homely and comfortable

enough for each member to open lines of communication with ease, but must remain pertinent to the purpose of the team. This encourages bringing about creative ideas and unique concepts and gives equal freedom of speech to all. Another important aspect is that the team members become easygoing with each other and believes that everybody is equally heard and respected.

(v) Dissolving Perplexity: Where there is freedom of speech confusions and disagreements are most likely to occur. Agile and intelligent teams welcome disagreements and complexities to test their brilliance and understanding. Reasons are carefully examined and a midway is figured out to resolve the issues. In case of an opposition to a general agreement, an apparent consensus is practiced for a fair outcome.

(vi) Constructive Criticism: Healthy and positive criticism is highly appreciated as it provides pivotal grounds to review and evaluate critical decisions. Criticism must be arbitrary and benefaction oriented toward removing an obstacle that is hindering the way of a team to achieve goals.

5. METHODS TO ENSURE VW's (S. A.) LABOUR EFFICIENCY

Intellectual management serves as a catalyst to amplify work level and overall performance of the apprentice. Volkswagen approach towards reducing maximum doing from their teams is exceptionally good. However, there are multiple measures which can add value to the existing strategy of the organization to ensure high degree of performance and matchless effectuation.

Page # 11

5. 1 Appropriate Selection: While selecting a candidate it is ideal to analyse the qualities complementing the job nature. Selection must be based on the relevant skills, a blend of technical, problem solving and interpersonal skills account for effective performance. A right set of people at the right place on the right time are the key for a successful team and productive organization.

5. 2 Specifying Codes of Conduct: Identifying rules is necessary for developing focus, receptivity, commitment and trust. Rules must be well-defined and strictly governed without discriminating position and genders. The most crucial rules may pertain to attendance, behaviour, confidentiality, contributions, positive confrontation and end product orientation which must be set as a code of conduct.

5. 3 Establish Substantial Goals: The basic starts from the fact that each and every team member has a task to achieve. It is necessary to make every individual believe that the team has significant purposes and tasks and there is high level of expectation associated with their performance. There must be a sense of worth associated with the tasks apart from being easy or difficult. A strong team is build when every member knows that they are a vital part of a significant accomplishment.

5. 4 Praise and Appreciation: This is a natural urge within human beings to be praised and rewarded upon successful completion of a project or a great accomplishment. Intelligent organizations never ignore this fact and develop strategies to encourage their workforce by appreciating their efforts.

5. 5 Developing Sense of Direction: This is another important aspect of team building to develop sense of direction amongst the members. The team leader or the manager must efficiently distribute tasks and provide sufficient guidance by defining responsibilities and adopting clear direction towards the common goal.

5. 6 Building Team Spirit: Assign performance oriented small tasks that will allow the subordinates to grow and take on additional responsibilities. The idea generated by such challenging but achievable goals is not limited to overall productivity but to evaluate the

Page # 12

mobility of potential team. This will in return enhance the spirit of the team and build an effective bond of togetherness.

5. 7 Employee Empowerment: A strategy which enables employees to decide for themselves is worth giving as it develops a sense of responsibility and helps them to take charge of their work and learn from their mistakes. It is a reliable process for enabling people to contribute effectively in the continuous improvement and ongoing success of the organization.

6. CONCLUSIVE REMARKS

Positive and reinforcement and correct motivational strategies are the compulsion of modern organization in which employees are completely aware of their rights and understand the significance of their roles in the productivity and profitability of an organization. The growth level heightens when the structure of the organization is concrete and is based upon specific

values and contemporary culture, where an employee is empowered and actively participating in the progression of the company. Volkswagen (South Africa) has successfully managed to develop a progressive atmosphere and the management has understood the need to focus on retaining employees' loyalty and commitment. The efforts and strategies of the company towards maintain their internal environment is tailored with excellence and absolu