

Globalization of business and the effects



Businesses are becoming more competitive every day. Further, with the advancement in information technology and globalization taking place there have been radical changes that have taken place with respect to the way employees work. Any organization is built upon its people; thus managers and leaders within these organizations not only have to focus on factors like their organizations profitability within their target markets but also their continued global competitiveness. Therefore, it becomes imperative for these leaders and managers to keep their employees motivated in order to become successful.

A lot of Organizational research has been done to study job satisfaction of employees however, only a few studies have been done to study and discuss the factors that will help improve an employee's motivation. There are various intrinsic and extrinsic factors that determine and influence the motivation levels of employees. Through this research, I propose to study these factors that determine employee motivation among employees at primark.

This research would be an academic research through which I intend and wish to contribute to the existing literature in this field of study.

1. Introduction:-

Organizations are going through a lot of changes. Globalization of businesses is increasing and information technologies are advancing (Dockel, 2003). These major changes are reshaping our world significantly, for better and for worse (Kreitner, 2004). They have not only led to changes in the way business is done, but also the way employees behave and the way managers

manage their employees. For companies to remain successful, they are required to adapt to these changes (Vercueil, 2001).

In today's business environment, most of the managers and their employees face with a lot of pressure to perform to their organizations expectations. This is because businesses have become highly competitive and are subject to ongoing changes that lead to internal redesign or even progressing job responsibilities which create stressful working conditions. Thus, in this fast-paced world of business, it is important to avoid high turnover costs alongside maintaining a unmotivated workforce who perhaps are not recognized for their positive organizational accomplishments. Therefore it is extremely important for managers and leaders within organizations to motivate their employees in order to be profitable and successful.

Further, in a continuously changing business environment the most significant challenge for any human resource manager is to motivate and retain their employees. The significance of employee motivation has been highlighted by many authors. As mentioned by Sharma (2006), Motivation is a company's life blood. Organizations in which employees are well motivated not only have advantages in terms of reduced employee turnover but competitive advantages like improved performance, reduced absenteeism, and increased revenue. But in some cases managers assume that they know their employees' expectations and what they want from their work; however these assumptions can lead managers into committing serious errors in the pursuit of motivating their employees (Enz & Simons, 2006). Thus this study will make an attempt to help these managers

understand about the various factors that motivate employees to perform to the best of their ability.

Motivation is the force that makes people choose a particular job, stay with that job, and work hard in that job. Initial approaches to studying motivation focused on the different needs of people. These approaches suggested that people tend to be motivated to fulfill unsatisfied needs. In other words, people exert efforts hoping that their needs will be satisfied. Other approaches to studying motivation focused more on goal setting by employees. More recent approaches are concerned more with long-term goals, a sense of fairness, and the employee's values or in other words what employees perceive as important. Employees are not simply need based. They work based on their lives, their cultural values, their levels of success, and the levels of satisfaction they have already achieved (Simons & Enz, 2006).

Motivation studies have been of interest to the industrial/organizational psychologists since early 1930s, stimulated mainly by the famous Hawthorne studies, and followed by studies by Herzberg, Vroom, Skinner, Bandura and many more. However, the study and understanding of workplace motivation is far from complete (Locke & Latham, 2004).

Thus the aim of this study is to help organizations to adapt to the changes in the workplace with the aid of existing motivation theories.

2. Research Background:-

There is a vast amount of literature on workplace motivation; however a concrete understanding of employee motivation is far more than an academic quest. Further, addressing human resource issues within any organizations is a tedious task. Today organizations make huge investments on their employees in way of recruitment, induction, their training and development, maintaining and retaining them within their organization. Therefore it is extremely crucial for employers to retain their employees within the organization and prevent them from leaving and going to work for other companies. However, understanding what factors influence employee motivation is a significant challenge faced by managers today.

There may be various factors that determine an employee's motivation to work & the level of job satisfaction he derives, which in turn have an impact on their job performance. Despite the fact that it is motivating an employee is a very complex task, it is important for managers to understand the factors that affect their employee's motivation levels and how to influence them so that they feel motivated about their jobs. Because when employees are not motivated to do their job and are not satisfied with their work environment in general, they tend to be negligent and lazy at work, fall short of deadlines, repeat work done due to errors and as a result of which they fail to deliver the promised product or service at the highest standards of quality. Obviously the consequence of all these is, customer dissatisfaction which may lead to animosity and eventually to withdrawal of the customer's loyalty with the organization and making the switch to the next competitor. Thus given this background, it is evident that there is an unarguable need to recognize the impact of employee motivation in the workplace.

2. 1 Aims & Objectives

Organizational knowledge and workplace motivation have been studied extensively. As discussed earlier, high employee turnover can result into significant costs to organizations and also have a profound impact on other tangible aspects like loss of knowledge/skills. Therefore it is not an understatement to say that keeping employees motivated is of paramount importance for organizations.

The primary purpose of this research is to determine the factors that influence the motivation levels & job satisfaction of employees at Primark and provide recommendations to various organizational functions like HR, operations and other line managers in order to help them increase the motivation levels of their employees.

2. 2 Research Questions

- 1) To identify current overall HR and employee motivation practices at Primark.
- 2) To determine the prime reasons why employees choose to work for this company.
- 3) To determine if the compensation package offered to employees are competitive.
- 4) To identify and determine primary reasons that cause employee turnover in the organization.
- 5) To determine the motivation & job satisfaction level of employees.

6) To make recommendations to the management to effectively use IM support in order to help reduce employee turnover.

3. Research Methods & Data Collection:-

Considering the nature and the context of this study, the researcher has carefully made a choice of deploying qualitative methods to conduct this research. Qualitative methods would be applied primarily because employee motivation is a very subjective element which is related to an individual's attitudes, feelings and more importantly their psychological contract, and therefore would vary based on individual's perceptions. Therefore using qualitative methods in order to conduct this study would help me to get first hand information about the perceptions of university teachers that are being studied. This view is also supported by authors Ary et al (1996), according to them using qualitative methodology enables the researcher to understand human and social behavior from the insider perspective. Further, this would also act as an advantage with respect to the researcher's positionality to conduct this research.

Qualitative methods employed in this research will involve using unstructured interviews. This is because; unstructured interviews would give an opportunity to the respondents to express themselves freely thereby it would help them answer questions in a way they conceptualize issues. According to authors Grinnell et al (2000), there are advantages of using unstructured interviews, in their words The main advantage of unstructured interviews is that the interviewer has almost unlimited freedom to ask interviewees wide-ranging items, to seek in-depth clarification of their

answers, and to explore any possibly profitable avenues which may emerge in the interview .

In order to collect the data required for this research, the population to conduct this study would be drawn from various retail outlets of Primark across London. Purposeful sampling technique would be used for data collection. Primary data for this research would be collected using the unstructured interviewing technique, in which open ended questions will be asked to the respondents. In this method, no set interview plan or guide would be used; instead the interviewer will use a general plan to ask questions and then make comments. Using such a method to conduct interviews is also supported by authors (Borg & Gall, 1989), according to them such a method is used when the researcher intends to encourage the respondent to share the data in such a way that it meets objective of the interviewer. All qualitative data that would be collected would be recorded and then would be stored using interview transcripts. Further, secondary data will also be collected in this research; this will be done in order to build a theoretical framework which will be used to relate to the findings of this research. Secondary data collection will involve literature search, review of researches on the subject, books, journal articles and the internet.

3. 1 Data Analysis:-

Since this research involves qualitative data collection methods, the data collected would be analyzed using a set methodology. Qualitative data that is collected from the unstructured interviews will be analyzed using the critical incident analysis method. This is because critical incident analysis

widely used methods and a very popular technique for conducting researches that involve job analyses and assessments. The primary reason for employing this technique for data analysis is because it will enable me as a researcher to understand if the respondents of this study identify similar things that may be important.

There are various advantages of using critical incident method of analysis. One of the main advantages of using this method has been outlined by authors Hannum et al (2000), according to them this method helps the researcher to identify events in real world settings, so that the data is valid and meaningful. Critical incidents would be identified and incidents that have a strong influence on factors like motivation, job satisfaction or dissatisfaction. These incidents would be recorded on an incident form. After these incidents are gathered they would be categorized so as to understand the importance and weight age and the frequency at which they had occurred, post which I will base the evaluations and findings of this study.

4. Literature Review:-

Research on motivation has emphasized how the interaction of environmental and personal drives, influences individual motivation. Other studies have provided some practical support for the claims that employee reward schemes correspond with the function served by the industry in which they are employed. In terms of the retail business sector, consisting of enterprises like Primark, McDonalds and Tesco, the function of this trade is to provide excellent customer service, maximize sales and profit. The personal drive, as motivation, in an instant could be examined as a store manager

monitors an employee's customer service skills. HMV, a British retail entertainment chain, runs a mystery shopper scheme that gives an instant reward of high street vouchers to employees offering good advice/service when approached (Stephens & McCallum, 2005).

In retail business, motivating employees is vital as organizations become competitive to ensure that they are operating a five star enterprise. A study on the Ritz Carlton chain of hotels indicates that Ritz Carlton has 12 service values that it wants employees to represent, not only with guests but with fellow employees. Gitman & McDaniel (2008) note that when attending a housekeeping staff meeting, for example, the head housekeeper arrives in a suit and tie with smartly polished shoes. (p. 242). It is evident that the Ritz Carlton considers its employees at the same level, with its customers, and that kind of employee respect creates employee and customer satisfaction, which leads to great motivation to the highest levels.

Motivation

Motivation can be labeled as simply consisting of the forces that move us to what we do. People are motivated to do what they believe is in their best interests, which may result in unacceptable, destructive behaviour or great achievements.

Motivation has been defined as the psychological process that gives behaviour purpose and direction Kreitner, (1995). It has also been expressed as a predisposition to behave in a purposive manner to achieve specific, unmet needs. Buford, et al. (1995). It can be justified as an inner force that drives individuals, in this case employees at work to accomplish personal

and organizational aims and objectives. Motivation is the driving force within individuals that compels them physiologically and psychologically to pursue one or more goals to fulfill their needs or expectations. (Lam & Tang, 2003, p. 61)

Organizations may choose to use many techniques such as satisfying employees in order to motivate staff. Businesses may review the resources they are using in order to achieve the best results that include positive methods such as education and training, employee ownership and working life benefits.

In an organization, the idea of project management has recently gained a lot of popularity and hence, studies on motivating people and its effect on the overall performance of the organizations of paramount importance. Studies on the various theories of motivation have proved that the employees who are more dedicated (motivated) towards their work helps in optimizing the performance, productivity and efficiency of the organization as compared to the employees who are not dedicated (unmotivated).

Theories of motivation

The theory of motivation and employees attitudes towards their work and job was initially developed by Elton Mayo (1924). He and his team conducted the Hawthorne Studies research, determining how economic incentives and the physical conditions of the workplace affected the output of workers.

Schermerhorn, (2009).

Frederick Herzberg (1959) proposed a theory based on job factors that motivate employees. According to Herzberg, worker motivation could only be accomplished through the hygiene factors or motivating factors. The motivating factors would make the employees work harder and effectively, which were factors to be used in a business. Herzberg's motivations included status, sense of achievement, level of responsibility, level of recognition and opportunities for advancement. Mayer (2008).

Hygiene factors of pay, job security, working conditions are all factors included in the theory. Even though many people agree with Herzberg's theory, there are certain criticisms still remain. These criticisms are as follows:

1) The first criticism was that the design of the research used by Herzberg lacked in intensity and rigor. This was in regard of making sure that the participants would respond truly to questions of the survey (Robbins, 2005). This is because most of the people would attribute be more generous in praising their own work and criticizing other people's work than the other way around. Hence, they could have inadvertently given a wrong or dishonest response towards the survey.

2) The second criticism was that the questions framed by Herzberg in his research survey were too open-ended and hence, the result was more qualitative than quantitative (Robbins, 2005). Thus allowing the participants to answer the questions in whatever way they preferred. Each person looks at one particular object or thing in his/her own unique way which Herzberg

did not give a thought to. Hence, making the result an extremely varied result.

3) The third criticism was that Herzberg failed to assess the satisfaction level of the employee in his survey (Robbins, 2005). This was a crucial aspect, which should have been included due to the difference between the personal preferences of various employees.

Finally, Herzberg's theory was also criticized for failing to give attention to the fact that situations change and so do people's preferences. In spite of all the criticisms, Herzberg's theory is one of the most famous motivation theories in the management world (Robbins, 2005).

Motivation theory can be explained to derive from the needs of a person, through psychological factors to self-actualization factors. Maslow's Hierarchy of Needs (1943) examines certain needs of employees which are expected to be fulfilled when working in an organization. His theory of motivation suggests that if the perceived needs are satisfied according to the satisfaction, they feel satisfied and motivated and if there is a gap between the two, they become slow and refuse to work (Naidu & Rao, 2008). Higher needs emerge as lower needs are fulfilled.

There has been some criticism on Maslow's theory of motivation as it suggests having several limitations. The Internet Center for Management and Business Administration (2010) reports that there is little evidence to suggest that people are motivated to satisfy only one need level at a time. Although Maslow's theory lacks some scientific evidence, it is a well-known motivation theory to which workers can be exposed to. In the case of Primark <https://assignbuster.com/globalization-of-business-and-the-effects/>

employees, lower needs are fulfilled such as feeling satisfied and the sense of job security. Working in a rapidly changing and growing industry of fashion and retail, the motivational techniques and strategies is a matter of importance in order to promote a successful chain of stores and business operations.

Types of Motivation (Intrinsic and Extrinsic)

In the same line, there are studies that indicate that the relationship between supervisors and the employers can lead to an increased influence on productivity than any other form of environmental condition modification. Herzberg, Mausner & Snyderman, (1993). Also, a similar study with Deci & Ryan (1985) defined the intrinsic/extrinsic motivation theory. In this study, it was claimed that people who learned tasks for their own interest and satisfaction (intrinsic) rather than for the intended rewards (extrinsic), were more likely to go on to become effective learners. More importantly, according to this study, intrinsic motivation can be defined as an activity performed simply because it is enjoyable and satisfying. Whereas, extrinsic motivation causes people to carry out actions so as to achieve an instrumental end, such as avoiding a punishment or earning a reward. However, this type of motivation need not necessarily imply a behavioral lack of self-determination in the activities performed. The study by Dickinson (1987) says that success obtained in a particular activity leads to an enhancement in motivation. This is however, only true for those people who are focused on their learning activities or are intrinsically motivated. In accordance with the Koestner & McClelland (1990) study, it was claimed that research work on intrinsic motivation has led to the conclusion that people

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who are intrinsically motivated will be motivated the greatest when under conditions that cause feelings of competence, self-determination and challenge. In this study, it was also claimed that in cases where external events caused an increase in feelings of overall competence, such as when a person is made aware of their good work, it can lead to an enhanced intrinsic motivation. However, in contrast, feelings of incompetence caused by particular events can in turn undermine the intrinsic motivation.

From this literature review, it can be concluded that the fact remains that the lack of motivation at the work place can have a great impact on the efficient running of any organization. Hence, it is of great importance that the practice of motivating employees remains most crucial aspect of any management. The method that can be implemented can be varied as can be observed through the various theories and hence it is upon the discretion of the employer as to what method he opts for. Maslow's Hierarchy of Needs (1943) has more practical and effective approach towards achieving the desired objective of motivating the employees as compared to Frederick Herzberg (1959). However, the most important thing is that the employee should feel as a part of the organization and become a contributing factor towards increasing the profits and successfully achieving the objectives.