Reward and recognition scheme to increase motivation

Introduction

The people working inside an organisation are perpetually trained to perform their assigned jobs while keeping up with the responsibilities that are assigned to them as a part of that job. This is apparently a practical or technical procedure which comprises of learning about the do's and don'ts of the job regardless of the nature or type. Although the technical aspects of a job only represent a small fraction of the work activity that is being carried out, but in fact, people doing any kind of job have so many other contacts which could be in the form of teams or groups within a department, or the customers, the suppliers and the list goes on. These contacts are both formal and informal. Robins S. (1998) believe that most of the jobs require an element of convincing people to co-operate in some action, priority or request which includes an extent of nuisance to them as well.

As a manager, it is essential to know the tactics of dealing with such employees who are never happy or co-operative and to with those counterparts who are looking for a career advancement and tries to compete in order to get more senior positions. Now-a-days, it is crucial for managers to have the ability of making constant improvements in the operational processes of their respective departments so as to keep up with the increasing trend of achieving higher productivity. According to Stephen R. (2002) the corporate world is constantly changing and this change process will never end. Whether actual the organizational changes may be big or small, they are changes after all. Several things will changes as result, if an employee retires, resigns or is given any kind of promotion. This will ultimately lead to a different working style, because the new person who

comes is not the same as of the previous one, hence, he will have a slightly different way of doing it and as a consequence the interpersonal relations within the department or the team will change to some degree.

In order to understand the complexities of the work related environment and to have proper guidelines in figuring out exactly what to do in a particular situation, managers should be aware of the disciplines of organizational behaviour. It also helps in understanding some uncertainties which managers, may of any working area, will come across. In a nut shell, it helps in understanding how human beings are linked to the organisation as well as their behaviours and reactions towards different organizational situations.

There are a number of things that are required to be known by a manager in order to keep the operations of his department running successfully among which motivation is most essential. If employees are not motivated by the manager or the top management this are prospects of low productivity from them which will ultimately have an effect on the business. There are many ways to motivate employees ranging from Management by Objective (MBO) to the Employee Recognition Program (ERP). Among these, ERPs are likely to be used by most of the managers.

Employee Recognition Programs

Rewards and recognition plays an important role in influencing employee satisfaction and his performance. These recognition programs can create a working environment that provides positive reinforcement of such attitudes and behaviours which are necessarily required to attain business objectives. Recognition and rewards have different effects on employees. For instance

rewards produces rewarding results where as recognition supports the reinforcement of behaviours.

Rewards can be formal or informal, i. e. they can be a part of a predestined program as well as spontaneous. The common misconception in today's world is that pay/compensation is considered as a biggest reward for any employee, but money is not important for everyone. Actually the pay increases with experience and profits that is why traditional management practices restrict pay rewards to high achievers.

Reward and Recognition System in Rainer Pacific Bank

Lake M. (2008) says that with the transformation from a credit union to a full-service mutual savings, two years ago, Rainer Pacific Bank, situated in Pierce County, Washington, also developed a reward and recognition system for the employees of sales management department. In this process, the bank provided compensation to each employee including the tellers and the executive managers, this compensation was based on the sales results and customer service. Variable pay programs, including bonuses are there for all the employees which advance on periodic basis. The bank invest a lot of energy and time every year in making alterations to constantly improve the pay programs and to make certain that they are directly related to achieving the objectives of the bank.

Having a firm belief on reward systems the bank Vice President, Dalcn Han-lson says that compensations and rewards are crucial to keep the sales people motivated in their work. A part from the monetary rewards, some no-money rewards are also given to the employees. This recognition also serves

as rewards for the employees. A job well done which is appreciated and approved by the manager or top management can be much for a sales person. Rainer Pacific has the system of employee of the year, in which the best employee of the sales team is rewarded for the services rendered. They have bragging boards on which the names of employees excelling in their work are posted periodically. In addition to this, immediate recognition for the employee by the top management is also available which helps in promoting the reinforcement of the behaviour which lead the employee to that ultimate recognition.

Employee Motivation

In today's world of uncertainties, where anything can occur at any point of time, the success of an organisation depends upon its employees who utilize their skills to the fullest possible extent. Regardless of the studies available, managers usually see motivation as a mysterious thing. It is partly dependent upon the discrepancy of a person, because every single individual has his/her own criteria of motivation. Employees who work part time, or on contract basis are even harder to motivate.

Identifying the success and failures that could be a part of motivating system for employees having two different levels of job responsibilities involves an entire framework having different attributes which should be there according to the job requirements.

Motivating Sales Force

Let's first take the example of lower level employee, Niko C. and John R. (2005), says a sales representative for a bank, who has been given the

target of persuading customers to buy the bank's credit card. As going through the agony of listening to different opinions of the people, it is a pretty hard job to motivate such people. They usually get frustrated if they cannot achieve their set target. Because these people can calculate their commission very fast so eventually, money is not the only key motivating factor for them. These people can also be motivated with a sense of achievement and the people who usually are high achievers have big egos too.

Taking a deeper look on this, what motivates people to a great extent are two things:

The rewards and the punishments.

Their sense of achievement.

As making money is one of the greatest pleasures that drive most of the employees to work to their fullest possible extent and achieve the targets (this also includes the sales people), some of them are also motivated by avoiding the punishment they will receive if they were not able to achieve the targets. Looking from the perspective of Maslow's Hierarchy if companies only use money as a motivating factor for sales people this might satisfy their physiological or social needs but it might not be satisfying their self esteem needs. As mentioned prior to this, that the successful sales force have big egos so they might feel humiliated when the managers will disgrace them. This might be a de-motivating factor for them and they might think that they have become insensitive to certain areas related to customer care, ensuring support and other factors that leave an impact on the business

goals and objectives. In order to check that the egos of their sales people are in check, Dell computers focus on the present and future of their sales force. Past performance has no significance, they recognize their top performers and in this way the employees get motivated to maintain their status of success every other day. Sales people need support from the management when they find themselves lacking behind in achieving better results or margin improvements. They seek proper guidance from their employers to improve their performance.

Besides using the training strategy for employee motivation, there are five other steps of motivating employees. This includes:

Set Clear Expectations Sales team perform at their best when they know the management's expectations from them. Their goals should be reasonable and fair. Involving the sales rep own ideas while setting goals would be better. If an organisation fails to do so this could result in the creation of such thoughts in the sales person's mind as in the " My managers never understands what I am dealing with. He always raises my goals without realizing that they are so very unrealistic". Such kind of thoughts makes employees to think that the firm doesn't care about them and only cares for achieving its own objectives.

Creating a Right System In order to make a sales team competitive, an organisation must have a system that supports its marketing and sales strategies. If there is no cohesion among the system and the organisational strategies then the sales force will be de-motivated because they would not be having answers related to the questions regarding the system.

Besides, the Expectancy theory says that the employees will work in accordance to the outcomes that are associated with the work. This will definitely in turn arise many questions as in, the sales people will ask how hard they might have to work, what kind of reward is there for performing well and what are the chances for them to get the reward. It solely depends on the organisations what kind of reward and recognition will they choose for their sales force, their feed back in this perspective can indicate whether they are satisfied with the reward or not.

Apart from the monetary motivation, some other gestures can motivate sales force, as in:

Appreciate every member of the sales force and not only the high achievers; this will create enthusiasm in employees who performed average, to work more hard and get to the position of high achievers.

Give tangible wards such as trophies and medals.

Ask the top management to appreciate the sales force in person in a formal meeting or conference call.

Motivating Middle Managers

In order to keep the employees motivated, it is necessary that the people who motivate them are also motivated. The principle that middle managers must be the core people in motivating employees is correct in times when there this lack of funds available to do so. According to Jane D. and Susan A. (1999) policies, programs or even greeting cards, no matter how much the generosity is contained in them, they rely on the old paradigm of

communication, i. e. from top to bottom. Two way communication ___ is something that motivates employees to a great deal. It gives them a feeling that they have some share in the game. As middle line managers plays a significant role in managing a workforce that is well engaged. They are the one who set the tone of the workgroup and serve as a link between performance and the organisational strategy. According to a research done by William G. and Ian M (2006) on approximately 100, 000 employees and managers, middle managers turned out to be the most frustrated and squeezed. They complained that they were the most underappreciated employees in the organisation. According to Boyle, motivating middle managers are the key to keep the organisational teams engaged and motivated and to do so motivating middle managers is very important, but the motivation should be of deeper meaning, especially in these days of economic crunch. It is necessary that the foundational steps, which make a healthy organisational culture, are there if one is going for motivating employees. In this regards, only predetermined programs cannot help, so for effectively engaging managers, it requires some sense of their need recognition and the knowledge of what things actually motivate these managers.

Following are some of the ways to motivate middle managers:

Advancement through development This should be done by introducing appraisals, identify the loopholes they have in their skills and define their goals accordingly. Career guidance and coaching would be an additional benefit in motivating them. Make a career path for the managers; studies suggest that managers who come to the managerial position after going

through the lower ranks eventually become successful. Organisations should also make arrangements for job enrichment if their key managers are not ready to rotate in some other department. Failing to do so can lead to lack of interest in the job which will ultimately affect the goals of the organisation.

Recognition in the Form of Reputation According to Herzberg recognition is a true motivating factor. This also links to the self esteem needs of Maslow's Hierarchy of needs because human being no matter what function they perform needs recognition. Some organisations have the employee of the month system which gives the manager an instant boost in their self esteem. Managers should also be provided with an opportunity to speak at conferences and other organisational events. This will provide personal and professional advancement.

Assign Challenging Works The work an organisation assigns to middle managers should be interesting and challenging. In order to do so define a manager's job attentively. It is a common practice in most of the organisations that lower level jobs are described carefully with all sorts of performance matrices, but as you go up the hierarchy, no proper job specifications are there for employees. New managers have been seen working very hard, trying to do everything, but as they don't know what they are supposed to do and on what factors their performance will be evaluated they usually end up in vain. This cause managers to lose interest in their and could not perform up to the mark.

Avoid Frustrating Police: Policies and procedures are the main factors of determining what efforts are required to accomplish the organisational

objectives. Dysfunctional processes should be challenged and managers should be allowed to contribute in giving new ideas for replacing the old processes. By doing this, managers will have a feeling of empowerment and will try to do their level best in order to make the organisation successful.

Provide Supervision Presuming that managers do not need guidance is a major misconception of the top management about managers. Managers or even employees who do not find ample amount of guidance or faces poor supervision becomes discouraged and they do not do their work with commitment and dedication. Managers should be asked for a one to one meeting with their immediate bosses in order to discuss their career development and personal agendas.

Provide Sufficient Compensation and Healthy Working Environment Pay can be motivating or de motivating. It can be termed as a double edged sword. Employees who are not provided adequate compensation are more likely to switch to another organisation. They always need more and more immediately after having a raise. Apart from this, employees also consider the working conditions while going for a job. If proper environment is not provided then it might affect the health of the employee which ultimately leads to increased absenteeism and low employee productivity.