

Human Resource and Diversity Management

Managing employee motivation & commitment



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SESSION PLAN

- I. Learning objectives
- II. Introduction
- III. Compensation as a primary source of motivation at work
- IV. Other sources of motivation
- V. The nature of commitment in the workplace
- VI. Recognition at work: a current issue
- VII. Overview

I. Learning objectives



LEARNING OBJECTIVES

- Understanding **how motivation works** and how individuals are involved in their company.
- Understanding the concept of **recognition** at work.
- Knowing how to **propose management tools** for motivation, involvement and recognition at work.



II. Introduction



DEMOTIVATED AND DISENGAGED EMPLOYEES?

- According to a Gallup survey (2018), only **6%** of employees in France would be “very involved in the task at hand and enthusiastic about their assignments” (the lowest rate in Europe).

- Crisis of motivation at work
- Decrease in non-work investment
- Drop in pride in working for one's company

GALLUP

- **Why?**

- Loss of confidence in the organization
- Deterioration of work relationships and/or the relationship with the manager
- Loss of meaning



BRAINSTORMING

What motivates you at work?



A BIT OF HUMOR

- CollegeHumor - When Your Boss Promotes You Without A Raise (2015)



THE MOTIVATIONS OF THE NEW GENERATIONS

- **Generation Y** (born between 1980 and the late 1990s) and **Generation Z** (born between 1997 and 2010)

➤ What do members of generations Y and Z want?

Their work motivation is mainly based on:

- Values (sustainable development, CSR)
- Quality of life, harmony between private and professional life
- Personal development, challenge and creativity

GENERATION



DEFINITIONS

- **Motivation (Thévenet, 1992)**
- **Motivation vs. involvement**
- **Organizational commitment (Allen & Meyer, 1991)**
 - Affective commitment
 - Normative commitment
 - Continuance commitment



III. Compensation as a primary source of motivation at work



THE POWER OF MONEY

- The Wolf of Wall Street (Appian Way, 2013)



THE IMPORTANCE OF COMPENSATION

Salary is the main motivation of Europeans

Top drivers of employee motivation and engagement in Europe in 2018

1. Compensation: 47%
2. Work-life balance: 22%
3. Relationships with colleagues: 21%
4. Recognition from the management: 18%
5. Vacation pay: 12%

Survey conducted in 2017 among 9 908 working adults in France, Germany, Italy, the Netherlands, Poland, Spain, the United Kingdom and Switzerland.

Source: ADP Workforce View in Europe 2018

SALARY AND HAPPINESS

- How Much Money Do You Need To Earn To Be Happy? (CNBC Make It, 2020)



THE EFFICIENCY WAGE THEORY

- When hiring an employee, there is an **asymmetry of information**. The employer doesn't know whether the employee will be highly productive or unproductive (a “talent” or not).
- The only way to **attract and retain the most productive** is to provide a salary above the market price. This also leads the less productive internally to increase their contributions (for fear of being laid off and not finding an equivalent salary).



NEGOTIATING YOUR SALARY

- How to Negotiate Salary: Asking for More Money After a Job Offer (Indeed, 2020)



IV. Other sources of motivation



MEALS AS A SOURCE OF MOTIVATION

In Japan, a canteen where the quality of meals follows the price of the stock market

YANN ROUSSEAU ([HTTP://WWW.LESECHOS.FR/JOURNALISTES/INDEX.PHP?ID=413](http://www.lesechos.fr/journalistes/index.php?id=413)) | Le 04/07 à 17:13



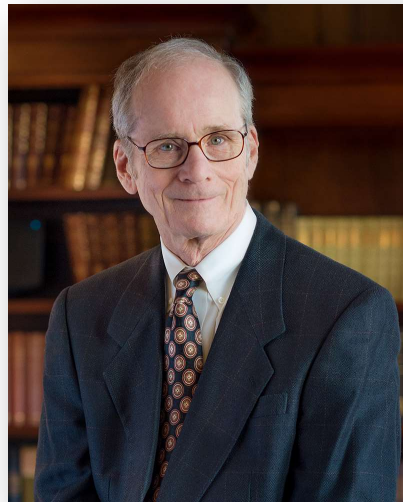
La Kabuteria de Nissin Food Holdings - DR

Nissin Food Holdings, the Japanese instant noodle giant, now “reprimands” its employees with austere meals when stock market objectives are not met.

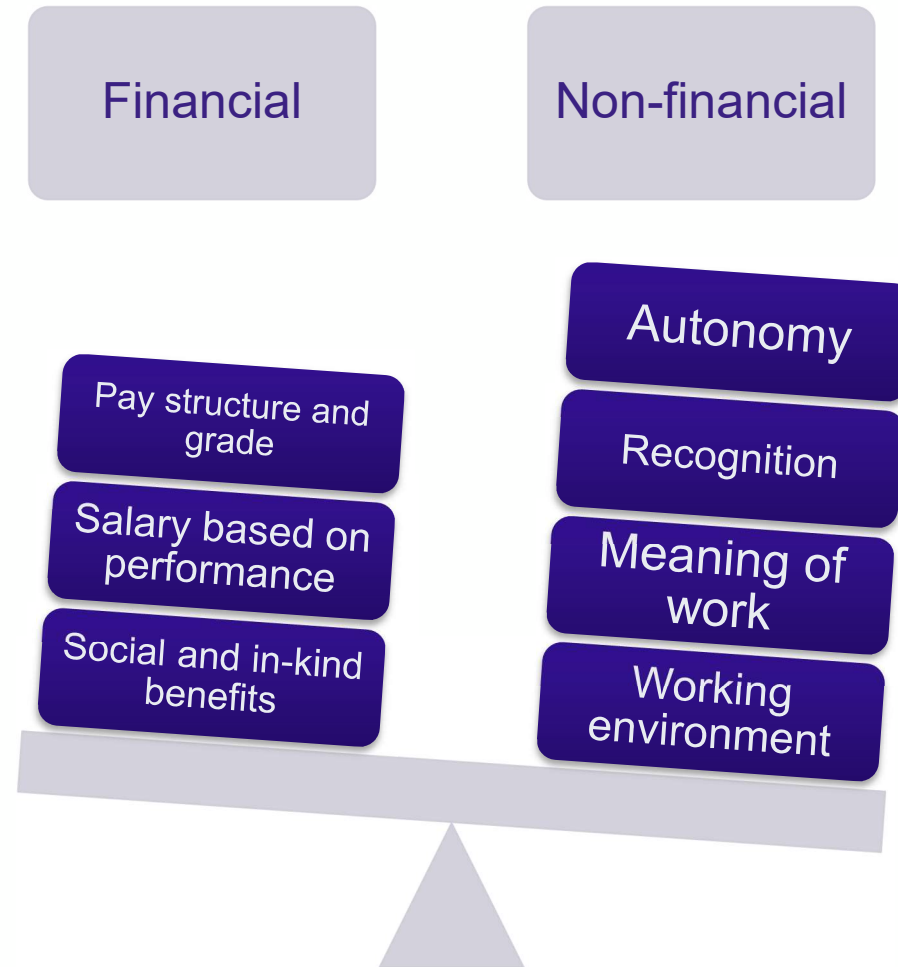
(Source: Les Echos, 04/07/2016)

THE LIMITS OF FINANCIAL INCENTIVES

- **Self-determination theory** (Deci & Ryan, 1985)
 - ***Extrinsic motivation*** is involved in situations where behavior responds to instrumental goals (e.g., obtaining a reward or avoiding a punishment)
 - ***Intrinsic motivation*** is involved when an activity is performed for the pleasure and satisfaction it provides (stimulation, knowledge, accomplishment)



THE NOTION OF “TOTAL REWARD”



V. The nature of commitment in the workplace



EQUITY THEORY BY JOHN STACEY ADAMS (1965)

- Individuals want to be treated fairly. They compare their **reward/contribution ratio** (attention: as it is perceived) with a reference situation (other individual or previous situation).
- A ratio that is judged to be unbalanced (in one direction or another) calls for a **rebalancing**.
- For example: increase or reduce one's contribution...



A KEY NOTION: ORGANIZATIONAL CITIZENSHIP BEHAVIOR

- A notion coined by **Dennis W. Organ** and colleagues (Organ, 1988; Smith, Organ & Near, 1983; Bateman & Organ, 1983).
- **Definition**
- **Some examples:** mutual aid and solidarity between colleagues, professionalism (being on time, respecting deadlines, ...), promotion of the company's image with stakeholders, respect for the company's assets...
- These Organizational Citizenship Behaviors are mainly encouraged by the emotional commitment of employees.



JUSTICE AND ORGANIZATIONAL COMMITMENT



LOW COMMITMENT AND ORGANIZATIONAL CONSEQUENCES

- **What are the consequences of low employee commitment?**
 - Increase in absenteeism
 - Increased turnover
 - Decrease in Organizational Citizenship Behaviors (Organ, 1988)
 - Counterproductive behaviors



VI. Recognition at work: a current issue



SOME FIGURES ON RECOGNITION

- According to Hay Group's "Preparing for take-off" survey, in France, average turnover was estimated at **15.1%** in 2018. One of the primary causes is **lack of recognition**.
- According to the 2018 Odoxa-Dentsu Aegis Network barometer, French employees are satisfied with their work (72%), their relationships with colleagues (88%) and their superiors (72%). Nevertheless, while nearly 80% of employees believe they are doing "useful" work, only **50% feel their work is recognized for its true value**, and only 11% feel they receive the positive feedback and recognition they deserve "when they do a good job."



RECOGNITION: A KEY ISSUE AT WORK

- Why Recognition Improves Employee Engagement (Gallup, 2020)

GALLUP

Q04. In the last seven days, I have received recognition or praise for doing good work.

RECOGNITION: A MULTIFORM CONCEPT



Jean-Pierre Brun

4 forms of recognition

- Existential recognition
- Recognition of results
- Recognition of work practice
 - Recognition of effort

VII. Overview



HOW TO MOTIVATE AND INVOLVE YOUR EMPLOYEES?

- Take into account the **differences** between individuals (motivation, personality, values...).
- Set **achievable goals** and provide feedback.
- **Be caring** in interactions.
- Allow employees to participate in decisions that affect them.
- Linking rewards to performance/skills based on **objective criteria**.
- Give recognition outside of the results achieved.



