Teaching Note

Employee Satisfaction: An Outcome of Motivated Workforce

This teaching note was written by M. Aarthy and B. Madhubala, under the direction of C. Sridevi, IBS Center for Management Research.
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TEACHING NOTE

SUMMARY

These caselets deal with the issue of motivation. Caselet 1 discusses the importance of employee recognition in motivating them to deliver superior work performance. It also examines the various factors that act as motivators for employees. Caselet 2 discusses the impact of induction and socialization processes on employees’ work performance and motivation. Caselet 3 discusses the impact of work environment on employee motivation and satisfaction. It also describes how alternative work schedules can motivate employees and improve organizational performance.

TEACHING OBJECTIVES & TARGET AUDIENCE

These caselets are structured to enable students to

- Understand the relationship between individual needs and motivation.
- Analyze the challenges faced by HR managers in modern day organizations.
- Examine the various ways to motivate and retain employees in organizations.
- Examine the measures that can be taken by management to ensure a smooth induction and socialization process of employees.
- Understand the measures that can be taken by the management of an organization to motivate and improve employee performance.

These caselets are aimed at undergraduate and postgraduate students, and are intended to be a part of the Organizational Behavior course.

TEACHING APPROACH & STRATEGY

These caselets can be used effectively in classroom discussions as well as in distance learning programs. The moderator can begin the class discussion by introducing the following topics:

- The classification of motives into primary, general and secondary motives.
- Maslow’s hierarchy of needs and their relation to an employee’s work motivation.
- Effect of motivation on work performance and employee satisfaction.
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ANALYSIS

CASELET 1

1. According to Herzberg’s two-factor theory of motivation, there are two major factors that play a major role in employee motivation – hygiene factors and motivating factors. The absence of hygiene factors like fair pay, working conditions, organizational policies leads to employee dissatisfaction and demotivation. But even if the hygiene factors are provided above the usual level, they fail to motivate employees. The motivating factors include nature of work, recognition for good work, rewarding good performance, etc. The presence of motivating factors is essential for employee satisfaction and motivation.

Since salary is a hygiene factor, Smile Hotels Group failed to motivate employees by giving more salary. To motivate employees they have to make their job interesting, appreciate them when they perform well and give them greater responsibilities. The employee recognition program proposed by Roy aimed at providing these motivational factors. Therefore, the CEO of the group, Hari Prasad Thakur agreed to implement the suggestion offered by Roy. The program was essential to motivate employees and improve customer service.

The marketing manager and the associate marketing manager suggested that the company should offer free holiday trips, discounts in holiday packages, discount in room rent, and extra facilities for customers from the corporate segment so as to attract more number of customers. These techniques work only as long as the schemes are being offered. Once, the company stops spending on gifts, the problem of customer switching will recur. Hence, the CEO chose to concentrate on addressing the problem from a long-term perspective by improving customer service which would, in turn, help increase the customer satisfaction level and thus help the company retain customers for a long time. For this to happen, the employees had to be motivated to offer still better service than they were currently offering to customers. Therefore, keeping the long-term benefits of the company in view, the CEO decided to implement the suggestion proposed by the HR manager.

2. The management of Smile Hotels Group has initiated an employee recognition program which recognizes employees who perform well. In addition to it, the management should invite ideas from employees to improve customer service and reward good suggestions. If the management implements a suggestion and obtains a good response from customers, the employee who made the suggestion should be rewarded by giving him a higher rating and due weightage in his performance appraisal. However, the management should not discourage employees whose suggestions are not implemented. A training program may be started for employees to tell them how to develop ideas and refine them so as to be applicable in organization. The training will help employees review their ideas before submission. This will reduce the time taken by management to review employees’ ideas, and concentrate on other strategic issues of significance. Also, this will nurture creativity in the organization and improve customer service and satisfaction.
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Occasionally, managers should also attend to customers, find out their opinions on the service being delivered by the staff, and note any suggestions they may give to improve the service. Abiding with the company’s philosophy of delivering superior customer service, the managers should not hesitate to serve a customer if they find that none of the staff is available. This will not only set an example for the employees to follow but will also demonstrate the importance given to customer service at Smile.

In this way, Smile Hotels Group will be able to retain existing customers, attract new customers, and improve its profitability.

CASELET 2

1. Morgeld joined Akay because it promised him a supportive and encouraging work environment, informal culture and growth opportunities. But on the day of joining, he found that the employees working in the organization were not very helpful. No one cared to guide him through the procedures when he came with his appointment letter to join the company. He waited for almost two hours in the reception but no one came to receive him. There were absolutely no efforts made by anyone in the organization to introduce a new employee to the other employees. The receptionist did not try to find out whom he should meet. He had to ask and find his way between the various cabins to find out the person whom he had to report to. He was not told anything beforehand about the dress code and when he came dressed in formals, many in the organization laughed at him and commented that he should come dressed in casuals. Further, no one in the office bothered to inform him about the lunch-break or where lunch was available. No one bothered to show him the way to the canteen. As a result, he had to come back from office hungry. Morgeld must have experienced dissatisfaction and must have regretted his decision to join this company. He must have also thought that if the company could not keep its promise of a supportive work environment for newcomers, how could it keep its promise of opportunities for career growth.

Akay failed to facilitate a smooth induction of new employees into the organization. Poor induction and socialization processes dampen the spirits of new employees who join the organization with a lot of hope and ambition. This can have a negative impact on their work performance as well. Moreover, if an employee is not allowed to interact with other employees, he will not develop any sense of belonging to the organization and coworkers. Therefore, he is likely to switch jobs at the earliest opportunity.

2. During the first two years of his joining the company, Morgeld was not allowed to do tasks on his own. He was constantly instructed, guided and monitored by his team leader, Sadgun Chari. Such constant monitoring prevents employee development and reduces their growth prospects.

One day suddenly, Chari gave an important task to Morgeld and asked him to complete it on his own. He induced psychological pressure on Morgeld saying that it was a high priority task and had to be done perfectly within a short time. Although Morgeld was tense, he worked hard for 14 hours a day and completed the task. When he went to report to Chari that he completed the task, the latter was on leave. Therefore, Morgeld went to
submit the file directly to his boss, the Production Manager. This was not appreciated by the manager. He wanted the file to come only through Chari. Even after Morgeld tried to remind him that it was a priority task, he insisted that he would accept the file only through Chari. This showed that the organization had a bureaucratic culture. The boss communicated only with his immediate subordinates. When the Production Manager asked Morgeld to take up another priority task, Morgeld was too demotivated to work on it. He was sad that he hadn’t got even a word of appreciation from his boss for completing the previous task on time. The Production Manager, in fact, did not even have a look at it. Morgeld felt that probably his team leader had given him a normal task and made it appear as urgent to ensure that he slogged on it and completed it in time. Morgeld was depressed with the kind of response he received from his superiors for his successful performance. He was also disheartened by the kind of work environment that prevailed in the company. This adversely affected his morale and he failed to display enthusiasm and commitment in his next assignment.

CASELET 3

1. In the present day scenario, the workforce in most organizations is no longer motivated to deliver exceptional performance merely on hikes in salary or extravagant bonuses. The overall feeling of wellness experienced by employees is a prime factor in determining how satisfied the employees are with the organization. Organizations are therefore thinking of innovative ways to motivate their employees and ensure their loyalty to the organization.

A few examples of the innovative methods adopted by organizations to ensure employee motivation and satisfaction are discussed below:

- Many large organizations provide employees with large open workspaces such as beautiful gardens, to work in. Employees are allowed to go for long walks to beat stress.
- Tennis grounds, table tennis courts, golf courses, gymnasium etc. are all commonly used stress-busters in companies.
- Employees in most organizations also have the facility of a company cafeteria along with coffee or coke-vending machines.
- Organizations also offer their employees the option of alternative work methods such as telecommuting, flextime, a much-deserved holiday after a particularly long work schedule, etc.
- In most organizations, the HR department is also engaged in developing career plans for their employees so as to establish a correlation between employee growth, and the growth of the organization as a whole.
- Provision for an excellent career path, a challenging job profile, unlimited learning opportunities are some of the expectations of the modern workforce and organizations are striving to cater to these needs.

Thus, most modern organizations concentrate on catering to the overall wellness of their members, and also give them attractive incentives for exceptional performances in an attempt to absorb and retain the best talent in the industry.
2.

Keeping in mind the high cost of acquiring new employees, modern organizations are coming up with innovative ways to motivate and retain people. In doing so, they are ensuring that they help employees manage stress that arises from the monotonous nature of their jobs. This, in turn, will help organizations get the best out of their employees. Most organizations today offer their employees various work alternatives that increase their productivity. Some of them are discussed below -

- Flextime - As the name suggests, it allows the employees to choose their working hours, but within some specified limits. For example, if a firm requires an employee to put in 40 hours of work during a week, he is allowed to do it by varying the number of hours he puts in everyday.

- Telecommuting - It is the practice of working from home or while traveling, keeping in contact with the office. New developments in the field of information technology have made this a feasible concept. By operating from home, employees are able to avoid rush hours and thus save traveling time. This, in turn, allows them to be more productive.

- Job sharing - This takes place when two or more part-time employees share the work of a full-time employee. It is advantageous both for the organization as well as the employees. The employees can reschedule their work hours to suit their personal needs and can concentrate better on their job, without any distractions. The organization can enjoy the benefits of some cost savings and also have a better performance from its employees.

- Condensed work week – This option involves compressing the work week by increasing the number of working hours per day. Normally, a 40 hour, five day work week is condensed into four days, by increasing the number of working hours from eight to ten hours per day. This would reduce absenteeism and tardiness at the work place and give the employees more time for their personal needs.

- Working from home – This is another concept which has become quite popular in the recent times. Employees work from home on a regular basis and visit the office only once or twice in a week. This results in a great saving for the employers too in terms of office space and other facilities. The employees of course save time and resources as they need not spend time and money traveling to and from the office. The biggest advantage to employees is that they can cater to the needs of their family which helps them balance their personal and professional lives.

Most organizations offer some or all of the above work alternatives that not only help employees cope with stress but also help in increasing their productivity.