# TRINITY MANAGEMENT REVIEW

#### **Apr- Jun 2015**

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## MOTIVATING THE WORKFORCE

#### TRINITY INSTITUTE OF PROFESSIONAL STUDIES

Certified as "A" Grade Institution of GGSIPU by SFRC, Govt. of NCT of Delhi ISO – 9001:2008 Certified TRINITY MANAGEMENT REVIEW

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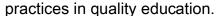
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#### **INTRODUCTION**

The theme of the second edition of Trinity Management Review is "Motivating the Workforce". The current issue stresses on the important role played by motivation on increasing productivity and reducing attrition in Industry. The major areas covered in the TMR relate to the significance of motivation in increasing the productivity of the employee and to retain talent in the organization. The main article in this edition talks of the leading Innovative ways in which companies can motivate employees. These might not be the main benefits which the companies offer at present, but the listed secondary benefits could be of great importance to the employees.

The issue also contains a Case study devised to cover the impact of Pygmalion Effect, a concept of motivation which is adopted by the top level management to help the employees reach to higher goals. It takes an example of an Insurance Company which divides its workforce into groups and assesses the impact of leader aspirations on the productivity of the group members. The case study concludes with a few questions which could be solved on a careful evaluation of the case study.

The article Onboarding discusses the concept of induction and focuses on the need to have a clear introduction of the organization to the employee to help him recognize with the culture and expectations of his profile on the job.

The article on "Work Life Balance" stresses the need of achieving the fit between the professional life of the employee and his personal front. The responsibility that the employee enjoys a proper work life balance lies primarily on the employer.

The issue concludes with yet another article which talks about strategic human resource management and the performance incentives associated with it.

The expert review of the current issue focuses its attention on the important role of motivating the workforce to achieve higher productivity levels. In the end some tips for the employers/ managers are also given.

#### INNOVATIVE BENEFITS FOR EMPLOYEE MOTIVATION

#### Dr. Jaspreet Kaur

There are common benefits that are given to employees regularly. Examples mainly include benefits like Healthcare, life insurance, pensions, savings plans, etc and are offered to employees world over. These benefits are by far crucial for the employees. The same has been seen in a survey by Tower Watson's Global Benefits attitude Survey 2014 in which 22,347 employees worldwide had been interviewed. In this survey about 50 percent of respondents agreed that the benefits like pension schemes and health insurance programs are of great importance to them and that the same is the main reason why they would want to stay with the company.

There are but some lesser-known benefits which are seldom offered to the employees nowadays. These rare benefits could differentiate companies from their competitors as the addition of these benefits could attract new talent from the industry. In this article we have listed about four such rare benefits which are overlooked, but the employees do appreciate:

#### 1. Commuting benefits.

Many a times some benefits related to commuting becomes a crucial factor in motivating workforce. This is primarily the case in the urban cities where the travel is a huge cost for the employee. Also the convenience of travelling like a pooled or individual cab could be of great importance for the employee. Employees who drive themselves to work could have the hassle of paying the fuel cost along with the trauma of parking in peak hours of work. This could be of benefit for both the employees and employers as assuring a pick up facility could also

assure that the employees reach office on time. One example of this type of benefit given effectively is the Clif Bar & Company which gives employees who come to work on a bike twice a week, a sum of \$500 per month to improve the commuter's bike.



#### 2. Higher education.

A company's growth depends on the individual growth and development. Thus if a company spends on the employees' education, then the same could prove to be beneficial for the company. For Starbucks announced its College example Achievement Plan which offered full-tuition coverage for eligible employees so as to get a bachelor's degree online in the Arizona State University. At the same time this benefit could be given to employees with a bond to work with them for the time they get a degree. For example the company Wipro has brought in a recruitment program under the name WASE in which they recruit fresher and get them to sign a 4 yr bond for completing their B.Tech and M.Tech from BITS,

Pilani and be attached to the firm in that tenure of getting a degree.

#### 3. Paid Yearly leave

It is true that to maintain a better work-life balance, the employees have to be given a break from the routine work for more than just a long weekend. In the academic world, professors are generally given paid sabbatical to enhance their qualification in their professional field. In the corporate world, the same is rare. For example in the SHRM's 2014 Benefits survey it was found out that only 3 percent of U.S. companies offer this benefit. At the same time, this benefit could be levied by the government itself as is done in countries like Sweden where the employee gets a compulsory paid one month off annually.

Other companies who provide this benefit is MeetUp, which is an online social networking that allows the employees to take a huge three months of paid sabbatical if they have worked with the company for more than seven years. This also increases the loyalty of the employees.

Also some companies give the employees a voluntary paid time off to cater to a social cause or organisation. It was seen in the SHRM benefit survey that the volunteer time off (VTO), was offered by16 percent of companies. VTO policy rewards the employees who make a difference to the community. Thus VTO helps the company to portray a commitment to authentic corporate social responsibility.

#### 4. Concierge benefits.

Concierge benefits means providing some services which could include dry cleaning, meal catering to crèche for infants or employee kids. This creates a better balance between the employees' personal and professional life. The same is followed by many a companies like Google, Face book and Twitter. Web-hosting service Weebly gives employees a \$50 monthly credit to their employees for house cleaning etc. The idea of this benefit is that the employee will spend lesser time on the non-work related activities on the work day, and concentrate more on the company's task list.

#### **CASE STUDY**

#### **Pygmalion Effect in Practice**

effect The of managerial expectations on productivity can be understood the organizational experiment undertaken in 1961 by Alfred Oberlander, manager of the Rockaway district office of the Metropolitan Life Insurance Company. It was noticed in the company that the outstanding insurance agencies grew faster in comparison to the average agencies. Also it was noticed that the new agents performed better in outstanding agencies in comparison to the average agencies, irrespective of their sales aptitude. It was thus decided by the company to group its superior agents in one unit so that the company could boost their performance. Thus the company thought that a challenging environment could be introduced with the new salespeople with this so formed group of outstanding insurance agents.

Oberlander also grouped the agents into three groups. The first group consisted of six best agents to work with best assistant manager. The second group consisted of six average producers who would work with the average assistant manager, and the third group consisted of the remaining low producers who would work with the manager of low capability. It was then targeted for the first superior group to produce two-thirds of the premium volume achieved by the entire agency in the previous year.

This first superior employees group began to be called as 'super-staff' because of their high quality of employee in the unit. Their production efforts also surpassed the optimistic expectations of the company thus proving that the group was motivated beyond their normal productive capacities. This also explains that the superior agents worked better when the issue with the poor producers was

eliminated from the operations. Thus the overall agency performance improved by 40%.

Within a span of 2 years it was seen that with this classification of the groups, there were many agents who had the potential of half a million dollars. The productivity of those in the lowest unit who had no chance of reaching the half-million-dollar mark, declined, and that attrition among them increased. However there was an unexpected phenomenon of those agents achieving half-million-dollar mark who were not even considered to have any chance of reaching the benchmark of that high a performance. These were from the "average group unit"

This was an interesting phenomenon as the company expected only an average performance from this "average productivity group". The main reason found out for the same was the fact that the assistant manager in charge of the group refused to believe that she was less capable than the manager of the super staff. She was interested in fruitful discussions with her agents. She also believed and expected that every member of the middle group had greater potential as compared to the super staff and all they were lacking was the number of years of experience in selling insurance. As a result, each year the middle group increased its productivity by a higher percentage than the super staff did.

- Q.1 Explain why in the above case study, the average performers group performed better than the top performers groups?
- Q.2 Explain the role of the assistant manager of the "average productivity group" in transmitting her own feelings of efficacy to her agents to stimulate productivity.

#### **ONBOARDING:** Key to Productivity & Retaining Employees

#### Namrata Yadav

The first few days and weeks on the job for new employees are critical for them to fit in the organisation and to become productive for the organisation as fast as possible. Historically, the process to help the new employees adjust to a new environment has been known as orientation.

Today, orientation is not a stand-alone event but part of a bigger process and now it is often called onboarding. Some people view onboarding as just a buzzword for orientation or something that occurs at large companies only, but it's actually an opportunity for small and midsize businesses also to do more to ensure that new employees become productive and satisfied members of their staff.

The onboarding process is defined as a systematic and comprehensive approach to integrating a new employee with a company and its culture, as well as getting the new employee the tools and information needed to become a productive member of the team. A well-designed onboarding process ensures that new employees are immediately engaged in their work and they feel comfortable while entering their new place of employment. So an onboarding solution should be easy, automatic, and personal. It must incorporate the latest onboarding best practices and emphasize on employee socialization. New employees are usually welcomed in person, which makes it easier to answer their questions, introduce them to other team members, and notice their reactions. Some of the onboarding techniques are as follows:

(a) **Face-to-Face Welcome:** It is essential for an employee to connect the face to a voice to be able to build a strong relationship. Using video conferencing is

a great way to welcome employees to the company.

- (b) Introduce them to the Team: The new hired employees must be introduced to other team members. If co-workers welcome them it makes them feel like they are also part of the family. This prevents new hires from feeling isolated and uninvolved.
- (c) **Instill Culture:** Team members can ensure that new employees are well aware of the workflow, organizational values, business goals and performance expectations. The new hired employees must be told that they are free to communicate and ask questions whenever they feel the need to. When employees feel connected to the culture, they are more willing to work harder and feel as though they are making an impact.
- (d) Go over the basics: a new employee must be given an overview of company's basic products or services ,size and general organization of the company, an overview of your industry and where your business fits into the overall picture (Who's your chief competition?),your company's mission statement and values, company goals and strategic objectives, your organizational culture.

The employee onboarding process explains what new employees learn in their first few weeks have long-term effects on their ability to tackle the challenges of today's faster-paced business environment. It covers matters related to training, scheduled milestones, mentoring programs and interactive meeting. Research has demonstrated that these socialization techniques lead to positive outcomes for new employees such as higher job satisfaction, better job performance, greater organizational commitment, and reduction in occupational stress and intentions to quit the job. So onboarding influences employee performance and retention. These outcomes are particularly important to an organization looking to retain a competitive advantage in an increasingly mobile and globalized workforce. In the United States, for example, up to 25% of workers are organizational newcomers engaged in an onboarding process.



#### Why companies should focus on onboarding?

A well-executed onboarding program must get employees engaged early, raises retention and improves productivity of the employees. Industry studies have shown that a significant amount of staff turnover of around 20 percent typically occurs in the first 45 days of employment. Studies also show that employees who go through onboarding programs are much more likely to stay with the organization after three years.

When bringing in a new employee, a company has a chance to make a favorable impression. A company with a structured, well-executed onboarding program creates the impression that it is well run and values its employees, whereas a company without a program or with a poorly executed onboarding program does not contribute anything to an employee's success.

According to 2011 report from the Aberdeen group, organizations with a standardized onboarding process (compared to those without a consistent process) experience:

- 13-percent higher rates of new hire performance goals met
- 19-percent higher rates of new hire engagement
- 19-percent higher rates of new hire retention

#### **IBM'S Onboarding Program**

IBM redesigned its onboarding program to a span of 24 months from a 30 day orientation program by formulating a model known as "The Four Pillar Model". This model discusses the core concepts of Successful Onboarding of the Kaiser Associates Onboarding Margin Activity Matrix. The four pillars of IBM's Onboarding program are:

- (A) Cultural Mastery
- (B) Interpersonal Network Development
- (C) Early Career Support
- (D) Strategy Immersion & Development

The Human Resource Executive Online (HREO) mentions that IBM has also created an alternative onboarding program for its executive and senior management hires which indicates that IBM recognizes the need for different development needs

of a particular segment of new employees. It was mentioned in the HREO article that IBM understands that an effective onboarding program is important for increasing a new employee's productivity and improving the organizations employer-employee relations.

#### RATIONALE OF WORK LIFE BALANCE

#### Sakshi Goel

In today's busy world, prioritizing between your work and your personal life is proven to be an enormous task. But research shows that a poor work-life balance can result in undesirable levels of stress, unhappiness, and even reduced productivity Work/life balance is at best an epitome and at worst a complete false notion which is being told by senior executives now a days. But by making deliberate choices about what opportunities they'll choose and which they'll reject, rather than simply reacting to emergencies, leaders can and do engage meaningfully with work, family, and community. A consequential number of workers seem to have problems finding the right balance between family life and work life and this affects their personal health, the health of their families and the organizations they work for. Work-life- family balance is a self-defined state of well being. It allows one to effectively manage responsibilities at work, home, and in the community; it supports physical, emotional, family, and community health (Human Resources and Skills Development Canada [HRSDC],recognizes the inter-relatedness of work life and life apart from work. Those who have balance are satisfied with their work and home lives, are able to fulfill their multiple responsibilities at home, work, and the community without guilt or regret, are healthy physically, emotionally, and socially, have a sense of control over their life, and feel that the decisions they make are informed choices as opposed to forced sacrifices (www.hrsdc.gc.ca 2004 a). The approach of how work-life balance can be

achieved and enhanced is an important issue in the field of human resource management and has received significant attention from employers, workers, government, academic researchers, and the popular media. (McPherson and Reed 2007, 13).

Employees, especially the younger generation who experience long hours, the expectations of 24\*7 connections and increasing duress of globalization are beginning to demand changes from their employers. Also, people in the geriatrics section are working longer now than in the past and are demanding different work arrangements to serve their life style needs.



Employers are becoming increasingly sensitized of the cost implications associated with over-worked employees such as: operating and productivity costs, absenteeism, punctuality, commitment and performance. Perhaps, there are five main reasons why companies participate in work life balance programs; high return on investment, recruitment and retention of employees, legislation, costs and union regulations.

It needs to be mentioned here that however, these additional enactment falls outside the scope of our current article but these can be viewed as supporting employees' health, well-being, and work-life balance, Flexi time, Telecommuting, Compressed Work Weeks, Part-Time Work and Job sharing.

Whereas, it can be concluded that everyone should be benefited from good practice of work-life balance. Companies those who have implemented work-life balance programs recognize that employee welfare affects the "bottom line" of the work. Certainly factors are required to ensure that programs are having the desirable effects on both employees and the company.

Six parameters/factors that can be used to gauge work life balance programs are: extent of management buy-in and training, how programs are communicated to employees, corporate culture, management controls, human resources policies and employee control. With learning, we connect working hours and satisfaction with desirable work—life balance. This balance is specific to each individual and relates to satisfaction with a job and all other parts in life, especially family life and leisure time. Therefore, a good work—life balance results in high satisfaction.

#### THE IMPACT OF STRATEGIC HRM ON PERFORMANCE

#### Ms. Ritika Kaur

Considerable research has been done over the last decade or so which has attempted to answer two basic questions: 'Do HR practices make a positive impact on performance?' and 'If so, how is the impact achieved?' The second one is more important. It is not enough to prove that HRM is a good thing. What counts is what can be done to ensure that it is a good thing.

According to Guest (1997), performance outcomes can be understood in terms of internal outcomes such as employee relation indicators, including labour turnover and absence, productivity, quality of products and services – and external performance outcomes, including in particular financial performance. In Guest *et al* (2000a) the relationship between HRM and performance and quality modeled which indicated that HR practices influence HR outcomes, which in turn leads to lower absence and labour turnover and increased productivity and quality – and these in turn should lead to increase in sale and profitability.

Arthur conducted a research on 30 US steel minimils and examined the performance effects associated with a fit between business and HR strategy. He defined fit as occurring when a cost-based business strategy was combined with a control-orientated HR strategy and when a differentiating-based business strategy was combined with a commitment-type HR strategy. The results were not statistically significant, but he did find those mills practicing a differentiation-based strategy with fit had higher productivity than those without fit.

Huselid(1995) also conducted research into the impact of human resource management practices on company performance by analyzing the responses of 968 US firms to a questionnaire. In general, he found that if firms increase their high-performance work practices, there are significant increase in productivity and profits.

Patterson, West, Lawthom and Nickell(1997) conducted extensive research on number of single-site manufacturing operations. The study looked at the impact of activities including employee's attitudes, organizational culture and human resource management practices. This study revealed very strong relationships between employee attitudes, organizational culture, HRM practices and company performance.

Guest(1997) comments that high performance at the individual level depends on high motivation plus the necessary skills and abilities and an appropriate role and understanding of that role. He also concluded that firm's performance can be improved by (1) Increasing the skills and abilities of the employees, (2) By promoting positive attitudes that result in a committed and motivated workers and (3) providing expanded responsibilities that allow employees to make full use of their skills and abilities.

### EXPERT REVIEW Dr. J.P.Singh

#### Are we keeping our employees motivated?



Human capital is most valuable asset of any company. Management of this capital is a herculean task for any organization, owing to the fact that each individual is an entity by itself. Two person are

never alike, be it their knowledge, their intellect level, the environment in which they work or environment where they live in and so on and so forth. With so many variables around an employee, keeping a person motivated to take maximum result out of him/her and ensuring retention on long term basis is a challenge for HR Department.

Every company normally faces one common problem of high employee turnout ratio. It is very specific to IT Industry, Customer Care Department and Operations Department. People leave the company for better pay, better profile, better career opportunities or better opportunities to enhance their technical capabilities. But the hind side of it is people do not leave an Organization, they leave their Boss. Retention and attrition are the two sides of the same coin. The analysis of survey carried out on retention and attrition by many senior HR personnel, revealed that following ten points important to keep employees motivated, despite various other constraints prevailing in the organization.

- 1. Praise the employee for a job well done or even partially well done.
- 2. If an employee is bored, involve that individual in a discussion about ways to create a more satisfying career path,

- including promotions based on concrete outcomes.
- 3. State your clear expectations for task accomplishment.
- 4. Ensure that the job description involves a variety of tasks.
- 5. Ensure that the employee sees that what he/she is doing impacts the whole process or task that others will also be part of.
- 6. Make sure that the employee feels that what he/she is doing is meaningful.
- 7. Provide feedback along the way, pointing out both positive and negative aspects.
- 8. Allow for an appropriate amount of autonomy for the employee based on previous and anticipated accomplishment.
- 9. Increase the depth and breadth of what the employee is currently doing.
- 10. Provide the employee with adequate opportunity to succeed.