

Non-Financial Motivation of Staff - Challenges and Solutions

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Abstract

People are the most important resource in an organization, therefore employee motivation is crucial in terms of its success or failure, thus the reason must be a topical theme manager.

Key words: *motivation, positive motivation, negative motivation, financial motivation, non financial motivation.*

1. What is motivation?

Motivation depends on the human's will to act in a certain way. Motivation represents the internal state of the employee who guides and directs its behavior by meeting certain requirements.

The employee's motivation depends on the influence behavior. Once aware of this, the chance of achieving better results at both organizational and individual levels. Managers can not order their employees to be motivated, what they can do instead, is to create an atmosphere through which to cultivate accountability, dedication and improvement at work. Some managers choose a shorter path, but not effective- they try to motivate through fear. This method, however, quickly loses the effect. True managers motivate through their personality and authority, not through fear.

To use the full potential of employees and managers modern managers and organization changed their approach from "giving orders and control" to "consult and support" as effective ways for employee motivation. This change of attitude began when managers understood that recognizing achievements or recognizing the good performance is more effective than punishment for poor performance.

Non-financial motivation is the integration of a system of reward and recognitions (Rewards and Recognition - R & R), which doesn't involve giving money directly to the employee. Motivational policies, financial and non-financial, should not be designed in isolation but in line with the organization's other policies and objectives.

Analysis of their implementation will not be limited to a short period of time, but will take into account the effects of these on a longer time horizon.

According to several criteria, a classification of motivations can be made, but the most relevant is the criteria that make the difference between positive motivation and negative motivation.

The main motivating factors awards use within an organization are:

- professional achievement;
- a pleasant organizational climate;
- interesting work;
- professional development;
- recognition of professional contributions;
- respect and a certain status given by the nature of the job.

Negative motivation is driven by the aversive motivational factors that induce negative feelings and reactions on the position held in the organization.

The main factors are:

- Appearance of the impression of inequity
- Control policies and procedures (with lists of rules and with rules that are not needed)
- Peer and hierarchy relations
- Individual status that confers a certain position in the organization;
- low wage / salary reduction;
- job insecurity;
- The job's influence on personal life (free time vs busy time).

2. Non-financial motivation versus financial motivation

Considering that every person is motivated by different things, according to individual circumstances and the situation it's in at a certain moment, managers must be able to identify motivational factors which to accommodate their wishes and needs.

It is clear that, in an organization which wants performance, we can't have just a single type of motivation, but comparing with financial motivation, the non-financial one represents a series of benefits:

- Low costs;
- It has a stronger effect and remains longer embedded in the mind of the employee as it appeals in it's emotional state;
- Can be applied to a longer period of time;
- If it's interrupted it doesn't generate resentments among those

- targeted;
- Promotes membership in that team;
- Raises the employee's fidelity for the organization.

3. Application of non-financial motivation.

The relationship between the employer and the employee is a maximum motivation factor for the employee. Motivational methods used by a manager, through which the managers shows that he cares about his employees are the following(without limiting only to those):

- Effective communication: an active listening of the manager to messages sent by the caller, followed by a clear feedback from him;
- Positive Feedback: "praise in public and correct in private";
- Extension/enrichment of the job: potential noting from the manager of each employee and encourage their development;
- Management by objectives: joint participation in setting goals, achieving them and evaluation of performances of each employee;
- Quality circles: the manager proposes to employees to form teams to provide solutions in solving a problem which considers product quality;
- Clarity of the tasks: the manager must provide sufficient information on the tasks assigned to employees to understand what is desired of them;
- Brainstorming: a group specific technique designed to generate a range of ideas to solve problems;
- Delegation: the manager can empower a person / group of persons, time-bound execution, supervision or an organization of a project.

4. What are the results of implementing a R & R system?

In the current economic context, the optimal solution for a certain class of problems arising in the work of an organization is the system R & R.

At the organizational level the practical application of non-financial motivation can bring the following results:

- Identifying motivational factors of employees in the company, to increase professional performance;
- Aligning individual objectives to general objectives of the society and establishing the means by which they will be achieved;
- Cultivation of the spirit of cohesion, belonging and shared responsibility for the success or failure of the team;

- "Pushing" the staff into action during peak periods or in critical moments of the company when there is a need for additional force and the company's budget doesn't allow additional staff hiring;
- Employees determination to get involved in objectives realisation of development of the company and their awareness of the role they have in it;
- Reducing staff turnover in key functions of the company and increasing loyalty to it;
- Competitive business environment by developing staff desire to succeed;
- Increasing the quality of products / services, especially of sales, without the need for additional production costs and marketing expenses;
- Improving the internal and the external image of the company and building an internal climate of valuing work well done.

Motivational techniques, regardless of how their classification or their use, is based on the following premise: the greater the feelings of belonging and involvement in that firm, the greater the responsibility, recognition, respect or status granted staff.

Non-financial motivation Policy should stimulate recognition not only vertically but also horizontally (manager-employee and employee-employee). This R&R system will have a positive effect if the manager will involve employees in creating the evaluation grid, after which staff will be rewarded, acknowledging their employees their importance within the team and organization.

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