

Course Name: Organizational Behaviour: Individual Dynamics in Organization

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Week – 08

Lecture – 03

Lecture 38: Motivating the employees: Strategies for organization-1

Hello students. Namaskar! Welcome back to the course on Organizational Behavior, Individual Dynamics in Organization. In the previous class, we looked into the lecture 1 and 2 of module 8 where we started with motivation and its applications. In lecture 3, we will look into motivating the employees specifically strategies for organization.

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Today's theme for today's session would be the aim is to utilize flexible work hours to meet employees' personal and professional goals while still providing the highest quality of service to customers. When we are looking into what you are supposedly going to provide, it is not only your personal and professional goals but also with respect to your involvement within the organization. If you recollect the previous sessions, we are looking into both participation as well as commitment which makes your involvement in any single activity within the organization.

So let us look into why motivation strategies are relevant. The first and the foremost thing which we all know but I would like to take it up from a different perspective altogether is employee productivity. The moment you are motivated, the moment you understand that you are driven by let us say some extrinsic or intrinsic factors altogether, you tend to achieve the target whatever tough the target may or however tough the target or however humongous the target may be. The level of aspiration to achieve that particular target be you are in a group, you are in a team, you are supposedly part of a committee which decides on particular thing, you are driven by certain motivating factors then obviously the employee productivity will be high. Just recall the equity theory for the moment.

You will see that the level of input you are giving if you are able to match the output then obviously the employee productivity will be very high. Similarly, when you are looking into organization perspective, let us look into employee retention. There should

not be any reason why I should leave my organization if I am truly and thoroughly motivated in my organization. This is where particularly employee retention becomes very critical. We are talking about HR policies, recruitment and retaining policies when we are also talking about things like great resignation where there is a mass exodus of people.

There are people who are moving out of one organization to another or they are not satisfied with a particular job especially after the post-COVID era. We see that there is lot of dissatisfaction among employees and this has resulted ultimately in great resignation thanks to the recent strategies deployed by organizations it is gradually getting phased off. But interestingly if you see the level of discontentment or dissatisfaction is very high. So, employee retention is always critical. Now there are certain limitations whereby people can just reduce the level of demotivation by giving extrinsic factors, extrinsic motivators but many a time it is instrumental for the organization to develop or to convert or to translate extrinsic motivation to basic intrinsic motivation for a particular employee. That will result in the particular individual, the specific employee being retained or being with the organization for a longer period in time.

The third most important aspect is improved morale. We several times feel that the moment you get into an organization you are dull, you are not happy with the organization culture, you are not happy to be with the person who is sitting beside you in the office, you are not happy with your boss, you are not happy even with the subordinate, you are not happy with the task. So many a time this is not with respect to the task, the job in hand or the boss or the subordinate or the co-worker. Many a time it is lack of the drive, lack of the intrinsic motivation that has made you person who is less in morale.

So many a time you will feel that the application of motivation, the biggest application is to increase the morale of individuals. The moment you are more motivated, you tend to give more to the organization. You feel that there is a sense of ownership associated with you in your organization and ultimately you feel that you have improved morale.

Another important aspect is enhanced creativity and innovation. If you look into specific jobs, let us look into R&D jobs or let us look into some jobs which have a creative angle to it. If you need the creative bend of mind for your job, you need to be motivated. There is a limitation, there is a gap whereby extrinsic motivation can actually enhance your creativity. You need to have your thorough mind; you need to have your clear mind to focus on things to bring out new innovative strategies maybe with respect to some product development or to improve the process you might have to bring out some innovative process development. So, all this warrants the use of a refreshed mind and that refreshed mind will only come when you are thoroughly motivated.

And there is yet another important factor which is goal achievement. I like you to recollect what we discussed in terms of strategic intent. When the organizational objectives is in line with the personal objectives or the personal goals, then you see that there is a congruence. There is a level of satisfaction both with respect to the employee and the organization, both of them go together in tandem, hand in hand. Otherwise, there is always a possibility of a tangential shift which is not what we want especially when we are looking into motivation. So, goal achievement mainly when people are result oriented, mainly when people are looking into their career, their results, organizational results also have to be working hand in hand or there should be some level of incorporation that is happening with respect to organizational goal achievement as well.

Let us look into some of the motivation strategies, better problem solving. So why we need to have motivation strategies. Let us ponder for a second. When we are looking into a situation where an individual is motivated, thoroughly motivated, there is no harm he is doing perfect or she is doing well. In an excellent manner she is performing well but that said let us look into an upper cap. There might be a situation where she is not able to render more than with respect to the demand of the job.

Sometimes let us say there is a talent deficit, sometimes there is a skill deficit. In all those aspects if you are like we have discussed in some of the earlier theories, if you are getting an early reinforcement that yes you are in the right path, you are going with respect to small problem solving, you are making good strides with respect to that. Then it ultimately boosts your morale, it ultimately boosts your motivation and you tend to achieve bigger targets with otherwise you are thinking that you could not. So better problem solving is yet another important motivation strategy.

Employee satisfaction. The moment you are satisfied the organization feels that yes this set of employees, let us say there is group A, group B, you feel that group B is performing exceedingly better than what was expected. Even their talent level was questioned in the initial phase of the discourse or the discussion but they outweighed everything. They outperformed group A in a very big manner. So, you will see that there is a lot of employee satisfaction that has gone in and that is essentially acting as a motivation strategy for them to perform in a much better way. There could be also situations of competitive advantage, competitive advantage with respect to the competitors. You are a notch better than your competitor; you are great better than your competitor. The moment you have this realization, the moment you have that yes, I am part of an organization which is far better, which is at least better in terms of the results, in terms of the production, in terms of the profit margin, in terms of the work culture, in terms of the work ethic, all these aspects tend to motivate you, you get a sense of ownership. Yes, I belong to this organization which is far better than any other

organization with respect to the industry standards. So, this is yet another motivation strategy.

Another aspect could be adaptability and resilience. It is a word which has seen multifarious uses especially in supply chain and all you see that resilience, supply chain system etc. Resilience is typically a behavioral construct. You tend to develop a certain resistance every time you fall down. You tend to come up every time, you tend to fight back, you tend to have that level of defense that will come in your way when you are about to achieve something. So you are in a situation, let us say you look into any organizational context, you can introspect within yourself, you can discuss with your friends out there.

You will see that the moment you are going into a new organization, there is an organizational shift that is happening. So, the moment you feel that you have, let us say even if you have watched experience 20-25 years of industry experience, you are making a switch within the same sector. It is just that the company is changing. But still even after let us say 25-30 years of experience, the moment you are going into the new company you will feel that you are a brand-new person. You have to develop a certain level of adaptability even if it is the same industry, even if it is the same sector, even if it is the same place, even if it is the same organization culture almost similar.

And there is something that is unique that is different from the previous organization. So, adaptability and resilience happen to be yet another motivation strategy.

And positive company culture. Many a time we see that we tend to restrict our discussion with respect to organization, with respect to sorry, with respect to individual per say. But it is also instrumental to understand that not only individual, the organization also has to do something. But organization has also a bigger part to play in this whole equation and this is where the positive company culture comes into play.

Let us look into the same example. You are venturing into a new organization, same sector, same organization and hierarchy, same place. You are not shifting your let us say even the city. But there is a difference in terms of company culture. In previous organization, even if you have a lot to hate, even if you have lot to not appreciate something and that is why you are leaving the organization, there was something positive about the company culture.

When you have moved to a new organization, you will see that the grass was greener on the side. It was the fact that you were thinking you have lost something which could not be regained. It is something like the positive organization culture, though your pay was less, though you had level of satisfaction in terms of monetary benefits that was bit less,

but there was a positive company culture which is different, which is not there in this particular organization. So, in those situations that will severely hamper your motivation. Another important aspect there could be to look into your adaptability and resilience. If you are not adaptable, if you are not resilient enough, there is a high chance that you tend to fall down in the switch between the organizations.

Let us look into some of the alternative work arrangements, especially post COVID. Post COVID, people have seen that there is a strategic change in work arrangement. You talk about new work conflicts, new job arrangements, etc. The first and important aspect is flex time.

Across the globe, people have moved to the flex time aspect where you tend to work whenever it is possible for you. This is highly regarded and highly useful for especially the women force where you can work when it is available time for you. Let us say they need to have certain time dedicated for the childcare. They need to have some time dedicated for the family. Except those time when it is available, when there is time at their disposal, they can take up the organizational schedule, they can take up the organizational workload.

So that is what flex time is. And it is equally useful for both the genders, but in fact we see that flex time has in effect increased the productivity of every single employee. Most of the European nations specifically when you are looking into Germany, it has adopted flex time. It has given the perks, it has given the facility for the employers, it has given the facility for employees to be in sync with the family even when there is hectic work. So, flex time gives you an opportunity to be a better employee even when you have family pressures. Another important aspect which has gained momentum is job sharing.

There are some tasks which always require certain level of group environment, certain level of task sharing, especially when the task is complicated, especially when the task is uncertain. So, all these situations where the task is uncertain, complicated, you tend to have a feel or a drive to share the job and this is being encouraged by every single organization nowadays so that they need a productive output. They need a useful output. Rather than somebody stating billable hours, it is more important that the particular individual gives a strategically better solution. So, this is where job sharing comes in and this is where it improves or it has gained momentum as an important alternative work arrangement.

A third important aspect is telecommuting. Telecommuting is where some of the time span, some of the time span can be utilized like they need not work every 7 days of a week. Even when people are talking about 5 days, 4 days a week, some days could be work from home, some days could be a virtual arrangement, some days could be that the

individuals log in from the employer computer that is placed within the home, they can work 1 or 2 days from home so that the commuting aspect, the time is not wasted in that sense. So, there are lot of flexible arrangements that have come up and it has specifically come up as a result of post COVID situation where we were forced to work online. So, something which was not thought about, something which could not be conceived till that point, at least that was a positive aspect of COVID that it brought in people, it elicited them, it brought people to work or start working in online setup and this is where we stand today with respect to flex time, with respect to job sharing, with respect to telecommuting etc.

So let us look into the social and physical context of work in detail. Research demonstrates that social aspects and work context are as important and critical as other job design features for employee motivation. So, when you are looking into social aspects and work context, many a time we see that there are lot of people who with zeal, with lot of confidence, I will rather term it as overconfidence, people tend to say that I can do it, I can achieve that target, it is a cakewalk for me. So, you come across people telling all those dialogues, all those aspects, all those communication or conversations, office conversations happening, but many a time you tend to ignore the social context. This is where in the initial classes also I mentioned that human beings especially OBM Organizational Behaviour Management, there is a certain level of relevance ascribed to, given to context.

You might be the same individual who might be performing in a different situation, in a different context. The same individual might be performing in a different context, in a different way. So, there are possibilities of even if you are having the same background, even if you are having the same level of skill set, social context, work context, social aspects are all critical. It depends, sometimes it is said that if you are in the right team, you perform in a better way. This is basically the social context working in, the social aspects pitching in. So, there are situations where the social and physical context of the work are very critical.

You will also see that some social characteristics that improve job performance, they include interdependence, social support and interactions with other people outside work. So, it is not essentially your co-worker or your employee who is going to drive your performance. It is also the person or the people who are outside your work. It could be a family, it could be any other stakeholder within the organization, could be a client.

So how they are dealing with you are having a bad day with the client. You do not think that you are going to have a good day in your office after that. So there all these things are not mutually exclusive. There are some levels of interdependencies happening between all these situations and if you see the work context is also likely to affect the

employee satisfaction. So many a time we see that people who say that there are you know people have to work more than X hours a week, they tend to ignore the work context.

It might be that because of the financial constraints or because of the need for having a job they are putting in more effort. It might not be that they are intrinsically driven. In such situations just making a mark that you have to work above these many hours might be very detrimental for not only for the individual but also for the organization. They might be counterproductive.

It is hardly a case where quantity begets quality. So, there should be situation when you are looking into social and physical context of work you should look into the quality aspects. How well he or she is delivering the deliverables, how well the employee is performing in terms of the quality. It is also critical that physical demands make people physically uncomfortable which is likely to show up in lower levels of job satisfaction. Sometimes when we are putting a constraint that every single individual has to work about X hours, about X hours per week you are actually undermining or you are comparing apples and oranges that might be a job which is requiring hard physical labor. You might not see that the particular individual who is even having a cognitive load that might also or he or she might also feel the heat or feel the difficulty.

So it is not always advisable that you ignore the context. You tend to discredit the context rather always in OBM organization behavior management it is clearly said that you have to take the context also into consideration. Using rewards to motivate employees could be a big thing. So, when we are talking about motivation we have stressed enough on intrinsic motivation. But let us not undermine the very existence of extrinsic motivation especially pay.

Pay is not a primary factor driving job satisfaction I agree to that. However, it does motivate people and companies often underestimate its importance in keeping top talent. So many a time you see that most of the friends you had, had jumped the organization, had shifted the organization because the pay was less or they were getting a better offer in some other organization. Hardly you will see that an individual has changed an organization because of organizational culture or because of let us say organizational interest. All these aspects of let us say motivation let it not be get undermined because it is extrinsic.

Money plays an important part. Let us not give too much of importance but yes it deserves a certain level of importance. Specifically, the motivational effect of money is much greater than what was previously believed. Initially it was believed that yes money

does not play that much of important role but when the pay packages are handsome and the pay packages are extremely out of world, out of context you will see that people tend to shift to the job. So, when talent is there and you feel that you are not being let us invoke the equity theory into place. Somebody else is getting more than what he should be getting when you are talented and you are not getting that much in terms of the return, in terms of the benefit perks, fringe benefits etc.

So all these aspects tend you to push you out of the organization sometimes at least you would have thought okay I am a person who is more talented than this but still the company is not recognizing this. So current organizational behavior in its entirety indicates that money is much more than a means of exchange between an employer and employee. It is more than that. It can give you a certain power in society that will help you to be in the organization, retain yourself within the organization for quite a long time. Let us look into what to pay especially with respect to establishing a pay structure.

If you look into the process of initially setting pay levels it entails a balancing internal equity which I was mentioning about an external equity. The equity level in terms of what you are in terms of parity you are in a particular industry if you are not getting paid as per the standards of the industry you feel demotivated, you feel to be disengaged, you are not being paid according to the requirements of the job with respect to the requirements of the industry that thought would actually pinch you. Some organizations prefer to pay above the market which is why some people even if organization culture is not that positive the organization etiquette is not there, the ethic part is bit on a shorter side you tend to stick on with the organization. While some organization typically may lag the market because they can afford to pay the market rates. They are maybe in the start of phase, they might be in the initial phase or they might be having a couple of years in losses.

All these perspectives have to be taken but you always tend to especially when we talk about motivation we tend to discredit, we tend to undermine money as a motivator but still OBM organization behavior management though it is given an extrinsic status still it is one of the most critical motivating factors without doubt. So, more pay may get the organization better qualified, more highly motivated employees who will stay longer with the organization. So, when you are with the organization you tend to feel that you are part of this wonderful organization if you are not getting that particular understanding or that particular comprehension you are not having that vision or that idea in your mind then you tend to lose interest in whatever you are doing within the organization. So how to pay? Rewarding individual employees through variable pay programs are the way that companies or organizations are going ahead with now. A number of organizations are moving away from paying solely on credentials on basis of the length of service.

Initially it was you reach this level of seniority because of your service, the length of your service you are promoted to another level. So that was a traditional look out but things have changed. You are looking into a situation where the pay is more performance oriented, the pay is more performance based. Variable pay plans have come up that have long been used to compensate sales people and executives who tend to give or perform better they tend to receive better. So, the fluctuation of variable pay is what makes these programs attractive to management.

It turns part of an organization's fixed labor cost into a variable cost. So, this is the beauty when it comes to variable. It is both good for the energetic as well as productive employees and it is always better for employers because they have a level of variable pay in hand which always can be controlled by them unlike the previous case where they had to pay something even if the employees within the organization is not performing.

So different types of variables pay programs that exist today is piece rate. Piece rate is mainly with respect to the sales or with respect to the performance you are actually doing within the organization.

Let's look into a salesperson. He might sell let's say 1000 units a day or say 500 units a day. If he sells 500 units there is a piece rate for that. If let's say as a very crude example 10 rupees per piece then it is 5000. If he is selling 600 units he is getting 6000 rupees. So, this is a piece rate mechanism that works as part of the variable pay.

When you are looking into merit-based system it is more based on the skill set, based on the qualification you have, based on the experience you have. So, all these aspects are rewarded higher in a merit-based pay. Bonuses are again with not slightly different from piece rate system. It is like let's say the same example of a salesperson. It is very difficult for a salesperson to achieve let's say in an ideal world to achieve 500 units of sale.

In that particular situation let's say he or she is able to achieve 600. So the additional 100, 500 plus 100 that additional 100 would be given a better bonus. Let's say that would not be on a piece rate basis. If he completes the target of 500, he might be rewarded with a 20% increment something like that. That comes as bonus.

Different types of variables pay programs also have skill-based pay. Let's say you are achieving more certifications, you are achieving more skill based arrangements, you are achieving more skills in its true sense, you are more getting paid because of that. But this is also having a flip side. Organisations do not prefer it that much because sometimes employees take it as challenge and they start bundling, they start adding up more and

more of skills. Sometimes it is more on paper rather getting reflected on the performance but many a time it lands up, it ends up as a headache for the employer.

There are profit sharing plans where the organisations actually tend to take a share of the profit, they might tend to share it with the particular employees, with the certain employees who are performing in a better way.

So that is yet again another variable pay mechanism. It is slightly different from gain sharing. Gain sharing is sometimes let's say the massive increase, windfall increase in the Q2 has happened because of the stunning performance of let's say group A. Then the group A or the team A will be rewarded in terms of the gain sharing. That is not similar to profit sharing. Profit sharing might be profit after tax might be given in terms of the entire set of stakeholders mainly with respect to the employees.

But gain sharing could be specific with respect to a group or a team or a people who are actually behind the recent success of the organisation. There are also situations of ESOPs, stock ownership plans which every single employee might not have in terms of performance they might give some shares of that particular company at a below rate so that they get more motivated, they tend to work harder for what is required or what is deserved or what is desired. That is all from today's class. I just like to conclude with one thing.

Many a time we tend to address the motivators especially in terms of intrinsic. We need to have a drive; we need to have something within us to push us and gain or attain something. But in that quest, in that attempt to always get motivated intrinsically we tend to undermine something which is extrinsic and this is one of the factors which we discussed today in the fag end of the lecture which is the monetary part which is money. So, it need not be given more importance and what it is deserving but it also has a certain level of importance in itself. Money has been one of the biggest motivators. Organizational behaviour management has classically showed this especially if you have a discussion with yourself or with your friends or with your near and dear ones you will see that they tend to shift the organisation mainly because they were getting a better package that could be one of the major reasons what you have seen or what you will observe.

So many a time you tend to understand, you need to understand what is driving you. If there is something lacking in that you tend to address that. There is some intervention that is required from your part to actually curb that or actually rectify that. Once that is done there is no doubt that you will be motivated to the highest level. That is all from my side today as part of this lecture.

Thank you for listening to me patiently. See you all in the next class. Till then take care, goodbye. Thank you.