

## **MANAGEMENT - MOTIVATION AND COMMUNICATION**

"The imperatives of technology and organization, not the images of ideology, are what determine the shape of economic society."

**(John Kenneth Galbraith (1908 - 2006), Canadian Born US economist and writer (1967))**

Until the 1950's it was generally accepted that human beings did not need motivating but, rather, they undertook their duties and responsibilities, in return for agreed levels of remuneration, without questioning the orders and instructions of their managers. Communication, between senior management and the workforce, tended to consist of verbal or written instructions which dictated the order and speed of production, the relative importance of orders in the manufacturing processes or, basic procedures for dealing with customers in the service industries.

Most companies were still privately owned and authoritarian and all decisions made at the higher levels; the boss gave the orders or instructions and the workers got on with it. There was limited involvement from supervisors and middle management in the decision-making processes other than to ensure that deadlines were met and there were few prospects for promotion. People were set targets or output levels to achieve. Little or no interest was paid to the needs or conditions of the workforce. This situation could also be applied to the general state and replacement of equipment and machinery; to the need for good design; to the need for quality control of standards and products in the manufacturing process; to the need to provide quality services; or to meeting the demands and schedules of customers.

In short there was little quality management, not much teamwork, no clear lines of responsibility and accountability, poor lines of communication and little motivation to encourage co-operation. Rather, the sole motivating factor was fear of losing one's job and livelihood. On reflection, it seems that we might have regressed and not progressed.

After the Second World War occupational psychologists began to investigate, possibly in concert with the growing interest in the basic principles of management, the reasons why some companies were more efficient and profitable than others.

According to the likes of McGregor, Maslow and Herzberg, all occupational psychologists, people in organizations, singly and in groups, need stability, security and motivational factors to meet their basic needs. And, they all appear to agree that for human beings to function to the best of their ability they require recognition to fulfil their obligations and also need encouragement and opportunities to progress in order to gain a measure of self-esteem and contribute to society.

Maslow further suggested that until the basic human demands for food, shelter and security are satisfied people cannot progress up the ladder of motivational factors, and that is why any civilised society ensures the provision of basic necessities to encourage people to progress. And, it is only when people feel comfortable with themselves and comfortable with their colleagues and their surroundings that they tend to give off their best working individually and more importantly as part of a team. It is unfortunate that after all that time and effort investigating motivation in the workplace that at the end of the 20<sup>th</sup> century we appear to have not read or even forgotten the work of these three men.

Work is an important part of the social and ethical fabric of our society. It is a mixture of the human urge to succeed, to earn and maintain a degree of self-respect, the desire to reach a level of responsibility and accountability and, to achieve an acceptable standard of living. Human beings feel comfortable with a system they know and understand and are re-assured when it is not under threat. And, without some driving force people become becalmed, rudderless and adrift.

However, security of employment is a prime factor when looking for any kind of job. It is an area that Japanese companies, especially those in the motor-trade and electronics, appear to have grasped and dealt with satisfactorily and is one reason why their system of management is successful. By providing security of employment, and incidentally in the process re-assuring the family unit, Japanese companies have recognized one of Herzberg's primary maintenance factors, have accepted and implemented Maslow's level 2 requirement for security and understood McGregor's theory 'X' concern over security.

Maslow also suggested, in his 'hierarchy of needs', that there are five levels of motivational categories and that different factors come into play at different times in our careers depending on where we are in an organization, what we do, the amount of job satisfaction and the amount and way in which we are rewarded. The first three areas cover our basic demands for shelter, food, water and clothing and they override all others. That situation is no different in the 20th century and I suspect that it is unlikely to change in the coming few decades not unless there is a huge sea change in the way that work, careers or professions and working shifts and patterns develop in future decades.

But, once we can satisfy those fundamental needs we then move onto physical security for our families and friends based on the desire for stability and freedom from any kind of threat by a system of law and order that provides safety. And, this is closely followed by the need to feel useful as part of a team, a group, a section or division within an organization.

The next, fourth, level is all about meeting personal desires and wishes for success based on recognition and achievement, which enhance our reputation and self-esteem whilst increasing our self-confidence and self-worth. And the last, fifth, level is related to achieving something on which we place great personal importance or a high degree of personal value in such areas as humanitarian work, a level to which we can only aspire once we have reached the lower levels.

Again, it is most unfortunate that senior managers appear to have no knowledge, understanding or appreciation of the work of Maslow, McGregor and Herzberg and even fewer appear to understand that if you treat people badly or with contempt that loyalties, to group, section or company gradually disappear when people feel unwanted or unappreciated; and, I suspect greed still drives some to exceed.

However, in the global village the demand is for increased flexibility in the number of hours worked or the time spent on site or in office or for much shorter-term contractual arrangements. The use of delayering to remove levels of management, downsizing to reduce the workforce and outsourcing to enable companies to concentrate on core activities whilst reducing overheads is placing considerable pressure on those left behind in the leaner and meaner organizations.

Too many companies rely on management consultants, brought in to advise directors on manpower levels, organization, structure, administration and remuneration, and what a wonderful way it is for de-motivating employees. All these processes are doing little to make employees feel secure and committed to their company or organization. The change of personnel title to human resources also means that employees can be treated and traded as just another commodity, like company cars, machinery, tables, chairs, even computers. And, the continual threat of redundancy creates an air of uncertainty, reduces self-worth and destroys teamwork in the process.

Flexibility, that is part-time, annual hours contracts or key-time working initiatives are popular in some sectors but they do not suit everyone. Indeed, many flexible working arrangements have been introduced on the basis of improving customer care or allowing employees to balance home and work but most have been done to increase profitability. Flexibility has been demanded from the employee but not quite yet from the employer. Indeed, the increasing use of information technology, the plethora of software packages and the use of automation in manufacturing processes all require, no demand, that workers be kept constantly up-to-date on the latest technology if they are to remain in employment; and, not only in employment but also and just as important, employable.

It has long been recognized that whilst automation is essential to carry out monotonous, repetitive or heavy work human beings, employees, are essential to control the systems and they are necessary in all other areas. It is this policy that has given Toyota motorcars a very high reputation and, no doubt, one that points to their increasing success and competitiveness in the global market-place for motor cars. As Donald Petersen, a former CEO of the Ford motor company, observes,

"Toyota concentrated on training its people and encouraging teamwork...I believe that Toyota was wise in its more conservative approach to automation, evidenced by the fact that Toyota is the most efficient auto company, it makes high-quality cars, and it is very profitable."

**(Donald Petersen. Teamwork - New Management Ideas for the Nineties (1991))**

It is acknowledged, throughout the European Union (EU), that British workers work much longer hours than their European counterparts and often for a lower rate of pay. It is also accepted that working excessive hours produces tired workers and this eventually stifles creativity, productivity and effort. And, tired workers make mistakes that could be fatal and hence the European Working Time Directive.

Why employ fewer workers and make them work longer hours if it introduces inefficiencies except perhaps to improve the 'bottom-line' by reducing costs? Why employ fewer people if it leads to a reduction in productivity, a loss of competitiveness and increased stress and sickness, leading to yet more losses? It is a 'Catch 22' situation that can be avoided with the application of a degree of common sense.

Too many managers, at every level, believe people are motivated solely by monetary reward. Motivational factors such as relating individual pay increases to the use of appraisal schemes in concert with Performance-Related Pay (PRP) systems rarely work. Regrettably most pay schemes ignore the fundamental principle that an organization is a group of people that functions more efficiently and more effectively as a team. Paying different rates and different bonuses for the same or similar job smacks of secrecy, causes distrust and friction and does not necessarily improve performance, often the reverse. Pay is important but it is not the only motivator.

With so much emphasis placed on the individual and not on the whole Anglo-Saxon companies have shown that, despite the rhetoric in company reports, they really do not have a great deal of interest in their workforce.

The result is that many workers feel less committed to a company or organization; they tend to work to achieve their own personal ends; 'political posturing' and internal allegiances are commonplace; and, teamwork and co-operation have all but disappeared. Some of the fault can be laid at the feet of the introduction of flatter management structures because that management tool does not include flatter pay structures.

With the introduction of flatter management structures, through delayering and downsizing programmes, where opportunities for advancement and promotion prospects have been severely curtailed or reduced, one of the biggest incentives to encourage and, more importantly, sustain effort has gone. It is almost as if there has been a move back to the system of control exercised in centuries prior to the 20th and to management and organizational systems and values of the 1950's where directors and managers made decisions and workers responded without question.

A system where a very narrow band of the most senior management benefit from pay rises, promotion prospects, share options and bonus schemes and the majority have to accept much less remuneration, even fewer promotion prospects and gently flounder along. Frankly, that is a huge demotivating factor and the sooner companies introduce or even re-introduce command and control layers of management the better.

Unless there is a change in emphasis and a return to recruiting, cultivating and training people to become part of a team committed and motivated to the success of the organization then companies will, at best, continue to lose market-share and, at worst, go to the wall. Indeed, motivation and communication are two of the fundamental qualities of leaders, but not necessarily managers.

Organizations have to accept that they exist to provide products or services to consumers individually and to society at large. In fact, a simple hierarchical management structure is the best way of maintaining good internal and external communications and ensures that the organization is run more efficiently and effectively.

The greatest challenge to the delayered, downsized, re-engineered and outsourced company for the next millennium is, having removed simple hierarchical structures and a corporate ladder to climb, to find ways to motivate people other than through pay. And besides, pay is and always has been a short-term motivator, even when it is substantial, and what many aspire to is not just pay but security, a feeling of self-worth, recognition and status.

Too many managers underestimate the importance of caring for and keeping employees happy, because unhappy workers are more prone to illness and stress. Too much pressure, too much stress and too few people for the tasks involved do not make for a happy, motivated, productive and committed workforce. And that may be because some companies have still not understood, realized or accepted that a satisfied workforce means, more often than not, improved performance and productivity and possibly even increased competitiveness.

People are motivated for different reasons, but if even pay rises are flat and do not exceed the rate of inflation and promotion prospects have disappeared under a flatter management structure then what is the source of motivation? What companies must do is to create the optimum working conditions for any employee to give off their best by replacing rhetoric by action.

Providing the optimum working conditions might include, for example:

- The design, decor, furnishings and cleanliness of the building or work areas, and these include heating, lighting, ventilation and ergonomic furniture.
- The provision of the most up-to-date technology and systems to aid the flow of information to assist in achieving goals or improve manufacturing processes and possibly improve productivity and output.
- A fair system of remuneration to foster good working relationships;
- Adapting or adopting a positive attitude that encourages effort and generates self-worth;
- A share option scheme that includes more than just the boardroom in UK Plc;
- Allowing more flexible work patterns, including working from home, to enable employees to achieve a better life/work balance;
- Inviting comment and agreeing a benefits package that the employees want and not what you are prepared to offer. Do not forget that being allowed to work from home, even occasionally, is a perk as is access to paying travel costs or no-cost travel loans, cheaper insurance policies, competitive health insurance policies, cheaper deals on purchasing new motorcars or hire car contracts.
- And, investing in and providing academic and vocational training programmes, at every level, to enable their employees to grow practically and professionally. Skills are essential for any business and help to increase productivity.

No Company will succeed without teamwork, organization, co-operation, commitment, training and leadership; and, no organization will succeed without trust re-enforced by honest and open communication so that employees feel more secure in their jobs. As the industrialist, engineer and former Chief Executive of the Chrysler motor company, Lee Iacocca, suggested,

"Start with good people, lay out the rules, communicate with your employees, motivate them and reward them. If you do all these things effectively, you can't miss."

**(Lee Iacocca (1924 - ), industrialist and former CEO of Chrysler Corporation)**

And, no company will succeed with the introduction and implementation of change programmes without the clear understanding and support from not just the top but also from every level within an organization. It is, perhaps, not so much that directors are not clear about which direction the company will go but more a case of failing to communicate corporate objectives to employees and provide motivational incentives. Too many senior managers still subscribe to the notion or work to the principle of, don't do as I do but do as I say, and, frankly, that cuts little ice with people.

If you want someone to be punctual then make sure you are always punctual; if you want to employ the best then make sure you pay them more than the competition; if you want the best trained workforce then make sure you provide training; and, if you want support then make sure you support your team or section.

Some sure ways of de-motivating people are:

- Failing to openly and clearly communicate policy, plans and objectives;
- Failing to acknowledge people's presence and efforts;
- Disregarding or showing disinterest in employees;
- Failing to thank people for their time and effort when a job is well done;
- Criticising employees in public;
- Demanding flexibility, co-operation and extra effort and rewarding people with poor pay rises and redundancies;
- Operating policies of nepotism or favouritism;
- Rarely promoting from within the organization but bringing in people from outside, thus increasing internal frustration and lack of progress;
- Failing to offer reasonable levels of remuneration that take account of every aspect of work requirements, conditions and levels of responsibility;
- Failing to provide relevant and appropriate training and update courses;
- Removing promotion prospects to create a supposed flat management structure;
- Stifling individual growth, effort and loyalty by indicating a person has reached the limit of his or her potential and is unlikely to progress.

Individually we should try to identify the factors that motivate us most, those that drive us to achieve and those that tend to de-motivate, irritate or simply turn us away from commitment to the culture and attitude in a company. Second, identify and list those factors on which we place the greatest emphasis and that enable us to meet our basic demands and ambitions; and, third, to note those factors which, although they may have some effect, are not likely to cause dissatisfaction or disenchantment. As Lou Holtz, one of the most successful American NCAA college football head coaches suggested,

"Ability is what you're capable of doing. Motivation determines what you do. Attitude determines how well you do it."

**(Lou Holtz (1937 - ), US NCAA College Football Head Coach)**

To run a successful organization, managers must be aware of the need to define strategy and policy by:

- Maintaining a high level of morale through co-operation, commitment and communication;
- Providing products or services to meet customer demands by making the most effective use of manpower and resources;
- Pursuing policies of openness. Integrity is paramount;
- Encouraging and supporting individual progress through academic, professional and vocational training courses;
- Establishing and implementing guidelines on corporate ethics and compliance;
- Providing the right tools, IT equipment in particular, to enable people to do their task as efficiently as possible;
- Promoting and ensuring integrity in financial dealings through example.
- Managing the introduction of change with consideration for all personnel. Shareholders are not the only stakeholders.

The communication part of the motivational process is not simply about communicating policy, plans and changes of procedures in a timely fashion, that is keeping employees informed of what is being or has been planned, but learning to thank individuals when something is done particularly well or thanking a team, a group or a section when results are better than planned or expected. The other very important and associated point is to ensure that you praise in public and censure in private and to avoid sarcasm as much as possible. It de-motivates individuals and teams if and when managers are seen to be or heard to be critical of the efforts of their colleagues.

There are some, accountants, management theorists, gurus, management consultants and even directors, who suggest that in the end it is commitment from employees that make or break an organization and yet these are often the same people who introduce programmes of delayering and downsizing, business process re-engineering, resource re-allocation and outsourcing in the name of the 'bottom-line' and wipe out career structures in management. As I have said in other articles, machinery can assist with work by either automating or streamlining processes and computers can be used to aid decision-making procedures but they cannot replace human thought processes to reach a decision.

The challenge now, and for the immediate future, is to find the best ways of motivating people to succeed whilst, simultaneously, improving or increasing productivity thus leading to an increase in competitiveness. However, the continual drip-drip of job losses from one country to another only increases the levels of frustration adding pressure and tends to reduce effectiveness and efficiency as well as commitment.

It seems, to me, that employers are in the business of demanding commitment and effort but that they pay lip service to the concept of pride in the job, pride in the position, pride in personal progress and satisfaction with what one is doing.

So, in my view, successful organizations in the future will be those who understand and appreciate the need to provide security in return for commitment; those who provide training and advancement courses to enable employees to meet the demands of global competition; and, those who provide a management structure and prospects that meet the needs of the company and the aspirations of their employees.

Companies will also need to adopt much more flexible attitudes and approaches to work and the working conditions for employees, consider innovative ideas before introduction, work to reduce stress levels by maintaining optimum and not minimum employee levels, avoid nepotism and an important area, ensure that they praise in public but censure in private. I suspect, again, that is why, as I mentioned earlier in this article, Toyota is a very successful motor car manufacturer and other companies are not.

In addition, companies will need to ensure that, whilst pay is a short-term motivator, annual pay increases do not lead to an increasing gap between those at the lower levels and those at the top levels. The widening gap between the amounts that boardrooms take out of companies and the level of remuneration paid to those at the lower levels on the shop floor or at the coal-face has done little or nothing to increase the level of commitment and morale among employees; and, for companies to stop making contributions to company pension schemes is also eroding that commitment and effort thereby reducing productivity and competitiveness.

To achieve this level demands trust, which incidentally takes years to establish but which can be destroyed in a moment, between top and bottom, by dishonesty, distrust and poor communication. Without trust, without leadership and communication, no company will succeed. As the former General and US President, Dwight D Eisenhower said,

“Motivation is the art of getting people to do what you want them to do because they want to do it.”

**(Dwight D Eisenhower (1890 – 1969). General and 34th President of the United States)**

Management, unlike leadership, is a science and not an art; the fundamental principles of management can be taught in a classroom but to be a successful manager, let alone a successful leader, demands time and experience dealing with human beings. To treat people simply as capital or as a resource, like computers, buildings, cars, chairs, tables and desks, is fatuous. Aggressive managers might get the job done but leaders know that more can be achieved through communication, persuasion and motivation, and, besides, there is a time and place for aggression, the field of battle when lives can be lost through procrastination, the inability to understand and appreciate the situation and make a decision or by stupid and immature mistakes, but, it is not necessarily in the standard office and workplace.

Basically, motivation, as Herzberg suggested, comes, in the first instance, from within but directors and senior managers can encourage motivation or they can destroy individual and group motivation by unhelpful, not well thought out acts and de-motivating decisions covering such areas as administration, manpower levels, organization, career prospects and promotion and, yes, levels of remuneration. Put simply, a company in which people are motivated to succeed and rewarded to succeed is more likely to succeed than one in which the directors and senior managers, rewarding themselves with pay increases, bonuses and perks whilst the business fails, ignore the need for motivation and communication. These are some of the fundamental principles of good management and leadership.

(4040 words including quotations)

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