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One size doesn't fit all

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Bonuses and performance schemes might be the icing on the cake for working hard these days but cash isn't what it was when it comes to motivating and retaining staff.

That's according to the results of the Unlimited/JRA Best Place to Work in NZ survey on the things that most inspire people to get out of bed in the mornings.

What motivates people is confidence that there is a future with their organisation, genuine advancement opportunities, a sense of personal achievement, knowing how work contributes to company success, a sense of belonging and being given challenging work.

On the flipside, factors motivating people to consider working elsewhere include:

- * A poor working relationship with their boss
- * Being undervalued for their efforts
- * Stress and lack of work/life balance
- * Lack of career development opportunities.

"When it comes to staff de-motivation all roads seem to lead to managers with insufficient people-management skills," says survey manager Leighton Abbot.

There's no better way to find out what pushes people's motivational button, advises Abbot, than simply asking them.

He says companies that do particularly well in the survey are those who modify working conditions in response to staff feedback (within climate surveys). For example, having identified that a large portion of its staff were "fortysomethings" with busy families one employer recognised the value in offering greater flexibility around when and where staff worked.

So is money really a good motivator these days? Abbot says the research proves convincingly that money ceases to drive motivation once an acceptable amount is reached.

Assuming remuneration is paid at market rates, it's the "warmer, fuzzier" issues that drive the motivation stakes these days, he says.

That's not to say site celebrations, morning tea shouts, staff BBQs and other mini-treats such as days off on your birthday aren't important.

The trouble is the little things that can gee up staff can look insincere, unless they're supported with a "full-menu" (or holistic approach) to looking after staff, argues John Beveridge, general manager with Fletchers Easysteel.

Treating staff like individuals sounds like a "no brainer" in the motivation stakes, but from Beveridge's observations smaller companies have a greater flexibility and diversity to pull it off. And based on the survey's results, he's probably right. The survey findings reveal 17 out of the top 20 best places to work are small companies. He claims smaller companies are better at motivational stuff because they're more able to create an emotional connection with staff and offer things that meet individual needs.

"It's the 'full menu' approach that helps to create an environment where there's empathy with staff," says Beveridge.

Since implementing a full-menu range of working conditions available to staff, Fletchers Easysteel has gone from 36th to 15th place up the Best Place to Work in NZ survey ladder in just 12 months. Ninety per cent of Beveridge's staff now believe they're working for a successful organisation, while 88 per cent claim to understand how their work contributes to the organisation's success.

"These sorts of results tell us that staff feel they're being appreciated for the work they do," says Beveridge.

Underscoring Beveridge's "full menu" approach is a realisation that one size doesn't fit all when it comes to motivating staff.

Rather than employing people who are only interested in money, he's more interested in hiring people who will act like business owners. That's why more than half the staff are now shareholders in the business.

Beveridge is convinced the key to motivating staff at the grass-roots level is getting them to believe in the company's fundamental story. He attributes the fact that half the company's recruits last year were returning staff to the total employment package being offered. What the company's range of employment conditions and options recognises above all is that individuals are all unique when it comes to getting them out of bed in the morning, says Beveridge.

He says the company must remain flexible enough to recognise that what motivates people evolves as their careers progress. For example, subsidised gym membership could mean a lot more to unmarried "X and Y-Geners" than flexibility over working hours, free flu shots or a \$1000 university grant for working parents with two teenagers.

He says diversity in how the company deals with staff recognises the value of the personal touch and creates a huge bond in the workplace. For example, last year the company gave all staff a "service dividend" a week after it handed out Christmas hams. The value in being able to pleasantly surprise staff far exceeds the costs involved.

"Contrary to popular opinion you can incentivise wage-workers but it takes time," says Beveridge.

"From my observations when staff can see their employer going the extra mile to help them they want to return the compliment on the job."

Based on his experience it's clear that job satisfaction has a direct impact on job performance and international research tends to support this view.

Research in Britain (Corporate Leadership Council, 2004) across 59 organisations and 50,000 employees found that:

- * Highly emotionally committed employees try 59 per cent harder than those who take a more casual approach to their jobs.

- * They performed 10 per cent better.

- * Were 87 per cent less likely to leave their company.

- * Felt a greater connection to their job, the team, boss and organisation at large.

So is fear a good motivator these days? With unemployment running at 3.8 per cent, managers who try to motivate staff using the fear-factor risk playing a highly dangerous game, says industrial psychologist Stewart Forsyth.

While moderate levels of stress will lift performance, managers who wield the corporate stick within such a tight labour market only force people to look for greener employment pastures, he says.

"There's always a point at which the individual tips out of the performance zone and their performance crashes," says Forsyth, director of FX Consultants. "At this point avoidance and withdrawal behaviours become more common."

So if managers genuinely want to get staff rushing into work every day, former All Black coach John Hart suggests they pay less lip-service to staff needs and provide more real leadership. To Hart that means aligning jobs with company objectives and values, leading by (good) example, supporting it with appropriate training, and offering career development opportunities.

He says managers will struggle to motivate staff until they return to a "people ethic" where day to day respect for the individual is paramount.

"People don't come to work for pay - what they want is an environment where they

can grow, be successful, have fun and balance," says Hart, former HR head at Fletcher Challenge. "Staff motivation has less do to with systems and more about knowing people and what makes them tick."

Tips to motivating staff

- * Avoid a "one size fits all" approach to benefits.
- * Treat people like individuals.
- * Lead by example.
- * Ask staff what is important to them.
- * Don't assume money solves all staff problems.
- * Take a holistic approach to working conditions.
- * Don't wield the big corporate stick.
- * Ensure managers have people-management skills.
- * Include staff in the company's future plans.
- * Give staff a sense of belonging.