CHAPTER – III

Morale in Banking Administration

“Morale - a comparative study of a public sector and a private sector bank” is the topic for the study. Morale of an employee is the Key Factor which decides the fate of an organization. Generally and traditional definition of morale includes “The mood of Individuals in the work place, attitude or spirit, how a unit feels about itself and its abilities and even a state of individual psychological well being. This definition covers of both individual and groups. In the fourth sense according to I.Kant, “the objective ground of the self determination of the will is the end which is assigned by reasons alone, and is free from all mixtures of passion and sensuous affection”.

David Javitch says, “Morale is defined as the ‘ End Result’ of many factors present in the work place environment”.

The success of any organization is always dependent on the employees. In modern times, Human resource department plays a vital role. The right man to a right job concept is fulfilled by the human resource department. Moreover, the growing need and challenges to the organization
etc., are meet out smoothly by the Human Resource department. One of the yardstick to keep the employees in the organisation, to reduce the rate of attribution, it is the work of the organization to maintain morale. The high morale and low morale classification helps to diagonalize the issues of organization, particularly with the employees.

T.H. Green And D.Arcy applied “the term motive to this last stage hence the doctrines that a conflict of motive is impossible and a strongest motive an absurdity”

**Different Kinds of Morale**

Morale applies to all work places companies, industries, Trading, Education, Military, Governments, and Banking Etc.,“ Karl Von Cleause Witz” a Pursussian Military General identifies morale as a fundamental military principle. Apart from this there are industrial Morale, Educational Morale, Teachers Morale, Students Morale, and Business Morale Etc., Banking morale is ultimately results in customers satisfaction. “The quality of high customer service is there where high morale bank employees are there”.

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According to Davis, “Morale is mental condition of groups and individuals which determines their attitude”\(^5\).

“Abraham Maslow” says, “Morale can be defined as the total satisfaction derived by an Individual from his Job, his work- Groups, his superiors, the organization, he works for the environment. It generally relates to the feeling of individuals comfort, happiness and satisfaction”\(^6\).

There are two states of morale 1) **High morale** 2) **Low Morale**.

**High morale**

Managers’ strategies of maintaining high morale are fairly basic: (1) Instill confidence in your employees; (2) Give recognition when recognition is due; (3) Recognize when morale drops and do something about it; (4) Be open, honest and most importantly listen. The one Minute Manager puts managing in easy and practical terms. The ABC’s of management are “A = Activators, B = Behavior, and C = Consequences” (Blanchard & Lorber, 1984). First – set goals, second – do your job, and last – praise or reprimand depending on the performance. People want to know what you want them to do, let them do it, and let them know how they’re doing”\(^7\).
High morale implies determination at work- an essential in achievement of management objectives. High morale results in:

- A keen teamwork on part of the employees.
- Organizational Commitment and a sense of belongingness in the employees mind.
- Immediate conflict identification and resolution.
- Healthy and safe work environment.
- Effective communication in the organization.
- Increase in productivity.
- Greater motivation.

**Low morale**

Cheryl Salerno’s (2001) “article in Contingency Planning & Management states that there many reasons for poor morale. For one employee may want more recognition or interaction with people. Others may be bored with their day-to-day tasks. A lack of trust towards one’s supervisors is another factor. Discontentment among staff members can lower productivity levels and raise absenteeism. Some mitigation measures she suggests are to …”(a) be aware of the morale level, (b) praise for work well done, (c) generate a sense of team work and (d) maintain an open door policy”(2001, p.46)
Low morale has following features

- Greater grievances and conflicts in organization.
- High rate of employee absenteeism and turnover.
- Dissatisfaction with the superiors and employers.
- Poor working conditions.
- Employees frustration.
- Decrease in productivity.
- Lack of motivation.

Motivation and Morale

The study of motivation now forms an integral part of both industrial and vocational psychology. Books like Motivation & Morale in Industry (1953) by M.S.Viteles and Psychology in Industry (1955) by Maier’s reflect the serious attention industrial psychologists have given to such problems as the effects of supervision, wages and group norms on performance. Though motivation and morale are closely related concepts, they are different in following ways:

While motivation is an internal-psychological drive of an individual which urges him to behave in a specific manner, morale is more of a group
scenario. Higher motivation often leads to higher morale of employees, but high morale does not essentially result in greatly motivated employees as to have a positive attitude towards all factors of work situation may not essentially force the employees to work more efficiently. While motivation is an individual concept, morale is a group concept. Thus, motivation takes into consideration the individual differences among the employees, and morale of the employees can be increased by taking those factors into consideration which influence group scenario or total work settings. Motivation acquires primary concern in every organization, while morale is a secondary phenomenon because high motivation essentially leads to higher productivity while high morale may not necessarily lead to higher productivity. Things tied to morale are usually things that are just part of the work environment, and things tied to motivation are tied to the performance of the individual.
REFERENCE


3. T.H.Green, *Protegomena to Ethics*, Oxford, 1883, bk.II.


CHAPTER - IV

EFFECTIVE WAYS TO IMPROVE MORALE

Improving Employee Morale – Morale Booster

Prof. Dana Baldwin\(^1\) Advocated the following factors to improve morale among the employees.

1. Discover what your employees think of their management and the company. 2. Learn how talking with employees, mostly listening, can help improve the internal situation in your company. 3. Learn, and teach your managers, how to delegate more effectively. 4. Clearly explain your expectations to those who will carry out the task. Be sure they truly understand what the goal is and how they are to get there. 5. Know when to jump into your team's problems, and when to stay out, for the best learning experience for the team. 6. Ask your employees how to eliminate wasted effort and unnecessary costs. They are closest to many of these situations, and often have the best input. 7. Have a good, well-developed strategic plan that you share with the employees and involve them in. With knowledge of the company goals, most employees feel more secure and will contribute more to the success of the company. 8. Communicate regularly with
everyone, not just when there are problems. Use effective two-way communications as a trust-building tool. This effort should pay significant dividends over time, but don't expect instant results. Give it enough time to really become effective.

Humor Improves Employee Morale

The impact of occasional laughter on morale and productivity is very evident "Working with people on a daily basis can be so rewarding when there is laughter in the environment. In many of the crises I experience on the job—work stoppages, natural disasters and emergencies—laughter helps ease tensions, and the focus of getting tasks done becomes more enjoyable and less stressful. ‘How do they make their sales and service objectives? That group laughs from the time they come in until the time they leave.’ But the laughter is infectious, and the employees and myself enjoy coming to work with each other every day."

One of the most consistent trends the author noticed in companies through the 1990s and into the new century has been a drop in employee morale. People who used to love their jobs are burned out and just don’t enjoy coming to work any more. A 1994 Roper poll found that employee
morale and job satisfaction was at the lowest point it had ever been throughout the decades in which the poll has been taken. Reduced workplace morale led the New Jersey Department of Labor in the mid-1990s to recommend that companies create a morale committee, whose purpose would be to come up with ways to boost employee morale.

There is no more powerful tool for improving morale (with the possible exception of doubling one’s salary) than making work fun. Fun, humor and laughter are enjoyable in their own right, but they also make your work more enjoyable by reducing the stress your job generates—as well as the negative emotional state that goes with it. They help let go of frustrations and upsets that accumulate during the day. Jokes related to the source of the upset provide a means of airing complaints in a way that doesn’t feed negativity in the office. This kind of venting is especially valuable in sustaining morale in situations where you simply have to learn to live with a negative situation for the time being.

Improve morale, strengthen group dynamics and reduce workplace conflict compassionate communication authored by says that following factor to improve morale: 1. Strengthen employee morale and loyalty. 2.
Improve meeting and team productivity. 3. Resolve workplace conflicts effectively. 4. Reduce office stress and absenteeism. 5. Maximize the potential of all employees. 6. Promote employee’s personal growth.

Recognition

Donald P. Ladew\(^2\) (1998) stated that the greatest cause of low morale is failing to give employees recognition. “Resentment, low morale, slow – downs, errors, endless gossip, absenteeism, and unexplained illness are all signs that you, or management in general, have been taking your employees for granted” (1998). To maintain a high level of morale reward and recognize your employees publicity.

It is recognition not money to Boost Employee Morale. Morale is nothing is going “Just Right” says Matt. Jones. Further he has stated effective communication. The Manager should be a problem solver not a creator support, empathy is recognition that a Person is valueable. Recognition is achieved through management. Management is achieved by communicating, Delegating and managing. Communication is achieved by keeping every one aware, offering a felling of support and empathizing with every one the problems they are experiencing.
Work Place Morale

Gabriel J. Adams advocated the following five guidelines for creating a happy and healthy work environment.

Increased turnovers, costly decreases in productivity and overall employee dissatisfaction are all ramifications of low morale in the workplace. Moral is a vital component of any organization or business for it to thrive and achieve success.

Here are five ways to improve workplace morale easily and inexpensively that will boost your team's performance and lower levels of tension and stress.

Install a Humor Board

Most every office has several memo boards for important work-related information, some pleasant, some not so pleasant. Install a memo board in a neutral location that is specifically for people to post jokes, cartoons, funny pictures or amusing anecdotes. This way everyone can get a little laugh after arriving for work on a dreary Monday morning.
**Adopt Flextme Schedules**

If possible, work out a way for employees to have more flexibility in their schedules. You may be surprised at the amount of stress that can be alleviated by this one thing. With daycares and households with two working parents, and possibly only one vehicle, this small move can be monumental to some people. Work out a schedule or system for employees to leave an hour early or come in an hour late on certain days. Alternate days and times so that everyone gets an opportunity to benefit if needed.

**Get Away From It All**

Hold meetings and conferences at a location away from the office if at all possible. A restaurant or local park would be a welcome alternative to a stuffy boardroom on a clear, spring day. People may be more alert and more receptive to the specifics of the meeting in another less stifling environment.

**Share the Wealth**

Offer employees incentives to "coach" their co-workers on their lunch or break times. Incentives could come in the form of paid time off,
gift certificates to stores or restaurants, movie tickets or even small, simple mementos to show appreciation. This is a morale booster in a few ways; firstly, new or confused employees can glean valuable information from their more experienced colleagues and secondly, it may make the "coach" feel better about their job, themselves and their performance.

**Offer Contests and Awards**

Special days such as "Ugliest Outfit Day" or "Best Disguise Day" or "Funniest Story Day" can be a way to lighten the mood for a bit and encourage communication between employees. Offer "awards" which can be simple prizes and certificates given to the winners to display.

Boosting employee morale doesn't have to be expensive or involved. Even contagious cheerfulness on a regular basis can mean the difference between a dour workplace and a welcoming, productive one. Ask the employees for their ideas and listen to their thoughts. Work out a viable plan that will motivate them and make them more productive and happier at the same time.
Easy way to improve the morale

According to Janet Smith Ten Easy ways to boost employee morale without spending.

Janet Smith humorously informed the following 10 ways to improve employees morale. After all employees are human being and wants to get recognized for completing a job.

A boss can raise employee morale that has absolutely no money involved.

1. Give a hard-working employee a new responsibility or ask them to head up a project or task force, or to evaluate a new idea and provide feedback.

2. Say a cheerful good-bye to employees as they’re leaving work (or as you’re leaving, if they’re still working), tell them to have a great evening, and thank them for all their hard work.

3. Call an employee into your office. Ask them to sit down. Then say, “We just haven’t talked for awhile and I want to know how everything’s going for you!” Then really listen.
4. Deal with negative, difficult, or chronically under-performing employees who are dragging down everyone else. Put them on probation with an improvement plan, and if they don’t improve, terminate them.

5. Establish a no gossip policy in your workplace.

6. When an employee completes a project, handles a difficult customer, or comes up with a solution to a problem, tell them, “I just don’t know what we’d do without you! We are so fortunate that you work here!”

7. During staff meetings, lead rounds of applause for individual and group successes that have taken place since the last meeting.

8. Communicate as much information about the organization as you can to all of your employees, regardless of their position. Throw any notion of “need to know basis” out the window and give them all the info you can about every aspect of what’s going on.

9. Apologize whenever it’s appropriate: you interrupted; you came across as short or impatient or irritated in a previous conversation; you neglected to adequately demonstrate appreciation for something
10. Never yell at, embarrass, humiliate, belittle, or curse at employees. No matter what. Under any circumstances

Morale Boosters

In difficult and tough economic times we still need to engage with our employees. While the big budgets may not be available any more there are lots of things that we can do which are effective.

The strategy for boosting employee morale – fast, is based on Abraham Maslow’s hierarchy of five basic human needs. He arranged these needs in the shape of a pyramid with each level forming

Below are ten ideas to many of these are obvious, but they are good to have in employee engagement and morale-building tool-kit:

1. Praise people – look to “Catch People Doing it Right”, rather than trying to catch people out
2. Welcome Ideas – employee morale improves when people feel they are valued. Share and implement their innovations and ideas
3. Say thank-you. Even when there’s no money that changes hands, it can be extremely rewarding for an employee to know that his/her
boss appreciate the work he/she is doing. Use the SMART approach – be specific about what you are thanking people for

4. Write a letter or email of appreciation. This doesn’t have to be expensive or even on a greeting card that is bought from a shop

5. Award a certificate of appreciation. The real value to the employee is in the realization that their contribution is recognized and appreciated

6. Take the employee to lunch or out for a cup of coffee. Simply spending time together with the opportunity to say thanks and to exchange ideas is valuable

7. Buy a scratch-card or a lottery ticket (assuming doing so is compatible with everyone’s values) and give it along with a short note or card. Lottery tickets are fairly inexpensive, but can be fun and (in some instances) financially rewarding

8. Bring in donuts (or a selection of fruit if you’re health-conscious) for your people

9. Have a pot-luck breakfast or lunch. This is something that everyone can participate in and enjoy. The cost is manageable and it provides an opportunity for some enjoyable interaction
10. Hold a silly contest. In an office context, for example, you could award a prize for the most cheerful office or around holiday time in December for the most brightly decorated office or office-space.

11. Give a new, interesting assignment. The key here is to make sure it’s something interesting to the employee. Sometimes all that’s needed to boost morale is a little bit of variety and a change of pace.

12. Do a short employee survey to find out what employees like and don’t like about their jobs – and take action (where possible and sensible) to minimize the dislikes.

13. Ensure that all senior managers spend a day on the ’shop-floor’ or customer-facing once a month.

14. Have senior managers have lunch/breaks with staff on a regular basis.

15. On hot days arrange for ice-creams or iced drinks to be provided.

16. Have senior people say ’sorry’ publicly when something has gone wrong (I am sorry – not we are sorry – needs to be personal).

17. Make time for fun. Incorporating some fun into your workday is a terrific morale booster.

18. Encourage peer recognition. “People like to be recognized personally by their peers”
19. Encourage people to ‘decorate’ or personalize their working space – people perform better in comfortable surroundings.

20. If deadlines or targets have been met then let people go home early on a Friday (not every week – it’s supposed to be a reward not an expectation).

21. Offer stress relief activities. Hire a local massage school to offer free 10-minute chair massages.

22. Help people feel valuable. Talk with employees about the types of projects, training, or experiences they would like to have. Times may be difficult and tough for people to get jobs, but your best people are also the most marketable.

23. Celebrate people’s birthdays. Empower managers to ‘do something different’ for each person, help them feel special.

24. Measure It, keeping a watch on the levels of morale in your business/organization/firm by regularly measuring employee satisfaction.

25. Fire Staff. Sometimes the root cause of low employee morale can be an employee whose negativity brings down the team. Even a top performer can bring down staff behind your back (didn’t see this one coming… or did you?)
Remember these are meant to be boosters – so the effects they will have are short term individually – but a culture of going the extra mile and doing the ‘little things’ builds engagement. These techniques work best when they are not done to a formula – this feels impersonal and will defeat the objective.

**Deal With the Bad Apples**

Problem or underperforming employees can drain morale faster than anything. You must always take immediate action to deal with such issues before they become larger ones. Use progressive discipline to deal with problem employees.

Monitor their progress with regular follow-up meetings. If after following the steps of progressive discipline the issues have not be resolved, terminate for the good of the employee, yourself, the company and fellow employees.

To deal with this issue and still respect the privacy of the employee hold team meetings to discuss the issues being dealt with in general. Do NOT make it obvious that you are talking about the specific employee.
For instance if it is an attendance issue, hold a meeting and go over the attendance policy. Do it as part of a meeting on other matters such as a project update. You benefit in that you are being consistent and treating all employees the same on the issue. Indirectly and with respect to the privacy of the person, it shows that you are taking notice of attendance issues.

Is It Your System?

Sometimes low morale can be a sign of a dysfunctional system. If you have policies that are nearly impossible for the employee to follow, or are so strict they live in constant fear of losing their job, you have a system in place that can kill morale.

For instance a strict attendance policy that states if you are late 5 times in a 3 month period you will be terminated you have a system that places little value on the employee. Yes attendance is important, but life happens. Employees may get stuck in traffic, or forget to set their alarm. There are any numbers of legitimate reasons that can cause an employee to be late. You do NOT want your employees driving like a maniac to get to work on time out of fear of losing their job. High stress equal low morale.
Employees also must know what is expected of them. Job expectations should be made clear so the employee knows what their job role and responsibilities are. Don’t just verbally tell them, write them down and give it to them. During performance reviews it is the perfect time to review and update expectations. How will you employee know if they are doing a good job if you never tell them what is expected of them?

The work environment is vital to employee morale. Is your workplace clean? Is the furniture and equipment functional? Is your workplace drab and dreary? If you want good morale not to mention better performance considers improving the work environment. Does management sit in new offices using the newest technology, while employees have broken chairs and outdated computers? Does your system polices and work environment create a compelling place for your employees to work? Or is it so strict and outdated that they dread coming in? Most morale issues are not problems for the employee to address. They are problems that management and leadership have not addressed.
Effective Of Low Morale

Low morale is evident in an employee’s behavior, attitude, and low performance therefore effective productivity. “Acknowledging management’s responsibility for morale and turnover opens the door to creative solutions” (Hacker, 2000, Perfae p.xvii)\(^5\). Management that has confidence in their employees will encourage them to take on challenges including furthering their education. “Anything a manager does to foster positive results will bring a certain amount of healthy self-respect to the work place and that leads to heightened morale and reduced turnover (200, p.66).

Low morale in the workplace is an emotional issue for employees. It has many causes and must be dealt with immediately. Often poor leadership or poor management is the problem. Take steps to directly connect with your employees. Let your employee know you do know who they are, the work that they do and that you are always there to help them.

You should always acknowledge when they do good work, preferably in a public way. A simple “Thank You” for a job well done is recognition that you appreciate their work. Employees need to know their work has a
purpose, is appreciated and that both management and the company value them.

You must deal with problem employees before they infect the entire group. Use progressive discipline and follow-up regularly to go over the progress. Examine your system, policies and work environment. These could all be sources of low morale.

Causes of Low Morale

How toDeal With Low Morale in the Workplace

Problems with morale in the workplace are more evident now. Employees are worried about the economy and possibly their jobs. Let us assume for this article that economic worries are not the reason for low morale in your workplace.

There are any numbers of reasons low morale can creep into the workplace. Regardless of the reason low morale can hurt productivity, increase work errors, increase “sick days”, decrease cooperation between teams and departments, and if left unchecked can lead to larger problems.
Clearly morale is an emotional issue with employees. Most employees are good workers. They show up on time each day, do well at their job, and take home the satisfaction that they have done a good days work. They feel they belong to a group that works just as hard as they do and they work for a company and management that cares about them. This is the ideal of good morale.

**Poor Leadership** – This is at the top of the list because it is usually the main problem. A lack of morale in the workplace means a leader or manager has not addressed the issue that caused it. It might be their management style or they just don’t get it.

**Unhappy In Their Present Position** – Most employees have hopes of moving up in an organization. They may want more money, or more challenging work. The employee may like the position they are in, but they feel they are underutilized.

**No Clarity in Expectations** – Employees want to know what is expected of them. They may become distressed that they are not meeting expectations which they know will hurt them on their performance review.
This problem is caused by managers who have not taken the time to give clear expectations of the position.

**Other Employees** – This is where the saying “one bad apple can spoil the whole bunch” applies. When management fails to deal with an underperforming employee it can quickly spread negativity among the entire staff. This can be a particularly bad problem with teams who are dependent on each other.

There are many other reasons for low morale in the workplace. As a manager or leader if you have an issue with morale, you must immediately seek out the source and deal with it.

**Dealing with Low Morale**

To deal with morale issues you must first find the source and take steps to make sure it does not creep back in. Throwing a pizza party may raise morale for a day, but it does not address the issues. No type of “feel good” activity will solve this problem.

When morale is low employees may not express it but they are waiting on management to solve the problem first cause of low morale is
poor leadership. Too often managers are disconnected from their employees or do not give them the affirmation that they need.

Remember morale is an emotional issue. Employees need to know their work is appreciated. They want to have the sense that they belong, that they are respected and have the respect of their peers and management.

The best motivator is to make people feel that they are a valuable and worthy individual and a valuable and worthy member of the team. Here are some ways to do this.

Acknowledge how the contributions of your employee have helped you get your job done. “Thank you for all of your hard work gathering this information. It will allow me to get my budget turned in on time.” This shows the employee how valuable their work is directly to you.

Acknowledge how the contributions of your employee have helped your company. “Thank you for all of your hard work on this project. We will save a lot of money due to your efforts.” This shows the employee how valuable their work is to the company.
Acknowledgement must be sincere to do any good. Do not pass out remarks for any reason. If your employee has worked hard on something and done a good job, they almost expect to be acknowledged for it. It affirms that their work is appreciated and that you respect the work that they do.

Awards and public recognition of work above and beyond are excellent ways to acknowledge the hard work of your employees. All employees want recognition from management and their peers. You may also benefit from the increased performance of others so they also can get an award.