CHAPTER-1
CONCEPTUAL BACKGROUND OF MOTIVATION

INTRODUCTION

According to Greenberg and Baron (2000) this definition could be divided into three main parts. The first part looks at arousal that deals with the drive, or energy behind individual(s) action. People turn to be guided by their interest in making a good impression on others, doing interesting work and being successful in what they do. The second part referring to the choice people make and the direction their behavior takes.

The last part deals with maintaining behavior clearly defining how long people have to persist at attempting to meet their goals. Kreitner (1995), Buford, Bedeian & Linder (1995), Higgins (1994) all cited in Linder (1998, p3) defined motivation as “the psychological process that gives behavior purpose and direction, a predisposition to behave in a purposive manner to achieve specific unmet needs, an unsatisfied need that will to achieve respectively.

Young (2000) suggest that motivation can be defined in a variety of ways, depending on who you ask. Ask someone on the street; you may get a response like “it’s what drives us” or “it’s what makes us do the things we do.” Therefore motivation is the force within an individual that account for the level, direction, and persistence of effort expended at work.” Halepota (2005) defines motivation as “a person’s active participation and commitment to achieve the prescribed results.” Halepota further presents that the concept of motivation is Abstract because different strategies produce different results at different times and there is no single strategy that can produce guaranteed favorable results all the times.”

According to Antonioni (1999), the amount of effort people are willing to put in their work depending on the degree to which they feel their motivational needs will be satisfied. On the other hand, individuals become de-motivated if they feel something in the organization prevents them from attaining good
outcomes. It can be observed from the above definitions that, motivation in general, is more or less basically concern with factors or events that moves, leads, and drives certain human action or Inaction over a given period of time given the prevailing conditions.

Furthermore the definitions suggest that there need to be an “invisible force” to push people to do something in return. It can also be deduced from the definition that having a motivated work force or creating an environment in which high levels of motivation are maintained remains a challenge for today’s management. This challenge may emanate from the simple fact that motivation is not a fixed trait –as it could change with changes in personal, psychological, financial or social factors. For this research, the definition of motivation by Greenberg & Baron (2003) is adopted, as it is more realistic and simple as it considers the individual and his performance.

Greenberg & Baron defines motivation as: ‘The set of processes that arouse, direct, and maintain human behavior towards attaining some goal”. (Greenberg & Baron, 2003) Bassett-Jones &Lloyd (2005) presents that, two views of human nature underlay early research into employee motivation. The first view focuses on Taylors, which viewed people as basically lazy and work –shy, and thus held that these set of employees can only be motivated by external stimulation. The second view was based on Hawthorn findings, which held the view that employees are motivated to work well for “its own sake” as well as for the social and monetary benefits this type of motivation according to this school was internally motivated.

Motivation is a process that starts with a physiological or psychological need that activates a behavior or a drive that is aimed at a goal. Every employee is expected to show increased and qualitative productivity by the manager. To achieve this behavior of the employee is very important. The behavior of the employees is influenced by the environment in which they find themselves. Finally, an employee's behavior will be a function of that employee's innate drives or felt needs and the opportunities he or she has to satisfy those drives or needs in the workplace. If employees are never given opportunities to utilize all of their skills, then the
employer may never have the benefit of their total performance. Work performance is also contingent upon employee abilities. If employees lack the learned skills or innate talents to do a particular job, then performance will be less than optimal. A third dimension of performance is motivation. “Motivation is the act of stimulating someone or oneself to get desired course of action, to push right button to get desired reactions.”

The following are the features of motivation:

- Motivation is an act of managers
- Motivation is a continuous process
- Motivation can be positive or negative
- Motivation is goal oriented
- Motivation is complex in nature
- Motivation is an art
- Motivation is system-oriented
- Motivation is different from job satisfaction

**Definition of Key Terms**

Following are several key terms that we believe are very important in order to fully comprehend the theories and approaches behind employee motivation.

**Motivation**— derives from the Latin word mover, meaning, ‘to move’.
1. The internal condition that activates behavior and gives it direction\(^5\).
2. The psychological process that gives behavior purpose and direction\(^6\).
3. The set of forces that causes people to engage in one behavior rather than some alternative behavior

**Needs**— something is necessary for humans to live a healthy life. It can be objective and physical (food and water), or subjective and psychological (need for self-esteem).

**Satisfaction**— The good feeling is that when you have achieved something or when something that you wanted to happen and does happen.

**Dissatisfaction**— Feeling that you are not pleased or satisfied
**Incentives**—Any factor (financial or non-financial) that enables or motivates a particular course of action.

**Job rotation**—Periodically move people from one specialized job to another for neutralizing job boredom.

**Job enlargement**—Combining two or more specialized tasks into a single job to make jobs more challenging.

**Job enrichment**—Redesign a job to increase its motivating potential by introducing planning and decision-making responsibility.

**Extrinsic reward**—External outcomes granted to someone by another person or by organizational system, such as money, promotions etc.

**Intrinsic reward**—Derives internally from individuals that can be experienced through their work, such as the feelings of competency, sense of accomplishment etc.

**The concept of Work Motivation**

The term motive usually is explained as desires, needs, emotions or impulses that make someone do something following this definition, motivation is the state of being incited to action. When we take into consideration work environment it becomes clear that work motivation refers to motivation within a work setting. Typically, it refers to employees’ motivation to perform, stay and commit in a company, cooperate, lead or support a leader, help customers and so forth. Obviously, this definition from International Encyclopedia of Organizational Studies (ed. Bailey & Clegg, 2008) is just an example from a mass of work motivation definitions which can be found in almost every paper about this topic. Some authors define what motivation is by explaining where it comes from. In this approach work motivation has been defined as “a psychological process resulting from the reciprocal interaction between the individual and the environment that affects a person’s choices, effort, and persistence” (Latham & Ernst, 2006).

There are probably as many definitions of motivation as researchers working on this topic. However, there are some features of motivation that are common for most definitions. It can be observed from the examples presented above that when
authors describe motivation they mention an action or behavior that is directed and sustained as a result of motivation. In other words motivation is usually described as an invisible force that pushes people to behave in a certain way. For the purpose of this thesis definition by Pinder (1998) will be used as it seems to define motivation both in a comprehensive and explicit way. Pinder used work of Jones (1995), Locke, Shaw, Saari, and Latham (1981), Steers and Porter (1979), and Vroom (1964) to formulate following definition (1998, p.11):

“Work motivation is a set of energetic forces that originate both within as beyond an individual’s being, to initiate work-related behavior, and to determine its form, direction, intensity, and duration”.

Pinder (1998) believes that presented definition has some features that make it better than others. Firstly, it is not general as many other definitions, it presents motivation in a close relation to work and careers. His definition is intended to apply behavior such as joining or leaving company, being punctual, respecting or not supervisor’s orders, inventing better ways to performing a job and accepting relocation to another place. According to Pinder one of the key elements that are important in defining motivation is a concept of force. It not only makes the definition consistent with other authors work but also allows motivation level to be weak or strong depending on circumstances. The idea of force suggests that motivation is related to an effort. Pinder believes that effort is a consequence and indicator of motivation rather than the same phenomena. He points out that his definition does not present hedonism as a primary force in work motivation. However, it does not exclude it either.

Nature of Motivation

Managers and scholars alike have long been inspired in attempting to find out why some employees tend to work harder than others. The study of motivation helps managers understand this variance in performance. Furthermore, knowledge of what motivates people allows managers to take ‘constructive steps’ to improve their employees’ work performance.\(^1\)
Before understanding the different types of motivation, we need to examine closely the nature of motivation. The term motivation derives from the Latin word mover, meaning, ‘to move’. This means that no one can understand a person’s motivation until that person ‘behaves or literally moves’. Kreitner describes motivation as ‘the psychological process that gives behavior purpose and direction’, while Moorhead and Griffin explain motivation as ‘the set of forces that causes people to engage in one behavior rather than some alternative behavior’.

Employees are essentially the most important aspect of an organization. Managers strive to motivate their employees so that they are willing to perform at their highest levels. When employees work hard, come to work regularly and continue making positive contributions to the organization, the business will be able to cut costs and yield more profit, both of which are the ultimate goals of any organization. On the contrary, unmotivated employees will mean the organization will have people that are not willing to do well in the jobs or have to hire more people to do different jobs, which contribute to higher operating costs and a reduction in profit.

According to an article entitled ‘Need-based Perspectives on Motivation’ by Moorhead and Griffin, job performance depends on three main factors: Motivation, Ability and Environment. In order for an employee to reach a higher level of performance, he/she must ‘want to do the job’ (motivation), ‘be able to do the job’ (ability), and ‘must have the materials, resources, and equipment to do the job’ (environment). For this reason, the following relationship can be established:

\[
\text{Performance} = \text{Motivation} + \text{Ability} + \text{Environment}
\]

Deficiency in any one of these factors will result in a lower level of job performance. Managers always need to ensure that these three conditions are met. Of all the three factors, it is generally accepted that motivation is the most difficult factor to manage. This is mainly due to the fact that human’s attitude/behavior is full of complexities and thus difficult to manage. As for the other two factors, an employee has been recruited with the awareness that he/she has the skills and
capacity needed to perform the tasks as well as the fact that resources are readily available. If the manager feels that the employee lacks training of some sort, he/she can be sent to training programs to learn those skills. If the person is not suitable for the level, he/she can be directed to work at lower jobs. On the other hand, if resources are not available, i.e. the environment factor, the manager can take action to ensure that they become available. Now that we have understood the nature and importance of motivation, we can turn our attention to the theories and approaches behind motivating employees, the main topic of discussion of our next chapter.

Importance of Motivation

Motivation is a very important for an organization because of the following benefits it provides:

1. **Puts human resources into action**
   Every concern requires physical, financial and human resources to accomplish the goals. It is through motivation that the human resources can be utilized by making full use of it. This can be done by building willingness in employees to work. This will help the enterprise in securing best possible utilization of resources.

2. **Improves level of efficiency of employees**
   The level of subordinate or an employee does not only depend upon his qualifications and abilities. For getting best of his work performance, the gap between ability and willingness has to be filled which helps in improving the level of performance of subordinates. This will result into-
   a. Increase in productivity,
   b. Reducing cost of operations, and
   c. Improving overall efficiency.

3. **Leads to achievement of organizational goals**
   The goals of an enterprise can be achieved only when the following factors take place:
   a. There is best possible utilization of resources,
   b. There is a co-operative work environment,
c. The employees are goal-directed and they act in a purposive manner,
d. Goals can be achieved if co-ordination and co-operation takes place simultaneously which can be effectively done through motivation.

4. **Builds friendly relationship**

Motivation is an important factor which brings employees satisfaction. This can be done by keeping into mind and framing an incentive plan for the benefit of the employees. This could initiate the following things:

a. Monetary and non-monetary incentives,
b. Promotion opportunities for employees,
c. Disincentives for inefficient employees.
d. In order to build a cordial, friendly atmosphere in a concern, the above steps should be taken by a manager. This would help in:
e. Effective co-operation which brings stability,
f. Industrial dispute and unrest in employees will reduce,
g. The employees will be adaptable to the changes and there will be no resistance to the change,
h. This will help in providing a smooth and sound concern in which individual interests will coincide with the organizational interests,
i. This will result in profit maximization through increased productivity.

5. **Leads to stability of work force**

Stability of workforce is very important from the point of view of reputation and goodwill of a concern. The employees can remain loyal to the enterprise only when they have a feeling of participation in the management. The skills and efficiency of employees will always be of advantage to employees as well as employees. This will lead to a good public image in the market which will attract competent and qualified people into a concern. As it is said, “Old is gold” which suffices with the role of motivation here, the older the people, more the experience and their adjustment into a concern which can be of benefit to the enterprise.

From the above discussion, we can say that motivation is an internal feeling which can be understood only by manager since he is in close contact with the employees. Needs, wants and desires are inter-related and they are the driving force
to act. These needs can be understood by the manager and he can frame motivation plans accordingly. We can say that motivation therefore is a continuous process since motivation process is based on needs which are unlimited. The process has to be continued throughout.

We can summarize by saying that motivation is important both to an individual and a business.

**Motivation is important to an individual as:**

1. Motivation will help him achieve his personal goals.
2. If an individual is motivated, he will have job satisfaction.
3. Motivation will help in self-development of individual.
4. An individual would always gain by working with a dynamic team.

**Similarly, Motivation is important to a business as:**

1. The more motivated the employees are, the more empowered the team is.
2. The more is the team work and individual employee contribution, more profitable and successful is the business.
3. During period of amendments, there will be more adaptability and creativity.
4. Motivation will lead to an optimistic and challenging attitude at work place.

**MOTIVATIONAL FACTORS**

There are several factors that motivate a person to work. The motivational factors can be broadly divided into two groups:

1. **MONETARY FACTORS:**

   - **Salaries or wages:** Salaries or wages is one of the most important motivational factors. Reasonable salaries must be paid on time. While fixing salaries the organization must consider such as:
     - Cost of living
     - Company ability to pay
     - Capability of company to pay etc,
• **Bonus:** It refers to extra payment to employee over and above salary given as an incentive. The employees must be given adequate rate of bonus.

• **Incentives:** The organization may also provide additional incentives such as medical allowance, educational allowance, HRA, allowance, etc.

• **Special individual incentives:** The Company may provide special individual incentives. Such incentives are to be given to deserving employees for giving valuable suggestions.

II. **NON MONETARY FACTORS:**

• **Status or job title:** By providing a higher status or designations the employee must be motivated. Employees prefer and proud of higher designations.

• **Appreciation and recognition:** Employees must be appreciated for their services. The praise should not come from immediate superior but also from higher authorities.

• **Delegation of authority:** Delegation of authority motivates a subordinate to perform the tasks with dedication and commitment. When authority is delegated, the subordinate knows that his superior has placed faith and trust in him.

• **Working conditions:** Provision for better working conditions such as air-conditioned rooms, proper plant layout, proper animation, equipment, machines etc, motivates the employees.

• **Job security:** Guarantee of job security or lack of fear dismissal, etc can also be a good way to motivate the employees. Employees who are kept temporarily for a long time may be frustrated and may leave the organization.

• **Job enrichment:** Job enrichment involves more challenging tasks and responsibilities. For instance an executive who is involved in preparing and presenting reports of performance, May also asked to frame plans.

• **Workers participation:** Inviting the employee to be a member of quality circle, or a committee, or some other form of employee participation can also
motivate the workforce. Cordial relations: Good and healthy relations must exist throughout the organization. This would definitely motivate the employees. Good superiors: Subordinates want their superiors to be intelligent, experienced, matured, and having a good personality. In fact, the superior needs to have superior knowledge and skills than that of his subordinates. The very presence of superiors can motivate the subordinates.

- **Other factors:** There are several other factors of motivating the employees:
  - Providing training to the employees.
  - Proper job placements.
  - Proper promotions and transfers.
  - Proper performance feedback.
  - Proper welfare facilities.
  - Flexible working hours.

**Need and importance of motivation**

Motivation offers several importance’s to the organization and to the employees:

- Higher efficiency
- Reduce absenteeism.
- Reduces employee turnover.
- Improves a corporate image.
- Good relations.
- Improved morale.
- Reduced wastages and breakages.
- Reduced accidents.
- Facilitates initiative and innovation.

**Money as a motivator**

‘No one works for free, nor should they’: Pursuing money with hard work to provide security and comfort for oneself and their family is not the same pursuing money with a negative motive. Obviously, employees want to earn fair wages and salaries, and employers want them to know this is what they are getting for their
hard work. Unsurprisingly, this all leads to the fact that employees and employers would all view money as the fundamental incentive for satisfactory job performance.

According to Perry and his colleagues, two general suggestions can be provided to managers:

Financial incentives are very important but their effectiveness also depends on organizational conditions. Economic conditions of people influence the Importance of money. For poor person, the value of certain amount of money is quite high as compared to rich.

- Money is a significant motivator at lower level of employees’ level however money may not be a significant factor for senior executives who have already fulfilled their lower level needs.

- Employees are concerned not only with the amount of money paid to them, but it should be fair and equitable as paid to that of the employees of same level or status.

- Social attitudes towards money and wealth also decide the motivation to earn more and more.

- Differences in organizational conditions contribute to possibility and effectiveness of various monetary incentives. Therefore, to ensure the success of the implementation of any changes to existing incentives plans, companies are recommended to study those environment conditions.

- Group incentive systems can also be very effective in private sector setting

- Team-based or small-group incentives are described as rewards for individual’s hard work as a team. In general, its effectiveness depends on the characteristics of its reward system, the organization, the team and the individual team members. Research suggests that equally divided small-group incentives maintain high level of productivity.

- If, as acknowledged by many scholars and theorists, money is not the single most important motivation factor, what are the other types of motivation? Our next sections attempt to explain the most common types of motivation that good managers can take into account.
Employee motivation

Employee motivation is the level of energy, commitment, and creativity that a company's workers apply to their jobs. In the increasingly competitive business environment of recent years, finding ways to motivate employees has become a pressing concern for many managers. In fact, a number of different theories and methods of employee motivation have emerged, ranging from monetary incentives to increased involvement and empowerment. Employee motivation can sometimes be particularly problematic for small businesses, where the owner often has spent so many years building a company that he/she finds it difficult to delegate meaningful responsibilities to others. But entrepreneurs should be mindful of such pitfalls, for the effects of low employee motivation on small businesses can be devastating. Some of the problems associated with unmotivated workers include complacency, declining morale, and widespread discouragement. If allowed to continue, these problems can reduce productivity, earnings, and competitiveness in a small business.

Moreover, a business that institutes effective ways—whether tangible (such as a financial bonus) or intangible (say, a plum assignment for an upcoming project)—of rewarding employees for good work can be an invaluable tool in employee retention. "People enjoy working, and tend to thrive in organizations that create positive work environments," one business researcher told HR Focus. "[They thrive in] environments where they can make a difference, and where most people in the organization are competent and pulling together to move the company forward. Appropriately structured reward and recognition programs are important, but not exclusive, components in this mix.

One approach to employee motivation has been to view "add-ins" to an individual's job as the primary factors in improving performance. Endless mixes of employee benefits—such as health care, life insurance, profit sharing, employee stock ownership plans, exercise facilities, subsidized meal plans, child care availability, company cars, and more—have been used by companies in their efforts to maintain happy employees in the belief that happy employees are motivated employees.
On the academic front, Turner and Lawrence suggested that there are three basic characteristics of a "motivating" job:

1. It must allow a worker to feel personally responsible for a meaningful portion of the work accomplished. An employee must feel ownership of and connection with the work he or she performs. Even in team situations, a successful effort will foster awareness in an individual that his or her contributions were important in accomplishing the group's tasks.

2. It must provide outcomes which have intrinsic meaning to the individual. Effective work that does not lead a worker to feel that his or her efforts matter will not be maintained. The outcome of an employee's work must have value to himself or herself and to others in the organization.

3. It must provide the employee with feedback about his or her accomplishments. A constructive, believable critique of the work performed is crucial to a worker's motivation to improve.

While terminology changes the tenets of employee motivation remain relatively unchanged from findings over half century ago. Today's buzzwords include "empowerment," "quality circles," and "teamwork." All of these terms demonstrate the three characteristics of motivating jobs set forth in the theory of Turner and Lawrence. Empowerment gives autonomy and allows an employee to have ownership of ideas and accomplishments, whether acting alone or in teams. Quality circles and the increasing occurrence of teams in today's work environments give employees opportunities to reinforce the importance of the work accomplished by members as well as receive feedback on the efficacy of that work.

In small businesses, which may lack the resources to enact formal employee motivation programs, managers can nonetheless accomplish the same basic principles. In order to help employees feel like their jobs are meaningful and that their contributions are valuable to the company, the small business owner needs to communicate the company's purpose to employees. This communication should take the form of words as well as actions. In addition, the small business owner should set high standards for employees, but also remain supportive of their efforts when goals cannot be reached. It may also be helpful to allow employees as much
autonomy and flexibility as possible in how their jobs are performed. Creativity will be encouraged if honest mistakes are corrected but not punished. Finally, the small business owner should take steps to incorporate the vision of employees for the company with his or her own vision. This will motivate employees to contribute to the small business's goals, as well as help prevent stagnation in its direction and purpose.

**Employee Retention**

Employee retention refers to the various policies and practices which let the employees stick to an organization for a longer period of time. Every organization invests time and money to groom a new joinee, make him a corporate ready material and bring him at par with the existing employees. The organization will be completely at loss when the employees leave their job once they are fully trained. Employee retention takes into account the various measures taken so that an individual stays in an organization for the maximum period of time.

Employees today are different. They are not the ones who don’t have good opportunities in hand. As soon as they feel dissatisfied with the current employer or the job, they switch over to the next job. It is the responsibility of the employer to retain their best employees. If they don’t, they would be left with no good employees. A good employer should know how to attract and retain its employees. Retention involves five major things.

**MOTIVATION METHODS**

There are as many different methods of motivating employees today as there are companies operating in the global business environment. Still, some strategies are prevalent across all organizations striving to improve employee motivation. The best employee motivation efforts will focus on what the employees deem to be important. It may be that employees within the same department of the same organization will have different motivators. Many organizations today find that flexibility in job design and reward systems has resulted in employees' increased longevity with the company, improved productivity, and better morale.
(i) **EMPOWERMENT**

Giving employees more responsibility and decision-making authority, increases their realm of control over the tasks for which they are held responsible and better equips them to carry out those tasks. As a result, feelings of frustration arising from being held accountable for something one does not have the resources to carry out are diminished. Energy is diverted from self-preservation to improved task accomplishment.

(ii) **CREATIVITY AND INNOVATION**

At many companies, employees with creative ideas do not express them to management for fear that their input will be ignored or ridiculed. Company approval and toeing the company line have become so ingrained in some working environments that both the employee and the organization suffer. When the power to create in the organization is pushed down from the top to line personnel, employees who know a job, product, or service best are given the opportunity to use their ideas to improve it. The power to create motivates employees and benefits the organization in having a more flexible work force, using more wisely the experience of its employees, and increasing the exchange of ideas and information among employees and departments. These improvements also create an openness to change that can give a company the ability to respond quickly to market changes and sustain a first mover advantage in the marketplace.

(iii) **LEARNING**

If employees are given the tools and the opportunities to accomplish more, most will take on the challenge. Companies can motivate employees to achieve more by committing to perpetual enhancement of employee skills. Accreditation and licensing programs for employees are an increasingly popular and effective way to bring about growth in employee knowledge and motivation. Often, these programs improve employees' attitudes toward the client and the company, while bolstering self-confidence. Supporting this assertion, an analysis of factors which influence motivation-to-learn found that it is directly related to the extent to which training participants believe that such participation will affect their job or career utility. In other words, if the body of knowledge gained can be applied to the work to be
accomplished, then the acquisition of that knowledge will be a worthwhile event for
the employee and employer.

(iv) QUALITY OF LIFE

The number of hours worked each week by American workers is on the rise,
and many families have two adults working those increased hours. Under these
circumstances, many workers are left wondering how to meet the demands of their
lives beyond the workplace. Often, this concern occurs while at work and may
reduce an employee's productivity and morale. Companies that have instituted
flexible employee arrangements have gained motivated employees whose productivity
has increased. Programs incorporating flextime, condensed workweeks, or job
sharing, for example, have been successful in focusing overwhelmed employees
toward the work to be done and away from the demands of their private lives.

(v) MONETARY INCENTIVE

For all the championing of alternative motivators, money still occupies a
major place in the mix of motivators. The sharing of a company's profits gives
incentive to employees to produce a quality product, perform a quality service, or
improve the quality of a process within the company. What benefits the company
directly benefits the employee. Monetary and other rewards are being given to
employees for generating cost-savings or process-improving ideas, to boost
productivity and reduce absenteeism. Money is effective when it is directly tied to
an employee's ideas or accomplishments. Nevertheless, if not coupled with other,
nonmonetary motivators, its motivating effects are short-lived. Further, monetary
incentives can prove counterproductive if not made available to all members of the
organization.

(vi) OTHER INCENTIVES

Study after study has found that the most effective motivators of workers are
nonmonetary. Monetary systems are insufficient motivators, in part because
expectations often exceed results and because disparity between salaried individuals
may divide rather than unite employees. Proven nonmonetary positive motivators
foster team spirit and include recognition, responsibility, and advancement.
Managers, who recognize the "small wins" of employees, promote participatory environments, and treat employees with fairness and respect will find their employees to be more highly motivated. One company's managers brainstormed to come up with 30 powerful rewards that cost little or nothing to implement. The most effective rewards, such as letters of commendation and time off from work, enhanced personal fulfillment and self-respect. Over the longer term, sincere praise and personal gestures are far more effective and more economical than awards of money alone. In the end, a program that combines monetary reward systems and satisfies intrinsic, self-actualizing needs may be the most potent employee motivator.

**Employee Retention Strategies**

For an organization to do well and earn profits it is essential that the high potential employees stick to it for a longer duration and contribute effectively. The employees who spend a considerable amount of time tend to be loyal and committed towards the management and always decide in favor of the organization. When you meet someone, there is hardly any attachment in the beginning, but as the friendship matures, a sense of loyalty and trust develops. In the same way, when an individual spends a good amount of time in an organization, he gets emotionally bonded to it and strives hard for furthering the brand image of the organization.

The management can't completely put a full stop to the process of employees quitting their jobs but can control it to a large extent.

**Let us go through some strategies to retain an individual:**

An employee looks for a change when his job becomes monotonous and does not offer anything new. It is essential for everyone to enjoy whatever he does. The responsibilities must be delegated according to the individual’s specialization and interests. It is the responsibilities of the team leader to assign challenging works to his team members for them to enjoy work and do not treat it as a burden. Performance reviews are important to find out whether the employees are really happy with their work or not.
1) **Job Sculpting:**

Many departures arise from frustrations due to the day to day experience of the role, rather than the issues relating to the firm or to individuals.

**Move them internally first** - If someone is unhappy in their role, see if you can find them a new position internally, before they opt to leave.

**Match talents to the requirements of the role** - Match talents to the requirements of the role. Get employees to use their natural strengths, their intrinsic talents. If you want people to stay, get them to use their natural talents. Most people enjoy doing what they are good at.

**Increase job variety** - Sometimes the lack of variety involved in their role can frustrate employees to the extent that they decide to leave. Some people like routine, others like change. Again, a little imagination, a small adjustment, can be the difference between losing them and retaining them.

**Tailor roles to suit individuals** - If you have individuals you wish to retain, it makes sense to tailor roles to suit them. This way they get far more value from work and it is more difficult for other firms to attract them away. Customizing roles to suit individuals can be a winning retention strategy for some firms.

**Enriching jobs** - Enriched jobs have long been shown to offer extra value to many employees. The keys to job enrichment: Skill variety, Task completion, Task significance, Autonomy and Feedback

**Intrinsic motivation** - Understand why people want to work in the first place

**Passions** - Individuals that get to focus on their passions are far more difficult to tempt away. Connecting to passions is a great way can be a great way to improve retention. Most alternatives will start to look far less attractive once an employee gets the chance to focus on something they are passionate about.

**Meaningful work** - Some employees find it difficult to connect their day to day work with the end product. In a sense their work appears to lack meaning. By explaining how their job fits into the big picture, you can create meaning, thus increasing their motivation, and perhaps their willingness to stay.
2) **Retention focused managing:**

People join companies, but leave managers. It’s one of those common sayings that are mentioned in almost every book on retention.

**Select managers with good people skills** - The selection of managers is crucial. Don’t promote individuals into people management roles when their strengths lie elsewhere.

**Use incentives, recognition and support to encourage retention** - Use incentives, recognition and additional support to encourage managers to adopt behavior that reduces the push factor.

**Ask managers to help you** - Asking managers to help you. Sometimes the smart tactic is to explain the problem and ask managers to help.

**Do reassign poor people managers so they can use their strengths** - Do reassign poor people managers into areas where they can use their strengths. It is far easier to build on natural strengths than to fix weaknesses.

**Pay careful attention to the way you assess and reward managers** - If you evaluate managers on their numbers that is what they are like to focus on. If their pay is determined solely by results, don’t expect them to pay much attention to retaining employees.

Think about ways in which their assessment, and perhaps even reward, can be designed to encourage behavior that will assist retention. Focus on creating value for employees.

**Consider upwards feedback** - To encourage managers to pay attention to employee development, get employees to provide upwards feedback.

- Explain why their work is significant
- Work life balance guide
- Performance agreement
- Development plan
- Dialogue
- Goal setting
• Provide the resources they need to the job
• Delegation, autonomy and initiative
• Encourage ideas
• Provide challenging work

3) **Retention Focused Career Support:**

The new psychological contract between employee and employer appears to be largely focused around career development.

• Coaching and mentoring
• Career development interviews - Annual career development interviews are a sensible retention measure. Examine a wide range of options from new work assignments, job enrichment, special projects, additional responsibilities, job sculpting, training, to internal and external moves. Make sure the focus is on what is best for the employee.
• Development plans
• Qualifications: professional and educational
• Upwards feedback on manager as employee developer
• Internal job banks - Create new options so that employees can move internally, rather than having to leave the firm, not necessarily at the managerial level.
• Alternative career paths
• Filling unmet needs
• Build a culture that promotes learning.

Not something that can be achieved overnight, but a few low cost strategies that encourage learning can have an impact in situations where employees are unhappy about the amount of career support they are getting.

If opportunities for genuine career advancement are limited, the best you can hope for is to extend the length of time an employee stays. Though this sounds a strange way to improve retention, it can work as employees are willing to stay while they are developing new skills that will benefit their career in the longer term.
4) Work – Life Balance Measures:

Offering a range of flexible working options can have a dramatic impact on employee turnover in certain circumstances. Giving employees more control over the hours they work can be the difference between retaining them and having to spend a fortune trying to find a replacement.

Try to move towards focusing on productivity and results rather than hours worked.

• Part time work
• Flexi-time
• Job sharing
• Compressed workweek
• Working from home

5) Retention Focused Reward:

Profit sharing, or gain sharing, appears to be the most effective reward strategy from a retention perspective. Of all the various reward strategies to have been implemented over recent years, profit sharing appears to be the most effective from a retention perspective.

6) Avoid Employee Clashes:

Conflicts must be avoided to maintain the decorum of the place and avoid spreading negativity around. Promote activities which bring the employees closer. Organize outdoor picnics, informal get together for the employees to know each other better and strengthen the bond among them. Let them make friends at the workplace whom they can really trust. Friendship among employees is one strong factor which helps to retain employees. Individuals who have reliable friends at the workplace are reluctant to move on for the sake of friendship. No one likes to leave an organization where he gets mental peace. It is essential to have a cordial environment at the workplace

7) Correct HR Recruitment policies:

Frustration crops up whenever there is a mismatch. A finance professional if is hired for a marketing profile would definitely end up being frustrated and look for
a change. The right candidate must be hired for the right profile. While recruiting a new candidate, one should also check his track record. An individual who has changed his previous jobs frequently would also not stick to the present one and thus should not be hired.

8) **Employee recognition:**

   It is one of the most important factors which go a long way in retaining employees. Nothing works better than appreciating the employees. Their hard work must be acknowledged. Monetary benefits such as incentives, perks, cash prize also motivate the employees to a large extent and they prefer sticking to the organization. The performers must have an upper edge and should get a special treatment from the management.

9) **Performance appraisals:**

   It is also important for an employee to stay motivated and avoid looking for a change. The salary hike should be directly proportional to the hard work put by the employees. Partiality must be avoided as it de-motivates the talented ones and prompt them to look for a better opportunity.

10) **The salary of Employees:**

    The salary of the employees must be discussed at the time of the interview. The components of the salary must be transparent and thoroughly discussed with the individuals at the time of joining to avoid confusions later. The individuals should be made to join only when the salary as well as other terms and conditions are acceptable to them.

11) **The company’s rules and regulations should be made to benefit the employees:**

    They should be employee friendly. Allow them to take a leave on their birthdays or come a little late once or twice in a month. It is important for the management to understand the employees to gain their trust and confidence. The consistent performers must also have a say in the company’s decisions for them to feel important.
12) **Retention focused attention Recruitment:**

Retention and Recruitment are interwoven. Some of the departures are almost expected from first day. Make clear you choose the right person in the first place.

(a) **Preview of Realistic job** - To avoid the situation when new recruits leaving during the first month when they find out the job is somewhat different to what they had expected, provide a preview of realistic job.

(b) **Sharing outlook at interview** – Expectations regarding the pay policy, willingness to work long hours, ability to work effectively in teams. Need to conform to the firm's culture, willingness to travel and the candidate’s expectations regarding career development, expected rate of rise in salary, preferred management style.

(c) **Person - culture fit** - It is important that employees share similar values and are able to function within the cultural environment of the firm. A fair proportion of early departures are employees that were never likely to be able to perform to an appropriate level within the firm, due to having values that are incongruent with those of the firm.

(d) **Person/skills - job fit** - Think carefully about the skills needed to do the job well. Study your best performers. Determine their competencies. Select for competencies:

- Talents
- Knowledge
- Self-management traits
- Motivations

(e) **Referrals** - new recruits that were referred by current employees tend to stay longer. They have the advantage of inside information and so are less likely to find the job or role contains unpleasant surprises. Current employees are unlikely to want to jeopardize their own standing by referring friends who are just not appropriate for the work involved.

(f) Including team members in the recruitment process - For roles that a largely team based, or managerial, it is worth taking into consideration the opinions of those who will have daily contact with the post holder. It is a fact of life
that many hiring failures come down to clashes of personality. When interviewing prospective managers consider the notion of upward feedback.

(g) **Promote rather than hire** - Internal promotions send a signal to employees that they too may get the chance of career advancement, if they remain with the firm. Conversely, if strong internal candidates are not selected, it may look like the best option is to leave, if you want to get ahead.

- save money on recruitment
- save money on signing bonuses
- signal to employees
- person - culture fit known

**Retention Focused Orientation:**

Effective orientation plays a vital role in the longer term retention of employees, yet many orientation programs are little more than induction. The purpose of orientation is to get the new recruit settled into position as quickly as possible.

- First impressions count.
- The time window is very small.

**Common mistakes**

- Not having the new employee's equipment in place
- Ignoring them or leaving them to read manuals
- Long lectures, too much information, endless form filling
- Not involving the new recruit's manager and department
- Monologue rather than dialogue

**Instead**

- Make sure equipment is in position
- Show them how they can achieve
- Explain what is expected of them
- Explain how to add value
- Explain how to be a team player
- Help them to feel at home
- Buddies
On their first day:
- Introduce the new employee to team members
- Give them a brief tour of the workplace, showing them where things are kept
- Explain the importance of their role in the success of the business
- Introduce them to their buddy
- Brief them on the company's business strategy, objectives, values etc
- Ask the employee to promise that they will come and talk to you before deciding to leave the company

During the first week:
- Ask them how they like to be managed, motivated
- Give appropriate assignments
- Get them started so they can make a real contribution
- Establish medium term goals including both personal and career development goals
- Detail available resources, schedule any training, arrange a mentor if appropriate
- Arrange short meetings to check how they are doing
- Get colleagues to meet them to explain how best to communicate
- Invite them to the next social event