

Managing Motivation

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Where do you stand on the subject of employee motivation? In your best moments, you are probably with the poet Browning: *"Ah, but a man's reach should exceed his grasp; or what's a heaven for?"* In your worst moments you are probably muttering: *"In the current climate they are lucky to have a job at all."*

These quite understandable points of view represent the dialectic extremes of employee motivation. On the one hand there are those who believe that motivation is 'intrinsic'. On the other are those who believe that motivation is 'extrinsic'.

Adherents to the intrinsic motivation school of thought believe that an employee's motivation comes from within. The employee finds satisfaction, achievement or purpose from his or her work. The job brings psychological rewards. It may be the sense of community or the scope for personal development. It may be about gaining a professional qualification or about

receiving recognition for one's efforts.

Subscribers to the theory of extrinsic motivation believe that an employee's motivation comes from without. The employer brings external forces to bear upon the employee, so as to achieve a desired behaviour or outcome. The job is all about its tangible rewards: salary, overtime payments, bonuses and assorted employee benefits.

You should not leap to the conclusion that one school of thought is better than the other. Each has its weaknesses.


A common flaw in the testing of the theory of intrinsic motivation approach is its self-reporting basis. By this I mean that you may have only the employee's word for it. If you ask an employee what motivates him or her, the employee is more likely to refer to factors for which he or she can take credit. The employee is unlikely to give all the credit to the employer or the line manager or colleagues. That is simply human nature.

A major concern about theory of extrinsic motivation is that it requires repeated action by the employer to provide the motivating stimulus. This theory also contains the implicit notion of fear or oppression – and indeed, this is something that is borne out in practice. Employers have the choice of motivating either with the carrot or the stick – but employers tend to reach too readily for the stick. If you doubt this, think about your own workplace experiences. Is the organisation, in the form of its management, more ready to criticise (in the negative sense) than to praise? If you are thinking 'yes', you are in the majority.

This brings us onto the subject of line managers and their role in employee motivation. This is a subject that we will look at in the next edition of the Newsletter.

The views expressed in this article are Guy's own; they are not necessarily the views of the UK200Group or of Price Bailey LLP.





available
for work

To hire or not to hire?

Marjorie Bremner, BKL HR, Co/Chair of UK200Group HR Forum

When the going gets tough, the natural instinct is to batten down the hatches and try to ride out the storm. With the latest British Chambers of Commerce survey among 5,000 businesses suggesting the UK is proving more challenging for small businesses due to the credit crunch and rising costs, it comes as no surprise many companies are looking to reduce staff rather than add to their number.

However, Marjorie Hurwitz Bremner, of the UK200Group – the respected network of independent accountants and lawyers serving the SME business sector – questions whether putting recruitment on hold is the best long-term strategy.

“Some of my clients, rather than making staff redundant, are taking the opportunity to recruit,” suggests Marjorie. *“They see that some of their competitors are letting good people go and are using the opportunity to gain an advantage by recruiting people with valuable experience so that when market improves they have experienced staff and can hit the ground running.”*

The joint chair of the UK200Group’s HR Forum warns it is often difficult and costly to replace skills lost through redundancy. *“A concern,”* she points out, *“is that some businesses are making highly-skilled people redundant which can cause problems longer-term and can compromise levels of service.”*

As a Partner and Head of HR at Berg Kaprow Lewis LLP – a top 50 accountancy firm specialising in owner-managed businesses – Marjorie admits being surprised by the number of high-calibre individuals currently on the market or undertaking interim roles.

“I recently recruited a financial director for an international company and had 100 very high-profile, top-level applicants, some of whom were immediately available for the position.”

Her experiences reflect the findings of the Chartered Management Institute which has reported a seven-year high for bosses being made redundant in the UK, with around 3% of managers losing their jobs – more than double the previous year.

“There are some very talented individuals and high-level professionals immediately available in the market,” Marjorie acknowledges. *“While that’s slightly alarming, it does present companies that take a longer-term view access to a wealth of skills which would not normally be so readily available. Recruiting the right people with the right skills can act as a catalyst in sustaining a business and taking it forward.”*

Choosing the right people at a challenging time like this is difficult. To successfully talent-spot, Marjorie advocates taking the time to carry out a rigorous and systematic job analysis. *“Analyse the market, your staff, your clients and competitors,”* she suggests.

“Consider where you are now and where you want to be. Ensure you have the people and skills to reach that point. Recruiting the right people is time-consuming but, done properly, brings tangible business rewards.”

But what if recruiting is the last thing on your mind at present? Marjorie accepts redundancies are sometimes inevitable, but stresses the impact of these can be mitigated by sympathetic handling.

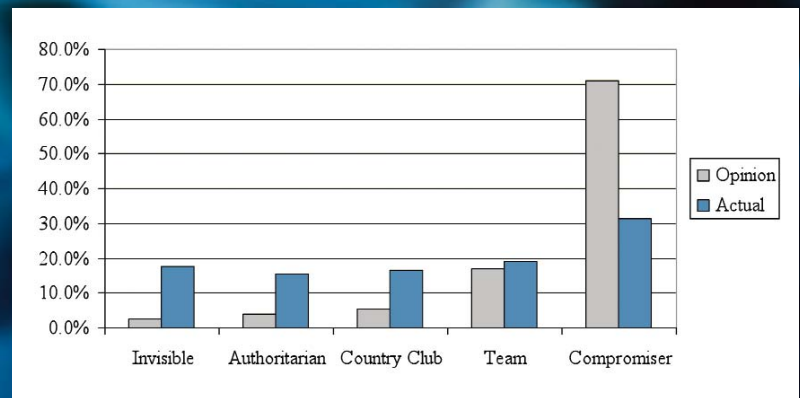
“The human and financial costs of redundancy are enormous,” she says. *“Even when making just one person redundant, firms have to demonstrate a fair procedure and follow strict legal guidelines. Firms want to be caring and ethical at this time and can do this by helping employees come to terms with their situation through initiatives designed to rebuild their confidence, such as redundancy counselling and providing help with CVs, interview skills and getting back into the job market. This helps bolster morale and motivate remaining staff.”*

Developing skills may also be part of the answer. While training is often a casualty of an economic slowdown, Marjorie believes keeping staff development up-to-date can ensure an organisation has the skills to brave harsher market conditions. *“Know your employees and the market,”* she advises. *“Regular staff reviews will help identify the best performers and those with the correct attitude and work ethic to carry your business through the difficult times. Allowing natural wastage as you go along is kinder than redundancy. Even if you have to pare back, try to motivate and engage your core key workers by developing their skills.”* On the key question of whether or not to recruit in the current economic climate, Marjorie says: *“There is no one size fits all and businesses need to look at their individual situation. Consider your existing employees and decide whether they are the right people to help ride through the recession and move forward. Look at the skills sets and knowledge. If there are gaps, then the answer could well be to recruit. Profitability is paramount of course, but targeted recruitment, even in an economic downturn, can have a superb impact on a firm’s long-term prospects.”*



What's your style?

The difference between the perception and reality of management



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Over the last year I have been doing some research into styles of leadership & management. A major proportion of the data for this research comes from the contributions of attendees at the UK200's Annual Conference, which was held last November in Manchester.

The main aim of the research was to see whether managers actually were the type of manager that they thought they were. As the gasps from the audiences accurately reflected, when I put the relevant slide up on the seminar screen, there was a considerable difference. The chart above illustrates that difference between perception and reality.

The research suggests that there almost eight times as many Invisible Managers as participants thought. Invisible Managers tend to be remote individuals who believe in minimum interference with people or processes – sometimes not out of firm conviction about preserving the status quo, but merely out of indifference or apathy. Generally speaking, in difficult times Invisible Managers are not just useless, they are dangerous. When things get tough the troops like to see the officers beside them in the trenches.

The research suggests that managers are more bossy at work than they realise. Authoritarian Managers were four times

more prevalent than participants thought. Authoritarian Leaders are very directive. Their main concern is with getting the job done. At their best they demand high standards; at their worst they demand complete subservience. While they do not sound very attractive, there is evidence that Authoritarian Managers can be useful during times of crisis or difficulty.

The research suggests that there are three times as many Country Club Managers as participants thought. Country Club Managers are preoccupied with the people issues. They believe that a contented workforce will get the job done. This can be a productive approach, but Country Club Managers can be hazy about business aims and objectives. Encouragingly, the misperception indicates that managers are more concerned about their staff than they realise.

Intriguingly, the good managers seem to know who they are. Team Leaders are often viewed as the ideal type of manager. They are good at getting tasks done while also carrying the support of staff.

The Compromiser Manager is someone who does not strongly exhibit any one of the other four styles. It is perhaps unsurprising that the majority of

participants saw themselves or their organisations as having a Compromiser style. In practice, most managers will use a mixture of styles, with the result that the perceived overall style lies in the fuzzy middle-ground of Compromiser. However, in practice, less than half of the participants were right in their assessment of themselves as Compromiser Managers.

There are some broad themes that emerge from the research. It seems that there is a core of people who are good at being managers (the Team Managers). On the other hand there are a majority of managers who are unclear about or unsure of their management style. Anecdotal evidence suggests that this is due to a lack of training, a factor which is not that surprising when one considers that the participants came mainly from SME organisations.

The research methodology seems to evoke a gender unreliability. A disproportionately high percentage of female participants were scored as Compromisers. Anecdotal evidence suggests that some of them should have been categorised as Team Managers.

The analysis compiled and the views expressed are Guy's own and not necessarily those of the UK200Group or of Price Bailey LLP.

Region	Date	Proposed Location
2009		
West Midlands/North Thames Valley **	9 June	Leamington Spa
Essex/Cambridge *	10 June	Chelmsford
South West, Bristol & Wales *	16 September	Bristol
Kent & Sussex **	14 October	Uckfield
Southampton London, Surrey & Home Counties **	11 November	London
2010		
E & W Yorkshire & North East *	17 February	Leeds
North West *	16 March	Northwich
** <i>Guy Mulley</i> * <i>Marjorie Bremner</i>		

Mediation

Conflict and disputes at work are very costly and highly stressful.

Mediation is a fast, inexpensive and extremely effective method of dealing with all types of disputes including personality clashes, relationship breakdowns, bullying and harassment claims, communication problems and all types of disciplinary and grievance issues.

The repeal of the statutory disciplinary and grievance procedures in April 2009 will require employers to review their processes for resolving disputes and under the new ACAS Code and Guidance there will be an increased focus on workplace mediation.

The benefits of mediation include improving relationships between employees, reducing the stress and time involved in using more formal processes and avoiding the cost of defending employment tribunal claims.

BKL HR can help resolve workplace disputes at an early stage and can offer ongoing support and follow up when required.

For further details contact Marjorie Bremner, Co/Chair UK200 HR forum and Human Resources Principal, Berg Kaprow Lewis LLP DL: 0208 922 9388



Did you know...

From 1 February 2009, the following award limits apply:

a) Unfair dismissal maximum compensation increases from £63,000 to £66,200.

b) Maximum amount of 'a week's pay' (for calculating statutory redundancy pay, or the basic award for unfair dismissal) increases from £330 to £350 per week.

c) Limit of guaranteed payment payable to an employee in respect of any day increases from £20.40 to £21.50.

The above figures for a) and b) applies to dismissals made after 1 February 2009.

From 1 April 2009 – Minimum statutory holiday entitlement, including public holidays, increases from 24 days to 28 days.

From 5 April 2009 – Statutory maternity, paternity and adoption pay increases to £117.18 to £123.06.

From 6 April 2009 – Statutory sick pay increases from £75.40 to £79.15.

From 6 April 2009 – Repeal of the dispute resolution procedures returns the law to the position prior to these This means that procedural failings will normally render a dismissal unfair, but any compensation awarded by Tribunals can be reduced in proportion to the likelihood that the dismissal would have occurred if a fair procedure had been followed.

April 2009 – Right to request flexible working is extended to parents of children up to the age of 16 or a disabled child under 18 who receives Disability Living Allowance.