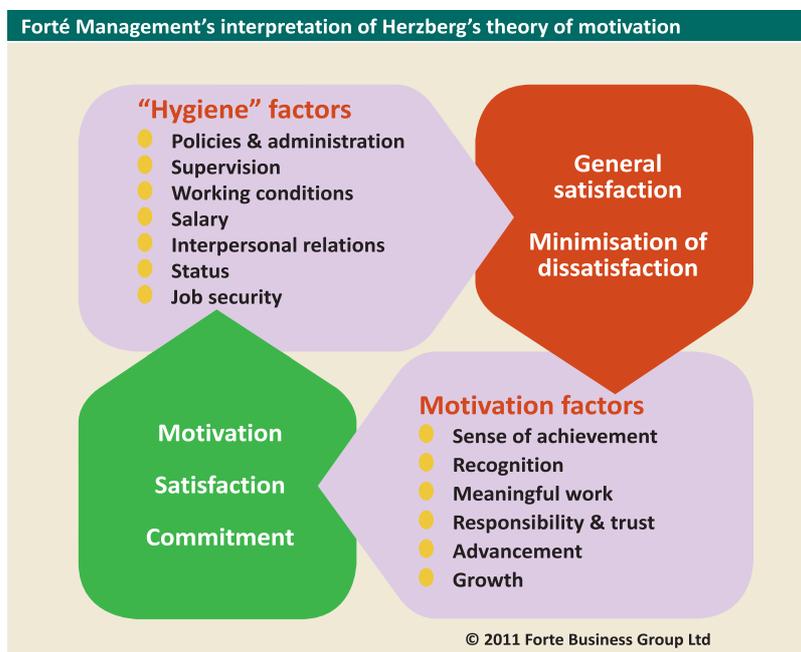


MOTIVATION AND THE ROLE OF DISSATISFACTION

When considering staff motivation, focusing first on the dissatisfaction side of the motivation equation is important. In practice it is almost totally neglected and when specific effort is applied to motivating staff, attention is on the more obvious “motivation” factors. According to Herzberg, until the dissatisfiers (Hygiene factors) are addressed the motivation factors will be ineffective. The hygiene factors are hidden and “out-of-sight-out-of-mind” and often more nuanced. There is a strong link between these factors and employee engagement factors and hence productivity.

Forté Management’s interpretation of Herzberg’s work offers the following model:



Each of these factors need to be interpreted for the Kiwi situation as they are based on a number of assumptions – mainly related to American culture and the American workplace. The most important we think is taking account of Kiwis very strong sense of *fair play*. Violate that and there is immediate dissatisfaction. The following are the other

factors that we have observed contribute to dissatisfaction, that is, “hygiene” factors:

1. Salaries and wages – the “going rate” is very important. Setting remuneration based on personal beliefs and prejudices rather than objective survey data (which seems surprisingly common) – or just taking advantage of the economic environment or people’s personal circumstances (eg they are dependent upon the income) is a major cause of dissatisfaction. It is a common practice, wittingly or unwittingly, to diminish a person’s worth as part of the salary negotiation process – turning what should be a major motivational opportunity into exactly the opposite. This has serious self-esteem and staff engagement issues and hence dissatisfaction implications. See the article at the end extracted from the *Forte Enterprise Digest* December 2011 edition for further discussion on *The contentious issue of what to pay staff*. (http://www.forte-management.co.nz/resources/85-Forte_Enterprise_Digest_December_2011.pdf).

2. Trust – working in the knowledge that the “boss” has your back is critically important. Kiwis detest politics in the workplace and underlying agendas – that people think they are smart enough to conceal but rarely are – cause serious dissatisfaction. This leads on to what might be referred to as demonstrating (or failing to demonstrate) professional courtesy. Violating professional courtesies is an everyday occurrence in NZ and has serious consequences.

3. Autonomy - within the Western mindset we seek autonomy and that is particularly so for Kiwis. We have a strange dichotomy in NZ. On the one hand we have a propensity to not manage people and people performance – leaving them to “get on with it”! On the other hand we tend to (probably unwittingly) micro-manage and that is a strong source of dissatisfaction. We recall a colleague in a listed public company once describing how he was drowned in “minutiae” – the demand for a level of detailed information that his superiors could not possibly make meaningful use of! A major cause of this is an unspoken expectation that every supervisor should know more about the subject than the supervised (from the shop floor through to CEO/Board). That manifests in demands for detail that are largely meaningless as they progress upstream and a diminishing of people’s value in order to demonstrate superiority. It all too often results in excessive focus on minor decisions/expenditure/detail at the expense of more complex/more strategic decisions as the latter are outside the scope of the decision maker’s competence or confidence.

4. Resources - having the necessary resources and support to do the best possible job (Subjective of course but there is a prevailing philosophy that squeezing people by asking them to do more with less will increase their productivity). The belief that people can be manipulated like a machine is a cultural not scientific one – and a dangerous one at that. This closely links with full utilisation of skills – people are dissatisfied if they cannot utilise their full range of knowledge and skills.

5. Recognition – Herzberg placed this amongst his motivation factors but for Kiwis we believe it is also a factor in dissatisfaction for two reasons. First is that Kiwis tend to have quite delicate egos and cry out for recognition. The second is because providing meaningful recognition is so rare. We see this in the approach to performance reviews that are too often reduced to a painful annual event where the best performers receive meaningless platitudes about how well they have performed – all too often alongside a failure to provide any meaningful recognition. Meanwhile poor performance is largely ignored – creating dissatisfaction amongst the superior performers! In assessing staff engagement we use the question *“In the last week, have you received recognition or praise for doing a good job?”* This links with the earlier comment re diminishing worth. Kiwis DIY propensity means that we have a tendency to think that anyone can do everyone else’s job – failing completely to appreciate the subtleties and value of tacit knowledge derived from experience and the importance of collective institutional knowledge that is the bedrock of organisational performance.

6. Succession planning – the above particularly manifests in a failure to succession plan. This is a national problem for small and large organisations. It is a particular problem for small organisations

where the institutional knowledge is concentrated in a very small number of people. It sends signals to staff that their superiors believe that they are readily replaced. That's probably not the reality but it is certainly the signal.

7. Delegation – as organisations have “put on the squeeze”, the increasing inability to delegate is we suspect a growing cause of dissatisfaction. In one company we know of, all the assistant branch managers were made redundant. In the following nine months a significant number of branch managers then resigned in frustration – and you can lay money on it being the cream of the crop who have left. Some money may have been saved in the short term but the impact of losing good people cannot be under estimated.

This issue around superiors understanding what work can or cannot be delegated to whom is a major dissatisfaction issue and almost invariably results in senior staff being unable to take their annual leave, concentrate on the important as opposed to the urgent etc due to their own commitments and then having to contend with the loss of support that is becoming so commonplace.

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The contentious issue of what to pay staff

It's widely reported that people aren't motivated by money – they are motivated by much more nuanced things like recognition and meaningful work. We've loved that idea here in New Zealand, perhaps as some sort of renouncement of materialism. We want to pose a question though. *“Is it just possible that we've used that as an excuse to squeeze pay rates and in squeezing pay rates have we actually driven productivity down not up?”*

This is vitally important because, while more pay may not result in more motivation, less pay, or perceptions of less or unfair pay most certainly creates dissatisfaction that in turn de-motivates. Eminent psychologist Frederick Herzberg's theory of motivation states that there are certain factors in the workplace that cause job satisfaction, while a separate and independent set of factors cause dissatisfaction. This is critically important because we know that satisfied workers are more productive and dissatisfied workers are less productive. If pay is not perceived as fair then we have a productivity issue.

So what is an appropriate pay rate? If it is true that money is not a motivator then from a productivity perspective, employers at the very least must aim to avoid *dissatisfaction* – the point at which pay is no longer a dis-satisfier and other factors can then be used to motivate staff.

From a strict economic perspective, the obvious thing to consider is *“What's the work worth?”* That's not all that difficult to calculate for occupations where “things” are made or where a service is sold by the hour. Other positions can be more challenging, especially as you go up the pay scale. There are good executive remuneration firms around so these should be utilised where appropriate. A caution though. The results may be surprising and can result in even more dissatisfaction.

But here's the problem. All Kiwis want, it is reported, is a *“Fair day's pay for a fair day's work”*. The problem that we face increasingly in the Western world and especially in New Zealand with its long term productivity issues is that more often and in more occupations there's a disconnect between the economic worth of many positions and what represents a fair day's pay. We now face a circular argument. The only way to increase remuneration within an occupational category is to increase productivity while productivity may be restrained by the failure or inability to increase remuneration. That leads into the subject of the next edition where we will consider how to create new revenue streams from the existing investment.