

# **ANALYSIS OF MOTIVATION IN TODAY'S WORKFORCE**

Presented to  
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## MEMORANDUM

**TO:** Marynell T., Zieziula  
Bucks County Community College

**FROM:** Your Name  
Organization

**DATE:** Date Submitted

**SUBJECT:** MOTIVATING EMPLOYEES AT FIRST FEDERAL SAVINGS BANK

Here is the report that you requested about motivation in today's workplace, along with recommendations on how to implement strategies in our bank to motivate employees. The report included both secondary research using professional and scholarly journals and primary research using personal interviews with Lonny Cooper, Jon Wenzel, and Reza Rich.

Based on the findings in this report, I have concluded that money alone is not enough to motivate employees in today's workforce. Having unmotivated employees is detrimental to an organization. Managers or supervisors can motivate their employees by effectively communicating with them, recognizing and praising effective performances, and implementing effective incentive programs. Having motivated employees increases productivity, sales rates, and morale. Recommendations for motivating employees at First Federal Savings Bank include meeting with employees frequently, letting them know how they are doing, and offering rewards that are valuable to employees.

I am grateful to Lonny Cooper, Jon Wenzel, and Reza Rich for taking time out of their busy schedules to talk with me about motivation in today's workforce. Their opinions and candor contributed greatly to my success in completing this report.

Please come to me if you need additional information or if you have questions. I would be happy to assist you in any way when implementing some of the recommendations presented in this report.

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## **EXECUTIVE SUMMARY**

### **Purpose of the Report**

The purposes of this report are to (1) explain why employees become unmotivated, (2) identify the consequences a company endures with unmotivated employees, (3) discuss strategies or techniques organizations can use to motivate their employees, and (4) show the positive consequences a company enjoys with motivated employees.

Secondary research was conducted using the American Business Index. Nine professional and scholarly journals were used for the report. Primary research consisted of personal interviews with Lonny Cooper, Jon Wenzel, and Reza Rich. Secondary and primary research contributed equally to the success of this report.

### **Motivation in Today's Workforce**

Findings from professional and scholarly journals and personal interviews revealed that employees become unmotivated when communication breaks down between management and subordinates. Lack of motivation in employees tends to increase carelessness, absenteeism, resource waste, and turnover rates in an organization. Because employees possess different values, they are motivated by different things.

Communicating information, praising employees, and recognizing effective performance are key strategies a manager or supervisor can use to motivate employees. Production, sales rates, and morale all increase when employees become motivated.

The results of this research revealed a surprising concept: money alone is not enough to motivate employees today.

## **Recommendations for Motivating Employees**

Recommendations for motivating employees at First Federal Savings Bank include (1) offering bank tellers valued rewards for balancing their cash drawers perfectly every day for one month and for each consecutive month, (2) meeting with each branch monthly to recognize, praise, and congratulate employees for successful performance, (3) sending memos to each employee showing how much profit each branch has made on a monthly basis and showing how that branch earned the profit, and (4) giving employees a choice as to whether they want extra pay or time off from work when extra hours are put in each week.

# ANALYSIS OF MOTIVATION IN TODAY'S WORKFORCE

## INTRODUCTION

*Motivation* is a term that most employers have read or at least heard about. However, when it comes to actually motivating employees, many employers are not aware of or familiar with the different techniques and strategies they can use to motivate their employees. Unfortunately, we live in a society where millions of people are not motivated at their jobs. This is alarming since most people spend more time at work than with their own families. It is hard to say who is at fault for this perplexing problem. Many argue that it is an employee's job to motivate himself or herself, while others argue that an employer is responsible to motivate employees. In response to this, researchers have studied individuals in hopes of determining what actually does motivate them in the work force. Motivating employees may not be as easy as one may believe. With current research, it is becoming clear that money alone is not enough to motivate employees. It has also become apparent that a lack of motivation is common throughout many organizations.

First Federal Savings Bank can be included among those organizations with unmotivated employees. Certainly, everyone at First Federal has been unmotivated at one point or another. However, employee motivation has become a problem in the last year, and no one seems to know the exact reason behind the lack of motivation. In addition, no one knows how to solve this serious problem.

The purpose of this report is to understand why motivating employees is crucial for an organization. Employees lacking motivation can be detrimental to an organization. Decreases in production, morale, and customers are just a few of the negative effects low morale can have on a company. On the other hand, motivated employees can have just the opposite effect. Through secondary research using the American Business Index and primary research using personal interviews, this thorough report will provide crucial information about motivating employees.

The goals of this report are to (1) explain why employees are unmotivated, (2) show the consequences a company suffers when employees are unmotivated, (3) identify strategies or techniques that organizations can use to motivate their employees, and (4) list the positive consequences a company enjoys when employees are motivated. Interviews with Lonny Cooper, Jon Wenzel, and Reza Rich provide significant information to achieve the report goals. Finally, the report will draw conclusions from the collected information and suggest recommendations based on those conclusions.

## **SECONDARY RESEARCH USING PROFESSIONAL AND SCHOLARLY JOURNALS**

### **Reasons for Lack of Motivation**

Different theories suggest that humans are motivated by different things. All individuals reach a point in their work lives when they simply are not motivated. Different ideas may explain why this occurs. Individuals' personalities certainly contribute to their attitude about their jobs. Managers and supervisors cannot do much to control these personal variables. However, managers and supervisors do control other variables that can cause employees to lose motivation.

Nelson reported that too many managers are relying on money alone to motivate their employees. It has been researched and found that in some cases money can have a demotivating consequence. This may explain one reason why people are not motivated in the workforce. Employers are still not aware that money alone is not enough to motivate workers in today's work environment (Nelson 65-66).

Often employees are not told about what is happening in a company. Romano reports that one of the cheapest and best ways to motivate an employee is to show how his or her particular job is making a profit for the company. When a company treats an employee as a business partner, he or she will feel a sense of belonging to that particular company. Too many times managers and supervisors withhold valuable information from their employees to maintain power in their company. This affects employee morale, and motivation suffers (Romano 6).

Nelson also reported that employees will not be motivated to do their jobs if managers or supervisors do not acknowledge workers' performance. When employees are not given full or even limited recognition and praise, they will not put in the extra effort to do their jobs well. Praise and recognition can increase workers' performance and self-esteem significantly (Nelson 66-67).

Nelson also reports that too often managers do not take the time to regularly meet and listen to their employees. In addition, specific performance feedback is not given to employees to let them know how they are doing. Lack of communication between a supervisor and an employee is enough to frustrate an employee. When employees feel that the organization doesn't care whether they are there or not, employees begin to not care about their jobs and about how productive they are (67).

Other factors that cause employees to be unmotivated include creating an environment where employees are bored or do not trust management. Moreover, when employees are not given a chance to learn new skills or grow within the organization, low morale will likely result.

### Consequences

After learning why people are unmotivated in the workforce, one may then wonder what the consequences are when a company has unmotivated employees. Many negative results can occur. Martinez reports that complainers can create negativity throughout the workplace in a short amount of time. He compared it to catching a contagious disease. Even companies that had very optimistic cultures can suddenly develop pessimistic cultures when complainers spread their negativity.

Beavers reports that it takes only one demotivator to erase any progress an organization has made toward motivating its employees. Researchers have revealed that many negative behaviors may exist in a work environment filled with unmotivated employees. They may display violent or aggressive behavior on the job. They may begin to steal from their own companies. Carelessness, absenteeism, resource waste, and substance abuse can all develop within organizations that do not take the time to learn strategies and techniques that motivate employees (Beaver 23).

One of the most important consequences of having unmotivated employees is decreased productivity. Beavers reports that a decrease or loss in production can cost organizations millions of dollars annually. When production drops, profits naturally drop also (24).

Nelson points out that when companies fail to motivate their employees, turnover rates increase. Employees will leave their jobs and go to work for other employers—ones who do a better job of motivating their employees. No company likes to see turnover rates increase. Recruiting, hiring, and training a new employee are expensive (Nelson 66). Moreover, new employees are not immediately productive, which again drains a company's resources.

### **Techniques or Strategies to Motivate Employees**

Motivating employees takes time and practice. Not all employees are motivated in the same ways. Mapes reports that motivating employees is all about what their priorities are in life. When managers realize what their employees' values are, rewarding them becomes much simpler. It is important to remember that everyone is motivated by different values, and employees' values may be quite different from a supervisor's values. This is when communication becomes necessary so that a supervisor can learn what will motivate an employee (Mapes13-14).

Many managers still believe that money is the most powerful tool to use when it comes to motivating employees. However, research has shown this to be untrue. In fact, some of the most powerful ways to motivate employees do not involve money at all. Richer suggests that motivation is really about having effective communication between managers and employees. Keeping everyone informed about what is going on in an organization is essential. Motivation will not take place if employees do not know what is going on or if no one listens to what they have to say (Richer 41).

Martinez agrees that good communication is essential to avoid creating a negative work environment. Straightforward, in-depth communication is one of the best tools to

use when employers want to avoid low morale and negativity in the workplace. When changes are to occur in an organization, employers need to be 100 percent truthful. Important issues and decisions should not be hidden from employees (Martinez 55). Communication is a powerful tool that managers frequently overlook.

Nelson reports the following ten techniques that managers can use to motivate today's employees.

1. Personally thank employees when they do excellent work. Thanks should be prompt and courteous. Thanking employees can be done verbally or in writing.
2. Take the time to talk with employees. The best means of communication is face-to-face conversation.
3. Give specific feedback about work performance directly to employees.
4. Strive to create a work environment that is relaxing, fun, and open. Employees should be able to use their imaginations and express new ideas.
5. Show employees how the organization loses and makes money.
6. Allow an employee to participate in decision-making processes, especially when a decision will affect that particular employee.
7. Allow employees to feel a sense of ownership in their jobs and in the work that they do.
8. Make rewards, promotions, and recognition based solely on employee performance.
9. Encourage employees to grow and learn new skills to be used in the company.

10. Celebrate an employee's performance when he or she is successful. Let employees know that their hard work is valued and appreciated (Nelson 67).

Along with these strategies, a well-designed incentive program can offer promising results. Halloran outlines a structured program that a company can follow in creating such an incentive program. First, a company must set objectives that are fair, specific, and easy to understand. It should measure results accurately. It should communicate the goals of the incentive program on a regular basis to employees. Memos are a great way to let employees know how they are doing. Rewards should be based on what the employee values. Paying close attention to lifestyle habits makes it easier for a manager to choose a suitable reward for an employee. Once achieved, success should be celebrated by both managers and employees. Finally, managers should incorporate their incentive programs into marketing plans. With a well-conceived incentive program, employees become more motivated and productive (Halloran13).

Nelson suggests that money does have its value in certain situations. When individuals are in need of extra income (for unexpected medical bills, college tuition fees, or a new home purchase, for instance), individuals may be more likely to be motivated by money (Nelson 66). Wakefield reports at the First National Bank in Akron, Iowa, that tellers are given \$20 if their teller drawers balance perfectly for one month and \$10 for every month after that if their drawers still balance perfectly (Wakefield 61). In this instance, money does have a motivating effect on the bank tellers at First National Bank.

Sometimes companies go to great lengths to motivate employees. Dolan reports that at the Wilton Connor Packaging Co., Inc., in Charlotte, North Carolina, employees can take their laundry to work and have it washed, dried, and folded—compliments of the

company. This service helps relieve the pressure of working all day at the office and then going home to household work at the end of the day. Laundry service enables employees to concentrate on their work while not having to worry about chores to be done at home at the end of the day (Dolan165).

Dolan also reports that other companies such as PepsiCo and AT&T have tried other techniques to motivate employees. PepsiCo offers certain employees counseling services for a reasonable price, as well as dry cleaning services. AT&T allows many employees to work at home by telecommuting during some parts of the week. Telecommuting permits employees to reduce their commuting time and allows them to spend more time at home with their families.

Wellness and fitness centers built by an organization for its employees have proven to have many benefits, according to Dolan. Many believe that these facilities relieve stress and help increase the quality of an employee's work during the day. Most believe further that gym use will reduce medical care costs for the company. Thus, a fitness center can benefit not only the employee but the organization as well (168).

### **Benefits of Motivating Employees**

As suggested by the research cited in this report, motivating employees can have an important and lasting impact on an organization. When a company decides to invest time and effort to motivate employees, many positive effects can result. Halloran reports that motivation can lead to increased productivity and sales. Customer relations are improved, the work environment becomes safer, and morale increases (Halloran 13).

Another benefit of motivating employees is that turnover rates drop substantially. Dolan reports that at the Illinois Trade Association, Inc., not one employee has left in the

last five years except for reasons of spouse's relocation or pregnancy. This particular company implemented employee-motivation techniques and kept its turnover rate at almost zero percent (Dolan 164).

Motivation benefits both the employee and the organization. Motivated employees are more likely to have higher self-esteem and self-efficacy. Self-efficacy is the belief that one can perform a certain task successfully. Having motivated employees increases morale in an organization. This can have a ripple effect across the company. If others observe workers excited and motivated to do their jobs, they too are likely to become excited about their jobs. Overall, the environment in the workplace improves and the workday becomes more enjoyable and bearable.

## **PRIMARY RESEARCH USING INTERVIEWS**

### **Conducting the Interviews**

For this report three individuals: Lonny Cooper, Jon Wenzel, and Reza Rich. The goal was to discover what each of these individuals knew about motivation in today's workforce. Each interview consisted of the following questions: (1) In general, why are employees unmotivated? (2) What consequences does a company face when it has unmotivated employees? (3) How can a company motivate employees? (4) What benefits does a company receive when it has motivated employees?

### **Reporting the Results of the Personal Interviews**

Lonny Cooper is the director of Information Services and chief of Security at First Federal Savings Bank. Mr. Cooper has been with the company for one year. Previously, he was the president of Software Dynamics Corporation. He has earned a bachelor's

degree in marketing at the University of Minnesota. In the past he has given numerous lectures and conducted several seminars on the topic of motivation.

When Mr. Cooper was interviewed, he said that he believes employees are not motivated because society has taught us that being average is sufficient. Society does not strive to use people's skills and make them become better than average. Mr. Cooper listed three consequences a company faces when employees are unmotivated: (1) substandard products and services become the norm for the company, (2) the workforce lacks cohesion, and (3) change will not happen when it should. Mr. Cooper believes that employees are motivated when they know what is going on in a company, when they believe their supervisor earned his or her position honestly, when they work for a caring company, and when monetary rewards are given. Mr. Cooper also stated that a company will benefit from having motivated employees by earning profits and successfully accomplishing goals set by the organization.

Jon Wenzel has been working at First Federal Savings Bank for four and a half years. He is head of the Compliance Department. Previously, he worked for the United States Treasury Department for eight years. He holds a bachelor's degree in economics and a master's degree in finance and accounting.

Mr. Wenzel believes that employees are unmotivated because they are doing jobs that they do not like. Employees are put into organizational positions where they have no interests. He also suggests that management has failed to motivate employees.

Mr. Wenzel reports that reduced productivity, absenteeism, and employee turnover are just a few of the negative consequences a company may face if it has unmotivated employees. Mr. Wenzel suggests that employees will be motivated if they have a sense of

contribution to an organization and feel that their work is appreciated. Finally, he reports that when a company has motivated employees, the workers will become more productive and the work atmosphere will become more pleasant.

Reza Rich has worked in the financial industry for twenty-one years. During the last fourteen years, she has been a supervisor. Currently, she is the assistant vice president of First Federal Savings Bank. She has recently completed supervisory classes that dealt with the topic of motivation.

Mrs. Rich believes that when employees do not look at their jobs as careers and are concerned only about their paychecks, they will not be motivated. Mrs. Rich suggested that when a company has unmotivated employees, productivity will decrease, quality of work will fall, and turnover rates will increase. She reports that a company can motivate its employees by providing good working conditions, communicating information about upcoming changes, and recognizing employees for performances done well. Mrs. Rich also said that once a company learns how to motivate employees and implements these strategies into an organization, employees will be happier, will increase their work quantity and quality, and will cooperate more effectively with co-workers.

## **CONCLUSIONS**

Based on the findings of the secondary research and primary research involving personal interviews with Lonny Cooper, Jon Wenzel, and Reza Rich, the following conclusions are drawn:

1. Money alone is not enough to motivate employees in today's workforce.
2. Employees become unmotivated when communication breaks down between management and subordinates and when performance is not recognized or praised.

3. Unmotivated employees cause negativity throughout the workplace. Carelessness, absenteeism, resource waste, and turnover rates increase when employees become unmotivated.
4. Employees are motivated in different ways because each individual possesses different values.
5. Developing and implementing effective communication, incentive programs, and praise in the workplace have proven to be successful strategies or techniques a company can use to motivate its employees.
6. When a company has motivated employees, production and sales rates increase, customer relations improve, the work environment becomes safer, morale increases, and turnover rates decrease.

### RECOMMENDATIONS

Supported by the findings and conclusions of this report, the following recommendations are offered in an effort to motivate employees at First Federal Savings Bank:

1. Offer the bank tellers rewards for balancing their cash drawers perfectly every day for one month. Continue to reward tellers for every perfect month thereafter.
2. Have meetings once a month with each branch to recognize, praise, and congratulate employees for successful performance. Specific names and achievements should be discussed during these meetings.
3. Encourage main office executives to visit the five branches on a weekly basis to ensure that the main office has not forgotten about them.
4. Give employees a choice as to whether they want extra pay or time off when extra hours are put in each week.
5. Let each employee know who he or she can talk to when there is a problem or when help is needed.
6. Designate someone to ask employees how they wish to be rewarded so that when rewards are given, employees value and appreciate the rewards.
7. Allow current employees of First Federal Savings Bank first choice when an opening occurs rather than posting the job opening in the newspaper.
8. Send memos to every employee showing how each branch is making profits. Specifically, list how much profit each branch makes on a monthly basis. In the memos also recognize successful performance and outstanding employees. Let employees know what areas need improvements and how they can help management meet its goals.

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