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Happy Workers Are Productive Workers

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Abstract:

The idea of happy workers are productive workers was developed in the year 1930s and 1940s. It is true that if the workers are happy, they will become more productive and will also help in achieving the goals of the organisation. Companies should also think about their employees and for their welfare. This should also be the objective of all the organisations.

Keywords: Workers, productivity, satisfaction

1. Introduction

Happy workers are productive workers, this statement is generally true. This idea was generated in late 1930s & 1940s. So after that period managers tried to make their workers happy by providing good working conditions & better environment at the workplace. A worker by doing good job will earn status, good image, higher pay level, and probabilities for promotion. If an organisation wants to keep his employees happy, then this organisation should indulge itself in the employee welfare activities. Welfare activities may include health benefits for the employees and for his family, education to the children of workers etc. The manager can also give incentives and rewards to the workers for good behaviour and good work done by them. The worker's satisfaction parameters are worked itself, pay, promotion, supervisors, co-workers and working conditions. So a worker first of all will look at his work or job profile, if he is not satisfied with the job or work then he cannot work for the achievement of the organisation's goals. Then comes the pay scale he is getting must be satisfactory because each and every thing on the earth he has to purchase for survival, whether it is education for his children, consulting doctor, having food and shelter, spending money on clothes or for travel. After that supervisors and co-workers came. The workers work together to achieve all the goals. So there should be a good understanding and cooperation among them. Thus, all the workers need a good environment in the organisation. If they feel they are not satisfied then, they will definitely think of switching the present job. Thus it is the duty of managers to make their workers happy.

Incentive is a reward or recognition offered in exchange for work performance. It could be in monetary or non monetary form. The payment can be tangible or intangible, and may or may not have cash value. Incentives are generally non-discretionary and can be paid anytime during the year. It includes awards, rewards and recognition but in all, Respect is the Best Incentive for an employee. Employee incentives can be of many types but ultimately these are the tool managers use to reward good work and thereby encourage employee retention. When a company wants to encourage productivity among its employees, employee incentive program is the one option available to the employer. Employee incentives are a system of rewarding success and effort in the workplace by allowing employees to earn prizes or recognition. Incentives take many different forms and vary from company to company. Small business firms might have a more informal incentive program, which might be as simple as a manager giving an employee a gift card to thank them for putting in extra hours on a project. Whereas in larger companies, there may be a formalized reward system by which employees can earn big incentives like trips or electronics for meeting specific goals. Simply recognizing good work of the employees is not an incentive. Incentives must be something an employee perceives as valuable, though value does not have to be monetary.

Importance of Incentives in making workers happy:

One of the most important tasks for a manager is making employees feel valued and be more productive. Because when employees feel valued, they tend to stay with the company longer, work harder, and perform higher-quality work. While how much money a person earns is a hugely important part of how valued they feel. How to manage and retain employees is a big challenge to every employer. The employer should be ethical, fair and lawful towards all the employees. Many small business owners started their businesses because they wanted to be their own boss, but what happens when it comes to hire employees – what kind of leader will you be, how will you manage your business and the regulatory requirements of being the boss?

It's important to remember that as an employer and manager you are required to treat all employees equally and fairly.

So what can you do to ensure you adhere to basic managerial ethics and the law? Here are some tips and considerations to bear in mind to help you avoid costly managerial mistakes:

1.1. Treat All Employees Equally and Fairly

As an employer, you cannot make any hiring decisions and also cannot harass employees based on your own bias for a certain group of people – this includes gender, race, religion, age, colour, sex, national origin, disability or genetic information. If an employee finds your actions questionable, then in that case an employee may be entitled to file a charge of discrimination with the concerned authority.

1.2. Develop an Employee Handbook

An employer should maintain an employee handbook which must contain the information regarding their rights and duties, and also the rules and regulations of the employment.

1.3. Communicate Policies and any Policy Changes

Small businesses with a certain number of employees are often exempt from certain labour requirements – but as you grow or take on more employees, your compliance obligations will change.

Today without the ability to join together to protect their rights and improve their working conditions, employees will be at risk of unfair treatment. For those workers who wish to pursue traditional union organizing or other collective action, employers and the government must continue to honour that established right. Employees should always be able to stand up for their rights, because employers do exploitation of their employees at the workplace. Employer may not provide good working conditions or medical facilities or they may not provide after retirement benefits. Employers should not be able to force employees to give up their rights to get or keep a job. Employees need fair means to pursue justice when their rights are violated. The Government must do something for those who need justice. Penalties for violating the law must be a true disincentive for future violations of their rights.

The most important asset to any company is its people who are working towards achievement of company's goals. So every employer should keep in mind that if their employees are happy in the workplace then only they can make a stronger company. Every individual wants to be recognized for their good work. The employer should create the best atmosphere for employees. They need more than just financial rewards. "Pay raises are generally effective for three months," says Richard Bead, vice-president of human resources for Telus Corp; without further incentives, the motivation fizzles. While rewarding an employee with money is effective but not everyone is motivated by money, so non-financial rewards can be important alternatives to retain the employees. Some of the examples are as follows:

1.3.1. Taking Care of Employee's Family

Many companies these days have engaged themselves in the programmes which helps the employee's family members. E.g., you've heard all about Google's outdoor sports facilities, free food and more, but there's another perk that should be noted. If a U.S. employee passes away while working for the tech giant, the employee's spouse or domestic partner receives 50% of the deceased's salary every year for the next decade, no matter how long or short his tenure.

1.3.2. Giving Free Vacations

This is one trend throughout the top 100 companies list. For example, Delhi metro rail corporation ltd., they give free trips to their employees twice in a year.

1.3.3. Bonus or Incentives

Many companies on some special occasions like Diwali in India, give bonus to their employees. Sometimes they distribute watches, cars, home appliances etc.

1.3.4. Accommodation Facility

There are so many companies those are providing accommodation facilities to their employees.

1.3.5. Saying Thank You!

Often times, employees just want to be recognized for their good work. A simple "Good work" from his boss can be helpful. Employees at NetApp often get a chance to receive special recognition. Vice Chairman Tom Mendoza asks managers to notify him when they "catch someone doing something right," and then calls 10 to 20 employees every day to thank them.

1.3.6. Taking Care of Employee's Safety

Employees should take all the steps to ensure safety at the workplace. Chesapeake Energy paid out more than \$8 million in "safety bonuses" in 2011 to more than 6,000 employees across the company for following safe work practices.

1.3.7. Keeping Employees Healthy

For example, JM Family Enterprises has taken the initiative for keeping employees healthy and for that they have opened health and wellness centres staffed by doctors, nurses, and other health care professionals now function at eight locations of this Toyota distributor, providing primary care, wellness exams, complete physicals, vaccines, and lab tests at little to no cost to employees.

1.3.8. On-Site Personal Massages & Mental Health Resources

These days, people are facing many problems which will affect their mental health. This is the reason why companies are organising yoga sessions during their working hours. Some are using spiritual sessions to help their employees in overcoming the anxiety. For example, employees at Mayo Clinic can get massages while its Arizona facility's "stress-free zone" offers resources to cope with work anxieties.

1.3.9. Having Fun at the Office

Delhi metro rail corporation Ltd. Keeps things light by offering table-tannis, carom board and also the televisions at the crew control where all the train operatos take rest after driving a metro. Refreshments are also provided to the staff like tea and coffee.

1.3.10. Tuition Reimbursement

Intel offers \$50,000 for tuition reimbursement and an eight-week paid sabbatical every seven years, which 4067 employees took advantage of just last year.

1.3.11. Employee Appreciation Week

The insurance giant Aflac hosts an annual six-day appreciation week; last year it included theme park visits, film showings, skating, and daily giveaways.

1.3.12. Immediate Vacation Time

Hasbro, the world's second-largest toy company, enhanced its vacation policy by giving new employees three weeks off in their first year instead of having to wait five years.

1.3.13. Profit-Sharing Plan

Seventy-eight percent of Robert W. Baird & Co. is owned by non-senior management. All hourly and salaried associates enjoy annual profit-sharing contributions from a pool that represents 10% of Baird's pretax net operating income.

1.3.14. Offsite Employee Activities

GoDaddy sets money aside every month that is used to take employees off-site for activities during paid work hours. They do this every month. Recent GoDaddy expeditions included: whitewater rafting, gold panning and cooking classes. The employees obviously enjoyed it.

1.3.15. The Monthly Hero

Zappo's has a rather unconventional "recognition" program in place. Their program is called the "Monthly Hero" program and here's how it works. Every month, every Zappo employee is given \$50 they can "give" to a coworker as a bonus and as a way of to recognize that coworker for doing a great job and being awesome. Once a month Zappo executives pick a name from the workers that were given the \$50 bonus and dub him/her the "Monthly Hero." The company then proceeds to throw a mini-parade to announce the monthly hero through a rolling sound system that's accompanied by noise makers and playing of the song "I Need A Hero" by Bonnie Tyler. If all that wasn't amazing enough, the monthly hero then wins a covered parking spot, a \$150 Zappo's gift card, and a cape to proudly wear!

When we look at these incentives, we realize that it takes more than just a paycheck to make a company truly great to work for. It gives a bundle of benefits, incentives and business practices to retain a company's greatest assets which is their employees. When financial incentives are required, it is important to design them appropriately and use them in a proper manner. Ultimately, what many employees want is clarity about their future with the organisation. If company wants to make their employees happy then they need to take certain steps for that. They should also motivate their employees. A motivation theory to Maslow's Hierarchy of Needs is the Motivator-Hygiene (Herzberg's) theory. While Maslow's Hierarchy implies the addition or removal of the same need stimuli will enhance or detract from the employee's satisfaction, Herzberg's findings indicate that factors garnering job satisfaction are separate from factors leading to poor job satisfaction and employee turnover. Herzberg's system of needs is segmented into motivators and hygiene factors. Like Maslow's Hierarchy, motivators are often unexpected bonuses that foster the desire to excel. Hygiene factors include expected conditions that if missing will create dissatisfaction. Examples of hygiene factors include bathrooms, lighting, and the appropriate tools for a given job. Employers must utilize positive reinforcement methods while maintaining expected hygiene factors to maximize employee satisfaction and retention. By understanding the reasons behind why employees leave, organizations can better cater to their existing workforce and influence these decisions in the future. The reason could be low satisfaction and commitment that's why withdrawal of employees increases. If administered correctly by the employer, exit interviews can provide a great resource to why employees leave. The most common reasons why employees leave are better pay, better environment and career growth. Most organizations believe, employees often leave due to relationships with manager or treatment of employees and not compensation. Because this is often a response that employees are not feeling comfortable expressing to their organization directly.

The benefit of incentives is the retention of the employee and leads to the greater productivity and satisfied workers. The companies whose bosses wants to retain their employees will give incentives to their employees whenever they find that the employee has done a good job. So employees will definately stay at the firm even the competitor is providing more attractive salary. Because they feel satisfied while working with the organization. Thus we can say that retention and incentives are connected to each other. If a worker is getting good salary and apart from the salary he is getting incentives (whether monetary or

non monetary), will definitely remain in the organization and work towards the achievement of goals of the organisation. One more thing is that the satisfied employees will become more loyal to their employers and also work efficiently to achieve the goals of the company.

2. Literature Review

Different type of incentives are given to the employees at the different organisations. Some of the examples are:

- The Golden Banana Award is one of Hewlett-Packard's most prestigious honors for inventive employees. It started when a company engineer came into his manager's office with the answer to a problem they'd been struggling with for weeks. The manager searched his office for a way to mark this accomplishment, but all he found is a leftover banana from lunch. He handed over the banana to the employee and said "Well done! Congratulations!"
- At AT&T Universal Card Services in Jacksonville, Florida, paper is the key element for World of Thanks, one of their most popular programs. The program helps create a trend of recognition and higher performance in a simple manner: anyone in the company can write a message of thanks to someone else and send it to the same. To make it official, workers use a sheet from a globe-shaped pad of colored paper. In four years, employees at AT&T have written more than 130,000 thank you notes.
- There are 180 different employee recognition programs at Walt Disney World in Orlando, Florida. One of the most desired is the Spirit of Fred Award. It's named for Fred, who advanced from an hourly to salary position by exemplifying the values necessary for success at Disney: friendly, resourceful, enthusiastic and dependable. Fred makes each award (a certificate mounted on a plaque) as well as The Lifetime Fred Award, a bronze statuette of Mickey Mouse given to multiple recipients of the Spirit of Fred Award.
- Producers Assistance Corporation provides contract personnel to the oil and gas industry, an area where employee safety is critical. To refresh their safety program, they chose reloadable gift cards as an incentive. Here's how it works: when an employee takes an action, like attending a safety meeting, points are loaded onto their card. The lure of point collecting (and spending) has focused employees back on doing the right thing? to be safe. After a 6-month trial, participation had more than doubled and there was a significant decline in the incident rate.
- During the merger of two pharmaceutical giants, a task force was charged with making the transition a smooth one. Members worked nonstop over six months, planning how to blend operations of the two companies. The team was rewarded for its sacrifices with gift cards that were, literally, the gift of time. The personalized cards were hand-delivered with a letter from the project leader, and gave recipients their choice of services: housecleaning, lawn care, carpet cleaning, pest control, and more.

3. Objectives of the Study

- To find out the various issues in productivity of workers.
- To understand why incentives are important to the employees.
- To evaluate the retention techniques.

4. Research Methodology

This section deals with the methodological steps adopted in the present study. Secondary source of information have been used in this study. Previous studies have been reviewed in order to develop a conceptual framework underlying happy workers are productive workers. Articles published in leading journals, economic dailies, business magazines, newspapers, books, committee reports worldwide including India, empirical studies published in the professional and academic journals and websites have been consulted for developing the theoretical framework for the study. The aim of this article encompasses a description of the "happy workers are productive workers" construct from a theoretical perspective.

5. Findings

More than half of America's companies use incentive programs. U.S. organizations spend over \$100 billion annually on their employees. The industry has more than doubled in the previous 10 years. There are so many stages where employees get incentives. Some are massive and obvious, others are unexpected and easy to miss. Like at the time of retirement, the retiring person needs support in the form of cash from his employer. Which is provided by his employer as pension. The close of a career commands respect and acknowledgement from 42% of companies. In many companies and organisations pension is not paid after retirement. One is Idea Generation Gorge, 27% of companies use incentives for innovative ideas from his employees which also shows encouragement of employees. At the time of Family Event Rapidlife of each individual has lots of ups and downs. And 25% of companies support their people with incentives around major events. And in the Performance Recognition Lake, strong performance by the employees will be recognised. That's why 79% bosses recognize it. Safety harborcars and machinery and chemicals can create problems. That's why 22% of employers enhance safety programs with incentives. Which is the first thing at the workplace for the employees. If the employees feel they are safe at the workplace, their productivity will increase. Employee wellness is the fastest-growing of this incentive type, which is found in 34% of organizations. Even organisations keep a look on attendance of the employees, 12% of organizations use incentives to keep it stable.

6. Conclusion

Incentive is a reward or recognition offered in exchange for work performance. It is any form of variable payment tied to employee performance. The payment can be tangible or intangible, and may or may not have cash value. Incentives are generally non-discretionary and can be paid at any time of the year. Includes awards, rewards and recognition. But in all, Respect is the Best Incentive for an employee. And to make him more productive good working conditions, ethical behaviour, growth opportunities and welfare activities are required. After receiving all these the workers will feel satisfied and become more productivity.

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