



ENCOURAGING EMPLOYEE HAPPINESS

INTRODUCTION

- Employee encouragement is an integral part of Human Resource Management and it plays a crucial role in the long-term growth of an organization. Encouragement can be defined as the inherent enthusiasm and driving force to accomplish a task. It can be used in directing employees' behavior and actions for a constructive vision or goal. Proper encouragement turns an employee into a loyal asset and helps in maintaining the retention rate.

- Employee can attain their happiness in two ways

- Financial



- Non – Financial



▸ FINANCIAL INCENTIVES:-

Financial incentives refer to incentives which are in direct monetary form or measurable in monetary term and serve to motivate people for better performance.



▸ Pay and allowances:

- For every employee, salary is the basic monetary incentive. It includes basic pay, dearness allowance and other allowances.
- Salary system consists of regular increments in the pay every year and enhancement of allowances from time-to-time. In some business organizations, pay hike and increments may be linked to performance.



▸ *Productivity linked wage incentives:*

- Several wage incentive plans aims at linking payment of wages to increase in productivity at individual or group level.



Bonus:

- Bonus is an incentive offered over and above the wages/salary to the employees.



Profit Sharing:



- Profit sharing is meant to provide a share to employees in the profits of the organisation.
- This serves to motivate the employees to improve their performance and contribute to increase in profits.

Retirement Benefits:

- Several retirement benefits such as provident fund, pension, and gratuity provide financial security to employees after their retirement.
- This acts as an incentive when they are in service in the organisation.



Perquisites:

- In many companies perquisites

and fringe benefits are offered such as car allowance, housing, medical aid, and education to the children etc., over and above the salary.

- These measures help to provide motivation to the employees/managers.



Non-Financial Incentives:

- Psychological, social and emotional factors also play important role in providing



motivation. Non-financial incentives mainly focus on these needs.

Some of the important non-financial incentives are discussed below:

- Status

- In the organizational context, status means ranking of positions in the organisation. The authority, responsibility, rewards, recognition, perquisites and prestige of job indicate the status given to a person holding a managerial position. Psychological, social and esteem needs of an individual are satisfied by status given to their job.



Organisational Climate

- Organisational climate indicates the characteristics which describe an organization and distinguish one organisation from the other.
- Some of these characteristics are—individual autonomy, reward orientation, consideration to employees, risk-tasking etc., If managers take positive measures regarding these aspects, it helps to develop better organizational climate.



Career Advancement Opportunity:

- Every individual wants to grow to the higher level in the organisation.
- Managers should provide opportunity to employees to improve their skills and be promoted to the higher level jobs.
- Appropriate skill development programmes, and sound promotion policy will help employees to achieve promotions. Promotion works as a tonic and encourages employees to exhibit improved performance.

Employee Recognition programme

- Most people have a need for evaluation of their work and due recognition.
- They feel that what they do should be recognized by others concerned.
- Recognition means acknowledgment with a show of appreciation.
- Some examples of employee recognition are:
 - Congratulating the employee for good performance.
 - Displaying on the notice board or in the company news letter about the achievement of employee.
 - Installing award or certificate for best performance
 - Distributing mementos, complimentaries like T-shirts in recognition of employee services.
 - Rewarding an employee for giving valuable suggestions.

▸ Job security

- Employees want their job to be secure. They want certain stability about future income and work so that they do not feel worried on these aspects and work with greater zeal
- In India, this aspect is more important considering the inadequate job opportunities and too many aspirants for these.

▶ Employee participation:

- It means involving employees in decision making of the issues related to them.
- In many companies, these programmes are in practice in the form of joint management committees, work committees, canteen committees etc.,

▶ Employee Empowerment:

- Empowerment means giving more autonomy and powers to subordinates. Empowerment makes people feel that their jobs are important.
- This feeling contributes positively to the use of skills and talents in the job performance

THANK YOU