IMPLEMENTING A SYSTEM OF NON_FINANCIAL MOTIVATION IN INDUSTRIAL ENTERPRISES

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Abstract: This paper presents the role of implementing a non-financial motivation system in economic units, the motivating factors that can improve work climate, the possible objectives of the wage policy and the results of a questionnaire to identify non-financial motivation elements. The purpose of the non-financial motivation is to increase the productivity of the company, improve its quality and also improve the performance of its employees.

Key words: motivation, non-financial, performance, system.

1. INTRODUCTION

In Romania, the market for motivation of employees by non-financial methods is still emerging, attempting to observe and take the good aspects from one of the best examples worldwide and the U.S. market.

In all studies and research conducted in the field it was found that it is quite difficult to motivate employees. In an organization, in motivating personnel, one should consider a set of variables, both internal and external to the organization, as well as those related to the intrinsic individual personality and others, related to the extrinsic side, sensitive to the characteristics of the organizational environment. The study of motivation in the organization started from the need to understand and use subjective factors explaining output fluctuations.

In the early years of transition of the Romanian economy, a sometimes exaggerated "appetite" had developed, one which was ineffective on a long term, to motivate by rewards, job satisfaction mostly being about a material/financial state. In the last ten years, however, the labour market reform, associated with precarious employment, with the development of modern forms of employment (part-time, projects / orders etc.) shifted the interest of the employees towards "intangible rewards", but with long-term effects.

Studies carried out by experts show that financial rewards are the most "popular" and desired by Romanian employees, at least at this stage. Employment insecurity, the low standard of living and the rather unclear prospect of future development (especially for small-medium companies) make immediate and financial rewards attractive.

Non-financial rewards, more diverse, rather indirect than direct, although little in use today, have room for future development, as the behavioural maturing of the two partners (employer and employee) and the sedimentation of an organizational culture occur, in the real sense of the word. Usually, in this category we find those services, facilities etc. that are difficult or impossible to measure in money.

The manager must ensure that each employee is motivated, because this way we know that the employee is productive. In other words, it is accepted from the outset that employees have different motivations/needs that must be satisfied. The fact that someone is motivated by money is no less honourable than that in which someone is motivated by the opportunity of better qualification; what matters is their productivity.
Motivating factors that may increase the subjective value of the work are:

- setting ambitious targets to encourage competition;
- assessing the success of employees;
- keeping them informed about the financial situation and the state of the objectives;
- encouraging initiative and novelty in the firm;
- encouraging a creative climate in the workplace, by increasing autonomy and freedom in decision making;
- acquiring talent, intelligence and concern for an acceptable professional future.

Compared with financial motivation, **non-financial motivation has several advantages**:

- costs much less;
- has more powerful effects, drawing on the emotional elements;
- has an effect for a longer period of time;
- is remembered by the employee for a longer period of time;
- does not create resentment when the employer is forced to suspend it;
- has positive effects on team cohesion;
- creates loyalty to the company.

Improving the motivational environment in Romanian companies requires knowing the main variables that influence motivation and employee performance, namely:

a. Variables determined by the individual universe of perceptions, by personality and individual needs;

b. Variables related to the nature of the work station;

c. Variables relating to the work environment as a whole, and payroll systems.

### 2. POSSIBLE OBJECTIVES OF WAGW POLICY AT INDUSTRIAL ENTERPRISES LEVEL

The results of a survey carried out in 841 companies in Romania, grouped into three categories: small, medium and large, aimed at identifying the views of businesses on wage policy.

<table>
<thead>
<tr>
<th>No.</th>
<th>Possible objectives of wage policy at company level</th>
<th>Small companies (%)</th>
<th>Medium companies (%)</th>
<th>Large companies (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Increase employee motivation</td>
<td>29.9</td>
<td>28.2</td>
<td>23.3</td>
</tr>
<tr>
<td>2</td>
<td>Organizing career development</td>
<td>3.1</td>
<td>2.2</td>
<td>4.0</td>
</tr>
<tr>
<td>3</td>
<td>Wage equity</td>
<td>7.6</td>
<td>7.5</td>
<td>9.3</td>
</tr>
<tr>
<td>4</td>
<td>Ensuring mobility of employees within the company</td>
<td>4.0</td>
<td>4.8</td>
<td>6.0</td>
</tr>
<tr>
<td>5</td>
<td>Improving labour productivity</td>
<td>24.1</td>
<td>24.7</td>
<td>32.0</td>
</tr>
<tr>
<td>6</td>
<td>Avoiding compression (flattening wages)</td>
<td>1.8</td>
<td>1.8</td>
<td>2.0</td>
</tr>
<tr>
<td>7</td>
<td>Control of overall labour costs</td>
<td>3.1</td>
<td>6.2</td>
<td>6.0</td>
</tr>
<tr>
<td>8</td>
<td>Strengthening the company's competitive position for better recruitment</td>
<td>4.5</td>
<td>6.6</td>
<td>6.0</td>
</tr>
<tr>
<td>9</td>
<td>Differentiation of wages between workers, clerks and senior officials</td>
<td>1.3</td>
<td>3.5</td>
<td>1.3</td>
</tr>
</tbody>
</table>
It can be seen that, regardless of the company’s size, the main objectives of wage policies, occupying the first three places of the ranking are: increasing motivation for employees; improving labour productivity and remuneration of qualification, competence and performance.

On the other hand, small and medium companies believe that the main objective of the wage policy is increasing motivation for employees, while large companies have found that its most important objective is to improve labour productivity.

3. IMPLEMENTING A NON-FINANCIAL MOTIVATION SYSTEM

Implementing a successful system of non-financial motivation requires the involvement of employees in the composition of grids/charts which will help the manager to know who should be rewarded and according to what criteria.

The manager must encourage recognition not only vertically, but also horizontally (not just manager-employees, but employees between themselves), which will create a sense of importance inside the team and the organization.

This means encouraging employees to motivate each other, to recognize their results, to thank each other for help, to know who to respect in the company and which are the relationships between colleagues.

Implementing a system of non-financial motivation in economic units is beneficial both financially, through increased productivity of the company, but also because no more money must be spent for financial bonuses.

Individual recognition is more successful than team recognition or reward.

It is not enough to be a "nice" manager, you have to clearly communicate your expectations to your employees and provide feedback during processes in terms of their performance, not just after their conclusion. If employees receive a clear feedback about their performance and clearly understand their potential, they will feel valued.

To implement a system of non-financial motivation in economic units I propose for an audit to be carried out, on the factors influencing the level of staff motivation and an analysis on which to choose items that will be improved and the methods to be applied. During this time, active assistance, management team coaching and close monitoring of deadlines and procedures shall be carried out.

The first step in implementing a non-financial motivation program is making the employer be aware of its necessity!

By applying a questionnaire to identify non-financial motivation elements on 100 respondents, we found the following:

- 75.5% felt that the working environment is pleasant and enjoyable
- 80.5% cultivating common goals
- 68% have career development opportunities
- 55% investment in personnel training and exchanges
- 90.5% recognition of outstanding results by colleagues and manager
- 85% accountability and initiative.
4. CONCLUSION

The role of non-financial motivation is not yet fully understood by employers in Romania, but in the years to come I believe that non-financial motivation will become a common practice in every company.

We must ensure that we have clearly defined what we want to achieve, and then use rewards and recognition to move towards those goals.

Each person working in a company is important and should be considered when making a reward and recognition program.

When an employee enjoys the fact that his work was appreciated and rewarded, he/she will work more efficiently, which will lead to performance.

Implementing a non-financial motivation system is the best solution for solving problems that may occur in the activity of economic entities by:

- Increasing personnel responsibility;
- Increasing employee productivity, while the company's budget does not allow hiring additional staff;
- Increasing productivity of staff during peak periods;
- Reducing unjustified absence from the program;
- Increasing initiative and creativity of staff at critical times for the organization;
- Increasing loyalty to the company;
- Increased the competitive spirit;
- Improving internal environment;
- Increasing production quality without additional costs.

I believe that the implementation of non-financial motivation in economic units will cause employees to work with pleasure, have high morale, pass more easily over obstacles and find innovative solutions on time, for any problems arising.

REFERENCES