

I gathered data by interviewing four staff members from Farmers ZZZ branch – two sales assistants, an authoriser and a manager. My questionnaire contains 10 quantitative questions and 10 qualitative questions. I also collected a current Farmers newsletter and a daily briefing sheet specifying budget matters and sales for the day etc.

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## FINANCIAL MOTIVATORS

### Commission

A financial motivator used by Farmers is the chance to earn a commission. Cosmeticians that reach a sales target set by the cosmetic brand receive a cash commission. This target changes monthly and, dependant on sales the previous month, the target also differs between beauty houses (e.g. Elizabeth Arden, Revlon). The targets are set for each individual. However, this commission bonus has a negative impact on the other departments as other staff members do not receive the bonus. Three out of the four people I interviewed do not receive commission and they suggest it is unfair as they work equally hard but just happen to not sell beauty products.

A commission scheme relates to the Herzberg theory developed by psychologist Frederick Herzberg. His theory states that there are certain factors within a job that encourage satisfaction (motivators). It also states the point that if the factors are not being met there will be dissatisfaction or if they are being met workers simply become not dissatisfied (hygiene). The staff member's ability to earn a bonus directly relates to hygiene factors as it is a monetary reward. The ability to earn a bonus would not motivate staff to work harder according to Herzberg. It would simply stop the staff from feeling dissatisfied and they would be happy to produce work at the required level. However, these factors provide some satisfaction to the employees who can earn the commission, keeping them motivated to receive the bonuses. This also contributes to the dissatisfaction of those who are not cosmeticians as they have no opportunities to earn commission.

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### Pay

Farmers pay their staff a reasonable wage by allocating a pay bracket according to job titles and responsibilities. Pay rises occur when team members excel in their jobs. Line managers and the staff members discuss their roles and achievements throughout the year. When an outstanding staff member excels in their job, a pay rise is given. The pay rise is dependent on the pay brackets awarded by head office. Awarding staff members with pay rises will also keep them happy and motivate them to stay within the company. This motivates them to be proactive and excel in their jobs.

The annual pay review implemented by Farmers relates to the Taylor theory. Taylor had a straightforward idea on what motivated people to work – money. He felt people should get a fair day's pay for a fair day's work. He also felt people who did not deliver a fair day's work should be paid less and people who excelled each day should get more. This relates to Farmers because staff members who excel in their jobs receive a larger pay than those who do not perform to the required standard. This motivates staff to work to a high standard throughout the year. This is an advantage to Farmers as staff work hard constantly throughout the year in order to receive a pay increase.

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### Fringe benefits

Another motivator Farmers offers is fringe benefits. Staff discount is available once a staff member has been employed for three months. They get 10% staff discount at Farmers stores or other stores in the Farmers Group such as Whitcoulls. The staff discount benefits Farmers as it encourages staff to purchase from them and receive a small discount, also to purchase more as it is costing staff less, therefore maximising sales and profits for Farmers.

Another fringe benefit Farmers offer is the Kiwisaver contribution. The rate of contribution at Farmers is 3% of earnings. This benefits Farmers as it encourages staff to stay working for Farmers to receive the contribution. By Farmers providing these fringe benefits Herzberg's hygiene factors is met as staff members do not feel dissatisfied. If Farmers wasn't to provide these fringe benefits staff members may feel unhonoured.

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## NON-FINANCIAL MOTIVATORS

### Career opportunities/training

All staff members are offered a variety of training throughout the store such as on customer service, product knowledge and loss prevention. Staff members who show potential are recognised by being invited to participate in specific training. Also, any request for training or special interest in training is always acted upon by Farmers. Cosmeticians attend seasonal training from their beauty houses and train regularly with representatives from the beauty house. Every week the newsletter is updated with internal jobs within the company. This gives employees the opportunity to change jobs within the business.

Not only is growth an important motivator according to Herzberg, it is also near the top of Maslow's Hierarchy of Needs. The staff at Farmers are able to feel esteem due to being recognised and given the chance of promotion. This gives the staff an opportunity to achieve respect from others and confidence from new positions and responsibilities.

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### Working conditions

- Every employee is provided with a uniform. By wearing a uniform staff members are easily identifiable and do not feel degraded. The basic uniform is free of charge however staff can purchase additional uniform pieces.
- The staff room is fully equipped with all the resources that staff members need during their breaks. Staff members are provided with the resources required for their jobs and the job is performed in a pleasant environment. This encourages and helps staff to perform to the best of their abilities.
- Safety rules are implemented to meet the demands of health and safety.

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### Autonomy

Three of the four staff interviewed felt as though they were left to get on with their work, or are able to use their initiative to find tasks that need completing that are of interest to them. This relates to the McGregor's X Y Theory. Theory Y assumes that individuals like their careers and are willing to take part in responsibility. It is vital that management trust employees to work without supervision. This shows that the majority of staff at Farmers will take the initiative in their jobs and do not require supervision to work at an excellent level. This benefits Farmers as workers can work proactively without being supervised by higher management. However, when asked, one of the four staff members disagreed with the statement, "There is sufficient variety at work to maintain my interest". This statement may suggest the staff member is unmotivated to perform to their best as they're uninterested.

This idea relates to the intrinsic theory. Intrinsic motivation transpires when a person finds a task interesting or gets satisfaction from performing it. This theory comes from within rather than being inflicted upon a worker by external forces such as rewards or punishments. This is demonstrated at Farmers as three of the four staff felt as though there was sufficient variety to maintain their interest at Farmers. This would motivate staff members to work productively, benefitting Farmers as these jobs would be performed efficiently. If the staff members were not to find tasks interesting, they would lack motivation to work hard. One of the four staff members did not have a similar opinion, suggesting they do not relate to the intrinsic theory by not finding tasks at Farmers interesting. This is backed up by the Herzberg theory. Herzberg's motivation theory states that the work itself and the actual content of the job and its positive or negative effect upon the employee determines whether the job is characterised as interesting or boring, varied or routine, etc. This practice is demonstrated at Farmers as interviews suggest. The employees reported that there was sufficient variety to maintain their interest. This encourages and motivates staff members to work efficiently.

After completing my investigation I conclude that Farmers ZZZ branch uses a variety of financial and non-financial motivational practices to encourage maximising sales and increasing profits.