



National Certificate of Educational Achievement
TAUMATA MĀTAURANGA Ā-MOTU KUA TAEA

Exemplar for Internal Achievement Standard Business Studies Level 2

This exemplar supports assessment against:

Achievement Standard 90847

Investigate the application of motivation theory in a business

An annotated exemplar is an extract of student evidence, with a commentary, to explain key aspects of the standard. It assists teachers to make assessment judgements at the grade boundaries.

New Zealand Qualifications Authority

To support internal assessment

	Grade Boundary: Low Excellence
1.	<p>For Excellence, the student needs to comprehensively investigate the application of motivation theory in a business.</p> <p>This typically involves:</p> <ul style="list-style-type: none"> • collecting in-depth evidence about the motivation practice(s) in a business from a range of sources • fully explaining the results of the investigation, supported by relevant examples • justifying the link between the motivation theory and the motivation practice • integrating a Māori business concept(s), where relevant to the motivation theory, to fully support explanations. <p>The student has comprehensively investigated the application of motivation theory at a branch of Barfoot & Thompson. Evidence has been collected from a range of sources (1).</p> <p>The student has linked motivation practices to motivation theory by explaining how the examples given relate to specific theorists (2).</p> <p>The office's motivational practices have been justified in terms of how they impact on employees and assist the business to achieve its goals (3).</p> <p>The student has discussed the link between kaitiakitanga and its contribution to one worker's motivation (4).</p> <p>For a more secure Excellence, the student could have justified links further by explaining the relationship and the flow-on effects to business success.</p> <p>For example, the student could make a statement such as <i>'By maintaining a positive work environment top selling agents are more likely to stay at Barfoot & Thompson and continue to assist the branch to remain in the top 5 in the country'</i>.</p>

Following the theory and research work I did I investigated motivational theories in a practical environment by studying a large business in New Zealand. The business I chose to study was Barfoot and Thompson xxxx branch. B&T is New Zealand's largest privately owned real estate company and has been in business for 90 years. B&T xxxx is one of the company's leading branches with over 25 staff members.

I interviewed staff members from the branch and asked questions about how they are motivated and their views on how the business supports their staff. I also interviewed the manager and conducted further research on the business (for example, I looked on their website and at an internal newsletter I was given.) From the information I gathered I was able to see the relationship between the motivation practice and motivation theory in a business context.

1

In order for B&T xxxx to be successful they must have motivated staff to ensure that they are working to their highest potential in order to bring more profit into the business. The company uses aspects of different motivational theories to motivate their staff.

B&T xxxx has applied aspects and ideas of Elton Mayo's Hawthorne effect as a motivational strategy. One of Mayo's conclusions was that working in teams and developing a team spirit can improve productivity. When I interviewed the staff members they stated they have many opportunities to socialise with their co-workers. Mr E, the accounts manager stated, "We have organised work functions such as team drinks and nibbles approximately three times a year, and team-building activities such as bowls. We also have a major Christmas end-of-year function for our branch which our partners are also invited to. All of these activities allow us to interact on a social level not just a work level, making us stronger as a team". This would suggest that the staff would work more efficiently as they are more aware of their co-workers. The manager, Ms V, says that she has seen this theory having a direct positive impact upon her staff members as she believes they feel more comfortable and happy about coming to work every day. As they have a good attitude when they arrive in the morning they are more productive and enthusiastic to do their best work and take pride in representing the company.

2

B&T xxxx use extrinsic factors of motivation by having a ranking system within the business. The top sellers are recognised in the business which is mainly extrinsic in nature but does have intrinsic repercussions. Ms V states that the staff members receive a sense of accomplishment from improving their previous position/ranking which encourages them to continue working at a higher level, enabling the business to be more successful. This works well in B&T xxxx because the staff members mostly work individually and the success of the business relies heavily on the performance of individual staff members. Because they are not theoretically working as a team this strategy works as it allows them to gauge how well they are doing and gives each member of staff a goal they can work toward.

3

Another way in which the manager at B&T xxxx motivates her staff is through giving rewards for good performance. For example, this month the person who was the top seller in the branch will receive an iPad mini, and the top seller in the entire company receives a gift from head office. There are also other rewards given out such as free Property Press ads valued at \$500 each. This form of motivation is extrinsic and collective. This practice has traits that can be linked to F.W. Taylor's concept that stated workers are *mainly* motivated by monetary factors but rewards do not have to be solely financial. Rewards need to provide staff with a greater incentive to succeed and need to be suited to staff who are may not be motivated by intrinsic means. Ms V says that rewards allow staff

2

members to feel valued and they show that 'with success comes rewards'. An advantage of this extrinsic reward system is the flow-on effects to other staff members who might be motivated to improve their sales to be in line for the rewards.

3

Giving rewards also has direct correlations to Victor Vroom's expectancy theory which shows that staff members are motivated by rewards which they value. Ms V's experience of motivation within her team shows there is validity in the theories of both Taylor and Vroom, and they have parallel ideas.

2

The final main motivational technique which B&T xxx uses is the creation of a comfortable work environment. The employees I interviewed rated their work conditions on a 1-5 continuum (with 1 being the best and 5 the worst) as 1. They mentioned aspects such as the fruit bowl, the open door policy and each staff member having their own work space and being provided with all the resources necessary to do their jobs. They felt their desires are being respected, they are being treated well and their basic needs are being met. This links in well with Maslow's hierarchy of needs theory where if staff are assisted to achieve their personal needs they feel more motivated and get closer to reaching self-actualisation. The open door policy allows the staff to feel comfortable to talk about any concerns they have or to ask for help. This helps the work environment stay positive and allows the employees to stay focused on their work and be productive. As well as being connected to Maslow's Hierarchy of Needs, these practices can be linked to Frederic Herzberg's two factor theory and Vroom's expectancy theory. Good work conditions are one of the hygiene factors in Herzberg's theory. The workers I interviewed confirmed that they feel more motivated by being provided with good working conditions.

2

The Maori concept of kaitiakitanga is demonstrated in the business. B&T xxx uses large amounts of paper so to help reduce their impact on the environment they have recycling systems in place such as specific bins for paper that can be recycled. Another example is the use of energy-saving lights. Signs request that staff respect their working space and the environment. Two of the people I interviewed said that they appreciate the efforts the team make to reduce wastage; one person said that this added to their motivation.

4

EVALUATION

When I began this investigation I set out to discover whether or not there was a link between motivation theories and motivational practices in a functioning business. Overall from my research I can conclude that aspects of the five main theories can be applied in a practical context. From the research into Barfoot and Thompson xxx branch I was able to observe aspects of the work published by the five theorists we have studied – Maslow, Taylor, Mayo, Herzberg and Vroom.

From my investigation I believe that to achieve a higher level of motivation aspects of *multiple* theories need to be implemented as this has a stronger impact. We could see this in B&T xxx where they use elements of from each of the theorists' work and have seen positive results, such as being ranked as being in the Top 5 branches within the whole company. I believe that strictly following only one theory will not have a positive effect on the company and could even have a negative effect as some staff members may be demotivated.

	Grade Boundary: High Merit
2.	<p>For Merit, the student needs to investigate, in-depth, the application of motivation theory in a business.</p> <p>This typically involves:</p> <ul style="list-style-type: none"> • collecting in-depth evidence about the motivation practice(s) in a business • explaining the results of the investigation supported by relevant examples • fully explaining the relationship between the motivation theory and the motivation practice • including a Māori business concept(s), where relevant to the motivation theory, to support explanations. <p>The student has collected in-depth evidence about the motivation practices within the a branch of Farmers and has provided examples of these (1).</p> <p>The student has explained motivation practices used in the branch, and why these practices occur (2).</p> <p>The student has fully explained the relationship between motivation theories and the motivation practices at Farmers (3).</p> <p>To reach Excellence, the student could justify links by fully explaining why Farmers chooses to use each particular practice to motivate its staff.</p> <p>For example, the student could make a statement such as <i>'Increasing pay levels will motivate staff to remain at Farmers for a long period. This will benefit Farmers as a content high-achieving staff member will increase sales and profits, whereas if they were dissatisfied with their pay they may move to a competitor retailer'</i>.</p>

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.

1

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.

2

3

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.

2

3

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.

2

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.

2

3

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.

2

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.

	Grade Boundary: Low Merit
3.	<p>For Merit, the student needs to investigate, in-depth, the application of motivation theory in a business.</p> <p>This typically involves:</p> <ul style="list-style-type: none"> • collecting in-depth evidence about the motivation practice(s) in a business • explaining the results of the investigation supported by relevant examples • fully explaining the relationship between the motivation theory and the motivation practice • including a Māori business concept(s), where relevant to the motivation theory, to support explanations. <p>The student has collected in-depth evidence about the motivation practices in WellWomen and explained practices, citing how and why they occur (1).</p> <p>The relationship between motivation theories and WellWomen’s motivational practices have been explained (2).</p> <p>For a more secure Merit, the student could ensure their explanations of relevant theories are placed in the context of WellWomen.</p> <p>For example, the student could make a statement such as <i>‘Herzberg said that job enrichment is a motivator for employees to work willingly and to give of their best. The job rotation system at WellWomen challenges the staff by expanding their skill sets, making them more useful to the business because all nurses will have experience in all aspects of women’s health’</i>.</p>

WellWomen (WW) provides health care for women. I chose to interview the manager and six of the nurses and doctors who work there.

Findings from my interview with manager

WW provides many social events for staff to involve themselves in. Every six months staff members have the chance to attend the theatre at no cost to them. For example, on 15 February a group of staff went to the theatre to see a play. An outing like this provides an opportunity for the staff to get to know one another better outside the work environment.

1

Holding social events relates to Mayo's human relations theory that workers need to feel important and noticed. They are motivated to work harder because they know they would be rewarded in some way. It also relates to Maslow's theory that workers have to have a sense of belonging to work hard.

2

Every three months WW has nurse meetings with talks, wine and cheese. This encourages the nurses to talk to their peers and learn more about their lives outside of work. The main purpose though is to enable the nurses to increase their understanding of what is going on in the business and what needs to be improved. The last nurses hui was very successful because all nurses attended and all said they enjoyed the meeting a lot.

1

These three monthly meetings give the nurses a sense of belonging which relates to Maslow's hierarchy of needs where people have a number of self-esteem needs that have to be catered for and one way is recognition. By acknowledging what the nurses are doing well and what needs to be improved, the nurses are being recognised, they feel noticed and therefore motivated to do well.

2

WW has an annual audit of hazards and hold six monthly fire drills.

This relates to Maslow's hierarchy of needs. At the bottom of the triangle there is the safety aspect. By showing the workers where to assemble if a fire happened, the workers are given a sense of safety and therefore feel motivated to work well as they know they are being taken care of in an emergency.

WW ensure that no workers have double shifts so they are not tired. This means they can give 100% focus to work when they are rostered on and then rest before their next shift. Alert workers are very important in a hospital to ensure the patients get the best care staff can offer.

1

This relates to Herzberg's 2 Factor theory. Being tired will de-motivate staff, however not being tired isn't going to motivate them. This is a hygiene factor. This also relates to Maslow's hierarchy of needs which says the basic needs are to be catered for before the next steps can be achieved.

2

WW uses job rotation as a motivator to the workers as long as it fits within their job specification. Nurses' duties get switched around so that no one is always doing preventative health tests, or another always deals with nutrition or another always deals with maternity care. Job rotation means workers do not get bored with their work because a sense of variation is present in their work.

1

Job rotation relates to Herzberg's 2 Factor theory of job enrichment . Giving a range of tasks challenges and stretches the workers.

3

The manager told me that WW supports their workers in improving their work and skills. They provide information about courses that will assist workers. This motivates workers because they feel their manager is interested in them and their growth.

1

Giving opportunities for further training relates to Maslow's theory of self-actualisation. It also relates to Herzberg's 2 Factor theory of growth. Staff members like to feel empowered and enjoy the mastery of their work.

2

Findings from my interview with medical staff members

I questioned the six workers about what motivated them to work hard.

All six rated money/pay as a strong motivating factor.

1

This relates to Taylor's theory that workers only work hard for money. By having a good pay, Taylor said that workers should be motivated to work hard. The doctors at WW are paid a salary. The doctors interviewed said this can be demotivating (a Herzberg hygiene factor) because no matter how hard they work, they still get paid the same amount. However, WW offers a chance for promotion. This means that if staff members work hard, they could move to a position where they have more responsibility and get paid more. This again relates to Herzberg's 2 Factor theory. Satisfiers have the power to motivate or demotivate. Promotion is a satisfier to staff and is something the doctors strive towards. If they are promoted, they are likely to work harder because they are given more responsibility and know that people have taken an interest in their work.

2

The six workers all said they felt they had autonomy in their work, though they did not all agree on the extent of the autonomy.

This relates to both Mayo's theory and Herzberg. Mayo said that staff need to be treated as humans, not machines. He believed that involving staff in decision-making is a good motivating factor. Herzberg said there were satisfiers and hygiene factors. Satisfiers are factors that can demotivate you or, if done correctly, can motivate you. By letting staff make their own decisions, such as when to take breaks and, to a certain extent, how to organise their work, they feel they have some autonomy and control over their jobs, and they are made to feel important.

	Grade Boundary: High Achieved
4.	<p>For Achieved, the student needs to investigate the application of motivation theory in a business.</p> <p>This typically involves:</p> <ul style="list-style-type: none"> • collecting evidence relevant to the motivation practice(s) in a business • stating results of the investigation supported by relevant examples explaining the relationship between the motivation theory and the motivation practice • stating a Māori business concept(s) where relevant to the motivation theory. <p>The student has investigated the application of motivation theory at Blush. (1).</p> <p>The student has described/explained two relevant motivation practices at Blush based on their investigation (2).</p> <p>The student has stated how birthday and Christmas bonuses relate to relevant motivation theories they have studied (3).</p> <p>To reach Merit, the student could relate all of the motivation practices they have identified to relevant theory.</p> <p>For example, the student could make a statement such as <i>'The theory most relevant to flexible work hours is McGregor's concept of a theory Y manager. This manager would allow flexibility as employees will have a greater level of satisfaction and therefore a greater commitment to the business'</i>.</p>

The context for this investigation is Blush, a beauty therapy business. As the only beauty therapy business in town Blush is a business of community significance. I interviewed the owner of Blush as well as one beauty therapist and a receptionist.

1

Motivation practice 1: Birthday and Christmas bonuses

A unique and important motivational practice at Blush is the bonuses the employees receive for their birthdays and before Christmas. They receive a sum of money in addition to their salary as a reward.

How the motivation practice impacts on employees

Employees of Blush are satisfied with their pay and they are also given Christmas and birthday bonuses which they think are nice. They appreciate the recognition for their efforts, from the business and are likely to be more motivated because of the bonuses. The employees have increased disposable income around those times which makes them happier. When an employee is happier they find their job more enjoyable and are likely to be more productive.

2

How the motivation practice impacts on the owner/manager

The owner likes her employees “to be able to treat themselves on those important days”. By giving them bonuses they have extra money and can do this. She says that rewarding the employees “makes no difference to me”, meaning she does not regard the financial outlay as very large.

- Giving staff birthday and Christmas bonuses relates to **Herzberg’s Hygiene Factors** – if hygiene factors “are considered inadequate by employees, then they can cause dissatisfaction at work. A Christmas or birthday bonus is “another financial remuneration”. All of Blush’s employees thought that the bonuses they receive are nice, meaning they are satisfied by this birthday and Christmas bonus.
- Giving staff birthday and Christmas bonuses also demonstrates **Maslow’s Physiological Needs** – “these are the requirements for survival”. Giving employees bonuses in addition to a satisfactory pay, allows them to buy more food and shelter to meet these needs on this level of Maslow’s hierarchy, therefore it enhances motivation.
- **Maslow’s Social Needs** “is about the human desire to belong, to have friendships and to have contact with others”. An employee’s birthday is recognised and receives attention when a birthday bonus is given. This makes the employee feel they belong to a family, the family at Blush and therefore motivates them to be more productive at work, as nobody wants to let the family down.

3

Why Blush chooses to use this particular motivation practice for its staff?

Blush chooses to give employees these bonuses because it is an effective way of showing appreciation of the efforts of staff in the workplace. It is this special recognition that makes the beauticians and receptionists feel valued so they are more motivated to come to work and to work hard.

Motivation practice 2: Flexible hours

Flexible hours allows Blush employees to work a certain number of core hours, where the start and stop times can vary, as long as they work the equivalent of a full work week. This means bookings for client appointments can be fitted to suit staff members' hours.

How the motivation practice impacts on employees

Providing flexible hours for workers allows them to choose the hours they work to fit their personal lives (family commitments, travel arrangements etc). When staff are at work, they are not distracted by other commitments and are able to get on with their jobs. This motivational practice makes for better motivated and focused staff. One employee said her flexible hours motivated her because she could adjust her hours around her second job as a dance instructor. So, flexible hours enable more of a work/life balance.

How the motivation practice impacts on the owner/manager

Flexible hours have little effect on the employer. However, it sometimes takes a little while longer each day to update the business website. The online booking system means bookings need to be made around who is working at the client's preferred time.

2

- **Maslow's Social Needs** is demonstrated through providing flexible hours for employees – people need “friendship, intimacy and family”. Allowing employees to choose their own hours means they have some balance between work and their personal lives. Having flexible work hours means an employee's life is not solely based around work. Their clients can be fitted in around their other priorities and commitments, if need be. This allows staff of Blush to get time off work for family, friends etc if they choose to.

3

- Providing flexible hours for employees relates to **Maslow's Safety and Security Needs** – “provide regular work ...” It also demonstrates **Herzberg's Hygiene Factors**, which include “feelings of job security”.

	Grade Boundary: Low Achieved
5.	<p>For Achieved, the student needs to investigate the application of motivation theory in a business.</p> <p>This typically involves:</p> <ul style="list-style-type: none"> • collecting evidence relevant to the motivation practice(s) in a business • stating results of the investigation supported by relevant examples explaining the relationship between the motivation theory and the motivation practice • stating a Māori business concept(s) where relevant to the motivation theory. <p>The student has stated results of their investigation by describing motivation practices they found at Good Food Good Time (1).</p> <p>The student has explained the relationship between motivation practices at the restaurant and Herzberg's motivation theory (2).</p> <p>For a more secure Achieved, the student could further explain how or why the restaurant's practices link to Herzberg. For example, the student could make a statement such as <i>'When staff members' efforts are recognised at staff meetings, this makes them feel satisfied and motivated to perform even better. Those who do not get the recognition may also feel motivated to perform better so that they will be praised at the staff meetings'</i>.</p>

I will be investigating the motivation practices of Good Food Good Time in our South Island town. It is a family restaurant with the aims of pleasing customers and growing the business.

I went to Good Food Good Time and I will give a questionnaire to three staff members: one manager and two waiting staff. I also collected their monthly newsletter.

My investigation shows that working with customers motivates the staff to feel dedicated to the restaurant as they enjoy interacting with new people. The staff work together to contribute to the aims to grow and please customers by being hardworking, dedicated and happy.

Working Conditions

GFGT staff members are provided with the tools they need to perform their jobs and good health and safety conditions. This motivates staff to please customers as they have the tools to do so.

1

GFGT also provides a work uniform which each staff member needs to take home to wash. This is handy because they don't have to buy clothes to wear to work. Wearing a GFGT uniform motivates staff to represent the restaurant well to customers as they are wearing their brand.

1

My results show that the work environment is also good for the employees. This makes the employees not dissatisfied with the job because they are working in good environment and not having to spend their own money on their uniform. This helps keep the employees not dissatisfied with their jobs and helps make them do their jobs to an acceptable level. This is good for GFGT because it motivate the staff to do their best at their jobs and give good customer service. This relates to the Herzberg motivation theory because it supports his theory that keeping employees satisfied motivates them to do their job to an acceptable level.

2

Career Opportunities and Training

The staff have opportunities to give feedback during staff meetings and have opportunities to interact informally with colleagues at all levels through staff meetings and staff social nights.

1

Recognition at staff meetings relate to Herzberg motivation theory which cause positive job satisfaction because staff feel good when they get recognised in front of everybody.

2

My investigation also showed that all employees said that the boss lets them get on with their work. This helps keep the employees satisfied with their job because they can get on with their jobs as the boss gives them responsibility to do it. This relates to Herzberg theory because it supports his motivational theory that employees are motivated to do well if their boss gives them responsibility.

1

2

Pay

GFGT tries to pay their staff a fair wage by using the NZ minimum wage.

The staff know that they have an opportunity to pay rise or to sort any contract issues when they do their contract renewal and reviews. This makes the staff not dissatisfied because they know they have a chance to sort out any issues they have and means that they will do their work at an acceptable level. This will also prevent them from being dissatisfied with any issues they might have. This relates to the Herzberg theory because it proves that staff work better if they know they are rewarded for their hard work.

My results show that all employees are neutral if their pay is competitive compared to other jobs in the same industry. This means the staff members are not dissatisfied with their job but they won't be motivated to put the extra effort in their job.

Two of the employees said they disagree that their pay reflects the level of work they are required to perform with only one employee saying they agree. The two employees being dissatisfied with their pay means that they could restrict output. This will be bad for GFGT because the staff could end up giving bad customer service to customers and this would give GFGT bad reviews.

GFGT offers Kiwisaver contribution. Kiwisaver is New Zealand's long-term saving scheme which funds is for retirement savings, but younger participants can also use it to save a deposit for their first home. GFGT offering Kiwisaver helps make the staff not dissatisfied with their job as they are getting benefits from working at GFGT.

	Grade Boundary: High Not Achieved
6.	<p>For Achieved, the student needs to investigate the application of motivation theory in a business.</p> <p>This typically involves:</p> <ul style="list-style-type: none"> • collecting evidence relevant to the motivation practice(s) in a business • stating results of the investigation supported by relevant examples explaining the relationship between the motivation theory and the motivation practice • stating a Māori business concept(s) where relevant to the motivation theory <p>The student has described motivation practices they found within Nestlé (1).</p> <p>The student has briefly discussed some motivation theories (2).</p> <p>To reach Achieved, the student could state and then offer proof of the relationship between the motivation practice and motivation theories. The research and practices sections would be integrated.</p> <p>For example, the student could make a statement such as <i>'Nestlé's bonus scheme relates to Vroom's expectancy theory, which is based on the idea that a worker will be motivated to make a greater effort if they believe this would result in an award or bonus'</i>.</p>

Nestlé is the world's leading health, nutrition and wellness company. They sell a wide range of food and beverages. Nestlé believes that by motivating its employees it can increase sales, improve customer service and increase productivity without significant costs and makes employees more satisfied with their jobs. Nestlé's motivation strategy includes financial motivators, recognition and autonomy.

FINANCIAL MOTIVATORS AT NESTLÉ

Pay

Nestlé have done a lot of research into what motivates their employees and have found that salary is not generally seen as the biggest motivator. Most of Nestlé's employees have a normal salary and a variety of fringe benefits. Nestlé motivate their staff with a combination of non-financial rewards and performance-based payments. Nestlé pay their staff based only on their performance, not on hierarchy. Pay rises are based on performance evaluation and an annual salary review. The department manager determines the percentage pay rise and if the business is not doing as well as hoped then the pay increase will be low.

Nestlé ensure their salaries are competitive by employing an outside research firm to keep track of competitor pay rates.

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Bonus scheme

Nestlé has a bonus scheme for the employees and will pay a bonus to all its staff members. The level of bonus depends on whether the overall business achieves its profit goals, if the employee achieves their individual targets and lastly what job role the employee has.

Nestlé sets targets and goals for their staff that are aligned to business objectives. Having a bonus scheme can encourage staff to achieve certain goals. If the staff members achieve their targets they receive a bonus payment and the company will have achieved its goal. For a bonus scheme to be effective, the targets and goals for the staff must be outlined clearly at the beginning, making sure staff are motivated to achieve the goals that the company has set. It is important targets are achievable otherwise staff may become disillusioned.

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Fringe benefits

Some Nestlé employees use a company car.

Nestlé also offer their staff more superannuation whereby 5% of employees' salaries are paid to Kiwisaver rather than the usual 3%. Higher superannuation payments give the employees security because it creates a fund that employees can access when they retire so they will have money when they no longer work.

Another fringe benefit is that staff members are entitled to five weeks of annual leave when the legal minimum in New Zealand is four weeks. Five weeks leave makes employees feel important as they get longer than the minimum required.

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NON-FINANCIAL MOTIVATORS AT NESTLÉ

Recognition

Nestlé's independent consultant, Hewitts, surveyed Nestlé employees and found that recognition was consistently the number one thing that stimulates staff.

Nestlé train their managers to recognise their employees' performance. The company does this by rewarding them with small gifts such as movie passes and Westfield vouchers.

Fringe benefits such as company cars also motivate employees because it's a form of recognition, staff feel like they are being noticed and valued.

Nestlé believes recognition is actually one of the most effective ways to motivate employees.

They do this through Employee of the Month recognition, calling attention in a staff meeting to

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an employee's job performance or recent achievement, and using and crediting staff members' ideas when instituting changes or new policies.

Career opportunities

The Hewitt survey also found staff rated career opportunities very highly. Nestlé develop career plans for all their employees and then make sure they are followed through. Through training, employees can learn new skills and are always challenged to grow, as a beneficial result they work better as both individuals and team members.

Nestlé believes that giving employees the right tools to achieve highly set expectations is very important. They do this by training managers for new roles and they help pay for graduate studies.

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Autonomy

Nestlé promote a climate that encourages staff to show initiative and like to give staff the ability to make their own decisions.

One of Nestlé's 10 Corporate Business Principles [from Nestlé website]

5 Leadership and personal responsibility

Our success is based on our people. We treat each other with respect and dignity and expect everyone to promote a sense of personal responsibility. We recruit competent and motivated people who respect our values, provide equal opportunities for their development and advancement.

This is an example of Nestlé encouraging staff to make their own decisions and take personal responsibility.

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RESEARCH

Pay

- Frederick Taylor believed that through pay rates management can motivate workers.
- According to Herzberg, pay is not seen as a motivator.

Bonus scheme

- Vroom suggested that people will only put in an effort to perform a task if they believe that their effort will help to achieve the desired result.

Fringe benefits

- Herzberg's theory implies that pay can improve and help to remove dissatisfaction about work but won't provide conditions for motivation.
- In Maslow's hierarchy of needs security is a large sector of this theory.

Recognition

- According to Herzberg, recognition is considered to be a motivator.

Career opportunities

- One of Herzberg's motivating factors is "Room for growth in the job (advancement)".

Autonomy

- The Hawthorne Effect says when some control is given to workers, such as deciding when to take breaks, there is a positive motivational effect.

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