THEORETICAL CONSIDERATIONS ABOUT BUILDING THE MOTIVATION SYSTEM AND SUCCESSFUL HR MANAGEMENT IN ORGANIZATIONS OF 21ST CENTURY
(CASE STUDY OF BRANIČEVO DISTRICT)
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Abstract: The needs of individuals and factors that are believed to motivate them, are the object of intensive research and analyses from which many motivation theories resulted. Regardless of the great number of motivation theories, the research paths are open. Motivation problem is an essential issue of human activity, systems of personality, work and intersocial relations in which this process develops. One of the key strategic tasks of managers is building the motivation system and successful HR management. Human potentials are the basis on which organization’s strategy is built, and all resources (machines, raw materials and capital) are started by people through their activities. It is no longer about human possibilities and knowledge, because it is undoubtedly great, as it is about motivation and encouraging constructive change of those possibilities in the function of accomplishing organizational goals and development. Theoretical studies are in conjunction with empirical studies on the topic mentioned.

1. WHY SHOULD THE MOTIVATION OF EMPLOYEES BE STUDIED?

Successful organizations in the world see the employees as primary developmental resource, as a source of ideas. The emphasis is on active management of the new potentials. Motivation and dissatisfaction of employees become key issues of modern organization. Significant element of human resource management of successful organizations is, primarily, system of motivating the employees. Different models and systems for measuring the satisfaction and motivation of employees were developed.

Common goal of model and system of measuring the satisfaction and motivation of employees is the tendency to develop a feeling with each individual that all employees have common fate (organization’s fate) and the effort to release creative potential of employees by material and non-material encouragements. Life quality in the workplace is considered to be the key factor of motivation. With majority of our organizations, there is no continuous measurement of motivation and satisfaction of employees. In that way, employees’ motivation is mostly related to monetary incentives. Motivation, as well as the satisfaction of employees, is not accessed conceptually, as it is done in comparable organizations in the world.

On the other hand, research results of employees’ motivation in our country, which were carried out in the previous decades point out to the reduction of motivation factors – the salary. Reduction of motivation factors slowly catches the strata of working population with whom other motivation factors are much more expressed, because the chances for self-realization in those strata are much greater. That particularly refers to highly educated staff. Poor motivation of employees is frequently seen in studies as the most important problem in employees’ engagement. Problem of motivation and satisfaction of employees becomes particularly significant in terms of current transitional processes. Market transformation of Serbian organizations requires a certain achievement of a number of preconditions, among which establishing occupies significant place, on the basis of continuous measurements of satisfaction and motivation of employees.
2. KEY TO ORGANIZATION’S SUCCESS IS THE MOTIVATION OF EMPLOYEES

Why is the employees’ motivation a key to success? The answer is *survival*. Motivated workers are necessary in the time of rapid change of workplaces and they help the organization to survive. They are more productive. In order to be more effective, managers need to understand what motivates the employees on the jobs they perform [18]. Of all the functions they have, employees’ motivation is the most complex task. This comes from the fact that the things that motivate workers are constantly changing. Researches point to the fact that if the income of workers grows, the money becomes a less important motivator. In addition, as the employees grow older, a bigger motivator for them is an interesting job.

Motivation helps us to go through a working day, avoid troubles, be polite and served in supermarket, join our forces in a football team or to understand ourselves better.

Meaning of work in individual’s life refers to the set of its general attitudes about work, which are acquired in its interaction with the environment. Attitudes are not the results of man’s inherited dispositions, but they are the result of acquired beliefs, which are formed by the influence of social and cultural environment and, precisely due to this, there are differences, in different socio-cultural environments.

The examples of new motivation programs point out to the fact that the employed and their motivation, development and satisfaction become the focus of management’s attention because they represent main instruments of competitive advantage in the market [18]. Understanding the motivation is an important instrument for understanding the behaviour in organizations, for predicting the effects of any managerial action and for directing the behaviour in order to accomplish organizational and individual goals.

A multitude of short-term and long-term measurements, which directly or indirectly, more or less affect the level of work productivity. What will a man do and how hard will he work depends on the type, intensity and stability of motivation. For that reason, it is understandable why the motivation has a significant impact on work performance. The share of motivation in work is greater than other subjective factors. It has a significant role in the formation of abilities, as well as the acquisition of skills and knowledge [18].

Psychology and related scientific disciplines have determined that man’s characteristics are also expressed in the way of reacting to various motivators. This knowledge has led to the situation that skilled organizers, during the last few decades, have started to increasingly use the motivation as a method for the increase of work productivity.

The worker will achieve high productivity if his dispositions, knowledge and motives are in accordance with each other and in accordance with the job that needs to be done. Predispositions, skills, knowledge and motives that affect work productivity are of dynamic character and they are changed and developed over time. In case of positively motivated workers, the development of desirable characteristics is more intensive, because in this case, not only that work productivity is encouraged, but the development of knowledge and skills is significantly influenced. In order for the managers to influence the motivation of employees, they need to be familiar with motivation and motivation theories, which give the answers to the questions what is motivation, how is it developed and strengthened, what affects it, i.e. what conditions it?

The goal of every society is for the individual and social work productivity to reach the highest possible level, because the development of material basis of society and growth of life standard are provided in that way. In addition to work productivity, there is also another important goal, i.e. the reduction of the degree of man’s alienation from the process and fruits of his work – humanization of work. Increase of productivity and humanization of work should complement each other. The increase of productivity is rather significant, but
not at any cost. Man’s personality, his physical and intellectual abilities, preferences, inclinations and desires should be respected.

Motivation is a set of complex characteristics of individuals, without whom the knowledge and abilities for particular activities will be expressed a little or not at all. Observed from that perspective, motivation is also extremely important for the success of management and implementation of changes, because even the greatest experts will not be able to show their knowledge and skills without motivation. Majority of people work for most of the time that they have available during greater part of their life and material reward sets their life standard and social position.

Management and development of human potentials [18] becomes increasingly significant because of the new position and role of the man in all social processes, as well as in managing those processes. Motivation and satisfaction of employees become a foundation of the interest of modern human potentials management because only by construction of quality motivation system, the organization can be helped to increase its competitive advantage [22]. As the motivation is one of the important factors of success, it is necessary to pay more attention to it. Favourite Drucker’s theme for the 21st century is so-called knowledge worker, which is one of his central concepts. The greatest contribution of management in the 20th century was fifty times increased productivity of of a simple worker in production. Maximal contribution of leaders in 21st century should be the productivity of knowledge worker and the knowledge worker. The most important value for the organization in the previous century was manufacturing equipment, and in this century it is the knowledge worker. The difference between a simple worker and a worker that is qualified for the job he performs is very clear. The following factors determine the productivity of the knowledge worker: For the productivity of a simple worker, the question was: “How should the job be done?” and for the knowledge worker we should be asking: “What is the task?”.

3. MOTIVATION OF EMPLOYEES IN ECONOMIC SUBJECTS IN BRANIČEVO DISTRICT

Serbia has a great number of insufficiently educated and a very small number of highly educated people. The number of the former is about 1,350,000, and the number of the latter is 6,5% of the total population number, according to the census of population from 2001, as Prof. Dr. Žarko Obradović, Minister of Education and Science in Serbian Government, has stated. Territorial distribution of illiterate population in Braničevo District shows a great dependence of the literacy level from the achieved level of social and economic development of particular municipalities, and thus underdeveloped municipalities have significantly greater share of the illiterate than developed municipalities. There are two districts that do not reach even 80% of the republic education level – Pčinja District (63,9%) and Braničevo District (62,5%).

In the school year 2007/2008, in Braničevo District there was 593 students, of which there were 50 graduate students. On the 31.12.2008., there were 9,684 unemployed persons registered in this district. Of that number, there were 4,405 persons with no qualifications. Unemployment rate in 2005 was the lowest in Toplica District (18,0%) and Braničevo District (19,5%). As for the human capital in Braničevo District, it can be said that, in addition to the low education level, there is also a limited availability of higher education and education of adults, lack of networks and cooperation with economic entities. Knowledge is the foundation of social capital and development of every society. Region of Braničevo and Podunavlje owns traditional knowledge and skills in agriculture and mechanics. Observed in average, population is poorly educated. Educational
structure of population is far beyond Serbian national average. Majority of the unemployed have no education or a low level of acquired education. Some municipalities, through funds, centers for young talents and scholarships, create new opportunities for personal professional development of the young. Lack of information and support in establishing the organizations or finding jobs in a burden for the employees and potentially independent entrepreneurs. In Braničevo District, there are: Faculty of Business Studies within Megatrend University, with headquarters in Belgrade and High Technical School.

There is an obvious gap between the needs of economy that seeks for modern technological knowledge and skills and flexible labour and educational profiles. At the meeting of European Council in Lisbon in 2000, a Memorandum on Lifelong Learning was adopted, which confirms that Europe has entered the “knowledge era” with all those consequences that this fact has on cultural, economic and social life. European Council has also concluded that the improvement of lifelong learning is necessary for a successful transition towards the society and economy, based on knowledge. Lifelong learning needs to become a leading principle of the entire organization of education and knowledge acquisition and the main way for the development of citizenship, social connectedness and employment. It is intervened on the strengthening of connectedness between schools and organizations, promotion and raising the awareness about the importance of lifelong learning, retraining and education, new educational programs in accordance with market needs.

It was proven that the money, i.e. “higher income”, has a higher rank on hierarchical value scale of the motivators in societies, at the lower level of economic and cultural development, in underdeveloped and backward economies, in enterprises that are faced with shortages, misery and poverty. On the basis of such situation in the district, it can be concluded that the employees are poorly motivated, which is logical, having in mind the circumstances under which they work. It is obvious that previous efforts are not sufficient. Employees’ dispiritedness and lack of interest, in addition to all other problems should be a concern of all of us, and especially competent institutions.

4. IMPACT OF MANAGEMENT ON CHANGE MANAGEMENT AND EMPLOYEES’ MOTIVATION

A crucial factor in employees’ motivation are the managers. A manager needs a great experience to learn how to transfer the message to others, how to speak and to listen to the interlocutor. Each activity, which is started or not, directly affects the employees’ motivation. High productivity and satisfaction by work is expressed by associates that are satisfied with the way in which managers treat them.

Previous analysis of motivation theories confirms the undeniable complexity of the phenomenon of motivation and importance of being familiar with it, so that the behaviour of people in working situations could be influenced. The theories mentioned are not mutually exclusive, but complemented and they together emphasize various aspects and dimensions of motivation and process of motivation, enabling better comprehension of it. Motivation for the work is affected, in addition to individual needs, by a number of psychological processes and factors, related to the individual (perceptions, expectations, values, aspirations), but they are developed and changed under the influence of objective situation in which they are encountered and on which managers and organizations can have some impact.

Managers are the most important capital and resource of each organization, but at the same time, they are most scarce resources due to the fact that for constructing a good managerial team we need great investments.
When discovering managerial potentials, we should have in mind their personal, professional and business characteristics, such as willingness, communication skills, creativity, work performance, familiarity with management methods, reliability, dedication to work and organization etc.

For the assessment of personality, the ability of leading people and developing positive skills, delagation of tasks, communication skills, familiarity with the work, judgement, abilities of planning, organization, assessment of personal characteristics of associates etc. When discovering managerial potentials, numerous techniques are used, such as psychological tests, questionnaires, peer assessment, interviews, recommendations etc.

Important assumption, for determining managerial potentials and selection of managers, is determination of dimensions of managerial motivation and development of instruments for their mesurement and identification.

It was shown that certain attitudes contribute to the selection of managerial career, such as: positive attitudes towards the authority; need for competing; need for proving and confirmation; need for expressing the power; need for prominent position and behaviour; and need for responsibility.

By the first ohase of discovering managerial potentials, manager's desirable characteristics are determined, after that, there is the determination of standard managerial jobs, analysis of business strategy and organization’s development degree, selection of managerial talents for training of appointment.

The procedure of discovering leadership potentials is complex and difficult, but it can significantly be facilitated if the existing theoretic knowledge is applied and if the jobs, which the candidate should perform, are preciesely defined.

Important field of managers’ impact on motivation is their daily behaviour and relationship towards the associates. A good manager, in everyday contacts, respects the associates and quality work, observes qualities, values, knowledge and abilities of his employees, respects their opinions and ideas, includes them in daily resoultion of problems, shows them that he cares about them and that “his door are always open for them”.

Sincere interest of manager for employees (of course, it should not turn into the invasion of privacy) is presented not only in exchanging the opinions about how the operation can be improved, but also in familiarity with their business situation, health, personal problems and ambitions, it creates the feeling with employees that they are significant to the company, as well as their contribution. Flexibility in the aspect of special needs of employees related to the working hours, or other conditions at work, will enable every employee to entirely accomplish his working potentials and to give maxium contribution to business.

In the last hundred years, the work has transformed from mass production on the bar into a far more creative work, where the machines have assumed all repetitive, routine jobs, enabling the people to pay more attention to those parts of business processes that look for creativity, adaptation and innovation. By the new economy, main tasks of managers are completely unchanged. Sometimes in mass production and the “old economy”, the main tasks of managers were establishing a more clearly defined system and order, and then precise control of that system.

One of the pioneers and the most famous theorists of business management, Peter Drucker, gives the the following overview of challenges in management and leadership for 21st century, that for the managers throughout the world, the main challenge, in the time that comes, will precisely be the motivation of people who work with them. All the other is easily purchased in global economy, in which the money flow is absolutely free. And, the
same as in life, the most valuable things in life do not have a price and they cannot be purchased.

People are the main cause of success or failure of organizations. Accordingly, it is very important to understand the people and their relationships. It often occurs that the manager, regardless of enormous efforts, does not achieve the success, because he does not see in time that his efforts do not cause the encouragement with users. It is necessary to dedicate enough time for conversation with them, to hear their problems and include them in the process of decision-making. The thing that classical management has neglected – role nad significance of human factor, that is precisely the thing that modern management, which is primarily applied psychological science, lists as top priority. The old-style managers considered that dealing with interpersonal relations, satisfaction at work, attitudes or emotional problems of employees are mere “waste of time” or a fashionable “folly”. They have ignored or underestimated the significance of human resources and importance of psychological factors, expectations, mental habits, abilities, goals and motives, for success in organization’s operating. People are inevitable factor in every job, in the activity of any business system. Regardless whether it deals with the production of paper clips, cars, development of computer softwares or improvement of education.

Managers have a great number of verified and confirmed strategies, which are used in modern organizations, such as: material stimulation, redesigned and enrichment of job, management style, participation of employees, management by objectives, organizational culture, recognitions, praises, advancement and development of career.

5. CONCLUSION

Management skills are constantly updated. Manager can never allow himself to stop learning. It is necessary to devote enough time to the associates: to listen to their problems and include them in the process of decision making. In addition to the aforementioned, the manager needs to master the following skills: getting to know himself, elimination of own prejudices and determination of their origin; and communication, how should the interpersonal relations be managed, access to interlocutor, discovering gifted characteristics, recognition of success, adequate rewarding and engagement of people (delegation). All that are skills, which the manager needs to master in order to be successful. In business world, of market economy system, those are the elements of management to which it is professionally accessed. Managers go through the trainings where the the skills are learned until the satisfactory success is achieved. Interpersonal relations cannot be mastered if we are not familiar with characteristics of people of certain professions. It is necessary to have a prior knowledge, so that the manager would be able to motivate and direct them properly. This is particularly significant for the organizations with heterogeneous educational structure. Simultaneously, as the educational level of employees is higher, the manager needs to be more careful and patient in order to accomplish the goal. For the motivation of workers, sometimes a conversation is sufficient, sometimes discipline measures are necessary, but in any case, there needs to be communication.

Complexity of motivation system requires a special attention and it needs to be formed by management of the highest level. Assumptions, necessary for a quality achievement of motivation system are: exact performance measurement, constant evaluation, provision of progress in work and further education and that all management levels own psychological knowledge and organizational skills.
Management needs to design contests and motivation packages, whose structure depends on how complex or simple motivation system is desired and preferred.

Satisfaction and motivation of employees become key issues of modern organization. Common goal of model and system of satisfaction measurement and employees’ motivation is a tendency to develop a sense of employees that they share the same fate (organization’s fate), tendency to release creative potential of employees by material and non-material incentives.

Organizations in which the significance of human potential and their motivation, as one of main factors of success, is understood, are more successful than those in which there is poor management, which has not yet understood the significance human potentials and motivation techniques. Professional training and development of employees, creation of a pleasant environment in organization, as well as a just payment system, are the tasks that are successfully implemented, so that they could create favourable motivation basis for each employee. Significant reason for conceiving work motivation is the need of understanding the behaviour mechanism as a basis for building the motivation system. One of the key strategic tasks of managers becomes a successful human potentials management and in that context, building the motivation system.

Our economic possibilities of rewarding are often limited, almost non-existent. Of course, some rewards for a well-done task needs to exist and well-done work must be rewarded. Then the workers are motivated, satisfied with themselves and the work accomplished and, of course, that influences the company’s operating.

Managers need to use their knowledge, organizational and psychological, so that they could, by building quality motivation system and combining precisely those techniques that correspond to specific situation, create favourable organizational atmosphere and conditions in which the workers can meet their own needs and desires and contribute to organization’s success.

In case of the majority of our organizations, there is no continued system of satisfaction management and employees’ motivation. Motivation, as well as employees’ satisfaction, are not accessed conceptually, as it is done in successful organizations throughout the world. Terms of satisfaction and motivation of employees are very complex and ambiguous. These terms are often equalized in theoretic considerations and empirical research. They are mutually conditioned, but different as well. Guideline and basis for empirical studies of satisfaction and motivation of employees were given by motivation theories of Maslow and Herzberg. For that reason, measurement of satisfaction and motivation of employees can be based on combination of these two motivation theories.

It is necessary to have in mind that employees’ satisfaction measurement always has, in its basis, the measurement of employees’ motivation. Employees’ satisfaction is measured by a difference between significance degree and motives hierarchy and the level of their accomplishment. The same system of indicators is also used for measuring the employees’ satisfaction and measuring the motivation of employees. Measurement of these two variables can give the answers to the questions that are very significant for each organization, primarily for determination of the degree of employees’ satisfaction, as well as the degree of employees’ motivation. At the same time, measurement results can become a basis for developing the concepts and systems of employees’ motivation in organization.

Complexity of an individual excludes the acceptance of one of motivation theories as universal, through which the people would be motivated in a unique way, in all types and forms of organizations, regardless of the environment in which it is encountered. Man is a complex psychological system, which requires many motivation instruments. In addition to motivation theories and complexity of employees as personalities, it is also necessary to
be familiar with the circumstances that are present. Management needs to design contests and motivation packages.

Human resource management has numerous difficult and complex tasks put before it in the future. Besides theoretical knowledge of management and motivation theories, they should own knowledge from the field of organization and psychology. Besides, a precise and accurate evaluation of employees’ success is necessary, as well as objective evaluation and enabling further development and improvement. The policy of good interpersonal relations is extremely important, as well as inclusion of workers into decision-making, giving them higher responsibilities, but also completely accurate estimation of their merit so that they could acquire a complete confidence in the system.

A good motivation system needs to secure four types of behaviour: it needs to attract and keep the best people in organization, secure the employment of the people necessary and unable or reduce absenteeism and fluctuation, as well as all the forms of contra-productive behaviour; it needs to secure that the employees perform the taken tasks are obligations in a proper way, as well as that they achieve the expected results; it needs to encourage the creativity, innovation activities and contributions in the function of solving the current and developmental problems, creation of new products and services, high quality and general improvement of business, as well as accomplishment of goals and organization’s development; and it needs to secure the identification of employees with organization and their interest for its continuous development and welfare. The system needs to secure the engagement of all potentials of employees in the function of accomplishment of both personal and organizational goals.

These facts are a basis for building a quality and long-term motivation system in which the employees and economic entities will accomplish their goals, and which are basically merged and whose accomplishment is not individually possible because they make a whole only if they are together.

Human model of work organization mobilizes a series of abilities with which a man disposes and not only a mechanical fulfilment of narrow requirements of a workplace. By the changes, which human work organization brings through its instruments, the conditions for developing individual abilities and overall possibilities of employees’ creativity should be accomplished. Work tasks and duties need to be set in such a way that they provide more initiative, self-control, independence in decision-making and designing the decisions, with strengthening the responsibility of all employees.

Employees’ participation is preparation and decision-making should be expanded to all fields, which directly affect vital interests of the manufacturer. Human organization and organization’s strategy needs to be based on a just and equal power distribution, democratic management, higher self-control and self-initiative, and less on external instruments of the control of employed workers.

Answers to the question what motivation really is are encouraged by the need to make the associates work as it is expected from them. The managers, as a rule, seek for a rapid and practically applicable answer to this question. There is no such answer, because the problem of motivation is rather diffuse. The theories are so different that they are not mutually, or not even limitedly, compatible. Motivation of employees is considered to be one of the key assumptions of a successful business of modern organizations.

Limiting factors of social environment simultaneously have a limiting effect on strategies, development and effects of employees’ motivation. One of those factors is insufficiently developed awareness of the need and significance of employees’ motivation, which influences the development and progress of the society as a whole. Observed globally, employees’ motivation becomes one of the key factors of successful development of modern organizations.
Main task of modern management is to bring the general employees’ motivation to the highest level possible. In order to increase the employees’ motivation, it is necessary for the management of organization to have a just, equitable and balanced treatment towards all the workers, i.e. employees. In that way, the employees get the impression that the organization takes care of them, which influences the growth of their self-esteem and motivation for accomplishing better work results. Motivated staff are the ticket for a secure and successful future of modern organizations. High level of employees’ motivation in one organization also implies the existence of a favourable organizational climate in which every worker has the awareness about his role in social and economic structure of an organization. Such human potential, which knows his individual and collective role in organization’s functioning, has a positive impact on its successful business and represents its most important and irreplaceable assets. Positive effect of employees’ motivation is also reflected in the creation of organizational climate that will lead up to the success of the entire organization, because organizations in which they work achieve the best results in its operating.

The reform is necessary in the aspect ofstrengthening the motivation of employees and greater flexibility in coping with changeable requirements in working world. It is necessary to use the experience curve, i.e. the experience of the most successful, assisted by science, without any mistakes that are paid by years of stagnation, in order to accomplish the human resource management as faster as possible, since HR are a real wealth expressed through human mind and human work. If we keep being irresponsible, there will be serious and irreparable consequences for the development of our economy, culture and society as a whole. For that reason, we need to dedicate ourselves to this process maximally, so that the existing problems would be at least partially overcome, i.e. mitigated. It is necessary to timely understand the significance of employees’ motivation, because they are becoming a crucial developmental resource of modern organization, i.e. modern society.

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