

An Employee Motivation Plan for a Czech Manufacturing Company

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Analyzujte současný stav motivace ve výrobní organizaci.

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ABSTRAKT

Předmětem bakalářské práce je analýza motivace zaměstnanců ve vybrané české výrobní společnosti. Práce je rozdělena na dvě části, teoretickou a praktickou. První, teoretická část popisuje dosavadní poznatky o motivaci, jejich typech a způsobech odměňování zaměstnanců. Druhá, praktická část se věnuje analýze systému motivace a odměňování ve firmě. Je v ní popsán aktuální motivační program z poskytnutých interních materiálů a z dotazníkového průzkumu. Závěr je věnován shrnutí výsledků dotazníkového šetření a navrnutí doporučení k vylepšení systému motivace ve firmě.

Klíčová slova: motivace, stimulace, benefity, zaměstnanec, zaměstnavatel, spokojenost, odměňování,

ABSTRACT

The main objective of this Bachelor thesis is analysis of employee motivation in selected Czech manufacturing company. This thesis is divided into two parts, theoretical and practical. The theoretical part describes the current knowledge about motivation, its types and ways of rewarding employees. Analytical part is based on analysis of system of motivation and rewarding in selected company. Analytical part contains description of actual motivational plan obtained from internal documents and also from a questionnaire survey. The conclusion is a summary of the survey results and proposes recommendations to improve the motivational system inside of the company.

Keywords: motivation, stimulation, benefits, employee, employer, satisfaction, remuneration

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CONTENTS

INTRODUCTION	10
I THEORY	12
1 MOTIVATION	13
1.1 Process of motivation	14
1.2 Stimulation.....	15
2 MOTIVATION THEORIES	16
2.1 Maslow’s hierarchy of needs	16
2.2 Theory X and Theory Y	18
2.2.1 Theory X – traditional view of direction and control	18
2.2.2 Theory Y – the integration of individual and organizational goals	18
2.3 Herzberger theory	19
2.3.1 Hygiene Factors	19
2.3.2 Motivating Factors.....	20
2.3.3 Comparison of hygiene and motivating factors	20
3 TYPES OF MOTIVATION.....	21
3.1 Intrinsic motivation.....	21
3.2 Extrinsic motivation	21
3.3 Positive motivation.....	22
3.4 Negative motivation.....	22
4 PRAISE AND CRITICISM	23
5 MOTIVATION AND PERFORMANCE	24
6 DEMOTIVATION.....	25
7 FRUSTRATION REGRESSION	26
8 SYSTEM OF REMUNERATION.....	27
8.1 Benefits	28
II ANALYSIS	30
1 INTRODUCTION OF THE CHOSEN COMPANY.....	31
1.1 Characteristic of the organization	31
1.2 Company profile	31
1.3 The main production programme	32
1.4 Development of employees	33
1.5 Training and educational center.....	33
2 CONTEMPORARY MOTIVATION PLAN IN ORGANIZATION.....	34

2.1	Basic forms of remuneration	34
2.2	Benefits	35
2.3	Overview of benefits provided to employees	35
2.3.1	The social fund	35
2.3.2	Personal account	35
2.3.3	Repayable loans for housing purposes.....	36
2.3.4	Repayable loan to bridge the difficult financial or life situation	36
2.3.5	Corporate gifts for employees.....	36
3	QUESTIONNAIRE SURVEY	38
3.1	The objectives of the survey	38
3.2	Sources of data.....	38
3.3	The Questionnaire.....	38
4	EVALUATION OF QUESTIONERS.....	39
4.1	Summary of motivation in terms of employee's age	50
4.2	Suggestions and recommendations	51
4.2.1	Awareness of employee benefits	52
4.2.2	The relationship between employees and their superiors	53
	CONCLUSION	54
	BIBLIOGRAPHY	56
	LIST OF GRAPHS	58
	LIST OF FIGURES	59
	APPENDIX	60

INTRODUCTION

The topic of this bachelor thesis is focused on employee motivation. It is well known that positively motivated employees are satisfied in during their working hours and thereby become more productive and proactive. Thus, there is no need to emphasize the fact that it is in the best interests of employers to align their interests with the interests and needs of their employees. It is for the benefit of an employer that the company makes a profit so that employees can meet their basic needs.

An important factor in terms of employee motivation is trust among members of a company. Another important factor is also employees' independence, initiative and independent approach to fulfill their work tasks. Employers usually do not motivate their employees only by salaries, but there are other ways to motivate, for instance, providing a variety of corporate benefits. These benefits may be provided in the form of financial evaluation, such as creating a personal account. Employees may use a personal account for purposes which are specified by an employer. These purposes are for instance, food contribution, additional salary, travel allowance, and also strengthening social security (contribution to pension, life insurance etc.)

Employers who provide employee benefits, however, cannot be content only with providing the possibility of drawing a range of benefits for employees, they should take advantage of a company's motivational programme. It is very important to create such rules that conform both to management and employees' standards. If employees are provided with any benefits, after some time they tend to perceive such benefits as "the common thing". It means that employees draw these benefits, but they do not appreciate the fact that they are provided with them. It follows that the original purpose of some benefits (which is to provide something additional) partially or completely disappears. Due to this fact, an employer might lose the motivating factor, while providing certain benefits.

The main aim of this work is firstly to determine the current state of employee motivation in the selected company and identify deficiencies or reserves on the employer's side including the description of benefits that are provided by the company. Secondly, I focused on the employee perspective, who does not have a say regarding the actions of the company management, and is not drawn into a strategy of development and management of the company. Therefore I chose manual workers in the selected company as respondents of my survey. I deliberately left out the technical-economic workers, as it seems to me that the blue-collar workers have less access to information about what happens in the company,

including less access to information about the benefits provided by the company than technical-economic workers. The company wished to remain anonymous, therefore I refer to this company as “the company” in this thesis.

The work is divided into two parts. The first part is theoretical, which is based on literature and websites. From these sources I compiled motivating and demotivating factors that affect employees in a company. The second part is crucial to the objective that this work should meet. It is the practical part, which is based on the questionnaire survey, which was carried out in the selected company. This part describes the process of data collection, evaluation and proposed recommendations that can, in my opinion, lead to higher employee motivation and thus contribute to the effectiveness of the motivational programme of the company.

I. THEORY

1 MOTIVATION

Every company endeavors to reach high and stable performance of their own employees. It means to pay attention to the most appropriate ways of motivating people through the tools which are stimuli and rewards. The most important thing is their work. In other words what they do and at under what conditions they are supposed to do it. The main goal of it is to create and upgrade motivational processes and working environment which can help to achieve results. These results are set by the management and their fulfilling is expected.¹

According to Provazník, the word motivation is derived from the Latin word “movare”, which means moving. This word marks some activity or behavior of a human being. It also answers the questions by whom was the activity evoked or why it was changed.²

To defining what the motivation is devote a lot of authors. One of them, Likert, said that motivation is the core of management which shows that every human being gives him a sense of worth in face-to-face groups which are most important to him. A supervisor should strive to treat individuals with dignity and recognition of their personal worth.³

Steven defined motivation is the willingness to exert a persistent and high level of effort towards organizational goals, conditioned by the effort's ability to satisfy some individual needs. The key elements in this definition are intensity of efforts, persistence, direction towards organizational goals and needs.⁴

With the issue of motivation are closely connected three terms. They will be mentioned with explanation for better understanding of the problem. These terms are motive, stimuli and need. The motive is something what stands for behavior of people from psychologist perspective. It can be explain as a fulfillment of goals which lead to psychical balance. Motives are divided into two parts. First of them is called energizing part. It gives

¹ Michael Armstrong, *Armstrong's Handbook of Human Resource Management Practice*, Eleventh ed. (London: Kogan Page, 2009).

² Ján Provazník and Janka Ladová, *Celostní Management*, 4th ed. (Bratislava: IRIS, 2010).

³ Dewakar Goel, *Performance Appraisal and Compensation Management: A Modern Approach* (New Delhi: PHI Learning, 2010).

⁴ Osarumwense Iguisi, “Motivation-Related Values Across Cultures,” *African Journal of Business Management* 3, no. 4 (April 2009), <http://www.academicjournals.org/ajbm/pdf/pdf2009/Apr/Iguisi.pdf> (accessed April 11, 2013).

power and energy to human behavior. The second one is directional part. It is there because of providing direction to choose the right thing. Last term is called Stimulant. Every single stimulant is part of the process called stimulation. This process takes place just for the time when stimuli are created and still in progress. It affects human's psychology from outside. The most often cause of that process is active action that comes from another person. Need appears when human has lack of something. To fully satisfaction is requested fulfilling of that needs. Between need and motivation is really small difference so there is a possibility of substitution in real life. Needs are divided in two parts. Biological and physiological needs are the first ones. It can be for example the air, food, water, etc. Social and psychogenic are the second ones. This part covers needs such as love, domination and self-realization.⁵

1.1 Process of motivation

Process of the motivation is showed at the picture below. It is obvious that motivation is started by dissatisfying needs. Needs like that create wishes to achieve or reached something. Establishing of goals is a next step which should lead to satisfying of the needs. At this moment are chosen ways or manners which are the most appropriate. This ways should lead to satisfying of the goal. If the goal is reached, need is satisfied. Very likely this ways and manners will repeated in similar situation in the future.⁶

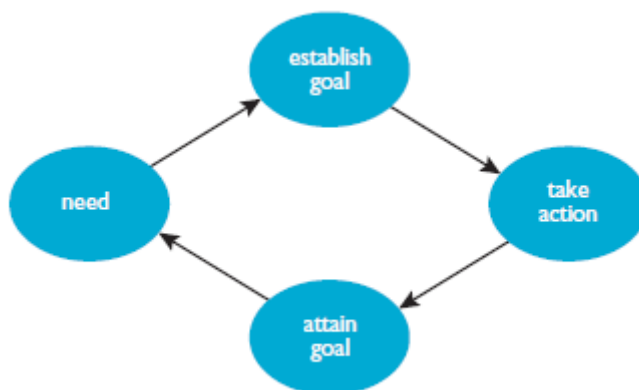


Figure 1: Process of motivation. *Source: Armstrong, 2009*

⁵ František Bělohávek, *Jak Vést a Motivovat Lidi*, 5th ed. (Brno: Computer Press, 2008), 39-40.; Eva Bedrnová and Ivan Nový, *Psychologie a Sociologie Řízení* 3d ed. (Prague: Management Press, 2007).

⁶ Michael Armstrong, *ARMSTRONG'S HANDBOOK OF HUMAN RESOURCE MANAGEMENT PRACTICE*, 11th ed. (London: KOGAN PAGE, 2009).

1.2 Stimulation

As to the Provazník and Komárková claim, stimulation is group of impulses coming from the outside of a person. People are quite easy influenced by this kind of method if we are well informed about what they take as important. It could be almost everything. But the basic ones are familiarity with the company and external stimulating factors such as image, prestige and reputation of the company.⁷

According to Bedrnová and Nový, next stimulation resources could be tangible reward, scope of work, working atmosphere, working conditions and informal rating of worker. Motive is taken as an internal impulse or inducement of human behavior. And on the other hand there is a stimulant which represents outcoming inducement or incentive. This stimulant would provoke or stifle certain motive. Stimulant is marked as a change of conditions or circumstances and motive is marked as an answer on this change.⁸

Stimulation to work is controlled affecting of working employee motivation. Stimulation is successful only when employees have same needs and interests as a company.⁹

⁷ Vladimír Provazník and Růžena Komárková, *Motivace Pracovního Jednání*. (Prague: Oeconomica, 1996).

⁸ Eva Bedrnová and Ivan Nový, *Psychologie a Sociologie Řízení* 3d ed. (Prague: Management Press, 2007).

⁹ Daniela Pauknerová, *Psychologie Pro Ekonomy a Manažery*, 2nd ed. (Havlíčkův Brod: Grada Publishing, 2006).

2 MOTIVATION THEORIES

There are a lot of theories which help to managers to better understand people's behavior. But none of them is perfect because people are very complicated beings. Two mostly discussed groups are theory focused on content and theory focused on process. Principle of the first mentioned theory is to recognize what is inside of human or on working place. What cause and hold concrete behavior. These factors motivate people in fact. The second group is focused on process. The main task of these theories is to give an explanation how is behavior caused, controlled, kept and eventually ended. They try to define crucial things necessary for better understanding of chose, effort and perseverance.¹⁰

2.1 Maslow's hierarchy of needs

The author of one of the most famous motivational theory is Abraham Maslow. The theory is called Maslow's hierarchy of needs. It says that a person has structure of needs and this structure is connected with graduation human needs.¹¹

Principal of it is that every need has to be satisfied to moving up to higher need in hierarchy. It means that a new need will emerge after the lower one is satisfied. Sometimes it is not possible to reflect this hierarchy because each person has a unique set of needs and values. Five factors according to Maslow sorted from the lowest one to the highest are:¹²

- 1- Physiological needs are the basic one. It is the first level in hierarchy. Fulfilling is made by staffs needed to life for example enough of water, meal and sleeping.
- 2 - Safety needs mean that there is no possible danger. Feel protected.
- 3 - Social needs are wants to be part of human group. There are also love, friendship and feel of belonging.
- 4 - Self-esteem contains respect and recognition.
- 5 - Self-actualization (growth, accomplishment, personal development).

¹⁰ James H. Donnelly et al., *Fundamentals of Management*, 10th ed. (Boston, Mass.: Richard D Irwin, 1998).

¹¹ John Adair, *Leadership and Motivation: The Fifty-Fifty Rule and the Eight Key Principles of Motivating Others*(Philadelphia: Kogan Page, 2009).

¹² John Adair, *John Adair: the Handbook of Management and Leadership* (London: Thorogood, 2005).

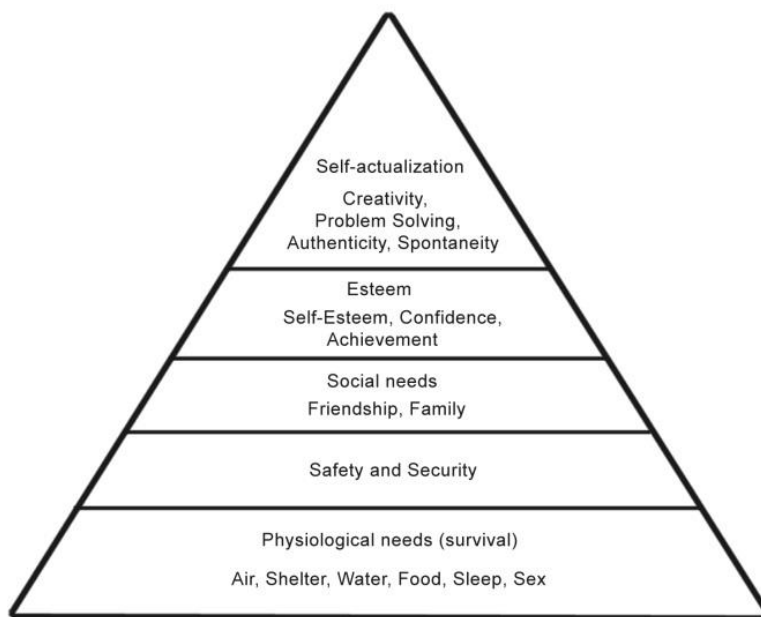


Figure 2: Maslow's hierarchy of needs. *Source: Taken from:*

<http://communicationtheory.org/maslow%E2%80%99s-hierarchy-of-needs/>

However, there are few things that have to be in considering. Every person is not the same. They have different levels of needs so sometimes it can shuffle the order in hierarchy. Those differences are caused by some factors such as for example culture and age. In that case there is an option, that some level of needs can be sacrificed to try reached the higher level in hierarchy.¹³

According some authors focusing on Maslow' theory it is easily understandable and pointed out some factors which motivates employees. Through salaries employees are able to satisfy physiological needs. Due to systems of remuneration and benefits people satisfy need of safety and family needs. Managers can help to fulfilling of social needs by give people opportunity to work in teams or small groups. Manager can also give to employee public praise and by that make the esteem stronger. The employer could help you to satisfy the lower needs in hierarchy. But for example self-actualization has to be feel by employee.

¹³ John Adair, *John Adair: the Handbook of Management and Leadership* (London: Thorogood, 2005).

The supervisor can just try to make better conditions to achieved that goal. The conditions are mentioned in five points above.¹⁴

2.2 Theory X and Theory Y

Douglas McGregor published his book *The Human Side of Enterprise* in 1960. In this book he shows two models of human behavior. He thinks that managers have the main goal to motivate people. He defined assumptions about human behavior into two groups called Theory X and Theory Y.

2.2.1 Theory X – traditional view of direction and control

There are three main points of the Theory X. It has been said that people try to avoid to any kind of a work and they also have an innate reluctance to it. Other point is that most of the people are threatened with penalization for not achieve the required organizational objectives. This theory describes the fact that people must be controlled and directed. The last point of this Theory X is that people wish to avoid any kind of responsibility. People prefer to be managed and the highest priority is security.¹⁵

2.2.2 Theory Y – the integration of individual and organizational goals

What is natural for human is being is physical and mental effort at work as same as rest for example. In Theory X was mentioned that people are threatened with penalization for not achieve the required organizational objectives. But there is not only and external control and the threat of punishment to achieve them. It is mentioned that people will practice self-direction and self – control. Commitment to objectives is a function of the rewards associated with their achievement. To consider ordinary human being, they study under proper conditions not only to accept but to require accountability. The capacity to exercise a relatively high degree of imagination, ingenuity and creativity in the solution of organization problems is widely, not narrowly, distributed in the population. It has been said that people use only partially the intellectual potentialities. It happens under the

¹⁴ James H. Donnelly et al., *Fundamentals of Management*, 10th ed. (Boston, Mass.: Richard D Irwin, 1998), pageNr.; John Adair, *Leadership and Motivation: The Fifty-Fifty Rule and the Eight Key Principles of Motivating Others*(Philadelphia: Kogan Page, 2009).

¹⁵ John Adair, *John Adair: the Handbook of Management and Leadership* (London: Thorogood, 2005).

conditions of modern industrial life. Theory Y is based on Maslow's theory. McGregor put forward the characteristics features as an unproven hypothesis.¹⁶

There was another research done by Herzberger who needed to prove that this Theory Y is correct. Theory Y is described as: "...in terms of management in practice Theory Y does reveal that in any individual within an organization there are untapped resources of goodwill, energy, creativity and intelligence".¹⁷

2.3 Herzberger theory

According to Herzberg, there are two main factors that Herzberg describes in his theory. Such factors are called hygiene factors that lead to job dissatisfaction and on the other hand factors, that lead to job satisfaction.

2.3.1 Hygiene Factors

First factor is called company policy and administration .It is an availability of clearly defined policies, especially those related to people. Another feature is adequacy of organization and management. Second factor is called supervision – technical. This feature includes accessibility, competence and fairness of your superior. Another one, Interpersonal relations, include relations with supervisors, subordinates and colleagues. Another thing is quality of social life at work. What Herzberg also describes as a hygiene factor is salary. Salary is defined as a total compensation package, such as wages, pension, company car and other financially related benefits. According to Herzberg, status is defined as a person's position or rank in relation to others, symbolized by title, size of office or other tangible elements. What is also considered as a factor, that leads to the job dissatisfaction is job security. This feature is something like freedom from insecurity, such as loss of position or loss of employment altogether. Two last factors are personal life and working conditions. Personal life effects person's work on family life; e.g. stress, unsocial hours or moving house. Work conditions are the physical conditions in which you work.

¹⁶ John Adair, *John Adair: the Handbook of Management and Leadership* (London: Thorogood, 2005), pageNr.

¹⁷ Ibid

Another fact is also the amount of work. Working conditions also include facilities that are available and environmental aspects; e.g. ventilation, light, space, tools or noise.¹⁸

2.3.2 Motivating Factors

Motivating factors are considered as those one, what lead to the job satisfactions. The main motivating factors are achievement. For achievement is a specific success, such as the successful completion of a job, solutions to problems, vindication and seeing the results of your work. Another motivating factor according to Herzberg is recognition. Recognition is seen as any act of recognition, whether notice or praise (separating recognition and reward from recognition with no reward). Motivating factors also include possibility of growth. By possibility of growth are meant changes in job where professional growth potential is increased. What can also lead to the jobs satisfaction is called advancement. By the term Advancement are meant changes which enhance position or status at work. Herzberg claims that last two motivating factors are responsibility and the work itself. By responsibility is meant that we are matched with necessary authority to discharge it. By the work itself is meant actual doing of the job and its phases.¹⁹

2.3.3 Comparison of hygiene and motivating factors

The hygiene factors are defined as factors with which people try to avoid particular situations. In comparison to it, motivating factors are connected with people's needs to achieve self-actualisation and self-realisation. It has been said, that for the manager can be helpful Herzberg's motivators and their satisfaction of it. They help to managers to assess roles and jobs within the organization. It is needed to find out what job-enrichment or empowerment the person needs to consider how to improve the performance and provide to this person greater job satisfaction.²⁰

¹⁸ John Adair, *John Adair: the Handbook of Management and Leadership* (London: Thorogood, 2005), pageNr.

¹⁹ Ibid.

²⁰ Ibid ; John Adair, *Leadership and Motivation: The Fifty-Fifty Rule and the Eight Key Principles of Motivating Others*(Philadelphia: Kogan Page, 2009).

3 TYPES OF MOTIVATION

Motivation as a process can be divided into several types. In this chapter are introduced two main differentiations.

3.1 Intrinsic motivation

Intrinsic motivation is born inside of every person. The starting factors for this process are internally generated needs. In that case behavior of people is strongly influenced. It is not effected form the outside of the person. One of the internal factor can be work. People can be motivated by work in case that it enrich their personality. They want to develop and apply their skills. If it fulfilled they take their work as very important, interesting and tries to as much as possible to do their job well.²¹

Armstrong in his book emphasized that Deci and Ryan says that intrinsic motivation is based on needs to be competent and self-determining.

3.2 Extrinsic motivation

This type of motivation is used to motivate people from the outside. It includes rewards, such as incentives, increased pay, praise, or promotion; and punishments, such as disciplinary action, withholding pay, or criticism. Extrinsic motivation is much stronger than the intrinsic but it has not so long duration as the intrinsic one. Someone who is motivated by some factor of intrinsic motivation has deeper and longer effort to do their job well. Instead of someone who is just motivated by giving an extra money or another extrinsic influence. It is caused by people's needs and opportunity to do it individually.²²

Working motivation expresses approach of employee to his working tasks and his willingness. Human being tries to achieve established tasks if the good motivation is applied. This motivation could be positive or negative. It means that it can lead to successful fulfilling of given tasks. Negative motivation leads to not fulfilling given task.

²¹ Michael Armstrong, *ARMSTRONG'S HANDBOOK OF HUMAN RESOURCE MANAGEMENT PRACTICE*, 11th ed. (London: KOGAN PAGE, 2009).; Kenneth W. Thomas, *Intrinsic Motivation at Work: What Really Drives Employee Engagement*, 2nd ed. (San Francisco: CA: Berrett-Koehler Publishers, 2009).

²² Michael Armstrong, *ARMSTRONG'S HANDBOOK OF HUMAN RESOURCE MANAGEMENT PRACTICE*, 11th ed. (London: KOGAN PAGE, 2009).

Every employee has different needs and this could lead to the point that motive can carry distinct importance or effect.²³

3.3 Positive motivation

Positive motivation is better tool how to motivate employees from tranquility in a company. It is focused more socially. If it is applied well, people will try to do what is in their abilities. General rewards are basic points of this kind of motivation. Due to that, people react to wanted manner. This is the real tool which can help to achieve company's objectives and increase employees' performance as well.²⁴

As mentioned, positive motivation tries to influence behavior of people by using rewards. This incentive and rewards can be included in salaries or wages.

3.4 Negative motivation

Negative motivation is based on threats and punishments aimed on the employee. Some of the examples of a negative motivation could be demotion, dismissal, transfer, penalties or group rejection. Usually, this method is used on workers who are not performed their job well. By using negative motivation is reached the motivational effect immediately. It can also help to improve working conditions. This could function well but only in a short term. After that should be applied positive motivation to enhance temper of employees. There is a one more factor, the fear. The fear of the lost place or about a job generally is also part of the negative motivation. This method is useful just in long term aspect. For long term use has to be repeated regularly.²⁵

²³ Ibid

²⁴ Sudip Puri, "Principles of Business Management," Business, <http://principal-business.blogspot.cz/2011/11/positive-and-negative-motivation.html> (accessed March 2, 2013).

²⁵ Ibid.

4 PRAISE AND CRITICISM

For manager, it is necessary to know a person and things which he wants to praise or criticize. Without that knowledge, the manager is not able to judge that person. There is a rule that manager has right to not know him or her well. But he has obligation to try to identify him. For that reason praise and criticism is not just about rules. Mainly it is about common sense and cognition of people.²⁶

These two terms have lot things in common. It is very important to apply them in right time and place. But praise is not substitution of financial rewards or vice versa. If the criticism is tactful and positive, it can go well. To praise and criticize is necessary. Mainly on a beginning of cooperation is telling the truth about their performance perforce. After their successes show that your feeling are same. On the other hand after a failure demonstrate feels of disappointment. A worker, who was not success with his last task, has to bear in mind that it can happen. A manager should express that it is over and we are going further. By that process workers are assure about their position and they acquire self-confidence to do their job well.²⁷

For success, motivation has to be used in both ways; e.g. praise and criticism. Someone who is not interest in performance of his workers or oversee the appropriate worker and emphasize the bad employees do a mistake. This is not serves to achieve good results in his motivation plan. And people are disgruntled with the leadership.²⁸

²⁶ Jiří Stýblo, *Management a Lidé Ve Firmě* (Prague: Eupress, 2008), pageNr.

²⁷ Ibid.

²⁸ Ibid. ; Dave Ulrich, *Human Resource Champions: The Next Agenda for Adding Value and Delivering Results* (Boston: Harvard business Review Press, 1997).

5 MOTIVATION AND PERFORMANCE

Thanks to the motivation, the human behavior can be affected to required direction. Because of that, motivation can help everywhere, where is performance of people required. It can be at work, in sports, education or other activities. There are also other factors which influence the level of performance. It can be determiners especially abilities, which human disposing of or can use it. The motivation and abilities consist from two basic parts which define performance of every single human being. This relationship is expressed by formula: ²⁹

$$V = f(M \cdot S)$$

V...level of performance

M...level of motivation

S...level of abilities

From that formula is clearly visible the relation between motivation and performance. It can be seen that the relationship is clear straight. From the mathematical perspective is obvious that if the level of motivation is higher the performance is equal to it. But there is a possibility that this statement is not in accordance with the truth. When human being wants to achieve something in general the performance of his work is at the low level and result of his action is not achieved. It happens because of internal tension. The source of it is over-motivation. This tension interrupts function of human mentality and by that decrease human performance decrease. On the other hand when the motivation is low or not present is obvious. If the human do not want or just a little bit everything goes wrong. The result of his activity is in mostly cases not acceptable.³⁰

²⁹ Vladimír Provazník and Růžena Komárková, *Motivace Pracovního Jednání*. (Prague: Oeconomica, 1996).

³⁰ Ibid.

6 DEMOTIVATION

If on the way to satisfying own needs appears insurmountable obstacle there is a big possibility that frustration will begin. It starts when a worker do not receive his reward what he expected. Damaging of his long-term work or not provide holiday what was planned, these two lead to frustration as well.³¹

The activity caused by need leads to satisfying of them. By dissatisfying of the need arise frustration. On that process people can react by several ways. They can do their job harder to overcome an obstacle or to give up their intension. They can also try to discharging accumulated energy by aggression and try to find substitute objectives. They persuade themselves that the objective what they endeavor has no such a big priority. The last way is to go back to needs which have the lower priority in hierarchy.³²

Frustration and demonization of employees can be caused by several reasons. It can be disregarding from our boss to well done work, wrong rewarding, not deserve praise of other employee, rude negotiation or ridiculing, lack of work, material or tools and the last one is excessive interference of boss to the jurisdiction of subordinate.³³

³¹ František Bělohávek, *Jak Vést a Motivovat Lidi*, 5th ed. (Brno: Computer Press, 2008).

³² Ibid.

³³ Ibid.

7 FRUSTRATION REGRESSION

Usually after satisfying lower needs in hierarchy is time for need stands in higher position. If there is failure from some reason, it can arise a situation of going back to satisfying previous need. That phenomenon is called frustration regression. It has two forms.³⁴

First one is form of frustration cycle of growth. That form stands on principle when after satisfying relation needs are growing needs enhanced. If this process is not success importance of growing needs is lost. As a result of that, relation needs now have bigger importance.³⁵

As an example from ordinary life it could be young women. She starts to work for a company on administration position. She expects to learn many new things and personal growth. She tries to be initiative and engaged. But she was told by the boss to do just things what are expected from her. So she lost interest in to be initiative. Instead of that she just talks with her colleagues.

On the other hand there is frustration relation cycle. Growing of relation needs comes after satisfying existential needs. But if now appears a frustration it leads to go back to the existential needs and their importance of growth.³⁶

There is also example of a young businessman who is proud of a company, where he works. He willingly sets difficult and challenging goals for himself, as he desires to prove that he is able to manage even the most demanding tasks. When his boss plans to retire he believes that he will be the one who will be appointed on a position after his boss. But this will not happen, as there is another businessman, despite the fact that he has worse results of sales he is appointed to the position. The young businessman feels disappointed and betrayed. Based on this experience he has tried to find the easiest way to achieve his objectives since that time and he is not willing to take challenging demanding tasks anymore.

³⁴ František Bělohávek, *Jak Vést a Motivovat Lidi*, 5th ed. (Brno: Computer Press, 2008).

³⁵ Ibid

³⁶ Ibid

8 SYSTEM OF REMUNERATION³⁷

This chapter is focused on system of remuneration. It shows how forms of remuneration are used in general. The second part of this chapter is focused on wages and benefits provided in companies.

Tangible

- financial reward
- working status and environment
- company benefits

Intangible

- responsibility
- morality
- public praise
- informal ratting

System of rewarding of employees depends on their acquisitions and skills. The system is consisted from financial rewards (tangible and intangible) and employees benefits. These two folders create final fee.

Wages

Basic financial reward is fixed wage, which is created by tariff for the work or his work position. This wage could be based by the time or by tasks. Basic rate for a work or performance can be also considered as a rate for well qualified and competent employee for a job.

Rules for wage assessment could be enshrined in the internal regulation or in contract of employment. System of wages should be set as transparent, fair and effective.

In connection with performance and skills can be other financial benefits to basic wage. Main forms of additional financial benefits are:³⁸

³⁷ Josef Koubek, *Řízení Lidských Zdrojů* (Prague: MGMT Press, 2007).; Irena Pilařová, *Jak Efektivně Hodnotit Zaměstnance a Zvyšovat Jejich Výkonost* (Prague: Grada, 2008).

³⁸ Zuzana Dvořáková, *Management Lidských Zdrojů* (Prague: C.H.Beck, 2007).

- Performance reward, particular reward
- Bonuses
- Commissions
- Or reward according to:
 - Skills
 - Abilities
 - Acquisition
 - Worked years
- Surcharge for overtime

8.1 Benefits

Employee benefits can help to create better view on company's work. They provide wages to employees to improve performance and loyalty in company. Some of these benefits can have bigger value than pay rise.

Employees satisfy their needs and strengthened their organizational commitment. Benefits can also work as a knowledge that reminds employees that they have certain obligations which need to be fulfilled. It follows that employees can get company benefits such as a company car for private purposes, cell phone, life insurance, and many others. Employee benefits are most commonly used in medium and large enterprises. In many of them employee benefits fall under the management of human resources. There are several reasons why employers provide benefits to their employees and why employers do not simply increase wages of their employees. These reasons are as follows:³⁹

- Rewarding of employees by benefits is appropriate for both employee and employer because of savings on taxes, social and health insurance
- Stabilization and motivational effect of benefits rightly chosen and providing to employees can be higher than the effect just from the wage.
- Providing of benefits is quiet common. Absence of these benefits can be taken as disadvantage from the competitive point of view.

³⁹ Michael Armstrong, *ARMSTRONG'S HANDBOOK OF HUMAN RESOURCE MANAGEMENT PRACTICE*, 11th ed. (London: KOGAN PAGE, 2009), pageNr.; Jiří Bláha, Aleš Matejčičus, and Zdeňka Kaňáková, *Personalistika Pro Malé a Střední Firmy* (Brno: CP Books, 2005), pageNr.; Josef Koubek, *Řízení Lidských Zdrojů* (Prague: MGMT Press, 2007).

Thanks to these benefits, employer can influence employees according to his own notions. Everyone prefers something else. Choosing between employee benefits can be very interesting way for both sides. But take away one of the providing benefits can be much worse than a pay cut. If the company is not providing employee benefits, it can cause that new potential employees chose another company to work in. It means that competitive companies are for a step further than this one. More educated and more qualified people chose a company with better employee benefits.⁴⁰

Typical features of employee benefits are not addicted on merits. The status of an employee is changing according to a work time spent in organization. There can appear a situation when benefit is not required. It can be caused by a young man who receives benefit in form of the pension insurance. It is important to weight up what benefits provide. After implement it stays as a standard for employees. It is very hard to take it back. Big and successful companies provide wider range of benefits instead of small companies. In general, benefits help to stabilize employees in a company.⁴¹

⁴⁰ Josef Koubek, *Řízení Lidských Zdrojů* (Prague: MGMT Press, 2007).

⁴¹ Ibid.

II. ANALYSIS

1 INTRODUCTION OF THE CHOSEN COMPANY

1.1 Characteristic of the organization

This research was carried out in the company, which was founded in 1989. The company belongs to medium-sized businesses in the region and employs 356 employees. At the beginning, the company was focused on financial and construction activities. Later, the company began to do business with wood and metal. With the passing years the company's demands grew and the company had to deal with more and more activities and challenges. Providing more and more services led to the fast development of this company and has brought the company to its' present stage. The fact that the company is expanding every year is good evidence that the company is managed very well. Presently, the company carries out its activities in a complex with an area of more than 15,000 m².

1.2 Company profile

The current main scope of the company's business is the manufacture of products from sheet metal and steel, and it focuses predominantly on producing large metal distribution boards, combined with a range of many accessories. All final products are finished in the powder coating section in-house. Furthermore, the production programme consists of wall-mounted distribution boards, data cabinets, covers of woodworking tools, gas cabinets and the cooperative production of various products from metal and other materials. The internal organizational structure of the company consists of several separate production centers according to the various fields of business. Metalworking and "cnc" sheet metal processing are the most developed process, due to the high demand for these types of services. These activities are supplemented by the pressing of gum eraser, molding of thermoplastic and metal cutting, using a special laser and powder coating.

The smooth order fulfillment is also supported by the fact that all production centers are equipped with the latest technologies in their fields. This facility greatly increases the efficiency and quality of services produced by the company. This also allows the company to complete even the most demanding and above-standard job orders.

The chosen company has become involved in education, youth training and sports in the surrounding region. The company sponsors the local football club and also other sports-minded clubs in the town. This company regularly contributes to various foundations, hospitals, schools, children homes and charities in the locality.

The company appears to be crucial for maintaining the employment level in the town. It is one of the most important and dynamically developing companies in the region. It creates new job opportunities and increases collaboration with foreign customers. This collaboration with foreign customers strengthens the company's position in the market and contributes to the development of the local economy.

1.3 The main production programme

The chosen company carries out deliveries of a wide range of modular cabinets made for distribution boards. These cabinets may be installed in linear or corner assemblies, using transient parts. It is also possible to change the depth by using them as stand-alone units. The cabinets meet all the essential requirements for the installation of electrical distribution equipment with low voltage. The universal cabinets' design allows the creation of complex assemblies and a high variability of deployment. In addition, the company produces wall-mounted distribution boards, cabinets for the main gas valves, data cabinets suitable for various electrical devices and a number of domestic and outdoor hydrants. It also makes control panels for the management and control system of production lines. Special cabinets for controlling machines and regulating production lines along with many other products are manufactured according to customers' specifications. All these products can be coated by blasting with steel grit or zinc phosphate and then thermo powder coated. In all activities and in all sections of the company great attention is paid to the quality of production - the production process is certified according to internationally recognized quality standard ČSN ISO 9001:2000 and ČSN ISO 3834. The latter is the higher quality standard specified for welding. The company is also environmentally friendly – this is declared by standard ČSN ISO 14001, which the company implements.

1.4 Development of employees

Year	Overall	Men	Women	Manual workers	Clericals employees
2008	337	260	77	263	74
2009	267	213	54	206	61
2010	350	275	75	285	65
2011	332	257	75	258	74
2012	356	268	88	276	80

Figure 3: Number of employees. *Source: Internal material*

From the table above it is clear that the stability of the company is not threatened and has a solid background in the market. Over the last five years, the company consistently employed roughly the same number of employees. The exception to this was the year 2009 which reflected the global economic crisis that occurred in 2008, hence the figures in the above table. Occasional fluctuations of the number of employees is not so serious and noticeable, one possible reason for this may be the development of the market and volume of orders it achieves.

1.5 Training and educational center

The Company established a Project Training and Education Centre, which is located in the administration building. The project was co-financed by the Operational Programme, and the Enterprise and Innovation Programme and it was completed in the second half of 2011.

This training and education center has two lounges. The larger one has 30 seats and is equipped with computers and audiovisual equipment. The smaller one has a seating capacity of 12 and it is equipped with overhead projectors and interactive whiteboards. Primarily, this center was designed for the company employees and also for employees of subsidiary companies. It can also be used by outside agencies and companies. This demonstrates that the company is interested in its employees and wants to have highly skilled and educated workforce in its ranks. Training is focused on different areas. Training deals with marketing, foreign languages, and high-skilled manual labour like welding etc.

2 CONTEMPORARY MOTIVATION PLAN IN ORGANIZATION

The following part of this thesis will be focused on the current level of motivation in the chosen company. Information contained in this chapter has come from the internal manuals of the company, which were provided to me by the head of the personnel department. This material and information enabled me to note the current remuneration of employees and provision of benefits. In the second part of this chapter information is used from a questionnaire survey of manual workers who work in the chosen company. This survey is focused on the level of employee motivation and satisfaction in the workplace.

2.1 Basic forms of remuneration

For a better understanding it may be essential to mention the types of salaries which the company pays its employees. The company uses several types of salaries. Clerical employees have a negotiable salary. The salary of clerical employees has two parts – a constant component is guaranteed and a variable component. The variable component is dependent on the employees' performance of work tasks and responsibilities.

The company provides three forms of salaries for workers. These three forms of salaries depend on the type of work performed. It may be a salary, which is dependent only on the time worked by an employee, or it may be a salary which depends on specified standards. The last type of salary is a combination of the previous two types, meaning that the latter is a combination of time rate salary and piecework pay.

These salaries may still be increased by receiving personal rewards. Personal reward is given for instance for performing more working activities, leadership, group management, etc.

The company also provides bonuses for its' employees. This applies when the set of economic indicators established by the major department of the company is fulfilled. It also depends on the fulfillment of planned production volumes and profitability. Bonuses are provided also for meeting established standards of quality of work, and material savings. If an employee achieves extraordinary working results, within working hours, then a bonus is given for each employee who meets these requirements. In the aforementioned situation employees may receive bonuses monthly according to work performance of a whole manufacturing center or department. These monthly bonuses may be up to 20% of an employee's average earning.

The company also provides premium payments for various nonstandard working conditions. Nonstandard working conditions in a difficult environment is available to employees, where they can be awarded up to an extra 10% of their minimum salary. An example of nonstandard working conditions would be working in a dusty area or high temperature. The second premium payment is for night work, where an employee can gain an extra 10% of average earnings for working night shifts. Premium payment is also provided for overtime work. The rate for overtime work is 25% of employee average earnings. Employees working during a public holiday gain an increase of 100% on their average earnings for working during that day. The last premium payment is provided for working over a weekend. This premium payment amounts to 10% of average earnings.

2.2 Benefits

Benefits are provided under the same conditions for both manual workers and clerical employees. Certain conditions must be met and these are listed in the company's internal guidelines. For example this can be the duration of employment, reaching a certain age, etc.

2.3 Overview of benefits provided to employees

2.3.1 The social fund

The Social Fund is provided from the net profit of the company and it must be approved by the general meeting of the company, complying with the financial statements of the previous year. The amount of funding and rules for drawing from the Social Fund are approved by the directors at the annual general meeting.

2.3.2 Personal account

The company uses funds from the Social Fund for contributing to employees' personal accounts. Employees can draw contributions from their personal accounts for their recreational and fitness activities, or cultural and sporting events, including transportation to and from these events. With regards to recreational stays, the company offers discounted accommodation in its own cottage in Patince. Drawing funds from the personal account is also possible for family members of the owner of an account.

A contribution from the social fund to the personal accounts of employees is related to years of service in the company. Employees get their first allowance after working one year with the company and this allowance is the amount of 1,000 CZK. This amount changes

after working 3 years in the company when it rises to 1,300 CZK. Another increase comes after 10 years in the company and it rises to 1,700 CZK. If an employee works in a company for longer than 15 years, then the employee is credited with a contribution of 2,200 CZK. These contributions are credited annually and the amount is specified above in the previously mentioned criteria.

On the basis of the annual evaluation of production, the 10 best employees are selected according to different criteria. Each worker chosen as one of the ten best employees of the year is awarded the sum of 5,000 CZK, credited to his personal account.

2.3.3 Repayable loans for housing purposes

Employees are also provided with an interest free loan for housing purposes. This loan is usually provided to cover the purchase or renovation of a flat or house. This loan may also cover expenses used for the house contents. During the reconstruction or the acquisition of a house or a flat a loan must not exceed 100,000 CZK. In the case of purchasing internal equipment a loan must not exceed 50,000 CZK.

In addition, employees are also provided with other benefits. The company provides a superannuation scheme for employees. This benefit is not offered to all employees. There are no steadfast rules for providing a superannuation scheme, it is assessed individually. The company also provides a subsistence allowance for its employees. They are given lunches at subsidized prices in the corporate dining room.

2.3.4 Repayable loan to bridge the difficult financial or life situation

The company offers its employees repayable loans. These repayable loans are used to help employees in difficult situations during their lives, or in difficult financial situations. The loan may be granted to employees whose employment with the company lasts for more than one year. A maturity of this kind of loan is maximally two years. A total sum of loans in terms of one employee may not exceed 20 thousand CZK. The company also provides one-time non-refundable social help for workers who need to cope with extremely difficult conditions due to natural disasters, or environmental and industrial accidents in areas where a state of emergency has been declared.

2.3.5 Corporate gifts for employees

The social fund provides employees with monetary and non-monetary gifts. There are some rules and conditions which employees must fulfill in order to receive a corporate gift.

For instance, one of these conditions is that the employee must be employed by the company for more than three years. Employees must also be employed in the company for more than three years to avail of the opportunity to receive corporate gifts on the grounds of retirement or disability retirement. It is also important to mention that the value of non-monetary gifts does not exceed 2,000 CZK.

3 QUESTIONNAIRE SURVEY

3.1 The objectives of the survey

The main objective of this survey is to determine the current state of employee (blue-collar workers) motivation in the chosen company. Along with this, it was investigated how the motivation of the employees changes with their increasing age. Attention was also focused on all incentives and disincentive factors among employees in the chosen company. Respondents were notified that this questionnaire was anonymous, and that filling in the questionnaires could contribute to improving and implementing new motivational programmes.

3.2 Sources of data

It must be mentioned that the necessary information was derived from the company's internal information manuals, specifically, outlining a list of benefits and methods of remuneration which are provided by the company for employees. The second part of the information was obtained from employees through questionnaires. Participant (blue-collar workers) of this survey were selected employees of the production and technical department, as most employees work here and also the principal activity of the company takes place in these two sections.

3.3 The Questionnaire

This questionnaire consisted of a total of 16 questions. A quantitative statistical method for collecting data was chosen as the best model for this type of research. An advantage of this form of interviewing is its low cost, reasonable accuracy, short time of completion and the anonymity of respondents. A disadvantage of this sort of questionnaire is a low response rate. Most questions were closed, four of them were semi-open (workers could put forward their own preferences or suggestions for these questions) and one question was open. The open question was used to help determine the employees' awareness of the benefits they are entitled to draw, or they would like to draw.

The company provided me with a room for transmitting the questionnaires personally and workers were allowed to fill in the questionnaires during their working hours. So also thanks to this, the return of the questionnaires was relatively high.

4 EVALUATION OF QUESTIONERS

The number of distributed questionnaires was 100 and 88 of them were returned. The data from this survey was processed in Microsoft Excel for better clarity. For making the best graphical representation pie charts were used. Data are provided by percentage. Because of the fact, that all answers have the same value, there was used the arithmetic mean to evaluation of questioners.

Firstly, identification questions were processed, there were five of them. These questions related to the sections or parts of the company in which particular employees work; their number of years of service in the company, age and gender. Furthermore, the emphasis was on pay and benefits and overall employee satisfaction in the company.

Question 1

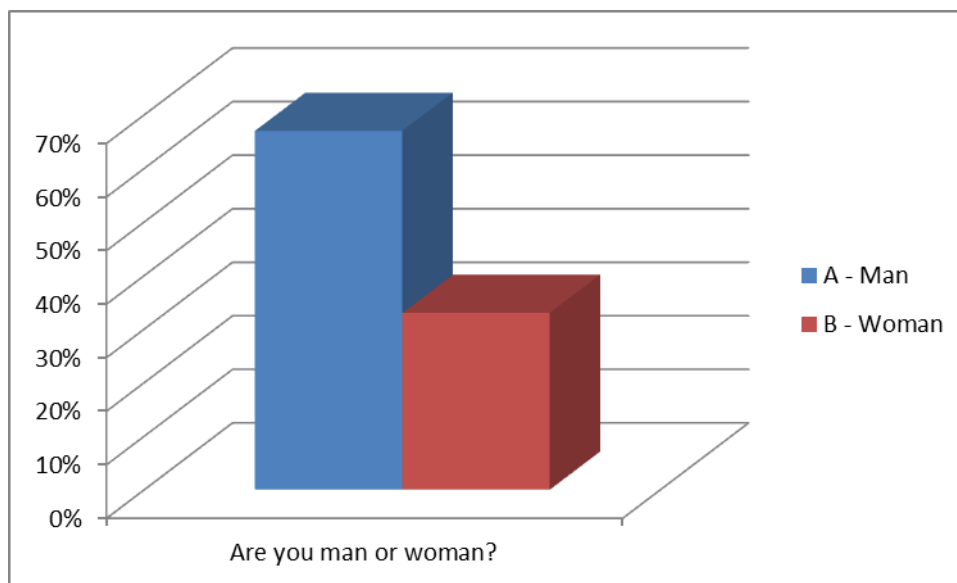


Chart 1: Sex. Source: Own Evaluation

The graph shows that the majority of employees are men. Given the nature of production (an engineering company), this is to be expected. However, given that the questionnaire was presented to employees in blue-collar jobs at the engineering oriented company, the percentage of women, being 33%, might seem as unexpectedly high. From the point of view of analyzed motivation in the company is difference in answers between men and women negligible. From this reason is not necessary to handle with it.

Question 2

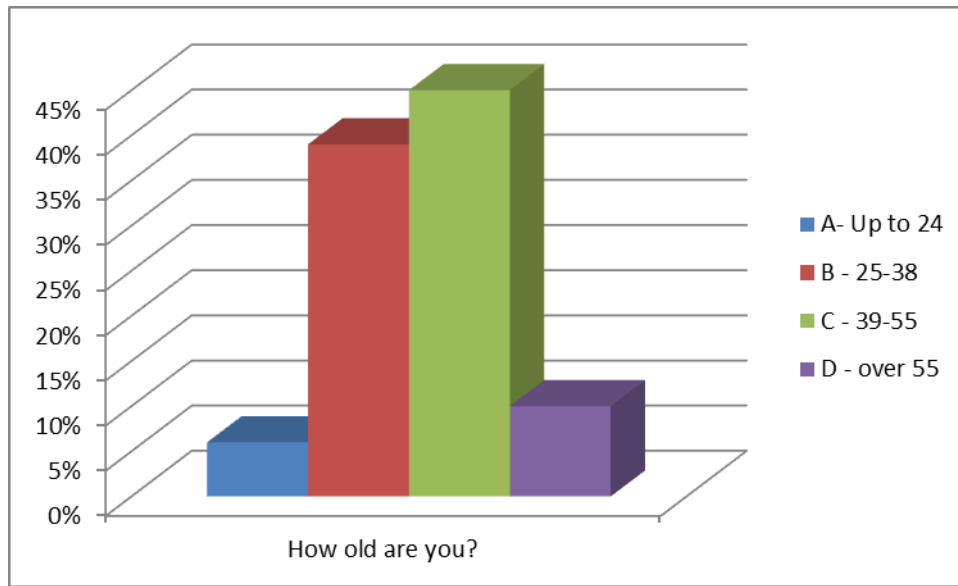


Chart 2: Age. Source: Own Evaluation

Most of the interviewed employees were in their 40s and 50s. A relatively small number of employees, those over 55 years, had a short period of time to work before reaching their retirement age. A small number of employees were in the age group up to 24 years. Possibly this demonstrates that people in this age group years are mostly students. This category also does not include university-educated employees. In overall the age of employees demonstrate that it is very important factor in motivation. Deeper analysis made in the chapter 4.1.

Question 3

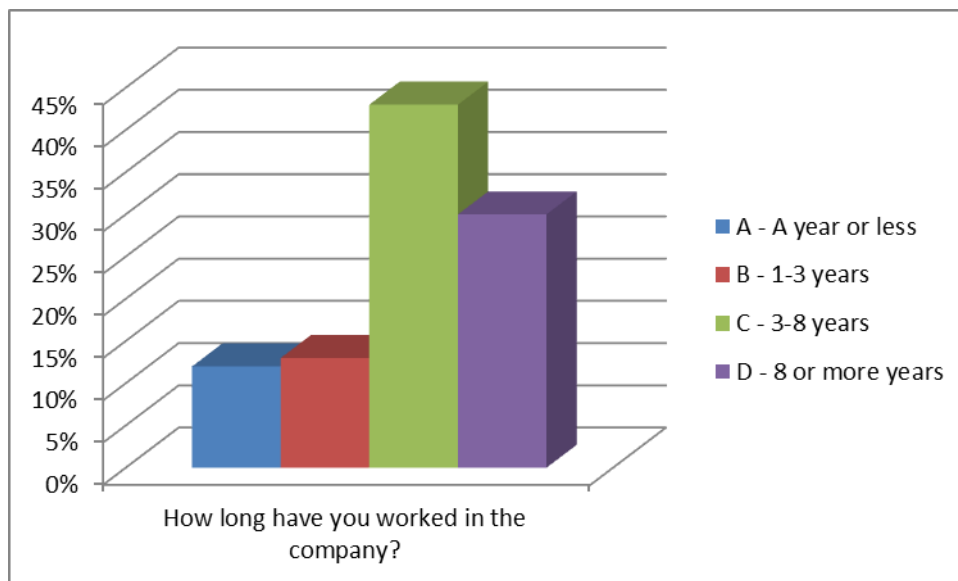


Chart 3: Length of employment. Source: Own Evaluation

The result of this question might be as expected. 73% of employees have worked in this company for more than three years, which might suggest that they are satisfied and would like to keep their present job. It may also mean that the company strives to retain its employees who are already trained and as they have already invested in their development. The relatively high number of employees (13%), who are not employed for longer than 1 year minimum may indicate that the company may be affected by the ongoing crisis in the engineering industry. It may also be influenced by rapidly changing conditions in the “workforce market” thereby forcing employers to react to these changes by developing new human resources’ policies. It was founded during the research that there were no connections between the length of employment and access to current motivational plan.

Question 4

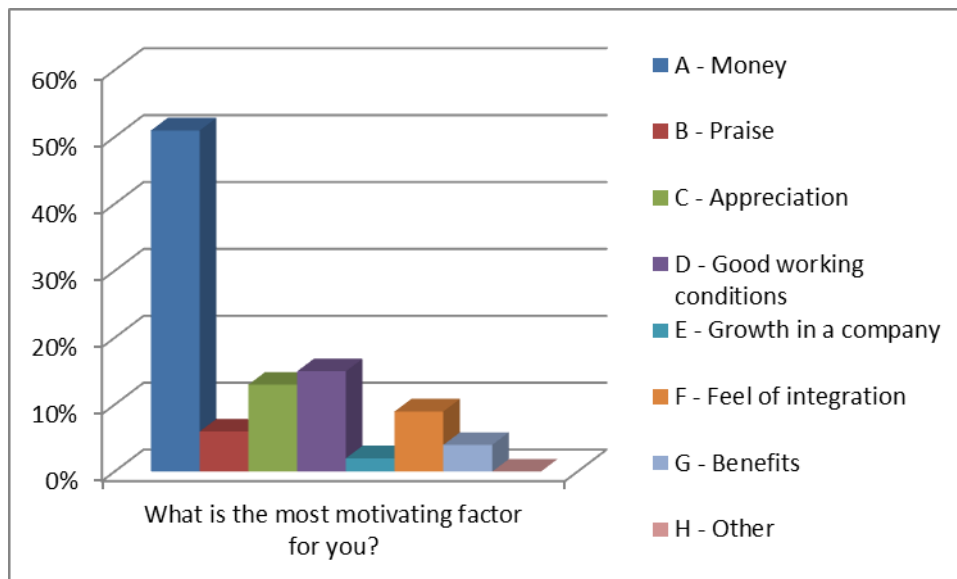


Chart 4: Motivating factor. *Source: Own Evaluation*

The graph clearly shows that the strongest motivator in the chosen company is financial reward, which is the preferred option of more than half of the respondents. Good working conditions are rated as the second strongest motivator, which demonstrates the employer’s efforts to create a good working environment for all employees in the company. These two factors emphasize the recognition of the importance of creating the feeling of being part of something bigger (corporate society). A surprising result of this survey is the fact that a low proportion of benefits is perceived as a motivational factor. Only 2% of respondents answered that the possibility of professional growth in the company served as

a motivating factor for them. This, however, may be influenced by the choice of workers only in blue-collar occupations.

Question 5

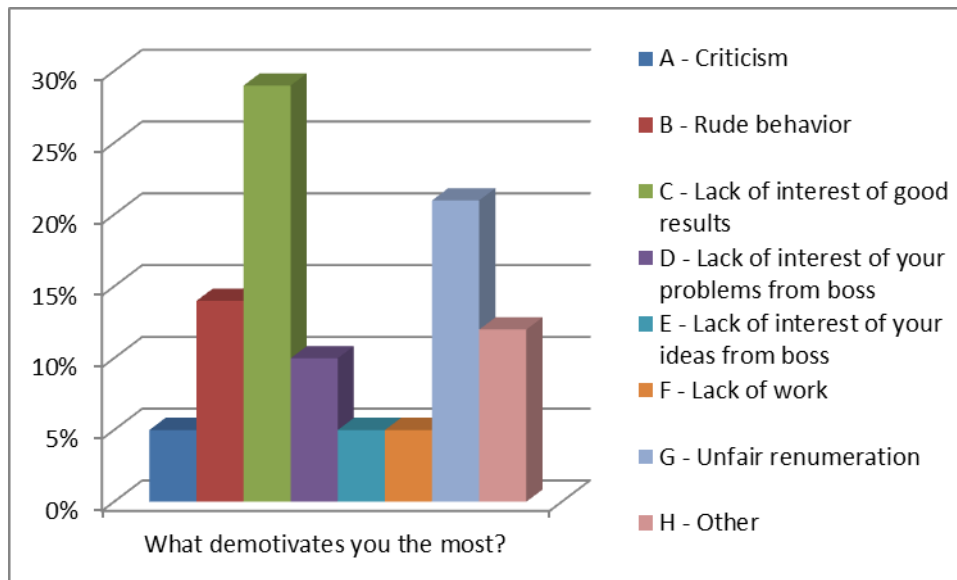


Chart 5: Demotivation. *Source: Own Evaluation*

On the contrary this question aimed to find out the demotivating factors in the company. The graph shows that the strongest demotivating factors include inattention to good working results (29%) and unfair pay (21%). Surprisingly a lack of work in this company is not the discouraging factor as it may seem on the first sight. This is, of course, directly related to the amount of potential financial rewards given as the strongest motivating factor. Quite a high number of respondents answered through the option “Other” that for them a demotivating factor was the big number of clerical employees working in the company.

Question 6

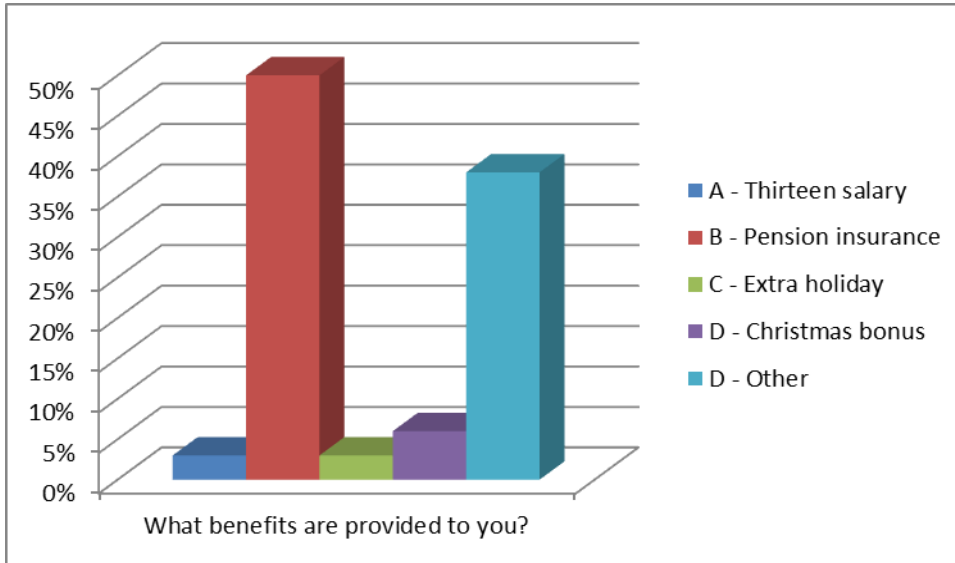


Chart 6: Provided benefits. *Source: Own Evaluation*

The purpose of this question was to determine whether employees had an overview of the scope and possibilities of using benefits. Respondents (50%) very often mentioned the retirement insurance plan. This indicates that a contribution to their retirement insurance plan was likely to be a high and strong enough incentive going forward. The second most frequently answered option was “D – Other”. Here it was mostly mentioned that they are not provided with any of the benefits. Just a few of them answered that the personal account was important to them.

Question 7

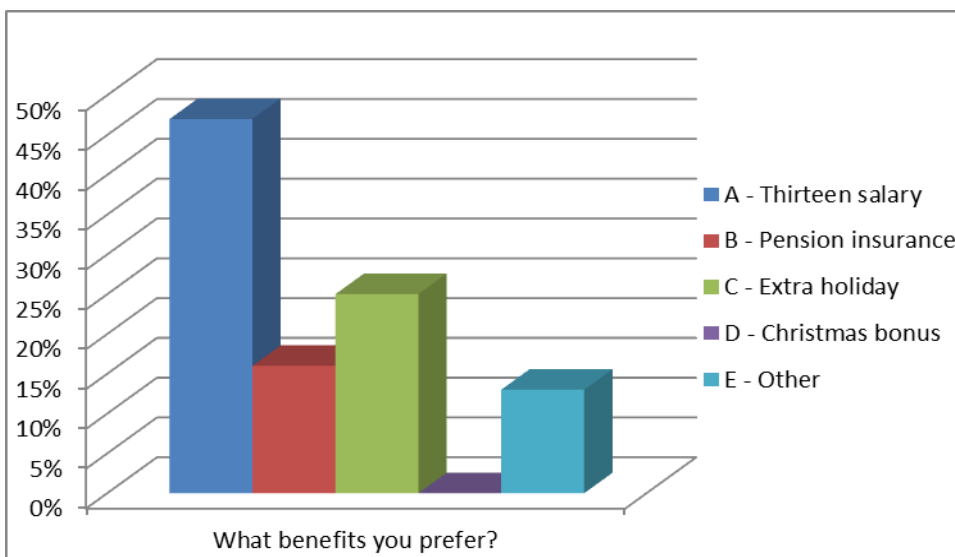


Chart 7: Preferring benefits. *Source: Own Evaluation*

In this question a range of options of benefits not provided by the employer was noted. Thus, it was possible to mention even the kind of benefits that may be provided by legally prescribed conditions, used and acceptable to other employers. 47% of respondents wrote that they would appreciate the 13th salary, which is not provided by the company. The second most commonly mentioned benefit was an extra week of vacation, which is not offered by the company. From the answers it is obvious that the respondents would like to extend the list of provided benefits at the expense of the positive reviews on already provided benefits.

Question 8

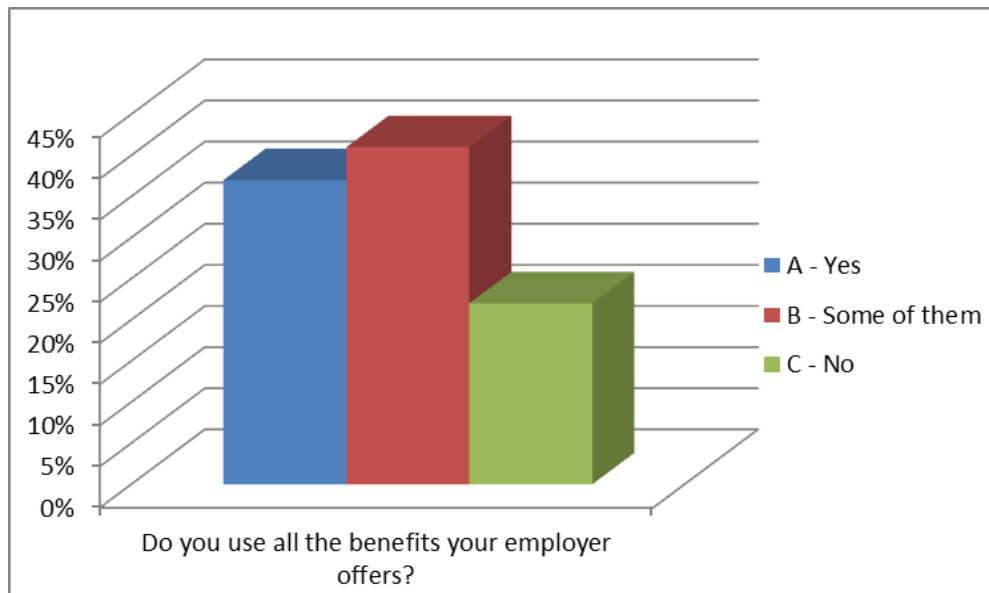


Chart 8: Using of benefits. *Source: Own Evaluation*

This question revealed that almost 80% of respondents draw at least some form of benefits. A very high percentage (37%) of respondents stated that they take all the benefits offered by the employer.

Question 9

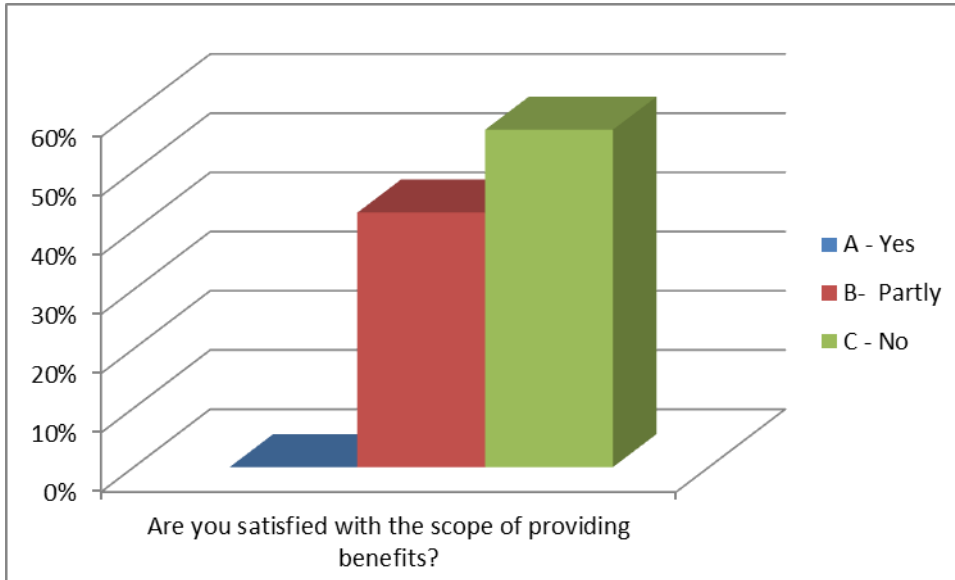


Chart 9: Satisfaction with providing benefits. *Source: Own Evaluation*

The aim of this question was to determine employees’ satisfaction with the range of benefits their employer provides. Employees’ awareness of the possibility of drawing benefits was left out of the account. It is startling that none of respondents wrote that they were clearly familiar with the range of employee benefits to which they were entitled.

Question 10

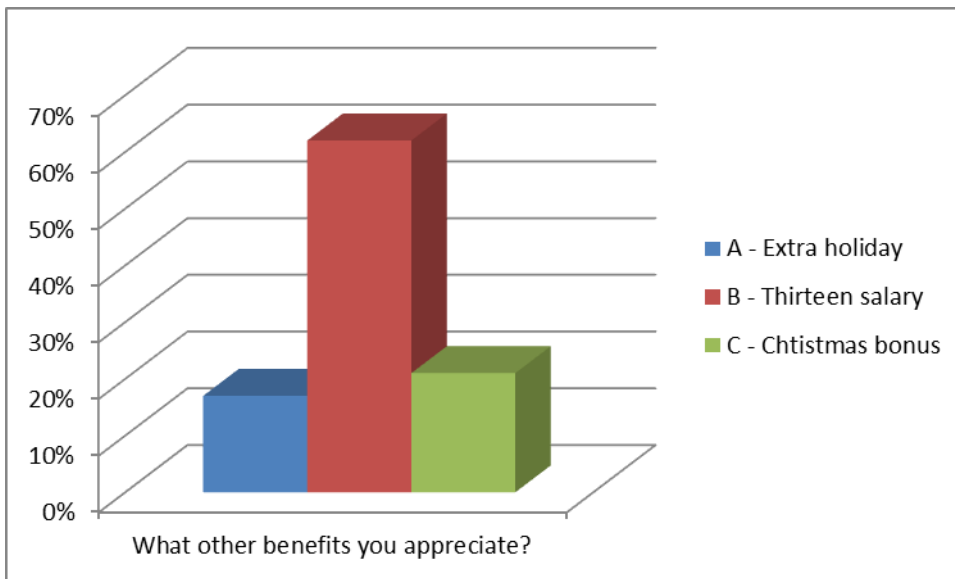


Chart 10: Appreciating benefits. *Source: Own Evaluation*

This question offers free choice to the discretion of respondents, regardless of what the company really offers and provides. Respondents would appreciate most the possibility of receiving the 13th salary (almost 60%). With regard to their perception of the most desirable financial remuneration, the benefit chosen was the Christmas bonus, which was the second most mentioned. Extra holidays were the third most mentioned by respondents.

Question 11

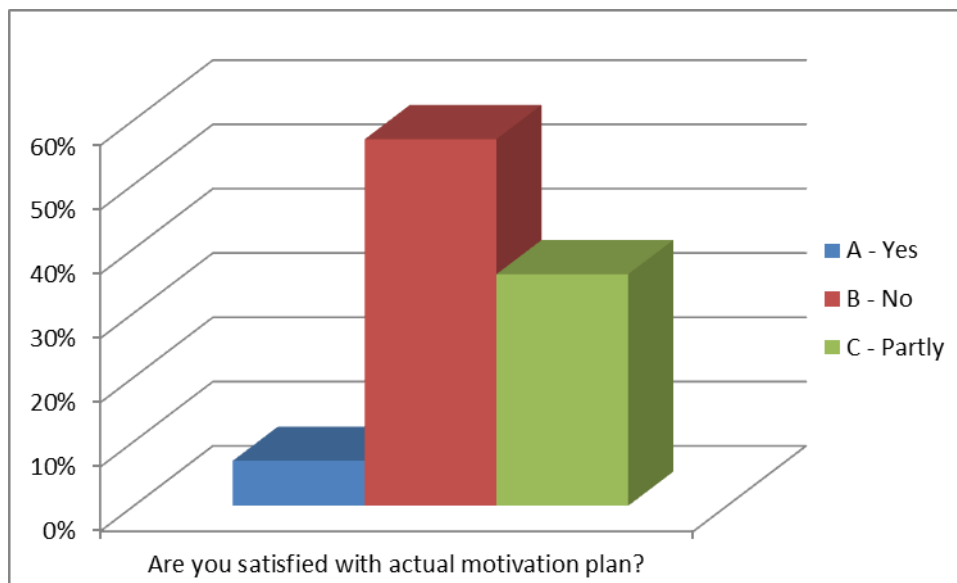


Chart 11: Satisfaction with motivation plan. *Source: Own Evaluation*

The aim of this question was to find out (from the employees' perspectives) if they feel sufficiently motivated by job performance. Only 7% of respondents answered "yes", which is certainly not an encouraging finding.

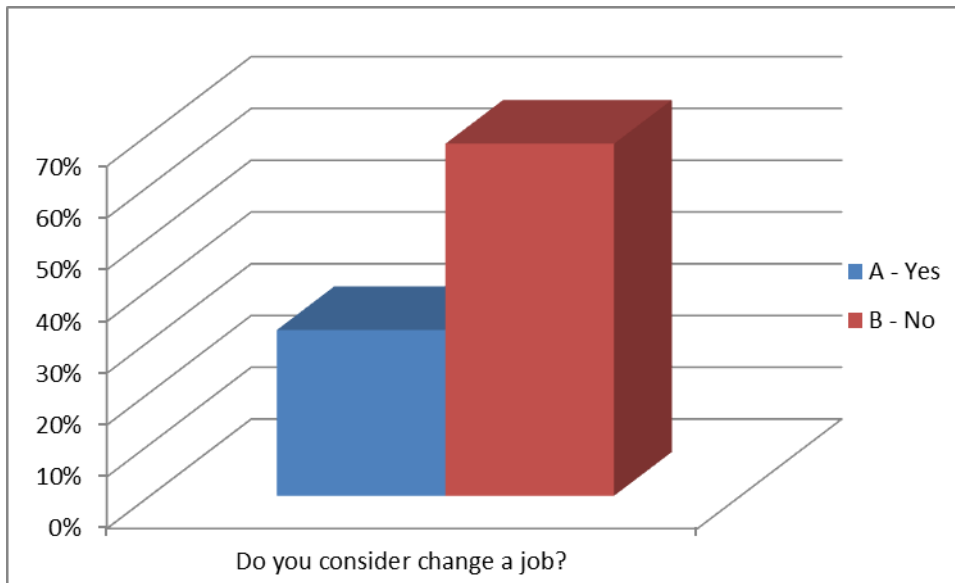
Question 12

Chart 12: Changing a job. *Source: Own Evaluation*

The graph shows that 68% of respondents would not consider changing their job, which is a relatively high percentage. This may demonstrate their satisfaction with the job title and its valuation. But it may also be influenced by the lack of job opportunities (high unemployment) in the region, where the company is located.

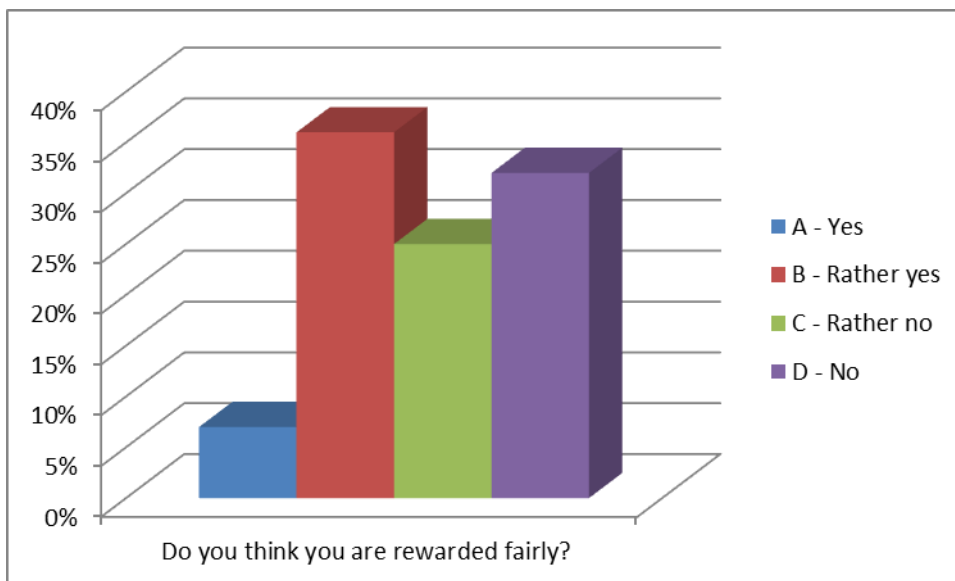
Question 13

Chart 13: Rewarding. *Source: Own Evaluation*

The aim of this question was to determine the subjective opinion of a worker on the evaluation of his work. Motivated employees should have a feeling that they are appropriately evaluated for their job performance and for their approach to the work itself. The result of the sum of the responses is not very encouraging. There is a very low number of fully satisfied employees, this being only 7% of respondents. Although the employees, when completing the questionnaire tend to describe financial evaluation as “unimportant”, 32% of respondents who chose the answer “no” is quite a high percentage.

Question 14

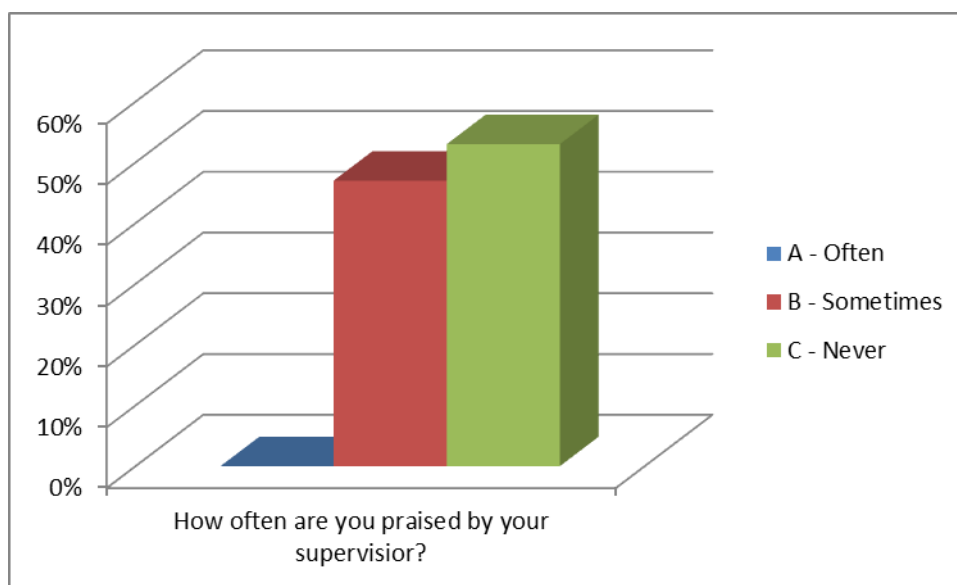


Chart 14: Frequent of praise. *Source: Own Evaluation*

The recognition of employees' job performance, loyalty, or approach to work is certainly the least expensive form of appreciation of their work. This recognition is an important motivating factor, even though recognition does not bring immediate tangible results to employees. The results show that none of the respondents feels they are praised often. An unfavorable finding is that over half (53%) of respondents stated that their leaders never praise them.

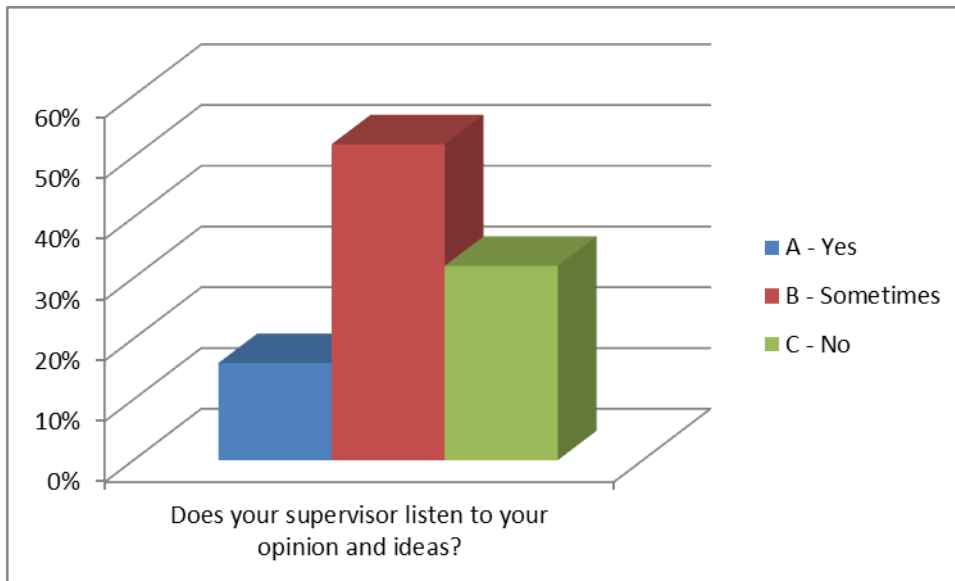
Question 15

Chart 15: Supervisor's openness. *Source: Own Evaluation*

This question was supposed to find out whether employees feel that they are perceived by managers as a part of a working process and whether they can put their opinions and suggestions into effect. 68% of respondents stated, that managers always, or at least sometimes, listened and responded to their opinions and suggestions, which is a very a positive result.

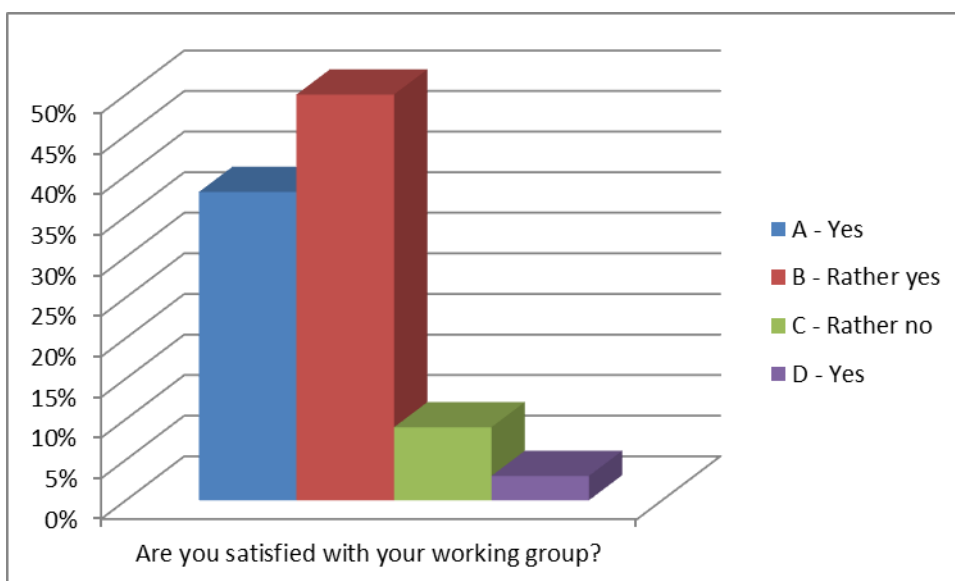
Question 16

Chart 16: Satisfaction with working group. *Source: Own Evaluation*

Good relationships in the workplace and employees' satisfaction with their co-workers are directly related to employees' job satisfaction. In this context, we can evaluate that according to the results of the survey 38% of respondents are satisfied and 50% of respondents are quite satisfied, which might be seen as a very positive evaluation of relationships in the workplace within this chosen company. The remaining 12% of respondents are rather dissatisfied with relationships in the company, and although this figure is not high, it is also not a marginal number.

Summary of motivation in terms of employee's age

4.1 Summary of motivation in terms of employee's age

As the fundamental to theory of motivation I consider Maslow's hierarchy of needs, which seems to me to be the most comprehensible and applicable one to my research. According to answers to questions 4, 7 and 10 I found out that the most preferred motivating factor is financial remuneration. A majority of respondents of all age categories answered this in their replies. In terms of older employees, there were also other frequent motivating factors and these were: the feeling of being accepted and working in good working conditions (answer C and D in question 2). The most common mentioned demotivating factors were unfair rewarding and a lack of interest in good working results, while in the youngest age group, unfair rewarding was reported by 100% of respondents. In both age groups over 39 years, the second most reported demotivating factor was the increase in the number of clerical employees and their approach to the workers' class. This indicates that younger people who are not fully secure long mostly for money that can cover their costs and expenses. In the case of older workers it is apparent that they are probably more secure and are already at a higher level regarding their requirements. They want to feel safe; they want to achieve recognition. Good working conditions is also an important factor for them. Regarding providing employee benefits, the results have shown that the lower the age of employees is, the less they are aware of the possibility of drawing employee benefits. In the youngest age category, all respondents indicated that they were not receiving any benefits even though they were indirectly receiving a contribution to the diet, which was provided to all employees across the board, unlike a superannuation scheme. Across all age categories the 13th salary was clearly the most preferred option in terms of corporate bonuses and the second most popular bonus was the provision of extra

weeks of vacation. For instance all respondents of the lowest age category preferred the 13th salary. In the middle age categories there was a balance between the 13th salary and an extra week of vacation. In the highest age category the requirement for an additional week of vacation was mentioned twice more than a requirement for the 13th salary. This fact confirms what was already mentioned: that older workers do not long for the money as much as young employees. Older employees appreciate the availability of leisure time which they can spend with their family or friends more than money.

The questionnaire revealed a great dissatisfaction with the current state of motivation in the company. Only a few respondents expressed satisfaction with this. The rest of the responses were split between the responses “partially satisfied” and “dissatisfied”. Although this dissatisfaction pointed to the likelihood that most employees would endeavor to find a different job, this was not the case. While in the age group up to 24 years respondents very often answered that they would consider a change of their job, it is evident that answers differ with increasing age. Older employees would not consider a change of job even in a situation where they felt dissatisfied with motivation at work. In the age group over 39 years, the proportion of those who had already thought about changing their job was less than a quarter and in the category over 56, there is not a single employee who would consider changing their job.

The satisfaction of workers happy with their colleagues, co-workers and their working environment was excellent, regardless of age. But as was mentioned above, the employees submitted that they disliked the high number of clerical employees and their approach to them.

The result of this survey is that employees are not mainly satisfied with the current motivational programme in the company. The reason for this is perhaps that many employees do not know what they may be entitled to, and what they are eligible for, or they regard certain bonuses and benefits as standard payments, or employees take such bonuses and benefits for granted.

4.2 Suggestions and recommendations

Based on the results of the questionnaire survey and personal visits to the company, the following are suggestions and recommendations that might be useful for the company to implement. The company might use these suggestions to improve communication between supervisors and blue-collar workers and thus supervisors’ own benefit. For these

suggestions and recommendations, I used the theoretical knowledge of the facts established during the processing of the theoretical part of this thesis and I also used my own ideas. The company has been in the marketplace since 1989 and during its business activity the company has a well-developed motivational system using a wide range of options in providing benefits. It is obvious that the company appreciates its employees and that they have established good working conditions. From the evaluation of the questionnaires it is evident that there is not a great chance of promotion, as employees very often answered that they were satisfied with the company working environment and the team they worked in. On the other hand, there is a very high employee dissatisfaction with the current motivational programme. The results highlight issues that need to be addressed, as implementing the necessary changes could have a significant impact on employee satisfaction, communication between employees at different levels of leadership, and intervention with work processes and procedures in the company.

The company should focus on these two areas:

- ensure greater employee awareness of the opportunities and employee benefits that are offered by the company
- working on the improvement and continuous development of relations and communication at the workers' level

4.2.1 Awareness of employee benefits

The results of the questionnaire shows:

- Employees do not have sufficient knowledge of the options that are provided to them by the company. Respondents mentioned only one or two benefits that are provided to them, but the organization offers a wide range of benefits to its employees. When employees were supposed to mention a few benefits that they would really appreciate and which are not provided by the company, they actually mentioned benefits that are in fact provided.
- Suggesting they are not fully aware or sufficiently appreciate the benefits that are provided to them. From the questions n.6 and then graphic design of this question, it was found that employees very rarely mentioned benefits that are provided to them by the company and which they already have and very often draw. Only one respondent stated that he or she draws a contribution to the diet, as also only one of respondent remembered employees' personal accounts. However, the contribution

to the diet is used by a large majority of employees in the company. The company also has its own company canteen and high quality dining and cultural spaces.

To improve this situation, the company should pay more attention to increasing awareness of the possibilities of drawing of employee benefits. Leadership at all levels should emphasize what seems obvious for employees. The company should also take advantage of the working meetings, training sessions, etc. to inform its employees. Especially in the regular trainings using its own training centre. I suggest that all employees should be informed about employee benefits, what benefits are provided for employees, and what requirements must be met for drawing benefits. If the employees appreciate the money the most, the company should emphasize that the contribution to the diet or personal account, is as such a form of monetary benefit also.

4.2.2 The relationship between employees and their superiors

The results of this questionnaire survey found that employees feel that their managers are not interested in their concerns that their ideas and suggestions are not answered. The answers to the questions 14 and 15 show that employees would like their boss to appreciate their work, even with simple praise, or that they listen to their opinions.

If this is not implemented it may lead to discouragement and frustration in the future. That is the main reason why management should focus on this fact. It is generally known that an employee who feels that management does not care about him and his work or even do not appreciate the value of his work, then such an employee is more likely to do his work poorly. The positive side of this questionnaire research was satisfaction in the team, which is a great plus and should establish better communication between employee and supervisor. Executives at the lowest level should be trained on the motivation of subordinates, they should realize that a motivated worker is more reliable and has a higher working efficiency. Alternatively, motivation can be achieved by providing a variety of sporting events organized by the company. Extracurricular activities in this direction would develop better personal relationships while minimizing the distance between superior - subordinate, worker or techno-economic worker, thereby improving respect among them while at the same time improving communication and building trust between them.

CONCLUSION

To achieve the company objectives, in the blue collar workers chosen, regarding the business development strategies, production plans, etc. I disregarded the positively motivated team of employees. The aim of this thesis was to determine the current state of motivation of blue-collar workers, the analysis of received information from the questionnaire survey and to suggest and recommend possible ways how to address the identified deficiencies. The aim of this work was focused on the possibilities that the employer provides and particularly the employees' evaluation of those possibilities provided to them. The most important task of this work consisted of the processing and evaluation of data acquired by empirical research among employees in the selected company, especially among the chosen group. The survey was carried out by the questionnaire that was distributed to the selected sample of workers. The questionnaire was completely anonymous and was designed to make it possible to analyze what benefits employee provided with and the conditions under which the employer provides these benefits. Following this, collected data was assessed and then it was evaluated whether employees knew about the possibilities of providing benefits (a range of the provided benefits), or whether manual workers prefer certain types of provided benefits. Respondents were also supposed to assess the current state of the motivational programme in the company.

According to gathered information from the questionnaire survey and the subsequent analysis of this information, it was revealed that the corporate motivational programme should be analyzed and re-evaluated, especially the issue of awareness of employee benefits and the relationship between supervisors and employees that needs to be changed. Another problem is that some of the benefits that are provided for many years across the board to all employees and employees perceptions of these benefits have changed during the time of drawing these benefits. Employees do not consider some of the provided benefits as something extra or additional. It is evident that blue-collar workers are not motivated well by their immediate superiors. Respondents' answers evoke the feeling that some supervisors are involved in motivation, but only marginally.

It is necessary that managers at all levels are aware that the issue of motivation is essential, as positively motivated employees are more effective and communicate better with colleagues and superiors. A motivated worker is also satisfied and more proactive which is reflected in higher work efficiency. For this reason, there is no need to emphasize

that it is in the best interests of employers to harmonize their interests with the interests and needs of employees. However, it is always necessary for leaders at all levels to state that the quality and range of benefits depend on good working results of all the employees, which means that the company profits as well. It follows that a satisfied working team leads to satisfaction of a single member of a working team. The objectives set out in the introduction were met on the basis of evaluated data, negative factors were identified and suggestions made to address identified weaknesses. I believe that the suggestions and recommendations that have been developed in this work will be perceived and evaluated by the management of the company as necessary and contribute to the improvement of the motivation programme and thus fulfilling the objectives and strategy of the company.

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LIST OF GRAPHS

Chart 1: Sex. Source: Own Evaluation	39
Chart 2: Age. Source: Own Evaluation.....	40
Chart 3: Length of employment. Source: Own Evaluation.....	40
Chart 4: Motivating factor. Source: Own Evaluation	41
Chart 5: Demotivation. Source: Own Evaluation	42
Chart 6: Provided benefits. Source: Own Evaluation	43
Chart 7: Preferring benefits. Source: Own Evaluation	43
Chart 8: Using of benefits. Source: Own Evaluation.....	44
Chart 9: Satisfaction with providing benefits. Source: Own Evaluation	45
Chart 10: Appreciating benefits. Source: Own Evaluation.....	45
Chart 11: Satisfaction with motivation plan. Source: Own Evaluation	46
Chart 12: Changing a job. Source: Own Evaluation.....	47
Chart 13: Rewarding. Source: Own Evaluation.....	47
Chart 14: Frequent of praise. Source: Own Evaluation	48
Chart 15: Supervisor's openness. Source: Own Evaluation	49
Chart 16: Satisfaction with working group. Source: Own Evaluation.....	49

LIST OF FIGURES

Figure 1: Process of motivation. Source: Armstrong, 2009.....	14
Figure 2: Maslow's hierarchy of needs. Source: Taken from: http://communicationtheory.org/maslow%E2%80%99s-hierarchy-of-needs/	17
Figure 3: Number of employees. Source: Internal material	33

APPENDIX

Questionnaire

- 1) Are you man or woman?
 - a) Man
 - b) Woman
- 2) How old are you?
 - a) Up to 24
 - b) 25-38
 - c) 39-55
 - d) Over 55
- 3) How long have you worked in the company?
 - a) A year or less
 - b) 1-3 years
 - c) 3-8 years
 - d) 8 or more years
- 4) What is the most motivating factor for you?
 - a) Money
 - b) Praise
 - c) Appreciation
 - d) Good working conditions
 - e) Growth in a company
 - f) Feel of integration
 - g) Benefits
 - h) Other
- 5) What demotivates you the most?
 - a) Criticism
 - b) Rude behavior
 - c) Lack of interest of good results
 - d) Lack of interest of your problems from boss
 - e) Lack of interest of your ideas from boss
 - f) Lack of work
 - g) Unfair remuneration
 - h) Other

- 6) What benefits are provided to you?
- a) Thirteen salary
 - b) Pension insurance
 - c) Extra holiday
 - d) Christmas bonus
 - e) Other
- 7) What benefits you prefer?
- a) Thirteen salary
 - b) Pension insurance
 - c) Extra holiday
 - d) Christmas bonus
 - e) Other
- 8) Do you use all benefits your employer offers?
- a) Yes
 - b) Some of them
 - c) No
- 9) Are you satisfied with the scope of providing benefits?
- a) Yes
 - b) Partly
 - c) No
- 10) What other benefits you appreciate?
- 11) Are satisfied with actual motivation plan?
- a) Yes
 - b) No
 - c) Partly
- 12) Do you consider change a job?
- a) Yes
 - b) No
- 13) Do you think you are rewarded fairly?
- a) Yes
 - b) Rather yes
 - c) Rather no

d) No

14) How often are you praised by your supervisor?

a) Often

b) Sometimes

c) Never

15) Does your supervisor listen to your opinions and ideas?

a) Yes

b) Sometimes

c) No

16) Are you satisfied with your working group?

a) Yes

b) Rather yes

c) Rather no

d) Yes