

Motivation

11 marks

AS Paper 2 2019

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1 Job Shop (JS)

JS is a public sector organisation in country X. The mission statement of JS is in Fig. 1.1.

To match up businesses that need workers with workers who need jobs

Fig. 1.1: JS mission statement

JS is one of the largest businesses in country X. It benefits from many economies of scale but also suffers from some diseconomies of scale. There is an outlet of JS in every main town and city in country X. Each outlet must cooperate with the others to provide the best service to those looking for new employment and businesses looking for new employees.

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The employees of JS are all highly trained and skilled. They work in three different departments (see Table 1.1).

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Table 1.1: Employee data for JS

Department	Main functions	Total number of employees	Number of employees who left in 2018
A	Dealing with people looking for jobs	25 000	6 250
B	Dealing with businesses looking for workers	5 000	550
C	Paperwork and general administrative duties	10 000	600

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The management team at JS are concerned about the poor motivation in Department A, which has led to high labour turnover. They interviewed those leaving Department A to ask for their reasons for leaving (an exit survey). The results are shown in Fig. 1.2.

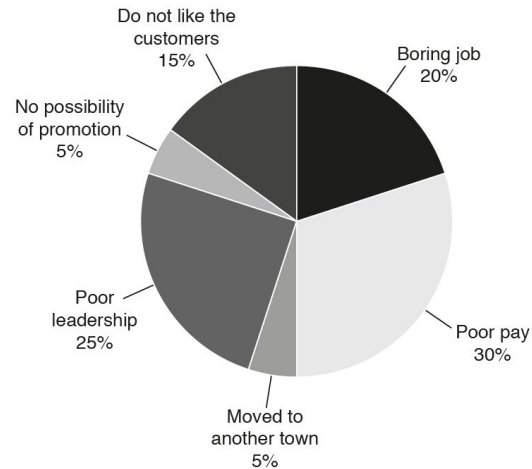


Fig. 1.2: Results of Department A employee exit survey

d) Recommend how JS could improve the motivation of its employees in Department A. Justify your recommendation. [11]

Solution

JS could pay its workers better to motivate them. This may be effective because 30% of people who leave think that JS has poor pay. This is likely to lead to less people leaving Department A, which will decrease the recruitment costs of JS.

However, money does not motivate everyone, and there are many other reasons why employees leave JS, such as the 25% of people who leave because of poor leadership. So, the extra pay may not motivate the employees but will increase costs. This means that JS has less money available to meet their mission statement.

Overall pay could help to improve the motivation of the employees in Department A, because it has the highest labour turnover rate and the biggest reason is poor pay. However, it depends on whether JS can afford to increase pay enough to make a real difference to the motivation of the employees.

