
THE Guide²



Keeping morale up when the economy is down.

Here is our guide to help you improve staff morale and motivation in the tough economic climate.





News stories and reports only confirm what every HR department and every employee already knows – we are working in one of the toughest economic climates for a generation.

When the reality of the economic downturn hits, many businesses are forced to forgo financial bonuses, slashing budgets and cutting out those little extra treats which can be so important to keep staff motivated and happy. Average earnings growth, excluding bonuses, has fallen as companies have faced the full force of the credit crunch. Even when bonuses are taken into account, the figure has dropped, suggesting that the days of large cash incentives are long gone.

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But this is not only a problem for cash-strapped employees. At a time when businesses need to be as efficient as possible, they can ill-afford to have demotivated and unproductive staff or experience high volumes of employee turnover. This situation often adds additional pressure to already burdened HR departments as they strive to find innovative and cost effective ways of keeping morale up, improving staff retention and weathering the financial storm. At Tate, we understand that these additional pressures and strains can take their toll and have put together a guide on how to keep motivation and morale up for the benefit of the business and the employee - without breaking the bank.



1

HAVE A VISION

When things are tough and morale is low, it can be difficult for staff to see how and when things will improve. Therefore, it is important to have a vision for the future, and make sure all staff know what it is. This should be communicated from the very top but more often than not, HR professionals are the front line ambassadors for the vision and should make sure it is clear, defined and each employee knows where they feature in it!

2 IMPROVE COMMUNICATION

Enhance your communication. Make sure employees know what is going on each step of the way. When people are feeling vulnerable, their tolerance for ambiguity decreases dramatically. To feel safe and secure, they need to know as much as possible about what is going on. To increase the efficacy of your communication, get employee input about what information and what forms of communication would be most useful. This should be two-way - let employees express their feelings about the difficulties and changes that are going on. If you try to curtail this and tell them they need to "move on" (ie get over it), these feelings will only fester and turn into anger and resentment, or result in employees becoming disengaged.

3 ENSURE STAFF SATISFACTION

With the need for many organisations to become more streamlined and productive, a business can sometimes find itself with groups of employees working under pressure. When not addressed this type of situation can lead to low morale and a high turnover of staff. Conducting employee satisfaction surveys regularly allows you to engage employees in two-way communication. This presents a pro-active management initiative where the whole workforce is consulted. Surveys provide a level playing field between quieter and more vocal employees. Once dialogue is opened up, the organisation can also use a survey as a platform to respond and inform. A workforce that feels that they are treated as individuals and not a commodity item will undoubtedly become more motivated and morale will improve.

4 TRAINING AND DEVELOPMENT

Training and development not only helps employees achieve the organisation's goals, but also their individual goals - making them feel more cared for by the company. Investing in training and development doesn't have to be expensive. You can run internal schemes where experts within the business share their skills and expertise with other employees. This demonstrates a commitment to staff development and allows key members of the team to shine.

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5 RUN COMPETITIONS

Competitions are a great way to increase motivation and build and strengthen teams internally. The prizes don't have to be financial or very expensive - why not run a competition where the winner gets to park in the MD's parking space for a day or leave the office an hour early as a treat? It is also a great way to inject some fun into what can be a difficult office climate!

6 CELEBRATE VICTORIES

All is not doom and gloom and it is important that all staff know that. When something goes well, enhance the positive attitude and suggest a celebration. It could be afternoon tea and cake or drinks after work. Either way, it lets the employees know they are appreciated and part of a strong and growing team. Internal recognition is another fantastic way to boost morale.

7 UNDERSTAND INDIVIDUAL MOTIVATIONS

Not everyone is motivated by money and, by taking the time to understand each individual's motivation, you can put simple plans in place to ensure you really do retain your best talent. For example, when rewarding an employee, rather than giving the same prize each time, why not tailor the prize to the employee's hobbies or personality? For example, tickets for the next match for football fans or a spa day for employees who love being pampered. A personal touch to rewards shows that you have put thought into it, and it will be even more appreciated by your staff.

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8

FLEXIBLE WORKING

Flexible working hours are a great way to reward staff with more freedom, without compromising the number of hours worked. For example, for those staff that book in advance (making sure cover for all posts is in place), instead of working 9 - 5, they would work 7 - 3 on a Friday - meaning they could start their weekend early!

9

SALARY SACRIFICE SCHEMES

Another option is salary sacrifice schemes. There are a number of government-backed initiatives where staff can choose to have money deducted from their gross earnings to pay for services such as childcare, bicycles and public transport. For employees, such initiatives are not subject to tax or National Insurance - so if the benefit costs £1,000 for example, a higher-rate tax payer would save £410 - while employers also gain by not having to pay National Insurance.

10

RETAIL DISCOUNT SCHEMES

Why not partner up with a retailer or leisure operator and offer discounts to your staff that will make a real difference to their life. Whether it be money off at a local supermarket or discounted gym membership, this shows that as an employer you care about their health and happiness both inside and outside the workplace.

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Need a helping hand? To experience our distinctively different service, call us on 0845 345 4141.

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