



DHAKA, SUNDAY, JANUARY 9, 2011, E-MAIL: [business@thedailystar.net](mailto:business@thedailystar.net)

## Motivation goes beyond pay

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**M**ONEY is important in life, especially when you are working. But it does not always get the job done when it comes to motivation, as you have to get a lot of things right to have a lower staff-turnover rate than your competitors. At Citibank NA Bangladesh, a leading global financial services company, the turnover rate is "one of the lowest" in the industry, according to Rashed Maqsood, managing director of the bank.

Citibank pays well, of course, but there are many other factors required to keep staffs motivated and happy, he says. "Money is not the only reason why people work but it's a very important starting point."

"Each individual employee has a set of goals and aspirations and these can be achieved through money -- like the kind of car they want to drive

and the house they want to live in -- in general the overall living standards."

But the important factors, like self-actualisation, cannot be achieved through money. Self-actualisation is the drive to become what one is capable of becoming, and includes growth and achievement of one's potential and self-fulfilment. It is a higher-order need and thus can only be satisfied from within.

You need to provide opportunities for individuals to learn and grow within an organisation, says Maqsood. Parvez Murshed, director and head of global transaction services of Citi Bangladesh, agrees. "I am working for Citibank for almost 12 years because it has given me recognition and the opportunity to work with colleagues of high-calibre."

Murshed says the environment, colleagues, the brand name, global network, and opportunities mean a lot more to him than financial rewards. "I received recognitions like first ever employee of the year, global innovation award from New York and got selected to participate in Citi's GTS vice president development programme in New York with 45 colleagues from across the globe," he said. "These are tremendous recognitions for me."

Citi Bank NA has approximately 200 million customer accounts and does business in more than 140 countries. It provides consumers, corporations, governments and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, transaction services and wealth management service through Citicorp and Citi Holdings.

The bank is celebrating 15 years of successful partnerships with its clients in Bangladesh, backed by Citi's global banking expertise and world-



Citi Bangladesh employees with their loved ones at Global Community Day.

class standards, it continues to offer innovative landmark solutions, helping to open Bangladesh's financial markets. It has seen persistent growth in Bangladesh since its commencement.

Trainings are provided both inside and outside the country. Being a blue chip multinational organisation, there exists tremendous opportunities for our managers to go abroad and get specific trainings, says the local chief.

"We also bring experts in from abroad, who provide training to our managers," said Maqsood. "This also works as a great motivating factor as well as creates opportunities to export quality Bangladeshi talent to Citi's

network in more than 100 countries."

"I feel proud to be a member of the global bank, says Yasser Noor, head of corporate affairs, Citi Bank NA Bangladesh, "because it has given me opportunities to interact and learn from the best practices and processes from Citi colleagues in other countries."

The Citi boss, who started his career with Citi in Bangladesh in 1995 as a relationship manager, says Citi does not push any one individual performer to become the best in the organisation; rather it pushes each and every single individual to do their best in their respective work sphere.

For this, we have a performance

evaluation management system, which measures achievement against predefined targets and also measures how (the behavioral approach) they were achieved, says Maqsood.

Maqsood, who is also the country business manager of the bank, says Citi is regarded worldwide as the banking university because several members of Citi alumni work as the chief executive of many banks in the country. Citi always strives to build a culture of meritocracy and motivate team members to excel by organising local and regional competitions, he said.

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Rashed Maqsood

## On motivating staff

A small treatise on getting results from employees at all levels

MA MANNAN

**A** sign in front of the gate of a factory read: "If you are like a wheelbarrow, going no further than you are pushed, then do not apply for work here." The sign makes it vivid that non-motivated people are useless and unworthy of doing anything in an enterprise.

When one enters an organisation, one brings to the job certain needs that the environment translates into wants. This aspect of employees must be given adequate attention in order for organisational performance to improve. When "employee malfunction" occurs, just like with machine malfunction, it needs to be systematically analysed to ensure proper diagnosis and identification of suitable intervention as a way to solve it. This would ensure retention of trained and talented employees who are scarce resources of the organisation. Your organisation would have, in such a situation, more satisfied and productive employees.

Motivation is such an invisible trait in human beings that has no alternative. Depending on this contention, organisations have historically been involved with identifying and applying various ways for motivating employees to accelerate their urge to do more for their organisation. In Bangladesh, what appears from my personal experience with organisations of various categories with which I have worked, either as a board member or as a management consultant, motivating employees requires a clear understanding of the actual wants and needs of individual employees. Group-based strategies of motivating work very poorly. For example, in one business organisation producing and marketing processed food products, management tried to motivate

employees through providing incentives based on the performance of the group in achieving sales target every month. After a couple of months, some members of the group started becoming apathetic to group achievement, as they found it personally unappreciative.

Management subsequently changed the strategy to individual incentives for achieving targets. It worked. Tremendously positive results flowed in. Each employee worked very hard to have individual incentives, and most not only achieved the



Prof MA Mannan

target but exceeded it.

This is not unusual. Our society has less team-oriented than, say, Japanese society. In Japan, people give more value to group achievement than individual achievement. The opposite is true in our country, although there may be organisation-specific exceptions.

Motivating employees is a much more complicated task in Bangladesh than in any Western country. In the West -- such as the USA and UK (where I worked) -- employees at all levels are fairly satisfied with the financial benefits that they

receive from their employers. They are more concerned, I believe, with satisfying higher-order needs, such as having recognition, advancement opportunities, challenging jobs, freedom to show creativity and the like. Their major needs are social and esteem needs.

Our people are in general more concerned with satisfying lower-order needs, such as basic necessities and job security. They can be motivated by offering better financial incentives and good working conditions. In one top-ranking construction company that installs electric substations and gas lines, management provides housing with the bonus that if an employee serves continuously for 20 years, he or she will then own the house or flat. The promotion policy, training policy and compensation policy of the company are all employee-supportive, designed by the employees in collaboration with the management board. The motivation system has worked very well. This company, established in 1976, has been able to retain more than 90 percent of its engineers and technical people who joined in its initial years.

In Bangladesh, management alone cannot solve motivation problems. Society's support is essential, in the form of educating people about the harms of becoming militant in workplace (as often happens in the garments sector or in the port area), maintaining law and order in the industrial belts, developing citizen-friendly transportation system for low-paid employees to move comfortably and securing livable housing. Thus, I want to emphasise that micro-motivation on the job and within enterprise must be complemented by macro-motivation factors that reside outside the enterprise.

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## THEORIES

### Early

During the 1950s, three specific theories became popular.

**Hierarchy of Needs:** Abraham Maslow said that within every human being there exists a hierarchy of five needs -- physiological, safety, social, esteem and self-actualisation. As each of these needs become substantially satisfied, the next need becomes dominant. Basic and safety needs are considered lower-order needs because they are satisfied externally. The remaining three are satisfied internally, and are therefore higher-order needs. This suggests that to motivate someone you need to understand what level a person is now on, and try to satisfy that need or one just above it.

**X and Y:** Douglas McGregor proposed two views of humans: one negative, X; and the other positive, Y. The former assumes that employees are lazy and dislike work; they must be coerced to perform. The latter assumes that employees like work, are creative, seek responsibility and exercise self-direction. So, if you want to maximise an employee's motivation, you need to practice participative decision-making, and have challenging jobs with good group relations in your organisation.

**Two Factors:** Frederick Herzberg developed the two-factor theory, which says an individual's attitude towards work can determine success or failure. Some factors relate to job satisfaction and others to job dissatisfaction. Intrinsic factors, such as advancement, recognition, responsibility and achievement are related to job satisfaction. Job dissatisfaction results from extrinsic factors, such as poor supervision, pay, company policies or working conditions. He notes that a job may not become satisfying simply because all dissatisfying factors are removed.

### Contemporary

**Existence, Relatedness and Growth:** Clayton Alderfer sees these three as groups of core needs. The Existence group consists of providing for basic material

requirements. Relatedness is the desire to maintain interpersonal relationships. Growth is about desire for personal development. Like Maslow, he thought that once satisfied, lower-order needs would lead to the desire to satisfy higher-order needs. But he thought multiple needs can motivate us at the same time; and frustration in satisfying a higher-level need can revert us to a lower-level need.

**Equity Theory:** Individuals hate unfairness. They compare their work, pay and recognition with that of colleagues, and then try to eliminate inequalities.

**Expectancy:** Victor Vroom focused on three relationships: Effort-performance is the belief that effort will lead to performance; performance-reward is the degree to which the individual believes that achievement will lead to a desired outcome; and rewards-goals is both the degree to which organisational rewards satisfy an individual's personal goals and the desirability of rewards.

**Division of needs:** David McClelland's theory also focused on three types of needs: The need for achievement, which refers to an internal motivation that promotes completing tasks and overcoming challenges; the need for power, which refers to the desire to be accepted by or to establish authority within a group or organization; and the need for affiliation, which refers to the desire for friendly and close interpersonal relationships.

**Goal-setting:** This theory states that specific and difficult goals lead to higher performance with the help of feedback. Goal commitment, confidence in one's ability to meet goals, task characteristics and national culture also influence the relationships. The effort that individuals show towards the goals depends on whether the goal is difficult or specific. The amount of effort an individual puts in also often reflects the level of satisfaction experienced. Reaching the goals requires feedback, goal commitment, confidence and ability, and task complexity.