

INNOVATIVE APPROACH TO THE IMPROVEMENT OF MOTIVATION SYSTEM OF MANAGERIAL WORK

This article is dedicated to the analysis of innovative theoretical and methodological principles for creation of effective motivation system of managerial work. A system of incentives for managerial work was offered. It was analysed the components of incentive system of managerial work. The conceptual model of managerial work motivation in the context of incentives was developed.

Keywords: motivation, employment incentives, compensation package, personal incentives, reference incentives.

Timeliness of the topic. At recent times of development the majority of fields of social life seek to build a new system of successful performance. Therefore, until today relevant are the development and implementation of the systems for managerial work motivation as the most efficient catalyst in improvement of labour activity of the personnel and the enterprise in general.

Building of the system for managerial staff motivation lies in creation of a comprehensive system for managers' motivation, development of recommendation (step) package in the enhancement of their motivation, sequential progressive implementation of which shall ensure desired outcome in long-term perspective. Therefor it is necessary to analyse incentives of the managers that make them fulfil the set tasks. In order the motivation system might be effective it is necessary to apply innovative scientific and technical approaches.

The aim in writing this article is to develop motivation system of managerial work in the context of incentives.

Analysis of the latest researches and publications. The study of the world and national specific literature devoted to the theory and methodology of personnel motivation, practical aspects of personnel motivation management attests doubtless

interest of the scientists to this issue. The problem of personnel motivation is explicated in a diverse and substantial manner in the works of D.A.Ashyrova, I.A.Batkayeva, M.A.Volgin, O.M.Volgina, B.M.Genkin, A.Ya.Kibanov, A.M.Kolot, E.Vlasova, T.Kopachevska, K.Nefedova, A.Zerinova, V.Kusakin, A.Sardaryan, A.Kredisov, E.A.Utkin as well as J.Atkinson, V.Vrum, F.Herzberg, K.Lewin, E.Lawler, F.Lutens, D.McGregor, D.McClelland, A.Maslow, L.Porter, H.Heckhausen and others. But in economic literature nowadays the problem of managerial work motivation is not sufficiently considered in term of quantitative analysis that will give an opportunity in an unbiased manner to analyse the actual situation at the enterprise.

Primary material lay-out. Analyses of scientific literature and conducted surveys have shown that recently many companies have paid considerable attention to the system of managers' motivation. However, well-thought-out and well-organized system of motivation is an effective tool both for the attraction of new managerial personnel and for the job stabilization. Therefore, it is necessary to solve the following tasks: coordination of managers' own goals with the goals of the organization and personnel; reduction in expenses for the search, recruitment and adaptation of managerial personnel; retaining of highly skilled specialists; solution of the most important issues in human resources management. [5]

As a general principle, it is applied the system of incentives which have a short-term influence, ensure undurable effect and are determined by human needs, both material and non-material, and a habit.[3]

In most cases the object of managerial work motivation on his own chooses those reasons that motivate him to work for the company. He determines his needs, motives, desires for the job position and organization of working places. O.Stakhiv offered the following algorithm for the analysis of motivation system (chart 1) [4]:

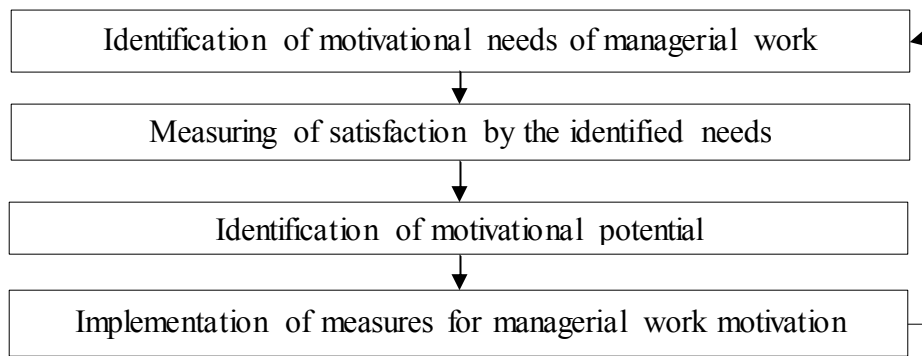
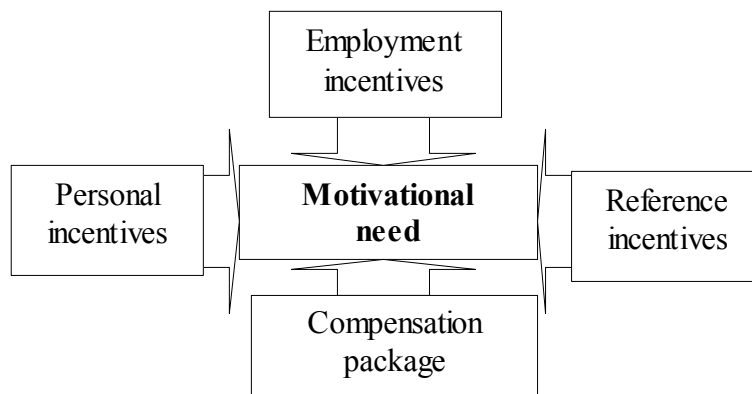


Chart 1- System of motivation

Motivational incentives are used to meet the needs. Let's consider motivational incentives for managerial work (pic. 1).



Pic. 1 – System of motivational incentives for managerial work

To make this system work efficiently it is necessary to analyse in detail each component of motivational need.

Personal incentives. Upon creating system of motivation, correct approaches, methods of influence upon the object of motivation are being searched, which could in the most effective way have an influence on him and motivate him to highly productive labour. The question now arises of why do people do anything? To answer this question V.Kusakin offered to build the following scale (Chart 2). [2]

Chart 2 – Motives that stimulate a person to work

Level	Basic motives	Description
Level I	Sense of duty	This sense is the strongest motive which controls a person and depends on the contribution made by the person. If a manager helps his subordinates to work hundred-per-cent, the greater the subordinate shall maintain the sense of duty and pride for his company and each member.
Level II	Interest	Job for the sake of interest takes the first place for those people who have already satisfied their basic, mainly financial, needs. The manager by placing correctly priorities and values may increase the amount of

		interest to the job, so in such a way he will increase company's rate of development
Level III	Self-profit	The managers may at their own discretion to meet personal needs by analysing which personal profit he wants to reach: free-of-charge accommodation, food, career growth, short distance to the place of work, a possibility of a company car provision, etc.
Level IV	Money	Money is freedom. It mainly takes the first place among youth, students who are very ambitious, full of desires and plans which they would like to turn into reality.

Reference incentives. A. Zerinoва by the type of reference explains correlation of priority of own and another's point of view while making a decision and self-appraisal of a person. [6]

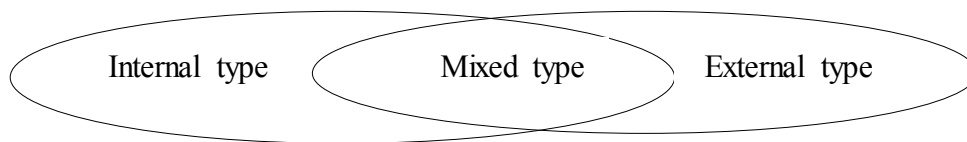


Image 2 – Principal types of person's references

In the works of A. Zerinoва it is mentioned if an employee has an external type as a prevailing one, he is more inclined to “accurate” work. He will work according to the regulations; will be in a need of approval of his work by the managers and co-workers. This type of an employee is lacking confidence; it is of great importance to him what other people think of him and his work. It is relatively easy to motivate an employee with the external type of references, as well as it is easy to alter his viewpoint.

If internal type prevails, above all he will be worried with his own viewpoints and actions. He will rely on his own experience, professionalism, knowledge and skills. Such a person is not easy to be persuaded in changing his viewpoint and sometimes even impossible to do that. The reason for such behaviour is a high sense of responsibility and absence of fear of it. It should be taken into account in the course of the development of motivation system.

The mixed type is the most versatile as one type is shown better than the other.

Employment incentives. Every person is individual and each person has his own individual need which he wants to meet by working for an enterprise. But choosing a place of work we do not think of all aspects of motivation system at the

enterprise but rather pay attention only to those which are of greater importance to us at that moment according to our personal and career expectations (chart. 2). [1]

Chart 2 – Personal career expectations of the personnel of small business.

Group title	Short description of the group	Priorities of career growth of the object of managerial work
Recent graduates	These people are more ambitious and their goal is career growth; they already have some experience in certain work and want to try themselves in more responsible activities which demand interdependency and responsibility for the result	Fulfillment of significant tasks; decision-making; recognition of the results of their work
Highly qualified specialist	This category of people has already reached good professional results and is not inclined to change type of activity; they already speculate concerning the future	They set values upon stability, an opportunity of horizontal development, family; availability of a pension plan at the company, special programs directed to obtain relevant benefits for the employee's family members
Young mothers	After a child is born in the family, the needs and priorities of the woman are changed, especially in terms of career	Availability of flexible working hours, medical insurance, availability of company's kindergartens shall be more attractive to her at this stage

Non-material motivation stimulates to reach better results in long-term perspective, allows better revealing and implementing of working potential. It is necessary to mention that non-material measures for personnel motivation do not demand any significant expenses.

Compensation package provides for both material and non-material component, that is why it is an effective tool of influence upon employees.

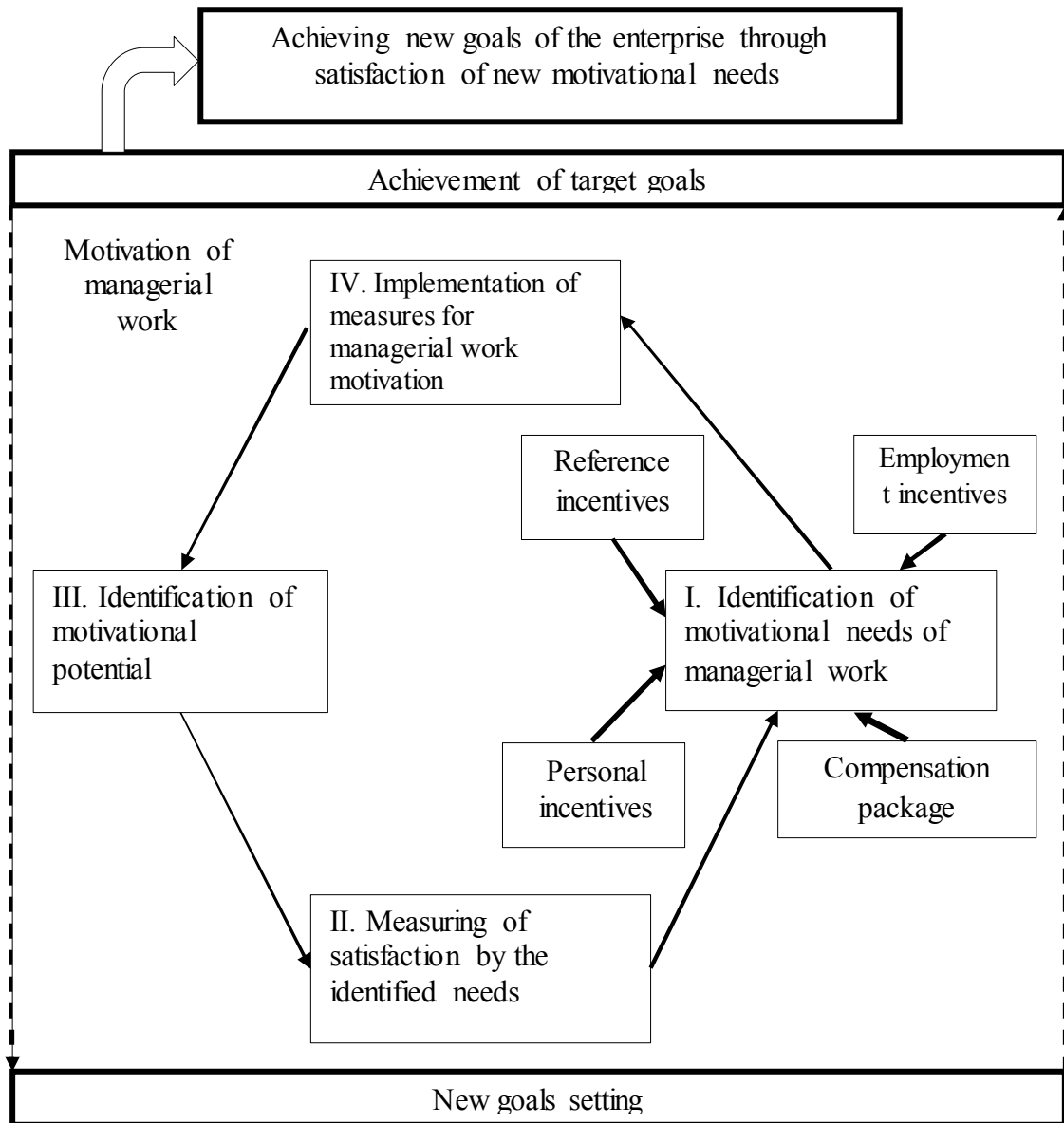
It is possible to solve the following tasks with the help of compensation package: 1) control over turnover of staff; 2) increase of managerial work motivation; 3) increase of labour production index; 4) provision of favourable social and psychological climate in the team; 5) building of positive image of the company on the market. The structure of compensation package is shown in the chart 3. [1]

Chart 3 - Structure of compensation package

Elements of the structure of compensation package	Contents
Benefits defined by the law	Payment of principal, additional, social and other vacations, sick leave payment
Benefits related to the health of the employees	Medical insurance, life insurance, payment of expenses for lunch, gym, rest, maternity allowance
Benefits related to the	Payment of transportation, mobile connection, company car,

comfort of the employees	accommodation, concessional lending program for accommodation or personal needs
Benefits related to the education of the employees	Payment for professional education, trainings, advanced training courses, language courses
Benefits related to the cultural events	Corporate events, payment for visiting theatres, concerts, exhibitions

Thus, incentives are the crucial elements in the course of creating a system of motivations. Using innovative and individual approach the conceptual model of managerial work motivation shall be as follows: (Picture 3):



Picture 3 - Conceptual model of managerial work motivation within the context of incentives

Conclusion. Carried out analysis allows to draw a conclusion that the creation of an effective motivation system of managerial work depends on many

factors which have an influence upon it. The manager of the enterprise can build an effective system of motivation relying on the incentives: 1) employment incentives (recent graduates, highly qualified specialist, and young mothers); 2) reference incentives (external type; internal type; mixed type); 3) personal incentives (money; self-profit; interest; sense of duty); 4) compensation package (benefits defined by the law; benefits related to the comfort of the employees; benefits related to the health of the employees; benefits related to the education of the employees; benefits related to the cultural events).

While building managerial motivation system the manager should remember that each and all objects of managerial work may not be motivated in the same way. This will help him to make motivation system to be economically effective.

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