7th

Business Studies
10/7/2020

Class - XII

Chap - 6 (Staff Morale)

Question:

Q.1. Define the term Staff Morale.

Q2. Discuss the Characteristics of Staff Morale.

Q3. With the help of a diagram explain the Morale Productivity Matrix.

Q4. Discuss the main factors influencing Morale.

Q5. Discuss the methods of raising Morale.

Q6. Discuss the indicators of high and low Morale.

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Staff Morale

The attitudes, feelings and emotions of employees play a vital role in determining their behaviour and performance which in turn determine the success of an organisation. Therefore, managers are paying increasing attention to the problems of morale, motivation and team work.

6.1 MEANING AND DEFINITION OF STAFF MORALE

Morale refers to the mental condition or attitudes of individuals and groups in an organisation. Good morale is indicated by employee enthusiasm, loyalty and willingness to cooperate. Poor morale is reflected in subordination, dislike of the job and the organisation, etc.

The term 'morale' is not very specific. Like the word health, it conveys different meanings to different people. It has been defined in many ways, but all the definitions stress upon attitude towards work for the achievement of organisational objectives. According to Theo Haimann, morale is *"the state of mind and emotions, affecting the attitude and willingness to work, which in turn affects individual and organisational objectives."* William Spriegel has defined morale as the *"cooperative attitude or mental health of a number of people who are related to each other on some basis."* McFarland observes that *"morale is basically a group phenomenon. It is a concept that describes the level of favourable or unfavourable attitudes of the employees collectively to all aspects of their work—the job, the company, their tasks, working conditions, fellow workers, superiors and so on. Attitudes express what the individuals think and feel about their jobs. The emphasis is on how employees feel, denoting the strong emotional elements associated with attitudes."*

6.2 CHARACTERISTICS OF STAFF MORALE

The main characteristics of morale are as follows :

1. Morale is basically a psychological concept. It is a mental phenomenon which, once started, permeates in the entire group creating a mood which results in the formation of a common attitude.

2. Morale is a relative concept and does not indicate by itself the existence of either a good or bad state. Therefore, it is inaccurate to speak of morale as something which is either present or absent in a group. There is no absolute state of morale. Thus, morale is a neutral concept and it has to be qualified with the degree as high morale or low morale. If the attitude of a group is poor, morale is low and vice versa.

3. Morale is a group phenomenon consisting

productivity. In 35% there was no relationship between morale and productivity.

There can be four combinations of morale and productivity :

1. High Morale–High Productivity : High morale reflects a predisposition to be more productive if proper leadership is provided. This situation is likely to occur when employees are motivated to achieve high performance standards through financial and non-financial rewards. Complete identity between individual and organisation goals can lead to this situation.

2. High Morale–Low Productivity : The situation arises when employees spend their time and energy in satisfying their personal objectives unrelated to the company's goals. Faulty machinery, lack of training, ineffective supervision and restrictive norms of informal groups can also lead to low productivity on the part of employees with high morale.

3. Low Morale–High Productivity : Low morale cannot result in high productivity for a long period. However, this situation can occur for a temporary period due to fear of loss of job, exceptionally good supervision and machine paced work in which only a part of workers' capabilities are used.

4. Low Morale–Low Productivity : This is a normal relationship. In the long run low morale is likely to result in low productivity.
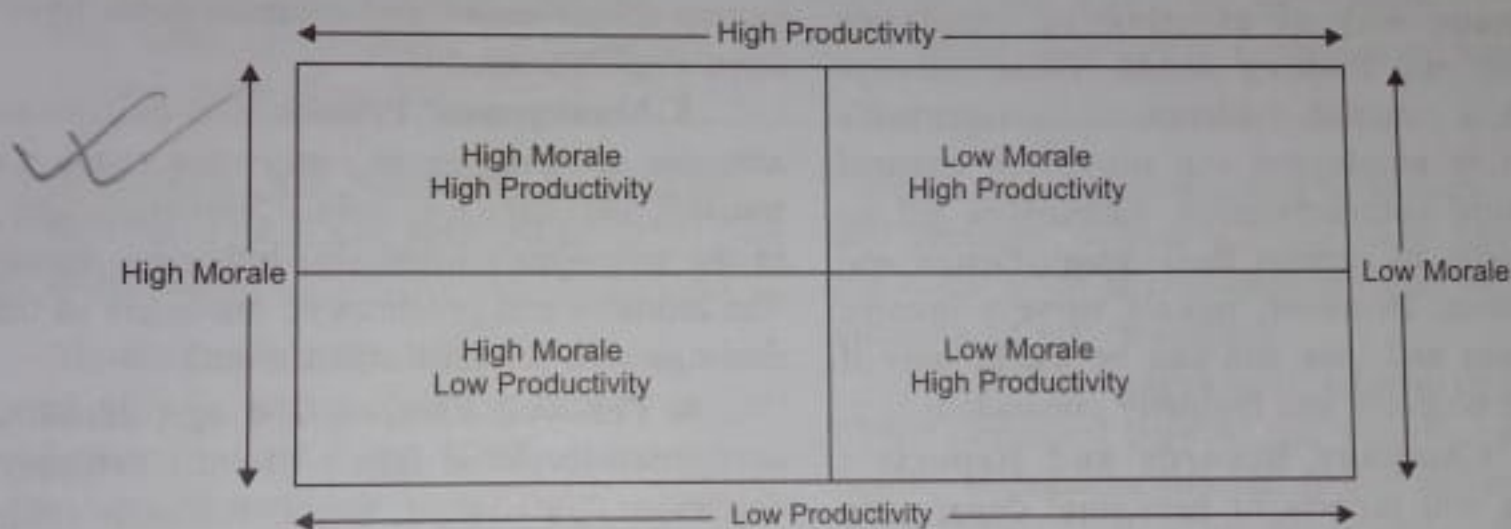

Fig. 6.1 : Morale Productivity Matrix

Thus, there is a complex relationship between morale and productivity. This is because morale is only one of the factors influencing productivity.

Measurement of Morale

Morale is an intangible and subjective concept. Therefore, it cannot be measured directly. Employees are reluctant to express their true attitudes towards the work and management. The following methods are used to measure morale :

1. Observation : Managers can identify any change in the level of morale by keenly observing the talks, gestures and behaviour of employees. Any departure or deviation from the normal way indicates something wrong which requires remedial action. According to Haimann, "the supervisor is in the best position to measure by observation the morale of his subordinates from day-to-day behaviour of employees. But he must sharpen his powers of observation and not brush aside any worthwhile indicator. The serious shortcoming of observation as a yardstick for measuring current morale is that activities and events indicate a change to a lowered morale which has already occurred. The manager should, therefore, be extremely keen in his observation so that he may do as much as is possible to prevent such damages."

2. Attitude or Morale Surveys : This method is generally used to discover the feelings of employees towards their jobs, their supervisors, company policies and the

of a pattern of attitudes. It is the sum total of employees' attitudes, feelings and sentiments.

4. Morale is an indicator of attitudes of employees towards their jobs, superiors, work environment and the organisation. It reflects mental health.

5. Morale is a by product of group relationships. It reflects the degree of willingness and enthusiasm with which the members of a group carry out their assignments.

6. Morale is dynamic in nature. It cannot be developed overnight. Managers have to make continuous efforts to build and maintain high morale. Morale is a long-term concept.

7. Morale is multi-dimensional. It represents a complex mixture of several elements. It recognises the influence of job situation, human needs and motivational forces on attitudes of individuals and groups.

8. Morale is contagious. Individuals transmit their attitudes to one another.

9. Morale is intangible and, therefore, it is very difficult to measure the degree of morale accurately. But it can be judged from employee absenteeism and turnover.

Military authorities consider morale as the most important factor in winning war. According to Napoleon, "in war, morale conditions make up three-quarters of the game; the relative balance of manpower accounts for the remaining quarter." Morale is equally important in business enterprises. It is a vital ingredient of organisational success because attitudes and sentiments greatly influence productivity and satisfaction of individuals.

When the morale of employees in an organisation is high, they cooperate fully with the management towards the achievement of organisational objectives. It will lead to enthusiasm among the workers for better performance. High morale is indispensable for the efficiency and effectiveness of the organisation in the long run. It makes people committed to the organisation. High morale is indeed a manifestation of the employees' strength,

dependability, confidence and devotion. High morale leads to good discipline, high degree of interest in the job, loyalty to the organisation and high performance.

Possible Effects of High Morale :

1. High productivity
2. High quality of work
3. Low rates of labour turnover and absenteeism
4. Good discipline
5. Low rate of accidents
6. Low degree of employee grievances

What physical health is to a physical organism, morale is to a cooperative system. High morale is reflected in the willingness to work, the will to excel, enthusiasm, etc. It exists when employee attitudes are favourable and they willingly strive towards the attainment of organisational objectives. According to M.S. Viteles, "high morale is important because plant productivity and efficiency depend upon employee cooperation in attaining necessary output standards. High morale is equally important because of the implications to low morale for industrial conflict."

High morale is the hallmark of sound human relations and the lubricant that keeps the wheels of business moving. It subsumes good discipline and effective direction. Subordinates whose morale is high will work with vigour, confident in their ability and in cooperation with their fellows to achieve given objectives as a team. Therefore, management must take steps to create and maintain high morale among employees.

6.3 MORALE PRODUCTIVITY MATRIX

Research shows no direct and consistent relationship between morale and productivity. Productivity sometimes is high with high morale but at other times productivity may be low even when morale is high. For instance, Herzberg found that in 54% of the studies, high morale was related to high productivity while in all cases, high morale was associated with

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10. Attitude toward fellow workers.
11. Treatment of individuals by management.

12. Worker satisfaction with the progress and opportunities for further progression.

Table 6.1 : Morale Depressants and Stimulants

Morale Depressants		Morale Stimulants	
1.	Meaningless and unchallenging job	1.	Meaningful and challenging job
2.	Poor working conditions	2.	Good working conditions
3.	Unfriendly and unhelpful supervision	3.	Friendly and helpful supervision
4.	Bad relations with co-workers	4.	Good relations with co-workers
5.	Unsound policies and practices of management	5.	Sound policies and practices of management
6.	Unhappy family life	6.	Happy family life
7.	Poor public image of the company	7.	Good public image of the company
8.	Low wage, salary and allowances	8.	High wage, salary and allowances

The table given above indicates that the same factor may lower (depress) or boost (stimulate) staff morale.

6.5 METHODS OF RAISING MORALE (PRINCIPLES OF MORALE BUILDING)

Morale building is a difficult and continuous process. It is the responsibility of every manager. Management must keep itself informed of current state of employee morale through attitude surveys and personal observation. The following steps can be taken to build high morale among the members of an organisation.

1. Worthwhile goals : The objectives of the organisation should be such that employees feel proud of their jobs and the enterprise. The members of the group must feel that the common goals are challenging as well as attainable. Meaningful and unambiguous goals should be laid down for the employees.

2. Sound organisational structure : Organisation's design influences the quality of employee relations. There should be clear cut division of work, proper delegation of authority and effective coordination. Generally, flat and decentralised structures tend to improve employee morale by providing scope for close inter-personal relations and self-actualisation. Job enrichment and job enlargement help to raise morale by overcoming monotony, fatigue and boredom. Morale is likely to be high when the work group is homogeneous and the task is challenging and interesting.

3. Sound personnel administration : Sound personnel policies and practices are very helpful in building morale. A fair and equitable wage and salary structure developed on the basis of job evaluation, job security, scientific selection and training, good working conditions, sound promotion and appraisal systems and employee counselling are essential for high morale.

4. Effective communication : A two-way communication system helps management in developing positive attitudes among employees. Employees can be kept fully informed of all matters affecting their interests. A formal grievance procedure is required for quick and proper redressal of employees' grievances.

5. Participation : The participation of employees in decision-making process creates a sense of belonging. Joint councils of managers and workers provide employees an opportunity to express their feelings and ideas. Joint consultation, suggestion system, collective bargaining and other forms of participation help

organisation as a whole. Attitude surveys are conducted in two ways

(i) *Interview Method* : Under this method a face to face talk with employees is arranged. The interviewer asks several questions to judge the feelings and opinions of employees. It is a comprehensive and sensitive method. But it is very time consuming and expensive when the number of employees is large.

(ii) *Questionnaire Method* : In this method, a list of questions is given to employees. They are asked to tick the right answer to each question. It is less time consuming and more economical. But the response is likely to be poor.

Attitude surveys represent a formal and systematic way of ascertaining employee attitudes and training needs. These surveys provide a concrete evidence of management's interest in employees and provide a channel of upward communication. Employees get an opportunity to express their dissatisfaction and frustrations. However, morale surveys involve judgement and bias and can be useful only if they are properly and regularly conducted.

3. Company Records and Reports : Records and reports of personnel department about labour turnover, absenteeism, employee grievances, spoiled work, strikes, etc., are good indicators of the level of employee morale.

6.4 FACTORS INFLUENCING MORALE

The main factors influencing morale are as follows :

1. Nature of Work. Meaningful and satisfying job helps to improve employee morale. In such a job each member of the group understands clearly how his specific task contributes to the attainment of group goals. Morale tends to be low when the job provides no challenge and satisfaction and job standards are considered very high.

2. Working Conditions. Physical work environment, job security, wages and other allied factors exercise a significant influence on employee morale. When the wages are fair, job is

secure and there are opportunities for promotion, job satisfaction and morale are likely to be high.

3. Supervision. Competent, dependable, fair-minded leadership can build and maintain high morale. Such a leadership can win the confidence of employees through sympathetic and friendly behaviour. Lines of authority and responsibility are clear and communication system is effective.

4. Interpersonal Relations. The confidence of an employee in fellow employees influences morale. When a worker is confident that his workers are loyal to him and will provide advice and assistance whenever necessary, his morale is likely to be high. A feeling of togetherness (group cohesiveness) and common goals tend to raise employee morale.

5. Management Policies. The policies and attitudes of management concerning promotion, transfer, etc. affect morale. Company's image in the employee's mind also influences morale. The attitudes and practices of managers in their dealings with workers affect morale.

6. Personal Factors. The age, education, occupation level and family life of an employee determine his morale. Some research studies indicate that young, higher educated and high status employees tend to have lower morale. An employee's self-concept, habits and family relations exercise a significant influence on morale.

Determinants of Morale

1. Pride in and general attitude toward company.
2. General attitude toward supervision.
3. Satisfaction with job standards.
4. Style of supervision.
5. Work load and work pressure level.
6. Attitude toward co-workers.
7. The level of worker satisfaction of salary.
8. Attitude toward formal communication system in the company.
9. Intrinsic job satisfaction of workers.

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to create job satisfaction, sense of belonging and team-work among employees. Counselling and vocational guidance of employees help to solve their problems and are helpful in morale-building.

6. **Trusted supervision : Supervisors** should be fair, sympathetic and honest in their dealings with employees. They should be competent enough to inspire confidence among workers. They should be responsive to the needs and feelings of workers. They should provide an opportunity for employees to play their preferred roles. Quality of supervision and leadership have significant influence on morale.

7. **Human relations approach : Each** individual in the organisation should be treated as a responsible human being. Human relations approach helps to develop inter-personal competence, inter-group cooperation and mutual trust among employees. Morale is contagious and the attitudes of the leader influence the attitudes of subordinates. In other words, the morale of the leader has a multiplier effect on subordinates. Therefore, cultivation of favourable attitudes and behaviour patterns among workers depends largely on the leadership of the organisation. Managers must handle organisational conflicts in a positive and preventive manner. They should make constructive use of informal groups for effective management of attitudes.

6.6 INDICATORS OF LOW MORALE

Low morale indicates mental unrest among the employees. It hampers production and productivity and leads to ill health of employees. The other consequences of low morale are as follows :

1. High rates of absenteeism and labour turnover.
2. Excessive complaints and grievances.
3. Frustration and friction among workers.
4. Lack of discipline.
5. Antagonism towards the organisation.
6. Low quantity and quality of output.

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7. Resistance to change.
8. High rate of accidents.

Low morale can be fatal to the organisation. In order to avoid the evil consequences of low morale, every manager should attempt to build high morale of his subordinates. For this, he requires accurate and up-to-date knowledge of changes in their attitudes and bahaviour. It should be noted that high morale cannot be purchased, it has to be created by developing conditions favourable to it.

6.7 IMPORTANCE OF TEAM WORK

A team is a group in which individuals share common goals and willingly cooperate with each other to achieve them. Team work is essential for the success of an organisation. When people working in an organisation function as a team, the following results can be expected :

(i) Higher quantity of performance
(ii) Better quality of work.
(iii) Higher morale and motivation of staff
(iv) Job satisfaction and loyalty.
(v) Lack of resistance to change.
(vi) Low rates of absenteeism and turnover

Team work is crucial to the development and growth of an organisation. It helps to improve the functioning of work groups by allowing group members to concentrate on :

(a) setting the goals and priorities of the group.
(b) analysing the way work is performed
(c) examining the relationships among the group members.

Team work helps to improve problem solving and decision making in the organisation. It results in effective interpersonal relationship and communication. The work climate and work culture in the organisation tend to be better.

Thus, team work leads to the overall success of the organisation and satisfaction of its members.

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6.8 MEASURES FOR EFFECTIVE TEAM

Team building is th a work group to become how to identify, diagno problems. Team building on identification of wor then solution on an or building the focus sho the effectiveness of the individuals alone.

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Short Answer Typ

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