

THE WELL-BEING OF EMPLOYEES, A CHALLENGE FOR ROMANIAN MANAGERS

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Abstract:

Creating a program that will ensure the well-being of employees is quite difficult for managers because it involves a series of wage and non-wage motivation techniques, that are tailored to employee's needs so that they are willing to work more efficient and at high performance.

In order to ensure the well-being of those who work in a company, the managers, firstly, have to identify, understand and meet the needs of the employees.

Most of the companies have abandoned the traditional way of performance evaluation because they do not want only a system that generates employee performance, but one that generates it. Therefore, this approach is more suitable for the employee's mentality, that are currently on the labor market, as well as the way in which companies change themselves in order to be part of digital economy. The challenge for the companies means finding a new decision-making system regarding salary increases and developing the career.

The paper presents the new trends in benefits packages that influence the employees' well-being and the results of a research conducted in one of the top banks, about the implication impact of this organization in order to ensure its employee well-being by identifying the motivational factors that lead to the growth of job satisfaction.

Key words: employee, high performance, motivation, benefits, compensation, well being

JEL classification: M10, M52, M54

1. Introduction

Nowadays, a lot of changes occur on the labor market, which will affect both employees as well as employers. All these trends will lead to new employee needs and will also bring new challenges for employers. According to some data published by European Commission, the trends in Romania do not meet the workforce expectations because there is a high degree lack of personnel(<https://ec.europa.eu/info/sites/info/files/2018-european-semester-country-report-romania-ro.pdf>).

This is caused by two reasons:

- People who are highly qualified leave the country
- High number increase among people with no minimal education

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More and more companies are concerned with increasing the level of gratification among employees. Every company strategy that aims to maximize the well-being of employees must be comprised of a combination of financial and non-financial incentives. Happy employees are loyal to the company, productive, motivated, focused on performance and achieving the company's objectives. This effect assures the company's success and the manager's happiness.

Currently, on the labor market there are three generations of employees:

1. Baby-boomers: born between 1945-1964, are employees that struggled to work hard in order to achieve something and they are the foundation on which young people build their construction.

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2. Generation X: born between 1965-1975, is the generation that fought to satisfy their professional wishes. They are always competing, are the most motivated by reward, the generation that faced the majority of mental changes.
3. Generation Y: born between 1977 and 1994, is the generation that has a different mentality in comparison with previous generations. Studies show that until 2015, 75% of the workforce will be comprised by generation Y (Bellu, Pascari, 2017).

How do candidates choose their employer?

According to a study named “The most wanted employers”, conducted by Catalyst Solutions, based on the results, among the top 5 priorities that candidates take into consideration when choosing a job, a pleasant work environment, salary package, benefits as well as promotion opportunities and training programs are among the most wanted criteria. The aim of this survey was to provide employers specific information regarding the target group, behaviors and candidates wishes. Based on the results, companies can efficiently develop their hiring strategy and Employer Branding.

Rob Markey, shows in an article for Harvard Business Review, the importance that the direct manager has on employee motivation and the quality of work environment (<https://www.managerexpress.ro/management/hr/patru-secrete-pentru-motivarea-angajatilor.html>). Therefore, he considers that the most successful heads are those who support their employees, supervise them, but also ask for feedback and keep in mind their employee’s concerns, because these aspects keep employees happy at work place.

2. The latest trends in benefits packages that influence the employees well-being

Most of the time, we believe that the salary is the most powerful instrument on employee motivation, but experts say otherwise. They claim that personalized wage packages are not a priority for employees anymore. Lately, employees prefer benefits that support the balance between personal and professional life. In this category we include: flexible work schedule, home office, restaurant discounts, special rates at certain hotels, special offers for purchasing certain vehicles, discounts on company’s products, personal development courses offered by employer, public merit recognition, words of thanks, appreciation, interesting and challenging work, the possibility to express creativity, friendly work place design, free parking places, free days for volunteering.

- ***Illustrative case: Atos IT Solutions and Services***

Atos is a European IT services corporation with its headquarters in Bezons, France and operated worldwide. Atos is focused on business technology that powers progress and helps organizations to create their firm of the future (<https://atos.net/ro/romania>).

For his employees, Atos offers: meal vouchers, private medical insurances, flexible work hours, work from home option, team trips, gym discounts, office massage sessions etc.

Home-Office Policy represents one of the most attractive benefits. It provides flexibility for employees and we, as a company, have the possibility to offer job opportunities all over the country, without requiring people to relocate but to offer the possibility to work from their homes.

Internal Recruitment Policy is dedicated to assist employees in achieving their professional goals, through internal promotion and lateral movements, in a fair and transparent manner. Internal First enables the all permanent employees working in Atos to apply for any open job across divisions/service lines, according to their professional goal and based on performance and skills. This keeps their motivation and engagement at high level and it’s a win-win situation for both employee and employer. There is flexibility and freedom in choosing their career path. It’s about creating a vibrant internal marketplace. The impact is positive: an efficient source of candidates, a truly efficient plan for career path for ATOS

employee. It developed a powerful culture/employer branding in Atos and created a strong connection between Training Programs, Career Path and Internal Opportunities.

Accolade combines public recognition and material award, which determinate the employees be more productive and increase their self-esteem. Based on it, any Atos employee, collaborator, stakeholder, regardless of position or role, can recommend any employee and publicly recognize his/her positive behavior and attitudes that reflect our business goals and values. It strengthens collaboration among colleagues and underlines recognition and excellence in our daily job.

Wellbeing work program- each month Atos organizes days full of activities, meant to maintain a balance between work and life. Atos organizes workshops that encourage healthy living as dancing, Yoga or Pilates classes, free talks about emotion, feelings management and about social acceptance. Moreover, it offers football, dance, fishing championships, meetings with Top management and encourage promotion of successful stories.

Atos has a wide range of learning opportunities within following areas: Technical skills, IT Processes, Security, Project management, Leadership, Soft skills, Foreign languages, covering over 15000 variety of content types such as e-learning, videos, articles, audio books.

- ***Benefits offered by Romanian employers***

In Romania, health insurances and wellness (health, crashes, life, mental health, dental insurances) occupy the second place among the top employee choices and are the most popular benefits provided by employers. Employees can choose their medical service provider and the employer will pay the expenditures (Ispas, 2017).

Courses for professional development (trainings, apprenticeship programs). In the category of professional development, employers can also include public speaking sessions, diction lessons, photography or design workshops or even massage or nutrition ones. In Romania, this category of benefits occupies the first place among the top employee preferences and the third place on the top of the most important benefits offered by employers in Romania.

Providing a flexible work schedule occupies the second place on the top concerns among Romanian employers and the third place on employees' preferences. Among these, vouchers and discounts at the company's partners, sports and relaxation facilities are popular in Romania. Besides the benefits presented above, we can also mention other ones that are offered by companies in Romania:

- Trust. Managers must demonstrate that they trust the employee's professionalism and therefore, provide them the opportunity to monitor their own activities and take some decisions by themselves.
- Representation of the organization. In order to feel appreciated, they must have the chance to represent the organization in some meetings or important events. Also, during the period in which the manager is not present at work, there is the possibility that one of the best employees from the team to replace the manager and to take over some of his/her attributions.
- Professional development. In order for employees to improve, they must continuously gain new abilities and competencies. Professional development is achieved through courses, trainings and the costs are covered by the company.
- Allotting of complex projects. In order to avoid monotony, it is necessary that the employees with potential to constantly solve professional challenges.
- The possibility to choose for themselves the projects that they will be part of. If they are offered this benefit, they will be certainly more satisfied.

- Employee involvement in decision-making process. In the context of a manager that will make a decision that implies the whole team, he must firstly discuss with “the wisest socio-cultural people in the team”.
- Assigning the responsibility of being part of the integration process of new team members. In this context, employees have the privilege of having the capacity to represent a model for their team members, validating their success.
- Promotion. When a vacant job is available in the company, for a superior position, the most important process is internal recruitment. Therefore, performant employees have the possibility to evolve professionally.

3. The digitalization effect on organizational culture

The digital era transforms the world around us. Digitalization is the process that consists of continuous transformation through innovation, creativity and technology. This process contributes to a company's way of thinking. Digital transformation produces important effects on the company because everything changes. A new culture and mentality is adopted; changes occur in the HR process, especially in the recruitment process and employee motivation, in the way of organizing and functioning of the company, etc.

In the study conducted by Accenture Technology Vision, it has been shown that the organizations that are open towards digital era, can offer their employees the possibility to develop their abilities in a way that contributes to meeting company's objectives and its success (https://www.accenture.com/t20180227T215953Z_w_/us-en/_acnmedia/Accenture/next-gen-7/tech-vision-2018/pdf/Accenture-TechVision-2018-Tech-Trends-Report.pdf).

Technological changes have a direct impact on companies regarding their competitiveness on the market. The best solution would be their orientation towards human resource, a strategy which will allow them to implement the new business models.

Currently, the HR managers are facing a series of challenges such as:

1. Retention of employees with high potential and of those with remarkable performances
2. Maintaining a high level of employee involvement
3. Creating of a new organizational culture that could represent an organizational competitive advantage
4. Creating and maintaining a learning environment that meets the development needs of employees, with the help of technology.

4. Good practices of employee motivation. A Romanian illustrative case

Most of the companies have abandoned the traditional way of performance evaluation because they do not want only a system that generates employee performance, but one that generates it. Therefore, this approach is more suitable for the employee's mentality, that are currently on the labor market, as well as the way in which companies change themselves in order to be part of digital economy. Companies promotion means finding a new decision-making system regarding salary increases and promotions.

Starting from this point of view, we conducted a research, in one of the top banks, about the implication impact of this organization in order to ensure its employee well-being by identifying the motivational factors that lead to the growth of job satisfaction. Organized on 3 main business lines: IMM, Corporate, Retail, the company is the only Romanian brand that is found in the rankings of Brand Finance Banking 500, the top of the most valuable word banks in 2018.

Our research was based on a questionnaire, structured on 4 sections:

- Job security, organizational climate and work conditions
- Communication, team work, harmony among colleagues and superiors' relations
- Development opportunities and professional development
- Financial and non-financial motivation

The survey was distributed among the company's employees from 3 branches in Timisoara. Most of them are between 31 and 40 years old (40%), are professional employees, with sense of responsibility, offering stability for the organization and are always willing to learn something new. Beside them, there are the employees of ages between 18 and 30, young ones, wanting a job that offers professional and personal development opportunities and also some employees that are over 40 years old, that have a vast experience in the domain.

From available organizational climate and work conditions point of view, employees perceive their place of work as being an organization that promotes values such as: fairness, trust, motivation and appreciation. These aspects provide them a sense of belonging and generates their loyalty. It is essential that we realize the fact that employees perceive being treated fairly because this generates trust and stability, which results in their motivation to work as professional as possible and be proud of the team in which they belong.

By offering a pleasant work environment, promoting team work, offering support in difficult situations, taking into consideration employee's professional and personal needs, this bank institution knows the importance of its employees in company's success. Therefore, besides flexible work time, public merit recognition, appreciation words, the possibility of professional development, elements that relate to non-financial motivation, employees appreciate direct financial benefits offered by the institution. Regarding this, we mention besides the salary, life insurances and wellness, development courses, bonuses/incentives, advantages/discounts on bank's products and services.

Even though there are employees dissatisfied by the stress at work due to the high number of clients and work volume, the overall conclusion is that the 3 branches perform at ensuring the well-being of its employees.

However, we came up with some motivational solutions that could reduce the effects of stress at work place, as:

- Designing spaces in which employees have the possibility to relax during lunch breaks or at a 5-minutes break.
- Different activities organized with employee's families
- Developing a software application that constantly investigates the C&B package, knowing that the needs change in time.

When all employees from an organization feel that they have a role and are valuable in the company, they will have a higher implication and dedication in achieving individual and organizational objectives.

5. Conclusions

It is hard to control and maintain a stable workforce. Organizations are facing changes generated by increased competition, mergers and acquisitions, shifting markets and changing employee demographics. Therefore, it is crucial for organization to make their strategies regarding the competitive and benefits plans in order to attract appropriate talent, maximize return on human capital and increase employees job satisfaction.

The variety of employee benefits offered today is immense. All these benefits are welcome for the employees because are the main reason to attract the most capable employees from the labor market.

The good news is that the companies know and make more and more a lot of efforts to assure all these.

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