

The importance of employee morale and how to fix It

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Introduction

A recent study reported that Sub-Saharan Africa had the lowest rate of employee engagement, with a shocking figure of only 62% (Craig, 2017). Employees are the backbone of a successful organisation. You can have the best strategy, the best policies but without the employees who are willing to execute these to the highest standard, this will not be recognised. *Employee morale* is a crucial aspect for both employers and employees. According to Shaban, Al-Zubi1, Ali and Alqotaish (2017), morale is a quality which involves feelings, emotions, attitude and perception towards the organisation and its members. When employees have positive morale, the following characteristics, discipline, confidence and willingness to perform.

There is a misunderstanding from some employers that directing resources towards employee well-being is costly to the company. Craig (2017), highlighted that the USA reported that [paid sick-leave days cost employers \\$160 billion annually](#), this seems like a large amount of money when looking at it from a surface level. However, by investing this amount of money into employee wellness decreases stress and health risks, saving employers money.

Craig (2017), states that “burned out employees are more likely to quit.” The cost of turnover becomes high as recruitment costs are heavy and doing this on an annual basis is not sustainable to the company. Retaining employees and improving their work and personal environment may seem like a heavy price to pay before the cost of constant replacement has been factored in. A study revealed that 25% workers who felt they had [no support structure for adequate work-life balance](#) made plans to quit in the following two years, compared to 17% of those who felt they had support (Craig, 2017).

This article will walk through what employee morale is and why it is important. The times that we are living in are a call for more support from employers. Yes, the focus of an organisation is to grow financially but this should not be placed ahead of employees’ wellbeing.

What is *employee morale*?

Employee morale explains the outlook, contentment and poise that employee’s feel at work. In the organisational concept, morale is an important factor which determines the performance of an organisation. Which means morale is said to create a positive attitude among employees and that will help to attain employee commitment (Morgan, 2002). When employees are affirmative about their environment and think that they can meet their most significant desires at work, employee morale is encouraging or elevated. On the other hand, if employees are unhappy about their work environment, a result can be poor performance.

Researchers have connected employee morale to job satisfaction, happiness and work-life balance but there has been no conclusive research that states which comes first or if one is dependent on the other.

Tiwari (2014), found that factors such as the relationship with the fellow workers, team spirit in the work environment, working conditions, leave days and holidays provided, management styles all come together to become employee morale. Nwachukwu (1992) found that job satisfaction entails the type of work, pay and promotion prospects within an organisation. Since job satisfaction and employee are closely tied, these factors result in positive employee morale.

What affects and causes low employee morale?

Shaban *et al* (2017), outlined various factors that affect employee morale. As employee morale includes areas such as feelings, attitude and the employees' perception towards the organisation, these are tied to the following factors:

Job insecurity and uncertain business conditions – Going to work with the uncertainty of whether or not your job is secure, may increase levels of anxiety. Anxiety may lead to low productivity and high absenteeism, which may eventually increase turnover (Lee & Liu, 2009).

Lack of fair compensation policy – An unfair pay structure in the organisation is likely to give rise to negative employee relations. Without this teamwork, will engagement will decrease as productivity Shaban *et al* (2017).

The effects of low employee morale

Employee morale is a big achievement for the organisation when it is achieved and when the employer pays attention to the needs of the employees. Two major areas are affected when employee morale is low according to Sauermann and Cohen (2008).

- Employee Turnover – Turnover happens when employees leave their jobs because they feel unhappy and have no incentives to stay. The negative effect of employee turnover is a major concern because of its great implication both on financial and on productivity levels. Financially, this means that the company has to hire new employees either with payment of higher salaries or by additional recruiting expenses. At the production level, the employees who leave will take with them the knowledge, skills and ability that helped contribute to the goals, profit and performance of the organization (Lee & Liu, 2009).
- Absenteeism - This is another costly indicator of low morale according to Abbot (2003). Unjustified absenteeism increases cost and decreases productivity. A famous quote regarding employee absenteeism is “dissatisfied employees who are discontented with their bosses can have a high price tag” (Abbot, 2003). Management should work on controlling the effects of low morale through the understanding of their employees' potentials and their core work processes, understanding their abilities, enriching employees' job and recognising their achievements (Ngambi, 2011). A simple appraisal, whether financial or not can go a long way when it comes to employee motivation.

- Productivity – Productivity can be defined as “the effective and efficient utilisation of all resources; material, labour, capital, information and time” (ILO, 2017). Low productivity is indicated through many signs which include poor quality of domestic outputs, lack of competitiveness of products in international markets, shortages of skills, low production technology, poor industrial relations, and poor human resource management. Research findings indicate that there is a link between motivation and productivity in the industrial sector. When an employee’s needs are met, it means that he derives satisfaction from the job and eventually, this creates a motivated employee (Nwasike, 1991).

How to improve employee morale

Boosting *employee morale* can be achieved in more ways than one can imagine. Ignoring the importance of employee morale, can not only put employees at risk but the organisation at large as well. Some methods to consider include:

- Keeping work hours reasonable. This can increase productivity (Craig 2017). A study in 2014 found that employees in Greece work an average of 42 hours a week. In the same year, German workers, who averaged a 28-hour workweek were [more reported to be more productive by 70%](#) (Craig, 2017).
- Shaban *et al* (2017), highlights some key areas that the Management team needs to focus on. Management should:
 - Ensure a positive work environment which encourages confidence, discipline, and willingness to perform the job in the best possible manner.
 - Work on strong and sustained compensation policies that bridge the gap between the payrolls of the employees.
 - Work on increasing productivity by increasing employees’ satisfaction through re-engineering systems and processes, providing education and training.
 - Encouraging practices that focus on learning of personal development competitive attitudes.
- Give employees the best benefits possible, and [create a recognition program](#). Send an email to publicly thank employees for their top performance, teamwork efforts, or going the extra mile. Treat employees to lunch for working overtime to complete a project. Do giveaways for tickets to an event or time off. Be creative and consistent with showing appreciation.
- Whenever possible, hire internally first. Promoting from within gives employees options to achieve their goals while staying with an organisation. This helps morale and retention rates. Strategies will take some time to boost morale. The key is to be genuine and truly care about the wellbeing of employees. Those who feel good about going to work, trust their leaders, and are optimistic about their future will have high morale.

Conclusion

Employee morale is a core aspect of an organisation’s success. Top management and business owners must pay close attention to this. When employees feel valued beyond the figures, they will value what

the organisation stands for. Remember, going to work is not a once-off task but most people spend a large part of their day at work. Even away from work, they think about and may do extra. This should then result in employees feeling engaged in what they do without too much pressure. A healthy employee is a happy employee and in turn, will produce the desired results.

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