

Employee morale: Everything you need to know

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Introduction

Morale is an employee's outlook toward different stakeholders of an entity and is a psychological state of affairs for contentment, poise and resolution. In organizational concept, morale is an important factor that determines the performance of an organization.

Employee morale will create a positive attitude among employees and that will help to attain organizational commitment and goals, hence morale determine the performance of an organization (Shaban et al., 2017).

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. Likewise, if employees are downbeat and discontented about their place of work and suffer a stumpy attitude and they cannot gratify their goals and needs.

Juliet and Bashiru (2014) also defined it as an intangible concept that refers to how positive and supportive a group feels toward the organization to which it belongs and the special feelings members of the group share with others, such as trust, self-worth, purpose, pride in one's achievement, and faith in the leadership and organizational success.

Similarly, Vasantham (2014) defines employee morale as the general level of confidence or optimism experienced by a person or a group of people, especially if it affects discipline and willingness. Also, morale is more influenced from the top-down (that is by leadership) than from the bottom up. High or low morale is not just made up of a single factor; it is a combination of related factors.

According to Kanimozhi and Vinothkumar (2018), high Morale will lead to enthusiasm among the workers for better performance. High Morale is needed as a manifestation of the employee's strength, dependability, pride, confidence and devotion.

Some of the advantages of high morale are:

- Willing cooperation towards objectives of the organization
- Loyalty to the organization and its leadership
- Good leadership
- Sound superior-subordinate relations
- A high degree of employee's interest in their job and organization
- Reduction in absenteeism and labour turnover
- Reduction in a grievance
- Reduction in industrial conflict
- Team building, employee empowerment.

The mental unrest not only hampers production but also leads to the ill health of the employees. Low Morale exists when doubt in suspicion are common and when individuals are depressed and discouraged. Such a situation will have the following adverse consequences: high rates of absenteeism and labour turnover, decreased quality, decreased productivity, excessive complaints and grievances, frustration among the workers, increased errors, accidents or injuries (Kanimozhi & Vinothkumar, 2018).

Importance of employee morale

A study by the Corporate Leadership Council in 2003 reveals managers have a tremendous impact on an employee's level of commitment. More than 70% of their commitment is based upon manager interaction (Nyamari Nyanganyi, 2017).

We have all probably endured at least one manager in our career with less than desirable characteristics that have frustrated us or did not make us feel valued. Unfortunately, these disconnect yields thousands of hours of lost productivity and results in employees feeling disconnected from their daily work and the organization as a whole. In turn, managers should be viewed as intricate when measuring employee satisfaction.

Improving morale is good for business. The Gallup Organization estimates there are 22 million actively disengaged employees costing the American economy up to \$350 billion per year in lost productivity, including absence, illness, and other problems that result when workers are

unhappy at work (Nyamari Nyanganyi, 2017).

Leaders who keep their employees involved, engaged, and connected are ultimately improving business performance through their people. Employees want to believe their ideas are being heard and want to feel empowered to make decisions and changes in the workplace. Taking time to build relationships with employees through personal interactions is a key step manager can take to keep morale high.

Factors affecting employee morale

Employee morale includes a few distinct areas, for example, satisfaction with pay, advancement opportunities, incidental advantages, job security, and the significance of the job (Nguyen, Taylor, & Bradley, cited in Rahman, Akhter & Khan, 2017).

Past researches for the most part found that employee morale is connected with pay, work-related anxiety, strengthening, organization and company policy, accomplishment, self-awareness, association with others, and the general working state. It has been claimed that an expansion in work fulfilment expands the productivity of member of staff (Shikdar & Das, cited in Rahman, Akhter & Khan, 2017).

The variables that are primary drivers for employee morale are expensive to an institution, as they could prompt low assurance, poor execution, lower efficiency, and higher expenses of procuring, maintenance, and training (Rahman, Akhter & Khan, 2017). Factors such as salary, the labour itself, administration, associations with colleagues, and prospects for advancements have been found to add to employee morale (Rahman, Akhter & Khan, 2017).

As far as job-related attributes, pay is likely the most generally explored associate. Rahman, Akhter and Khan (2017) discovered that salary is an essential factor of both work fulfilment and pleasure with salary. Salary or wage and hours of work have been found to affect employee morale.

To satisfy and increase the performance of employees, improving working conditions,

management support, and a better reward system can play a key role. Tariq, Ramzan, and Riaz (2013) stated that workload, wages, stress at jobs, and family conflicts arise due to job dissatisfaction among the employees and results in higher turnover within the organization. Raziq and Maulabakhsh (2015) also determined that working conditions, career growth opportunities, and developments are the key players in the employee morale and motivation of employees.

Improving employee morale

- **Monetary Methods of Improving Morale**

Van Heerden (2019) explain that many studies have shown that for employees with satisfactory salaries, financial reward only provides a short-term boost in morale and energy. However, the passive impact cannot be seen over a more extended period. In a struggling economic situation, it is essential to balance employee performance and financial investment in improving employee morale and engagement.

Dewhurst et al. cited in Van Heerden (2019) also explain that, during the June 2009 quarterly survey of employees, it was found that the following three items were the most effective monetary reward methods: stock options, cash bonuses, and an increase in base pay. These were compared to the top three non-monetary reward methods, namely: praise from immediate managers, leadership attention, and an opportunity to lead projects or task forces.

The non-monetary reward methods caused employees to feel that their company valued them, where their well-being was a priority, with the company endeavouring to create career growth opportunities.

Baehr & Renck cited in Van Heerden (2019) state that in an actively growing economy, the satisfaction derived from monetary encouragement would be de-emphasised, or taken for granted. In comparison to a higher need according to the Maslow scale, such as self-esteem and status will have a more significant impact, where in times of economic depression, financial needs are likely to be prominent.

- **Non-Monetary Methods of Improving Morale**

Various industries have successfully utilised training as a method of improving employee

morale. The first case study was conducted for a chain of luxury hotels implementing a targeted management training programme (Pollitt, cited in Van Heerden, 2019).

The programme reduced staff turnover from more than 80 to below 30%. This significantly reduced recruitment costs and resulted in savings that were more than double their expectations. As a result, the hotel did well, without cutting room pricing during financial problems within the sector, where the majority of competing hotels were required to minimise room prices.

The case study conducted in the Lancashire County Council found the employees' relationship with their managers to be crucial to ensuring good morale in the organisation (McPherson, cited in Van Heerden, 2019). Employees need to get along with the managers, trust their managers, and feel valued. If this is in place, daily pressures will not negatively affect them.

Conclusion

When employees are affirmative about their environment and think that they can meet their most significant desires at work, employee morale is enhanced or elevated. Likewise, if employees are downbeat and discontented about their place of work they cannot gratify their goals and needs including those of the organisation they work for.

Therefore, it could be concluded that Morale is one of the factors which is measuring the bad or good performance of an organization. However, it is affected by several factors ranging from salary and prospects for advancements to the labour itself and associations with colleagues. These factors must be addressed by providing good working conditions and satisfying the wants and needs of the workers including rewards and recognition.

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