



## Management of Motivation and Stimulation of Labor and its Impact on the Efficiency of the Financial Activities of the Enterprise

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**Received date:** 29 August, 2022, Manuscript No. JDSRM-22-74039;

**Editor assigned date:** 01 September, 2022, Pre QC No. JDSRM-22-74039 (PQ)

**Reviewed date:** 15 September, 2022, QC No. JDSRM-22-74039;

**Revised date:** 22 September, 2022, Manuscript No. JDSRM-22-74039 (R)

**Published date:** 29 September, 2022, DOI: 10.4172/ 2324-9315.1000161

### Abstract

The article such categories in personnel management as motivation and stimulation of labor activity are viewed. Concepts, the basic conceptions are given, the aim of activity on motivation and stimulation is grounded, the mechanisms of formation of motivation, the types of workers, the role of managing motivation and stimulation are also grounded words: Motivation, stimulation, labor activity, worker, manager, economic efficiency, aims of motivation and stimulation, mechanism of formation of motivation, methods of stimulation, interaction of motivation and stimulation.

**Keywords:** Motivation; Stimulation; Labor activity; Employee; Manager; Economic efficiency; Goals of motivation and stimulation; The mechanism of formation of motivation; Methods of stimulation; The relationship between motivation and stimulation

### Introduction

Currently, there are signs of degassing in the world in China. For many work has become a means of survival. What kind of efficient and highly productive work, what kind of growth in the qualifications and initiative of workers can we talk about in this case?

Therefore, at the moment, the management of staff motivation to work in any organization comes to the fore. It should be borne in mind that the management of motivation to work is one of the most difficult aspects of managing people in organizations. Nowadays, the concept of motivation remains vague not only among practicing managers, but also among management theorists, despite the fact that motivation as a direction of management theory has been developing for a long time and is supported by extensive research both abroad and in China. Motivation of personnel is the main means of ensuring the rational and optimal use of resources, the effective use of existing human resources. The main goal of the motivation process is to achieve

maximum return on the use of existing labor and professional potential. And this in turn allows you to increase the overall performance and profitability of the organization or enterprise [1].

### What is Motivation?

From the classical point of view in management, definition is the process of encouraging oneself and other people to act in order to achieve certain personal goals or the general goals of an organization. Motivation is the process of encouraging employees to work actively to meet their own needs and interests, combined with the achievement of the goals of the organization. Motivation is a set of persistent motives determined by the nature of the person, her value orientation by the activities guiding her. With regard to work, this is the desire of the employee to satisfy his needs for certain benefits through work aimed at achieving the goals of the organization. Here, an employee is understood as an employee as a link in the structure of an organization. Motivation is a set of internal and external driving forces that induce a person to activity, setting boundaries, forms, degree of activity intensity, level of effort, conscientiousness, persistence and giving it direction, orientation towards achieving certain goals. In this paper we will consider labor motivation as a certain process of employees' satisfaction of their personal needs and expectations in their chosen work, carried out as a result of the implementation of goals agreed with the goals and objectives of the organization and at the same time as a set of specific measures applied by the enterprise management to improve efficiency. Labor of workers, improving the quality of final results.

Before talking about managing staff motivation and incentives, need to define the goals of these processes. Here we also encounter the interests of the parties-the employer and the employee. For the employer, the purpose of managing the motivation and incentives of employees is the economic efficiency of the organization, the achievement of certain results, mainly financial. For the employee, the goal of motivation and stimulation is the achievement of certain social and significant benefits for him. The economic efficiency of an organization is determined by the quantity and quality of labor that the employees of the organization agree to provide or spend, which is possible in the presence of social benefits and therefore a certain level of social efficiency. Social efficiency can be achieved when the organization is in a stable economic position and makes a profit that allows it to solve social problems, to meet the interests and expectations of employees. Thus, the management of personnel motivation and incentives is one of the components of the effectiveness of personnel management, which is understood as the ratio of the degree of achievement of the goals of the organization and the goals of employees with personnel costs. The relevance of the topic under consideration lies in the fact that the problems of personnel motivation are widely considered today in the scientific and journalistic literature. But as a rule, attempts to adapt the classical theories of motivation to modern conditions are largely not systematized, which greatly complicates the practical use of technologies and methods of motivation. The complexity of the practical organization of a certain system of personnel motivation is also determined by the poor knowledge of the features of the motivation of modern workers employed in certain sectors of the economy and types of production, because the aspirational of an employee in agricultural sectors differ from the motives of a scientist. The purpose of this article is to develop proposals for improving the

system of motivation and stimulation of labor in the organization. The realization of this goal required the solution of the following research tasks:

- Studying the issues of labor motivation in a modern organization
- Study of the main theories of motivation
- Analysis of the existing practice of motivation and stimulation of labor
- Development of ways to improve staff motivation

## **The Role and Importance of Staff Motivation in the Work of the Enterprise**

The motivation of employees in the organization occupies one of the main places in the personnel management system, since it is she who acts as a specific reason for their behavior. Creation of conditions for the orientation of employees towards achieving the goals of the organization, combining the interests of each employee and the organization as a whole is the main task of personnel management. Changes in the content of labor, an increase in the level of education and qualifications, social and other expectations of workers enhance the importance of motivation as a function of management, and at the same time complicates the content of this type of management activity. Currently, for the effective operation of an organization, qualified, proactive and responsible workers, highly organized individuals striving for labor and personal self-realization are required. Such qualities in modern conditions are obviously difficult to provide with the help of existing traditional forms of material incentives and strict external control, wages and punishments. Only those people who understand the meaning of their activities and strive to achieve both their personal goals and the goals of the entire organization can expect to receive high results. The formation of such workers is the task of motivational management [2].

The problem of staff motivation and incentives is now widely considered in scientific and journalistic literature. Recently, a significant number of publications of economic works and works of a fundamental (theoretical) and applied nature, devoted to this topic, have appeared.

In the process of activity, any organization must face vital questions:

How to encourage employees to work conscientiously, efficiently, energetically, proactively, direct the energy of employees to achieve the strategic goals of the organization, how to interest them?

Why, under the same conditions, one employee works with interest and pleasure, while the other constantly complains and is dissatisfied with something?

Why is it enough to praise one employee to get a high and high-quality work result, while another needs to pay more?

What drives the employee and prompts him to be active?

It is an obvious fact that human behavior is always motivated. Motivating employees means affecting their personal interests needs for something. Motivation disorders can have a variety of causes, which are rooted in interpersonal conflicts between employees.

The experience of successful companies shows that there is no reason why it is impossible to create a system that makes the majority of employees feel like winners.

Such organizations achieve significant results in encouraging dozens and even hundreds of people to commit to active work and a tendency to constant innovation.

Currently, no one doubts that the most important resource of any organization is its employees-human capital.

Knowing the structure of labor motivation of employees, it is possible to more accurately predict which forms of incentives will be most effective for a particular category of personnel in the organization.

## **The main tasks of staff motivation**

Let's take a closer look at each of the tasks.

- Attracting personnel to the organization. Organizations compete with each other in the labor market to attract the human resources they need to achieve strategic objectives. In this sense, the motivation system should be competitive in relation to the category of workers required by the organization.
- Keeping employees in the organization and ensuring their loyalty. When an organizations' remuneration does not match what the market has to offer, employees may start to leave. To avoid the loss of employees, for the professional training and development of which the organization has spent certain funds and which are a valuable resource, managers must ensure the competitiveness of the motivation system. It should be noted that one of the main factors affecting employee retention in an organization is job satisfaction. The factors that determine job satisfaction are: The content of the job; profession; payment; career opportunities; leadership (a leader's ability to provide both technical and moral support; a good personal relationship with the leader); co- workers (the degree of technical literacy of co-workers and the level of their social support); working conditions. It is obvious that the deficit of some (or several) factors can be partially (only partially) compensated for by others.
- Stimulating productive behavior. By recruiting and retaining potentially strong employees, the manager needs to take care of increasing the effectiveness and efficiency of their activities.
- Speaking about the effectiveness of employees, in addition to monitoring the daily performance of assigned duties, it is necessary to consider the employee's contribution to achieving the goals of the organization. It is possible to link the goals of the organization and the tasks that are set for the employee using the goal-based management system.
- From the point of view of efficiency, it is necessary to encourage, first of all, the correct actions of the employee aimed at achieving the goals of the organization and meeting the quality requirements. The correct actions that the organization expects from the employee must be known to him in the form of the assigned job responsibilities.
- Control over labor costs. A well-thought-out incentive system allows an organization to monitor and effectively manage labor costs while ensuring that the right people are available.
- Administrative efficiency and simplicity. The motivation system should be well understood by each employee and easy to administer, not require significant material and labor resources to ensure its smooth functioning [3].

## The main elements of the personnel motivation system

The main elements of the motivation system are needs, motives and incentives. Both of these types of motivation should not be opposed, but correctly combined.

An important element of the incentive process is incentive. This is a kind of leverage over motives. By themselves, stimuli cannot cause an action on the part of a person; they can only become a kind of "catalyst" of activity, which, in turn, is already determined by the motivational structure of the personality. Therefore, the effectiveness of incentives is due to the specifics of a particular individual. Consider the motivational models that have developed at the moment in modern management theories.

Only a well-developed motivation model, taking into account the accumulated knowledge from the field of psychology, management, management theory, etc., will be able to function effectively and encourage both the team and a specific individual to achieve corporate goals.

Any motivation model includes incentive models. In theory and practice of management, there is no ideal multifactorial and multivariate incentive model that would meet all possible requirements. However, there are popular models that differ in focus and effectiveness. The following models are widely used:

- Carrot and stick
- Primary and secondary needs; internal and external remuneration; textured incentive model
- Justice
- Expectations
- Social justice, etc.

Meaningful theories of motivation are based on the identification of those internal urges (called needs) that cause people to act this way and not otherwise. A prerequisite for the emergence of meaningful theories of motivation was the realization by managers of some "illogical" behavior of subordinates. The most significant in the theory of Maslow, as well as other researchers in this direction, was the selection of primary and secondary needs in the human incentive system. That is, an attempt was made to create some kind of unified scheme of the hierarchy of motives in human behavior, to realize why a person, feeling several needs at once, satisfies them in a certain sequence [4].

## The main methods of motivating and stimulating the work of personnel at the enterprise

Management (regulatory) influences form the basis of motivation management methods. By the nature of the influence on the behavior of people, all influences can be divided into two groups: the first group defines passive influences that do not directly affect employees, but created in the form of conditions that regulate behavior in the team (norms, rules, behavior, etc.); the second group-active influences on specific employees and the team as a whole.

### Classification of motivation methods

Consider what can be attributed to each of the classification groups

Economic methods of motivation are based on the fact that as a result of their application, people receive certain benefits (direct or indirect) that increase their financial situation.

Direct economic motivation takes the following forms: basic wages (monetary measure of the cost of labor);

Additional remuneration (taking into account the complexity and qualifications of work, combination of professions, excess work, social guarantees of the enterprise);

Remuneration (determines the individual contribution of employees to the final results of production in specific periods);

Bonus (connects the results of the work of each structural unit of the organization and the employee with the main criterion for the successful operation of the enterprise-profit);

Various types of payments (for example, travel to the place of work and around the city; progressive payments for seniority; payments of several official salaries upon retirement, etc.) Of course, a large role is assigned to the motivational mechanism of remuneration, but a constant increase in the level of remuneration still does not help to maintain labor activity at the proper level and to increase labor productivity. The application of this method is useful for achieving short-term increases in labor productivity. As a result, there is a certain "addiction" to this type of exposure. Exposing workers to monetary methods alone cannot lead to a constant rise in the level of labor productivity.

Indirect economic motivation includes:

- Provision of a company car for use
- Use of social institutions of the organization
- Use of holiday homes, children's health camps (for employees' children) on preferential vouchers provision on preferential terms of places in preschool institutions; purchase of products manufactured by the organization at prices lower than selling prices, etc.

## Organizational Motivation Methods Include

Motivation by goals (interesting goals)

Motivation by enriching the content of the work (providing interesting, diverse and socially significant work, with broad prospects for professional and job growth, increasing the independence and responsibility of the employee);

motivation by participation in the affairs of the organization (giving employees the right to vote in solving a number of problems, involving them in the process of collective creativity, real delegation of rights and responsibilities to them).

Moral psychological methods of stimulation include the following basic elements. Creation of conditions under which people would experience professional satisfaction for their involvement in the assigned work, personal responsibility for its results. The presence of a "call", *i.e.* providing an opportunity for everyone in their workplace to show their personal abilities, to better cope with the task, to feel their importance. To do this, the task must contain at times the optimal share of risk and a chance to succeed [5].

In modern management, more and more attention is paid to the corporate culture of the enterprise as one of the most important motivational incentives for personnel. Corporate (organizational) culture is a set of ideas, views, values shared by all members of one organization, which gives people guidelines for their behavior and actions. Several factors influence its formation. As a rule, it is the nature and views of the director of the enterprise that determine the style of relations between employees. In organizational culture, the

management of the enterprises most interested in the mechanism of its influence on the behavior and work of the organization's members. Recent research in the field of management shows that organizations with a strong corporate culture achieve great results in the use of human capital. One of the main tasks of a manager is to manage the process of motivation so that his behavior contributes to the achievement of the company's goals.

Leaders should always be aware of the need to constantly encourage people to work for the firm, but at the same time they often believe that for this, a simple material reward is enough. Sometimes this policy is successful, but in essence it is not correct. People working in modern organizations are usually much more educated and well-off, their needs are higher in comparison with the past, therefore the motives of their labor activity are more complex and difficult to influence. There is no single recipe for developing a mechanism for effectively motivating employees to work. The effectiveness of motivation, like other problems in management, is always associated with a specific situation.

Note that it is always necessary to keep in mind that the listed organizational and moral-psychological methods motivate differently depending on the length of time in office, and after 5 years none of them may no longer provide adequate motivation, and job satisfaction decreases. Based on the generalization of practical experience in the field of motivation, a number of requirements for the organization of labor incentives have been determined:

**Complexity:** Implies the unity of moral and material collective and individual incentives, the value of which depends on the system of approaches to personnel management, experience and traditions of organizations.

**Differentiation:** Means an individual approach to stimulating different layers and groups of workers.

**Flexibility and efficiency:** Are manifested in the constant revision of incentives, depending on the changes taking place in society and the team.

**Accessibility:** Assumes that every incentive should be available to all workers. Perceptibility, that is, the presence of a threshold for the effectiveness of the stimulus, which differs significantly in different groups.

**Gradualness:** Assumes that material incentives are constantly being corrected upward, which must be taken into account. Minimizing the gap between the result of work and its payment (for example, weekly wages, and introduction of a system of advances).

Next, we will consider the most methods for stimulating personnel in enterprises. A stimulus can be defined as an expression of a purposeful external influence that determines an incentive for certain behavior. The term "expression" refers to a certain material or non-material formation, with the help of which external influence is exerted [6].

## Classification of incentives

The concept of "stimulation" characterizes the direct application of stimuli. Stimulation is defined as a purposeful external influence on the employee's motivational process, which enhances the incentive to behave in accordance with the goals of the subject of management. Labor incentives are effective only when managers know how to achieve and maintain the level of work for which they are paid. "The

purpose of incentives is not to induce a person to work at all, but to induce him to do better what is conditioned by the labor relationship." To build motivation systems suitable for practical use by managers, the following elements can be proposed: material incentives; career and professional growth; recognition of achievements; optimization of corporate culture. The level of remuneration (including bonuses and benefits) is the most important factor for employees, which affects the productivity and loyalty of people. The following types of material incentives are used at food

### Industry enterprises wage

- The main part is a fixed salary (paid in full, provided that there are no gross violations of labor duties).
- An additional part, which includes: monthly premiums; premiums for professional excellence; additional payments (for work at night, on weekends and holidays, for overtime work); payment of a part-time job; additional payments to nursing mothers; additional payments for department/team management; compensation for unused vacation; additional payments to young specialists; surcharges for the use of personal vehicles, etc.

Bonuses are one-time payments, the size of which (10% to 50% of the basic salary) depends on: Length of service; the size of the salary; general results of the department's work; personal contribution of each employee. In addition to the above, the following types of bonuses are applied: Annual, for absence of absenteeism, for individual merits, for length of service and targeted. Profit sharing is a type of incentive that applies to top managers and salespeople (since their work affects the profitability of the enterprise as a whole). Depending on the financial success of the enterprise, a trust fund is formed (to which a percentage of the profit is deducted). The amount of remuneration (set as a percentage of the basic salary) depends on the level that these employees occupy in the company hierarchy. Additional payments for the personnel of sales and sales departments are a tool that is designed to stimulate employees to search for new markets for the company's products, ways to maximize profits. These include payments that compensate for the personal expenses of employees, only indirectly related to work. For example, some companies reimburse travel expenses, not only for the employee himself, but also for his spouse.

The decision to increase the salary of an employee is made by his immediate supervisor (an important conditions the absence of disciplinary sanctions). Linking the wage level to the "life peaks" of the employee (for example, graduating from university, getting a job, getting married, having a child, renting or buying a house, etc.). Each significant event in a person's life, as a rule, is accompanied by an increase in costs. If, at the same time, his expenses significantly exceed income, this can lead to a decrease in labor productivity, which, in turn, will adversely affect the financial results of the organization. HR professionals need to carefully monitor all the "peaks" in the life of each employee.

The decision on additional incentive payments in connection with the changed life circumstances is made by the direct manager together with the employees of the personnel department. Since the organizations employ employees of different ages and qualifications, who are at different stages of their careers, it is necessary that the motivation system includes a set of various tools. For example: the designer is more interested in the high quality and manufacturability of the product or technology he is developing; top manager-the prestige of the organization, its position in the market and his participation in the profit of the enterprise, etc.



The main needs of specialists at the stage of their career formation (25-30 years old) are: Self-affirmation, achievement of independence and a level of remuneration that ensures a full life. Of course, over time, the priority of needs changes: Health, high wages and opportunities for self-expression, stability and safety become more important. In this case, the use of unified corporate motivation tools will no longer provide high management efficiency. Another important element of the motivation system is the subsystem of professional and career growth. The main tools here are targeted work to create a talent pool and career planning.

Career planning begins with a joint discussion and agreement between the manager and the employee of some career expectations. The manager needs to understand who the employees want to see themselves after a certain time (for example, after 2-3-5 years), what areas seem to be the most promising for him. It is necessary to give the employee a clear and concrete understanding of what knowledge, skills and competencies he needs to have as a promising applicant for the proposed position. In order to determine and understand what exactly the employee is lacking now, where the area of his improvement lies, it is necessary to assess or certify personnel. Here, the work on creating a "career tree" intersects with the issues of personnel training and development.

At this stage, the readiness of the employee for training and participation in various projects, related areas is discussed, which is very important from the point of view of his development. Such an approach should demonstrate to the employee the firm's interest, its attention to the issues of possible growth of concern to the employee. At the same time, it should be remembered that it is necessary to minimize the risks associated with overestimated employee expectations, which are not supported by anything. At the same time, a system of work with a personnel reserve should be developed, which includes mechanisms for selecting promising, promising employees.

Assessment of personnel, and drawing up individual plans with their subsequent implementation are for the employee a confirmation of his possible potential. The management should represent the direction of the possible development of the company in relation to career prospects and employee requests-for example, what vacancies may appear, when, where and how the company will grow and what new requirements will arise for employees in the future, in accordance with the chosen strategy and goals development of the company [7].

The third element of the motivation system is the recognition of achievements. Work on this block should include: development of criteria for the achievements of employees; choice of communication channels for broad information about the achievements of employees.

Intangible incentives include: awards-gratitude: pennants, diplomas, titles "best in the profession", "leader of the year", "manager of the year". It is obligatory to present a badge and a valuable gift, a written gratitude to the administration, entered in the work book. Even a compliment to an employee can be seen as a form of reward; rewards associated with a high assessment of the employee's status, inviting an employee as, for example, a lecturer, advisor, etc. The final link in the chain of actions to build a motivation system is constant attention and control of the company's corporate culture. Consequently, in practice, the construction of a motivation system provides for attention to the four main points, but is not completely exhausted by them. The success of motivation is determined by an integrated approach to it, based on a deep and comprehensive study of

the state of affairs in the company and the motivational structure of the behavior of its personnel.

### **Let's make a conclusion**

A person carries out his actions in accordance with the impact on him of the totality of many external and internal forces and influences in relation to him. The complex of this effect is called motivation; it causes far from the same reaction in different people. Therefore, it is almost impossible to describe unambiguously the process of motivation. At the same time, based on empirical research, several concepts were developed that describe the main factors affecting the motivation and content of this process [8].

In modern management, an active search and revision of the classical theories of motivation is being carried out in order to adapt them to the modern structure of needs with greater reliability. The use of various new forms and methods of incentives will allow the administration of the organization to form effective motivation of personnel for the most productive activities, which, in turn, will contribute not only to the normal functioning, but also to the development and evolution of the company. Therefore, all production and economic activities of the organization largely depends on the correct organization of financial and managerial work in the company. The success of any enterprise largely depends on how fully and accurately the real state of affairs in the field of management has been analyzed and evaluated. Economic transformations presuppose the establishment of such economic conditions when employees get a real opportunity to show their initiative and so that these conditions awaken their interest in active labor activity. Currently, the need to solve the problems of the interest of each person in high-quality and creative work for the benefit of both his enterprise and society as a whole is coming to the fore. Motivation in personnel management refers to the process of activating the motives of employees (internal motivation) and creating incentives (external motivation) to motivate them to work more efficiently. The goal of motivation is always to create conditions that encourage people to take actions aimed at achieving the goal with maximum return and maximum effect.

### **Motivation and Stimulation of Retail Workers in China**

In modern times, the motivation of workers' work is an action in which the worker effectively and consciously fully realizes the abilities in order to perform the main work, or over fulfill the obligations to carry out the work. The factor of influence of labor motivation on workers can be divided into economic, cultural and spiritual factors. Every competent leader must understand that the effective work of the enterprise completely depends on the effective work of each link of the enterprise, which in due time depends on the work done by each employee. That is why the motivating factor is very important in the work of the enterprise.

### **Theoretical and methodological foundations of the study of motivation and stimulation of labor**

Some of the workers either have leadership that motivates them, or they do not have leadership that has their own goals to fulfill an object or intrinsic value, that is, to get enough. Retail trade is a type of entrepreneurial activity in the field of trade associated with the sale of goods directly to the consumer for personal, household, family, home

use this is how modern legislation defines retail trade. There are the following forms of retail trade: Supermarket, hypermarket, supermarket, department store, online store, discounter, "home store", etc. The desire of an employee to satisfy needs (to receive certain benefits) through work is the motivation of work. The structure of the labor motive includes: the need that the employee wants to satisfy; a good that can satisfy this need; labor action required to obtain the good; price-costs of a material and moral nature associated with the implementation of a labor action [9].

Motivation of workers' work is an action in which the worker effectively and consciously fully realizes the abilities in order to perform the main work, or over fulfill the obligations to carry out work. The factor influencing the motivation of workers' work can be divided into economic, cultural and spiritual factors. This article has a comprehensive analysis. Labor stimulation is a method of influencing the labor behavior of an employee.

Labor stimulation is based mainly on material means of remuneration, incentives and sanctions, in the role of which is wages. Based on this definition, labor stimulation is a purposeful or non-purposeful impact on a person or a group of people in order to maintain certain characteristics of their labor behavior and, above all, measures of labor activity. When stimulated, the motivation to work occurs through the satisfaction of various needs of the individual, which is a reward for labor efforts. The most popular stimulation effects are differential and non-differential. Let's take a closer look at each of them differential effect.

One stimulus affects different aspects, with different degrees. Non differential effect - A full-fledged job is achieved under the influence of one incentive, for example, remuneration.

The main functions of incentives are: economic function-an increase in labor activity as a result of incentives leads to an increase in productivity, an increase in the organization's income and a decrease in costs; moral function-under the influence of external stimulating influence, a person develops an active life position; social function-external stimuli are able to increase the well-being of a person and change his social status; moral and psychological function-stimulation leads to the satisfaction of a person's needs for involvement, friendship, respect and self-realization.

Types of incentives: Proportional incentives-the initially established measure of incentive grows in proportion to the growth of the employee's labor achievements. Progressive incentives-the growth rate of the incentive outstrips the growth rate of labor achievements. Regressive incentives - the growth rate of incentive lags behind the growth rate of labor achievements. Negative incentives-based on coercing a person with fines, a system of deprivation of bonuses, sanctions, disciplinary sanctions. Positive incentives-implemented by increasing salaries, establishing incentive bonuses and bonuses. Operational incentives-provided through regular payments of wages, bonuses. Long-term incentives-based on such motivational tools as participation in a non-state pension scheme or option incentives.

### Material motivation for work

The main idea of material motivation is to reward employees with financial rewards. There are several main types of material incentives:

- Raising wages
- Premiums and additional fees Percentage of sales

- Vacation pay
- Payment in case of temporary loss of performance Contributions to pension and social funds

Some types of material incentives are provided for at the legislative level, such as sick leave payments or paid leave. As for salaries and the system of additional payments, which may actually not be spelled out anywhere, it all depends on the employer, who decides to reward his employees or not. The most common and effective way of material motivation is to increase wages. For greater dedication of the employee, the increase in salary must be significant. Many managers increase their salaries by an insignificant amount once a year, but for greater motivation it is better to once, but noticeably increase the salaries of employees. Unfortunately, this method may not always motivate the employee properly. Usually, the manager does not go on his own to rise wages, as a rule, this is the object of blackmail from the side of the employee, who threatens to quit. Often, such a salary increase bears fruit, but in this case it cannot be significantly increased, just for the reason that soon the employee will again show dissatisfaction with his salary. Another common way of material incentives is monthly and quarterly bonuses, as well as a seniority bonus. Many Chinese companies practice the so-called "surprise bonus", which an employee receives spontaneously for any success. Such leaders believe that such spontaneous rewards should motivate employees more strongly, but in reality this is not the case. Receiving such remuneration, the employee does not understand in which case he will be rewarded, and in which case not. Therefore, my opinion is that this method is not ideal, because it is better to inform the employee for what merits he will be rewarded, which more motivates him to get the job done [10].

In my opinion, the most motivating way is the bonuses used in the trade and the provision of various services. This is the employee's remuneration as a percentage of his earnings. The advantage of this method is that the employee's earnings do not have clear boundaries, but directly depends on his professionalism. Therefore, the employee can only rely on himself, and will work many times harder. But still, I want to note that not only monetary rewards can motivate employees, since every person has his own life values. Material incentives are calculated on the basis of the results of the work performed and can vary even among people occupying the same official position, which cannot have a positive effect on team cohesion. In many cases, some kind of moral compensation is simply necessary, in the role of which are methods of non-material incentives, which I will discuss in more detail.

### Analysis of the features of labor motivation in retail trade in China

Retail trade is one of the most important spheres of providing for the population. It mediates the implementation of the market agreement of product supply and consumer demand. As a source of income, trade thereby forms the basis of the financial stability of the state. Retail trade is a commodity exchange process aimed at satisfying the needs of people through the free sale of goods and services that are of value to them.

During the period of market transformations, it has undergone fundamental changes. In particular, such a form of retail trade as chain retail stores has become widespread.

The state of retail in China today can be defined as competition in three main areas:

- Between forms of customer service (e.g. advanced self-service stores versus outdated grocery stores)
- Between manufacturers and resellers (the appearance at factories and factories of their own retail stores under the manufacturer's trademark)
- In new markets (firms strive to establish themselves in the global market)

In the PRC, retail trade is one of the main types of commercial activity, but far from the easiest. After all, a small entrepreneur will have to work hard to compete with large companies. Retail trade has long played an important role in business activities. The main indicator in the retail trade is the turnover. By forms of ownership, retail trade is subdivided into:

- State
- The collective
- Joint
- Private
- Mixed

Unlike wholesale, products purchased in the retail system are not subject to further resale, but are intended only for use. In the PRC, the relationship between the seller and the buyer is regulated by a special law. Just like in Russia, such a law is called the Consumer Protection Law. The dominant position in the market belongs to the buyer, not the seller. The purpose of retail is to meet the needs of the customer. There are several types of retailers:

- Stores
- Warehouse shops
- Pavilions and tents
- Movable points of sale
- Markets

The retailer is also divided according to the offered assortment:

- Specialization (specific product, one group)
- Specialized (goods of two or three groups)
- Universal (food or non-food)
- Combined (goods of different groups)
- Mixed (food and non-food)

There is a division by the size of trading floors: 1. small up to 250 m<sup>2</sup>

- 2. medium 251-1000 m<sup>2</sup>
- 3. large 1000-5000 m<sup>2</sup>
- 4. Extralarge over 5000 m<sup>2</sup>
- The dissertation examines the Better Life retailer. "Better Life" refers to a type of mixed-range supermarket store.

### Characteristics of the object

The object of the research is an employee working in the retail sector, that is, in my dissertation, the object of research is an employee of the Better Life Company.

Better Life is the fifth largest retail chain in Hunan. It was founded by Chinese entrepreneur Wantan in 1995 in Xiangtan City, Hunan Province. At first he specialized in food products, but later expanded their assortment. The company includes various trading platforms: retail (supermarket), electronics and appliances, department stores, pharmacies and many others. The assortment of goods sold in stores is designed for a wide range of buyers. The product range is not limited to the food industry; there are household appliances, manufactured goods, textiles and footwear, etc.

### Company structure

The name of the company was already based on its philosophy, because Better Life means "better life". The philosophy of the company is to meet the needs of customers such as:

- Quality of goods
- Low prices
- Quality service
- Individual approach to each client
- Convenient location and work schedule
- The possibility of ordering goods on the Internet, delivery of goods

### The main rules of the company

- The slogan of the company is - we create a better life, savings in every purchase.
- The main motto we are one team, together we will come to success.
- Enterprise spirit every employee must have dedication to work, diligence, collaborate with the team and come up with new ideas.
- The essence of management is a guarantee of customer satisfaction.
- Key values are to love family and strive for excellence. By following all these rules, Better Life could gain a foothold at the top of the retail trade and win the trust of many people, thereby gaining loyal customers

The company operates according to a very simple principle of "market trades", harmoniously maintaining a balance between buyer-manufacturer, manufacturer-seller, seller-buyer. Seller-increases the volume of sales of goods. The state-gets an executive taxpayer in the person of the company.

Mostly local products are sold, about 95% of the products ordered from 20 thousand different suppliers. Better Life is trying to popularize Chinese products, thereby significantly reducing the chain of intermediaries and reducing costs to a minimum. Due to this, low prices are achieved. But of course, contact with foreign suppliers is also established; the products also go to store shelves. Such work of the company allows to significantly increasing the selection of goods. In total, there are approximately 452 Better Life stores throughout the country, each with approximately 60,000 employees. The main chain of stores is located in Hunan Province, Xiangtan, Jiangxi and others. In 2012, the trading network of supermarkets "Better Life", which is part of the holding, numbered in 14 provinces [11].

Better Life is a retail chain with sales points exclusively in China. The management of the Better Life network intensively rents out the available retail space, takes over the care of small companies, and cooperates with a large number of enterprises. The network has its own website, and its user audience is constantly growing. An Internet site that lists all the conditions for providing discounts, as well as updates information about promotions. Total sales of the Better Life chain in Hunan in 2015 were approximately RMB 27 billion, with a target of RMB 30 billion in 2016 and RMB 100 billion in 2020.

### The key to the success of better life is the solution of a number of problems

- Purchase of goods from wholesalers and sale of goods to anyone who wishes.
- Formation of an assortment of goods and a list of services to meet the needs of buyers.
- Demonstration of samples at open trade stands in order to receive orders for goods (point for receiving orders).

- The implementation of mailing of goods ordered from the catalog, or through the online store.
- Organization of trade with delivery of goods to your home.

#### Motivation and stimulation of labor in the enterprise

We usually say that the activity of workers' labor is a moral state, that is, how the worker relates to his work. Under normal conditions, this condition is divided into 3 levels.

- Do your duty
- Work on your own initiative
- Work creatively

There are several factors influencing labor activity: material and mental. The definition of which factor the influence of labor activity belongs to depends on the outlook of workers, production conditions, economic and political conditions, etc. In this dissertation, I researched the Better Life company and received the following results: Survey Result: 94% of employees believe that managerial approval can motivate staff to excel more than financial incentives. A befitting majority of workers agree that the job is important to them. About 95% of those surveyed believe that they have a normal daily output and almost all employees have clear and visible goals. 71% have average satisfaction with various aspects of work, and 29% have high satisfaction. Almost all of them, namely 94% to 96%, have a normal relationship with managers and employees. 61% of employees hope to receive a reward for an over fulfilled work plan, while the remaining 39% of them want a promotion. 93% of employees believe that they have a normal working well-being and 7% are dissatisfied, it is necessary to constantly improve. The company adheres to the basic principles of distribution according to work, to stimulate workers for material benefits. The principle of distribution according to work is that each participant in economic relations receives material benefits in accordance with his contribution to the total social product. In China, this principle is often adhered to, according to which the distribution of most of the required product is carried out in accordance with the quality and quantity of labor. That is, the principle works, "He who works harder and better, gets more," respectively, you work less, you get less. It means that everyone is equal before work. The main and most direct incentive at Better Life is employee privilege [12].

Salary-remuneration for work, depending on the qualifications of the employee, complexity, quantity, quality and conditions of work performed, as well as compensation and incentive payments. Wages are monetary compensation that an employee receives in exchange for their labor. In China, such a salary is called the base salary; it expresses the level of earnings, income. From the employee's point of view, the motive of employees is related to wages, which is one of the most important evaluating reasons.

In most Chinese enterprises, in addition to the base salary, there is still another type of salary-base deductions from profits. This type of salary depends on the circumstances of the profit of the enterprise. In China, every person pays tax to the state from their salaries, but privileges are not covered by tax, that is, having received a bonus in the form of a cash payment, a person will not pay tax to the state on it. In addition to these economic incentives, there are still other types of motivation and incentives, for example: The welfare of the enterprise, privilege for employees, etc. All employees who work in the company are entitled to privileges at the Better Life enterprise, and the cash bonus is intended only for those who have worked well in a given period of time. Employee privileges are of several types:

- Addition to the salary
- Health insurance, pension, unemployment insurance, life safety insurance, maternity leave insurance
- Additional service for employees, for example, business lunch, overalls
- Holiday gift, planned health check, paid holidays and bonus
- Special privileges for "long-livers", these workers usually serve the enterprise in debt and made a contribution for the company. Assistance with housing, car, etc. is provided.

Functions of employee privileges for the development of the enterprise in the company "Better Life"

- The main tool for regulating the relationship between the costs of labor with the production fund.
- Formation of a positive image of the enterprise
- Increase in the popularity of the enterprise. Employee privilege functions, for employees
- Keeping work activity
- Incentive to labor and incentives to increase labor productivity
- Improving the skill of the employee
- Retention of talented workers

Thus, we will be able to define these privileges for employees at the Better Life enterprise into tangible and intangible

#### Material motivation at the Better Life enterprise

Raising the wages of an employee for certain merits. On the one hand, wages are the main source of employee income and improved living standards. On the other hand, wages stimulate production efficiency.

Bonuses and additional payments for good work. For staff, encouragement and reward is one of the most important incentives to work.

Excellent incentives from production, while a person is resting he is paid money as if he is working. This greatly encourages employees to work non-stop in order to get a well-deserved rest, while losing nothing in monetary terms.

Payment for vacation.

Payment of sick leave.

Contributions to pension and social funds.

Incentives guarantee a basic standard of living for employees, they are the main income for employees and material incentives are the basis of motivation. Wages are the most important tool for influencing employee performance and one of the main incentives for employees at Better Life. For the long time, it was believed that material reward is the only means for an employee to work effectively. Over time, we began to consider the definition of motivation from different positions, for example, that motivation is the driving force of human behavior, which is associated with the needs, motives and goals of a person.

In view of this, in addition, at the better life enterprise there are also non-material motivations of employees:

1. Promotion of a position. (Trust and delegation of authority).
2. Verbal praise. (One of the most effective intangible incentives, employee recognition).



3. Additional service (transportation of employees to their homes, availability of a free lunch, availability of a rest room with free coffee and tea)

4. Diplomas and certificates of the best employee of the month.

5. Refresher courses.

6. Organization of corporate events.

7. Granting additional leave for important family issues (marriage, funeral, childbirth, etc.)

At Better Life, non-material motivation allows not only to retain employees in the company, but also to stimulate them to achieve their goals. Financial incentives can be effective for a short time, but in order to retain the best specialists in the enterprise, a comprehensive motivational plan must still be introduced, which will help to retain the best workers for a long time.

Intangible motivation makes the staff feel worthy of respect and a sense of individual value. In view of this, the personnel consider themselves necessary and their contribution to the company is very valuable. Apart from this, businesses can also find loyal employees, and most importantly, loyalty does not depend on monetary rewards.

Thus, from the point of view of the enterprise and the manager, the enterprise must have a complete system of labor incentives, not only to regulate the profitability of the company, but for the most important goal is to maintain the workforce of workers in one group. There is a proverb in China: if you want to be successful, you must fulfill 3 necessary conditions-to have favorable climatic, geographical and human conditions. Under favorable weather conditions, in a suitable geographic area and with the consent of the people, success can be considered assured. That is, the most important condition is a human resource, in order to stimulate workers, the leader must not only be content with personnel from the side of material existence, but also from the side of the spiritual need.

I designed and created interviews for executives who work at Better Life. Consider the results of such an interview, we can find out: In order for staff incentives to work effectively, the company has its own motivation system, which can be both material and non-material, for example: usually, in addition to the base salary, managers reward staff with a small amount of money in a package (in China it is called a "red package with money") if they have over fulfilled or performed a high-quality task this month. If the whole team over fulfilled the task, then the head of the department usually treats them to the restaurant. The employee's bonus does not depend on the work of the rest of the team, since each employee has an individual task that he must complete in time, for which he will actually receive the bonus. But there are also collective tasks, in which case each employee depends on the work of the other, respectively, and the bonus will be issued in the event that the team cope with the task on time.

Undoubtedly, non-material motivation is very important in our time, and is actively used in our enterprise. It should not completely replace the material, but should only competently supplement it. Every competent leader must be able to motivate an employee, both financially and non- financially. Methods of non-financial motivation at the Better Life enterprise are quite different. Starting from verbal praise, and ending with an unscheduled vacation at the expense of the company. There are undoubtedly employees who want more bonus money than praise. But this is the literacy of a leader who can

determine which employee to motivate financially and which non-materially.

Every leader should use the carrot-and-stick approach to reward or punish actions. So the head of one of the Better Life stores admitted that she can both encourage and punish his subordinates. Wan Huan, the director of one of the stores, is a very understanding and sympathetic manager, so she loves to encourage employees rather than punish them. But sometimes for minor non-compliance it can punish verbally or intimidate with further monetary deductions. According to Wan Huan, even intimidating words are enough to motivate employees.

## Conclusion

Motivation is an internal state of a person, caused by an external or internal influence, which is associated with his needs, which stimulates, activates and directs his actions towards the set goal. The more active a person's actions are, the wider the possibilities for satisfying various needs, since due to a lack of something, a person experiences a state of discomfort. The main elements of the motivation system are needs, motives and incentives. The main methods of motivation: economic, organizational and moral and psychological. Economic methods of motivation are based on the fact that as a result of their application, people receive certain benefits (direct or indirect) that increase their well-being.

This article analyzes such concepts as motivation and incentives for workers. Motive is an internal driving force associated with satisfying the needs of an individual, for example: the desire to be in a high position, the desire to be financially secure, etc. An incentive is a narrower concept than a motive, implying a material interest of an individual in the results of his work, for example: Salary, medical insurance, payment for cellular communications, provision of free meals, and compensation for travel expenses, etc.

The motivation of workers' labor is similar to the "military spirit", in fact, it is a military form of expression, that is, a soldier's combat will. In modern times, scientists began to pay attention to motivation in the field of trade, and presented the point of view that labor productivity is associated with the "military spirit", i.e. motivation and

factors influencing production. Based on the foregoing, labor productivity can be represented in the form of the formulas  $P=(a + b + c + d +) x$ , where:

P -labor productivity,

a, b, c, d, etc. - factors affecting production (number of workers, degree of mechanization, working conditions, etc.),

x -employee motivation.

The motivation of workers' work is not a tangible concept it is a psychological impact on a person. In order for employees to complete tasks, they need to be motivated, in other words, they need to be motivated. A motivated employee who has an interest in work will be able to perform his tasks at the request of management quickly and efficiently.

There are two main types of labor incentives: Material motivation for work - the main idea of material motivation is to reward employees with financial rewards. Non- material motivation for work - As you know, motivation is a set of measures that induce people to work. If monetary remuneration is intended to "compensate" employees for

their work, then intangible motivation is intended to demonstrate to the employee his social and professional recognition in the team. Non-material motivation does not completely replace material motivation, but only complements it well. To begin with, the company must at least provide employees with an acceptable monetary income to maintain a certain standard of living and comfortable working conditions, which refers to material motivation. Therefore, without material motivation, it will not work out also intangible. Also in the article; I analyzed the motivation of labor in the retail sector in China. Analyzed the characteristics of the object, namely the enterprise "Better Life". Attention is paid to the history of the establishment of the enterprise "Better Life", the principles of the enterprise, its philosophy. In total, there are about 452 Better Life stores across the country, each with about 60,000 employees, each of which needs to be properly motivated. This question is dealt with in the last part of my thesis. The company adheres to the basic principles of distribution according to work, to stimulate workers for material benefits.

The principle of distribution according to work is that each participant in economic relations receives material benefits in accordance with his contribution to the total social product. In China, this principle is often adhered to, according to which the distribution of most of the required product is carried out in accordance with the quality and quantity of labor. That is, the principle works, "He who works harder and better, gets more," respectively, you work less, you get less. It means that everyone is equal before work.

I concluded that every leader must be able to properly motivate his subordinate, for this he must know the ways

of influencing and motivating a person and use it competently in practice. There are various ways to motivate and they are divided into two main types: tangible and intangible. Each of the methods is good in its own way, because it is not always possible to motivate a person with money.

The best motivation will be material, which will be competently complemented by non-material. To begin with, the company must at least provide employees with an acceptable monetary income to

maintain a certain standard of living and comfortable working conditions, which refers to material motivation. Therefore, without material motivation, it will not work out also intangible.

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