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Use of Motivation Theories for Economic Problems Solution

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Abstract: In the study, there was made an analysis of the most significant factors causing the problem of new connections quality deterioration in the Volga branch of PJSC "MegaFon". There is formed a stakeholders matrix. There is proposed a hypothesis about the impact of organizational culture on this problem. There was made an analysis of the culture type and its influence on employee's motivation. The algorithm for finding the motivation optimal variant is considered. There were proposed incentive options to meet the different levels needs for different employees.

Key words: Telecommunications, new connections quality, partners network sales, organizational culture, personnel motivation

INTRODUCTION

Throughout 2014 and the first half of 2015 the quality of new connections in some areas of the Volga Region decreased: the proportion of subscribers who continue using communication services during 3 months from the connection date fell by 5%. Falling of new connections quality involves the loss of income from new connections. The company bears the costs for attracting new customers (advertising and partner's commission). In the first place, deterioration occurred due to multi-brand partners' showrooms. In several regions the share of connections by local channel is up to 35-40% at the moment. That's why quality control of new connections in this channel is a major challenge with an impact on the preservation and improvement of income growth rate in the Volga Region. In addition share of connections to "MegaFon" services fell in some major regional partner companies, i.e., partners more actively cooperated with competitors. Thus, the problem of connections quality deterioration in local sales channel needs to be addressed while negative trend will not cause a significant impact on region's revenues growth.

MATERIALS AND METHODS

Theory: Using the approach of critical thinking, we analyzed the most significant factors that influence on the quality problem occurrence. The result is shown on an Ishikawa diagram (Salvador and Goldfarb, 2004) (Fig. 1).

All causes, identified in the result of systematic problem analysis, can be divided into 3 groups:

- Outer (second and third reasons on the diagram)
- Internal which require complex solutions, involving higher levels of the company hierarchy (sixth and seventh reasons on Ishikawa diagram)
- Internal which can be solved at the Volga Region branch level of management (first, fourth and fifth causes on the diagram)

"Unsystematic and irregular monitoring of the effectiveness of regional incentive programs for local partners" can be marked as the most significant reason that might be affected by the direct branch management. Working in this direction will help in resolving the problem of low efficiency of existing motivation systems for partners, to interest partners with more favorable working conditions, to return company its share in sales through multi-brand showrooms. Formed matrix of concerned parties is a combination of Mendelow/Johnson Models and stakeholder analysis matrix (Olander and Landin, 2005) (Fig. 2).

Concerned parties research helped to organize risks associated with response to the changes of all the stakeholders. In view of the company structure and occurring processes, we have found variants to eliminate the problem of the shortage of qualified control over the regional affiliate multibrand network functioning. We selected implementation of centralized management

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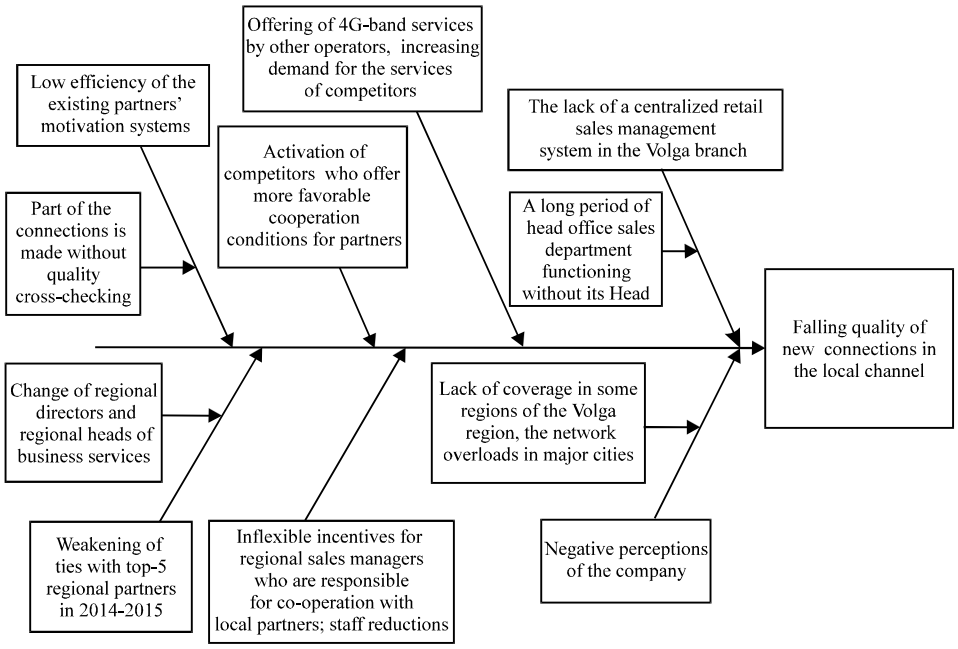

Fig. 1: Analysis of the new connections quality deterioration causes

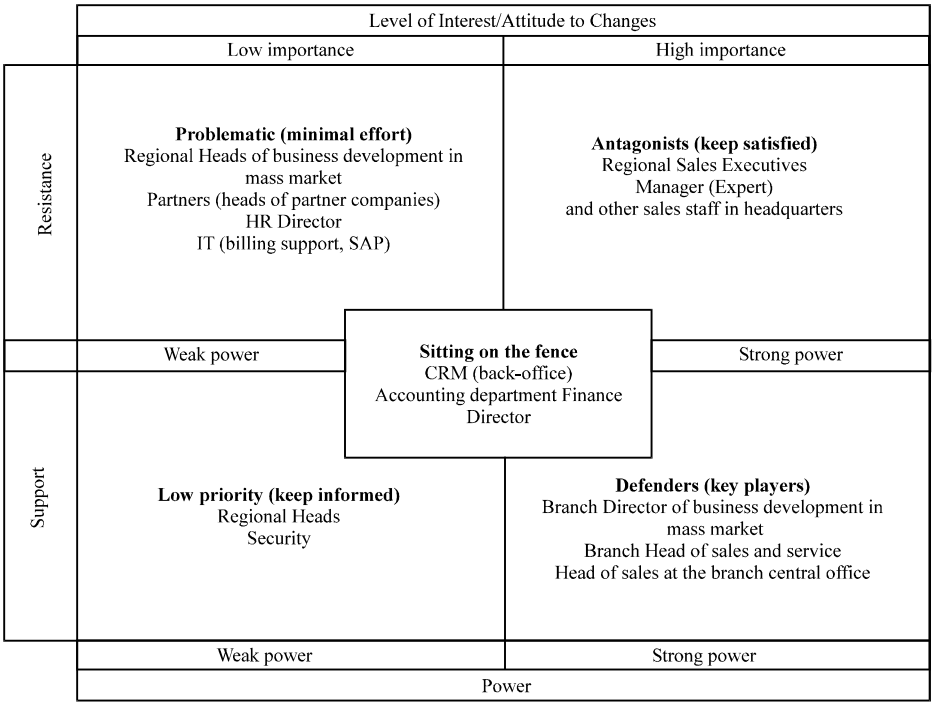

Fig. 2: Modified power/interest matrix-stakeholders mapping

system for retail sales in local sales channel of PJSC "MegaFon" Volga branch. The department of direct retail sales management has become a platform for the implementation. Before proceeding directly to the organizational culture type diagnosis, it is interesting to assess its development level. According to gradations proposed by Daft we can talk about joining the transition from middle to adulthood since 2013 (Mattarelli *et al*., 2015). It is proved by the company size (the branch staff exceeds 1,000). Most of the processes within the

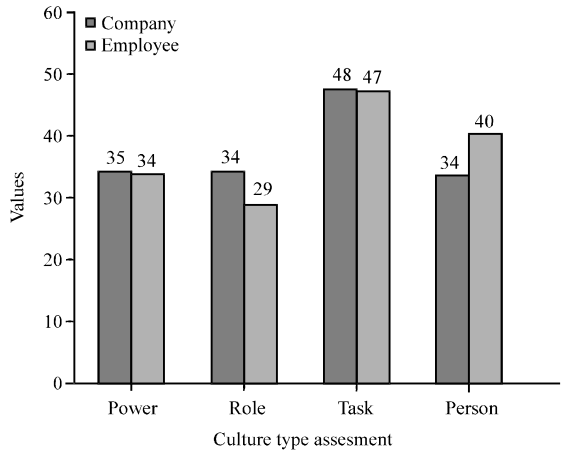

Fig. 3: The result of culture type research

company are regulated, strategic issues were transferred to highest level (company's head office in Moscow) in recent years there appeared more signs of business processes bureaucratization.

As a tool to draw a conclusion on the current culture type in the Volga branch we used both the method of observation and analysis and the questionnaires using doctor Harrison's test, to determine cultural typology of Handy (Carmo and Gomes, 2015). For greater objectivity, four workers from different functional units: commercial, technical and IT were involved in the survey. The result of evaluating culture type is shown in Fig. 3. All respondents pointed the task culture as the prevailing organizational culture. Power culture, role culture and person culture have approximately equal position in average estimate. It is interesting that the largest gap between the organization assessment and respondent's own preferences was observed in the role culture and person culture assessments. At the same time, the organizational assessment coincides with employees preferences while assessment the task culture. What can be concluded:

- The prevailing organizational culture is the task culture
- In some services there is a gap between employee's expectations and a real work picture

Hypothesis about the cause of the gap in estimates and the homogeneity are following:

- Company succeeds in staff development according with existing task culture
- Company selects personnel, focused on the task, in accordance with existing culture
- The gap in estimates of "role" and "personality"can be associated with the company life cycle: growing processes bureaucratization begins to affect on many problems solving; more and more conceptual issues go to responsibility of head office and less creative opportunities remain at the branch level

The company positions its mission as "MegaFon" unites Russia, breaking barriers and developing communication to become the obvious choice for each." Key company values are reliability, partnership, ownership and development. Corporate values employees can find in daily use of the internal corporate portal: main portal page automatically displays company mission and values. All PR-activities inside and outside of the company aimed at justifying of the claimed mission and values. Task culture is closest to the claimed values. In order to maintain the necessary values balance within the team, during a long time in the company there was developed a "portrait" of the most successful candidate. It's young human, mostly under 30 years who havehigher education but do not have significant working experience, focused on self-development. Opposite in its turn company is ready to provide them a quality foundation for career development: training, mentoring, clear goals and opportunities for their achievement, not to mention other "pleasures" such as social benefits and comfortable work environment.

The peculiarities of external environment, internal corporate policy, staff managing policy form a "special style". Using metaphors suggested by Gareth Morgan (Riggs, 1995), company can be called a combination of "brain" and "culture": on the one hand company stands out with innovations and focus on self-development, on the other hand-influence of ideology, propagated centrally (enterprise value) is very strong within the company. Obviously, a metaphor for "incubator" is the closest to the current situation in the branch at the beginning of the entry into adulthood. The reasons: "portrait of the candidate" using, established staff development system, the corporative values promotion forms a whole "generation" of the-same-type managers who are accustomed to working in a permanent leadership on operational parameters of the branch with the lack of frequent changes in external conditions and intense competition. Simply put, many managers are not used to solve problems in crisis conditions of time, finance and personnel resources. This type of organizational culture is well described by the Deal and Kennedy model "did a good job, have a good rest" (Idris *et al*., 2015).

After expanding the metaphor it becomes clear why simple problem of controlling new connections quality

has remained unsolved during a long time: managers simply did not need to deal with it! Simply no one paid attention to the quality decrease for a long time; corporate objectives were achieved and so. There was no necessity to think about business efficiency and cost savings by improving the quality of new connections. Managers acted as standard, the system worked, no one paid attention on "minor" glitches. "Incubator" continued supply managers: 3 heads of sales, grew up within the company were replaced during 5 years but no one paid attention to the problem. And only at the end of 2013, when the pressure of competition from the "Big Three" started affect on the revenues growth pace, company began to pay attention to the efficiency of internal business sales processes.

Task culture, as well as the uniformity of power culture and role culture have positive and negative impact on the situation with the new connections quality in the branch, we can see it from the SWOT-analysis.

SWOT analysis of the task culture impact on the new connections quality

Strengths: Group discussion, search for better solutions; Participants focused on the development and new experience gaining; group and employees focused on cooperation in problem solving.

Weakneses: Stereotyped thinking of the group members; lack of experience in dealing with the problem; avoidance of conflicts with regional divisions employees.

Opportunities: Prompt decisions on an advancing competitors actions; drawing on colleagues from related departments if needed.

Threats: Loss of flexibility in decisions of individual employees (groupthink); decisions conformity affecting the work of regional sales departments (the result of conflict avoidance.)

We can suggest that the size, life cycle and broadcasted company values are primarily determining type of organizational culture. Thus, large structures with multi-level management systems that have passed through the maturation stages are characterized by task culture and power culture (Handy type) or "good job well rest" (Deal and Kennedy type). Each culture has its own strengths and weaknesses it cannot be considered without taking into account the organizational context. The organizational context has led to "blind" managers' behavior in considered issue, in spite of favorable corporate environment that focuses on problems solving.

RESULTS AND DISCUSSION

So, for the successful implementation of the chosen problem solution strategy, we need to find out the motivation of following employees:

- Direct performer who will have to act as a developer and controller for all implementations of local partners bonus programs (hereinafter, the "Expert")
- Managers with related functions within the sales department of the head office we plan to redistribute to them some tasks from the developer (hereinafter, "MRF")
- Heads of regional sales departments, who currently develop their own incentive programs for partners (hereinafter, "RH")

Special conditions there is no question about any additional monetary stimulation for sales personnel in regions and in the head office. There were conducted questionnaires for expert, for managers from the MRF group and for Heads of regions where the problem of quality control is particularly acute (five regions). In total, 8 workers (3 managers of head office and 5 regional heads) were involved in the survey. As a research tool to identify the needs we used the Maslow test (Noltemeyer *et al*., 2012). The reasons for choosing this tool are simple Maslow theory (Chan *et al*., 2015) is known for most of tested respondents. So, the testing process was interesting by itself, it was not perceived as something imposed and unnecessary. Final integrated assessments for groups are presented in Fig. 4. All subjects have physical layer needs removed first. Admittedly the reason may be concerned with accumulated fatigue and congestion, as well as external economic factors and inflation. The most homogeneous profile have regional Heads. It is concerned with similar working conditions and the functions performed. Deviations from the average of 20-30% were observed only in the estimates of security level and independence level. This is concerned to the prescription of current position: "young" leaders showed a higher result on these levels than older and more experienced colleagues. Managers from MRF group are also motivated primarily with the physical layer needs. Both tested workers had the same figures for self-actualization. High demand on respect and safety concerned, obviously with their age difference. One of the managers is an experienced specialist with long experience of administrative work needs of security level are more actual for him because of his age (over 45 years). The second manager a young unmarried girl who got an executive position only a year ago her self-actualization and recognition needs are at a high level.

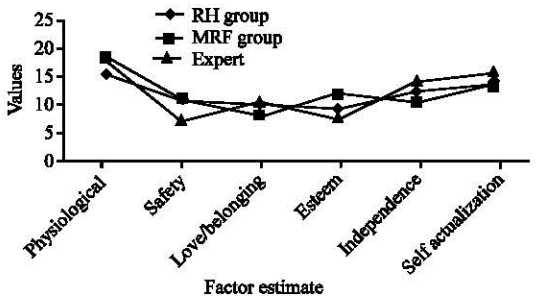

Fig. 4: Motivation research. Physiological: RH group = 19, MRF group = 21, expert = 21; Safety: RH group = 13, MRF group = 13, expert = 8; Love/belonging: RH group = 11, MRF group = 10, expert = 12; Esteem: RH group = 11, MRF group = 14, expert = 9; Independence: RH group = 14, MRF group = 12, safety = 16; Self actualization: RH group = 16, MRF group = 16, safety =18

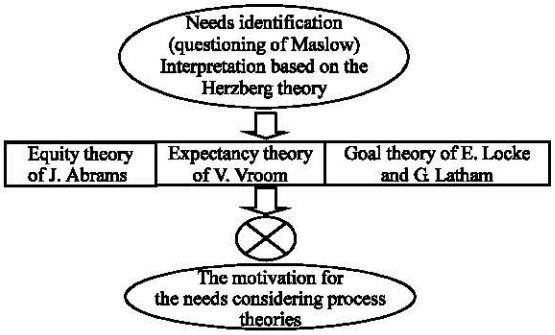

Fig. 5: Motivation search algorithm

Expert is a young unmarried woman, works for the company for >5 years. The 2 years ago she moved to central office onto the specialist in the sales department position from the regional head of sales position. Crisis could not but affect her performance physical layer needs are dominated. Since, it is quite independent expert who has experience of independent work in the region at the leading position, position of a specialist, even senior, does not meet her requirements of independence. This fact is reflected in estimates. Figure of self-actualization needs is high too; this is logical, taking into account her age, experience and current position in the staffing.

Test results are easier to interpret from a position of Herzberg content theory of motivation (Riggs, 1995), since unlike Maslow, Herzberg does not preclude the simultaneous needs of hygiene factors improving and needs of higher order. In the case of all participants we need to work on hygiene factors, primarily related to salary expectations and the workload and secondarily with self-actualization and recognition needs. The result of general research algorithm for finding the optimal motivation variant is following (Fig. 5).

Basing on the results of the staff motivation research, there can be offered solutions listed in Table 1. For a better use of the motivation we needed to compare solutions variants with process theories of motivation (Riggs, 1995).

Unfortunately, in the current economic situation, any form of options for revising the wages is not considered. Display all the experts on the zero is impossible according to this criterion but you can barely bring them closer to

Table 1: Motivation options

RH group	MRF group	Expert
Physiological level		
Reduce the load by transferring the functions of development, coordination and monitoring of local partners loyalty programs, effectiveness on the level of the branch head office (equity theory, "Why should I work more on connections quality when I am full of problems, as opposed to colleagues from the head office")	Automatize part of the operating statements (requires the involvement of IT), thereby relieve specialists for working with new responsibilities transferred by an expert (equity theory "Why should I work harder and take over part of colleagues duties?"); in summing up the annual personnel assessment to take int account the need to revise the salaries (using goal theory evaluation of KPI)	Transfer part of operating functions to managers in related areas (equity theory "why do have to work harder and take over part Iof the regions' duties"?)
Esteem and independence		
Give the opportunity for the regions to participate in the discussioning and approving of conditions for partners motivating with an expert Introduce the concept of "Master Class" for the leading regions to work on the new subscriber's quality, send the heads of "backward" regions to training (expectancy theory: "I was taken away with the opportunity to invent terms of cooperation but when I'll provide good quality indicators I can become a guru for colleagues from other regions and experts from the head office")	Involve into the working groups of regional projects as experts (expectancy theory: "I performed my tasks my results are evaluated by management, I get more powers")	Establish formally the "expert" status in the partnership programs development; present the new system at a meeting with regions, headquarters and neighboring departments Provide authority for self-coordination of development with headquartered adjacent subdivisions and superiors Provide authority for self-reporting of information about new developments to the level of regional heads (expectancy theory: "if I can handle the task and show the result in the improvement of new connections quality, I can become a guru for colleagues from other branches and the headquarters experts")

Table 1: Continue

RH group	MRF group	Expert
Self-actualization		
Depending on the problem urgency implement projects in that regions which are addressed to the tasks solution. For example: "increase in average charges from subscribers in the third month of life in the Saratov Region" (projects in collaboration with marketing and other related departments) (expectancy and goal theory: "if I can handle the task and show the result, it will help fulfill region KPI and receive an annual bonus; I get a new professional experience, useful for my career")	Provide an opportunity for self-development and approval of technical specifications for the working reports automatization as part of applications range (goal theory: "I define myself how and what to do, achieve results and acquire more useful skills")	Allow the self-analysis of existing partner's incentive programs and develop his own versions corresponding to the goal of improving new connections quality; mark the horizontal growth prospects acquired skills can be useful in case transition to marketing or finance department of (goal theory: "I define myself how and what to do, achieve results and acquire more useful skills")

zero on scale of satisfaction in the current year due to meet their needs of self-actualization and recognition and working with load-sharing (regional heads).

CONCLUSION

To achieve the result, it is necessary to solve the problem systematically and without trying to "cure" only 2-3 circumstantial reasons. An experienced manager is not limited with only one concept or a theory derived from books, courses and other educational facilities. As there is no standard of employees and there are no standard concepts that can take into account all the nuances of the work situation and the personal aspects. However, the combination of experience, observation of people using theories of adaptation to a specific work context enables us to take a fresh look at the problem of personnel motivation and stimulation and to find effective and costly ways for motivating people to work effectively even under strong physical and psychological conditions.

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