

Research on Incentive Problem in Modern Corporate Management - A case study of Employee motivation of Qingdao Thermoelectric Gas Company in China

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Abstract : *from the perspective of modern enterprise management, enterprise incentive is an eternal topic of modern enterprises, the incentive problem has become an important factor in determining the survival and development of enterprises. Using the suitable method could maximize the incentive effect, so that employees give full play to their skills and talents to improve the competitiveness of enterprises. This article describes the incentive problems and the corresponding measures to resolve using Qingdao Thermoelectric Gas Corporation as an example discusses the status of their Employee incentive and incentive strategies and put forward the perfect proposal. .*

Key words: *Enterprise; Employee incentive; Stimulation strategy*

I. INTRODUCTION

Incentive is the eternal topic of enterprise human capital. In the 21st century, the role of human capital in enterprise is more and more important; the human factors become the key to decide to the enterprise evolution. With the development of market economy, having a perfect and effective incentive mechanism is more and more important for the enterprise sustainable development and competition. How to motivate employees' initiative and internal potential, and to strive, to innovation unifying of organizational goals for enterprise development, is the key of enterprise survival and development, and is the inevitable requirement of the enterprise and employees common development.

II. COMPANY PROFILE

Qingdao economic and technological development zone thermoelectric gas corporation in China was established in October 1988, belonging to state-owned enterprises. Now the main productions are heating steam and hot water heating, steam waste heat power generation, providing winter heating with hot for the residents, business and government institutions and being responsible for some of the enterprise production task with steam. Companies certified ISO9001, ISO14001 and OHSAS18001 quality, environment, occupational health and safety management system. The company registered capital of 118 million yuan, having total assets of 255 million yuan and existing formal employees more than 300 people.

III. THE STATUS OF COMPANY EMPLOYEES INCENTIVE AND INCENTIVE STRATEGY

After company's establishment, the enterprise managers fully implemented incentive mechanism in the company internal institutions, obtaining better economic benefit and social benefit. The company compresses the redundant, reduces unnecessary personnel, and improve the production efficiency in line with the principle of lean, efficient. Institutions set up nine divisions of the company, among them, four functional departments, containing the comprehensive department, enterprise management office, the finance department, and production department, In addition, five logistics and production department, containing production materials purchasing department, operation department, maintenance workshop, northern comprehensive department, northern production and operation department. The distribution of Qingdao thermoelectric gas company's personnel is shown in the table below.

TABLE I
PERSONNEL DISTRIBUTION OF THERMOELECTRIC GAS CORPORATION IN QINGDAO
ECONOMIC AND TECHNOLOGICAL DEVELOPMENT ZONE

Department	Number of people	Department	Number of people
leadership	10	production materials purchasing department	4
comprehensive department	24	operation department	158
enterprise management office	20	maintenance workshop	30
finance department	5	northern comprehensive department	5
production department	18	northern operation department	33

Due to the rationality of the institutions, the scientific nature of the personnel allocation, production cost declined rapidly,

production output value increased year by year. The company's managers have realized incentive mechanism is important to the survival and development of the enterprise, and established a set of incentive constraint mechanism, the present main incentive strategy is as follows:

A.MATERIAL INCENTIVES

Material incentives mainly reward to the excellent employees who having a significant contribution to the company, making innovative improvements to equipment modification, giving the rationalization suggestions for management, and improving productivity greatly. Depending on the size of the contribution to the company, there are some ways of bonuses, subsidies, welfare and promotion. Incentives meet the basic survival needs of the employees effectively.

B.EMOTIONAL INCENTIVE

Company attaches great importance to the humanized management and gives full attention to employees difficulties in work and life care, trying to help them to solve all kinds of difficulties. Such as company promptly organizes trade unions to sympathy, escort them when employees encounter a major illness or life difficult. Really want what employees want, avoid employees of the nasty with emotion.

C.HONOR MOTIVATION

Company rewards to the employee's work attitude and their contribution, such as meeting commendation, a certificate of honor, honor roll, issue of the newspaper reports in the company promotion, recommendations for social honor and so on. The mental stimulation methods can make the employees get recognition from the outside world, enhance them inner satisfaction, so as to stimulate staff's work enthusiasm.

D.KNOWLEDGE INCENTIVE

Company organizes regular technical training and security study for employees, improving their business skills, safety knowledge and cultural accomplishment. When meeting the requirements of employees for skills, company encourages employees to transcend *themselves* and self-improvement, guarantees the production safety and safeguards the interests of employees and the company at the same time.

E.NEGATIVE INCENTIVES

Company respectively give economic punishment and warning, dismissal, resign punishment for unfinished goals, violation of company rules and regulations, the damage to the equipment facilities, affection on the company's production activities, the activities cause economic losses to the company or destroy the company's reputation. This is a way of incentive constraints, punishing employees inconsistent behavior, and eliminating fluky psychology.

IV. THE MAIN PROBLEMS OF THE COMPANY EMPLOYEES INCENTIVE MECHANISM

A.IMPERFECTION OF THE EMPLOYEE'S CAREER PLANNING

Company did not make detailed career planning for each employee, and not give special high-level training and study for knowledge staff, providing not a suitable road to them. Company didn't help employees to develop career planning, so that employees can't see themselves in the company development direction, prone to snub passive mood at work.

B.LACK OF COMMUNICATION WITH STAFF AND TIMELY FEEDBACK

Company lacks the mechanisms to communicate with staff, the company only pays attention to the convey of the command, not focusing on the process of feedback. Because the employees can not get right evaluation feedback for his behaviors in time, they think that the company pays not enough attention to their own work, their work enthusiasm will fell sharply, which affect the whole efficiency of the company.

C.LACK OF ENTERPRISE CULTURE CONSTRUCTION

Company culture includes internal values, ideas, consciousness and behavior, etc., which is formed in the long-term production and operation process in a company. Company didn't organize company internal staff learning objectives and basic belief regularly, making the company value and individual value different, and employees lack sense of responsibility and sense of belonging, impacting the company's cohesion.

D.SIMILAR INCENTIVES, NOT SURE TRUE NEEDS OF EMPLOYEES

Without considering the employee's individual differences, the companies' incentives for each employee are almost identical, the same incentives does not meet the needs of all employees. Some employees are still at low level in the hierarchy of needs,

the bonus is an effective means of incentive undoubtedly, and some of the employees are in senior in the hierarchy of needs, the incentive effect of bonus is very small, not only wasting the company money ,but also not reaching the expected effect.

V. SEVERAL SUGGESTIONS FOR IMPROVING THE INCENTIVE MECHANISM TO THE COMPANY

A. TAKE TARGETED TRAINING TO EMPLOYEES USING THE FLEXIBLE WAYS OF TRAINING

Different countries and regions, different characteristics of history and culture, economic conditions and values, make employees different demand for knowledge. So the company must consider the employee's background difference to select different methods pertinently, enrich the content of training to meet the needs of different staff, make the company and employees to promote common development.

B. ESTABLISH A SCIENTIFIC AND REASONABLE COMMUNICATION AND FEEDBACK MECHANISM

From the perspective of individual behavior, the employees need understand leaders' evaluations for their work timely. With the bad information feedback, not only the staff don't know whether the work method is feasible, but also feel the leadership do not take them and lose their power to jobs. Therefore establishing a scientific and reasonable communication and feedback mechanism is particularly important.

C. GIVE FULL PLAY TO THE COMPANY CULTURE MOTIVATION FUNCTION

As long as the employees identify that the company can achieve their career plannings, and realize their life values, they will be serious about their work and company with a hero's attitude. So organize internal employees to know the company culture and exchange views and suggestions with the employees regularly is very necessary.

D. IMPLEMENT DIFFERENT INCENTIVE WITH CONSIDERING THE STAFF INDIVIDUAL DIFFERENCES

The behaviors of different people when he they faced the same problem, are not the same. People will be particularly concerned about the things involving their interests, human instinct will make it into the power, therefore incentive have an effect. So different employees' different needs are the basis of motivation. Incentives can produce positive effect only for meeting the needs of employees. Only effective incentives will satisfied employees. The company should be combined with the characteristics of company and differences between employees to make more reasonable incentive strategy.

VI. CONCLUSION

No matter what kind of enterprise for survival and development is inseparable from the creativity and enthusiasm of the people. With the continuous development of modern enterprises, employee incentive mechanism has been widely applied by the enterprises, and along with the market competition of globalization, the enterprise will be more and more emphasis on employee motivation. According to the actual situation, enterprises should use a variety of incentives, combine the means of incentive and corporate goals, change the mode of thinking, and really set up the incentive mechanism adapting to the characteristics of enterprise and The Times to make the enterprise stand out from the crowd in the fierce competition.

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