

## 8.4: Motivating Employees

### Learning Objectives

- Discuss methods to motivate retail employees

Productivity is a great measuring tool for retail managers when evaluating how well their workforce is performing. But how does a retail organization motivate its employees to keep productivity levels functioning at maximum capacity? As with any business the nature of incentives, motivational techniques and methods will vary depending on the type and size of store and even which division is being managed. For instance, what works to motivate sales employees might not be applicable in the warehouse division of a retail organization. Some of the general types of motivational techniques for management include being supportive, giving employees room to grow and listening to your retail personnel. Being a leader takes developing charisma and exhibiting encouragement. Successful leaders encourage their employees to exceed normal everyday obligations. “Charismatic leaders communicate missions and visions as distal goals and socially desirable outcomes thereby instilling faith and a better future.”<sup>[1]</sup>

### Communication



Even if a retail manager is not comfortable with public speaking it is important to clearly and decisively communicate with your staff. Holding regular meetings to update employees on sales goals, changing procedures and informing on individual performance is one such method a retail manager can utilize to motivate their employees. This type of communication makes employees feel important. Establishing a mission statement is another communicative motivational technique retail companies can do to inspire their employees and further productivity. A mission statement sets a clear purpose and vision for the company as a whole.

### Leadership Styles

Key leadership styles practiced by managers are laissez-faire, autocratic and democratic. Laissez-faire is a leadership style in which a leader does not make decisions at all. Autocratic leaders make decisions for an organization based off of rules and regulations and rarely gather input from anyone else. Democratic leaders garner insight from their co-workers and subordinates when making a decision. Autocratic leadership styles may work best in the manufacturing and distribution region of a retail organization for safety reasons. This is because there may be little margin for error so some decisions must be made immediately on the spot with no time for discussion. Democratic leadership is the type of leadership style to which most modern day business leaders tend to practice. “People play an important part in business success. By including employees in business decisions companies will further develop their organizations and implement a culture of fairness.”<sup>[2]</sup> This type of leadership style would have a motivational impact especially in a sales division of a retail store.

### Incentives and Bonuses

Principal motivations for employees can consist of incentives and rewards. Some monetary forms of rewards are bonuses, commissions and profit-sharing. Other ways to keep retail personnel motivated might be for the company to pay for additional certifications or schooling. Many organizations might also host picnics or dinners for their most productive stores as an incentive for hard work. If your retail store’s employees know that they will be rewarded they are more likely to perform productively.

## Practice Questions

<https://assessments.lumenlearning.co...sessments/9225>

1. Gebert, D., Heinitz, K. & Buengler, C. (2016). Leaders' charismatic leadership and followers' commitment. *Leadership Quarterly*, 27(1), p. 98. ↵
2. Porter, S. (2014). Building business success: A case study of small business coaching. *Industrial and Commercial Training*, 32(7), 241–244. ↵

## Excellent Video with Prince Ea Explaining the Difference Between a Boss and a Leader



## Video -- Stop Trying to Motivate Your Employees | Kerry Goyette | TEDxCosmoPark



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