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A SURVEY OF NON-MATERIAL MOTIVATION METHODS FOR CHINESE ENTREPRENEURIAL ENTERPRISES

Abstract:

Background There were 17.831 million small and micro enterprises in China, accounting for 98.4% of all enterprises in China. Most of China's small and micro enterprises are entrepreneurial enterprises, and they play an very important role in China's economic growth and employment. The purpose of this study is to investigate and analyze the non-material motivation methods for employees in Chinese entrepreneurial enterprises, and to provide data support and theoretical basis for Chinese entrepreneurial enterprises to improve their non-material motivation methods. *Methods* This study used questionnaires to collect information about non-material motivation methods from Chinese entrepreneurial enterprises. We obtained 189 employee responses from 11 Chinese startups. *Result* After statistical analysis, it was found that Chinese startups rarely provide respect motivation, trust motivation and participation motivation, while most Chinese employees want their companies to provide communication motivation and participation motivation. Female employees of Chinese startups may get less non-material motivation than male employees. *Conclusion* This survey suggested that respect motivation, trust motivation, communication motivation, and participation motivation were non-material motivation methods that Chinese entrepreneurial enterprises need to improve. At the same time, Chinese entrepreneurial enterprises should pay more attention to non-material motivation for female employees.

Keywords:

China; entrepreneurial enterprises; non-material motivation

1. Introduction

Employee motivation means that the organization stimulates the motivation of employees by meeting the needs of employees, so that employees have more positive and better work performance. At the beginning of the 20th century, the Western business community began to pay attention to the incentive effect of economic interests on employees, and it was widely used under the promotion of Taylor's scientific management theory^[1]. However, with the development of motivation research in interpersonal relationship theory and behavioral science, some non-economic elements (such as work itself, employee emotion, etc.) have begun to be valued by corporate practitioners in meeting employees' needs and stimulating employees' enthusiasm^[2]. Monetary incentives are useful, but they also have certain limitations^[3]. For the satisfaction of employees' social needs and self-needs, additional economic incentives cannot control effect. On the other hand, with the development of the social economy, the material standards of employees have been continuously improved, and they have paid more and more attention to the spiritual needs. Steven & Rammie pointed out that when employees' salary can meet the physiological needs of themselves and their families, non-economic incentives, as a supplement to economic incentives, have obvious effects^[4].

According to China's National Economic Census, by the end of 2018, there were 17.831 million small and micro enterprises in China, accounting for 98.4% of all enterprises in China^[5]. Most of China's small and micro enterprises are entrepreneurial enterprises, and they play an very important role in China's economic growth and employment. The purpose of this study is to investigate and analyze the non-material motivation methods for employees in Chinese entrepreneurial enterprises, and to provide data support and theoretical basis for Chinese entrepreneurial enterprises to improve their non-material motivation methods.

2. Subject

The study was based on Chinese entrepreneurial enterprises. The study established the inclusion criteria of the research objects:

I A company has been registered in China for no more than 5 years, and the company is not an affiliates, subsidiary or associated company of another company;

II A company has been profitable for no more than 3 years;

III The first registered capital of a company comes from China, and the first legal representative is of Chinese nationality.

3. Method

Through the Chinese enterprise information query platform "Aiqicha" (<https://aiqicha.baidu.com>), we searched for Chinese companies that met the inclusion criteria of the research objectives, and sent questionnaires to the email addresses of these companies.

4. Questionnaire Design

The questionnaire was designed based on 11 methods in three aspects of non-material motivation. (Appendix I)

I Non-material motivation corresponding to employees' survival needs

The survival needs of employees are the needs of employees to pursue basic life stability and security, which is the basis of human needs. For this purpose, the form of safety, justice and corporate development goals and incentives can be adopted to effectively meet the needs of employees.

First, security motivation. Safety is the basic requirement of human existence. Once lacking a sense of security, people will be in a state of anxiety and tension. Excessive lack of sense of security will lead to a series of physiological reactions and it will be difficult for people to devote themselves to work effectively, so safety incentives are a fundamental form of need for employees as well as water^[6]. To implement safety incentives, we must pay attention to giving employees a sense of occupational and work security, such as taking effective institutional measures to ensure the safety of the working environment and the physical and mental safety of employees, and giving employees the incentive to work hard. Employees with occupational protection, these will be very good to promote employees to work better.

Second, fair motivation. According to Adams' fairness theory, everyone needs fairness, and the sense of fairness is very important to the motivation of employees. Although Adams' research focuses on material motivation, we can still find that when employees feel that they have been unfairly treated in various non-material aspects of the company, such as when they are clearly compared to others being excellent but not getting the same appreciation as others, employees will feel that their living environment is bad, so they will re-evaluate their living conditions and produce a series of negative posture^[7].

Third, corporate development goals motivation. The development goals of an enterprise have a direct impact on the survival of employees in the enterprise^[8]. When an organization lacks a clear development goal, the pressure on employees to survive in the enterprise will increase significantly, and they will constantly think about where the future of the enterprise will be? Where is my tomorrow? A series of questions related to my own survival, such as what should I do if the company collapses. For that, enterprises should scientifically formulate organizational development strategies and goals at each stage, and pay attention to combining organizational goals with employees' personal goals, and make career plans for employees, so that employees can really feel that the company has a promising future, and its future is guaranteed and optimistic, so as to enhance the integration between employees and the company, and promote them to work better for the company.

II The relationship with employees needs to meet the corresponding non-material motivation methods

Mutual relationship needs are mainly through the mutual communication between people to meet their needs for communication, respect and other aspects. Correspondingly, the following four main forms of non-material motivation can be implemented.

First, communication motivation. Communication is an effective non-material way of motivating. Employees have communicative motivations at work, including a desire to communicate with their boss or co-workers to gain pleasure, to avoid current unpleasant situations, to accept camaraderie, to gain relaxation, to achieve higher levels of performance, and to gain a sense of belonging^[9]. Through communication, not only can people's needs to be respected and social needs be well met, but also make people feel a strong psychological feeling of being valued, which directly promotes people's enthusiasm. Communication can also make members understand each other, close interpersonal relationships, and create a good working environment.

Second, respect motivation. Psychological research shows that everyone has esteem needs, including self-esteem needs and respectability needs. In the process of enterprise management, it is necessary to establish a people-oriented management idea, respect employees' personalities, thoughts, feelings, behaviors, etc., so that employees' respect needs are satisfied, and there are more in the work^[10]. Pride, self-confidence and responsibility, which greatly stimulate their work enthusiasm, initiative and creativity.

Third, trust motivation. Trust is an essential element in managing and motivating employees to build high-performance organizations^[11]. Trust has a direct effect on performance improvement, and managers' trust in employees can greatly encourage employees' work enthusiasm.

Fourth, recognition motivation. The desire to be valued, appreciated, and noticed is one of a person's most powerful and primitive drives. Recognition motivation is a very effective way of non-material incentives^[11]. Enterprise managers should give timely recognition and praise to employees for their work achievements, such as verbal praise, awarding medals, internal publications, etc., to motivate them to complete their work better.

III Non-material motivation methods corresponding to employee growth needs

Growth needs are mainly a desire to develop oneself in a career. The development needs of employees can be met through the following four forms of non-material motivation.

First, career motivation. The basis of career incentives is employees' career development needs. Career-oriented employees hope to be successful in their careers in their entire lives, and are unwilling to be mediocre all their lives^[12]. For the development of their careers, they are often willing to endure the dissatisfaction of material living conditions.

Second, promotion motivation. Job promotion is an important way for employees to develop their personal careers. When employees get promotion opportunities, they will think that this is the company's affirmation and appreciation of their work ability and performance, and it is an improvement of their own value. It can fully mobilize the enthusiasm of employees^[13]. Enterprises should establish an effective job promotion and title promotion mechanism, so that every employee has the opportunity and possibility of promotion when they reach a certain age and seniority, so as to motivate them to work more actively.

Third, training motivation. Training motivation refers to incentive methods that provide employees with training and learning opportunities. Training is an important part of the high-level needs of enterprise employees, which can meet the needs of employees to continuously improve their knowledge and experience levels^[14].

Fourth, participation motivation. Participation motivation mainly refers to the method of mobilizing the enthusiasm of employees by allowing employees to participate in the decision-making and various management work of the enterprise to varying degrees^[15]. When an enterprise wants to make a decision or make a plan, soliciting the opinions and suggestions of the employees can not only stimulate the potential of the employees, but also make the employees have a strong sense of responsibility, and truly feel that their own destiny and that of the company are closely related, so as to work consciously and enthusiastically for the enterprise.

5. Analysis

We used Cochran's *Q* test to process the dichotomous data, used *t*-test to compare the difference of two means, and used χ^2 test to process counting data in the questionnaire. SPSS 21.0 software was used for statistical analysis of the data obtained from the survey, and $P < 0.05$ indicated a significant difference.

6. Results

We asked 50 Chinese companies about their intention to participate in the survey. 11 companies responded to our invitation and provided 189 questionnaire results.

6.1 The non-material motivation methods in Chinese entrepreneurial enterprises

Table 1 - The non-material motivation methods provided by Chinese enterprises

Methods	n	Percentage(%)
Security motivation	113	59.8
Fair motivation	62	32.8
Corporate development goals motivation	79	41.8
Communication motivation	53	28.0
Respect motivation	27	14.2
Trust motivation	31	16.4
Recognition motivation	98	51.9
Career motivation	45	23.8
Promotion motivation	104	55.0
Training motivation	101	53.4
Participation motivation	19	10.1
None	51	27.0

Cochran's *Q* test

$P < 0.05$

14.2% of employees believed that the company provided respect motivation, 16.4% of employees believed that the company provided trust motivation, and 10.1% of employees believed that the company provided participation motivation.

6.2 Employees need non-material motivation methods

Table 2 - The non-material motivation methods employees needed

Methods	n	Percentage(%)
Security motivation	159	84.1
Fair motivation	94	49.7
Corporate development goals motivation	133	70.4
Communication motivation	175	92.6
Respect motivation	128	67.7
Trust motivation	46	24.3
Recognition motivation	71	37.6
Career motivation	162	85.7
Promotion motivation	139	73.5
Training motivation	146	77.2
Participation motivation	177	93.7

Cochran's *Q* test

$P < 0.05$

92.6% of employees needed communication motivation from the company, and 93.7% of employees needed participation motivation from the company.

6.3 Differences in non-material motivations for employees of different genders

The 189 questionnaires included 67 female employees and 113 male employees. 184 subjects were <35 years old. Each female employee got an average of 2.7 non-material motivations from the company, while each male employee got an average of 5.4 non-material motivations from the company. The *t*-test indicated that this difference was significant ($P < 0.05$).

6.4 Employees' views

Table 3 - Employees' views on the company's offering of non-material motivations

Views	n	Percentage(%)
Very important	75	39.7
Necessary	83	44.0
not clear	4	2.1
not necessary	27	14.3

39.7% of employees believed that the non-material motivations of the company were very important. 44.0% of employees believed that the non-material motivations of the company were necessary. 27 employees believed that the non-material motivations of the company were unnecessary. Remarkably, only 4 of them were male, the rest were female. χ^2 test showed that there was no statistical difference between women in other groups in terms of "marital status" and "if they have minor children" and women in other groups ($P>0.05$).

7. Conclusion

Our research found that the majority of employees in Chinese entrepreneurial enterprises are young. Most Chinese start-up employees feel that they are not respected and trusted in the company. They want to communicate effectively and happily with other employees and participate in the formulation of internal performance goals, but they rarely have the opportunity. The study also found that female employees in Chinese entrepreneurial enterprises may get less non-material motivations than male employees, and some Chinese female employees believe that motivation methods are unnecessary. The study could not analyze whether the two were related. This survey suggested that respect motivation, trust motivation, communication motivation, and participation motivation were non-material motivation methods that Chinese entrepreneurial enterprises need to improve. At the same time, Chinese entrepreneurial enterprises should pay more attention to non-material motivation for female employees.

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