

УДК 338.001.36

**Kozlovskaja Anastasia Nikolaevna,**

Student,

Department of international economics and management,

Institute of Economics and Management,

Federal State Autonomous Educational Institution of Higher Education «Ural Federal

University named after the first President of Russia B. N. Yeltsin»

Ekaterinburg, Russian Federation

**Dontsova Ekaterina Vladimirovna,**

Student,

Department of international economics and management,

Institute of Economics and Management,

Federal State Autonomous Educational Institution of Higher Education

«Ural Federal University named after the first President of Russia B. N. Yeltsin»

Ekaterinburg, Russian Federation

**Artemyeva Kristina Andreevna,**

Student,

Department of international economics and management

Institute of Economics and Management,

Federal State Autonomous Educational Institution of Higher Education «Ural Federal

University named after the first President of Russia B. N. Yeltsin»

Ekaterinburg, Russian Federation

**Beliaeva Victoria Sergeevna,**

Supervisor,

Department of international economics and management

Institute of Economics and Management,

Federal State Autonomous Educational Institution of Higher Education «Ural Federal

University named after the first President of Russia B. N. Yeltsin»

Ekaterinburg, Russian Federation

**NON-FINANCIAL MOTIVATION PRACTICES: MEGAFON AND NESTLE***Abstract:*

The article examines factors which influence the effectiveness of employee motivation, as well as presents the main aspects that need to be taken into account to develop the optimal system of financial and non-financial motivation of employees in international companies.

At the same time, a comparative analysis of existing employee motivation practices is provided, using the example of two giant companies: Megafon and Nestle.

*Keywords:*

motivation practices, employees motivation, cross-cultural motivation, non-financial motivation, productivity, gamification, Nestle, Megafon.

The importance of motivation in the framework of modern management systems is constantly growing, since motivation forces the employee to work with maximum efficiency, which guarantees the effectiveness of the organization and maximum profit. However, in the conditions of high competition of firms in the markets, new employees are now interested not only in high profits, but also in psychological and emotional comfort, which they do not want to violate while at work, for

these companies have come up with new methods for attracting employees, namely non-financial motivation.

Non-financial motivation is an employee management system that uses various non-monetary ways of rewarding. Often, this type of motivation is more effective than financial rewards, since it increases the engagement and productivity of employees. There are four principles of an effective system of non-financial motivation of workers: (1) it should solve tactical tasks of the business, (2) it should cover all categories of employees, (3) it should be developed taking into account individual characteristics of employees, and (4) it should be regularly updated.

Ana Globocnik, Zunac Kresimir and BuntakPetra Tisler [1] say that motivation encourages creativity, innovation, professional development of employees and is the key to high business standards. The aim of the study was to determine the differences in the perception of intangible factors, taking into account the size of the company in which they work.

Researchers argue that when motivating workers, it is very important to identify and monitor their needs and preferences in relation to the remuneration they want to receive for their work. This is often a problem of misunderstanding between the opinions of managers and the real desires of employees.

The results show that respondents from large companies represented more importance of intangible factors and motivation strategies compared to respondents from small companies, which contradicts the hypothesis set forth in the hypothesis.

Mavrushkina O.A. and Yashkina V.N. [2] propose the following list of actions to create an effective system of non-financial values, in particular, to develop a new social package for company's workers, and solve the problem of misunderstanding between managers and employees:

1. Make a decision to develop the system of non-financial motivation;
2. Identify employee needs for future social package components;
3. Analyze and compare results;
4. Approval and presentation of the new social package;
5. Monitoring and improvement of the social package

In addition, authors note the importance of this method in attracting and retaining employees in the company due to the fact that the moral and psychological remuneration of employees reduces the flow of personnel, as well as increases loyalty to the company not only employees, but also buyers. As a result, they highlight that intangible incentives increase labor productivity to 20%.

However, nowadays the challenge of effectively motivating employees is complicated by the fact that more and more employees come from different countries and regions where there is a different understanding of management and leadership, as well as behavioral models. Therefore, the need to take into account intercultural characteristics along with other factors is becoming increasingly urgent, and the question of the effective motivation of such intercultural groups comes to the fore.

Researching this topic, Zhao and Pan [3] consider incentives for intercultural workers in international enterprises from four aspects, which represent the significance of work, the hierarchy of needs and the dichotomy of internal and external factors, as well as the mechanism of reward and punishment. The authors conclude that the most appropriate methods of motivation are different for employees with different cultural backgrounds, which is obvious.

In particular, analyzing the effects of the first aspect, Zhao and Pan study the significance of work in the prism of 6 important meanings and conclude that the cultural characteristics of employees directly affect their attitude to work. Therefore, managers of international companies should first take into account the cultural characteristics of their employees, and therefore develop an appropriate mechanism for non-financial motivation of employees, which will equally meet the needs of each employee.

Based on the result of existing researches on this issue, it can be noted that there are many factors which can drive the effectiveness of the system of non-financial rewards in companies, and in order to investigate how this theory can be used in practice, we compared existing motivation structures of Megafon (Russia) and Nestle (Switzerland).

Megafon is a Russian provider of digital opportunities and a leader in the Russian and global telecommunications market. The company and its subsidiaries provide services in all regions of Russia, as well as in the Republic of Abkhazia, South Ossetia and Tajikistan. At the end of 2018, the total subscriber base was 76.9 million people. The company delivers a wide range of IT and telecommunications services (for example, mobile and fixed-line services; mobile and broadband Internet; digital TV and OTT services; Internet of Things and more).

Nestle is the Swiss multinational corporation and the world's largest food producer. It was founded back in 1866 by Henri Nestle, George Page, Charles Page. According to the rating for May 2019, the corporation took 42nd place in the Forbes Global 2000 ranking. The company owns 461 plants and an industrial enterprise in 83 countries of the world (11 enterprises are located in Russia).

Both companies are giants in their fields, but Megafon works only in Russia, while Nestle is a transnational company whose goods are manufactured and sold in many countries. However, comparing the existing systems of motivation of the selected companies, it can be emphasized that both companies note the importance of a single direction of a goal of the company and a goal of each employee, as well as a combination of financial and non-financial rewards in a motivation system of employees.

For example, once a year, Megaphone employees undergo an engagement study that helps management understand whether they share the company's values, how motivated they are, whether they know the brand's message and its mission. At Nestle, the level of engagement goes beyond the needs of one person and includes participation in something significant for others, so that the employee is sure that his organization, department, activity or services are the best and benefit both him and other people. Without unity of views, no methods of motivation can work properly, and in this management in both companies agrees. The main method is a survey interview, with the help of which companies learn what employees would like to see among their intangible motivations and what would help them better and faster achieve their goals. Speaking about material awards, employees of both companies have a package of social advantages, and can also annually fulfill their dream (Megaphone), or participate in the regatta together with the top management of the company (Megaphone), or get the key to the golden ford mustang (Nestle) if they win the annual competition of the best employees of the year.

At the same time, in each of these companies, a flat management system is employed, where communication between ordinary employees and directors is actively maintained, with the aim of rapprochement and greater motivation of team employees. The CEO of Megafon Gevork Vermishyan and other executives regularly hold open chats and video conferences, everyone can send them their own question and get an answer. In Nestle, such meetings are more difficult to achieve, but from this they become even more desirable. Breakfast with the CEO as a recognition is often practiced in Nestle. In addition to classic techniques, companies are trying to find new ways to motivate employees. For example, in the current era of technological progress, a method such as Gamification was invented. This method has been used by Megafon for several years and is very effective, since it encourages excitement in employees. Moreover, the work quests are accompanied by the fact that with growing achievements, the material remuneration of the employee also increases.

Nestle has not implemented this method yet. However, in the Ukrainian branch of Nestle, management of the company invented a program "Hero Code". The program would help the company achieve greater transparency and at the level of working with employees, give the appearance of achieving the result of each employee of the company.

Table 1

"Academy of Heroes"	At each stage of the mission, for which you receive points and spend them for gifts.
1 "The start"	for new employees
2 "the Beginning hero"	several months of work
3 "Hero of new generation"	
4 "the Superhero"	the best prizes available

Unfortunately, it is not possible to start the project yet, because problems arose at the stage of coordination with the central office, since Nestle has very strict rules on what can be done in the IT sector.

Summing up all the above, it can be concluded that both companies are interested in motivating employees. Thus, management of companies try to arrange different meetings, give feedback and create comfortable working conditions for employees, thereby motivating employees to achieve their goals and great results. Non-financial motivation is also very important, since the world is constantly changing and managers should always be aware that changes in the structure of the company are inevitable, but in order to make changes, employees and directors of companies must have established contact, so it will be easier to make changes and improve work in companies. As a result, in order to motivate employees, company leaders are trying to come up with new methods to motivate employees. One of these methods is gamification.

Gamification is a growing trend in employee engagement that uses a digital environment to help employees reach certain goals and objectives. The employee plays a game that offers points, status, and rewards as they improve the skills, goals, or objectives the company is trying to meet. This method makes employees more engaged and productive in a fun, easy, and accessible way. It also breaks down complex tasks into simple tasks that the brain can learn over time, without as much stress or fatigue. The main advantage of such a system is that while brain adjusts to a certain reward, the reward no longer has the same impact, lessening the amount of motivation it gives the person, in a classic rewards systems, games can easily create a system of increasing levels of power and status as users progress through the levels. Therefore, the brain is continually reactivated at each new level of reward. As a result of gamification employment in a system of employee motivation, 90% of employees are more productive when they use gamification, 72% of people believe that gamification inspires them to work harder and game-based motivation can raise engagement levels by 48%.

Overall, methods of non-financial motivation of personnel will help to keep employees “in a good shape”, stimulating creative activity, increasing the professional level and loyalty to the company. Therefore, today, non-financial motivation becomes really important and necessary in order to form new skills and abilities of employees, increase the productivity and engagement of each employee, thereby making greater company profits, as well as create a favorable atmosphere in the team with elements of a healthy competitive environment.

#### References:

1. Zunac A. G., Buntak K., Tisler P. (2019) Size of a company and its impact on perception of intangible motivation //International Journal for Quality Research, 13 (1).
2. Mavrushkina, O.A., Yashkina, V.N. (2014) Effective methods of intangible employees motivation // Theoretical and applied aspects of modern science, p. 127-129.
3. Zhao, B. and Pan, Y. (2017) Cross-Cultural Employee Motivation in International Companies. Journal of Human Resource and Sustainability Studies, 5, 215-222. <https://doi.org/10.4236/jhrss.2017.54019>
4. Official website Megafon URL: <https://svr.megafon.ru/> (дата обращения: 10.03.2021).
5. Official website Nestle URL: <https://www.nestle.ru/> (дата обращения: 10.03.2021).