Your notes

GCSE Business: revision notes

Motivation

Contents

1. Why motivation matters
2. Financial methods
3. Non-financial methods
4. Choosing methods
5. Key terms
6. Quick questions
7. What to do next

Why motivation matters

- Motivated staff work harder, are more productive, give better customer service, have lower absenteeism and are less likely to leave (lower staff turnover).

Financial methods

- **Remuneration** includes **wages** (usually paid by the hour or week), salaries (a fixed yearly amount, usually paid monthly), **commission** (a percentage of sales), bonuses, profit sharing and fringe benefits, such as a company car, staff discounts or a pension.

Non-financial methods

- Praise and recognition, more responsibility, training and development, **job rotation** (moving between tasks), **job enrichment** (more challenging tasks), **autonomy** (freedom to make decisions), team working, flexible hours and a good working environment.

Choosing methods

- Financial rewards can motivate, but they cost money and their effect may not last. Non-financial methods are often cheaper and can build long-term **motivation**. Many businesses combine both.

Key terms

Motivation	The desire to work hard and do a job well.
Remuneration	The payment and rewards employees receive for their work.
Wage	Pay usually calculated by the hour or week.
Salary	A fixed yearly amount of pay, usually paid monthly.

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Commission	Pay based on a percentage of the sales made.
Fringe benefits	Extra rewards, such as a company car or staff discount.
Job rotation	Moving workers between different tasks.
Job enrichment	Giving workers more challenging and interesting tasks.
Autonomy	Freedom to make your own decisions at work.

Quick questions

Cover the answers and test yourself: remembering is what makes it stick.

1. What is commission?
2. What is a salary?
3. What is a fringe benefit?
4. What is job rotation?
5. What is job enrichment?
6. What is autonomy?
7. Which of these is a non-financial method of motivation?
8. Which of these is a financial method of motivation?

Answers

1. Pay based on a percentage of the sales made
2. A fixed yearly amount, usually paid monthly
3. An extra benefit, such as a company car or staff discount
4. Moving workers between different tasks
5. Giving workers more challenging and interesting tasks
6. Freedom to make your own decisions at work
7. Praise and recognition
8. Profit sharing

What to do next

Practise 12 questions on this topic

Try 4 exam questions, with mark schemes

Read the lesson, one step at a time

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