

Research on Incentive Mechanism of H Company

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Abstract:

With the continuous warming of economic globalization, small and medium-sized enterprises have become the main force of national economic and social development. This paper takes Company H as the research object, analyzes the existing incentive mechanism of the company, and finds that there is unreasonable salary structure in the incentive system of the company; Single incentive form; Mental stimulation is not obvious; The concept of human resource management is weak, so we should adjust the salary structure reasonably. Use a variety of incentives; Pay attention to the spirit reward system; Establish a people-oriented management concept and other ways to promote H company to build a more effective incentive mechanism for new employees, so as to retain new employees and promote better, faster and more efficient development of the enterprise.

Keywords:

H Company, New Employees, Incentive Mechanism

1. Introduction

With the reform and opening up and the continuous development of the world economy, the internal and external environment faced by small and medium-sized enterprises is also changing accordingly. At present, there are 40 million small and medium-sized enterprises in China, accounting for 99% of the total number of enterprises in the country, contributing more than 50% of tax revenue, more than 60% of GDP, and more than 80% of urban employment. They are the main force for national economic and social development, and an important foundation for building a modern economic system and promoting high-quality economic development. It is an important support for expanding employment and improving people's livelihood, and an important birthplace of entrepreneurship. The COVID-19 epidemic is the most serious public health crisis since the Second World War, and the future of the game between China and the United States and the globalization of the world economy are full of uncertainties. In the face of the world's unprecedented changes in a century, small and medium-sized enterprises need to focus on their own development and changes in the external environment, learn to transform the crisis into a new opportunity, and open up a new situation in the ever-changing situation. Affected by

economic globalization and the COVID-19 epidemic, small and medium-sized enterprises generally have a poor development trend. First, they are under pressure from internal and external environment, including technological innovation, rising costs and intensifying competition among industries. The second is related to enterprise management. Small and medium-sized enterprises lack practical experience in human resource management, generally ignore the needs of new employees, and only pay attention to the short-term effect brought by material incentives, resulting in a large number of new employees loss and a significant decline in work enthusiasm, which seriously affects the work efficiency of new employees [1]. Therefore, compared with large enterprises, small and medium-sized enterprises have obvious problems in the management of new employees, and the employee incentive mechanism of enterprises is not perfect. Taking H Company as the representative of small and medium-sized enterprises, this paper studies its incentive mechanism for new employees and finds that there are still many problems. H company needs to develop a scientific and reasonable incentive mechanism for new employees, so that new employees can fully combine their personal goals with organizational goals, so as to ensure the realization of personal goals for new employees. It can also ensure the efficient and healthy development of enterprises.

2. Current Situation of Incentive Mechanism for New Employees in H Company

2.1. H Company profile

H Company was established on December 5, 2006, is a private science and technology food processing enterprise. The company is headquartered in Ningqiang County, Shaanxi Province, the source of the Hanshui River, covering a total area of about 5,000 square meters, with fixed assets of 3.15 million yuan, to achieve annual sales revenue of more than 8 million yuan. The company makes full use of advanced science and technology to provide processing, service and marketing work for local agricultural products, and its core business is the sale of agricultural products. The company spirit of “people-oriented, integrity management, maintenance of public health, serving the people's life” business philosophy, and strive to become the main force in the field of healthy green food production in China as soon as possible.

At present, H Company has 280 employees, whose educational levels are as follows: 30 of them have a bachelor's degree, 100 have a junior college degree and 150 have a secondary school degree. It is mainly divided into three parts: strategic layer, tactical layer and operational layer. The strategic layer refers to the personnel who participate in the major decisions of the enterprise, formulate the vision, mission and values of the company, and conduct macro-management of the enterprise, mainly including the general manager and deputy general manager. The tactical level refers to the elaboration and implementation of the objectives and plans formulated by the company, and the organization and management of the work of departments and departments, mainly including ministers and section chiefs. The work layer is the people who produce according to the work tasks and processes.

2.2. H company's incentive mechanism practice

2.2.1. Material incentives

Material incentive means that managers give employees certain material rewards, so

that employees can get material satisfaction, so as to further improve their work enthusiasm, subjective initiative and creativity [2]. Through the investigation and research in Company H, the author found that the company implemented the salary confidentiality system for new employees, and the salary was divided into three parts, salary = basic salary + bonus + employee benefits. First, in the setting of basic salary, the company will determine the basic salary of each new employee according to the education, position, department and work experience, the average monthly income of each college student is about 6,000 yuan, college students are about 4,000 yuan, and secondary school students are about 3,000 yuan. Second, in terms of bonus distribution, the company will classify new employees according to their work performance. Employees at different levels will get different bonuses, and employees at the same level will be equally distributed. The third is employee benefits, the company's employee benefits have five insurance and one fund, working meals, birthday benefits, paid annual leave and so on. The company will pay five insurances and one fund for new employees, and the payment standard is the minimum standard, but the employees of the operating layer have no insurance, generally after two years of work. Employees have a birthday coupon of 300 yuan every year. In addition, the company gives employees a holiday on statutory holidays, and a normal day off on Sunday every week, and they can enjoy paid annual leave.

2.2.2. Mental stimulation

Spiritual motivation is a kind of intangible motivation in the spirit aspect, and it takes a long time to reflect its incentive effect, including granting certain power to employees, recognizing employees' working ability, developing fair and open promotion system, providing learning and development opportunities, and developing career development paths suitable for personal characteristics [3]. At present, the current job promotion mechanism of H company has not established fair and reasonable evaluation standards. Employees of the company have a relatively simple promotion channel. After formal entry, employees can be promoted to project leader if they can complete the tasks assigned by their superiors well and perform well in other aspects such as interpersonal communication, communication and cooperation. The process takes about 3 years. After a period of learning in the new position, the project leader can be promoted from the project leader to the project manager if he is able to lead the project team members to complete various types of projects. The process takes about 5 years; If the project manager has strong communication and coordination ability, decision making and judgment, and organizational leadership ability, and there are suitable job vacancies, the project manager can be promoted from the project manager to the tactical level project manager, that is, from the original technical staff to the manager.

2.2.3. Comprehensive incentives

Comprehensive incentive is an auxiliary incentive method in management practice. The comprehensive incentive of H company for new employees is the application of example incentive and training incentive [4]. Example incentive for the company to select outstanding performance, outstanding performance of individuals or groups, awarded advanced workers, advanced work groups and other honorary titles, to affirm and praise, and require other employees to learn from them, so as to motivate all employees to achieve organizational goals.

The company's existing training systems are pre-job training, teacher and apprentice

system, professional and technical training and online learning. First of all, the company will conduct pre-job training for new employees, mainly in two aspects: one is to lead new employees to learn the company's rules and regulations through staff meetings, and introduce the company's development history, business mode, organizational structure, corporate culture, etc. More importantly, employees are required to use their spare time to independently learn relevant rules and regulations. The second is to lead employees to be familiar with the working environment, work process, job responsibilities, etc., so that new employees can integrate into the work team as soon as possible. Secondly, because the company's business is distributed all over the country and the work task is heavy, the company has developed a one-to-one mentoring system, that is, after the new employees are hired, an experienced old employee will guide the work, and the old employee will lead the new employees to complete the professional skills required for the project. The result of this learning style is that the expertise required for this type of project is basically mastered, but the expertise required for other projects still needs to be learned. Thirdly, the company will also invite high-end technical personnel to conduct professional and technical training for employees, mainly to solve the problems encountered by employees in the project, but the training interval is too long, resulting in many technical problems can not be solved. Finally, the company encourages employees to actively apply for job-related certificates, improve business knowledge and skills, and reimburse employees for registration costs, materials costs and online course costs.

3. Analysis of the Existing Problems and Causes of the Incentive Mechanism for New Employees in H Company

3.1. Unreasonable salary structure

For H company, the unreasonable salary structure of new employees has become an important reason for the turnover of employees, and many new employees choose to leave because they are not satisfied with the salary. New employees' dissatisfaction with salary is mainly reflected in the following three aspects: First, the external competitiveness of salary. New recruits are unhappy when they compare their pay levels with those of outside industries in the same area and find that the same job is being paid differently. The second is the fairness of pay. According to Adams' equity theory, new employees not only care about their own compensation, but also pay much attention to the horizontal comparison with others' compensation. They compare the ratio of their own compensation and input with others. When the former is greater than or less than the latter, new employees will think that they are treated unfairly and their job satisfaction will decline. Third, the equal distribution of bonus, such distribution method lacks objective assessment basis, will reduce employees' enthusiasm for work and lack of employees' participation in the evaluation of bonus, resulting in unfair bonus distribution.

3.2. Single incentive form

Compared with the same industry, the incentive forms adopted by Company H for new employees are relatively simple, and its managers cannot find a balance point among various incentive methods, and cannot fully and deeply understand the needs of employees. After only understanding the needs of some employees, they unilaterally believe that all employees have such needs. It is unfair that the needs of some employees are met while others are not. The incentive system of the enterprise

should meet the individual needs of the new employees as far as possible, so that the new employees can have the motivation to work, improve the enthusiasm of work, and make unremitting efforts to achieve the organizational goals. At the same time, when the company pays attention to the diversified and personalized needs of new employees, it also has the problem that new employees cannot have a sense of identity with the company's incentive system, so new employees can not get psychological encouragement, resulting in the incentive mechanism can not go deep into the hearts of employees. The company's senior managers and new employees have too little communication in addition to work, and only pay attention to the work results of new employees, and lack of emotional contact, resulting in the relationship between senior managers and new employees is not harmonious, and gradually distant.

3.3. Mental stimulation is not obvious

The spiritual motivation for new employees in Company H is mainly through job promotion. In addition, the company has only one career promotion channel for employees at present, and the job promotion system also has many unreasonable aspects: first, the promotion process is not open and transparent enough, and there is unfair competition. For the promotion of new employees, there is no reasonable evaluation system. Second, managers have a large degree of subjectivity and randomness, and only rely on managers' comprehensive evaluation of new employees' understanding and personal impression to become the standard for promotion. Third, the promotion period is long. If new employees want to be promoted to project manager, it will take five years. Many new employees with excellent performance can not get promotion opportunities in a short time, which reduces the enthusiasm of new employees. Therefore, some new employees with excellent performance choose to quit, resulting in a large loss of talents, which is not conducive to the construction of the company's talent team.

3.4. The concept of human resource management is weak

The managers of H company cannot fully and deeply understand the real needs of new employees, and do not know how to motivate new employees according to different needs, and cannot motivate them according to different needs. The company's leaders can not update their management concepts in time, pay little attention to human resource management, and the relevant institutions are not perfect, resulting in the smooth development and implementation of employee incentive system. According to the author's investigation and research in the company, at present, most of the rewards of employees in various departments are cash rewards, and all rewards are mostly based on money. This phenomenon is mainly due to the company's misunderstanding of material incentives, resulting in unreasonable execution methods. The leaders of the company only give material rewards to new employees, but do not pay attention to the emotional connection with new employees, resulting in no emotional connection between new employees and managers, and they are gradually separated. The lack of communication between the company's managers and employees and the serious sense of hierarchy further lead to the company's inability to conduct human-centered management and establish systems, and the lack of awareness of human resources utilization.

4. Countermeasures to Improve the Incentive Mechanism of New Employees in H Company

4.1. Adjusting the salary structure appropriately

H Company has discussed how to adjust the salary structure reasonably, and its main core point is to establish a scientific salary system. A scientific salary system is more conducive to attracting and retaining talents. The first step in establishing a scientific salary system is to establish a competitive salary policy and determine the salary level of new employees according to their position, working ability and performance. The second step is to change the salary structure of new employees to make them feel subjectively fair. The salary of new employees should not only reflect the difference of jobs, but also adopt a combination of fixed and variable salary. Among them, the fixed salary should adhere to the principle of fairness, justice and reasonable, composed of basic salary and post allowance, and linked to the attendance rate of employees [5]. The floating salary is mainly determined according to the operating conditions of the enterprise and the performance appraisal of the new employees. The third step is to implement the package bonus system in the distribution of bonuses. The company extracts a certain percentage of bonuses according to the sales each month. After the bonuses are distributed to various departments, they are distributed according to the individual contributions of employees.

4.2. Use a variety of incentives

While maintaining the existing three incentive methods, H company should increase the diversity of incentive means and levels of incentive measures; The second is to combine a variety of incentive methods, and through many times of practice, find the most suitable incentive method for new employees; Third, the incentive method should match the needs of new employees, so as to enrich the subjective incentive feelings of new employees, so as to achieve the purpose of incentive. The first incentive method is equity incentive, which gives certain economic rights to new employees after a period of work [6]. Through the employee stock ownership plan, new employees can participate in corporate decision-making as shareholders, realize the sharing of interests and risks, and thus serve the long-term development of the company with due diligence. This method can closely link the interests of new employees with the interests of the enterprise, give full play to the enthusiasm and creativity of new employees, and effectively reduce the turnover rate of employees. Through equity incentive, new employees can not only focus on the short-term performance of the company, but also focus on the long-term development of the company after they have part of the control of the company. The second approach is to add richer material incentives, such as: Employees' annual travel, housing provident fund, shopping gift vouchers, annual physical examination, etc., increase the number of material incentives, widen the gap between material incentives, and give new employees full choice to choose the material incentives that can meet their needs to the maximum extent, so as to improve the job satisfaction of new employees. The third method is goal motivation, in which the company and employees jointly set the company's future development goals, Motivate the new employees to work hard to achieve the goal, and the achievement of the goal can meet the needs of the new employees' self-realization. In the process of gradually achieving the goal, the new employees can continuously improve their knowledge and quality and realize their

own value.

4.3. Attach importance to the spiritual reward system

H company should attach importance to the spiritual reward system. Spiritual incentive is different from material incentive. It can meet the spiritual needs of employees and is not only reflected in the promotion of positions. The company should develop emotional incentive, honor incentive, trust incentive and other spiritual incentive systems. First of all, the senior managers of the company should take the lead by example and set an example for new employees everywhere. Secondly, managers should assign work tasks in consultation with new employees out of respect and care for subordinates. Finally, managers can increase emotional communication with new employees, pay more attention to the difficulties new employees encounter in work and life, and help new employees to solve their worries and difficulties, which can well meet the needs of new employees eager to care. Honor incentive is to award certain honorary titles to new employees after they have been employed for a period of time through evaluation in various aspects, which can meet the needs of employees for self-realization. Trust incentive is to assign responsibility and real power to the new staff working committee. This kind of trust is mainly reflected in treating employees equally, not discriminating, respecting the work of subordinates, and fully listening to and considering the opinions of subordinates. It can shorten the distance between managers and employees, and stimulate the work enthusiasm and subjective initiative of new employees.

4.4. Establish a people-oriented human resource management concept

The good development of H company is the common responsibility of each new employee, and is closely related to the work attitude and performance of each new employee [7]. First of all, the leadership of the company should establish a harmonious interpersonal relationship with the new employees, go deep into each department, walk into the life of the new employees, understand the job responsibilities of the new employees, communicate with the new employees, understand their real needs, and give them material and spiritual help. Secondly, the company should actively train and develop new employees, the focus is to improve the ability of new employees, the core is to develop the potential of new employees, so the company should formulate and implement talent strategy. The third is to cultivate and carry forward the team spirit, so that the company's mission vision values go deep into the hearts of employees. Develop reasonable business objectives, and the objectives are broken down layer by layer, and detailed to each department and each employee, so that employees' personal goals and organizational goals are interrelated. Finally, establish a scientific management system to make the work behavior of new employees more institutionalized and standardized, and improve work efficiency [8].

5. Conclusions

At present, under the influence of the COVID-19 epidemic, China's economic development tends to slow down and is in a period of recovery. Therefore, the competition between small and medium-sized enterprises for human, material and financial resources is intensifying, and human resources are the key elements to improve the core competitiveness of enterprises [9]. If smes want to attract and retain high-quality human resources, they need to develop a set of incentive mechanisms

that can meet the needs of employees, so as to improve the work enthusiasm and subjective initiative of employees, which is conducive to the future development of smes. Through the research of this paper, it is hoped that the optimization suggestions for the incentive mechanism of new employees can be effectively implemented and applied in Company H, play a certain role in motivating new employees, maximize the potential of new employees, improve their work enthusiasm and subjective initiative, and increase their sense of belonging [10]. To further promote the development of the company and achieve the vision.

Conflicts of Interest

The author declares that there is no conflict of interest regarding the publication of this article.

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