

## Talent Incentive Strategy under the Wave of Layoffs

Qing Yang

*School of Management, Shanghai University*

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**ABSTRACT:***In the era of VUCA wave of layoffs, enterprises to survive, to activate the internal motivation of employees, improve the efficiency of employees is very important. It is necessary for leaders to learn "gray scale" thinking, to have more tension when controlling the system and rules, to be free and easy between "strictness and tolerance" and "control and autonomy", to motivate attentively and retain talents.*

**KEY WORD:***Downsizing, Gray Thinking, Incentive, Empowerment*

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### I. INTRODUCTION AND LITERATURE REVIEW

In the winter of 2019, there was a sudden "cold". Many companies began to lay off employees. More than 6,190 workers at Ford Motor's Saarlouis plant in Germany are in talks to cut jobs; The grim news that Foxconn will lay off about 10% of its non-technical staff in the future has caused a stir. However, both layoffs and automatic dismissal of employees will cause certain capital consumption for enterprises. Therefore, how to do a good job in incentive strategy and improve employee efficiency under the wave of layoffs has become the most concerned topic for enterprises.

In the fast-changing VUCA era (Volatile, Uncertain, Complex, Ambiguous), the most important driving force of talents comes from the sense of achievement and social value brought by creation, so self-organization and self-drive become their characteristics. If an enterprise wants to survive forever and survive in the tide perfectly, the most effective way for leaders is to learn to think in gray scale, to be lenient and strict, to empower talents, and to give them what they want.

#### 1. Application of "Gray Scale" Thinking

Grayscale thinking is neither black nor white, it is either one or the other. The important quality of a leader is direction and rhythm, so his level is "appropriate grayscale". Change is too radical, too rigid, the way to break through the resistance is too rigid, in fact, is the lack of gray scale. "People are alive, institutions are dead" - this is a lot of people on the cognitive error. Management system has been regarded as a rigid rule and rigid dogma. Most leaders also believe that only by formulating a strict system and carrying it out in an absolute way can the order and effective operation of the enterprise be maintained. However, in the era of VUCA, information changes rapidly, and the rigid use of perfect system by leaders will only lead to the gradual decline and even death of the enterprise. The best proof is that "performanceism destroys SONY". However, how to strike a balance between the rigidity of the system and the flexibility of innovation, leaders should learn to think in "gray scale", introduce "follow up mechanism" into management, grasp change and invariance, and consider long-term benefits, so as to promote talent development.

#### 1.1 Simplify the Process and Combine Leniency and Strictness

As companies grow and businesses become more complex, should they pay more attention to processes? Is the more elaborate the better? Without system norms, the team will be routed, and the process is too tedious and lengthy, both for the enterprise and the talent itself is a kind of resource loss. In order to retain talents, leaders need to improve management. First of all, they should eliminate unnecessary repetitive work, shorten the process and reduce the approval process under effective monitoring. Zhengfei Ren also proposed in outline 2.0 to streamline the organizational hierarchy and reduce unnecessary reports. The current management operation has gradually changed from "company + employee" to "platform + individual". Leaders should provide platforms to provide more development opportunities for employees.

In fact, we all know that the essence of management is to stimulate employees' sense of responsibility and autonomy, rather than to make them conform and conform. But in an increasingly departmentalized, bureaucratized culture, the constant pursuit of efficiency, responsibility, and profit makes us increasingly dependent on rules and incentives that govern behavior. Most leaders believe that the best way to deal with institutional flaws is to set more rules or offer more effective material rewards. However, in today's emphasis on innovation-driven development and cross-border collaboration, both enterprises and individual employees are faced with many uncertainties. Purely relying on the system to conduct management is not the way to promote the

scientific management. On the contrary, people's thinking and creativity may be restricted due to improper regularization and institutionalization, thus hindering the development of enterprises.

Therefore, the leader, it is necessary to learn to think "gray", are more tension in the control system and rules, it is a flexible and practical, never jungle wisdom, help managers in the "control" and "independent", "strict" and "tolerance" and freely, to achieve dynamic balance, make rigid system, bloom the flower of humanity.

## **1.2 Grasp the Change and Unchanged**

A leader is an important person who controls the development direction and pace of an enterprise. As the competition is so fierce and the "change" and "invariance" of an enterprise must be grasped accurately, a leader with grayscale thinking plays a very important role.

### **1.2.1 Go With the Times and Refuse to "Boil the Frog"**

Since ancient times, Chinese culture has been rich in ideas of change. As Zhouyi once said, "poverty leads to change, change leads to prosperity, and harmony leads to longevity." Therefore, in the era of VUCA, leaders who want to attract and retain excellent talents must master the ability to quickly and nimbly adjust their strategic direction according to the changes of the market.

As an IT company with a long history, IBM has also realized that the traditional IT architecture should be changed to adapt the enterprise to the changing information technology. As a result, IBM's CIO (enterprise information technology operations and maintenance department) embarked on a transformation to an agile organization. The organization replaced the vertical team cooperation mode with the form of squad, replaced the functional decentralization system with the federal decentralization system for assessment, changed the communication line to report to the group meeting communication, in order to ensure the transparency of work, they achieved the expected goal in six months, and were regarded as a model, and were promoted worldwide by IBM.

Innovation and change is the only way, the leader can't "boiled frog", should be from comfort zone, must have the "business insight", to capture the external environment changes quickly, but also cultivate the "innovation and change" and the ability to "make complex decisions", in this way can we do to stand to see in the future in the future, make the employees believe that enterprises can bring more broad prospects for yourself, willing to fight to stay for the common goal of each other.

### **1.2.2 Adhere to the "Original Heart", with the Same Should Change**

Compared with the industrial age, the business logic in the VUCA era is constantly changing. The core of management has become to enable employees to be creative continuously, and the organizational function is no longer control but empowerment. However, even if the environment changes a lot, we still need to adhere to some principles. That is a "beginner's mind", a "spirit" and a "center" proposed by professor Jianfeng Peng. "Spirit" refers to the entrepreneur's innovative spirit and will, as well as the attention and pursuit of high-quality products. "Center" is customer-oriented, to provide customers with quality products and quality services.

We can see that on the road of ten years of development, OPPO will "duty" as the core values, Huawei will "take striver as this, take the customer as the center" as a criterion, and beauty is adhere to the "leading products, drive efficiency and global management" for the development of fundamental, we have reason to believe that they have to consistently stick to these principles is the result now.

The enterprise's managers, management schemes, products and technologies will constantly change with the passage of time, but the core values and standards of the enterprise should be adhered to, which can enhance the belief and sense of belonging of employees, so that the enterprise can keep changing in the rapidly changing market.

### **1.2.3 Refuse to Be Short-Sighted and Take Long-Term Interests into Consideration**

According to the business management outline of Huawei, leaders should not do what they regret for a long time because of short-term emergency or immediate benefits. They should not save today's fire while burying tomorrow's thunder. In fact, it is also a kind of grayscale thinking to weigh short-term interests and long-term development with the perspective of assessing the situation.

It is not difficult to find that at work, leaders often fall into such a strange cycle -- "burying mines" of work arrangements for employees, in order to achieve the desired results quickly and excessive energy consumption of employees. In the short term, you do get instantaneous gains. But in the long run, such overwork can drain resources and lead to emotional exhaustion and even resignation. Leaders should learn to allocate and arrange reasonably and improve efficiency and efficiency, instead of simply increasing labor intensity to complete work tasks.

The same problem applies to incentives. Jeremy hope once said, "despite hundreds of studies over the past 50 years showing that extrinsic motivation (carrots and sticks) doesn't work, most leaders still believe that

financial incentives are the key to improving performance." In fact, assigning explicit incentives according to results will generate hidden costs and produce "crowding out effect" on intrinsic motivation. And in pursuit of the interests of the environment increasingly, we always ignore the essence of man is driving the fact itself, using the system to strengthen the employee behavior will drive employees to undermine intrinsic motivation, produce short-term behavior, to make it more focus on the immediate interests, rather than challenging tasks and long-term goals of the organization's strategic value.

The immediate benefits are tempting, but the long-term benefits are even harder to ignore. In today's volatile and complex times, "teaching fish is better than giving fish" may no longer apply. Today, leaders should build cooperation between those who choose a basket of fish and those who choose a rod, so as not to starve to death in the present, but to keep fish in the long run. Let the development of the enterprise can not only guarantee the present, but also consider the future.

## **2. Establish A Community of Common Destiny Between the Enterprise and Employees**

According to social psychologist Clark, the relationship between employees and enterprises can be divided into two types: exchange relationship and mutual relationship. Leaders want employees to have a sense of ownership and commitment that allows them to work together. But when employees do make the company their home, they can be fired during a particularly difficult time. As a result, the two sides of the cognitive conflict, resulting in resentment. Many years ago, Lenovo staff issued a statement that "Lenovo is not home", from this cognitive dislocation. In order to achieve the cognitive coordination between the enterprise and employees, the common relationship between the enterprise and employees should be established instead of an exchange relationship. Employees should be guided by their mission, dream and vision, and be "empowered" according to their psychological needs, so as to "give what they desire to", so that employees can truly grow up together with the enterprise.

### **2.1 Change to A Trust System and Build An Enabling Platform**

Kazuo Inamori, one of Japan's "four operating saints" and founder of Kyocera, divides employees into three types: self-igniting, ignitability and flame retardant. People who are spontaneous are more active and full of energy no matter what they do. People who are ignituous need help to stimulate their internal energy, while those who are flame retardant are more passive and difficult to activate their internal power no matter how their surroundings change. So how do you convert flame retardant employees into hypergolic employees? General Stanley McChrystal, the top US commander in Afghanistan, has outlined a golden rule for building agile teams and improving operational effectiveness - empowerment.

In creative revolution era, employees need most can not motivate but fu, fu can type platform different from traditional management platform, is inverted pyramid structure, the biggest change is the power of decision in advance leaders do not call the shots, but to provide them with more efficient to create the environment and tools, we need to get heard of fire for the first time to make decisions, with decentralized drive organizational flattening, which makes it possible for outstanding talents more independent work decision-making. Motivating employees' interest, intrinsic motivation and sense of belonging and maximizing their talents and potential are the essence of enabling platforms.

The vitality of an organization comes from talents. Trust and power incentive are important conditions for cultivating excellent talents. Therefore, leaders should establish a culture of trust, build an enabling platform, stimulate the autonomy of excellent talents by providing options, and release their creativity through full authorization, which not only maximizes the value creation of talents, but also helps form a dynamic business collective.

### **2.2 "Give to A Person What He Desires"**

The most important thing to keep the organization alive and slow down the aging process is to maximize the effectiveness of employees. In order to improve employee engagement and activate employees' internal efficiency, leaders must clarify employees' internal psychological needs and manage their "heart" well.

The no. 1 reason people are looking for a new job in 2018: they're bored in their current job, according to a survey of nearly 5,000 professionals. A third of respondents said they wanted a new job because of novelty and new challenges. Only 19 percent said the focus of their new job was salary.

In the face of the rapidly changing environment and more and more new generation employees born in 1990 and 1995, KPI assessment has a worse and worse incentive effect on employees. The old constrained management and incentive methods are not suitable for the present. What employees really need is a sense of freshness and inner purpose (a sense of being attracted to and satisfied with their work). Appropriate challenges in the work, to obtain a sense of accomplishment, to achieve growth and progress is the original motivation to activate the effort.

### **2.3 Heartwarming Encouragement**

'when a company that only talks about performance and Numbers starts to talk and care about employees, the company's performance and prospects are bound to get better,' li xilie, medtronic's global senior vice President and advocate of emotional management, said in a BBS interview. VUCA era, the pursuit of data analysis and quantitative management has become a leader to implement simplified management an important means, but always pay attention to interpersonal communication and social environment, if the manager is the system control, ignore the emotional leverage this move employees' behaviors, the enthusiasm of the employees and vigor will eventually be overdraft, enterprises will be onto the road of decline. Therefore, the "emotional brand" of leaders can be said to be the key to the development of enterprises.

During deppon express's annual meeting, it was revealed that sf express had spent more than 100 million yuan on customising Nike uniforms for its employees. The heated debate about the two companies was pushed to an instantaneous climax. In fact, the management of sf express, deppon, southwest airlines, general electric, including today's Huawei and haidilao all contain an important law: it is to value human nature and warm people's hearts.

So, if you want to truly motivate employees, improve work enthusiasm, to systems thinking from the value of the job brings to the staff, two-wheel driven by material incentives and spiritual civilization construction, implement differentiation precision management and incentive, only pay attention to human nature, and meet the demand of employee heart really, to make the staff really willing to growing up with enterprises casting.

## II. CONCLUSION

In fact, the talent in the enterprise is not the pronoun of being managed, they are the real creator and owner of organizational performance. In the winter of the sudden cold, if the enterprise wants to be prosperous, the necessary system standard is indispensable, but how to use it fully, well, live is the great wisdom in practice. Leader should be based on the employees' basic psychological needs, build "two-wheel driven" internal and external incentive collaborative pattern, to further "the heart" incentives, let employees from external pressure of the flame retardant into unwilling to work to pay for the "spontaneous combustion", a leader only on principle, to master flexible coping skills, can activate the staff efficiency, make the enterprise more and more vitality.

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