

# **IMPROVE RECRUITING BY DEVELOPING A MOTIVATION SYSTEM**

Case Company: OCM Realty



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ABSTRACT

OCM Realty Agency is the case company of this research, and the company provides assistance to real estate buyer where marketing and selling of products (house and lot, condominium, lot and any property) online are the main activities. Along with that, booth manning, saturation, social media and referrals are their other means of finding a client.

The goal of this thesis is to provide different approaches in motivation and recruitment improvement. Questions in the survey were based on theories. In motivation, Maslow's hierarchy of needs theory, Herzberg two-factor theory and McGregor's theory X and theory Y were used. Goals of recruitment, recruitment policy, and the internal and external sources of recruitment were also used in recruitment theory. An interview with the owner and a survey questionnaire were sent to every part-time and full-time sales consultant to gather data regarding the present situation of the company. Results were also analysed according to the given theories.

The expected respondents were 20 and the response rate was one hundred percent. It was a high rate because all of the agents (managers and sales agent) can access to internet. With the survey's results, OCM is evidently in need of motivation and recruitment development. As a result, suggestions were provided for the improvement of company's sales agents' motivation in order to enhance its recruitment.

**Keywords** Motivation, recruitment, real estate

**Pages** 66 pages, appendices 4 pages

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# 1 INTRODUCTION

## 1.1 Human Resource Management

A community has been transformed when knowledge, supports (material and non-material), human improvement, technology, science, law and culture have been developed during the process of human history. During several years, firms were shifted as well, for they need to adjust according to upcoming technologies, work force potentials, demands for goods and services, and the ruling work perspective and duty in human being and so on. Development in managing people methods has shifted as well as a feedback to all evolvement in community and companies. (Martin 2010, 114)

We frequently overhear the phrase Human Resource Management, Employee Relations and Personnel Management that has been utilized in the famous media also in the industry specialists. When people hear those phrases, they recall the likeness of productive supervisors actively doing their task in a flashy work place. (Management Study Guide, 2017)

In one online article, under the Management Study Guide site, the authors included the “art and science” in the broad definition of HRM because they believe that there is much deeper in the industry regardless of its known portrait. The “art and science” has been selected because HRM is the art of controlling people through an option to artistic and inventive ways, and science is also used due to the accuracy and strictness of mandatory theory implementation. (Management Study Guide, 2017)

Based on the above, the initial meaning of HRM is ‘the process of managing people in organization in a structured and thorough manner’. (Management Study Guide, 2017) It covers staffing (hiring), retention of employees, pay and arrangements of benefits and management, performance management, managing change, and responsible to the way outs from the organization to activity implementation. This definition is the conventional meaning of HRM that ushers few specialists defining as the latest term for Personnel Management as mentioned above. For the second meaning of HRM, it consists “the management of people in organization from a macro perspective”. (Management Study Guide, 2017) For instance, people management in a way of collective relationships among management and employees. Objectives and end results of the HRM responsibility are the priority of this method. Meaning, the HR role in modern firms is interested in the ideas of empowering people, improvement and concentrate on executing “employment relationship” achieving for the administration and workers. (Management Study Guide, 2017)

Dell (1993, vii) mentioned that it is not as complicated as it sounds to motivate a person to do their job. Working hard and having a nice time, giving their

utmost skills and by that they can be acknowledged. People desire to work for organizations who consider that and give them the opportunity to do it. But why does it look so difficult to get workers to do things according to what managers want? What does an empowering workplace look like? Feel like? (Dell 1993, vii)

But according to Pollitt (2007, 3), there are two great problems that HR has facing, the recruitment and retention of workers. In the UK, a survey called "2007: The Challenges for HR" done by talent management company Taleo, it exceeds to two-thirds of senior HR managers notice that recruitment and retention were the most valuable problems in the year ahead. The change that is happening in the age allocation of the employed society makes HR professionals worry. (Pollitt 2007, 3)

The beneficial driving force of an organization's success is a motivated labour force. Accomplishment relies upon a human influence named motivation. Humans who show care and accept a special interest in the activity of the firm they are in, their duty is necessary in influencing its function to succeed in combative worldwide marketplace. In addition, motivation is an ambiguous idea, this is intangible method, not even corresponding into a model which is multi-purpose. Physical, material, monetary supplies can be bought but human resources are to be directed and controlled in work organizations. Person's accomplishment rests on their ability and motivating force. "Performance = Ability and motivation". (Chaudhuri 2010, 147) Where ability stands for capability of an individual and motivation stands for individual's enthusiasm to work. What accurately motivation is? How motivation can be expanded or encouraged in work area. Is an inspired worker performs well? (Mathe, Pavie and O'Keefee 2011, 1; Chaudhuri 2010, 147-148)

Shifts in a firm's environment must be expected by the management to guarantee that the recruited individuals have knowledge of uniqueness, skills, capabilities and values that are needed in the firm's strategic goals. (Chaudhuri 2010, 56)

Considering one portion of personnel planning, schedules are settled in accurate categorization in recruitment indicating where and how people can be located or reached. Diagnosing a firm's long range and temporary demands with job classification and level in the firm, job-market condition, enhancing the structured recruitment program in connection to further man power proceedings and acquiring a pool of capable candidates for the job are the valuable proceedings which are a portion of recruitment. Deciding in selection starts with a total number of probable efficient job aspirant, for instance, determining who may be hired covered by the employment firm's rules, for temporary and long-term attractions of every worker and the business. (Chaudhuri 2010, 56)

In Human Resource Management activities, motivation and recruitment are valuable areas. In order for OCM Realty to achieve the above requirements, a strategic plan and improvements should be done.

## 1.2 OCM Realty

OCM Realty is a newly opened agency, which officially started fifth of November year 2016 with three sales agents. OCM comes from the owner's name- Orlando C. Manuel. Now the business has twenty full-time and part-time agents and continuously recruiting new agents.

The owner has been awarded as one of the top sellers in various real estate developers in the southern part of Luzon, Philippines. The Philippines are divided into 3 main geographical divisions from North to South: Luzon, Visayas and Mindanao. OCM's office is located in the south west of Luzon, more than an hour of travel time from Manila. Real estate development means an individual or company, huge or small which constructs houses, buildings and land, and earn money from it. (Manuel, 2017)

OCM Realty's main activity is selling houses, land and condominiums. Their main means of finding clients is through property website posting. Booth manning, saturation (visiting houses as a way of finding clients) and social media postings are the other ways of looking for potential customer. They have been generating between 10 million pesos (€178, 571) to 20 million (€357,142) sales per month. Some of their clients have seen their listings online from abroad such as in the Middle East, Canada, America, some parts of Europe, and other Asian country. (Manuel, 2017)

Although they can sell properties around the country, the group has focused on the Southern part of Luzon, Philippines at the moment because most of the consultants live in that area. It is difficult to sell if they are not in that particular area. They need to visit themselves the property they are selling in order for them to know what they are selling. (Manuel, 2017)

For posting their listings, the consultants takes pictures of every model unit they sell. It is not possible for all consultants to use the same picture. Each of them needs to have their own picture, otherwise they can be penalized by the website developer. Currently, they are selling properties of more than twenty developers such as SM Development Corporation, Ayala Land, DMCI, ACM, Northpine, Filinvest, Sta. Lucia Land Inc., Robinsons Land Corporation, Vista Land & Lifescapes, and more. (Manuel, 2017)

Property sales agent present their product and assist the client by arranging the site viewing, providing prices, house features and payments, helping them to provide the needed requirements and reminding the buyers of their monthly payment if needed. Sales agents are the main player of mediating between the developer and the buyer. (Manuel, 2017)

Regarding agent's salary, they only receive money if they sell one property, whether low cost or high end property. Developer gives incentives for every sales and some incentives from the real estate agency, e.g. OCM Realty. Consultants are commission based income, meaning no sales no money.

However, OCM provides basic help during other activities like manning the booth, leafleting, saturation and tripping (site viewing). Lunch, transportation allowance and car provision for every site viewing (when client wants to see the site). (Manuel, 2017)

### 1.3 The Purpose and the Research Question

Since OCM Realty is considered as a baby company and they are in crucial area of developing the business therefore challenges occurs especially in motivation and recruitment. The purpose of this research is to figure out the level of sales consultant's motivation through survey questionnaire, analysing the result, and the author will give additional approach base on theoretical practices for further improvement in order to enhance company's recruitment. Therefore, the author came out with the research question, "How can recruitment be improved by developing the motivation system of OCM Realty?"

At the moment, there is no basis how motivated every consultants are, because feedback has not been collected since the company started. Higher than normal rate of commission, incentives, emotional support and car assistance during site viewing are the methods of OCM to supports each consultant. The effectiveness of those supports will be investigated through the survey.

### 1.4 Objectives

The objectives are based on the purpose and the survey questions.

- Theories on motivation and recruitment are collected from books, e-books, suitable websites and articles are in chapter 2 and 3. On this objective, information such as definition, goals, kinds and basic concept of motivation are detailed. On the other hand, definition of recruitment, goals, policy, and sources are also mentioned in chapter 3.
- Chapter 4 contains general situation of real estate in the country, the questions and analyzation of current motivation and recruitment situation of OCM's sales consultants through survey result, and an interview with the owner.
- In the fifth chapter, suggestions given by the author will be discussed. Number of new approach for improvement in motivation and recruitment of the company are on the lists.
- And lastly, the conclusion contains the summary of the whole research.



## 1.5 Research Methods

Based on the objectives above, relevant data were gathered through: literature research, personal interview with the owner and an online survey to consultants.

- In order to collect relevant data, literature research were made. Both motivation and recruitment theories were based on written evidence of famous writers in the past years like Abraham Maslow's hierarchy of need, Frederick Herzberg's two-factor theory, and Douglas McGregor's theory X and theory Y. In recruitment theory, several books of writers were also used. Online articles, websites and online news were utilized as well.
- The second research method in getting data is through personal interview with the owner. The author and the owner agreed a date for the interview and the questions (see Appendix 1) were sent before final date which was 31<sup>st</sup> of May 2017. The owner provided appropriate information for further analyzation of this research. Survey for property consultants including the cover letter (Appendix 2) were sent to the owner before transferring to Google docs and it consists 17 questions (Appendix 3). English language was used in the questions although Philippines has national language because most of the people speaks and understands English. The link of survey questionnaire was sent to property consultant on first week of June 2017 and completed answering on 15<sup>th</sup> of June.
- Suggestions are based on the theories provided, survey results and other practical solutions.

## 2 EARLY MOTIVATION THEORIES

This part consists of the theory of motivation. Motivation analysis is fundamentally involved with why a person react a particular action. The main prime question is, 'Why do people do what they do?' Motivation is possible to be defined as the control and action's perseverance or tenacity. It involved the reason why a person have chosen a certain act among other choices. Why people persistently doing such action even in facing challenges and hardship? (Mullins 2010, 253)

### 2.1 Common Characteristic that Influence the Definition of Motivation

Motivation has four common characteristic that influence its description. (1)Represented as a person's experience. That every individual is different and every prime motivation ideas acknowledged that uniqueness be proved compare to others. (2)Frequently defined as voluntary or intentional. It is expected to be in person's management, and attitudes are affected by motivation which are observed as action selection. (3)Versatile. There are

two important factors: (a) “What gets people activated (arouse)”; and (b) “the force of an individual to engage in desired behaviour (direction or choice of behaviour)”. (Mullins 2010, 253) (4) Predicting behaviour is the goal of motivational theories. It is not the behaviour and performance, it is the action and internal and external power that force individual’s decision towards a certain action. (Mullins 2010, 253)

## 2.2 Definition of Motivation

Motivation comes from the word ‘Motive’. A ‘Motive’ is an internal outlook that empowers, stimulates or arouse, and controls or guides behaviour headed to a particular objectives. Motivation is a series of actions to achieve result that begins with a physiological or psychological insufficiency or a wish that trigger behaviour or force that is directed towards a particular goal or any incentives. (Rao 2009, 256)

Based on the above four characteristic that influence motivation, Mitchell described motivation as, “The degree to which an individual wants and chooses to engage in certain specified behaviours”. (Mullins 2010, 253)

Chartered Management Institute defined motivation as: “The creation of stimuli, incentives and working environments that enable people to perform to the best of their ability. The heart of motivation is to give people what they really want most from the work. In return managers should expect more in the form of productivity, quality and service. (Mullins 2010, 253)

Robbins definition to motivation as, “The willingness to exert high levels of effort to reach organizational goals, conditioned by the effort’s ability to satisfy some individual need”. (Robbins 2008, 266)

## 2.3 Goal of Motivation

It is obvious that only a limited part of intellectual and physical capabilities are used by the majority of an individual. In order to utilize the available capability in person, they need to be inspired or persuaded. The outcome of utilization of it will be better performance or effectiveness, greater achievement and improved regular way of life. (Rao 2009, 256)

## 2.4 Kinds of Motivation

Positive approach or so called pull mechanism and negative approach or called push mechanism are the two methods which individual can be motivated.

In positive motivation, a reward and the methods on how to attain it are presented, either financial or non-financial. Various incentives, wage plans, productive bonus schemes are some instances of financial motivation. While recognition of work, management cooperation, public acknowledgement and others are the non-financial motivation instances. Providing the employee an improved way of life through financial incentives and satisfying the pride of a person in non-financial incentives. Creating idealistic work environment or ambience is the aim of positive motivation.

Negative motivation is through establishing fear in the minds of human beings in order to achieve the aimed activity. This way, the worry of results of doing and not doing a particular thing controls the employee toward the aimed goal in which it gave various disadvantages. Resentment, unfriendly condition of mind and destructive mood against the job that prevents effectiveness and productiveness are the effects of fear. Therefore, this method must be used with limitation. (Rao 2009, 256-257)

## 2.5 The Basic Concept of Motivation

A few driving force inside the person whereby they intend to accomplish the target or goal to achieve those need or hope is the basic approach of motivation. This approach brings to the fundamental motivational level, which is shown in figure 2.1. Behaviour of human being is driven by the things that inspires or persuades them. Whatever they are doing now is the result of the level of their capability and motivation. (Mullins 2010, 253-254)

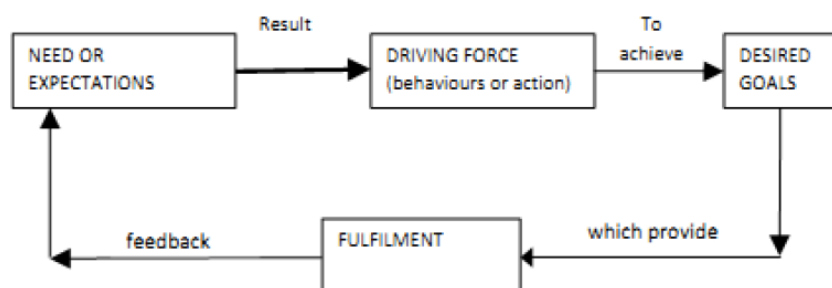


Figure 1. Illustration of Basic Motivational Level. (Mullins, L. J. 2010, 253)

## 2.6 Motivation Theory

Motivation has various theories. Battling theories that try to illustrate the nature of motivation are bountiful. They might contain somewhat moderately valid and it aid to define and illustrate the behaviour of a person at a right time. Mullins (2010, 259) explains that the concern of motivation is frequently toward young people beginning their path or work, for individual whose at the middle of their work situations and for people who discover that their chance for higher position is poor or insufficient. Hardship in motivating employee whether for longer term and short term are also employers concern. The

reason is that the complication of motivation and reality that there is no prepared answer to what inspires individual to do the job excellently that the diverse theories are essential to every manager. Theories demonstrate that there are various motives that impact the behaviour and performance of an individual. But generally, the various theories produce a structure to give instruction to the challenge of how to inspire employee to do the job voluntarily and productively. Maslow's Hierarchy of Needs, Herzberg's Two-factor Theory, McGregor's Theory X and Theory Y are just some of the essential theories. (Mullins 2010, 259)

### 2.6.1 Maslow's Hierarchy of Need

Human needs structure a hierarchy and it starts from the lowest with the physiological need then escalating to the highest need of self-actualization as stated by Maslow and demonstrated below (figure 2).

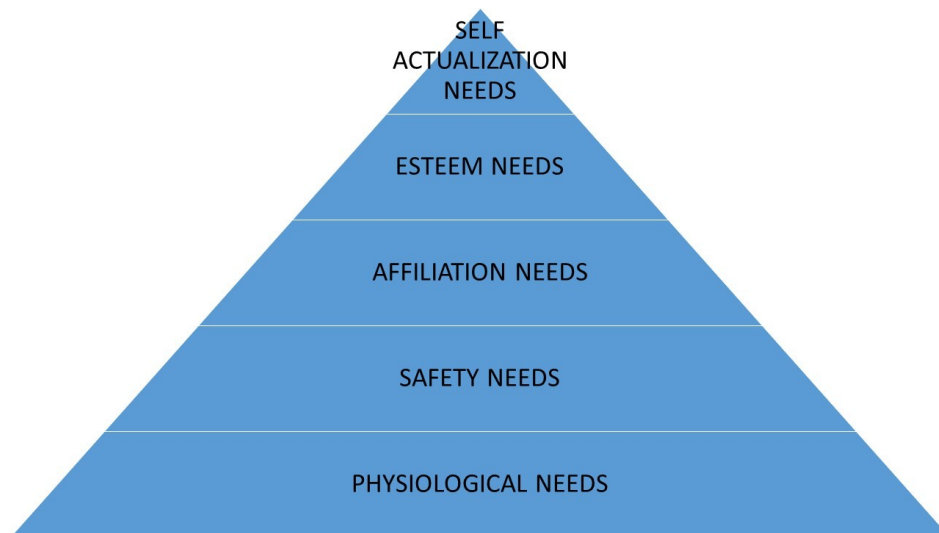


Figure 2. Maslow's Hierarchy of Needs (Rao, P.S. 2009, 258)

Maslow mentioned that when one group of needs are fulfilled, they are not anymore a motivators because human being finds to please the coming higher level of needs.

Physiological needs. According to Mullins and Gill (2010, 261) physiological needs involve homeostasis which means the body's automatic work to maintain natural activity like hunger and thirst contentment, oxygen need and the temperature regulation maintenance. Food, water, warmth, shelter, sleep, activity, maternal behaviour and sexual satisfaction are the primary needs of individual life. Maslow declares that as far as these necessities are fulfilled to the needed level, people do not aspire the fulfilment of the later higher need level. Prior to work organization salary, allowance, incentives and benefits covers the basic need. (Rao 2009, 258)

Security/Safety needs. These need denotes the feeling of deficiency of food, loss of job or shelter or the need of being free in any physical threat or troublesome situation. A person begins to think of the technique where he/she can pursue in satisfying those physical needs after the physiological needs are fulfilled. The needs of security will emerge the time he/she does a work in the way of sustaining himself/herself the origin of survival of physiological needs. It is the precise cause why attitude when it comes to security is an essential concern in the time of selecting career. Until work organization is involved with, these needs contain agreement, security plans, union membership, free from pain, threat physically, protection from any danger or hardship, predictability and systemization need. (Rao 2009, 258; Mullins 2010, 261)

Affiliation or acceptance needs/ love needs. This needs is usually introduced as social needs. After the physiological and security needs are fulfilled, the need of social starts to take over the mind of an individual. The reason why he/she starts to find for the affiliation of other people and try with determination to be accepted in a certain society. These needs consists of affection, sense of belonging, social activities, friendship, both of giving and receiving of love. At work, human relations, formal and informal work groups are the needs socially. (Rao 2009, 258; Mullins 2010, 261)

Esteem needs. It is also called as ego needs. Each individual has the feeling of attention need and they want other people to look him/her supremely. Those needs will cause people to target high and generate them to attain something big. Self-respect and the esteem of others are both included on these needs. The longing of confidence, strength, independence and freedom, and accomplishment are under self-respect while good name or reputation, position, recognition, attention and acknowledgement includes in esteem of others. Also status, awards, promotions, titles and others are the needs of employees. (Rao 2009, 259; Mullins, L. J. 2010, 261)

Self-actualization needs. This needs according to Maslow is the growth and accomplishment of person's full ability. He look at this as, "What human can be, they must be" or "becoming everything that one is capable of becoming". (Mullins 2010, 261) It was mentioned in Maslow's writing that although the needs previously will be fulfilled, it is still frequently anticipate that dissatisfaction and anxiousness arises soon after another, except he or she does what he or she is suited for. Person who is talented in music should create music, the artists also have to paint, poet ought to write whenever they are anticipated that they finally have peaceful with their own self. These are not definitely an imaginative drive and possible of taking various kinds which differ from different person. This needs is also considered as the prime need among the hierarchy because this applies to the passion to transform into anything that is attainable. When this need is stimulated in a person, he or she attempts to expand that ability and achieve something. What a person can be, they should be. Individual should be honest to their own personality or character.

This is named as the self-actualization need. (Mullins 2010, 261; Maslow 1987, 22; Rao, 2009, 259)

When the lower part of hierarchy is well pleased, this does not play as powerful drive anymore. The succeeding higher level of hierarchy needs urge fulfilment and turn as a motivator. The things that motivate an individual is the unfulfilled needs alone. Maslow indicated that the fulfilled need is not anymore a motivator. (Mullins 2010, 261)

With Maslow's Theory, some critical study occur and it develops a question: "Do needs follow hierarchy?" (Rao 2009, 259) Experts did an analysis and surveys, it was disclose that needs do affiliate hierarchy to some area. However, do not forget that this should not make as universal in a way that it does not go after the same hierarchy to individual in every time. Maslow recommended that all of the basic needs is in order to majority of the people but he explains clearly that hierarchy is not importantly a permanent sequence or series. (Rao 2009, 259; Mullins 2010, 262)

A fully open appreciation was given to Maslow's need theory, especially with performing managers. The theory's acceptance is possibly accredited to the theory's natural logic and an understanding guide. Sadly, study do not basically support the theory. There is no empirical validation given by Maslow in his theory and few research wanted to approve but there was no back-up. (Robbins & Decenzo 2001, 315)

## 2.6.2 Herzberg Two-factor Theory of Motivation

The two-factor theory also called motivator-hygiene theory was recommended by a behavioural scientist, no other than Frederick Herzberg. He said, there are few job factors that the outcome is satisfaction while the second job factors which hinder dissatisfaction. He declared that the opposite of 'Satisfaction' is 'No satisfaction' and the opposite of 'Dissatisfaction' is 'No dissatisfaction'.

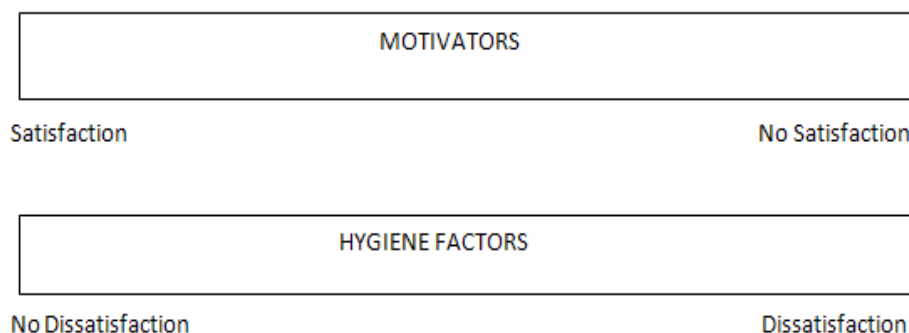


Figure 3. Herzberg's Two- factor Theory of Motivation (Google, 2017)

This is the early study of Herzberg which consists of interviews to 203 accountants and engineers. They have been selected due to increasing significance in business society in Pittsburgh part of America and they are from

various field. Using the critical event procedure, people were questioned to describe the moment when they experienced extremely good or extremely bad regarding their current and earlier work. The basis and the explanation of the series of circumstances that trigger those feeling were asked. The result were all stable and disclosed that there were couple distinct group of elements that affects motivation and the work, they are the two-factor theory of motivation and job satisfaction. (Mullins 2010, 265)

### 1. Motivator Factors.

This factors produce beneficial satisfaction and are essential to work. These inspire workers for better or excellent accomplishment which is called 'satisfiers' and the factors included to do the work. Workers discover these factors essentially productive. The persuaders represented the psychological needs which were observed or seen as additional advantage. These factors covers recognition, awareness of success, development and an opportunity for higher position, responsibility, and work value.

### 2. Hygiene Factors.

Hygiene factors are the job factors and vital for the presence of motivation at work area and does not produce long-term positive satisfaction. However, if these factors are not present at work, thus it ushers to dissatisfaction. The factors that when sufficiency at work, calm the workers and does not induce dissatisfaction are the hygiene factors, meaning those factors are extrinsic to job. The hygiene factors are named as "dissatisfiers or maintenance factors", for they are enforced to refrain from dissatisfaction and it depicts the workplace. The physiological needs that the persons' wanted and anticipated to be satisfied are the symbol of these factors. It consists of salary, organization's Policies and administrative policies, marginal benefits, work condition, position or status, peer relations, and work guarantee. (Management study guide, 2017).



Figure 4. Herzberg motivational-hygiene Factors (Google, 2017)

When comparing the theory of Maslow and Herzberg, it is obvious that Herzberg's theory is almost the same with Maslow's. Majority of factors in hygiene by Herzberg falls at the lower part of Maslow's hierarchy of needs.

According to Maslow, when the bottom level of needs are fulfilled, they halt as motivators. It is the same in hygiene factors under Herzberg theory. However, there is dissimilarity where it needs to be considered, Maslow expresses that a particular unfulfilled need either of bottom or top level, tend to motivate a person. While in Herzberg theory it defines with clarity that those particular needs are under hygiene factors and they are not totally called as motivators. (Rao 2009, 259)

Herzberg's Model	Maslow's Model
Motivators	5. Need for self-actualization
	4. Esteem needs
Maintenance Factors/hygiene	3. Affiliation or acceptance needs
	2. Security or safety needs
	1. Physiological needs

Figure 5. Comparison of Herzberg and Maslow's Theory (Rao 2009, 259)

Despite of positive feedback on Herzberg theory, there are two criticism toward this theory. The theory is first restricted only toward 'manual' workers and the second is 'methodologically bound'. It is for manual workers because it is frequently declared that the theory is less administer to the majority of unskilled works of people or to the people which job is unexciting, unchanging and dull, and restricted range. And those people are usually the source of huge problem of motivation in the management. Few of the employees appears not showing eagerness toward the job idea of their work, drive force or their elements in growing. (Mullins 2010, 265)

The methodological bound's attack toward this theory is that, it held that the crucial incident approach, and the explanation of circumstances gives growth to good or bad feelings, it affects the outcomes. Persons are distinctly possible to associate fulfilling events at work, those are the drivers, like an encouraging echo according on their conduct. The dissatisfying circumstances will be, the hygiene factors are possible to be associated with the impacts from the external and from the other people's power. The illustrations from the people who responded needed to be explicated by the questioners. And that is the reason why it allows to increase the challenges on differentiating with clarity between the conflicting dimensions and the chance of questioner's unfairness. (Mullins 2010, 265-266)

Regardless of those criticism, the steady importance of the theory is still the proof of validation. Mullins copy the writings of Crainer and Dearlove that says:

"Herzberg's work had a considerable effect on the rewards and remuneration packages offered by corporation. Increasingly, there is a trend towards 'cafeteria' benefits in which people can choose from a range of options. In



effect, they can select the elements they recognize as providing their own motivation to work. Similarly, the current emphasis on self-development, career management and self-managed learning can be seen as having evolved from Herzberg's insights". (Mullins 2010, 266)

Anything on the effectiveness of the two-factor theory, the advantage of knowledge is more than the criticism, and the empirical way of the research of motivation and job satisfaction at work has been tried anyway. Moreover, the essentiality of job design in the 'quality of work life' has been noticed because of Herzberg work. (Mullins 2010, 266-267)

### 2.6.3 McGregor's Theory X and Theory Y

A management book written in 1960, *The Human Side of Enterprise* by Douglas McGregor, a business professor, the concepts of Theory X and Theory Y were developed. They show contrasting speculations that influence the attitudes in the management and assumptions about the behaviour of employees. The two views of the nature of human beings according to McGregor are: the basically negative view, named Theory X and basically positive view, also named Theory Y. McGregor finalized after observing how managers handled employee, that the human nature in manager's perspective, is formed on a set of expectations, each of the two: negative or positive, and because of those presumptions the manager forms his/her attitude to the workers. (Lauby 2005, 3; Pride, Hughes & Kappor, 2015, 279; Robbins & Decenzo 2001, 315)

In examination of motivation, McGregor suggested that it demonstrate best in structure introduced by Maslow. The theory X believes that physiological and safety needs control the person while the theory Y believes that social and esteem needs take the lead. He believe that the speculations in Theory Y were more logical than of those in Theory X. As a result, decision making involvement, being accountable and being in the job which are difficult, and good relationship toward group are his suggested reasons in maximising job accomplishment. (Robbins & Decenzo, 2001, 315)

Theory X.

On this part, motivation only appears at the physiological and security levels of Maslow's hierarchy. On this theory, they believe that the initial cause of majority of the worker's motivation is financial, then security strongly follows. Theory X is established on the speculations below:

1. Workers hate the job and attempt to stay away from it.
2. As workers hate the job, managers should suppress, control, and oftentimes blackmail employees in order to attain the organization objectives.
3. Workers should be guided basically due to small desire or determination they have, refuse to change and are not looking for responsibility, security is the only major concern.

4. Majority of them are easily deceived and have low level of intelligence and small talent or potential in resolving the problems of organization. (Lauby 2005, 3-4; Pride, Hughes & Kappor, 2015, 279)

Basically, managers do all the decision making and workers are just receiving instructions. Achieving the basic needs like food, clothing, shelter and security are the only interest of these kind of individuals. Additional benefit such as insurance and intentional fund and financial are the reason why they cooperate to organizational objectives. Stiff control, constant supervision, direct communication, and dictatorial way of leadership is the method to approach on this motivation. (Pride, Hughes & Kappor, 2015, 279; Mehta 2017)

Theory Y.

This is the employee motivation idea where basically constant with the concept of the movement of human relations. Below are the belief of Theory Y:

1. Job cannot be hated by the employee, instead job is essential component of their lives.
2. Workers are devoted to do the job toward objectives.
3. When it is unambiguous, attaining the objectives will generate personal prize or reward, workers are more devoted to objectives.
4. They are frequently searching and readily take responsibility.
5. Helping to attain organizational objectives are worker's ability.
6. Human resources is not all over use by the organizations.
7. Creativity scatters all over the organizations. (Lauby 2005, 4; Pride, Hughes & Kappor, 2015, 279)

Workers have a chance to adjust their personal objectives with the objectives of the organization through their need for achievement as the motivator. They can be more effective when their job objectives goes with their needs on the top level. (Lauby 2005, 3-4; Pride, Hughes & Kappor 2015, 279)

But it is unfortunate that there is no verification that one or the other group of speculations is reasonable or believing Theory Y speculations and changing the action of any person appropriately can cause a worker more motivated. But in reality, successful managers practice Theory X expectations. A vice president of Toyota in the US for example, Bob McCurry, theory X was basically used. It is evident that he has been greatly successful that the market share of Toyota was expanded even the environment were extremely competitive. Because he pushes the workers strongly and practice "crack-the-whip" method. (Robbins & Decenzo, 2001, 315-316)

### 3 RECRUITMENT THEORY

It is essential to understand that recruitment is different from employment and selection. Recruitment is the process of after knowing the needed figure and the type of human resources, the administration needs to look for the places where the appropriate human resources are vacant and apply techniques to entice applicants to the organization before choosing relevant aspirants for the works. Remember that 'recruitment' is not the same with 'employment'. This is only one of the parts in the whole process of employment. Recruitment is also different from selection. The role of recruitment comes before the selection role and it covers searching, establishing the sources of expected employees and enticing them to apply for the works in the business. Where in fact, selection is the procedure of choosing the most appropriate candidate to the work from the applicants who shew interest. Below are the formal description of recruitment. (Rao 2010, 94)

### 3.1 Definition of Recruitment

In the book written by Rao (2010, 94), he gave recruitment a description as “a process to discover the sources of manpower to meet the requirements of the staffing schedule and to employ effective measures for attracting that manpower in adequate numbers to facilitate effective selection of an efficient workforce.”

Recruitment has been given a definition by Edwin B. Flippo as “the process of searching for prospective employees and stimulating them to apply for jobs in the organization.” (Rao 2010, 94)

John Martin (2010, 200) says that “recruitment is about identifying and bringing forward an appropriate pool of potentially appropriate candidates from which a specific selection of the individual will be chosen for the next stage in the resourcing process.” From this, it includes a figure of different features like identifying vacancy, labour markets, advertising, documentation and initial sifting (basic evaluating).

Recruitment according to Stone (2013, 208) “is the process of seeking and attracting a pool of qualified applicants from which candidates for job vacancies can be selected.”

Robbins and Decenzo (2001, 189) defines recruitment as “the process of locating, identifying, and attracting capable applicants”.

### 3.2 Goals of Recruitment

The goals of recruitment are:

1. To entice human beings with all-around skills and experiences that fit the current and forthcoming organizational plan of action or strategies.
2. To recruit stranger with a fresh outlook to guide the organization.

3. To fill new life in all company's department or levels.
4. To expand organizational culture that entices proficient person to the business.
5. To look or head hunt human being whose abilities suit the values of the organization.
6. To implement techniques on evaluating psychological manners.
7. To research non-traditional improvement talent basis.
8. To look for an international ability and not only inside the organization.
9. To create entry pay that involves in quality and not on quantity.
10. To foresee and discover human being for responsibility in business that does not yet occur. (Rao 2010, 94-95)

### 3.3 Recruitment Policy

Recruitment guideline of each company is adopted from the HR guideline of the same company. Meaning, the ancient is a part of the latest. But, recruitment policy alone should consider the government's reservation policy, guidelines about 'sons of soil' and so on, HR policies of different companies about benefit, internal point of supplies, social obligation in entertaining minority areas, women and so forth. Enhancing company's human resources or community servicing through taking the fragile or powerless areas and defeated persons of the community, inspiring the workers by upgrading the position internally, developing worker's devotion towards the company through taking the cut down or laid-off workers or short-term workers or dependents of current/past workers. (Rao 2010, 97)

Below are the consecutive factors must be consider in developing the recruitment policy:

- Government guidelines
- Personnel guidelines of other competing companies
- Company's personnel guidelines
- Recruitment sources
- Needs in recruitment
- Recruitment cost
- Selection standard and preference and so forth. (Rao 2010, 97)

### 3.4 Sources of Recruitment

The initial replacement source to evaluate is inside the company when a job vacancy occurs. A policy of supplying vacancies by internal relocation and elevating of position is practiced by the organizations like Cathay Pacific, IBM, Lend Lease, BHP Billiton and Procter and Gamble. It was found in one ancient research that 80 percent of companies supplied greater than half of their supervisory and managerial emptiness through promoting internally. However, that practices are not anymore very usual. Employers has been inclined to generate better use of independent contractors, short-term

employees and executive rental due to downsizings, financial costs and the growth of legal requirements affiliated with keeping a full-time personnel. Therefore, regardless of declared benefits of internal promotion which is enhanced morale, decreased orientation, and training requirements and more, still various institutions presently select to recruit from outside their current pool of staff. (Stone 2013, 213)

Drawbacks of promoting from within cannot be prevented such as staff who put in an application for works and are refused come to be dissatisfied; the group of job applicants might be limited; innovativeness is possibly be hindered as inbreeding's outcome; and the excessiveness of expense and administration's participation. However, the benefit of recruiting internally is that the understanding of management toward workers are possibly more precise, consequently giving more suitable forecast of accomplishment than knowledge acquired regarding external applicants. A huge investment is establish in human resource in most companies and it creates economic sense to strive to enhance the return of investment through executing complete use of the competences of the current workers. Particularly in the condition of highly productive workers who can contribute competitive advantage for the company. (Stone 2013, 213)

#### 3.4.1 Internal

Different procedures used by different companies in order to find competent internal applicants and to notify current employee regarding the job opening or offers. Computerized record system, job posting, current employees, current temporary or casual employees are the procedures on this part.

Computerized record method. The formulation of data base that consists of personal information, qualifications and job history of every staff are set up in computers. It can be displayed through skills inventories as well and replacement chart with those information. HR manager will be given an authorization to immediately determine the possible candidates inside the firm's personnel. Distinguishing if a worker is absolutely attracted toward the empty position is possible to be challenging for HR manager, therefore job posting is frequently exercised. (Stone 2013, 214)

An advertisement of job vacancy to existing workers by using bulletin boards, newsletters, personal letters or computerized posting programs, which empower workers to harmonize an unoccupied position with their capabilities, qualifications and experience is called job posting.

Current employees. Various company duty with a design to enhancing not only the engagement and faithfulness of the employee but towards his/her family members too and building up the appearance and supply employment to the dependents of the current employees. Those companies discover this kind of sources as productive way of recruitment. (Rao P. S. 2010, 101)

Current temporary or casual employees. Companies have notice that this approach to fill the empty positions approximately in the lower part duty to the accessibility of appropriate candidates or to inspire them on their current work. (Rao P.S. 2010, 100)

There are reasons why companies choose internal sources rather than external. These are: possibly applied as a way of motivation, worker's morale can be enhanced, internal applicants' appropriateness could be evaluated easily than the external applicants as "known devils are better than unknown angels", existing workers faithfulness, engagement, sense of belongingness, and safety can be developed, workers' psychological needs is possibly to acquire through giving promotion opportunity, with that, bigger salary is possibly be fulfilled, cost of selection perhaps be lessen, cost can be decreased toward training, inauguration, orientation, and stage of adaptability into the company, trade unions can be fulfilled, dismissal of social responsibility for workers and lastly, assurance of employment possibly be guaranteed.

However, the same with too much use of sugar it will become bitter, companies do not extremely depend on internal sources. Too much reliance on this method will cause in-breeding, restrains the issue of new members into the company, the company will become uninterested and out-of-date without innovations, brand new insights, excellence and competence. Thus, companies rely upon internal sources to the degree of stimulating and then rely on external channels. (Rao 2010, 101)

### 3.4.2 External

There are different methods an HR department can utilize in finding and to magnetize external applicants, more than one source is frequently used. The HR manager should determine which recruitment tool is appropriate to be most profitable in aiming a specific labour group when it comes in choosing a method. Different position requires different channel recruitment approach. (Stone 2013, 215)

It is also said that the study on recruiting methods is mixed. It is suggested by Decker and Cornelius that the best is employee referrals and the worst are the advertisement through newspaper and employment agencies. Kirnan, Farley and Geisinger also discovered an approval in informal recruiting approach. On the other hand, the connection of recruitment channel and job term or worker efficiency has no connection according to the research discovered by Swaroff, Barclay, and Bass. Meaning, every company should administer its own investigation about recruitment approach on their cost, applicant quality and best performance. (Stone 2013, 215)

#### 1. International recruitment.

The trend in present recruitment is progressively put their attention to foreign land labour markets as a point of supply of people has been noticed in

governments and private organizations. The Australian public division accepted international recruitment. China, Canada, Ireland, India, the United Kingdom and the US has been a target by New South Wales government to work for finance, pharmaceuticals, IT and biotechnology.

The disturbing reasons why various employers stay hesitant to employ foreign workers is because of costs, organizational concern and time it takes to process and transport personnel to a certain country. Australia for instance, deficiency of English language proficiencies and trade union resistance is an addition for employer to hesitate external sources. (Stone 2013, 216)

## 2. Advertisement

Advertising locally, state and national newspapers is applied by many businesses until now, albeit recruiting online is becoming different the style on how HR managers utilize recruiting.

Hiring advertisement title or headlines should be eye-catching and seeker-friendly, and personal qualities need to be mention, formal qualifications and education, skills and abilities essential for favourable outcome are the approach to be productive in recruitment. In addition, the promotion should build up the appearance of the company as an advantageous area to work. There is a latest research, proves that the usage of photographs of persons helps the attachment and trust of the company.

Sadly, plenty of recruitment advertising is company-focused, displeasing and uninteresting to read. Newspaper Advertising Bureau of Australia did a survey and discovered a marked inconsistency, especially with recruiting 'professionals', among "what job applicants want to know and what organizations want to include in the advertisement". (Stone 2013, 217)

Opposite to well-known opinion, research displays that potential candidates are not so much disturbed with set of salary than with what they will be performing, what kind of business they will work for, and the experience, own characteristics and the needed qualifications. It was unveiled in one study that when employers put a boundary in job-related matters to advertise their company image, the hiring advertisement is not much productive. Consequently, Matthews and Redman suggest that less monetary should be consumed on unique illustrations and more on investigation of identifying the crucial personal qualities needed for organization's achievement. (Stone 2013, 217)

The words like 'dynamic' and 'pro-active' should not be used by the managers. Job seekers do not want extensive publicity, instead they want reality. There is also a recommendation that cultural aspects may aid to discover the productive advertisement. Communication skills, enthusiasm, interpersonal skills and initiative emphasises personal attributes in UK job promotion. There are some terms that may discouraged women from applying such as "hard hitting, strong, and aggressive". Applicants that are more than forty five years

old may do not apply the word dynamic, high energy, fast faced and switched on. (Stone 2013, 218)

Analyse job requirements, determine who does what, write the copy, design the promotion, plan and pick the media and analysing the feedback are the things to consider by the management to advertising recruitment method. (Rao 2010, 107)

Newspapers, magazines, direct mail, outdoor (billboards along the road) and transportation (advertisement on buses or trains), directories, radio and television, internet, and social network site are the kinds of media to advertise job vacancies. It is also important to consider the advantages and disadvantages of those sources. (Stone 2013, 220-222)

### 3. Employment agencies

A privately possessed by recruitment specialist are employment agencies. Commonly, these agencies has specialised in clerical and secretarial position, however, recruiting junior accounting, IT, sales and technical personnel were few activities they extended. The scope of services they propose, the professionalism of the specialists and the charge for services are the differences of these employment agencies. There was one analysis that beyond 60 percent of customers noticed that recruitment consultants did not acquire the essential qualifications and experience. (Stone 2013, 222)

Part of the group of Recruitment and Consulting Services Association are the well-respected agencies of employment. Directing group, organizing examinations and professional ethics policer are the responsibility of this agencies. Being a member is automatically not required and the authority of the union are restricted. However, the unethical and unexperienced employment agencies in that field of industry still exists. Therefore, the one that has authority in HR should practice huge attention to detail in choosing employment agency services. One survey by University of Western Australia discovered that the utilisation of agencies is not cost-effective, and one research discovered that the common use of employment agencies as a selection approach has no or small importance. Employment agencies fees are generally different, the usual range is from 2 to 12 percent of gross annual compensation. On the other hand, remember that some dynamic agencies are open to bargaining and adjustable fee design. (Stone 2013, 222)

### 4. University/Campus recruitment

Different educational establishment such as colleges and universities providing education in Science, Commerce, Arts, Engineering and technology, Agriculture, Medicine, Management studies and so on, are the organizations where industries, business firms, service organization social or religious organizations can obtain unskilled applicants and trained applicants in various trainings such as vocational, engineering, medicine from the training associations like Vocational Training Institutes of State Governments in different trades. (Rao 2010, 102)



### 5. Employee referrals

Existing employees' recommendations is possibly beneficial supply of applicants. Company's bulletin boards and internal email system may be the place to set vacancy announcement with requests for referrals. Workers who recommend an applicant who is later on hired can be granted a prizes and cash bonuses. It is commonly begin with the positive information of the organization, its culture and the job requirements are the reasons that a candidates are recruited through word of mouth. The workers who are recommended by current employee are more devoted and motivated according to hearsay confirmation. (Stone 2013, 225)

It is mostly rely upon the morale of current employees, the job information efficiency, and the closeness of the friend are the achievement of employee referral schemes. But gangs may occur and the worker who referred someone and the applicant is rejected are the huge disadvantages in practicing employee referrals. Lastly, dependency on employee referrals might be viewed as bias or disturbing if it turn to keep the current worker mix by nationality, race, religion, sex or other measure. (Stone 2013, 225-226)

### 6. Web recruiting/E-recruitment

The dramatic change of telecommunications aided the companies to utilize the internet as a recruitment ground. By using World Wide Web (www), companies can advertise any job openings. Applicants also can send their applications via e-mail through internet. Or applicants rather put their CV's in the internet, there a potential employers can choose according to needed requirements. (Rao 2010, 105)

E-recruitment has several advantages, these are: low cost of recruitment per applicant, minimize the time for recruitment, selection ratio growth (accepting more applicants), HR professionals are able to focus more on strategic matters, cooperation rate between recruitment agencies will be developed and lastly, recruitment capability and productivity will be enhanced. (Rao 2010, 105)

Internet recruitment drawbacks focus more on the need for higher quality of checking of applicants in order to prevent overflowing with inappropriate or low quality applications, the need for higher quality information regarding the applicants and the need to simplify the method of management reaction. (Stone 2013, 226)

Sunderland suggests when it comes in choosing which web site to utilize, the HR manager may look at the quantity (traffic and job volume), quality of applicants and their applications online and HR and back side technical assistance. Recruiting web sites should carry out the needs of targeted candidates, relevant hint must be provided, arrange interactivity, clarity and information and gorgeous appeal are the things to consider in order to be productive in e-recruitment. (Stone 2013, 226-227)

### 7. Social networking sites

Facebook, Google + (social) and LinkedIn (professional) are the social networking sites which recruitment is currently one of the necessary HR applications. Similarly with blogs, YouTube, Twitter, and online forums, social networking sites produce massive number of personal and professional career information. (Stone 2013, 227)

Job title, employment area, geographic location, and others are instances of selectors in order to search for capable applicants. For example the LinkedIn, it has the huge benefit in that it provides HR managers a way to massive pool of saved profiles. Significant tracking required candidates and career-related data concerning candidates like work ethics, attitudes regarding old employers, writing and communication capabilities, and other elements of interest that usually are not present through application form or job interview are the HR manager needs to obtain. It gives HR manager the entry into a wider talent pool by using Facebook. Nowadays, it is very common that social networking site catches HR manager's attention. IBM uses Twitter and LinkedIn to announce their vacant positions. (Stone 2013, 227)

Social networking sites can be utilize to aim specific groups and to request them to resolve difficult challenges. It has also the capability to promote significant cost savings and reducing the time of hiring. For instance, one LinkedIn user, confirms to save more than five hundred thousand dollar per year on recruitment agency fees. Finishing the page, consistent on precise information and up to date, add a photo, detailed experience, and summary of skills are the recommendations of Rosenberg in order for the applicants to get to high rank on search engines. Marketing manager, global sourcing specialist, certified financial analyst, and chartered accountant are the endorsed keywords that should be found in profiles. (Stone 2013, 228)

Social networking sites members should practice awareness or being vigilant about the kind of information they display on their personal page. Displaying not suitable things can put you into dismissal aside from being refused as a job candidate. Negative or unfavourable comment or opinion regarding employers, superiors or the extending gossip from the office should be found in profiles. It was mentioned by one leading recruiter that, 'It's important to manage your online reputation and beware of the image you project. You never know who might be reviewing your profile'. (Stone 2013, 228)

The utilization of social networking sites in recruitment has dramatically increased a total of ethical, privacy and equal employment opportunity matters. Thus, it is necessary that companies needs to precisely outlined HR policies what is and what is not adequate practise about hiring of staff through social networking sites. The applicant should not be 'friend' by the recruiters just to get more personal information, and at the same time, the applicants must be early informed that personal information will be collected through social media. (Stone 2013, 228)

#### 8. Consult-in

This is one way of modern external source of recruitment where it inspire possible job hunters come nearer to the company themselves and inquire about the opening job because they observed that company is busy and productive. Then through the selection procedure, the organization pick out the appropriate applicants from those aspirants. (Rao 2010, 104)

It is necessary to know that the two, internal and external factors have an impact on recruitment. Supply and demand for HR, employment possibility or unemployment rate, situations on labour market, political, lawful requirement and government policies, social impacts, and so on are the external factors may affect recruitment. On the other hand, the internal factors consists of wages, additional benefits, incentives, work life condition, organizational culture, career planning and advance opportunities, company depth, organization's goods and services, operational area-local or global, growth rate of organization, and trade unions and cost of recruitment aspect. (Rao 2010, 108)

## 4 THE CURRENT LEVEL OF MOTIVATION AND RECRUITMENT

This chapter addresses the case company's organizational chart, methods and procedures, current general situation of real estate in the country, the management approaches and future plans through an interview with the owner, and the present situation of motivation and recruitment of OCM Realty through a survey with its sales consultant. The result will be discuss and analysed. With regards to the survey questionnaire, all the questions are based on the theories discussed above (chapter 2 and 3): motivation and recruitment. The other information were gathered during the author's internship in the company. The collected data gives full overview of the current level of company's method on recruiting and motivating sales consultant.

### 4.1 Methods and Procedures

As mentioned above, all the questions in survey questionnaire were constructed based on the theories discussed in Chapter two and three. Each question was simple and easy to understand in order for the respondents to answer easily. It was sent to the owner before putting in Google docs in order to be checked and if the questions are acceptable to him. After few days, the link was sent to the sales consultant by the author through Facebook messenger for they are more active in Facebook than to email.

It was easier for the author to contact the sales specialist because she did her internship in the company and had an opportunity to know them personally.

Twenty is the target number of sales consultants and one hundred percent answered the survey. Though some of the respondents did not completely answer all the questions, the rate result is promising. A cover letter (Appendix 2) was also included in the survey (appendix 3) indicating that there is no individual tracking of the result therefore they can answer freely and with honesty. It was also mentioned the goal of the survey, the time it will take to answer, that this thesis will be uploaded in school's data base, the possibility to be seen by the public but there is very low percent that people from author's country (Philippines) has the interest to search for this thesis, and the due date they need to complete to answer in order for the author to start analysing and writing the result. Respondent's participation was highly appreciated for the completion of this research.

There were seventeen questions which consists closed-ended and open-ended questions. The sixteen closed-ended kind of questions are the two-point question (only two choices) and three point question, multiple choice and scaled questions (1-5; 1-10; poor-excellent, matrix style and so on). There was only one open-ended question in the last part, where respondents can write their own words. Every questions will be analysed and discuss.

#### 4.2 Reals Estate General Situation in the Philippines

Several years ago, on 29<sup>th</sup> of June 2009, the Republic Act no. 9646, widely known as Real Estate Service Act (RESA) of the Philippines has been approved and implemented. This RESA law is widely acknowledge as "recognizes the vital role of the real estate service practitioners in the social, political, economic development and progress of the country by promoting the real estate market, stimulating economic activity and enhancing government income in real property- based transactions." (Bernardino 2016)

Before 2009, the Department of Trade controlled the real estate broker licensure and in that time, if anyone opening a brokerage firm, they are only required to have the license. The real estate service operation was viewed as portion of an informal section, where an expert or the real estate agents are commonly part-timers and they can generally make decision that it can be their source of income if that kind of business is advantageous in their lives. (Bernardino 2016)

Hence, the real estate agent were frequently be considered as humiliating work and called 'ahente lang' in Filipino, in English 'agent only' because people are commonly involved in selling of goods and services base on commission only. Before the use of internet and social media, the usual real estate service venture done by the agents are the site manning or also called 'tenting, leafleting at commercial areas, tripping (site viewing), telemarketing and the like. But the flourishing property division in the country, featured by the improvement of high rise developments, it influenced the focus on the allurements on the real estate service as profession to Filipino people.

Therefore, the law established the Professional Regulatory Board of Real Estate Service (PRBRES) and supervised and administered by Professional Regulation Commission (PRC). (Bernardino 2016)

The duty of PRBRES is to make policy, licensure examinations director, administrator, and rules and regulations executor especially in fulfilling the law provisions. Real estate consultant, real estate appraiser and assessors, real estate brokers and real estate sales person are the five various division of real estate experts based on the law. (Bernardino 2016)

Real estate consultant are the real estate service specialist and their work includes the capability to give professional advice and assessment regarding the purchase, improvement, protection, usage or land arrangements or any development. They can be asked to promote the creation, preparation, management and any real estate projects progress. Real estate consultant may have been 10 years licensed real estate broker; can prove that he has been practicing real estate service; before taking licensure examination he must obtain 120 units of Continuing Professional Development (CPD) training. (Bernardino 2016)

On the other hand, the real estate appraisers and assessors has the same role and they are specialists in real estate values estimation. The first can be a private expert and a service provider to real estate business or individual and the second particularly a government worker and approves the worth of properties for taxation functions. Real estate appraisers and assessors may have been at least five years real estate brokers and able to prove a professional involvement or background in the area of assessing property, he should have 120 units of Continuing Professional development training and a PRC (Professional Regulation Commission) licensure passer. (Bernardino 2016)

The people who are counted as the main actors in real estate service profession are the real estate brokers. They operates as an agent of an occasion in real estate business and they offer, advertise, ask, list, promote, interfere, transact, acquire, trade, mortgage, rent, and other the same agreements or deal in real estate. Before year 2016, according to Resa Law, the broker should finished bachelor degree in any course, finished 120 Continuing Professional Development (CPD) units and PRC licensure examination passer. (Bernardino 2016)

And lastly, a real estate sales person. He must be certified by PRC, at least finished two years in college, 120 CPD units, and must be controlled by a licensed a real estate broker. It is not required to pass a PRC licensure examination. Only 20 salesperson can be controlled by a licensed real estate broker is one of the condition. The needed CPD units is sixty and must be approved by an organization or developer where they are working to. Excluding the employees of the government, every real estate service professionals are demanded to announce an agreement worth of 20,000 pesos (351€). (Bernardino 2016)

But those who graduated on the new course Bachelor of Science in Real Estate Management will enable to go through the licensure examination for real estate broker is the one of the most important arrangement of Republic Act (RA) 9646 which was officially started 2016. To arrange this, the Commission on Higher Education published the regulating policies of this new college curriculum and only 20 universities are recognized to propose this. Accounting, marketing, economics and finance are the main subjects to focus on in basic business concepts while the major subjects will goes around on legal, ethical, ecological, planning and development features in the field of real estate. (Bernardino 2016)

In May 2016, degree holders of Bachelor of Science in Real Estate Management were the only person authorized to take the exam and there were 39 graduates who applied and 21 of them succeed in. (Bernardino 2016)

The word 'stellar' according to the author of this online news in December 2016 is the best word to label the powerful and preserved development of the Philippine real estate field last year. The activities of few of the largest property developers were evidently determines the dramatic profits done by the business such as large number of the developers were on good line in medium planning of extensions, new projects launching, announcing innovative ideas, and boldly elevating their huge capital investments in the next few years. (Remo 2016)

An Advisory executive director and program director for real estate of one famous school, Enrique Soriano told to Inquirer interview that, "If you do an averaging of the sector's performance the past five years, it clearly registered the highest in nearly four decades. It was obvious that the growth of the property sector moved hand in hand with the average growth of our GDP (gross domestic product) from 2010 to 2014". (Remo 2016)

He also added that overseas Filipino workers; the perpetual firm incomes from the process outsourcing field of business; and the growing local tourism receipts are the largest players of the maintained property improvement. The maintained private sector determination; reliable interest rate; and the growth of consumer demand are the other cause that supported the advancement of real estate industry. (Remo 2016)

On 07<sup>th</sup> of June 2016 reported by CNN Philippines, the reporter says that the property growth has no signs of decrease because compared in 2015 the prices of real estate rose to 10 percent first quarter last year based on numbers from property price index announced by the Bangko Sentral ng Pilipinas (BSP) or Central Bank of the Philippines. (Remo 2016)

In the first quarter last year, National Capital Region (NCR) considered for 50 percent of housing loans, next is the CALABARZON (Cavite, Laguna, Batangas, Rizal, and Quezon) area with loans of more than 25 percent. Central Luzon

with 7.6 percent, Western Visayas with 3.8 percent and Central Visayas with 3.3 percent are the other key places. (Jiao 2016)

#### 4.3 Organizational Chart

The organization's hierarchy is based on the company's present method and the position of every sales consultants they have. The higher the number of managers and sales agents under them the higher their position. OCM has one owner (broker), currently there is one sales director, some managers and sales agents. The number of sales consultants at the moment is not as the number of hierarchy below (figure 6), it is just a sample of OCM's organizational chart. According to the owner, there are more than 5 managers and more than 10 sales agents in the company. This hierarchy has been explained to the author during the first internship.

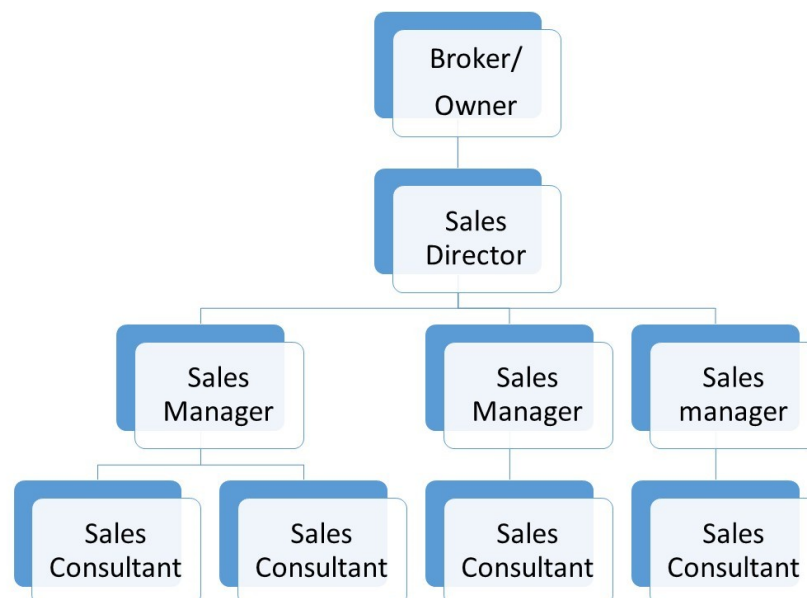


Figure 6. OCM's Organizational Chart (Manuel, 2017)

Sales director is the position where a person has several managers and sales agents under him or her, and they are the senior sales consultant. A person is considered as manager when he or she has been in the company for quite long and has one or more sales agents. Sales agents can be new recruits or someone who have been in the company for few months. Managers can be promoted to director when they have new manager/s under them and have certain number of sales agents. The same with sales agents, when they have one or more new people they can be promoted as manager.

The sales director, managers, and sales agent or sales consultant positions are equivalent to one position under PRC outlook, they are the real estate sales person in 4.2. (Manuel, 2017)

#### 4.4 Interview with the Owner

The interview with the owner was scheduled in the end of May, at 9 in the morning. The interview's purpose is to know the general overview of the case company for they do not have a website yet. The language used during the interview was English and Filipino (Tagalog), but the author translated all in English. The author recorded the interview to avoid general errors. Questions were prepared in English, sent the copy to the owner before the actual date of interview and the owner successfully answered. Questions are included below and the answer follows.

##### 4.4.1 Company's Vision and Mission

Since OCM Realty new, what are your mission and vision? The company has no written mission and vision yet, therefore the question was made. His answer was:

For property consultant,

"To provide attractive incentives for agents and managers in order to reach monthly quota and to maximize production."

To client,

"To provide excellent service and quality homes for you."

Not just after sales but even after the buyer has moved-in to their property. Communication and friendship is maintained.

Vision:

To solve all client's concern and provide excellent service. (Manuel 2017)

##### 4.4.2 Current Company Policy

When policies, procedures and guidelines are efficiently and successfully combined in the organization, it will aid the organization in achieving targets and eradicate errors. Successful policies, procedures and guidelines stimulate stability in a firm not just to guarantee that everything are properly completed, but done rapidly with no additional work in order to reach the same outcome. (Process policy, 2017)

Policies summarizes the various divisions of the organization. If a company is huge, then there are also several unalike policies. Hard and soft copies are the way to present policy details but when the data is accessible for staffs to approach then excuses of not observing a certain collection of policies are not possible. When policy is not difficult to approach therefore every workers will get common with the policy, wasting time in clarifying the location or on accessing it is not needed. To attain the objective and put a certain route inside an organization, the policy element is a guidance principle, or kind of terms and conditions. Initially, organization have continually controls company's objectives, and a policy to attain every aims, lastly, a procedure of ensuring



the policies are complied with by the employees. Applying that process will aid to attain objectives cunningly and frequently, therefore, when in case some errors are done, the things where it gone wrong can easily be discover. (Process policy, 2017)

The question to owner was, 'what are the policies/code of conduct'? OCM has few company policies and he mentioned below.

1. Reach the minimum target sales per month  
The target sales for sales agents per month is 3 million pesos while the sales manager is 1 million pesos and for the sales director is unlimited.
2. Reporting: Sales agents shall report both to their manager and directly to the owner. The sales director or manager also directly reporting to the owner.
3. No client snatching. This is taking or assisting other agent's client without their knowledge and this is one of the major problem in real estate. Therefore, this attitude is strongly prohibited in the group.
4. Do not give wrong information about the description of house to the buyer and do not give false hope. For instance, some property delivered as bare unit, meaning there is no partition, tiles, or ceiling. Tell only what the developer offers. (Manuel 2017)

#### 4.4.3 Real Estate Current Situation

A question has been asked with the owner, it is 'What is the current situation of real estate in Philippines and around your focused location?'

The province of Cavite is just about 14 kilo meters from Manila International Airport, Terminal 1. Cavite is one the nearest province to Manila therefore the growth of real estate in the said province is dramatically fast. Especially, the execution of the plan for major roads has been started. Since Manila and Metro Manila (cities around Manila) is already populated, real estate companies target market are the working people. Where salary starts from 5,000 pesos (€86.2) per month and they can now purchase small house they dream of, that they can call –'their own property'. Filipinos one dream is having their own house. (Manuel, 2017)

At the moment, some of the employees of other businesses in Manila are living in Cavite. Their travel is about an hour or two to reach their work place. When the express way which is currently on construction will be finished, the travel to Manila will be faster. Employees who are presently renting in Manila are looking for a property which is not too far from the city but they could still work in a better company. Moreover, the increase of development in the said province has been increasing since the real estate development also expanding. And people are desiring to have their own property, either small or big. (Manuel, 2017)

The other provinces around Manila are Rizal (North East), Bulacan (North) and Laguna (South East). OCM has now one agent who focuses in Laguna, some agents has clients in Bulacan area. The focus area of the group is Cavite for most of the property consultant lives in the province.

As mentioned earlier, OCM originally started on 5<sup>th</sup> of November year 2016, with 3 property consultant (sales agent). OCM means Orlando C. Manuel (owner's name). With continues recruitment and referrals, the consultant are now 20 and just recently they have 2 new agents.

The ways the sales consultant finds client are: internet marketing, saturation, booth manning, and through referrals. But the initial way of finding their positive client is through online marketing. Consultant post their listings on a website and people who inquire are definitely looking for property. Most of their posting are complete in details, therefore consultant invites them to visit the actual place. Prices, picture of model units (actual turn over), location and other necessary details are included in the posting. (Manuel, 2017)

#### 4.4.4 Recruitment Sources and Effectiveness

What are your sources of having more agents joining OCM? Which of them you think are effective?

Our sources are recruitment agency, recommendations/referrals, personal recruiting, and social media-Fb. The effective according to the owner is through personal recruiting or talking with them personally because he can tell every possible offer. The owner himself go and look for agents who are working from other agency and offer them bigger and attractive commission rate. Some property consultants has no license yet even after implementing the stricter way of selling properties therefore, when other broker offered them higher commission percentage, they can leave the present company and move to broker who offered them better deal. After agreeing with the offer, the recruited agent will be invited in the office to formally sign a contract. Because they have already experience, the new consultant can immediately start selling property under a new broker without basic training. (Manuel, 2017)

At the present, no one has been disqualified from the applicants because their manager can do the basic training of his/her new recruit. On this industry, there is no age limit, no physical discrimination, and what matter is-at least a person can sell. (Manuel, 2017)

According to the owner, there is a continuous recruitment because people are coming and going. In order to maintain the production, recruiting for part-time and full time consultant must constantly accomplished. The reason they quit was that they demand for higher commission but they are not capable to have that increase yet. But then, once they realized that they were wrong, they are ashamed to come back. (Manuel 2017)

#### 4.4.5 Current Approach to Company and Employee Development

What are your current approach to company and employee development?

Motivating the agent, continues recruiting and learning, website learning because once that the website collapsed there is immediate back-up to eliminate sales declining. As a head broker, he never think that he is looser, he think that he is always a winner.

For employee development, the owner just fully satisfies them with advice. The owner said, he accepts sales agents who are more knowledgeable than him, for they will just add knowledge. At first the commission rate is not that high but when he observed that they are working well, he can increase more their commission rate. (Manuel 2017)

#### 4.4.6 Trainings at OCM

The owner has been asked of, 'Do you give trainings to your agents? Does it costs high?' and his answer is,

Yes, there are trainings and does not cost high at the moment for there are only 20 property consultant. The only thing they need to buy is snacks. The marketing cycle is prospecting, tripping, and closing. Training depends on the number of recruited person, if there are five or more they give training but if it is less than five, managers can take the responsibility to train their new agents.

Product knowledge is usually conducted by every developer. Consultants will just attend the scheduled seminar in order for them to get information regarding the property they will sell. (Manuel 2017)

#### 4.4.7 Motivation Approach

What are the motivation style you are practicing to motivate all the sales agents in your company? List and explain.

Sometimes there is very small or no sales, the owner has the hope that sales still grow because he saw how agents are dedicated with their work. There are times that sales are few, so he kept encouraging the agents and quoted the saying, 'If others can, why can't I?' The owner provides continues learning and moral motivation. He already know the techniques on how to elevate sales though the company is just 7 months old. Owner do not lose hope, because buyers are always there.

The other approach to employee motivations are incentives such as mobile load, dinner date, agents can get advance payment, and quarterly and yearly-sales total incentives. If the buyer payed the first down payment, they can

receive incentives. Sales is not considered as formal sale if the buyer back-out or did not continue purchasing a certain property. (Manuel 2017)

#### 4.4.8 OCM's Future Plan

What are the future plans of OCM?

One more year and OCM will be converted into corporation, means a group of brokers in one company. The owner will be the lead broker. The approach to handling people is to offer them higher commission. Being a corporation is a multiple listing. For example, there is an interested buyer in the North area but the contact broker is in the South, the broker in south may contact the one in north to assist the client. OCM will be able to work not only on specific area or province but all over the country. (Manuel 2017)

#### 4.5 Questions and Analyzation

##### 4.5.1 Time of Work

The questions were based to theory where the first and last part is about recruitment and the second part with regard to motivation. Each question has its own reason why they were collected and asked from the respondents.

The question, "How long you have been in OCM or join the group?" purpose is to know the number of new and old consultant, and how many percent of the people stays since OCM started. Based on the table below with 18 respondents, 22.2 percent (4 answers) of the consultant works one to four months in the company, 50 percent (9 answers) of them are just four to eight months, 5.6 percent (1 answers) works for eight to twelve months and only 22.2 percent (4 answers) works for more than a year. Since the group started on February of 2016 with 3 agents and officially declared on November at the same year, the result is quite satisfying albeit the growth of new agents is also quite slow.

Table 1. How long you have been in OCM or joined the group?

Time	Percentage	#
1-4 months	22.20%	4
4-8 months	50%	9
8-12 months	5.60%	1
More than a year	22.20%	4

#### 4.5.2 Employment Agreement

In a company, after selecting the suitable person on a certain position, a contract must be done between the employer and the new employee.

The law of master and servant controlled work contracts. It began in the fourteenth century in England when Parliament started to bother its country's labour market. The ground of establishing the laws of master and servants was to "...compel service by the idle, curb movement by agricultural servants and artisanal and manufacturing workers, suppress their wage demands by fixing legal rates and by making annual hiring the norm, and to tie workers to their employers for the duration of their contracts and to their social status for the duration of their lives". (Vettori 2007, 3, 4) Briefly, the rules or laws performed to preserve the socio economic status quo through labour market's law. Albeit the contract of job developed the base of connection among every single employers and employees, terms and conditions were mainly guided by legislation. When a person has the position or 'status' of employee, the law with lord and worker occurred to perform and naturally produced the terms and conditions administering the connection among employer and employee. (Vettori 2007, 3, 4)

The 'status' became 'contract' then from 'contract' to 'status' and due to activities in the world, the contract was continuously developed. The development of contract from fourteenth century up to now has dramatically changed. (Vettori 2007, 3- 15)

By the author's analyzation, the contract is under policies and administration in Herzberg two-factor theory under hygiene factors. Employment contract is a part of employment policies and procedures. And it is also under security needs in Maslow's theory and in theory X of McGregor.

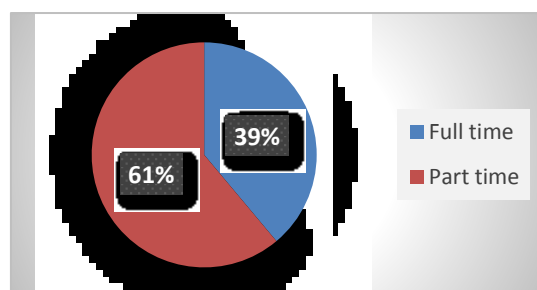


Figure 7. Your contract with OCM.

The question regarding the consultant's contract to the company has 18 responses, only 39 percent works as full time. More than half are part-time sales agents, therefore their dedication is not full. It means that most of the consultants do not work fully as the company wants to.

### 4.5.3 Means of Recruitment

Recruitment is a way of looking and enticing people who meets the requirements. It includes determining the available position, advertising, documentation and basic evaluating. In advertising of vacant position, there are various ways to attract applicants.

OCM consultants were asked on how they find the agency. It is obvious from the graph below that most of the agent were recruited through referrals. While 'social media' and 'others' has the same of percentage and the 'recruitment agency' has only one respondent. There is no one in the group who was recruited through bulletin boards, print ads, walk-in and University/school recruitment.

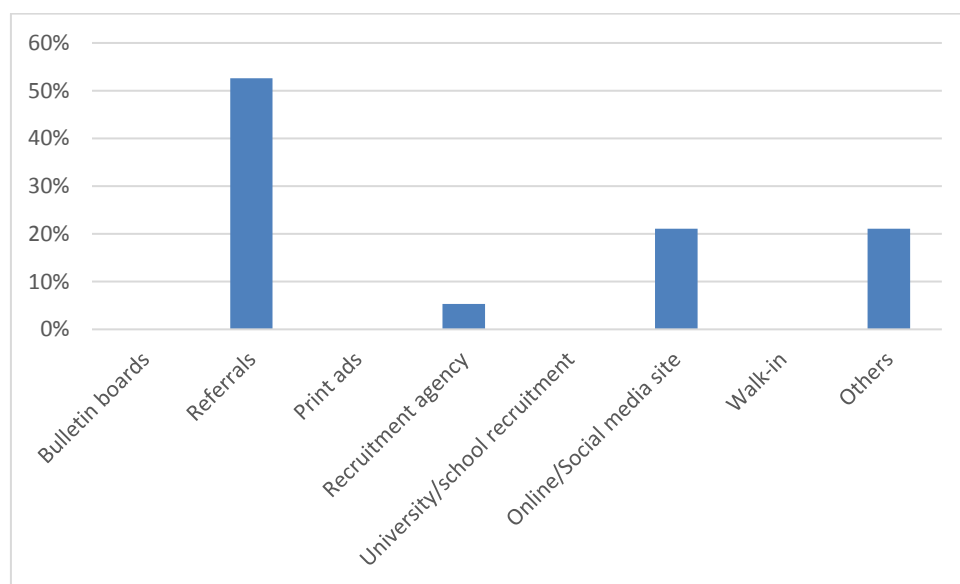


Figure 8. How did you find OCM?

The above evidence imply that the company is not using other means of recruitment.

### 4.5.4 Reason of Choosing the Company

In order to know sales consultants general reason of choosing the company, a question "Why did you choose OCM?" was asked and they can choose the best answer from the choices. With 19 respondents, 7 choses 'career development', 3 in 'friendly and approachable agent', 1 choses 'high commission rate', 1 answered 'good incentives', 5 picked for 'flexible working time and place' and 2 respondents in 'no pressure'. Nobody choses 'OCM policy is not strict' and the 'others'. On the result's analyzation, only 7 are interested in career development. Based on the theories above, more than half of the respondents were under short term motivation as mentioned in Maslow's hierarchy of needs, hygiene factor theory and theory X by McGregor.

Table 2. Why did you choose OCM?

Reason	Number of agents	Percentage
Career development.	7	36.80%
OCM policy is not strict.	0	0%
Friendly and approachable agent.	3	15.80%
High commission rate.	1	5.30%
Good incentives.	1	5.30%
Flexible working time and place.	5	26.30%
No pressure.	2	10.50%
Others.	0	0%

Although 'career development' were quite high according to the result compare to other choices, the 12 respondents on other choices were high. Meaning the property consultants are motivated based on theory X of McGregor wherein it says, 'workers should be guided basically due to small desire or determination they have, they refuse to change and are not looking for responsibility, security is the only major concern and majority of them are easily deceived and have low level of intelligence and small talent or potential in resolving the problems of organization'. According to Herzberg theory, the 7 respondents under career development are in motivator factor. This is the awareness of 'development and an opportunity for higher position' and this factor produce beneficial satisfaction and are essential to work.

#### 4.5.5 Strictness of Recruitment Policy

Every company especially with those who has employee, whether few or hundreds, they have company policy in order for them to practice balance between the firm and the employee. Policy in recruitment are different from one company to the others. On recruitment policy discussed above, there are things to consider when developing a policy such as government's reservation policy, guidelines and so on.

OCM has no written or lists of specific policy in recruitment at the moment. During an interview with the owner, he mentioned that he wants somebody who is better than him. But few of the consultants are new to this industry and their profession is not in-line with selling.

On this question, the goal is to know how strict the recruitment policy of case company. 63 percent says that the recruitment policy is challenging, 21 percent said that it was not difficult to be a sales agent, and 16 percent answered 'a little'.

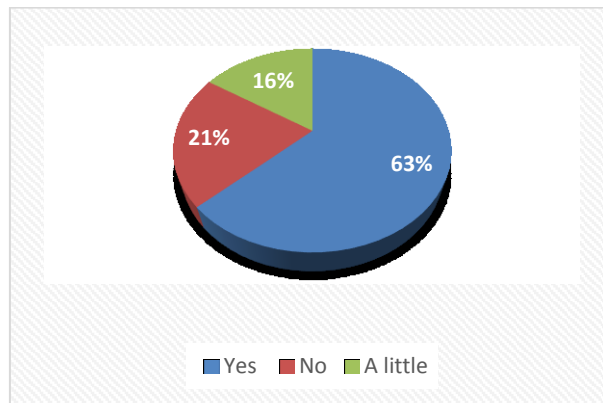


Figure 9. Is the recruitment policy for property specialist challenging?

The owner told during the interview that, 'At the present, no one has been disqualified from the applicants because their manager can do the basic training to his/her new recruit'. According to the result, the policy is quite strict from others' point of view.

#### 4.5.6 Introducing the Company Policy

It is normal for companies to introduce the company policies and guidelines to newly employed people in order for them to adopt the new environment and to know the dos and don'ts while they are in the company.

With the question 'are you properly guided with the company policies and code of conducts upon recruitment?' there were 19 respondents. All of them were properly guided upon entering OCM. The policies were introduced and explained.



Figure 10. Are you properly guided with the company policies and code of conducts upon recruitment?

#### 4.5.7 Code of Conduct

According to Collins online dictionary, code of conduct is 'an agreement on rules of behaviour for group or organization'. (Collins Dictionary, 2017) The



Cambridge online dictionary defined code of conduct as a group of rules regarding how people are behaving and making transaction.

In [smallbusiness.chron.com](http://smallbusiness.chron.com), code of business conduct and occasionally called 'code of ethics', is a way of management to set out a firm's values, responsibilities and ethical duties or commitments. It guides the employees to handle challenges in ethical conditions linked to the organization. Firms create their own codes, derived from their core values, and there is no two code are alike. In order for the code of conduct to be successful, it should be set in the organization, thus workers know how it utilizes to themselves. Ethics in a book written by Schoeman (2014, 2) which originally defined by Aldo Leopold, an American conservationist and wildlife biologist 'Ethics is doing the right thing when no one is watching'. (Schoeman 2014, 2) It is tackled that ethics are acknowledged and examined, it is mainly originate from words and actions, for example, an individual's behaviour or organization's decision, and even if those decision or acts are examined as good/right or bad/wrong concerning the effect to others.

OCM has few code of conduct or ethics as mentioned during the interview with the owner.

Based on the graph below (figure 11), with the total of 20 respondents, 40 percent said that OCM's code of conduct is 'excellent', 30 percent answered 'good', 20 percent or 4 consultants answered 'average' and 2 out of 20 said it is 'fair'. The desired result supposedly is more than 90 percent for 'excellent' but it is obvious that some of the consultant do not agree that the company's code of conduct is 'excellent'.

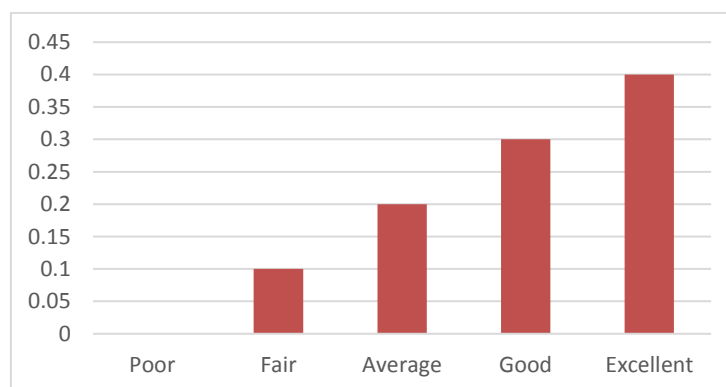


Figure 11. Please rate OCM code of conduct.

Respondents who agreed that OCM's code of conduct is 'excellent' were quite many, but it is more than half did not answer the expected rate regarding the code of conduct. The 6 person who choose 'average' and 'fair' are still not high and not too low, although it is less than half of the respondents. The 'good' answer is considered as not low and not high also. Basically, there is something missing or lacking why some sales agents did not choose 'excellent'.

#### 4.5.8 Compensation's Effectiveness

Employee's sufficient payment for their services is exceedingly necessary. The capability of a manager to plan, create and execute an effective method of compensation is important. Being a manager they should provide compensation for employee as one of their first concern. (Shivarudrappa, Ramachandra, and Gopalakrishna 2009, 90)

"Compensation is the remuneration an employee receives in return for his or her contribution to the organization." (Shivarudrappa, Ramachandra, and Gopalakrishna 2009, 91)

Remuneration holds a necessary part in employee's life. The standard of living, position in the organization, motivation, faithfulness, and efficiency relies upon the remuneration he or she gets. For the manager or owner, employee remuneration is important due to the cost of production's share. The struggles and argument were also legions regarding problems in wages or bonus between the employer and the employee. Remuneration for the employee is a huge operation for HRM group. Therefore, this necessary matter leads to precise explanation in some part of books and other wage-related and issues in salaries. (Shivarudrappa, Ramachandra, and Gopalakrishna 2009, 91)

Financial and non-financial benefits are enabled for average employee in any organised sector. Wages, salary, incentives, fringe benefits, perquisites, and non-monetary benefits are the usual remuneration for employee. (Shivarudrappa, Ramachandra, and Gopalakrishna 2009, 91)

OCM offers several benefits in every achieved goals. They have monthly, quarterly, and yearly incentives which is usually given during Christmas party. These are achieved target sales incentives, dinner date, mobile phone load, rice subsidy and higher commission rate. The effectiveness of those benefits was asked from every sales agents of OCM. They were given a choices from the scale 1-5 where 1 is not effective to 5 is very effective. The goal answer is 'very effective' if agent consider these benefits as very effective.

The achieved target sales incentive (quarterly/yearly) has the higher rate which has 45 percent respondents. Second highest is 40 percent, the 'very effective' answer, 10 percent for fairly effective, 0 percent on little effective and 5 percent in ineffective. Only 8 among 20 respondents considered that this kind of incentive is very effective. The 12 consultants perceived that this is not very effective. Meaning some of them are motivated to reach the annual sales goal, 3 of them were not considering this benefit as very effective and 9 thought that it is effective.

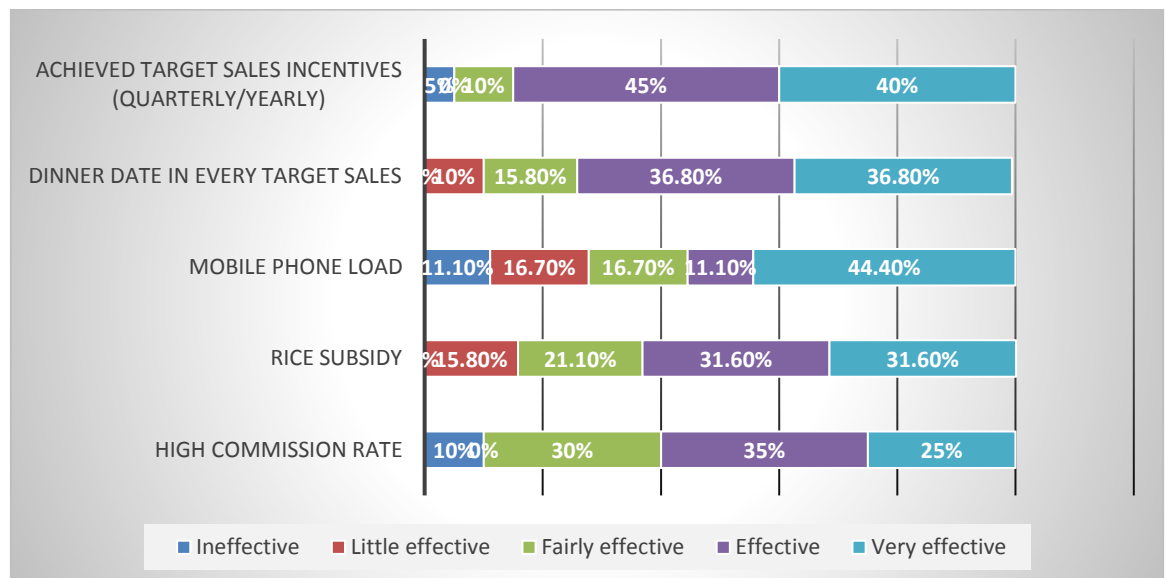


Figure 12. How OCM satisfied you compensation, pick a number from the scale how effective the statements are.

-Dinner in every target sales: OCM has monthly sales goals, whoever (group or individual) achieved a sales goal is qualified for this benefit, a dinner date in a fancy restaurant. Does it gives excitement to everyone? 36.8 percent said that this is very effective incentive, 36.8 percent also said that it is effective, 15.8 percent or 3 people answered that it is fairly effective, 10 percent choses little effective and zero percent for ineffective. Nobody thought that dinner date is not effective. Many of them are satisfied with it and few thought that it is just effective.

-Mobile phone load: In sales, especially in real estate industry, calling is one activity to entice a client to visit the area they inquire to. It is easier to negotiate when both the seller and the client are immediately exchanging questions and answers. Therefore, this incentive is considered as very effective. The mechanics on this is in every Million of peso (17,543€) sales in a month it is equivalent to 100 peso (1.75€). When a consultant sold 5 Million peso (87,719€) he or she could receive 500 (9€) mobile phone load.

From the figure (figure 12) above with 18 respondents, 44.4 percent or 8 of the consultants are happy with the benefits, only 2 respondents considered it as effective, 3 out of 18 considered as fair enough, 3 choses little effective and there were 2 people who does not need mobile phone load at all.

-Rice subsidy: In the Philippines, rice is the most important food the dining table in every meal. So, OCM came up with rice incentive. The mechanics also here is that in every 4-5 Million of sale in a month it is equivalent to 5 kilos of rice. For sales manager: in every 3 Million sales he or she can get 6 kilos of rice, 4 to 5 Million will be 8 kilos and 10 kilos for 6 Million sales.

With 19 respondents, 6 (31.6%) of them says that 'rice subsidy' is very effective. 6 answered 'effective', 3 says it is 'fairly effective', 3 says also says it is 'little effective' and nobody chose 'ineffective'.

-High commission rate: According to the owner, this is one method he is using to entice new sales agent in his company. He initially offers at least 0.5 to 1 percent higher than their current company. Is it effective to them? Knowing if this incentives are effective or not, their expected answer must be 'very effective'.

On the chart above, 6 among 20 respondents answered that high commission rate is 'very effective', 7 says that it is 'effective', 6 answered 'fairly effective', no one chose 'little effective but there were 2 people says that this compensation is 'not effective' at all. As a result, not all of the consultants were extremely happy with high rate of commission. There might be a reason.

On the incentives above, one sales agent or sales manager can receive a set of incentives according to his or her sales. For example, if a sales manager sold an amount of 4 to 5 Million pesos of property, a dinner date, rice and phone load can be given to him or her.

These incentives and compensations falls into physiological needs of Maslow's hierarchy theory and in hygiene factors of Herzberg theory. It leads to short term motivation.

#### 4.5.9 Work Security Satisfaction

In Maslow's theory written by Robbins & Decenzo (2001, 314), the safety needs denotes "security and protection from physical and emotional harm". The feeling of lack of food, loss of job and shelter, physical danger or bad situation are the possible threat on this kind of need. This is one reason why it is necessary for an individual to consider during career selection.

Most of the consultants has a family to take care off. As OCM focuses on internet selling and marketing, the evidence below tells that most of the consultants are very satisfied with the company's way of working remotely. People can work at home, any coffee shops or restaurants as long as they have internet connection, and in any other places where they feel they can still work and it is safe.

Despite of high satisfaction on their safety needs, there are consultants who are not satisfied with the security offered by the agency. The statements to choose from are primarily for physical and culture security and the last statement describes the overall security. These can be monetary and emotional safety needs. The shaded table depicts highest number of respondents.

Table 3. Security is one of your goal why you join OCM, how do you consider the following?

	1-Unsatisfied	2	3	4-Very satisfied
Has a safe working environment and flexibility to work anywhere (home, coffee shops, restaurants, etc.).	0	1	4	15
Culture (behaviours, principles and beliefs) of OCM family.	0	3	3	14
Overall job security at OCM.	2	0	8	9

As a result, they do not all agreed that their current and future security is strong in the company. OCM do not provide monthly salary. It was mentioned that consultant's salary is commission based.

#### 4.5.10 Consultant's Social Need Level

In Maslow's theory, when physiological and security needs are met, the next level of need arises. Social needs begin to rule in the mind of a person. Although there is no empirical evidence that there is a sequence in individual's need on this theory, it denotes the basic needs of human being.

Affiliation or social needs is one of the major need of any individual. At work, where people spend most of their time and in order for them to be motivated, good relationship should be maintained. Both manager or employer and employees are subject to social needs. Only the employees were asked on this point.

To know OCM's agents social needs level, a question 'how often it happens?' was made and some statements given. In each statement there were 4 choices, from the scale, 1: never; 2: sometimes; 3: quite often; and 4: always (1: never; 4: always).

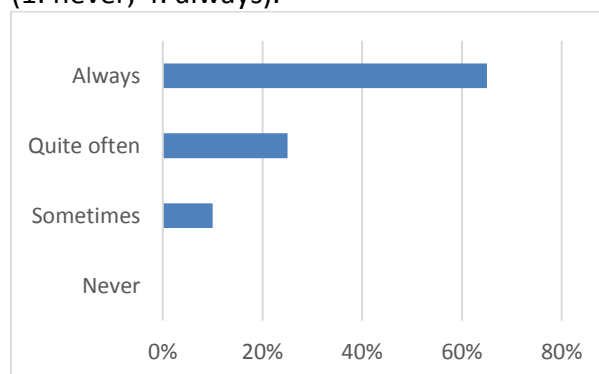


Figure 13. Supportive co-sales agents (emotional and work related).

The supportive co-workers happens 'always' at OCM with the rate of 65 percent. However, some of them has different experiences, 25 percent answered 'quite often' and 10 percent says 'sometimes'.

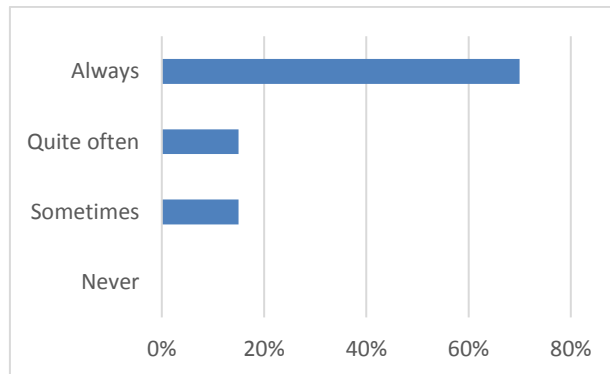


Figure 14. Open communication between brokers, managers and agents.

When it comes to open communication between brokers, managers and agents, 70 percent (figure 14) of them has a good experience. But few are seen to be experiencing not so great in communication.

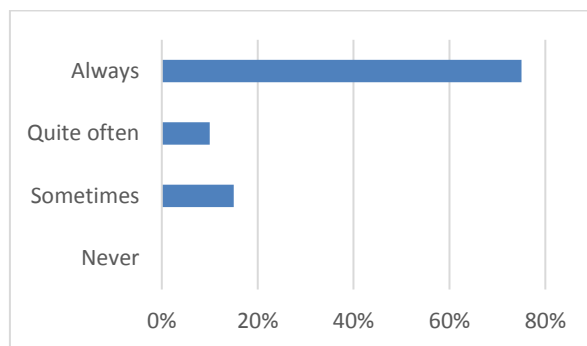


Figure 15. Good working relationships among co-agents.

Relationships among agents only has the same good result, 75 percent said that it always happens between them. The same with the previous statement, some of them do not agree that good working relationship between them do not always happening. But the expected positive result is quite high.

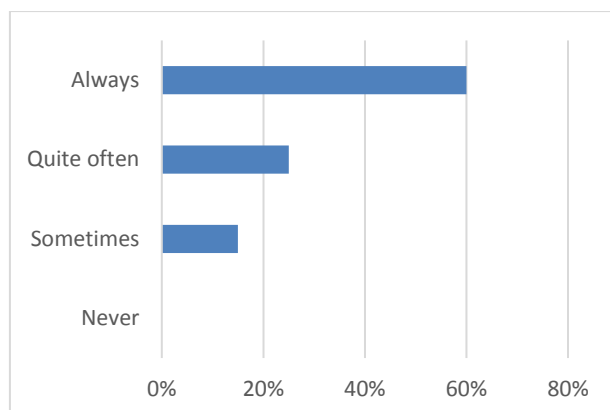


Figure 16. New ideas are appreciated and examine before execution.

When a person knew that his/her idea is heard and considered, he or she feel important, happy and can be more productive. In OCM, 60 percent of the consultant said that their ideas are appreciated, 25 percent answered 'quite often' and 15 percent chooses 'sometimes'.

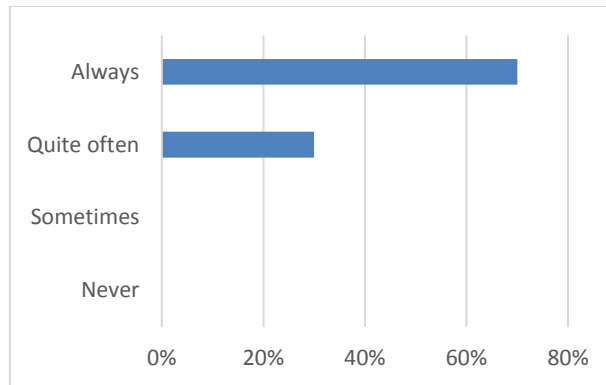


Figure 17. Good relationship between managers and agents.

The manager recruited the agent and is assigned to train their own agents. They are like trainee and trainer. In OCM there are more than 5 managers and more than 10 agents. 'Always' has 70 percent of respondents and the 'quite often' has 30 percent. Most of them experiences good relationship between managers and agents and few has just enough experiences.

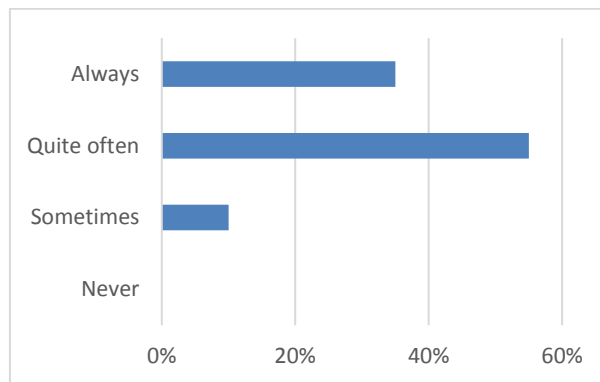


Figure 18. I get excited going to OCM office every meeting.

Meeting at OCM's office happens every first week of a month. The owner, managers, and agents together with office workers should be there during the meeting. However, sometimes some of the consultants could not managed to attend due to immediate schedule for instance they have client for site viewing.

This question's purpose is to know the excitement of every consultant in every meeting. The goal of the meeting relies upon the results on the previous month. But mostly, the group talks about their sales, giving of monthly

incentives, motivation word from the owner and others, and other valuable issues. The goal answer on this statement must be 'always'.

Base on the result above, 'quite often' answer is much higher (65 percent) than the 'always' with only 35 percent among the consultants. There were 10 percent who feels 'sometimes' excited and no one choses the 'never' excited. Not all of them are totally motivated on attending their once a month gathering.

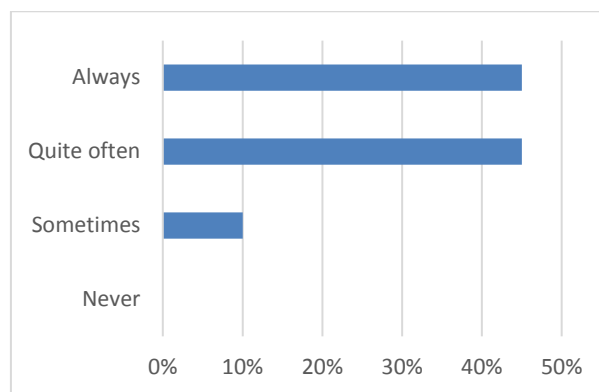


Figure 19. OCM incentives motivates me to achieve my sales goals.

OCM's incentives were discussed above, those are high commission rate, rice subsidy, mobile phone load, dinner date and achieved target sales incentives (quarterly or yearly). Does this motivates the consultants? The graph above depicts that 45 percent were 'always' motivated on achieving their sales goals because of the incentives, 45 percent said 'quite often' and 10 percent said 'sometimes'. Most of them were happy with the incentives to achieve sales goal and few were not motivated enough.

#### 4.5.11 Career Development Satisfaction

In Herzberg's theory, the motivational factors inspire employee for higher achievement or is called 'satisfiers'. While in Maslow's theory, it falls to esteem needs level, the feeling of being on higher position or important. Do companies consider those desires of an individual? In order to attain that position, what are the methods used?

This part's objective is the consultant's career development level under OCM's management. Thus, if OCM provides appropriate method in achieving their desired position, promotion, awards and titles, how necessary would be? This question consists seven (7) statement, respondents can choose from the scale how they agree with the given statement regarding their career advancement under OCM Realty. The target answer from the respondents should be 100 percent on strongly agree if they are happy with their career advancement offered by the company.



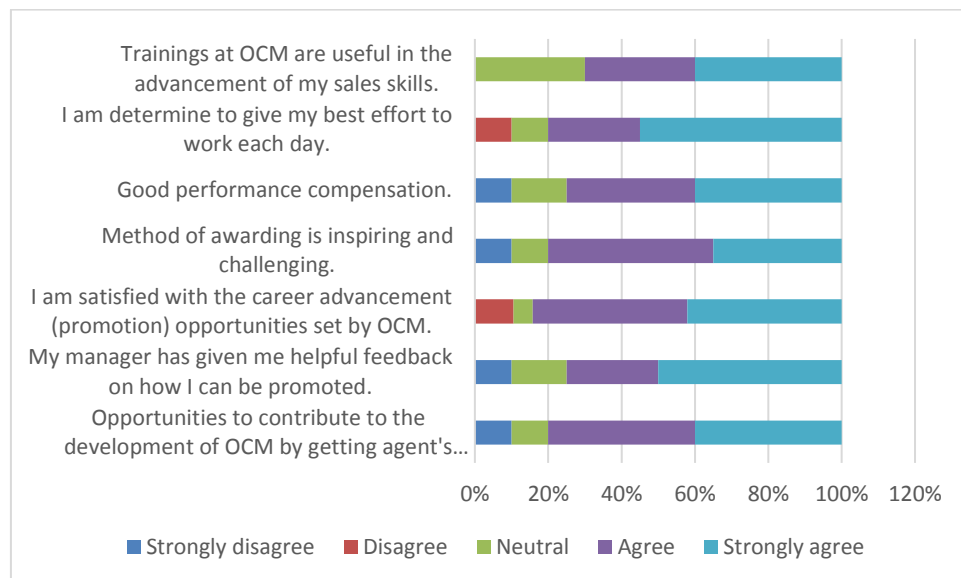


Figure 20. How you agree with the following statement with your career development.

- Statement 1

On this statement with 20 respondents, 40 percent have chosen 'strongly agree', 30 percent chosen 'agree', 30 percent also on 'neutral' answer, and zero on both 'disagree' and strongly 'disagree'. Not all the consultants strongly agree with the trainings of OCM for the advancement of their sales skills.

- Statement 2

55 percent answered 'strongly agree', 25 percent chose 'agree', 10 percent on 'neutral', 10 percent on 'disagree' and 0 percent with 'strongly disagree'. Among 20 respondents, 9 of them were not totally agree that they are giving their best to work. However, the result of the highest percentage is more than half. Quite many of them thinks that they are giving their best effort.

- Statement 3

10 percent (2 answers) answered 'strongly disagree', nobody choses 'disagree', 15 percent (3 answers) says they feel 'neutral', 35 percent (7 answers) choses 'agree' for good performance compensation and 40 percent (8 answers) were greatly happy.

- Statement 4

The methods in order to achieve the monthly or yearly goals and also of getting the awards were challenging yet inspiring. 35 percent among 20 people says that it was inspiring and challenging. 45 percent on 'agree' level, 10 percent on neutral, 0 percent on 'disagree' and 10 percent answered 'strongly disagree'.

- Statement 5

The 'strongly agree' and 'agree' rate of answer on this statement are the same, it was 42.1 percent. One person choses 'neutral', 2 person with 'disagree' and 0 percent with 'strongly disagree'. Although the last choice

was zero in rate, the result was still not strong to claim that consultants were satisfied with the promotion plan made by OCM.

- Statement 6

On this statement, 10 percent answered 'strongly disagree', 15 percent on 'neutral', 25 percent on 'agree' and half of the consultants say that they 'strongly agree'. Some managers were not helping their sales agents for promotion opportunities. The neutral answer were not also fully supported by their managers, and as a whole result, the equivalent of not being fully satisfied was quite high.

- Statement 7

As far as from the author's knowledge, the collection of feedback from consultants has not been happened even once at OCM Realty since the company started. On this statement's result, 2 respondents (10 percent) were 'strongly disagree' with the statement, no one (0 percent) choses 'disagree', 2 person (10 percent) says 'neutral', 8 (40 percent) answered 'agree' and only 8 (40 percent) among 20 respondents says that they 'strongly agree'.

#### 4.5.12 Value of Skills and Potential

On this unit, the consultant's skills and potentials importance level are the objectives. Four statements were given and they rate it from 1 to 10 level, where 1 is poor and 10 is excellent. The statements are:

1. Able to contribute for OCM development and opportunities.
2. OCM activities accelerates my sales skills.
3. My job makes good use of my skills and abilities.
4. Continues learning and improving myself.

The expected answer rate must be 'excellent' or at least 10 out of 20 respondents, and the dark shaded table are the highest and the lighter shade are next to highest.

Table 4. Your skills and potential are valuable, rate the sentences.

#	1-poor	2	3	4	5	6	7	8	9	10-excellent
1	0	0	2	0	2	3	4	3	4	2
2	0	0	2	0	1	4	2	5	1	5
3	0	0	0	2	0	0	0	8	4	6
4	0	2	0	0	1	0	5	2	3	7

The result is not promising for the expected highest rate has only 2 respondents. The response for the rate 9 is considered moderately high, however there was only 4 respondents. There were also 2 responses which rated this statement as '3', this is below the neutral.

On the second statement, 5 consultants chose rate '10', 1 rated the '9', 5 answered '8', 2 chose rate '7', 4 rated '6' and 3 chose '5 and 3'. The highest result increases a bit, but quite many were not happy with the current activities of OCM for the development of their sales skills.

The statement has 6 person on highest rate, 4 person rated '9', 8 people also chose rate '8', and 2 person answered rate '2'. Less than half of the consultants says that their job makes good use of their skills and abilities on this industry.

On the last statement, the result is not again promising even the agents who rated the highest rate increases to 7. There were 3 on the rate '9', 2 on '8', 5 with '7', rate '5' has 1 respondent and 2 respondents rate '2'. Based on the number of respondents on each rate, quite many of them do not feel that they are continuously learning and improving although some of them feel that they are a little improving.

#### 4.5.13 Importance of Training

Training is necessary especially to a new employee, as well as to current employee because it is one step of a ladder to attain higher position. The owner was also asked if the company has training schedules. He mentioned that when new people are below 5, the manager has the obligation to train their sales agents. It was also observed by the author while working in their office that there was no training happened within two months.

Dealing with clients is not easy, consultants must be knowledgeable enough especially with the terminologies in real estate and the product's description. Other methods must be learned in order to close the deal and the professionalism in the industry must be taught.

Table 5. How important is the training to your profession?

Choices	Percentage	Number of people
Not that important	0%	0
Important	42.10%	8
Extremely important	58%	11

When the consultants were asked how important the training is, the above table shows a clear evidence. With 19 respondents, 58 percent says that training is 'extremely important'. 42.1 percent answered that it is 'important' and no one answered 'not that important'. Consultants are willing to be trained and gain more knowledge in their field of profession.

#### 4.5.14 Property Consultant's General Feeling

To wrap up the whole insight of consultants with their experiences at OCM, their general feeling was collected through rating the statements. 6 statements were listed and in each statement can be rated by choosing 1 to 10, where 1 is unimportant and 10 is extremely important. Shaded tables (Table 6) shows higher number of respondents from the choices. The desired answer is at least 10 or 9 in order to know how important these statements are but as long as the answer is not below '5', they are still in good condition. The statements are the following:

1. Opportunities for my career development.
2. Promotion opportunities.
3. Flexibility of working time and place.
4. Communication and supportive working environment even between cross groups.
5. Commission rate.
6. Benefits, awards, incentives.

Table 6. Rate the following statement according to what you feel about it.

#	1- Unimportant	2	3	4	5	6	7	8	9	10-Extremely Important
1	0	0	2	0	0	0	2	8	2	6
2	0	2	0	0	1	1	3	6	3	4
3	0	0	0	2	1	0	1	3	1	12
4	0	0	2	0	0	0	2	5	6	5
5	0	2	0	0	1	1	1	3	2	10
6	0	0	2	0	1	1	1	2	3	10

- Opportunities for my career development.

With 20 respondents, 6 of them says that this statement is extremely important, 2 answered the rate of '9', 8 says '8', 2 of them chooses the rate '7' and the lowest rate here is '3' with 2 respondents. Not so much of them rated this as 'extremely important and important'. But rate 8 to 10 has quite positive result.

- Promotion opportunities.

Based on the table, only 4 answered a rate '10' (extremely important), 3 rated '9', 6 out of 20 respondents says '8', and others are scattered in rates 7,6,5 and 2. Promotion opportunities are not that important to most of the consultant albeit it is still quite important, it is not extremely needed.

- Flexibility of working time and place.

Quite many of the agents are happy with this statement and rated as '10' with 12 respondents. Others are still looking for another option of finding client,

not only through internet marketing where they only use gadgets and possible to work wherever they are. Some of them are not into gadget or technology updated.

- Communication and supportive working environment even between cross groups.

Only 5 says that this statement is extremely important and 6 people choses rate '9'. Two of the consultant are not into good communication and supportive working environment but most of them has a good experience and rated 7 to 10.

- Commission rate.

Generally, most of the respondents says that this statement is important. Half of them answered 'extremely important', thus the company should continue this method.

- Benefits, awards and incentives.

The same result on previous statement, most of the consultant understand that benefits, awards and incentives are important. Although according to theory this does not lead to long term motivation but without it there's no additional reason to pursue the monthly and yearly target sales.

#### 4.5.15 Willingness to cooperate in recruitment

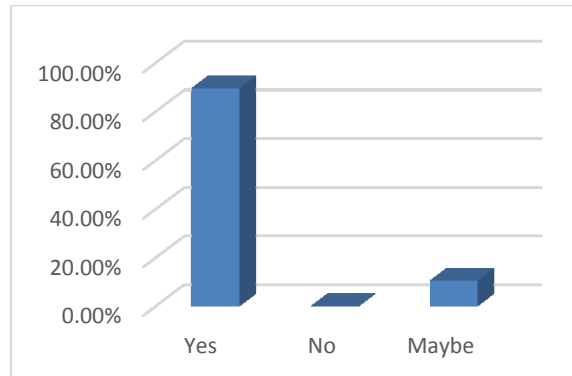


Figure 21. Are you willing to cooperate and tell your experiences to possible candidates for joining the group?

89.5 percent of the consultants are willing to cooperate whenever recruiting will be initiated in OCM. The result is positive that the company can get high total of participation from the agents in order to attract more new comers.

#### 4.5.16 Readiness to Recommend the Company

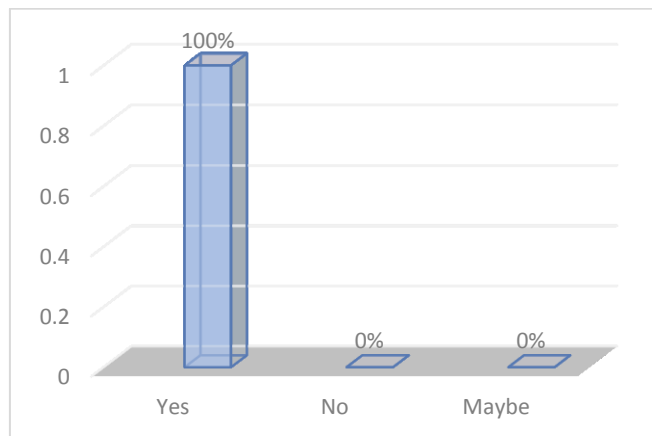


Figure 22. Will you recommend OCM to your friends, relatives, and other people who are seeking job?

The willingness of the consultant to cooperate on recruitment almost the same with their willingness to recommend the company to the people around them and to aspiring applicants. With the result of 100 percent to 'yes' answer, the company should utilize the current agents to recruit new people. All of them wants to participate for recruitment development.

#### 4.5.17 Suggestions for Future Development

This last unit is an open-ended style where respondents can freely write their own idea. This part was asked because they know better about the real situation of OCM at the moment and through their answers the author can get insights for suggestions and recommendations. A time to express their thinking towards enhancement of management, activities and motivation methods. They were asked to give suggestions how OCM could improve recruitment, motivation or any ideas for future development.

As a result, there were only 9 respondents. Here are the lists of their suggestions:

1. Agents, managers should always be active on what they are doing. Focus, attend seminars and activities.
2. We need more seminars and motivations from the broker which he seldom answer or participates to agent's communication during online conversations.
3. Assess well all the applying candidates of their abilities to contribute and generate big sales for OCM and for themselves.
4. Make a monthly training, sharing of knowledge, do orderly and manage properly.
5. Team building
6. Regularly conduct product knowledge seminar to gain additional knowledge and information about selling and to be able to familiarize the real estate world.

7. They should implement better communication from manager to agent, try being on time in every activities and open to share ideas on how to make more sales.
8. It is good if the broker will conduct once a month meeting for all managers to monitor the sales performance and to do brainstorming on how to improve sales and human resources of the company. And most especially on addressing each group's concern.
9. Give recruitment incentive to the leader who recruits faster based on the required number per month.

Quite many of the consultants did not express their thoughts on this question but according to the result, the need of improvements is evident.

## 5 RECOMMENDATIONS

This chapter focuses on recommendation. There has been an evidence from the previous chapter that the company needs development in motivation in order to enhance their recruitment. The recommendations below are based on the theories on chapter 2 and 3, on the result of the survey questionnaire, from sales consultant's suggestions and few are from the author's idea.

Being a 'corporation after a year' (from this year) is OCM's future plan or goal, according to the owner. Corporation as explained by the owner in the previous chapter, is a group of brokers in one organization, numerous listings, and being able to work all over the country. At the moment, there are more than 20 senior, junior, and new sales consultants involved in the company. As far as the author know, there is no new broker other than the owner of the company. People who generate sales are the sales consultants and the owner himself. Then how can they achieve the goal if the issues in motivating current and few new sales consultants as well as the issues in recruiting cannot be done well enough? Below are the suggestions to the owner and to the company.

### 5.1 Create Motivational Plan

According to author's observation, the significance of planning is not only valuable to military activities especially to those who go to wars or in the actual field of battle. This is extremely necessary even to politics, management, business, and sport as well.

The act of creating a plan or plans is called planning. This implies prediction and outlining the process to be done in the future. Planning is an accurate and itemized agenda about the system to be done in order to deal with a circumstances in the future. In one saying said, well plan is half done. Lists of things that should be done are enumerated below.

### 5.1.1 Establish a Clear Mission and Vision

Upon the author's knowledge, OCM has no clear visible written mission and vision within the office, manuals or in the sales' kits in which usually inspire the sales team. Although in the previous chapter, during the owner's interview, he mentioned their business' mission and vision.

Mission statement states what the organization's status, goals, and techniques on how to achieve the company's objectives or a plain statement of purpose. A vision statement outlines the target future status of a firm. Mission and vision is useful guide to attain an organizational objectives to workers and the community.

Therefore, clear mission and vision should be made and discuss to everyone. When people clearly know and understand the company's mission and vision, they will understand more about their purpose and the company's objectives. To increase motivation, the sales team must know the importance of each consultant. Their sense of belonging, as one social participants, the giving and receiving of love through their services and their colleagues, and their responsibility will inspire them to be more productive, remaining on board and to contribute cheerfully.

The mission statement will help out the sales consultant if the plan is aligned to the general objectives of OCM. The vision statement will help to motivate the team. When an employee participated in the company's achievement they are more possibly to remain inspired.

Make the vision and mission visible to everyone as a promotion of a company's goal. Level the vision statement as a centre of interest, it must be brief but comprehensive, engaging to every consultants and customers.

### 5.1.2 Review and Recreate Company's Code of Conduct or Policy

Code of conduct was explained in previous chapter, this is a way of management to set out a company's values, responsibilities, and ethical duties. By this it will help the employees to deal with issues to ethical situations connected to organization.

The consultants were asked regarding OCM's code of conduct and the result was divided into 4 where the expected answers should be excellent and out of 20 consultants only 8 answered with the expected feedback. This means that company's code of conduct should be reviewed and developed as needed and it should be based on country's law towards organizational codes.

This code of conduct falls to hygiene factors in Herzberg theory, under company policy and administration part. It only prevents dissatisfaction and it does not lead to high motivation and satisfaction. Although, it does not induce



high motivation, it is still important to every consultants because this code will guide them during their employment at OCM.

The owner might not know that some of the consultants are not happy with the company's code of conduct. Therefore he should spend time to review the current code of conduct if some are not effective and do not change the good one. He must ask himself: does it need additional code? Is it clear or not to them. Does all consultants know the company's code of conduct? Does it provide transparency? Does it help them to act accordingly during their stay and even after leaving the company?

Recreating is necessary when the questions above are answered and cleared. Recreate simply means the act of continues developing or progress until desired outcome is reached. It is not obligatory to start all over again and remove the previous but the purpose is to improve.

After reviewing and reforming the code of conduct, the owner should print and give time to remind the consultants. If it is not done every meeting, it can be 3 times a year or once a year.

It is one clever move for the owner to be transparent to all sales agents or consultants. Then whatever they do, there is a clear evidence when they obey or disobey the code of conduct. This may serve as a basis in every action to both parties, the owner and the sales consultants.

### 5.1.3 Positive Motivation

In Chapter 2, several kinds of motivation were discussed, they are the positive or pull mechanism and negative or push mechanism motivation. On this part, only positive mechanism is used, the financial and non-financial.

1. Financial Motivation. In Maslow's hierarchy of needs, and Herzberg two-factor theory, a person has a need to be fulfilled. The first need that it should be satisfied is the physiological needs. Those needs are food, water, shelter, clothing to keep the body warm, sleep and others which the body needs. In order for these needs to be fulfilled, and since life at the moment is not the same thousand years ago, that people usually used their physical strength to get food and other needs without money, financial is one of the basic need of every individual. At work, the things that motivate a person can be in a way of salary, incentives, allowance, wage plans, and productive bonus scheme. Under Herzberg theory, the ways to prevent dissatisfaction are salaries, wages and other benefits.

OCM is an independent agency, then sales consultant's income are commission based. There is no monthly salary involved.

- a. Commission rate.

Not all the consultants perceived that higher commission rate is very effective. In figure 14 above, most of the answers were effective, fairly effective and some said it is not effective at all. Their satisfaction to higher commission still not giving them enough motivation. Although some answered 'effective' were quite satisfied but not entirely. Something is missing somewhere.

The suggestion would be, the owner must speak to the consultants individually, discuss and explain how to get the increase, and give some achievable goal such as:

- Ask the consultant an attainable sales within a month or in 2 or 3 months. There should be a target sales in order to get the increase. For example, at the moment the current agent's rate is 3.5%, when he or she sold 3 million or 5 million this month, a certain increase will be given in the next sales depending on the agreement. There are taxes to be paid therefore broker's rate should also be considered.
- Another goal to get an increase is to grow the number of full-time and part-time sales agents. This is not just recruiting but they should generate sales too. When an enlisted agent give sales for the first time, a .5 percent rate increase will be appreciated.

However, there should be limitations in commission rate. As mentioned above, the company pays taxes and other obligations in order to maintain the status in the industry. The suggestions discussed are enough to induce more enthusiasm to every consultants. An increase in every achieved sales goal and an incentive from every recruited sales agent with first sale. The above suggestions can be done both or either one of them.

#### b. Productive Incentives

At the moment company's incentives are rice subsidy, mobile phone load, dinner-date in every target sales (monthly), and achieved target sales incentives (quarterly and yearly). This has been the set of motivation incentives in one year. With the survey's result in the previous chapter (question 8), only 6 (31.6 percent) person were very satisfied to rice subsidy, 8 (44.4 percent) person with mobile phone load, and only 7 (36.8 percent) with dinner date in monthly target sales. Although, some of them says that those incentives are effective, some were still not satisfied.

- In order to entice the sales consultants to be more productive, various set of incentives quarterly should be made. One set from January to March, another set from May to June and so on. Creativity also may apply on this area.

One set can be cash incentive, movie ticket, set of small amount of groceries to choose from, and rice. Cash incentives can give the consultant a chance to buy or use the money whatever they want. Since they have no monthly salary, a cash incentive represents the

salary when they receive an amount of money. Movie ticket has been chosen in order for them to relax sometimes. Moving out from the real world could make them forget their present challenging situation for a while as dealing with different customers can be stressful. But, before buying a ticket, the owner should list several movies. It is better to ask which movie they want at the moment. When it comes to small amount of groceries, this might be set of canned goods (it can be imported or locally made), set of fruits and other grocery items. The price of course depends to the current budget for the incentives. Last but not the least is the rice as one of the main food in Asia, therefore this should not be removed from the lists.

- Cash incentives only.

This is the budget equivalent to the incentives. The whole amount will be given to the consultant. This might exceed from the budget a little but this is not for the whole year, this is just for 3 months.

Occasionally there are times that people need only money, for instance in May or June, where parents are busy buying kids' school supplies and it is an enrolment season. They prefer cash during those months. November and December are also season of buying gifts, therefore considering to use cash only incentives will work to attract or excite consultants to produce extra sales and be more active. And because commission can be received after payment of 20 percent or 10 percent from the property price (usually after 10 months to 2 years), consultants need money to support them on their daily living or to buy something they want or need.

- Core performer's incentives.

What a core performer might feel if he or she receives an incentives knowing that he or she did a great job? Any person experiencing this kind of recognition might be like floating on the cloud. Despite of his or her hard work and challenges, when it is recognized through incentive it will boost more energy to perform better. Give a reward to those who gave their hard work.

- OCM's yearly incentives usually awarded during the company's Christmas party. According to the owner and the sales consultants, appliances such as electric fan, cooker or gas stove, rice cooker, kettle and set of groceries were the incentives depending on how much the sales consultant's produced for the whole year. Furthermore, a sack of rice, whole ham, gift check, money/cash, and cell phone are other incentives. A framed certificate of appreciation is also distributed where the sellers' name is included or written on it. According to the survey results, 40 percent (8 answers) from 20 respondents says that the yearly incentives are very effective, 45 percent (9 answers) says it is effective, only 10 percent (2 answers) as fairly effective and 5 percent (1 answer) says it is ineffective. It is

obvious that majority of from the team are satisfied with the rewards or incentives.

The author's suggestion as an additional incentives or another set for next awarding would be water dispenser, washing machine (not that expensive), vacuum cleaner, lamp, pots or non-sticky pans, some silver ware, smallest flat screen TV (depends with the price), dish drying rack, plastic containers for food storage, blender, and silver wares. It is good to have another set for yearly incentives because for instance last year he or she received electric fan, then next year he or she might receive the same, it does not give strong motivation.

Since people do not receive any salary, there are two important things to remember, first when it comes to financial incentives, make it sure that it is strong or convincing enough because if it is very small amount, the sales consultants would not feel as persuaded as it should be. Second thing, in the first month of the year, the next awards or incentives should be planned, communicate in advance, and ensure that everyone understands so agents/sales people would be more encourage to hit the goal.

## 2. Non-financial Motivation

On this part, lists of non-financial motivation will be presented. With non-financial incentives, it is mentioned in chapter 2 that this kinds of motivation to employees satisfy the pride of a person. These needs fall on esteem and self-actualization needs of Maslow's hierarchy of needs and motivational factors in Herzberg two-factor theory. Every person has the feeling of attention need, the desire of other people see them exceptionally, targeting higher position. The need of self-actualization is the highest hierarchy of need. When this need is empowered in a person, he or she tries to develop that skills and achieve it whatever it takes. In addition, recognition, awareness to success, development and the opportunity for better position, responsibility, and work value are the things that covers in motivational factors of Herzberg theory.

In order to satisfy OCM's agents, various things are recommended below.

### a. Career Development Plan

This is the mechanism or series that shapes an individual's work status, and important part of person's improvement and the duration of person's whole life existence or career. For instance are the doctors, teachers, firefighters, carpenters, engineers, sales agents and other career. Before they reach that position, they were in process of learning so they enrol to school, continuous learning while working until they reach the position they are targeting. In order for the sales agents to be successful on their career they need someone to guide and counsel them, someone to train and push them reaching their dreams.

The OCM consultants were asked how satisfied they are with company's career development plan for them and on the result, 40 percent (8 answers) said that the trainings in the company are necessary for their ability advancement. When it comes to their determination to do the work with their best, 11 out of 20 says they are strongly agree. With the compensation to good performer rate, 8 out of 20 respondents says also said they strongly agree. 7 out of 20 says that the ways of compensation gave them motivation. 50 percent were strongly agree that their manager gave them effective assistance on how could they be promoted and 40 percent responded that they have time to help the company for development through collecting their comment. (See more details on figure 22) The need of development to consultant's career plan is evident.

Therefore, OCM can:

- a. Set a training schedule monthly or once in two months or 3 times a year. The owner, the sales director, manager, and even outsiders have enough experiences to share.
  - Plan, lists, and study the things to share and put them to slides as presentation are the simple steps for simple training to help and boost motivation to sales consultants especially to new comers.
  - When it comes to the people who has good experiences but still lacking of some abilities to close a deal, find something to deal with it. Make a 'step-by-step to close the sales' training. And an actual practice should be made. It is like simulation.
  - Invite one or two person who can give encouragement or talk during the meeting or the day of monthly and yearly awarding. Sometimes, it is good to have new face or speaker to meet and give encouragement. People might lose the passion to hear from same speaker. New person to give a talk could also increase the attendance during the meeting.
- b. Collect consultant's feedback by creating online questionnaire to know what they can contribute in the progress of the company aside from selling. The owner cannot think all the development needed in the company, he needs someone who can help and suggest ideas. This also can create involvement of every people and feel that they are belong to the company. They might be afraid or shy to tell anything during the meeting when the owner ask them directly but try another way to get their opinion without asking their personal information or name.
- c. The owner must be transparent and should also advise all the managers to do the same to their sales agents regarding promotions or commission rate increase. Being transparent on this matter means they clearly communicate the ways how they can be promoted. Both the manager and the sales agent understand every mechanisms to promotion, to attain commission increase, and are open to communications. Simply no hidden agenda.

b. Development of Skills and potentials

On figure 24 in chapter 4, it is also evident that not all of sales consultants were happy enough with the importance and usefulness of their skills and potentials towards the company. Their contribution for development and opportunities, activities, usefulness of skills and abilities, and their self-improvement and learning are in need of attention.

- Assess the consultants if they are into sales.

In a comic book that has been published in Malaysia, it says there that from the day every individual came out from the mother's womb until the day of his or her last breath everyone are selling. A baby cries when hungry and a sick person always ask whatever he or she wanted, and the people around them immediately act to give something. (Lim 2009, 12)

However, not everyone when they grew up select sales as their profession. And some people chose a profession but after sometime they changed their career. It is important for a manager or employer in the first place to know whether an applicant or a friend who is planning to join the sales if he or she has the ability to do the sales. Assessing a person is looking into deeper details of abilities to evaluate their capability on this field. For example, not all introvert are into sales.

- Be a mentor.

A mentor is a person who provides assistance and advice to a younger or less experienced individual over a period of time. He or she is the one who provide feedback, share suitable experiences, provide encouragement, and recommendations for the development of a mentee. Basically, OCM's owner and the managers became mentor when they recruit someone to join their group. Make their agents feel that they are their mentor, the one who assist them in many aspects in order for them to grow and develop their skills and abilities in the field they are in.

- Provide constructive feedback.

During the mentoring period, the mentor should give helpful comment regarding the learning process of the mentee. Because it is beneficial for a mentee to be corrected when something wrong is done or when development needed.

- Owner and managers should lead by example and practice professionalism. Leaders should show attitude, values, actions, and mind sets that they want their employees to behave. These must be practiced at OCM Realty. Punctuality shows respect to the important time of others. When a person feel that the other person has no respect to other's schedule or time, the feeling of being 'unimportant' or irritation arises. Then they will be discourage or

worse the disrespect, and gradually detaching themselves from the company. That will lead to dissatisfaction and then worst resignation.

A professional attitude respects private and public possessions, always ready, dressed up neatly, and others, which demonstrate professionalism can also be suggested and practiced.

### 3. Affiliation needs

This is also called love, acceptance or social needs. In Maslow's theory, human relations, and formal and informal group work are the manifestation of this need at work. The feeling of sense of belonging, social activities, friendship and the giving and receiving of love. In Herzberg theory, this part is called peer relations and it is under hygiene factors.

In the survey result (page 42), 13 from 20 respondents says that the support (emotional and work related) of their co-agents always happens, 70 percent (14 respondents) says that having an open communication always happening between the broker, managers, and the agents. When it comes to work relationship among others, 75 percent (15 respondents) mentioned that it is always happening in the company. 60 percent of the sales consultants observed that new ideas were being appreciated before implementation. The excitement of going to OCM's office every meeting has the lowest result where only 7 says it is always happening. Despite of a high number of rate regarding affiliation needs among sale consultants, a room for improvement still evident.

Some points to be discuss in order for the sales consultants to be motivated.

#### a. Brainstorming

The owner or the managers should encourage others to participate in brainstorming. Ask people on how to improve sales and human resources and other things that need improvements. When they feel that the management listens to their ideas, they will be more eager to think how they can help for the company's improvement. Brainstorming can develop creativity, build new ideas, problem solving, creates motivation and development to every individual or in a team. This techniques unites everyone to solve any company's problem when it is use accordingly.

#### b. Separate a meeting for managers only.

This is one of agent's suggestions towards company's improvement. The author did not witness any manager's separate meeting in order to tackle different techniques on handling sales agents, sales, recruitment and other issues during the two months internship.

This part is resolving out issues without the presence of sales agents especially the new one. The meeting can be monitoring of sales and talking more about the what's, why's, how's, and who questions. The owner should consider this technique to encourage excitement.

It is possible that some controversial issues will be brought out and exchanging of sensitive ideas that meant for managers only. When misunderstanding is discussed especially big issues in front of sales agents and new recruits, it creates bad image of the company.

c. Activities after Team building

Team building is the process of inspiring a group of individuals to work at once as a team efficiently, particularly through activities and occasions to boost motivation and encourage collaboration. Since teambuilding has been successfully done by the company this year and the author had an opportunity to participate as well, an additional approach from the author has been made.

- Print a hardcopy of each team's annual goal and remind them often or every meeting in a proper way.

The target amount of sales within a year of every group was unveiled during the event, but after the teambuilding it seems those goals were vanished away or forgotten. Therefore, the management or a person who was assigned to take note of those target sales must be printed out and arrange in a place where they always monitor or see as a reminder.

- Follow up the people who participated the teambuilding and their goals. Aside from reminding the sales agents, owner or the sales director should conduct a follow up meeting to each group. Each member of one group will attend the meeting. This is also the time to ask all the participants if they are doing their best to reach their goal, how they are doing it, do they need assistance, advice, or any help. The owner or the director can then provide advices or any help.

Having clear mission and vision, and the people understand them can enhance motivation, as well as being transparent to code of conduct, being able to participate for company's development, and the financial and non-financial motivation. When all or most of them are motivated it will lead to effective recruitment.

## 5.2 Create a Recruitment Plan

Recruitment is one of the process of employment and is not the same to employment and selection. Selection is the process of selecting the best from the applicant and employment is a performance of employing someone. Recruitment includes searching, organising the sources of recruitment, and attracting applicants.

OCM's current methods to recruit people are through recruitment agency, recommendations or referrals, personal recruiting, and social media. Personal recruiting is the most effective where the owner basically go and talk to agents



who are currently working in different agency and offer them higher rate of commission.

However, the strictness of the law on this profession is becoming more intense, with 1 year validity of the license. Therefore moving to other agency will not be easy as it is now. The owner should make a plan that enable the company to remain stable in the future especially in recruitment and retaining effective agents. When sales consultants are motivated and the company is productive, without any long talk, applicants will definitely choose OCM to work.

### 5.2.1 Start in Organizing a Small Team

Human resources department is present in huge companies and some to medium or small organization. Theory on this part was not discussed but this suggestion would be a start of OCM to improve recruitment. Despite the limited number of people in the agency, it is evident on the survey result that 17 answers out of 20 respondents are willing to cooperate on recruitment program. And a 100 percent says that company recommendation to friends, relatives, and others who are looking for a job.

Organising a small team in recruitment might be critical to small businesses. For people are mostly have various responsibilities and wearing different hats is required. Additional costs may also occur but with proper agreement, for instance an additional of 0.03 percent commission rate for every new employment or recruitment compensation may apply. The said rate is a group's (recruitment) commission. The small team if effective will then gradually be productive. The owner then should:

- First, review the organizational chart. Know and identify the person who can be a leader.
- Short lists the appropriate people to assist the leader and other designated position such as advertiser (mostly external source of recruitment), coordinator and writer (content of advertisement), interviewer (it can be the owner), and others.
- Talk and ask individually to those who are short list including the leader if they are willing to cooperate without forcing them. (Just because of the survey's result).
- Make a written agreement. Make sure that everybody understand and the agreement is clear.
- Start the planning for the next plan.

### 5.2.2 Set Goals and Recruitment Policy

With the newly organized team, the owner or/and the director should set goals and recruitment policy. Goal is a clear and achievable outcome that has one or more targets to be reached within a specific period of time.

Recruitment policy should be tallied with the environment, business requirements, obligations and others.

a. Set goals in recruitment

The goals of recruitment which is discussed in page 15 includes the enticement of individuals who may fit the present organization strategies, to recruit stranger with new point of view in guiding the organization, and to fill in vacant positions. Expanding organizational culture that persuades skilled person, looking for individuals with abilities that fit the business values, and assessing psychological manners through implementing techniques were also discussed. And lastly, searching advanced talents for improvement, international ability, quality first basis, and to discover new possibilities were mentioned.

The above goals must be analysed in OCM to lead them for a better level of enticing or getting new people. When everything is clear to everyone, achieving the objectives will be lot easier. The owner together with the small recruitment group should discuss and define the recruitment goals of the company. They must answer the questions: who is capable of this organization strategies? What are the specific abilities needed? What position is available? Are the company values attracts new skilled person? How can the group assess an applicant psychologically? What are the new skills needed? Until when this should be done? How can the small team captivate international abilities and so on?

b. Set a clear recruitment and selection standard policy

An unambiguous recruitment policy is valuable for businesses to timely react to its human resource requirements especially on this fast changing situation. On the survey, the sales consultants were asked if the company's recruitment policy is challenging or difficult. 63.2 percent said 'yes', 21.1 percent answered 'no', and 15.8 percent choose 'a little'. And the owner mentioned that nobody has been rejected from the applicants and the new referred sales agents. Albeit most of the respondents said that the policy is tough, a few percent disagreed and the confession of the owner that no one has been rejected is obviously the improvement on this area is required.

There can be principles and outlined statements on how the company's recruitment and selection should be done. The goal of recruitment guidelines is to guarantee transparency, fairness, and ensuring that the method is observed. Next is the meeting arrangement or employment of the best applicant and a relevant individual that may fit to company values, philosophy and objectives. A selection policy is included on this part due to recruitment group. They must know the certain competences needed to make the selection easier.

In creating recruitment policy, these must be taken into account: government guidelines, personnel guidelines of the rival companies, OCM's personnel guidelines, sources of recruitment, the needs in recruitment, the costs, selection standard and preference, job description, and so on.

In addition, privacy law, age, sex, marital status, religion, nationality, and sexual disability discrimination must be considered in creating recruitment policy. When policy considered the above, it will strengthen the protection of the best people in the business and to guarantee that applicants are considered equally.

### 5.2.3 Utilize Other Sources of Recruitment

In chapter 3 page 16, internal and external are the 2 sources of recruitment. Computerized record system, job posting, current employees, and current temporary are the internal sources of recruitment, while international, advertisement, employment agencies, university or campus recruitment, employee referrals, e-recruitment, social networking sites, and consult-in are the external sources in recruitment. Some of the external sources are used by OCM Agency at the moment.

On the survey's response, half of the 20 sales agents joined the company through referrals, 4 of them were by social media, 4 out of 20 were also through 'others' and 1 by recruitment agency. On the interview with the owner, recruitment agency, referrals, personal recruiting or one-on-one talk, and social media are the current sources. International recruitment, advertisement, university or campus recruitment, e-recruitment, and consult-in or walk-in were not used. However, utilizing them is also recommended.

#### 1. Advertisement

Despite of the increasing number of e-recruitment, this kind of sources had been used by many companies in the country. OCM's future goal is to be a corporation in the near future, and the rapid growth of new brokers cannot be stopped. Therefore, action is truly valuable at the moment, before other stable and successful brokers could recruit them and the new aspiring sales agents. OCM can start in lower rate newspaper advertisement. The recruitment team should consider first the content, colour of the text and background, font size, and the price of the job advertisement. In newspaper advertisement, the number of words to be posted are limited therefore planning and making content is essential. That the important message is able to communicate towards readers especially to job seekers. The headlines, qualities, qualification, skills and abilities that are needed for the available position must be the priority. Picture of the group can also be helpful and to gain trust of the company.

#### 2. University/Campus recruiting

This is the method where employers handle activity of enticing and hiring graduating students from colleges and universities. The opportunity of partnership to colleges and universities can promote the company. Other benefits like attracting the best and the most brilliant. Promoting job vacancies to colleges and universities is not easy for small or start up business because

collaboration from the campus management is needed and some campuses only accept known companies.

However, in the Philippines, there are small private colleges to start with. In Cavite for instance, where OCM office is located, some school owners are approachable. The target are the students in Business Administration, Marketing, Tourism, and other courses that offer services. Some of the current sales agents are students and the owner can negotiate to their professors then, the professor could negotiate to the management.

Another activities inside campus can be the advertisement, for example a simple posting regarding available position on school's bulletin board. An internship position can also be the start of employment.

### 3. E-recruitment

E-recruitment is the process of using internet to recruit employees by utilizing websites where applicants can send their applications online. Applicants also can display their CVs and can be contacted by employers according to the requirements.

In the Philippines, there are websites to shortlist applicants or advertise the available job such as [jobstreet.com](http://jobstreet.com), [jobsDB.com](http://jobsDB.com), [onlinejobs.ph](http://onlinejobs.ph). OCM should also use LinkedIn to advertise the company and the recruitment internationally.

### 4. International recruitment.

The last but not the least, the International recruitment. This method will not be the same with the traditional process where a person from the other side of the world should move to a certain country. Some or most of the companies are still using traditional at the moment but international companies are gradually adopting the remote employees method so OCM can use different level as well. Filipinos can be found all around the world now and they can be easily contacted through social media. Foreign nationals can be reached too through this new technology. This tech is now making the world smaller. Using international recruitment can be costly to the company but start with signing-up and utilize the internet.

#### 5.2.4 Recruitment Incentive

Recruitment incentive is a payment incentive from the agency to the new employee who fill in a difficult position. The new employee should also sign an agreement to accomplish a certain term to do the service as an exchange. 6 months term for instance or 3 months or 2, depending on the amount of money agreed.

OCM can plan this incentive for new sales agent and to entice more people.

Incentives have been discussed in the previous page but the owner can also create an incentives for the newly recruit agents. It can be a sum of money according to yearly budget to avoid bankruptcy.

Once a year, an incentive for the sales consultant who referred more and recruit faster can be set. A simple appreciation to those who did the effort and hard work to recruit friends or unfamiliar individual must be considered.

There are 11 person in the team who has a full-time contract with OCM. When the company creates an effective motivation for the current sales consultants, their engagement to the company will be deepen and will attract more applicants.

To sum up, the suggestions discussed above can be implemented by the owner. He could make clear mission and vision statement which are simple yet engaging; he can review and recreate company's code of conduct or the policy; improve the positive motivation which are financial and non-financial; recruitment plan can be started by organizing a small team, set goals and recruitment policy, using other sources of recruitment and make recruitment incentives.

## 6 Conclusion

This research is authorized by OCM Realty, a real estate agency company which operation started November last year, basing in the Southern part of Luzon, Philippines. During the writing of this research, the owner was still contacted by the author for further information even after the interview and he was very willing to give more data. The company's background and activities; a short introduction of Human Resources Management; and the challenges in motivation and recruitment the HR are facing were discussed in the first chapter. Despite of the positive feedback by the sales consultants, challenges in motivation and recruitment in the company were evident. Therefore suggestions were offered for the enhancement of motivation in order to improve company's recruitment. Since the company is new to the industry, the suggestions provided were basic, the implementation is effortless, and cost friendly.

Early motivation and recruitment were the theories used in Chapter 2 and 3. The second chapter demonstrated the early motivation theories of Maslow's hierarchy of needs, Herzberg two-factor theory, and McGregor's Theory X and Theory Y. The definition, common characteristics that influence the definition, goals, kinds and the basic concept of motivation was also discussed. These theories served as a guide for the author to develop the approaches for OCM's motivation enhancement.

In chapter 3, the recruitment theory were discussed which includes various definition, goals, policy, and the sources. It helped the author on the creation of recruitment improvement in the suggestion part. The internal and external sources of recruitment was also shredded on this part.

The current level of motivation and recruitment were explored in chapter 4. This chapter showed the facts regarding the general situation of real estate in the country; the sample organizational chart of the company; an interview with the owner; the survey to sales consultants and the analyzation of the results. The questions for the owner and the sales agents were built based on the theory presented in chapter 2 and 3. The results showed that the need of improvement to motivation should be made in order for the company's recruitment be improved as well. This chapter is one of the most important part of the thesis.

According to the results of the survey, 22.2 percent of the sales consultants joined the company more than a year ago, and the others from 8 to 12 months, 4 to 8 months, and 1 to 4 months. Most of them works as part-timers in the company. 52.6 percent found OCM through referrals. Career development and flexible working time and place were the most reason why they choose the company. The company's recruitment policy is challenging but some says it is not. When they joined OCM for the first time, they were properly guided and their answer to code of conduct rate were scattered to excellent, good, average and fair. The company's compensation were very effective to some and not that effective to most of the sales consultants. When it comes to work, culture and over all security feedback, most of them were happy, the relationship's result between the agents was satisfying, however some were not that satisfied.

Non-financial motivation is valuable in a company as it leads to long term motivation and it decrease turn over. It was evident in the results of the survey that the career development activities of OCM were good but many of the consultants were not satisfied. The results showed that development on this area was needed. On the other hand, most of them were willing to participate in recruitment program if the company will do recruiting activities.

Therefore, the present motivation of OCM does not excite all the sales consultants resulting to slow increase of number of new agents. The author provided new approaches to motivation development in order for the company to improve its recruitment.

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## Appendix 1

## Questions for the owner

1. Since OCM Realty just newly opened, what is your vision and mission?
2. What are the policies/code of conduct?
3. What is the current situation of real estate in Philippines and around your focused location?
4. What are your sources of having more agents joining OCM? (school recruiting, recruitment agency, recommendation, social media-Fb, others-please indicate) Which of them you think are effective?
5. What are your current approach to company and employee development?
6. Do you give trainings to your agents? Does it costs high?
7. What are the motivation style you are practicing to motivate all the sales agents in your company? List and explain.
8. What are the future plans of OCM?

## Appendix 2

## Cover letter for sales consultant

Hello,

This is Lorna, student of Häme University of Applied Sciences-Finland and currently doing my thesis research which my case company is OCM Realty agency. My topic is about 'Improving recruitment by developing motivation system'. The goal of this survey questionnaire is to know OCM Realty's property specialists (managers and sub-agent) current level of motivation and how did they find OCM in order to find company's recruitment effectiveness. This should take only about 15 minutes to answer.

Name or any personal identification will not be asked. The results of the survey will be used in writing the thesis and will be presented for school purposes only. The soft copy will be uploaded to school's data base and can be access by the public, but you will not be identified and you can answer all the questions with honesty.

Thank you so much for your participation and I will appreciate your help for the completion of this assignment. Please complete answering BY 15TH of JUNE.

Respectfully yours,  
Lorna Mattila

Link for the questionnaire: [https://docs.google.com/forms/d/1b9JPTzdiFWs-XqID1w-R0md1ckrt09hZ53nDz7I7\\_QY/edit](https://docs.google.com/forms/d/1b9JPTzdiFWs-XqID1w-R0md1ckrt09hZ53nDz7I7_QY/edit)

Questions for OCM Realty Sales Consultant

1. How long you have been in OCM or joined the group?
  - 1-4 months
  - 4-8 months
  - 8-12 months
  - More than a year
  
2. Your contract with OCM.
  - Full time.
  - Part-time.
  
3. How did you find OCM? Pick one from the choices below.
  - Bulletin boards
  - Referrals
  - Print ads
  - Recruitment agency
  - University/school recruitment
  - Online/social media site
  - Walk-in
  - Others
  
4. Why did you choose OCM? Pick one best reason.
  - Career development.
  - OCM policy is not strict.
  - Friendly and approachable agents.
  - High commission rate.
  - Good incentives.
  - Flexible working time and place.
  - No pressure.
  - Others
  
5. Is the recruitment policy for property specialists challenging?
  - Yes
  - No
  - A little
  
6. Are you properly guided with the company policies and code of conducts upon recruitment?
  - Yes
  - No
  - Maybe
  
7. Please rate OCM code of conduct.  
(Poor: 1-Excellent: 5)
  
8. How OCM satisfied you compensation, pick a number from the scale how effective the statements are.  
(1: Extremely ineffective-5: extremely effective)
  - Higher commission rate.
  - Rice subsidy.
  - Mobile phone load
  - Dinner date in every target sales.
  - Achieved target sales incentives (quarterly/yearly).

9. Security is one of your goal why you join OCM, how do you consider the following? Pick from the scale below.  
(1: Unsatisfied-4: Very satisfied)
- Has a safe working environment and flexibility to work anywhere (home, coffee shops, restaurants, etc.)
  - The culture (behaviours, principles and beliefs) of OCM family.
  - Overall job security at OCM.
10. Relationship with other people is important at work, how often it happens?  
(1: Never-4: Always)
- Supportive co-sales agents (emotional and work related).
  - Open communication between broker, managers and agents.
  - Good working relations among co-agents.
  - New ideas are appreciated and examined before execution.
  - Good working relationship between managers and agents.
  - I get excited going to OCM office every meeting.
  - OCM incentives motivates me to achieve my sales goals.
11. Choose on the scale how you agree with the following statements for your career development.  
(1: strongly disagree-5: strongly agree)
- Trainings at OCM are useful in the advancement of my sales skills.
  - I am determine to give my best effort to work each day.
  - Good performance compensation.
  - Method of awarding is inspiring and challenging.
  - I am satisfied with the career advancement (promotion) opportunities set by OCM.
  - My manager has given me helpful feedback on how I can be promoted.
  - Opportunities to contribute to the development of OCM by getting agent's feedback.
12. Your skills and potentials are valuable, rate the sentences below.  
(1: poor-10: excellent)
- Able to contribute for OCM development and opportunities.
  - OCM activities accelerate my sales skills.
  - My job good use of my skills and abilities.
  - Continues learning and improving myself.
13. How important is the training to your profession?
- Not that important
  - Important
  - Extremely important
14. Rate the following statement according to what you feel about it.  
(1: unimportant-10: extremely important)
- Opportunities for my career development.
  - Promotion opportunities.
  - Flexibility of working time and place.
  - Communication and supportive working environment even between cross groups.
  - Commission rate.
  - Benefits, awards, incentives.

15. The saying says, 'The more the merrier', if OCM will conduct any source of recruitment, are you willing to cooperate and tell your experiences to possible candidates for joining the group?
- Yes
  - No
  - Maybe
16. Will you recommend OCM to your friends, relatives and other people who are seeking job?
- Yes
  - No
  - Maybe
17. Please give any suggestions how OCM could improve recruitment, motivation or any ideas for future development.
-