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ASSESSMENT OF NON-FINANCIAL MOTIVATION FOR WORK AT HIGHER EDUCATION INSTITUTIONS

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Abstract

The article outlines the main components of non-financial motivation, which is of great importance for the professorial-teaching staff and, according to the result of the research conducted on the basis of such components, non-financial motivation and income stability have been given subjective, yet certain value assessment. The presented approach is topical and might imply quantitative appraisals.

Keywords: academic skills, non-financial benefit, creative work, professional recognition, academic freedom, work stability, reputation, free working schedule, academic degree, academic title

Non-financial motivation plays a crucial role in motivation of the professorial-teaching staff (PTS) – the faculty, thus determining the main peculiarities of work organization in the system of higher education. Here, academic freedom, the opportunity to create, the reputation and recognition of the profession are especially important. Western theorists attach absolute supremacy to academic freedom leaving a secondary role to other factors. Thus, for example, K. Keith mentions that American professors consider academic freedoms as an opportunity for choice of teaching methods and the research field, and free discussion of ideas with colleagues and students[1]. In our opinion, interpretation of the concept of non-financial motivation in the system of higher education cannot be limited only to the above-mentioned.

In order to reveal the essence and content of non-financial motivation for the PTS, it is necessary to generalize the elements of non-financial motivation and introduce them in form of an integral system.

The main factors contributing to non-financial motivation of the PTS's work are as follows:

1. efforts made in order to acquire academic skills;
2. non-financial benefits (opportunities to create and have free working schedule);
3. stability of work.

According to the above factors, we can distinguish the main components that form the basis for non-financial motivation of the work of the PTS - academic degree, academic title (there are positions which cannot be held without these factors). It means that distinguishing academic features are a necessary condition for achieving the desired position. Thus, the large share of non-financial motivation in the overall volume of incentive applied in the system of higher education is of great importance.

According to G. Becker, professional advancement is a result of durable learning; therefore, contribution of time, potential, and financial resources into academic experience is viewed as investment in human capital and is equivalent to all contributions that provide certain income[2]. This means that human efforts aimed at acquiring academic skills will enable them to earn higher salary in the future. However, it should be noted that, besides high salary, the above-mentioned contributions will also provide non-material values afterwards, which is viewed as non-financial motivation in the higher education environment. Such perception allows explaining the fact that, for example, a person with a high scientific potential can earn higher income in other fields than at a higher education institution but, in spite of this, he/she chooses the latter, which is explained by the significant influence of non-financial motivation.

It should be noted that expansion of the academic environment of higher education institutions due to the non-material component does not represent its content fully, because the factor of stability is also an inseparable element, which is considered to be among the most important advantages of working at a university. In this case, we mean that staff turnover at higher education institutions is much smaller than at other organizations, and at universities, as a rule, employees are dismissed much more rarely than at other organizations. In fact, the likelihood of losing the job contrary to one's own intention is small. Observation of employment stability at universities is important as it allows explaining the fact of retention and expansion of staff when financial and non-financial components of motivation of work in the higher education system are assimilated.

Let us try to interpret the main components of financial and, particularly, non-financial motivation of the lecturer's work in the higher education system.

Financial motivation (FM) is the bonus paid above the lecturer's salary - B_{FM}, which the lecturer receives in case of existence of academic distinctions (academic degree, academic title, membership in professional and expert associations, etc.). In the higher education system, higher salary rates are set for employees with academic degrees. For example, there are positions that can be held only if there is a PhD degree. In other words, academic distinctive factors allow for steady increase in income both directly (for example, bonus paid for an academic degree) and indirectly (for example, opportunity to achieve the desired position).

The lecturer's salary ($S_{lec.}$) at a higher education institution is formed according to the cost-pricing principle:

$$S_{lec.} = S_{bas.} + B_{FM} \quad (1)$$

where:

$S_{bas.}$ – the basic salary paid in the system of higher education.

Non-financial motivation (NFM) is the positive moral and psychological result that the lecturer receives for working in the university system. Actually, this result is immaterial and invisible. Nevertheless, it really exists and its role cannot be neglected. According to the results of our sociological research[3], we can specify the elements of non-financial motivation, which are most important for the professorial-teaching staff:

1. Internal satisfaction from creative work (C). A lecturer's work is actively self-training. The lecturer constantly enriches his/her knowledge, acquires experience, and feels positive emotions due to the opportunities for achieving important scientific results.
2. Professional recognition (R). It means the existence of a scientist's scientific recognition by the colleagues, quotations from his/her books and articles, and the presence of thankful followers. Such "side effects" of the work contribute to the appreciation of one's own significance and conscious integration of a person into the social environment.
3. Academic freedom (AF). As a rule, professional activity does not require constant presence at work. The lecturer independently determines the direction of his/her researches and distributes time between different forms of activity.
4. High reputation of academic work in the society (Re). Until recent times, nearly in every country, the work of a lecturer was considered one of the most prestigious and respected types of activity.
5. High level of work stability (S). The smaller likelihood of dismissal as compared to other areas is considered. In this case, the ratio of

income gained from the risk factor is primary. To put it otherwise, in this case, the anti-risk factor of losing employment is formed for the lecturer.

Thus:

$$S_{NFM} = C + R + AF + Re + S \quad (2)$$

Taking into account the imported concepts, the full income gained from teaching activity can be determined as follows:

$$IN_{lec.} = S_{bas.} + S_{FM} + S_{NFM} \quad (3)$$

From the standpoint of completeness of the survey, the relatively low likelihood of losing a job in the higher education system needs to be reflected in the final result of the research, which we have described as the "anti-risk" concept. It should be noted that the anti-risk non-financial motivation factor is formed when:

$$JR_{hes} / JR_{mar.} > 1 \quad \text{[illegible]} \geq 1,$$

where:

[illegible] – the likelihood of retaining the job in the higher education system;

$JR_{mar.}$ - the likelihood of retaining the job in sectors other than the higher education system.

Taking into account the fact that employees can move from the higher education system to other sectors, and vice versa, we can talk of the standard scheme, in which case not only the financial indices of the given sector are taken into consideration, but also the income risk indicators. In this case, non-financial factors of work motivation at higher education institutions are also taken into account.

The decision to change the place of employment is made by the representatives of the PTS by comparing the university and non-university indicators, according to the results of which they either continue working at a higher education institution or quit the job. It can be demonstrated by the following formula:

$$USE_{rel} = \alpha(S_{hei}/S_{mar.}) + \beta\,(JR_{hes}/JR_{mar.}), \quad (4)$$

where:

USE_{rel} - the relative usefulness of working at a higher education institution;

$S_{mar.}$ - non-university salary in an alternative sector;

JR_{hes} and $JR_{mar.}$ – the likelihood of retaining the job, in higher education system and other sectors, accordingly;

α, β – the weighted coefficients that compare the risk and interests.

If the relative usefulness of working at a higher education institution is $USE_{rel}>1$, then the university environment is predominant, while in case of $USE_{rel}<1$ it is just the opposite.

If we assume that weighted coefficients α and β are rated ($\beta=1-\alpha$), then the risk factor will be expressed in form immediate threat of resignation:

$$USE\square_{rel}=\frac{\alpha\left(S_{bas}+S_{FM}+S_{NFM}\right)}{S_{mar.}}+\frac{\left(1-\alpha\right)\left(1-JL_{hes}\right)}{1-JL_{mar.}}, \quad (5)$$

where:

JL_{hes} and $JL_{mar.}$ - is the likelihood of losing the job, in higher education system and other sectors, accordingly.

In case when $USE\square_{rel}=USE_{rel}-1$ the following logic applies: if $USE\square_{rel}>\square$, then the university environment has an advantage over non-university environment, while otherwise, when $USE\square_{rel}<\square$ the lecturer leaves the university and takes up another job.

The presented system offers the possibility to explain the following important paradoxes that currently exist in the economy.

The first one was the formation of "educational bubble" in 2000-2009[4], when the lecturers' wages dropped abruptly, but the PTS increased by nearly 61% during those years. Thus, considerable inflow of staff occurred instead of the expected staff outflow. At first glance, such development is contrary to rational logic, but it is explained by the significant role of non-financial motivation. When we compare the full income ($IN_{lec.}$) in the higher education system with the salary at the alternative market ($S_{mar.}$), we notice that the loss of funds ($S_{mar.} > S_{hei}$) is completely compensated by non-financial benefits ($S_{mar.} < S_{hei} + S_{NFM}$). According to this logic, at the time of collapse of the USSR, the higher education system had a strong potential of non-financial motivation, which currently provides for its durable supremacy over the newly developed non-university activities.

The second one was that almost complete depreciation of non-financial motivation by year 2005 did not lead to mass outflow of staff from the higher education system. At first glance, this contradicts the principle of rationality, but the logic is restored again when we consider non-financial motivation. Thus, assimilation of non-financial motivation almost fully ends at the zero level ($S_{NFM} \approx 0$). Therefore, the non-university sector of the market, according to the revenue factor, is absolutely leading ($S_{mar.} > S_{hei} + S_{NFM}$).

At present, the higher education sector still has the apparent advantage due to stability of wages and the opportunity to work after reaching the retirement age, which means that, in the absence of advantages in terms of the financial factor, when ($IN_{lec.}/ S_{mar.} <1$), higher education institutions are preferable in terms of the risk factor ($JR_{hes} / JR_{mar.} > 1$). According to formula (4), the significant advantage in the second factor group makes it possible to achieve predominance over the weaknesses of the first group.

Non-financial motivation and income stability get although subjective, but definitely some value assessment. It can be asserted that this approach is topical and might imply quantitative appraisals.

References:

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[3] M.V. Badalyan, Personnel Management Peculiarities and Non-Financial Motivation Problems at Higher Education Institutions, "Economist" 2017. Pages 122-133

[4] This index is calculated based on the NSS data for the specified time period.