

The STTELLS Theory: A Motivational Process Theory

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ABSTRACT

STTELLS theory is motivational process theory, which encourages the employer to regard the employee as a co-investor in the business, having put into the business Skills, Time, Talents, Efforts, Labour, Life, and Services as investment. On the weight of this fact, the employee should be rewarded commensurately with his/her inputs into the business.

Keywords: STTELLS, Value Added, Total Input Factor, Total Revenue Factor, Profits.

1. INTRODUCTION

STTELLS theory was propounded by Simeon Abel in 2015. STTELLS theory simply means the money investor, who is the owner of the business and the Skills, Time, Talents, Efforts, Labour, Life, and Services (STTELLS) investor, who is the worker, is co-investor in the business that produces profits. He further asserts that workers who have put in STTELLS into the business, and do not achieve self-actualization needs would feel cheated. This, in itself is unfair and in-equity against the worker, and can simply be termed as over capitalism - (Simeon, 2015). He goes on to explain the cost (salary) of maintaining a worker should be considered as the Human Machine Maintenance Expense (HMME) for operational use, while the profits shared by the worker should be considered as or dividend on his or her Skills, Time, Talents, Efforts, Labour, Life and Services (STTELLS) invested. The cost of maintaining the worker, which is considered as salary, can only cover his or her overhead cost like: house rent, transportation cost, laundry cost, wardrobe cost, feeding cost, contingency expenses, and miscellaneous expenses that could help him do the job. This salary, so spent on these overhead expenses, would not permit for savings – (Vivian, Knut & Olaf, 2007). It is therefore, economically wise to prepare for the worker's retirement from active work by way of creating for the worker's participation in the company's calculated profits sharing bonus plan.

2. The Mathematical Expression of STTELLS Theory

The mathematical description of STTELLS explains that: $VA = (TRF - TIF) + 1$ (when profits are shared to the worker) – Formula 1. $VA = TRF - TIF$ (when profits are not shared to the worker) – Formula 2

Where:

VA = Value Added

TRF = Total Revenue Factor

TIF = Total Input Factor

1 = constant = worker's share of company's profits shared

VA = Value Added to the workers’ life. All the worker is working for is to better his/her lot, improve the condition of his/her living and raise the standard of his/her living. This feat is achieved by realizing other elements in the life improvement mix, such as the TRF and TIF. VA is simply what the workers would gain as a result of putting their own contribution into the business as part or all of or more than STTELLS.

TRF = Total Reward Factor comprises of all the worker earns other than share of profits as salary, commission, bonus, etc.

TIF = Total Input Factor comprises of all contributions from the worker to the advantage of the business, such as Skills, Time, Talents, Efforts, Labour, Life, and Services.

The Mathematical Derivation and Implications are shown in Formula 1 & 2.

$$VA = (TRF - TIF) + 1 \dots\dots\dots (1)$$

$$VA = (TRF - TIF) \dots\dots\dots (2)$$

TRF ranges from 0 - 1 and is derived from taking what is expected from the industry of the business for the worker as salary or total earnings or the average pay for the worker in the organization and divided that amount by what the industry gives, on the average to the worker as salary or total earnings.

TIF ranges from 0 – 1 as well. TIF is derived by recognizing the fraction of the number(s) of the element(s) as input(s) of the worker as his/her contribution(s) to the organization’s profit. For example Skill, Time, Talent, Efforts, Life, Labour and Services (STTELLS) give seven (7) elements. Therefore, the fraction of the numbers of elements is zero point seven (0.7). If the worker renders just Services, for instance, the fraction of the number of element is zero point one (0.1). If the worker adds Labour to the Services, the fraction of number of elements is zero point two (0.2), and so forth. If VA is = 1, then the worker has gained a commensurate reward for his/her contributions to the organization’s profit. If VA is less than 1, then the worker has made a loss in all his/her contributions into the organization’s profit. If VA is greater than 1, then the worker have gained, even beyond his/her input(s) into the company’s profit.

The Rule

Owing to the Economic Man Model (EMM), TRF should be more or equal to TIF. At no time should TRF be less than TIF. Note that all amount of profits shared to the worker amounts to 1. Looking for the values of TRF and TIF are got by applying the change of subject approach. However, TRF is derived from the salary or total earnings to the worker, obtainable in the industry divided by what the organization gives to the worker as salary or total earnings. That is B/b, where B = the industry and b = the organization. Whatever outcome reached in the TIF should be deducted from whatever outcome reached in the TRF and added to 1.

3. ILLUSTRATION

An average pay for a firemen in the fire service industry is N600, 000 – N800, 000 per month, and fireman in Nigeria is paid an average of N80, 000 – N250, 000 per month. No profit is shared to the firemen. What is the Value Added (VA) to the firemen? Note: A fireman puts in everything (STTELLS) in the course of carrying out his duties. First compute the average pay to the fireman within the industry. That would amount to 600, 000 + 800, 000/2 = 700, 000. Next take the average of what is given to the firemen in Nigeria. That is 80, 000 + 250, 000/2 = 165, 000.

$$VA = (TRF - TIF) = VA = (165, 000/700, 000) - 0.7$$

$$VA = 0.23357 - 0.7$$

VA = - 4643.

The fireman in Nigeria is losing $1 - (-.4643) = 1.4643 \times 100 = 146.43\%$ every month. If you add the supposed profits not shared with the firemen, you would get $1 + 1.4643 = 2.4643$. The fireman in this instance is losing 246.43% of his pay every month.

4. CONCEPTUAL DEFINITIONS OF STELLS THEORY

Skills - The ability acquired to do something well; showing expertise

Time – Man hours put on the job

Talent – Natural aptitude; an inborn ability of a person to do something.

Effort – A determined or vigorous or earnest or strenuous attempt to do something. Exertion of physical or mental power put on an activity.

Life - Risk taken on the job. Sometimes a life threatening job. Job that could harm or inflict some injuries or deformity or health challenges to the worker

Labour – the defined mental or physical work assigned to the worker. This is the enacted role of the worker.

Service – These are activities carried outside the defined or job description for the worker. This is expected role for the worker.

5. CONCLUSION

The significance of the STELLS theory stems from the indispensability of the human efforts in generating profits in any profit making business milieu. No matter the size of the business outfit, human efforts are involved. STELLS theory teaches labor employers to value the human efforts in their businesses by commensurately rewarding human efforts that created same organization's profits to create work-life balance. The essence of working is to achieve the Economic Man Model (EMM). Failure to recognize this fact induces the Hygiene Factor (De-Motivation) and then, the business starts dying slowly, but steadily. Happy workers make healthy organizations.

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