

Maslow's Hierarchy of Needs

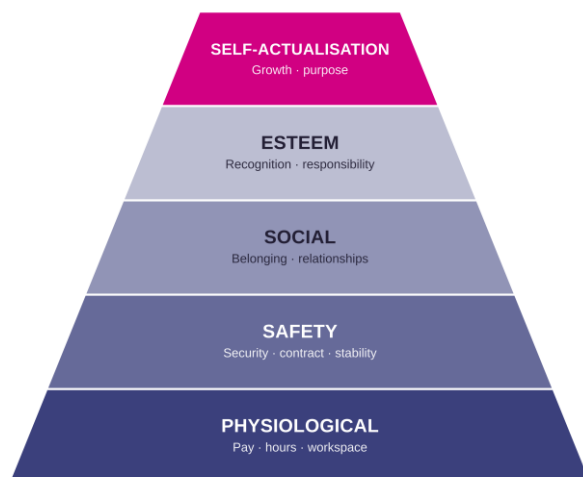
Why a happy team isn't just about the **pay packet**.

Why this matters for small businesses not just large ones

Psychologist Abraham Maslow's Hierarchy of Needs, first published in 1943, is still one of the most recognisable models in psychology: a pyramid of five levels of human need, from basic survival at the base up to reaching your full potential at the top. Maslow's idea was that lower needs generally have to be reasonably well met before the ones above them start to matter or be achievable.

Applied to a workplace, it's a simple but powerful checklist for a small business owner: if a team member is struggling, unmotivated or about to leave, the pyramid gives you a place to start looking for why.

The five levels



Maslow's Hierarchy of Needs: physiological, safety, social, esteem, and self-actualisation.

What each level looks like at work, and how to build it

Level	What it looks like	Action points for small businesses
Physiological	A wage that covers the basics, reasonable hours and a workspace that's warm, safe and fit for purpose	Benchmark pay against the sector each year; keep hours realistic; make sure heating, lighting and basic facilities are properly looked after
Safety	Job security, a clear contract, a safe environment and confidence that the business is stable	Issue clear written contracts and keep them up to date; carry out basic risk assessments; be honest with the team about how the business is doing

Level	What it looks like	Action points for small businesses
Social	Feeling part of the team, being included and having decent working relationships with colleagues and managers	Build in regular team catch-ups; make new starters welcome from day one; create a breakout area so that people can socialise, even a shared lunch or a coffee break
Esteem	Recognition for good work, respect and a role that carries real responsibility	Say thank you specifically, not just generally; give credit publicly when it's due; hand over ownership of a task or project rather than just delegating steps
Self-actualisation	Room to grow, develop new skills and do work that feels genuinely worthwhile	Support training or a qualification; agree an achievement goal together; ask people what they'd like to learn or take on next, rather than assuming

What this looks like in a small business

You don't need a large HR budget to work through this pyramid; you just need to be deliberate about it. Start at the bottom: is pay fair and are working conditions decent? Most small businesses get this right instinctively but it's worth checking rather than assuming.

The levels further up are often where small businesses have a genuine advantage over larger employers. A small team can offer a stronger sense of belonging, more visible recognition and more room for someone to take on real responsibility early, all things that get harder to deliver at scale.

THINGS TO KEEP AN EYE ON

When a team member's performance dips, it's worth asking which level of the pyramid might be shaky, rather than assuming it's a motivation or attitude problem. Often the real issue is something more basic, like money worries or feeling excluded and the fix is much simpler than it first looks.

What to do next

- Check the basics first: is pay fair, are hours reasonable, is the workspace decent?
- Look for quick wins further up the pyramid: a thank you, a bit more inclusion, a bit more responsibility
- If someone's struggling, use the pyramid as a starting point for a conversation rather than a guess
- Book a free chat with us if you'd like a hand thinking through pay, contracts or team structure

