Motivating factors and incentives in the branches of Bank X in Southern Finland

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The purpose of our thesis was to study motivation factors and incentives in a Finnish Bank X. The study describes the main characteristics of motivation and incentives and the factors that affect them, and the results provide valuable information to Bank X. Our aim was to establish whether there are similarities in the motivation factors between different age groups, genders and positions, and whether motivation factors have an impact on people's career orientation. We also studied what kinds of incentive encourage employees to perform better, such as whether they are material or non-material. The study also presents differences between emotion- and knowledge-based incentives.

The study examines organizational behaviour as a concept with the main focus on motivation and rewards. The most important areas of the study are the factors affecting work motivation.

The thesis focuses on three main groups of motivation theory, which are Theories of needs, Incentive theories and Expectancy theories. From each of the theory groups the most well-known theories were chosen for study and are presented in the thesis. The concept of motivation is examined thoroughly, and particularly the related concepts of work motivation and work satisfaction. This is introduced by presenting the work motivation process.

Our work experience at Bank X helped us in writing the thesis, as without being employees we would not have had the permission to do our case study. Also being able to gather information and use the bank's own processing tools eased our work. Being employees of Bank X did not have any effect on the results of the empirical study as this thesis was completely separate from our daily work.

The study was conducted using a quantitative questionnaire and it was carried out in eight Southern Finland branches. The participants consisted of employees of the bank, excluding the management. The questionnaires were distributed via e-mail and as the questionnaire form we used the company's internal form.

From the results of the study we found that all of the respondents regardless of their age, gender and position felt that the support and approval of the supervisor was very important. Money as a motivating factor was also felt to be important, but respect was even more important and especially for the middle-aged respondents. It was also seen that all the members of a work community felt that an open atmosphere was important.

We hope to provide information for the branch management in their daily jobs and to benefit the future development of a reward system by giving applicable recommendations for enhancing motivation.

Key words   motivation factor, incentive, human resources, work atmosphere

Charlotta Colliander, Mikaela Hamm

Motivaatiotekijät ja kannustimet Pankki X:n Etelä-Suomen konttoreissa

Vuosi	2011	Sivumäärä	64

Opinnäytetyömme tarkoituksena oli tutkia motivaatiotekijöitä ja kannustimia Suomalaisessa Pankki X:ssä, mitä ne ovat, mikä niihin vaikuttaa ja tutkimustuloksilla tarjota arvokasta tietoa Pankki X:lle. Tarkoituksenamme oli löytää onko eri ikäryhmien, sukupuolten ja asemien välillä selkeitä yhteneväisyyksiä mielipiteissä motivaatiotekijöistä; onko motivaatiotekijöillä vaikutusta siihen minkälaisiin työtehtäviin ihminen suuntautuu. Tutkimme myös minkälaiset kannustimet, aineelliset ja aineettomat, kannustavat yksilöä suoriutumaan työtehtävistään paremmin. Työssä esitellään myös tunne- sekä ymmärrysperäisten kannustimien erot.

Työ syventyy organisaatiokäyttäytymiseen käsitteenä, pääpaino on motivaatiossa sekä palkitsemisessa. Opinnäytetyössä on erityisesti keskitytty työmotivaatioon, joka on läheisesti linkitetty työhyvinvointiin.

Opinnäytetyössämme keskityimme kolmeen motivaatioteorioiden pääkategoriaan, jotka olivat tarveteoriat, kannustinteoriat sekä odotusteoriat. Jokaisesta kategoriasta valitsimme tunnetuimmat teoriat tutkittaviksi ja esiteltäviksi opinnäytetyössämme.

Työkokemuksemme Pankki X:ssä auttoi meitä opinnäytetyön kirjoittamisessa, sillä ilman, että olisimme olleet työntekijöitä, emme olisi saaneet lupaa suorittaa tutkimustamme Pankki X:stä. Tutkimustulosten kerääminen ja prosessointi oli myös helpompaa yrityksen sisäisillä järjestelmillä. Se, että työskentelemme yrityksessä ei vaikuttanut tutkimustuloksiin, sillä päivittäinen työmme oli täysin erillään opinnäytetyöstämme.

Itse tutkimus oli kvantitatiivinen kysely ja se toteutettiin kahdeksassa Etelä-Suomen konttorissa lukuun ottamatta ylempää johtoa. Kyselylomakkeet jaettiin tutkittavalle ryhmälle sähköpostitse käyttäen Pankki X:n sisäisen järjestelmän tutkimuslomaketta.

Tutkimustulokset osoittivat että kaikki vastaajat iästään, sukupuolestaan sekä työnkuvastaan huolimatta tunsivat, että esimiehen tuki ja kannustus on erittäin tärkeää. Raha motivaatiotekijänä koettiin myös merkityksellisenä, mutta kunnioitus oli vielä hieman tärkeämpää, erityisesti tutkimukseen vastanneiden keski-ikäisten keskuudessa. Kävi myös ilmi, että työyhteisössä vallitseva avoin ilmapiiri vaikuttaa positiivisesti kaikkiin vastaajiin.

Tutkimuksen tuloksista toivomme olevan hyötyä konttoreiden esimiehille sekä päivittäisessä työssä, että palkitsemisjärjestelmän kehittelyssä tarjoamalla käytännön ehdotuksia motivaation parantamiseen.

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1 Introduction

A recent Finnish study "Suomalaiset 2011" studied the behavior, attitudes and hopes of employees in Finland and the results were alarming: two out of three employees feel that they have lost their motivation and are thinking about changing their jobs. (Kauppalehti, 2011)

Working life is constantly changing and organizations have to make rapid changes and the question is whether the employees can adapt to these changes or whether the lack of change in the organization will lessen the attractiveness to the employee. The subject of motivation and especially work motivation is fundamental in working life, particularly in terms of how the attributes of work affect employees' motivation and which are more motivating: the material or non-material rewards.

The Kauppalehti article, published in April 2011, stated that a motivated employee rewards his/her employer. The banks in Finland are constantly competing against each other and as the products are relatively similar it might be hard to be unique. By having satisfied customers a bank gains long-term customer relationships. The Finnish banks are big employers and customer service is one of their main functions, thus it is important that the staff is motivated to perform well. A motivated employee serves a customer better which has a positive effect on the customer satisfaction. By providing rewards and incentives the right amounts at the right time motivation enhances. Thus this thesis will study the factors that motivate the employees of a Finnish Bank X, and establish what they are and how they could be developed. The research also studies what enhances and what diminishes motivation at work.

It was decided to take the Finnish Bank X as a subject for this case study because both of the authors are familiar with the company and its reward system. The aim is to provide information to the management of the Bank X, who could use the information to develop human resources management and the work community in general. The supervisor is in charge of his/her employee's wellbeing and wellbeing and motivation, are closely linked.

1.1 The purpose of the thesis

The purpose of our thesis is to find what motivates and what negatively affects the motivation of the personnel of a Finnish bank. Rewarding and the role of incentives have an important part in the study. The bank's wish was that we would not mention the bank's name on the thesis and thus it will be called Bank X. The reason why we wanted to examine this was because as the company is interested in its employee's wellbeing and was willing to provide

the authors the possibility to conduct this study. The study's purpose wast to find clear answers to our research question "what motivates the staff to perform better" and arouse discussion within work communities that will enhance openness and motivation. The authors want to ask the kind of questions that might not be asked by the Bank X and thus provide new angles on the subject. The research question forms the base for the entire thesis and that is why it needs to be carefully planned and considered.

After studying the motivating factors we are also going to study the possible ways to develop them. Using the literature around the topic the information gathered from the research is going to be processed. The structure of society is constantly changing, including the norms and values that drive us; this makes the topic of motivation topical and interesting one.

1.2   Theoretical approach

Theoretical framework of the study consists of a discussion of motivation, the explanation of the concept, what affects it and where it comes from, the introduction of the three main motivation theory groups and work motivation, the main factors affecting it. These topics are viewed from the organizational behaviors point of view.

1.3   Research method

The method used in the research is a quantitative research method. This is because it is an efficient and time-saving way to gather information and it suits well to the purpose of the study, and as employees of Bank X the authors have access to the company's intranet, which facilitates the research. The quantitative research method requires a large group of respondents in order to be valid and reliable. This method was chosen because the questionnaires can be given to a large sample of Bank X's employees. In order to deepen the research there will be open-ended questions where the employees can freely tell what motivates and what diminishes motivation at work. By using the open-ended questions it was hoped to get knowledge of factors that was not thought to ask on the questionnaire.

1.4   The structure of our thesis

The thesis consists of five sections (see figure 1) which are the introduction, theoretical background, research approach, the empirical study and the conclusion with recommendations and theoretical linkages. In the theoretical section the main theories of motivation are studied. It studies for example Abraham Maslow's hierarchy of needs theory, the motivation hygiene theory of Frederick Herzberg and the expectancy theory of Victor Vroom. In the em-

pirical section a research was conducted where questionnaires were distributed to the Bank X's staff and the results analyzed by using the Bank X's own research processing tool.

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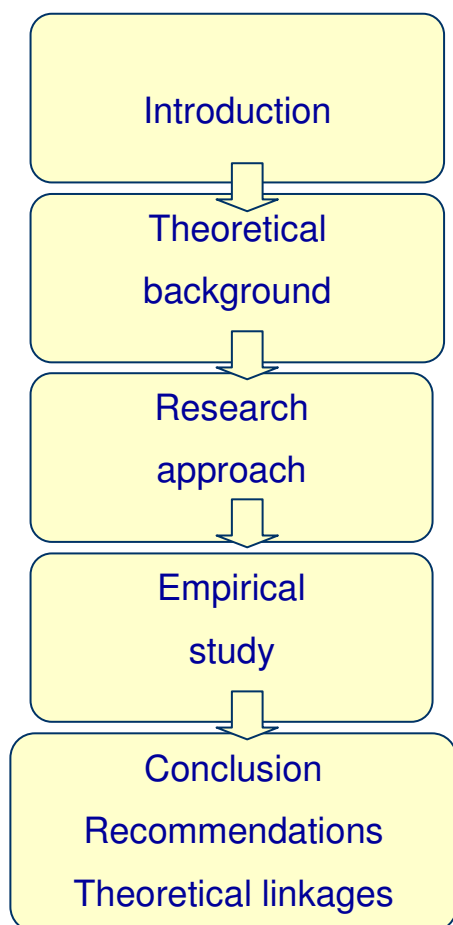
Figure 1: The structure of the thesis

2   Theoretical background

In the theoretical background is studied the meaning of motivation, what it is, where it comes from and what affects it. To support the study some of the theories of motivation are presented. The theories are divided into three main groups which are the theories of needs, theories of incentives and the theories of expectancy. All the main groups of theories consist of specified theories presented by different researchers of which five will be examined more closely. The most important aspect of the theoretical section is work motivation and the factors affecting it. Internal factors affecting work motivation and external factors which are the work environment, work atmosphere, supervisor related issues and rewarding are discussed.

2.1   Motivation

The word motivation originally comes from the Latin, movere, which translates to word motion. Later on the term has been used to describe the factors that initiate and steer behavior patterns. Motivation is an extension of the word motive. When talking about motives literature often referrers to needs, wants, desires and inner stimulations as well as rewards and punishments. Interaction of ability and motivation is a function of performance. Performance will be negatively affected if either is inadequate. The term motivation refers to the state attained from motives. Most definitions describe the motivation concept as a type of vector quantity which consists of direction and activity. (Ruohotie 1998, 36-37; Robbins 1986, 117)

Motivation can be characterized by three factors:

1   Activity, which refers to energy in an individual and which "drives" him/her to behave in a certain way.
2   Direction, which refers to actions oriented to achieve goals; an individual's behavior is directed towards something.
3   System orientation, which refers to the forces that are inside an individual and in his/her surroundings that via feedback process either strengthen the direction of intensity and energy of his/her needs or make him/her give up the direction of the action and to steer concentration in another direction. (Ruohotie 1998, 37)

Rewards and incentives are important factors in enthusiastic goal driven behavior. Incentives predict rewards and initiate action whereas rewarding strengthens an incentive. Incentives can be divided into two categories; inner incentives, where the result of work brings satisfaction; and external incentives where for example a student strives to get a good grade. Motivation can also be characterized in the same way as incentives: inner and external motivation. Despite these differences, inner and external motivation cannot be viewed as completely separate, rather they complete with each other. For inner motivation it is relevant that it comes internally and is connected to the higher-order needs, self-actualization and the need to develop oneself. External motivation on the other hand is dependent on the surroundings. The rewards are given by someone other than the person him/herself. Usually external rewards satisfy the lower-order needs such as safety and cohesion. External rewards are typically short term and the need to obtain can occur often. Inner rewards are long term and they can become the source of a permanent motivation. This is why inner rewards are usually more effective that the external. (Ruohotie 1998, 37-39)

Motivation is always situation combined but research study show that situational motivation and general motivation can be separated. Situational motivation relates to a situation where internal and external stimulation trigger a group of motives and it results in action towards a target. It is characterized as a dynamic and it can vary from one situation to another. General motivation emphasizes not only activity and direction but also the sustainability of behavior. The situational motivation is strongly dependent on the general motivation; for example, an individual is more likely to perform a task well when he/she possesses a good general motivation. The term general motivation is also used as a synonym for attitude. There are differences between attitudes and motivation as attitude is a relatively constant slowly changing. Motivation is quite short-term and is usually connected to an individual situation at one time. Attitude affects more the quality of action whereas motivation affects the force of action. (Ruohotie 1998, 41)

Modern motivational psychology recognizes that an individual's actions are directed by both subconscious and conscious motives which are also referred to knowledge-based and emotion-based motives. They are independent and thus may cause a contradiction yet they both affect an individual's actions. Setting goals, planning and target-based action is emphasized in knowledge-based motives. Because they are clearly directed towards conscious targets they can be called goals. Goals can be set individually but external rewards or norms and values of one's family can also have an impact. Emotion-based motives are not easily recognized and that is why they are called indirectly detected or hidden motives. To examine emotion-based motives a Thematic Apperception Test (TAT) is used. Pictures of people in different social situations are shown to an examinee and he/she has to give a short description of what is happening in each picture. The idea of the test is that the descriptions reflect the examinee's subconscious motives. Both the knowledge- and emotion-based motives come from internal patterns that are formed from an individual's previous experiences. In emotion-based motives the infancy reciprocal effects have an influence on how we act and interpret situations. The emotion-based motives do not necessarily result in action but describe more what moves in one's mind. If emotion-based motives are in conflict with knowledge-based motives it might make the understanding of not been able to act according the conscious targets difficult. (Kalakoski, Laarni, Paavilainen, Anttila, Halonen, Kreivi 2007, 37-39)

Performance motivation steers people to concentrate more intensively and persistently towards an activity and it occurs as a need to face challenges, accomplish more demanding targets and develop onself to be better and skilled. Achieving the targets might not diminish the performance motivation but it drives a person towards new and more demanding goals. It is a good example of inner motivation: a person has the interest to go into a subject without expecting any external rewards as action and development are experienced as a reward. (Kalakoski, Laarni, Paavilainen, Anttila, Halonen, Kreivi 2007, 40)

2.2   Work motivation

The term motivation is often used to describe decisions and behavior which cannot be rationalised only in terms of talents and abilities. Work motivation usually refers to the individual's motivation to perform his/her current work tasks. Career motivation is defined based on the individual's attributes, career identity and endurance in uncomfortable career situations. Career motivation should be understood as a combination of individual characteristics, career decisions, behavior patterns and situational factors. (A Dale Timpe 1989, 195-196)

When defining working motivation the core elements are the employee's personality, attributes of the work and the working environment. Individual differences can explain the distinctions in the level of effort and achievement. There are three personality factor groups: interests, attitudes and needs. It depends on the interest of the employee how an external stimulation, for example money, affects his/her behavior. The harmonization of occupational interest and the attributes of the work define work motivation; whereas attitudes define performance motivation. Employees who are unsatisfied with their work and their superiors might be unwilling to try harder in their work. Motivation and performance are also affected by the individual's self image. People aim to behave in a way that is synchronized with their self image. If they feel that failure in their work is due to reasons that arise from their own actions their efforts diminish and performance level is likely to be low. This strengthens negative self image and to change this is a challenge for a leader. A need can be defined as an inner imbalance which makes an individual to act in a certain way and to struggle towards an inner balance. Of the external factors the works attributes are most essential. The content of the work affects individuals will to perform well. The working environment is the third factor in the motivation factor group and it consists of the immediate working environment and the environment that consists of the entire organization. In the immediate working environment, for example, the team and supervisors impact on individuals work effort. Immediate supervisors have an important encouraging role because they control rewards. The environment that consists of entire organization includes factors which are common to the whole company. (Ruohotie, Honka 1999, 17-18)

2.3   Motivation theories

Motivation process can be divided into groups using three complementary theories: the theories of needs, incentive theories and the expectancy theories. Theories of needs explain the internal reasons for behavior, incentive theories explain the external factors that drives behavior and the expectancy theories describes individual differences what comes to reacting to the external and internal factors that steer behavior. Motivation is a combination of the indi-

vidual's needs and incentives, and observations and interpretation of them. An individual's needs regulate motivation and they are affected by incentives and observations and the interpretation of them. (Ruohotie, Honka 1999, 19)

2.3.1 Needs

The variation and the relative strength that occurs in needs drive a person's will to try and accomplish his/ her work tasks. A need is defined as an inner state of imbalance that gets a person to act in order to gain balance. (Ruohotie, Honka 1999, 20)

Abraham Maslow's hierarchy of needs is probably the most well-known theory of motivation. His hypothesis was that within every human being there are a hierarchy of five needs:

1   Physiological- includes hunger, thirst, shelter, sex and other bodily needs
2   Safety- includes security and protection from physical and emotional harm
3   Love- includes affection, belongingness, acceptance and friendship
4   Esteem- includes internal esteem factors such as self-respect, autonomy and achievement and external esteem factors such as status, recognition and attention
5   Self-actualization- is represented by the drive to become what one is capable of becoming: includes growth, achieving one's potential and self-fulfillment

As each of these needs becomes fulfilled, the next becomes dominant. The theory suggests that although none of these needs is ever completely fulfilled, a substantially satisfied need does not motivate anymore. Maslow divided the five needs to higher and lower levels; physiological and safety needs were defined as lower-order needs whereas love, esteem and self-actualization were defined as higher-order needs. The difference between the two orders was made on the assumption that higher-order needs are satisfied internally whereas lower-order needs are mainly satisfied externally for example by money wages, union contracts and tenure. The conclusion to Maslow's classification is that in times of economic wealth, almost all permanently employed workers have their lower-needs satisfied. Although Maslow's theory of hierarchy of needs received wide recognition it is criticized for the lack of empirical substantiation and studies that would have supported the theory. (Robbins 1986, 122-124)

Clayton Alderfer has reworked Maslow's hierarchy of needs theory to link it more closely to empirical studies and his theory was named as ERG theory. ERG theory consists of three groups of core needs: existence, relatedness and growth. The existence group includes our basic material existence needs, which correspond to Maslow's physiological and safety needs. The relatedness includes the desire to maintain important interpersonal relationships, which correspond to Maslow's love, need and esteem classification and these social and status de-

sires require interaction with others if the needs are to be satisfied. The third group, growth, corresponding to Maslow's esteem category and which characteristics included under self-actualization and it stands for the intrinsic desire for personal development. In contrast to Maslow, the ERG theory suggests that more than one need may be operative at the same time and in case a higher-level need is suspended the desire to satisfy a lower-level need increases. ERG theory differs from the hierarchy of needs theory also because ERG does not assume that the lower need should be gratified before one can move on to the next level. For instance an individual can be working on growth even though existence or relatedness needs are unsatisfied, or all three need categories could be functioning at the same time. Maslow's theory argues that an individual would stay at a certain need level until that need is satisfied where the ERG theory also contains a frustration-regression dimension. The frustration-regression dimension suggests that when a higher-order need level is frustrated the individual's desire to increase a lower-level need takes place. For example the inability to satisfy a need for social interaction might increase the desire for more money or better working conditions. Frustration can lead to a regression to a lower need. The ERG theory is more in line with our knowledge of individual differences as variables such as education, family background and cultural environment can change the importance of driving force that a group of needs hold for a particular individual. People from different cultures, for instance the natives of Spain and Japan, rank the need categories differently as they place social needs before their physiological requirements. (Robbins 1986, 128)

David McClelland also has a need theory called the three needs theory. The three needs which McClelland proposes as being important for understanding motivation are achievement, power and affiliation. Need for achievement counter for the drive to excel, to achieve in relation to a set of standards and the need to succeed. The need for power refers to need to get others to behave in a way that they would not have behaved otherwise. The need for affiliation is the desire for friendly and close relationships. (Robbins 1986, 129)

McClelland states that some people who have a pressing drive to succeed strive for personal achievement rather than the rewards of success. These people have a desire to do something better or more efficiently than it has been done before and this drive is called the achievement need. When researching the achievement need, McClelland found that high achievers differentiate themselves from others by their desire to do things better. They seek situations where they can keep personal responsibility for finding solutions to problems, where they can receive instant feedback on their performance in order to tell easily whether they are improving or not and where they can set moderately challenging targets. But these high achievers are not gamblers, as they dislike achieving by chance. They prefer the challenge of working at a problem and taking the responsibility rather than leaving the outcome to chance or

actions of others. These people avoid tasks that they perceive to be very easy or very difficult and they like setting goals that require stretching themselves to achieve. (Robbins 1986, 129)

The need for power is the desire to have impact, to be influential and to control others. Individuals that have a high need for power enjoy being in charge, strive for influence over others, prefer to be placed in competitive situations and tend to be more concerned with gaining influence over others and prestige them with effective performance. (Robbins 1986, 129)

The need for affiliation is the desire to be liked and accepted by others. People with a high affiliation motive strive for friendship, prefer co-operative situations rather than competitive ones and desire relationships that involve a high degree of mutual understanding. (Robbins 1986, 129)

According to research studies people with the high need to achieve are successful in entrepreneurial activities such as running their own businesses, managing a self-contained unit within a large organization and working in different sales positions. These high achievers are not necessarily good as managers as they are interested in how well they do personally and not influencing others to do well. In contrary, the needs for affiliation and power tend to be closely related to managerial success and the best managers are high in their need for power and low in their need for affiliation. A high power motive may be a requirement for managerial effectiveness. (Robbins 1986, 130-131)

2.3.2   Incentives

An incentive is defined as a stimulation that occurs in an organization that can affect its members' behavior. An individual can feel affection towards a work organization if it offers him/her the tools to satisfy needs. An organization's characteristics and circumstances should be created in such a way that they develop employees' adjustment and action in organization. The incentives effect and the impact on the work performance depend on the individual's need and the way the incentives are offered. An incentive is anticipating a reward as the incentive persuades an individual to act, whereas reward satisfies the need. Incentives imply that a certain behavior result in a specific consequence. The subsistence-related need is satisfied mainly by economic and physical environment incentives, the unification need is satisfied by interacting with other people, whereas the growth need is satisfied by accomplishing interesting and challenging tasks, which are, for example, the feel of success, accomplishment of a task and self actualization. (Ruohotie, Honka 1999, 22-23)

The motivation-hygiene theory was introduced by the psychologist Frederick Herzberg and the theory is one of the incentives theories. Herzberg believed that the individuals attitude to-

wards his/her work can very well determine the individual's success or failure, and he investigated the question "What do people want from their jobs?" He asked people to describe situations when they felt exceptionally good or bad about their jobs. These responses were categorized and factors affecting job attitudes were reported in twelve investigations conducted by Herzberg. From the responses Herzberg concluded that the replies that people gave when they felt good about their jobs were significantly different from the replies given when they felt bad. Certain characteristics are consistently related to job satisfaction and others to job dissatisfaction. Natural factors such as achievement, recognition, the work itself, responsibility, advancement and growth seem to be connected to job satisfaction. When those questioned felt good about their work, they linked these natural attributes to themselves, whereas when they were dissatisfied they linked the attributes to external factors, such as company policy and administration, supervision, interpersonal relations and working conditions. Hertzberg suggests that the opposite of satisfaction is not dissatisfaction as removing dissatisfying characteristics from a job does not necessarily make the job satisfying. According to Hertzberg the factors resulting in job satisfaction are separate and different from those that lead to job dissatisfaction. That is why managers who try to eliminate factors that create job dissatisfaction can bring peace but not necessarily motivation. Hertzberg characterized as hygiene-factors to be company policy and administration, supervision, interpersonal relations, working conditions and salary and these factors being adequate people will not be dissatisfied neither will they be satisfied. Hertzberg suggests that if we want to motivate people in their jobs we should emphasize achievement, recognition, the work itself, responsibility and growth as these are the characteristics that people find naturally rewarding. (Robbins 1986, 125-126)

2.3.3 Expectations

Expectancy theory is one of the most widely accepted explanations of motivation and most of the research evidence is supportive of this theory. The expectancy theory suggests that the strength of a tendency to act in a certain way depends on the strength of an expectation that the act will be followed by a given outcome and on the attractiveness of that outcome to the individual. It consists of three variables:

1   Attractiveness is the importance that the individual places on the potential outcome or reward that can be achieved on the job. These reflect the unsatisfied needs of the individual.
2   Performance-reward linkage is the degree to which an individual believes that performing at a particular level will lead to the attainment of a desired outcome.
3   Effort-performance linkage is the perceived probability by the person that exerting a certain amount of effort that will result in performance. (Robbins 1986, 137)

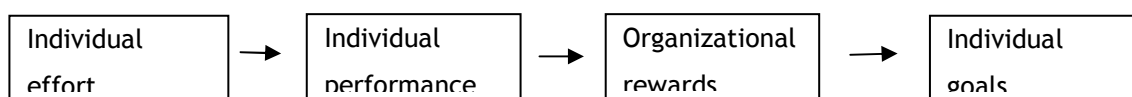| Individual effort | → | Individual performance | → | Organizational rewards | → | Individual goals |

Figure 2: The strength of individual's motivation to perform (Robbins 1986, 137)

Figure 2 shows that the strength of an individual's motivation to perform depends on how much an individual believes that he/she is able to achieve the personal goals (see figure 2). When a person reaches this performance one will be rewarded. (Robbins 1986, 137)

Expectancy theory recognizes that there is no universal principal for explaining everyone's motivations as the key to it is the understanding of an individual's goals and the connection between effort and performance, between performance and rewards and between the reward's and individual goal satisfaction. Understanding the needs that a person seeks to satisfy does not necessarily guarantee that the individual acts according to the satisfaction of these needs.

Victor Vroom suggested in the 1960's that people have both expectations and preferences and that their motivation is strongly affected by the interaction of these, linked to a rational attempt to achieve targets. According to his theory most motivational goals have two levels called the first and second outcome. The first level outcome is perceived as a necessary pathfinder to the desired goal whereas the second level outcome is the desired goal. For example a person may have a preference to move out of the records department into public relations at work and this would be the person's second level outcome. If many people in the public relations department have qualifications in many fields the applicant could assume that a good first level outcome contributing to his/her goal would be to take appropriate courses. If this person perceives the first level outcome necessary for success to be beyond his/her control his/her motivation is likely to be severely affected. Vroom summarized his theory with an equation:

$$F = V \times E$$

Where F is force, roughly the same as motivation or drive, V is valence, the strength of individual preference for an outcome and E stands for the individual's expectancy that something will lead to a first level outcome. It is the perception of necessity for the first level outcome and the person's assessment of their probability of achieving it, and it influences the strength of their motivation. Vroom emphasized the importance of distinguishing differences between

people's motivation but as individual preferences and expectancies differ, use of the model requires that each case should be evaluated on its merits. Often the passage to reach second level outcomes is so unclear that people find it hard to be motivated. When the way to success is unclear motivation suffers. (Richie, Martin 1999, 266-267)

2.4   Work motivation process

Work motivation and work satisfaction are closely related concepts as work motivation and work satisfaction theories are very often managed together as well as reflected to each other. Even though they are closely linked they are separate concepts. As the predominant perception is that work satisfaction is the consequence of the reward, whereas work motivation is affected by the expectations of the rewards. Work behavior is illustrated in the following figure (see figure 3)
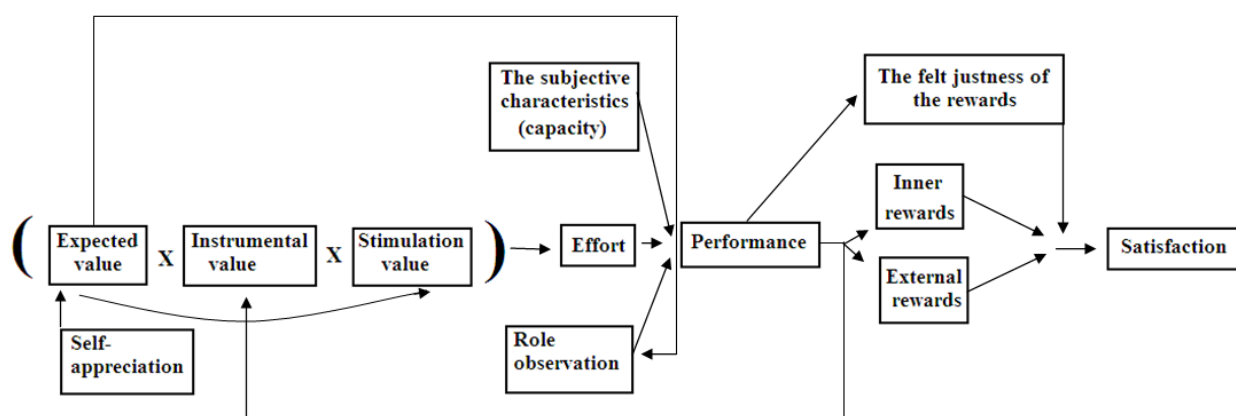
Figure 3: Work motivation process (Ruohotie, Honka 1999, 24-25)

Motivation is described in the figure as a dynamic process. The way a company rewards, or does not reward, performances affect the instrumental value. An employee may have a view that a reward which is in high value to a person, a promotion for example, is not based on the work performance level but on the duration of the employment. The instrumental value of the promotion is in this case low. This can also occur when the promotion depends on work performance; an employee may feel additional effort insignificant as he/she does not consider his/her talents or opportunities to affect the situation factors enough. The fact whether a person succeeds or fails in striving towards a goal affects the expected value. Role observations are impacted by success or failure, the factors that an individual considers important. The gained satisfaction defines the stimulation value of the reward. Observations are driven by an individual's self-concept. If an individual evaluates his/her qualification a high he/she

strives to set and reach high performance goals. In contrast if the belief in one's talents is weak a person will settle for reaching lower performance goals. The people who have realistic goals experience success and achievement whereas failure weakens self confidence and lower the achievement level. (Ruohotie, Honka 1999, 24-25)

Role observations affect the expected value. If an individual's perceptions of one's role are in harmony with the expectations of an organization he/she is easily encouraged to reach higher performance level. If an individual's role observations are in conflict with the expectations of the organization, the organization may not reward the extra effort and thus the expected value weakens. Some employees rather define their roles by themselves and are aware of what there are to do in order to accomplish their tasks efficiently, whereas some employee's role observations are externally directed and expect the company define the specific roles. Effort refers to how much an individual tries and how much energy he/she uses in a certain situation. Effort itself does not tell how well he/she finally accomplishes the task. Subjective characteristics such as talents, abilities and personality can prevent an efficient performance. The figure also emphasizes the relation between performance and satisfaction where the Interfering factors are rewards and their perceived fairness. Satisfaction is also influenced by how well an individual feels that he/she has succeeded and his/her idea of a just reward. A low achiever can be as satisfied or even more satisfied than a high achiever because he/she has low expectations of a reward. (Ruohotie, Honka 1999, 25-26)

Satisfaction affects motivation indirectly because it strengthens an individual's idea of the connection between effort, performance and reward. Satisfying a need can strengthen or weaken the power of these needs. For example experiences of progress and accomplishment can increase these needs. On the other hand, for example, a raise after a certain point can direct one's interest towards satisfying other needs. Situation factors that are regulated by an environment such as the level of self command, work performance related feedback, external rewards, safety at work and satisfaction towards the management and coworkers affect work behavior more than personal attributes. Nevertheless, these attributes are also vital in order to succeed. For example knowledge-based, information handling related abilities, information processing and problem-solving skills are fundamental in succeeding at work. Individuals who possess clear career goals reach their targets more easily than those without explicit objectives. (Ruohotie, Honka 1999, 26-27)

Work performance is enhanced when work motivation increases. To ensure work motivation it is necessary to maintain relationships especially the manager-employee relation, the opportunity to develop and challenging and approvable goals. It needs to be taken into consideration that it is not easy to develop valid performance measurements, to provide appropriate

performance feedback or to find relevant means to reward and to ensure just distribution of rewards. (Ruohotie, Honka 1999, 27-28)

2.5   The connection between performance and motivation

Work input is regulated by capacity and motivation. The capacity influences what an individual can do, whereas motivation tells what he/she wants to do. A person motivated to do his/her job strives to reach a certain goal. Adding motivation enhances the accomplishment level of those who have the necessary capacity to accomplish a task. If the capacity is weak enhancing the motivation does not lead to better results. Work behavior is also defined by environment-related situation factors. Work performance is an interaction that consists of three main factors: an urge, which is also known as motivation, capacity and opportunity. If one of the factors lacks the whole function of interaction is worth nothing, for example the effect of incentives should not be trusted no matter how versatile and attracting they would be. Working can become difficult if an individual is not aware of what is expected of him/her or what is required for good work performance. Performance can be distracted by external factors such as lack of time, inappropriate equipment, lack of power, and lack of co-operation or restricting orders. Diligence and enthusiasm has to be ensured to be directed towards work objectives. (Ruohotie, Honka 1999, 34)

2.6   The connection between performance and satisfaction

Differences in performance level lead to a variety of rewards which create differences in satisfaction. The inner rewards are seen to have a closer connection to work performance and satisfaction in comparison with the external rewards. An individual experiences pleasure when he/she is able to use mental resources. This is why the work should be made to be challenging and interesting enough so that the accomplishing them would lead to inner rewards such as succeeding, developing and experiencing responsibility.

In some cases people are steered by the external rewards and they guide their behavior towards it. This is why rewards should be closely linked to performance. The impact of the rewards is defined based on their perceived justness. If the rewards are results of work performance and they are felt just there is a positive connection between performance and satisfaction. Rewards lead to satisfaction and the rewards based on present performance have an impact on future performance. People who are rewarded based on performance act more efficiently that those whose rewards are not connected to performance. (Ruohotie, Honka 1999, 35-36)

2.7 The consequences of dissatisfaction

The behavioral problems that occur in an organization are usually related to dissatisfaction and it is seen to be a consequence of hindering satisfaction whereas a satisfied person experiences the work as a tool or means to satisfy his/her needs and reach goals. Dissatisfaction and work performance has a stronger connection than satisfaction and work performance. Dissatisfaction leads to an increase of operational malfunction which results in the weakening of achievement. Weak productivity can derive from an open behavioral such as sabotage, striking, absence and constantly changing staff or the hidden behavioral, for example ignorance, low work morale and negligence. Productive employees are more likely to experience dissatisfaction as he/she feels receiving fewer rewards than he/she feels to deserve. The amount and type of rewards are based on the quality, effort and requirements of the work. The more an employee expects rewards the more probable one is to get disappointed. Satisfaction does not necessarily guarantee high productivity as if rewards system is not created to be efficient and good performances are left unrewarded, good employees might lower their work effort which result in decrease in the productivity. (Ruohotie, Honka 1999, 38-29)

2.8 The impact of capacity, age and experience to work performance

The connection between age and work performance is affected by the duration of the performance, the reliability of measurements, the requirements of the work, the quality and the quantity of the work experience, skills, techniques and development in working habits. The meaningfulness and the lack of intellectual challenges can eventually lead to decrease in performance of the elderly employees. The maintenance and development of the work performance can be fostered by providing with new and challenging tasks, such as guidance and briefing of young employees. Waldman and Avolio has researched the connection between age and work performance and resulted into two conclusions; Even though the production figures might show that performance level increases along with aging the supervisor's observations show that in most cases the performance level weakens. Older and more experienced employees usually reach better results than their younger colleagues. The younger employees may have longer basic training but the older have more work experience, which is shown as a professional's intuition, the ability to vary work strategy according to the situation and possibly as more precise objectives. (Ruohotie, Honka 1999, 40)

2.9 Factors affecting work motivation

The relation between inner and outer motivation factors is complicated and the distinction between them is changing and viewed as a complicated and unique phenomena. The same factors that promote inner motivation can also have an effect on outer motivation and so

they complete each other. Motivation is often described as a continuum in which the other end has factors closely linked to outer factors and the other have the inner factors. In the middle of the continuum are the in-between factors. (Luoma, Troberg, Kaajas, Nordlund 2004, 21)

In a know-how based organization the importance of work motivation is emphasized because not only does is affect the results and quality of the work but also the energy level and the well-being of the employees. By securing the well-being of the employees the organization assures that the professionals stay in the company. The long continuum is relevant to a company where innovations, products and services are created by the cooperation of the experts. The achievement that has come via successful cooperation might be the result of many years of work. (Luoma, Troberg, Kaajas, Nordlund 2004, 20)

2.9.1   Inner factors

Motivation issues are complicated in a working life which consists of people of different age groups and different stages of life. In modern working life the inner motivation is stressed as very often the work demands self management which requires individual's initiative and commitment. Behind the initiative and commitment are inner motivation and satisfaction, not the outer rewards. Inner motivation can be seen as one of the key factors of performance level and innovative behavior. Inner motivation makes the work rewarding and is one of the most essential reasons why an individual stays in his/her occupation. People are more creative when they are mainly internally motivated in comparison with the situation where they are motivated by external factors such as evaluation, supervision, rivalry, orders of a supervisor or rewards. Several studies have shown that performance that demands inventiveness, deep concentration, intuition of creativity are very likely to weaken if external control is used as a motivation strategy. Creativity and creative thinking are emphasized especially in research and development operations but their importance is high also in other areas such as in marketing and sales. (Luoma, Troberg, Kaajas, Nordlund 2004, 23)

Thomas (2001) has studied inner motivation in work life and according to his studies motivation consists of four main elements: freedom of choice, competence, meaningfulness and progress. An individual experiences the feeling of freedom of choice when he/she feel to be free to use his/her own judgment in accomplishing a task in a way that it feels pleasant. This way an individual feels that his/her views and ideas are meaningful and he/she can use the whole intellectual capacity. Freedom of choice provides an opportunity to use one's initiative and creativity but also personal responsibility of the consequences of the decisions. (Luoma, Troberg, Kaajas, Nordlund 2004, 23)

The feeling of competence comes from doing work of high quality and accomplishing task professionally. An individual feels to manage his/her work description and is certain to be able to handle the work also in the future. If the feeling of competence is weak the tasks feel too easy or meaningless to feel pride in accomplishing them. (Luoma, Troberg, Kaajas, Nordlund 2004, 24)

The feeling of meaningfulness refers to an individual's feeling of striving towards a valuable goal or accomplishes an important mission that has a meaning in greater context. This way an individual feels to do something worth of the time and effort. Concentrating is easy and an individual is strongly committed to his/her work. (Luoma, Troberg, Kaajas, Nordlund 2004, 24)

Feeling of progress refers to an encouraging feeling of succeeding and this way he/she feels to be closer to the final goal and that the time and effort has not been wasted. The Individual works with enthusiasm and is willing to invest more energy in accomplishing the task. (Luoma, Troberg, Kaajas, Nordlund 2004, 24)

Comprehensive work that offers an opportunity to use different skills and which an employee feels have an impact on people's lives leads to the feeling that the work is meaningful. Independence leads to the feeling of responsibility that adds to the inner motivation. When an employee gets direct feedback, he/she gets information of the results of the performance which affects the employee's inner motivation. Authorizing and praising increases when work environment has an atmosphere of supporting, participation and justness. (Luoma, Troberg, Kaajas, Nordlund 2004, 25)

2.9.2 Work environment

Many factors affect the comfortableness of the work environment; not only the physical work environment inside the walls but also the environment and surroundings outside the office building. The amount of light, colors, tidiness and the order affect the indoor atmosphere and thus the pleasure of working. The proper maintenance of all these elements is cheap in implement in an office, but their importance is often overlooked. Office temperature, noise level and the physical layout of the work station also has an impact on the employee's performance. Esthetics and tidiness of the office buildings surroundings has an impact. The positive mood outside can be affected by colorful plantings, grass or a beautiful building next door, whereas trash, junk, deserted buildings and a sandy front yard could have a negative effect. The exterior of the office building and the front yard are the first things that an employee or a visitor sees and they can be seen as reflecting factors of the work community and its management. A tidy and comfortable work environment inside and outside the office

building arouses the employee's healthy pride towards his/her own employer and organization and motivates the will to achieve. (Pessi 1999, 101-102; Robbins 1986, 376)

When the work environment is not properly designed or if it is uncomfortable for the employee it can result in fatigue and a decrease in communication. Tired employees have difficulty achieving both quality and quantity of output and high noise levels and physical partitions make it difficult for employees to communicate with coworkers and engage in social interactions. (Robbins 1986, 376-377)

2.9.3 Work atmosphere

The atmosphere of a work place has a complex meaning in every work community. The work atmosphere affects an individual in a positive or negative way. When an individual feels that he/she is appreciated and respected or when the atmosphere is open and everyone takes each other into account, the atmosphere is inspiring and boosts individual's creativity. These factors also maintain an individual's physical and mental health. In a work community where these factors are lacking, lack of motivation and a mental burden is created. The consequences can appear as an increasing number of absences, lowered work performances, a rising number of job rotations and early retirements. The whole organization's success might depend on the work atmosphere as the work community's results are created by individual employees. Even though an organization does not pay any attention towards the work atmosphere every work place has it and it is built by itself. It can also be actively constructed and then it is a part of management activities. The construction of the work atmosphere is demanding and hard work as the individual's values, norms and behavior play an important part and are not easy to change. (Pessi 1999, 9-11)

2.9.4 Supervisor

Leadership is the ability and willingness to influence the way of thinking and behavior of other people, groups and organizations way of thinking and behavior and a significant characteristic of being a leader is the active desire to lead and arouse wanted action in others. Leadership needs to be wanted and desired and an individual should not be lured to the position against his/her personal indentions. Learning leadership can be done by practicing and also life experience and the wisdom brought by it are important leadership competences. A leader wants to affect other people by motivating them to reach common goals. It is a challenge in a constantly changing world to keep up with doing things in a correct way, and a good leader evaluates and follows the organization's actions so that he/she can learn from mistakes. (Salmimies, Salmimies 1998, 10-11)

Succeeding as a supervisor requires cooperation and interaction skills as well as the ability to clarify what is expected from an individual and from a group. This means the ability to approach people, listen to them, to give them the opportunity to state views and questions and to answer these questions. A supervisor has to be able to guide and direct him/herself to be able to lead others, and, for this communication and interaction are important characteristics. A leader uses his/her personality as a tool and needs to lead in a way that is most appropriate to his/her character. He/she should be aware of the strengths that he/she possesses as well as the weaknesses so that he/she would not reflect towards other people. If a leader is not aware of his/her personality and has not clarified his/her purposes and goals, leadership ends up being short-term satisfaction of needs. This is why a leader is expected to be persistent and order. Even though the basic personality of an individual is not easily changed, it can be developed. Everyone has mental resources that have not been used and by using them a person is able to grow and develop mentally. A person can develop oneself by stopping once in a while to assess his/her own actions and life situation. He/she also has to dare to look deeper within, to consider a mental SWOT analysis, accept the findings, strengthen the strengths and evaluate whether he/she has the motivation and will to do something about the weaknesses. (Salmimies, Salmimies 1998, 11-13)

Leadership means a wide responsibility for the whole organization and the leader's primary task is to ensure that the actions are done by following the organizations business concept and that the humane and material resources are directed to the right targets. A leader must ensure that everyone in the organization is aware of what is done, how it is done, to whom and why. (Salmimies, Salmimies 1998, 14)

2.9.4.1   Communication

Open communication means that information flows back and forth among all the members of the community and it implies that feedback can be given in every direction in an atmosphere of common trust. When there is an environment of open communication people respect and take each other into consideration. Employees wants to know what is expected of them and why, what the supervisor expecting of them and how other departments actions affect on the work. Management's duty is to ensure the free flow of information inside the company. A supervisor always sets an example by his/her attitude, and thorough his/her public behavior demonstrates to the staff how explicitly one should interact with him/her. The supervisor's words should not be in conflict with his/her actions. In order to combine expertise, organization needs the means to enhance communication between employees. With regard in to interaction, the supervisor's role is to maintain an environment of good communication and trust. In many cases the supervisor is not only the approver and interpreter of differences but also the negotiator in rivalry amongst the staff. A great deal of the competences needed in

succeeding as a supervisor has to do with one's personality and maturity. To develop these skills it often takes personal training and guidance. (Hagemann 1991, 51; Luoma, Troberg, Kaajas, Nordlund 2004, 85)

The need for information has been emphasized when great changes, acquisitions or organizational development are at hand. Uncertainty may easily cause the staff to fear failure or even losing their jobs. The more there is uncertainty the lower the productivity gets. Inadequate, late or unreal information causes a lot of speculation which makes the work secondary. When the staff is informed it adds certainty and trust, that is, if previous experiences prove that the organization trustworthy. To ensure reliability the company should build a relationship of trust with the employees, media, and other whom might be involved. In times of change the staff should be the first to know what is going on as the employees should have time to adapt. (Hagemann 1991, 52, 54-55)

One of the core elements of the supervisor's work is the ability to give feedback. Many structures of rewarding enhance the process of feedback by providing time and a suitable situation such as a development discussion. The feedback is clearly given by providing incentives such as monetary rewards but the action of a supervisor in a feedback situation gives the feeling of meaningfulness and enhances motivation and commitment. Professionals need to get information about their progression in their work. Results, success and feedback are strongly experienced as inspiring elements. Feedback is a relevant factor in enhancing motivation as it produces experiences of success. This is important for the self development of an employee. Through feedback an employee has the possibility to see the results of his/her own work. Both positive and negative feedback are vital for motivation as with the help of feedback the current weaknesses and strengths are recognized. (Luoma, Troberg, Kaajas, Nordlund 2004, 80-81)

Especially development discussions are experienced as situations where an employee receives feedback. The development discussion should not be the only feedback channel between the employee and his/her supervisor but it should be an everyday subject. Organizations should invest in feedback and communication processes. Quality and quantity are the two main characteristics of feedback; usually the greatest challenge is the lack of it. Besides feedback from superiors, employees usually want feedback from the customers and from the related reference groups. (Luoma, Troberg, Kaajas, Nordlund 2004, 81-82)

Supervisor is expected to provide support which is defined mostly by the organization culture. Well designed feedback culture consists of openness, trust, communication and support. It is important that the supervisor is genuinely interested in employees and their wellbeing. (Luoma, Troberg, Kaajas, Nordlund 2004, 82)

2.9.4.2   Job design

Hackman and Oldham have designed a model describing the most valid factors in job design that have an effect on employees' work motivation, performance, satisfaction and staying at work. The model suggests that a person feels the most motivated in his/her job when the work itself feels meaningful, the person gets to have responsibility and he/she has the knowledge of the actual results of his/her performance. This requires that the work itself involves different tasks and functions in order then the employee gets to use his/her abilities and skills, as a job that does not involve challenges is the least motivating. The result of the work should be as close to an entity as possible in comparison with smaller shares as the more an employee can see the results of the work tasks the more motivating the work is. An employee should be aware of the reflection that one's work has to a larger context as it also adds the motivation towards it. The possibility to work independently is an important issue as when a person has the power to design the schedules and methods him/herself it grows the responsibility and the results depend more on one's own actions and decisions which is seen to have an impact on motivation. Supervisors role in giving feedback is also meaningful as well as the feedback that the person can see in his/her performance. (Peltonen, Ruohotie 1987, 75-76)

The challenges of organizing a job are usually related to areas of responsibility, unclear and undefined tasks, unrealistic schedules and poor processes. (Luoma, Troberg, Kaajas, Nordlund 2004, 97-98)

The tasks should be designed by consciously and systematically taking an individual's needs into consideration. When the job is designed in the right way the motivation of the staff enhances and the abilities and skills are utilized. The most used methods in designing a job are enriching, when an employee gets a bigger share in designing and supervising his/her job and expanding the work when more functions are added to the job or smaller shares are combined to a larger entity. When re-designing a job it needs to be ensured that the tasks are suitable for the employee and that the person is willing and able to accomplish the new challenges. The preliminary needs that relate to subsistence should be satisfied in order for the individual to have a need for growth. Otherwise, an individual's interest is directed towards satisfying these preliminary needs. The organization should strive to generate such an environment where all the different subgroups of staff support, trust and communicate with each other. The amount of dissatisfaction should be determined and minimized as eliminating the dissatisfaction creates the precondition for a successful re-design of the job. There are also employees that do not value inner rewards and cannot be affected by re-designing their jobs. These employees enjoy simple tasks as long as they get to be in contact with other people.(Peltonen, Ruohotie 1987, 78, 81-82)

To get long term improvements in performance the re-design of a job should be supported by other operations. Employees should be provided with ongoing training enabling them to expand their knowledge. When the performance level rises the monetary compensation should be updated in line with the development. The supervisor should strive towards encouraging managing and it should include supporting an employee's goal setting. Supervisor is also responsible for the development and decision making of his/ her team. The gaps between different positions inside an organization are to be narrowed; it enables the employees' self-respect to grow. (Peltonen, Ruohotie 1987, 84)

2.9.5 Rewarding

People do what they do to satisfy needs yet before doing anything they think for the possible reward. Many of these rewards are organizationally controlled, such as salary increases, preferred job assignments and promotions and this is why we should consider rewards as an important way of influencing the behavior of employees. Rewarding is interaction between an organization and an individual, a process that includes rewards. An individual gives his/ her know-how, motivated actions and work effort to an organization where the organization offers the individual a variety of extrinsic and intrinsic rewards. The level of reward depends on the interpretation of the reward; people experience different things as rewarding. Performance is closely linked to rewarding. (Troberg, Kaajas, Nordlund 2004, 34; Robbins 1986, 410)

If rewarding is performance based an organization should agree upon the criterion for defining the performance. For performance-based rewards productivity is usually used as a single criterion but as jobs become less standardized and routine, productivity becomes more difficult to measure and defining performance becomes more complicated. Effort as a reward criterion is a major determinant even though it is not that explicitly spoken of. A traditional way to reward effort is to stress the means rather than ends. In a company where there is a low performance level, rewarding an effort may be the only way to differentiate rewards. In many cases effort can cover more than the actual end result and that is why those who try should be encouraged. An employee who works less than his/her optimum also expects fewer rewards than an employee who gives more effort even though not producing as much. The people who are in charge of making evaluations and dealing out rewards are only human and they are not immune to sympathizing with those who try hard. (Robbins 1986, 410-411)

The length of time on a job is a major factor in determining the distribution of rewards as in comparison to other criteria seniority is easy to determine. It is not uncommon in organizations to base their rewarding system on the skills of the employees. Regardless of whether the skills are being used the employees with the highest skills are rewarded. One way for an employee to maintain their position in a company is to pass skill tasks by demonstrating an ac-

ceptable score. When an individual begins in a new position in a company the skills usually are the major determinant of the compensation. The marketplace and the competition determine the value of the skills in the reward package. The relationship of demand and supply creates the true value of the skills a company wishes to possess. The demand-supply relationship of an occupational category can also cover the entire country. Another criterion for reward is the difficulty of a job. The jobs that are repetitive and easily learned can be less rewarded than complex jobs. Work that is unpleasant or not easily performed might need more compensation in order to attract workers to these positions. In a job where each step is programmed and there is no room for decision making the discretion time is low. Lower rewards can be offered as these jobs require less judgment and are easier to perform whereas when the discretion time increases it should be taken into consideration in the compensation. (Robbins 1986, 411-412)

The types of rewards consist of direct, indirect and non-financial compensation. These types of rewards can be distributed to an individual, group or even to the entire organization. (Robbins 1986, 412)

2.9.5.1   Intrinsic rewards

Intrinsic rewards are given to an individual and they are mainly the result of being satisfied with one's job. Techniques such as job enrichment or redesign of a job can be experienced as intrinsically rewarding as it increases the personal worth of the job. Also by giving more responsibility, opportunities to personal growth, greater job freedom, diversification of activities and possibility to participate in decision-making are categorized to be intrinsically rewarding. (Robbins 1986, 412-414)

2.9.5.2   Extrinsic rewards

Extrinsic rewards include direct and indirect compensation and non-financial rewards. An employee expects some form of direct compensation such as a basic salary, over-time and holiday pay, bonuses and profit sharing and the possibility to buy stock options. The direct compensation is expected to align with the employee's contribution to the organization and also to be comparable to the colleagues' direct compensation. Indirect compensation such as pay for vacations, insurance and services are generally provided by an organization to all employees and due to that they are not experienced as motivating. Whereas the rewards controlled by the management and used to reward performance are experienced as motivating. In a company where the rewards are closely linked to performance the individual rewards are emphasized. The greatest return for a reward comes when the compensation is individually designed. When a performance of a group is to be rewarded, managers should note that the

whole group should be treated and rewarded alike, thus this method is not as effective as rewarding an individual. An exception to this rule is when the work requires close interaction among the group. In these cases group reward is more suitable due to the cohesiveness of the group. (Robbins 1986, 414)

Extrinsic non-financial compensation should be carefully thought to align with individual needs and desires as not every employee is motivated by the same rewards. Some employees are significantly status orientated and such incentives as fancy business cards, the possibility to affect one's work tasks, impressive titles, own a secretary as well as details such as a private bathroom, assigned parking space and the possibility to have an effect on the interior design may boost one's motivation. (Robbins 1986, 415)

The importance of salary is often neglected by motivation theories as for example according to Maslow's hierarchy of needs theory salary is viewed as a tool to satisfy basic needs. Nowadays salary is seen as a motivation tool. Salary is used to satisfy various needs, as money is not only needed to satisfy basic needs and improve financial security but also used to satisfy the need for appreciation and power. When salary is tied to performance it becomes a measure of performance and that can improve inner motivation. The relative importance of salary varies as salary can satisfy certain needs better than others and thus is dependent on the individual's values, wealth and financial needs. Salary seems to be an important incentive to low-paid employees as it satisfies their basic needs, and on the other hand, it can also be important for well-paid employees as it partly satisfies their need for appraisal. (Peltonen, Ruohotie 1987, 44)

2.10   Summary of the theorical part

In our theoretical part we have discussed the basic meaning of the concept of motivation. It can be characterized by three factors: activity, which means the energy that makes a person to act in a certain way, direction, which tells how individuals behavior is directed towards something and system orientation, which either strengthens the behavior towards something or steers it into another direction. The information for the theoretical part comes from the field of organizational behavior which is a field of study that investigates the impact that organizational structures, individuals and groups have on the behavior within an organization.

The theories of needs, incentives and expectations present reasons of people's actions, why people have a need to act in a certain way. For example Abraham Maslow presented a theory of hierarchy of needs which has different levels of needs that each person has to "climb" step by step in order to be fully satisfied. Some people settle for lower levels of satisfaction where others feel the need to "climb" to the highest level of self actualization.

Other presented theories examined incentives and expectancy. Incentives are defined as the stimulus that can affect behavior, which in work motivation means that an organization should provide the tools for the employee to satisfy needs in order for the employee to feel affection towards the organization. The expectancy theory being the most widely accepted theory of motivation suggests that the behavior is steered by the expected outcome and the attractiveness of the outcome of the action. In order to get a comprehensive framework it was vital to examine these different theories as they all presented different views and complete each other in explaining motivation.

The third main element of the theoretical framework was the topic of work motivation, or what the process includes, what affects positively and what negatively. The work motivation section discusses the fact that satisfaction is closely linked to work motivation and the predominant perception is that work satisfaction is the consequence of the rewarding whereas work motivation is affected by the expectations of the rewards. The factors that have the biggest impact on work motivation are divided into inner and external motivation factors. According to Thomas the inner factors consists of four main elements which are the freedom of choice, competence, meaningfulness and progress. The inner motivation factors are seen to have more effect on motivation, but the external factors are more easily explained. The discussed external factors are the working environment, work atmosphere, supervisor-related issues and rewarding. The rewards are divided into intrinsic and extrinsic rewards, intrinsic being things that employee does not get any material gain, but for example job rotation or job enrichment. Extrinsic rewards are material and monetary benefits that motivate employees. These areas all together form an entity of theory of motivation and provide a core for the empirical study (see figure 4).
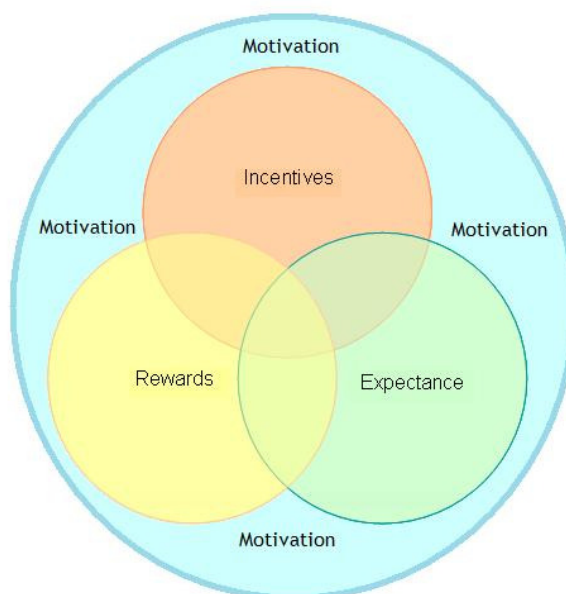
Figure 4: The theoretical framework

3   Research approach

Usually a research study has a main problem which is divided into sub problems. In many cas-es the research questions develop from this process where the general information is catego-rized into parts but the questions can also come from the main problem directly. The re-search questions have to resemble the purpose of the study and be clear and precise and they should be justified. A well argued research problem is a secure way to make a successful study. (Pihlaja, 2001, 33-34)

3.1   Research methods

After deciding the topic it is time to consider how the required evidence is to be collected. The wrong approach is to think "Which methodology should we use" but to think "What do I need to know and why". After having an answer for the question, the best way of collecting the information can be decided. At the same time one should also consider what happens

after the data gathering and what should be done with it. No method excludes the other, as a quantitative questionnaire may also have qualitative features. The method is selected in order to find the data needed for the study and the suitable data collecting instrument should be well decided.

3.1.1   Qualitative research

The qualitative research method examines the research subject's behavioral patterns and reasons behind the decisions. It focuses usually on a small number of examinees which are carefully selected. The method does not aim at statistical generalization and the results are analyzed with special attention. The qualitative research method uses the studies from the fields of psychology and behaviorism. In order to find out why the consumer chooses a certain product qualitative research aims to find out the target groups norms and values, needs and expectations. This research method suits well in operation development, finding options and to examine social problems. (Heikkilä, 1998, 16)

3.1.1   Quantitative research

The quantitative research can also be termed as a statistical research and it is used to figure out numeral and percentage related questions as well as relations between different things or changes they have occurred in the researched phenomena. Quantitative research requires a comprehensive range of responses. Quantitative research questionnaires with multiple choice answers are the most often used type of data sampling. The quantitative research method is often said to be shallow as it gives information on present situation, but it cannot provide information about the reasons behind it. (Heikkilä, 1998, 16)

3.2   Reliability and validity

The data collected should always be viewed critically to assess to what extent it is reliable and valid. No matter how many times you repeat your study to the same test group under the same circumstances the results should not vary, in order for the study to be reliable. Validity is a much more complicated concept as it reveals if the studied subject measures what it is supposed to. A study cannot be valid if it is not reliable, but a reliable study can lack validity as it can produce the same results every time, but it does not answer to what it is supposed to. The testing of validity can be a challenge. As a test method for reliability and validity is at least to tell other people what you are studying or measuring and ask them whether the survey is likely to do the job. (Bell, 1999, 103-104)

3.3   Data sampling

There are many ways to collect data for research. The most common methods are the questionnaire, interview, observation and by using documents. The data sampling method should be chosen based on what is studied and which best suits to the research problem. A questionnaire is probably the most used data sampling method in quantitative research. It collects the data standardized from a certain group. The questionnaire is an easy, time saving and efficient not only from the researcher's but also from the examinee's point of view. The research can be carried out via post, e-mail or dealing out questionnaire forms, this way the schedule and costs can be well planned. Interviewing is more time consuming but it provides deeper and more thorough results and is usually the suitable method for qualitative research. This data collector method requires careful planning and is suitable for longer lasting research as the interviewer can contact the interviewee to fill in for extra information. The interview's reliability might be affected by the fact that it is common to give socially preferable replies and the interviewee can experience the situation as unnerving. (Hirsjärvi, Remes, Sajavaara, 1997, 186-188; 190-191; 199-201)

3.4   Methodology

The method that we used in our research is a quantitative questionnaire. In the research we included seven branches that are located in Southern Finland. Before distributing the actual questionnaire form we needed to be in contact with the executives of the branches involved to get permission to collect the information. The questionnaire was dealt out to 44 members of staff via internal e-mail. To get as comprehensive results as possible we sent the questionnaires to all of the employees who represent the selected, different fields. The questions were multiple choice questions including two open-ended questions in order to get as thorough material as possible. After dealing out the questionnaire we waited one week before we sent out a reminder e-mail and gave another week to complete the survey. 75% of the people replied to our survey after the reminder. We were delighted to see how many people had the time to answer the survey. It was also nice to notice how many people encouraged us and gave good feedback on the research project. We were hoping to get a wider group of branches to send the questionnaires to, but as respecting the Bank X's wish we conducted the study in only seven branches.

The study was carried out using Bank X's internal survey system which enabled us to design the questions in a way that was best for us and distributing the questionnaire forms was convenient using the company's email system. After people had answered the questions they saved the form and it was sent automatically to us. The tool calculated the percentages of each reply, showing for example how many of which occupation, age group or gender on

question number six had replied "low". The criteria of the results were changed back and forth while studying the results in order to get as comprehensive sight on the study as possible.

The study can be viewed to meet the requirements of validity as the study was carried out in their normal working environment and they replied the questionnaire during normal working hours. The study group would be very likely to choose the same answers as they did on the survey carried out. The reliability of the study reveals as after carefully analyzing the study results they provide sights and ideas to our topic.

4   Empirical study

4.1   Short introduction of Bank X

Bank X is one of the largest banks in Finland and operates in the European area and in Russia. Bank X offers daily banking services in private and corporate fields, as well as in savings, investments, real estate, and insurances and in asset management. Bank X's aim is to build long-term customer relationships by providing long lasting solutions that benefit both parties. This is done by selling solutions instead of individual products.

In 2010 there were 325 banks operating in Finland, consisting of domestic savings banks, foreign creditors' side branches and investment banks. (Finanssialan keskusliitto, 2011)

The company is already interested in its employee's wellbeing and motivational factors. Every year Bank X carries out a health survey which covers different fields of wellbeing, such as physical health, mental health and motivational issues. Each employee receives the personal results of the survey and if needed a personal action plan for enhancing wellbeing. The company also shows interest towards the staff's physical health by providing exceptionally good benefits for doing sports.

4.2   The results of the study

The questionnaires were sent to 44 employees of bank X of which 33 replied which corresponds to 75% of questionnaires answered. The first three questions elicited background information. The respondents group consists of 39 % service advisors, 30% personal bankers or personal investment bankers, 9% senior personal bankers, 21% personal financing bankers or senior investment bankers (figure 5).

3. I work as a...

Service advisor

13 (39%)

Personal- or Personal Investment banker

10 (30%)

Senior personal banker

3 (9%)

Personal banker-New customers or Senior investment banker

7 (21%)

Total: 33
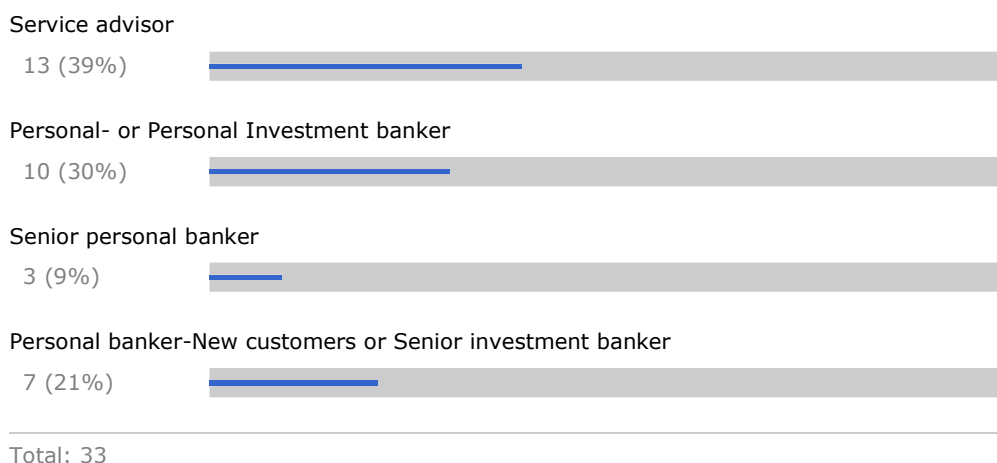
Figure 5: Question 3 "I work as a…"

70% of the respondents were female and 30% male. The second question was about the age distribution which resulted in 67% of the respondents being 18-29 of age, 12% were 30-39 of age, 6% 40-49 and 50 and over being 15% of the respondents (see figure 6).

2. Age

18-29

22 (67%)

30-39

4 (12%)

40-49

2 (6%)

50->

5 (15%)

Total: 33
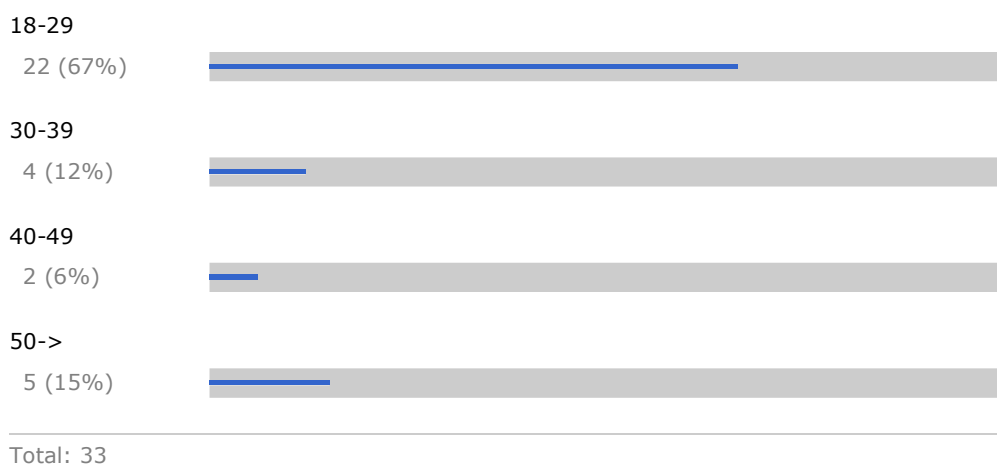
Figure 6: Question 2 "Age"

The remaining questions consisted both inner and outer motivation factors and the question 4 was about the level of motivation for working together with colleagues (see figure 7). 18% of the respondents felt that cooperation with colleagues is motivating on a scale of one to five, one being low and 5 being high, number three. The scale applies to all the following questions except the open ended questions. 45% answered number four and 33% answered number five. Only 3% of the respondents were not motivated to work together with colleagues.

4. I am motivated to work together with my colleagues (1=Disagree, 5=Agree)
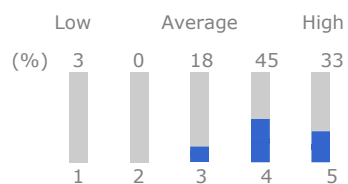
Total: 33

Figure 7: Question 4 "I am motivated to work together with my colleagues

Question number five was about inner motivational factors and asked if it is important to be able to share success with colleagues (see figure 8). 36% of the respondents chose number five, the highest option. Most of the respondents, 45%, chose number four, 9% number three and 6% number two. Again, only one respondent felt that it is not motivating to share success with others.

5. It is important to me to be able to share success with my colleagues (1=Disagree, 5=Agree)

Total: 33

Figure 8: Question 5. "It is important to me to be able to share success with my colleagues"

The five following questions handled external factors of motivation such as surroundings and atmosphere of the office. Question number six asked if it is motivating to have a comfortable work station were equal amount of people, both 41%, answered number four and number five. The rest 19% answered number three, which is average of our scale. Question number seven was about the busy atmosphere of the office where the distribution of the answers was quite wide (see figure 9.). 13% of the study group found the busy atmosphere to be motivating and chose number five. Number four got 32% and number three got 26% of the replies. 26% chose number 2 and one person chose the lowest level.

7. I am motivated by the busy atmosphere of my office (1=Disagree, 5=Agree)

Total: 33
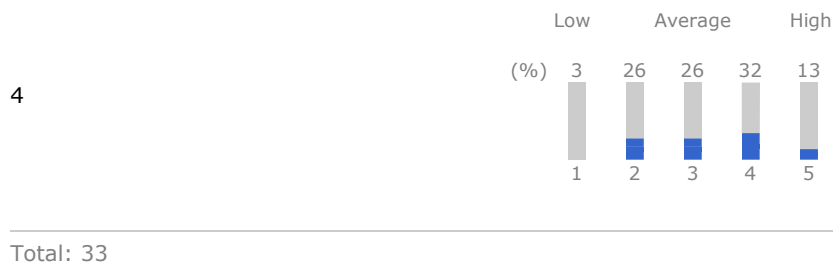
Figure 9: Question 7. "I am motivated by the busy atmosphere of my office"

Question eight asked whether it is important to have a practical office space. The majority of 53% answered on a level of four and 38% answered number five. Number three was chosen by 3% and number two was chosen by 6% of the answerers. The ninth question was about the location; how important is the offices nice location. 23% chose number five, 61% chose number four, 13% chose number three and 3% chose number two.

The 10th question asked if an open atmosphere of the work community is motivating or not. The replies were divided only into two categories, number four with 28% and number five with 72% (see figure 10.).

10. I am motivated by the open atmosphere of our work community (1=Disagree, 5=Agree)

Total: 33
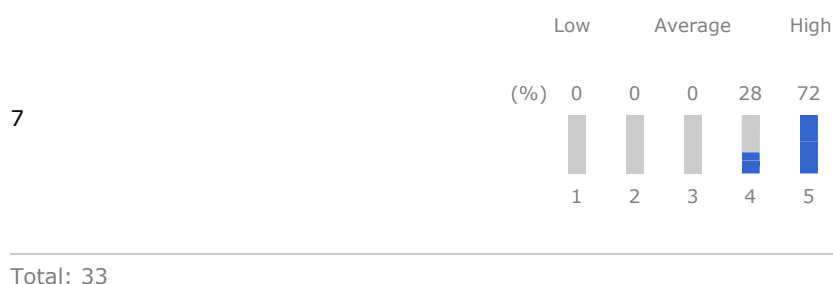
Figure 10: Question 10. "I am motivated by the open atmosphere of our work community"

The 11th question was about how important it is to be close with colleagues. 13% answered number five, a majority of 45% answered number four, 23% answered number three and the rest 19% chose number two (see figure 11.).

11. It is important to me to be close to my colleagues (1=Disagree, 5=Agree)

	Low		Average		High
(%)	0	19	23	45	13
8					
	1	2	3	4	5

Total: 33
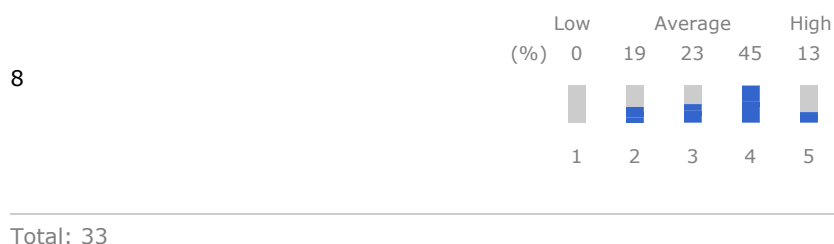
Figure 11: Question 11. "It is important to me to be close to my colleagues"

Question number 12 asks whether the success of the Bank X affects employee's motivation and the outcome was that 25% answered number five, 34% answered number four, 38% chose number three and 3% chose number two.

The 13th question asked if one's work needs to be well planned in order to be motivating. 19% chose number two, 53% chose number three, 22% chose number four and 6% chose number five (see figure 12.).

13. My work needs to be well planned in order to be motivating (1=Disagree, 5=Agree)

	Low		Average		High
(%)	0	19	53	22	6
10					
	1	2	3	4	5

Total: 33
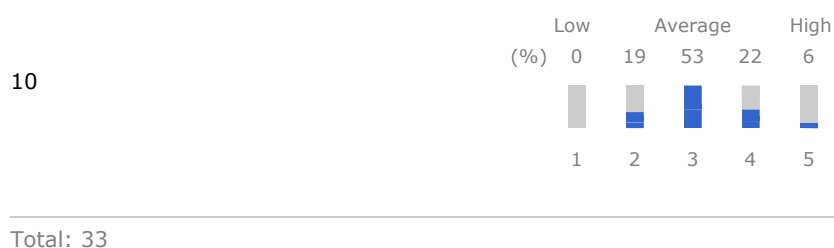
Figure 12: Question 13. "My work needs to be well planned in order to be motivating"

Question number 14 which asked whether a person feels motivated enough by the good result of his/her work and does not need any extra rewards got replies to all categories (see figure 13). 9% agreed completely, whereas 25% chose the lowest level, one. 16% answered number two, 38% answered number three and the rest, 12% chose number four.

14. A good result motivates me, I do not need extra rewards in order to be motivated (1=Disagree, 5=Agree)

	Low	Average		High
(%)	25	16	38	12	9

11

1 2 3 4 5

Total: 33

Figure 13: Question 14. "A good result motivates me, I do not need extra rewards in order to be motivated"

The 15th question asked if competition is seen as a motivating factor. (see figure 14) The majority of 32% replied at the level four, 23% chose number three, 26% chose number two and 13% chose number 1. The completely agree value, number five was chosen by 6%.

15. I find competition with my colleagues to be motivating (1=Disagree, 5=Agree)

	Low	Average		High
(%)	13	26	23	32	6

12

1 2 3 4 5

Total: 33

Figure 14: Question 15. "I find competition with my colleagues to motivating"

The following seven questions are closely related to management. The 16th question asked if a person is motivated by the feedback concerning one's work. The majority of 48% answered number four, 39% answered number five and the rest, 13% answered number three.

Question 17 asked if it is important for employee to receive active encouraging from the supervisor where 56% replied five, 38% replied four and numbers three and two both were chosen by 3%.

Question 18 was about the importance of equality from the perspective of motivation (see figure 15): 69% found it very important that everyone are treated equally and chose number five. 19% answered number four and 12% answered number three.

18. From my motivation's pont of view it is important that everyone in our work community are treated equally (1=Disagree 5=Agree)

	Low		Average		High
(%)	0	0	12	19	69
15					
	1	2	3	4	5

Total: 33
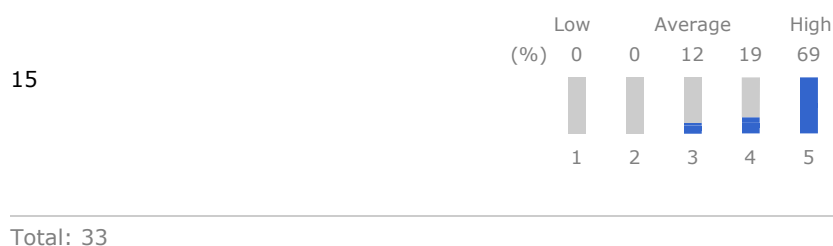
Figure 15: Question 18. "From my motivation's point of view it is important that everyone in our work community are treated equally"

The 19th question asked if goal-setting with the supervisor is found to be motivating (see figure 16). 3% completely disagreed and chose number one, 6% chose number two, 19% answered number three. The fourth level was the most popular answer by 52% of the replies and number five was chosen by 19%.

19. I find it motivating to set goals together with my supervisor(1=Disagree, 5=Agree)

	Low		Average		High
(%)	3	6	19	52	19
16					
	1	2	3	4	5

Total: 33
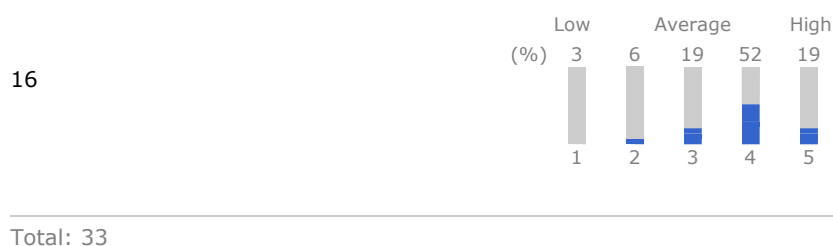
Figure 16: Question 19. "I find it motivating to set goals together with my supervisor"

Question 20 asked if the support of the supervisor is important. An equal number of people answered number five and four, both with 43% of the replies. 10% answered number three and 3% answered number two (see figure 17).

20. The support of my supervisor is important (1=Disagree, 5=Agree)

Total: 33
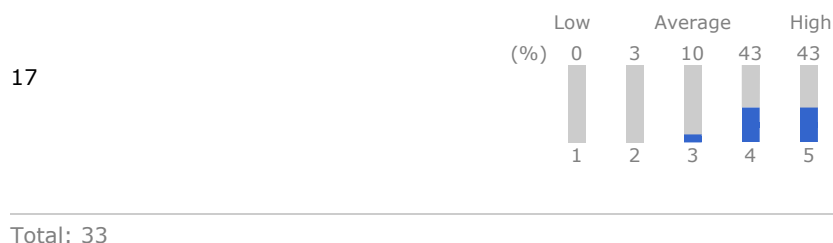
Figure 17: Question 20. "The support of my supervisor is important"

Question 21 asked if it is motivating to be close to with one's supervisor (see figure 18) where all the categories got replies. 6% of the replies went to number one as well as number five also got the same amount of replies. 19% chose number two, 35% chose number three and 32% answered number four.

21. I find it motivating to be close to with my supervisor (1=Disagree 5=Agree)

Total: 33
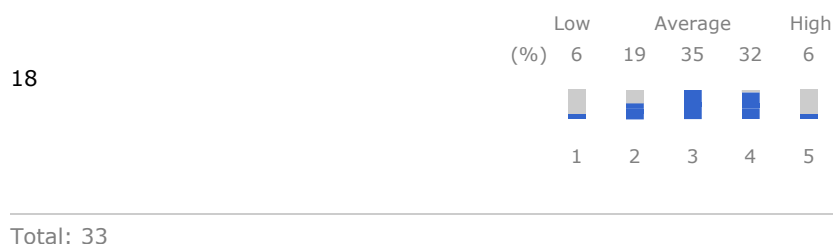
Figure 18: Question 21. "I find it motivating to be close to my supervisor"

Question 22 asked how important it is to get acknowledgement from the supervisor, where the vast majority of 52% answered number five, 42% answered number four and 6% answered number three.

For the 23rd question it was asked if concrete prizes or rewards except monetary rewards help one to accomplish the work tasks better. 10% answered number five and19% answered number four. Nearly half, 45% chose number three, 19% answered number two and 6% chose number one (see figure 19).

23. Concrete rewards (NOTE, non-monetary) supports me to accomplish my work tasks better (1=Disagree, 5=Agree)

	Low		Average		High
(%)	6	19	45	19	10

20

| 1 | 2 | 3 | 4 | 5 |

Total: 33
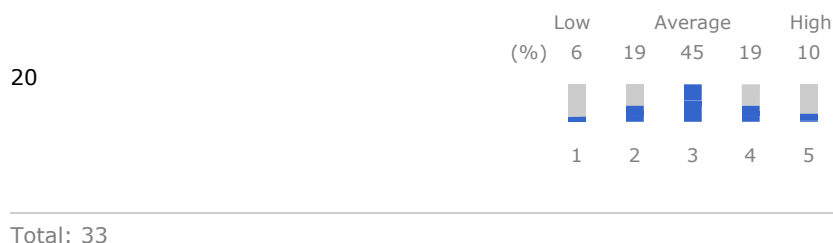
Figure 19: Question 23. "Concrete rewards (NOTE, non-monetary) supports me to accomplish my work tasks better"

Question number 24 asked if monetary incentives motivate, and nobody answered number one or number two (see figure 20). 6% chose number three and 58% chose number four. The majority of 58% felt that monetary incentives are motivating factors and chose number five.

24. Monetary incentives motivate me (1=Disagree, 5=Agree)

	Low		Average		High
(%)	0	0	6	35	58

21

| 1 | 2 | 3 | 4 | 5 |

Total: 33
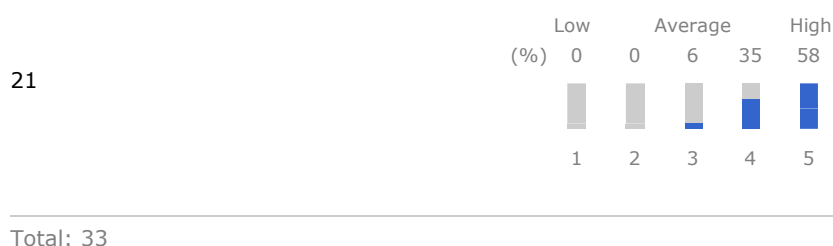
Figure 20: Question 24. "Monetary incentives motivate me"

The 25th question asked if it is important to get recognition for one's work and none of the respondents chose number one or number two, 10% chose number three, 42% chose number four and 48% chose to agree that it is important to get recognition (see figure 21).

25. It is important to me to get recognition for my work (1=Disagree, 5=Agree)

	Low		Average		High
(%)	0	0	10	42	48

22

| 1 | 2 | 3 | 4 | 5 |

Total: 33
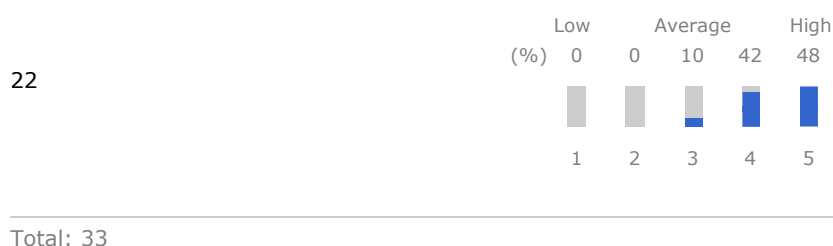
Figure 21: Question 25. "It is important to me to get recognition for my work"

In the question 26; do fringe benefits motivate, 10% answered number one, 6% answered number two and 16% answered number three. The majority of 42% chose number four and 26% chose number five (see figure 22).

26. Fringe benefits (for example the free Extended package, IF's insurance benefits etc) motivate me (1=Disagree, 5=Agree)

	Low		Average		High
(%)	10	6	16	42	26
23					
	1	2	3	4	5

Total: 33
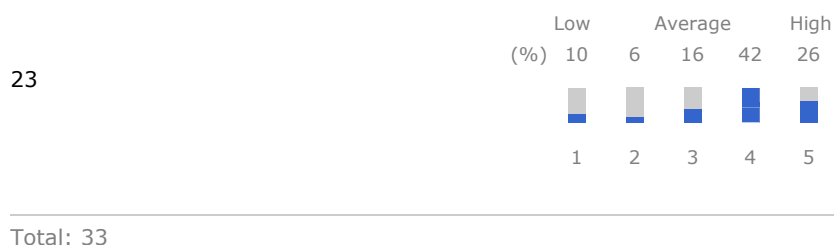
Figure 22: Question 26. "Fringe benefits (for example the free Extended package, IF's insurance benefits etc) motivate me"

Question number 27 caused some deviation in the answers (see figure 23). It asked if respect is a bigger motivator than money and 3% chose number one, 20% chose number two, 33% chose number three, 30% chose number four and only 13% chose number five.

27. Respect is a bigger motivator for me than money (1=Disagree, 5=Agree)

	Low		Average		High
(%)	3	20	33	30	13
24					
	1	2	3	4	5

Total:33
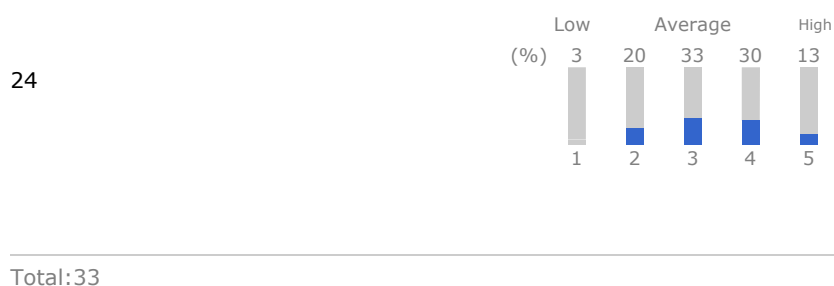
Figure 23: Question 27. "Respect is a bigger motivator for me than money"

In question 28, which asked whether a high position at work could be a motivating factor, 3% answered number one and 13% answered number two (see figure 24). Both number three and number four got 32% each and 19% chose number five.

28. High position at work could be a motivating factor for me (1=Disagree, 5=Agree)
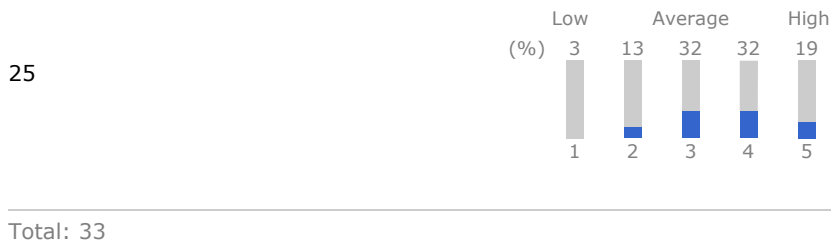
Figure 24: Question 28. "A high position at work could be a motivating factor for me"

Question 29 asked if rewards to the group are more motivating than personal rewards, number one and number five got 6% each (see figure 25). 16% chose number two, 42% number three and 29% number four.

29. The rewards given to the whole group are more motivating than personal rewards (1=Disagree, 5=Agree)
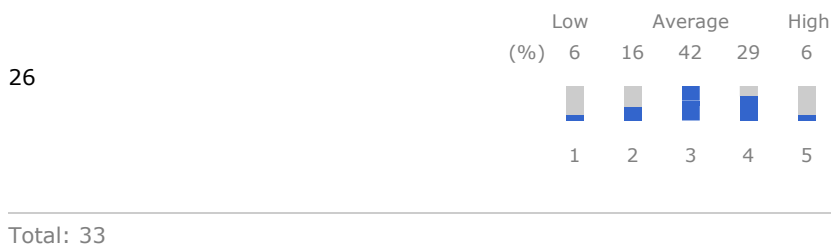
Figure 25: Question 29. "The rewards given to the whole group are more motivating than personal rewards"

In question 30 we asked if challenges at work are motivating, and none of the respondents chose number one (see figure 26). Only 3% chose number two, 13% number three, majority of 57% number four and 27% chose number five.

30. Challenges at work motivate me (1=Disagree, 5=Agree)

Total: 33
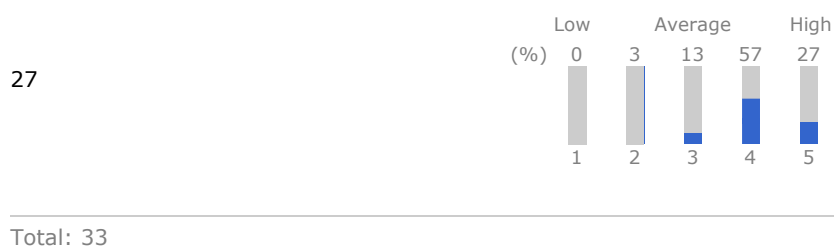
Figure 26: Question 30. "Challenges at work motivate me"

The 31st question asked if it is motivating to feel irreplaceable at work and 6% chose to disagree and answered number one, 13% chose number two, both number three and number four were chosen by 35% and 10% chose number five (see figure 27).

31. It is motivating to feel irreplaceable to my employer (1=Disagree, 5=Agree)

Total: 33
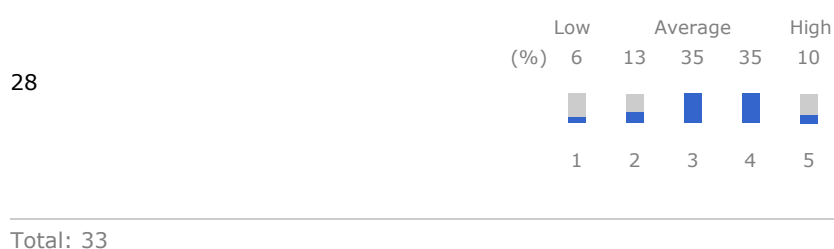
Figure 27: Question 31. "It is motivating to feel irreplaceable to my employer"

Question 32 asked if incentives given by a supervisor are motivating and nobody chose number one; 3% chose number two, 23% chose number three, 32% chose number four and the majority of 42% answered number five (see figure 28).

32. It is motivating for me to get incentives from my supervisor (1=Disagree, 5=Agree)

Total: 33
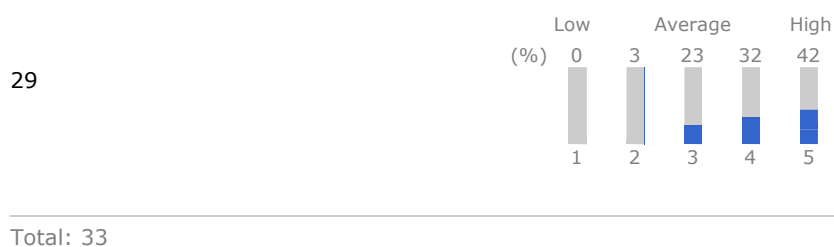
Figure 28: Question 32. "It is motivating for me to get incentives from my supervisor"

Our research included two open ended questions about motivating factors. In the first one we asked respondents to write freely about factors that increase their motivation in their work and the second question asked about the factors that decrease their motivation. To the first question we received 16 answers and to the second 19 answers.

In the question about what increases motivation, the most common reply concerned monetary incentives and salary. One person named his/her family to be the reason why money was a motivating factor. Surprisingly none of the respondents chose money to be the only motivating factor in their work. Another factor that was mentioned a lot was feedback not only from a supervisor but also from co-workers and customers. Praise from customers and acknowledgement of work done was felt to be an important factor, as well as respect and the feeling that "my work is important". In many responses work atmosphere and well-functioning co-operation with colleagues was mentioned. Some answers concentrated clearly on performance at work, for example, rivalry within an office or against competitors was said to be motivating, and also the possibility to get promoted and vast personal progress was mentioned. One response stated that results come under pressure, "better rush than quiet". Responsibility for one's work was also felt to be important.

The qualitative question about the factors that decrease motivation at work got 19 replies and there was not one particular factor that would decrease motivation. The importance of leadership and the branch's own supervisor was brought up in many replies as people commented on the absence of the supervisor and the pressure to sell given by a supervisor. Low wages and the lack of variation and challenge had a negative effect on motivation but also a too hectic atmosphere and tight schedule were not valued either. One opinion was that people were treated unequally.

Atmosphere seems to have a huge impact on people's motivation as several replies commented on friction between co-workers, bad team spirit, negative co-workers and the lack of co-operation as diminishing motivation. Also systems received some negative feedback as one respondent felt manual reporting to be frustrating and another replied that the systems are complicated, difficult and have a lot of technical errors.

One response stated that "the stiffness of the organization and the slow reaction to the markets" was a matter decreasing respondent's motivation. One respondent felt that without a MBA or a BBA degree it is difficult to advance inside the organization and he/she also felt that working hours were not so easy to arrange if one had small children and special needs.

5   Conclusions and recommendations

When we asked about respect and if it is more motivating than money, people's answers from a position based view did not vary but different age groups' answers had some differences. For example 18-29 year olds and 50+ year olds felt that respect is more important than money, where as middle aged employees felt that respect is clearly a more important matter than money. This result is quite surprising in view of the fact that 75% of these middle aged respondents were on a profit based-salary. Non-monetary, concrete rewards were more valued by lower level employees, service advisors in comparison with personal financing bankers. This might be because the work of a personal financing bankers itself is very much based on the result.

When asked if good results motivate, it can be seen that younger people felt that other rewards were needed, whereas the older people found good results to be motivating. This can be seen from the average answers where young people responded with an average score of 2.3, middle aged 3.25 and the elder with a 3.4 average (on a scale of 1 to 5, 1 being the least motivating and 5 being the most motivating).

In the question about competition with colleagues the younger and older age groups answered with almost the same average of 2.5 and 2.8. The respondents between these two groups valued competition more as a motivating factor as their average was 4.3. This result might come from the fact that 75% of the respondents in this age group are on a profit-based salary and their daily work involves competition as their main task is to get new customers.

As regards the supervisor we discovered that age, gender and position did not affect the replies: everyone thought that in motivational issues the supervisor plays a big role. Feedback and appraisal from the supervisor are considered very important. What was also vital for everyone was that all the members of the work society are treated equally, even though we expected some variation between men and women. Goal setting seemed to be more important to elder women than to younger women.

One of the questions concerning leadership was the importance of a close relation with a supervisor. We expected women to value close relations but both men and women felt equally on the matter.

One field of questions concerned atmosphere at work and the relations between employees. In terms of position the importance of daily co-operation with co-workers did not vary as the average response was 4.2. This fact is a positive outcome due to organizational changes in Bank X where teamwork is the basis of daily work. Respondents felt that the atmosphere

should rather be "alive" in order to be motivating. Our perception was that elder people might feel that the hectic atmosphere is something negative, but as our responses revealed, they were slightly more motivated by it than younger employees. As we did our research in the Helsinki metropolitan area the customer amounts per branch are bigger, from a small town branch we might get different answers as they might be accustomed to smaller amounts of customers. The atmosphere also should be open, as 72% of all the respondents chose it to be as important as possible.

Both men and women felt it to be quite important to be close to their colleagues, as women's average was 3.5 and men's 3.2. Also personal financing bankers felt it to be rather essential to be close to one's co-workers which was a surprise as their work is considered to be quite individualistic and they meet customers at different places, not always at the office and thus are absent from the work community.

The success of the Bank X was overall felt to positively affect motivation. The service advisors who deal with already existing customers ranked the factor to an average of 3.3, the personal- and investment bankers, also dealing with existing customers but who also has a responsibility in getting new customers, answered 3.8. A clear differential was made by the personal financing bankers with ranking of 4.4, as they are responsible only to get new customers and thus the image of the Bank X directly affects their job.

When asked whether a high position at work could be a motivating factor both men and women and both employees working at higher positions and lower positions felt the same, the average of a little less than 4.0. The variation was seen when looking at the responses of people from under their thirties and over their fifties. The younger age group clearly found it to be a possible motivator to work in a higher position.

The matter of being irreplaceable for the employer was felt to be equally important by men and women. The young respondents gave more value to being irreplaceable in comparison to the elder respondents.

Many of the respondents mentioned career development as an important factor. Bank X already provides an opportunity for job enrichment in the form of job rotation, where an employee goes to another unit to work for a certain period of time and subsequently, returns to his/her home branch. This opportunity is offered to people who have worked in the same position for several years and might want a change in their daily tasks. Job rotation is possible for all age groups, but the trend seems to be that younger people do not sees this opportunity as often as the elder employees. As a recommendation we suggest that the job rotation opportunity should be advertised more amongst the employees. Employees could also store their

curriculum vitae and skills profile in a common system where supervisors could seek for suitable professionals to job rotation. This way the employees and the supervisors can be a part of the job enrichment. Job rotation would add value to both, the employee and the employer. The employee can take know how to another unit as well as bring new ideas back to the home-unit. The Employee's motivation might be positively affected by the job rotation as he/she gets new tasks and gets to work with new colleagues in a new environment. By supporting openness within a work community a supervisor might be able to notice an employee in the need of change and offer the possibility of job rotation. This could easily lessen absences and dissatisfaction and even avoid the situation where an employee leaves the company.

Openness within a branch was felt be an important factor that affects motivation, which can be seen from the need of appraisal, feedback and communication not only between a supervisor and an employee, but also between colleagues. An easy way to enhance openness within a work community could be to organize more activities for colleagues to interact with each other. This could be done by small things for example common breakfasts before a morning meeting, coffee breaks or even a small walk in a park with colleagues before work starts. This way people would get to know each other better and thus be able to communicate better. This would help in giving feedback, asking or offering for help, supporting each other and working as a team.

6   Theoretical linkages

When conducting the research the theoretical part was used as the basis of the survey. We found several reflections between the theoretical section and the empirical study's results, as the modern motivation psychology suggests that individuals' actions are directed by both subconscious and conscious motives; in our research we discovered that although money was important to everyone, respect was highly appreciated by all.

Working motivation defines that employees who are unsatisfied with their work might be unwilling to strive to perform in their work as in the research's qualitative answers employees felt that their work is not motivating if it is not challenging enough and if it lacks variety. In the empirical study 72% of the respondents found it motivating that the work community's atmosphere is open as well as being close with colleagues was felt to be important. The theory of working motivation shows that working environment, being a part of a team and supervisors impact are its core elements.

Abraham Maslow's theory of hierarchy of needs introduced the levels of needs and the study showed that the first two levels of needs, psychological and safety, are not related to work

motivation, but the levels of three and four, love and esteem, came across several times in the responses. The third level includes the needs of affection, belongingness, acceptance and friendship and the fourth level includes status, recognition and attention. The fifth level, which includes growth, achieving ones potential and self-fulfillment, was also brought up in the answers, but not as much as the lower levels, just as Maslow's theory suggested.

When asking about the importance of respect and recognition all the respondents chose that they are both quite high in terms of level of importance, but in comparison with monetary rewards the monetary rewards was more appreciated. This was asked in the research based on McClelland's theory of three needs which are achievement, power and affiliation. As McClelland states that there are high achievers who seek situations where they can do something better or more efficiently and find goal setting to be motivating, the research showed in several parts, both in the qualitative part and in the quantitative part, that in the Bank X there are these high achievers. Their answers showed that they seek challenges and want to succeed in what they do. These high achievers are driven by the intrinsic rewards which are presented also in the theory section. Giving responsibility, opportunities to personal growth, greater job freedom, diversification of activities and possibility to participate in the decision making process are categorized to be intrinsically rewarding.

In the research's quantitative questions there were three direct questions about the physical working environment, and it was clear that the employees felt the environment to be a motivating factor just as anticipated in the theoretical section. Not only was the working station essential but also the outside surroundings of the branch. A tidy and comfortable work environment inside and outside the office building arouses healthy pride towards the employer and motivates the employee to achieve.

The empirical section asked if fringe benefits were a motivating factor and just as in the theory stated, the fringe benefits generally provided by an organization to all employees were not experienced to be that motivating, whereas incentives given by the supervisor were felt to be a motivating factor. The theory states that rewards given by the management and used to reward performance are more highly valued than perks given to every employee.

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List of figures

Appendices

Appendix 1: Covering letter

Hyvä Pankki X:n työntekijä,

olemme kaksi Laurea Ammattikorkeakoulun BBA-linjan opiskelijaa ja suoritamme lopputyönämme tutkimusta Pankki X:n henkilöstön motivaatiotekijöistä. Tutkimuksemme toteutetaan kahdeksassa Etelä-Suomen konttorissa ja toivomme saavamme mahdollisimman paljon vastauksia.

Tutkimuksen tarkoituksena ei ole arvioida tyytyväisyyttä Pankki X:ään työnantajana, vaan löytää vastauksia mikä työntekijöitä konttoreissa motivoi ja miten palkitsemista voisi mahdollisesti kehittää.

Vastaamiseen menee noin 5 minuuttia. Valitse "Respond to this survey". Vastattuasi kysymyksiin, valitse "Save and close".

Etukäteen vastauksistanne kiittäen,

Mikaela Hamm ja Charlotta Colliander

Appendix 2: Questionnaire

Motivaatiotekijät Pankki X:ssä-kysely

💾 Save and Close | Go Back to Survey

Sukupuoli

- ☐ Nainen
- ☐ Mies

Ikä

- ☐ 18-29
- ☐ 30-39
- ☐ 40-49
- ☐ 50->

Työskentelen

- ☐ Palveluneuvoja
- ☐ Asiakas- tai Sijoitusneuvoja
- ☐ Talousasiantuntija
- ☐ Rahoitus- tai Sijoituspäällikkö

Minua motivoi tehdä päivittäin yhteistyötä kollegoideni kanssa (1=Täysin eri mieltä, 5=Täysin samaa mieltä)

	Low		Average		High
	1	2	3	4	5
< >					
1	☐	☐	☐	☐	☐

Minulle on tärkeää saada iloita onnistumisistani kollegoideni kanssa (1=Täysin eri mieltä, 5=Täysin samaa mielt

	Low		Average		High
	1	2	3	4	5

< >

2 ▢ ▢ ▢ ▢ ▢

Minua motivoi se, että työpisteeni on viihtyisä (1=Täysin eri mieltä, 5=Täysin samaa mieltä)

	Low		Average		High
	1	2	3	4	5

< >

3 ▢ ▢ ▢ ▢ ▢

Minua motivoi konttorini kiireinen ilmapiiri (1=Täysin eri mieltä, 5=Täysin samaa mieltä)

	Low		Average		High
	1	2	3	4	5

< >

4 ▢ ▢ ▢ ▢ ▢

Minulle on tärkeää, että konttorin yleiset tilat ovat käytännölliset (1=Täysin eri mieltä, 5=Täysin samaa mieltä)

	Low		Average		High
	1	2	3	4	5

< >

5 ▢ ▢ ▢ ▢ ▢

Minulle on tärkeää, että konttorini sijaitsee viihtyisällä paikalla (1=Täysin eri mieltä, 5=Täysin samaa mieltä)

Low		Average		High
1	2	3	4	5

< >

6 ▢ ▢ ▢ ▢ ▢

Minua motivoi se, että työyhteisössäni vallitsee avoin ilmapiiri (1=Täysin eri mieltä, 5=Täysin samaa mieltä)

Low		Average		High
1	2	3	4	5

< >

7 ▢ ▢ ▢ ▢ ▢

Minulle on tärkeää olla läheinen kollegoideni kanssa (1=Täysin eri mieltä, 5=Täysin samaa mieltä)

Low		Average		High
1	2	3	4	5

< >

8 ▢ ▢ ▢ ▢ ▢

Minun motivaatiooni vaikuttaa Pankki X:n menestys (1=Täysin eri mieltä, 5=Täysin samaa mieltä)

Low		Average		High
1	2	3	4	5

< >

9 ▢ ▢ ▢ ▢ ▢

Työni tulee olla tarkoin suunniteltua sen ollakseen motivoivaa (1=Täysin eri mieltä, 5=Täysin samaa mieltä)

Low		Average		High
1	2	3	4	5

< >

10 ☐ ☐ ☐ ☐ ☐

Hyvään tulokseen pääseminen motivoi minua, en tarvitse erillisiä palkkioita ollakseni motivoitunut (1=Täysin er

Low		Average		High
1	2	3	4	5

< >

11 ☐ ☐ ☐ ☐ ☐

Kilpailuasetelma kollegoideni kanssa on mielestäni motivoivaa (1=Täysin eri mieltä, 5=Täysin samaa mieltä)

Low		Average		High
1	2	3	4	5

< >

12 ☐ ☐ ☐ ☐ ☐

Minua motivoi saada palautetta koskien työsuoritustani (1=Täysin eri mieltä, 5=Täysin samaa mieltä)

Low		Average		High
1	2	3	4	5

< >

13 ☐ ☐ ☐ ☐ ☐

Minua motivoi saada esimieheltäni kannustusta (1=Täysin eri mieltä, 5=Täysin samaa mieltä)

Low		Average		High
1	2	3	4	5

< >

14 ☐ ☐ ☐ ☐ ☐

Motivaationi kannalta on tärkeää, että kaikkia konttorissamme kohdellaan tasavertaisesti (1=Täysin eri mieltä,

Low   Average   High
1   2   3   4   5

<>
15

Tavoitteiden asettaminen esimieheni kanssa motivoi minua (1=Täysin eri mieltä, 5=Täysin samaa mieltä)

Low   Average   High
1   2   3   4   5

<>
16

Esimieheni tuki on minulle tärkeää (1=Täysin eri mieltä, 5=Täysin samaa mieltä)

Low   Average   High
1   2   3   4   5

<>
17

Minua motivoi olla läheinen esimieheni kanssa (1=Täysin eri mieltä, 5=Täysin samaa mieltä)

Low   Average   High
1   2   3   4   5

<>
18

Minua motivoi saada kiitosta esimieheltäni (1=Täysin eri mieltä, 5=Täysin samaa mieltä)

Low   Average   High
1   2   3   4   5

<>
19

Aineelliset palkkiot (HUOM, ei raha) kannustavat suoriutumaan työtehtävistäni paremmin (1=Täysin eri mieltä,

	Low		Average		High
	1	2	3	4	5
< >					
20	☐	☐	☐	☐	☐

Rahapalkkiot motivoivat minua (1=Täysin eri mieltä, 5=Täysin samaa mieltä)

	Low		Average		High
	1	2	3	4	5
< >					
21	☐	☐	☐	☐	☐

Minulle on tärkeää saada tunnustusta tekemästäni työstä (1=Täysin eri mieltä, 5=Täysin samaa mieltä)

	Low		Average		High
	1	2	3	4	5
< >					
22	☐	☐	☐	☐	☐

Henkilöstöedut (esim päivittäisasioinnin maksuttomuus, vakuutusedut yms) motivoivat minua (1=Täysin eri mi

	Low		Average		High
	1	2	3	4	5
< >					
23	☐	☐	☐	☐	☐

Kunnioitus on minulle tärkeämpi motivaattori kuin raha (1=Täysin eri mieltä, 5=Täysin samaa mieltä)

	Low		Average		High

	1	2	3	4	5

< >

24 ▢ ▢ ▢ ▢ ▢

Korkea asema työyhteisössä voisi olla minua motivoiva tekijä (1=Täysin eri mieltä, 5=Täysin samaa mieltä)

Low		Average		High
1	2	3	4	5

< >

25 ▢ ▢ ▢ ▢ ▢

Koko ryhmälle kohdistetut palkkiot ovat motivoivampia kuin henkilökohtaiset palkkiot (1=Täysin eri mieltä, 5=T

Low		Average		High
1	2	3	4	5

< >

26 ▢ ▢ ▢ ▢ ▢

Haasteet työssäni motivoivat minua (1=Täysin eri mieltä, 5=Täysin samaa mieltä)

Low		Average		High
1	2	3	4	5

< >

27 ▢ ▢ ▢ ▢ ▢

Minua motivoi olla työnantajalleni korvaamaton (1=Täysin eri mieltä, 5=Täysin samaa mieltä)

Low		Average		High
1	2	3	4	5

< >

28 ▢ ▢ ▢ ▢ ▢

Minua motivoi se, että saan kannustimia esimieheltäni (1=Täysin eri mieltä, 5=Täysin samaa mieltä)

	Low		Average		High
	1	2	3	4	5
< >					
29	☐	☐	☐	☐	☐

Kerro vapaasti asioista jotka motivoivat sinua työssäsi

Kerro vapaasti asioista jotka laskevat motivaatiota työssäsi