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# MOTIVATING EMPLOYEES

Case: Company XXXX Oy



Bachelor's thesis

Degree Programme in International Business

Valkeakoski 23.11.2012

Elina Heikkilä



Valkeakoski  
Degree programme in International Business  
International Management

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Author	Elina Heikkilä	Year 2012
<b>Subject of Bachelor's thesis</b>	Motivating employees Case: Company XXXX Oy	

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ABSTRACT

XXXX Oy commissioned this study. The company's business is watch and jewellery retail trade, import and export. The purpose of the study was to identify current employee motivation level at XXXX Oy. The study provided theoretical information of motivation, research of current employee motivation level and motivation techniques for the commissioning company.

The current motivation level was examined according to Frederick Herzberg's Motivation-Hygiene theory and Victor Vroom's Expectancy theory. Empirical evidence was gathered through a questionnaire send to all sellers and store managers of XXXX Oy. The results of the questionnaire were analysed according to theories. Suggestions were drawn based on the theoretical background of the thesis, the results of the research and the author's experiences and observations.

Based on the empirical evidence it was concluded that the employees of XXXX Oy are motivated but the current reward system does not motivate employees. The questionnaire response rate was approximately 70 percent, so the results can be considered reliable. Over all the results were positive since the employees were motivated and there were more satisfying than dissatisfying factors. Findings indicate that the reward system could motivate employees but it has to be modified. The thesis offers suggestions on how to maintain the motivation level, how to address non-motivational factors and how the reward system could be modified.

**Keywords** Work motivation, Motivation-Hygiene theory, Expectancy theory

**Pages** 44p. + appendices 22p.

Valkeakoski  
Degree programme in International Business  
International Management

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Tekijä	Elina Heikkilä	Vuosi 2012
Työn nimi	Motivating employees Case: Company XXXX Oy	

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## TIIVISTELMÄ

Tämä opinnäytetyö tehtiin XXXX Oy:lle. Yhtiön toimiala on kello-, koru- ja lahjatavaran vähittäiskauppa, tuonti ja vienti. Opinnäytetyön tarkoitus oli kartoittaa työntekijöiden motivaation tasoa. Opinnäytetyö tarjoaa teoreettista tietoa motivaatiosta, tutkimuksen työntekijöiden nykyisestä motivaation tasosta ja motivointikeinoja XXXX Oy:lle.

Motivaation nykytila tutkittiin Frederick Herzbergin motivaatiohygieniateorian ja Victor Vroomin odotusarvoteorian avulla. Aineisto kerättiin kyselylomakkeella, joka lähetettiin kaikille myyjille ja myymälävastaaville. Kysely analysoitiin teorioiden mukaan. Ehdotukset muodostettiin opinnäytetyön teoreettiseen taustan, tutkimuksen tulosten ja tutkimuksen tekijän kokemusten ja havaintojen pohjalta.

Empiiristen tulosten pohjalta voidaan todeta, että XXXX Oy:n työntekijät ovat motivoituneita, mutta nykyinen bonusjärjestelmä ei motivoi työntekijöitä. Kyselyn vastausprosentti oli noin 70 prosenttia, joten tuloksia voidaan pitää luotettavina. Kaiken kaikkiaan tulokset olivat positiivisia. Työntekijöitä motivoivia tekijöitä oli enemmän kuin ei-motivoivia tekijöitä. Käytössä oleva bonusjärjestelmä voisi motivoida työntekijöitä, jos sitä muutetaan. Opinnäytetyö tarjoaa ehdotuksia, miten motivaatiota voitaisiin pitää yllä, miten puuttua ei-motivoiviin tekijöihin ja miten bonusjärjestelmää kannataisi muuttaa.

Avainsanat Motivaatio, motivaatio-hygieniateoria, odotusarvoteoria

Sivut 44s. + liitteet 22s.

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## CONTENTS

1	INTRODUCTION .....	1
1.1	Background.....	1
1.2	Group X .....	2
1.3	XXXX Oy.....	3
1.4	Purpose and objectives .....	3
1.5	Research methods .....	5
2	MOTIVATION CONCEPTS AND THEORIES .....	5
2.1	Definition of motivation .....	5
2.2	Early theories of motivation .....	7
2.2.1	Maslow's Hierarchy of Needs Theory .....	7
2.2.2	McGregor's Theory X and Theory Y .....	10
2.2.3	Herzberg's Motivation-Hygiene Theory .....	11
2.2.4	Comparison between early theories of motivation .....	13
2.3	Contemporary theory of motivation .....	15
2.3.1	Victor Vroom's Expectancy Theory .....	15
3	CURRENT MOTIVATION STRATEGIES .....	18
3.1	Reward system.....	18
3.2	Staff purchases.....	18
3.3	Personnel benefit: Sports and culture vouchers .....	18
4	CURRENT LEVEL OF EMPLOYEE MOTIVATION.....	19
4.1	Method.....	19
4.1.1	Sample size .....	19
4.1.2	Procedure .....	19
4.2	Classifying questions.....	20
4.3	Factors affecting employee motivation .....	20
4.3.1	Motivational and demotivational factors at the case company.....	20
4.3.2	Factors leading to satisfaction at the case company .....	23
4.3.3	Factors leading to dissatisfaction at the case company.....	26
4.4	Current motivation technique .....	29
4.4.1	Expectancy .....	29
4.4.2	Instrumentality.....	30
4.4.3	Valence .....	32
4.4.4	Equity.....	33
5	SUGGESTIONS .....	33
5.1	Motivation plan.....	34
5.1.1	Three stage feedback session .....	34
5.1.2	Communication .....	36
5.1.3	Recognition.....	36
5.1.4	Job rotation within the company .....	37
5.1.5	Task rotation in the stores .....	38
5.2	Reward system improvements.....	39
5.2.1	Rules of the bonus system .....	39

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5.2.2	Harmonizing the reward system.....	39
5.2.3	Setting motivating bonus target .....	40
5.2.4	Factors that could increase the motivation.....	42
6	CONCLUSIONS.....	43
	SOURCES.....	45

Appendix 1 Cover letter in Finnish

Appendix 2 Cover letter in English

Appendix 3 Questionnaire in Finnish

Appendix 4 Questionnaire in English

Appendix 5 Questionnaire results

# 1 INTRODUCTION

## 1.1 Background

“Are happy workers productive, or are productive workers happy” (Robbins, DeCenzo, David & Moon 2008, 265.)

Employees are the most valuable assets for any business. People are complex and therefore hard to manage. A good manager needs to understand the behaviour of the employees and the reasons behind these behaviours. The challenge of motivating others is that each person has his or her own motivators. Some are motivated by job satisfaction or making good to other people. Others are motivated by the pursuit of economic success or by competition. Understanding another persons' way of thinking is the most demanding area of managing people. (Bagshawe 2011, 11; Hokkanen, Mäkelä & Taatila 2008, 34.)

All managers would like to have employees whom are productive and interested in working towards the same goals as the organization does. The productivity of employees has gone up for several years. Does this mean that employees are happy and therefore more effective? Or is it just the trend in today's world. Do we ask too much from our employees? What makes another employee satisfied and another dissatisfied? By understanding what motivates and demotivates employees the company can better develop and improve the productivity of their workforce. The company can answer to the challenges raised in the business field. (Robbins et al. 2008, 265; Ebert & Griffin 2007, 238; Quinn 2010, 52.)

People often think that they can motivate others but it is just a misconception. Motivation is an internal process. A person has to motivate himself in order to be truly motivated. An employer can provide conditions and environment as a platform for motivation, but cannot force an employee to be motivated. By understanding what factors create these conditions you are creating the base for a good working environment. (Bagshawe 2011, 16.)

There are several universal positive and negative factors affecting on all of the employees work motivation. Positive motivators are things that we want to achieve. In order to achieve what we want we are willing to work towards our goal or goals. Negative motivators work the opposite way. Things we dislike we try to avoid but it does not mean we do not take action towards them. Independence is one of the universal positive motivators. People like to think they are special. They have their own individual thoughts, feelings and opinions. There is no one similar to them and therefore they cannot be replaced. If a person feels like he/she is being controlled too much like their independency would be gone they might feel suffocated. Too little independency at the workplace works as a negative motivator. Most people would like to live in a world where they know what will happen tomorrow, next week or even in year ahead. Life will have a rhythm, day turns into a night and night turns into a new day.

Most of the people like consistency and predictability in their life. The same applies to work life if we know we will have a place in the company year ahead we are able to plan our life ahead, pursue our dreams. If the company situation is unstable and there is only a little consistency, it will leave the employee feeling uncertain of the situation and therefore uncertain about their life. (Bagshawe 2011, 17-19.)

Most of the factors provide desirable and less desirable aspects. People tend to seek “pleasure” they want to feel good. People try to balance between private and work life by continually balancing between them. The main two concrete motivational factors are salary and benefits. It is more than likely that one employee works more today than they did 15 years ago. Lot of downsizing and outsourcing has happened in companies. Now one employee does the work alone, which was originally meant for two or three employees. Salary has gone up but so has the workload. The increase in salary has not been major compared to the workload. Employee benefits and health benefits have been cut. Employers offer less and expect more. Should this motivate employees? (Bagshawe 2011, 21; Robbins et al. 2008, 265-266.)

Employer must bear in mind than things that once worked as motivators such as steady job, good working conditions and reasonable pay might later on work as demotivators. People tend to get use to things like steady job and won't appreciate it and recognize the value of it after a while. Employer cannot think that once he/she has done a good base it will last forever. Motivators are not ongoing they will wear off and need constants updating. (Bagshawe 2011, 23.)

### 1.2 Group X

The case company XXXX Oy is a member of Group X. Group X is watch, jewellery and gift store cooperative in Finland. Its stores are located widely through Finland. Together these stores form a nationwide marketing, importing and distribution network. The company has worked in this business field approximately 40 years. The group consists of 15 dealers whom own 85 stores located in 43 different districts. Group's net sales in 2011 amounted to 70 million euro, with over 27% of the market share. Group X employs about 400 people.

Group X can guarantee low prices on all watch and jewellery brands due to the groups own importing and manufacturing activities. Its stores invest for a wide range of watches, diamond and gold jewellers, silver jewellers, silverware and giftware of international and Finnish brands. Most of the stores also provide watchmaker and goldsmith services.

Group X distributes many international brands. Its stores retail high-end brands such as Omega, Tag Heuer, Raymond Weil and Breitling. The company has their own line of diamond, gold, and silver jewellery.

The purpose of Group X is to cooperate with its members. Support members of the cooperative to better succeed in the line of business. Imports, as well as domestically acquired watch and jewellery sector products for its members for retail, financial consulting, and marketing and other support services are included in its portfolio. The cooperative can also engage retail sales of watch and jewellery sector. The cooperative may offer its services to non-members.

### 1.3 XXXX Oy

The limited liability case company XXXX Oy is a member of Group X. XXXX Oy is a medium-sized enterprise that has worked in watch, jewellery and gift store business approximately 14 years. The company's business is watch and jewellery retail trade, import and export. The company has approximately twenty stores in about ten different locations. Company's net sales in 2011 amounted to 11 million euro. The company employed in 2011 total of 63 people.

Its stores product range consists of well-known high quality international and domestic products. The selection includes watches, diamond jewellery, gold and silver jewellery, silverware and giftware. Group X own line of diamond, gold, and silver jewellery are represented at the case company's stores.

XXXX Oy imports and represents two brand watches in Finland. These brand watches can be found at high quality jewellery and watch stores as well as on their own brand stores.

### 1.4 Purpose and objectives

The purpose of this study is to identify current employee motivation level at XXXX Oy. What are the reasons that make employees motivated and whether the motivation of the current is still fully operational. This study will to provide a research of current employee motivation level in the case company. This study will provide theoretical information of motivation to the commissioning company and aims to provide motivation techniques for the commissioning company.

In commissioners' opinion, it is important at the moment to find out ways how to motivate employees in order to make business more successful. Since the company does not have a human resource department in the author's opinion this subject will benefit both the employer and the employees of XXXX Oy. Author has worked in the commissioning company almost three years. Author has seen that the lack of motivation has been increasing within the employees of the commissioning company. Motivating employees should not be forgotten since it is very powerful tool.



Case company operates in the field of business that is not necessarily needed to survive for example food. The company's business is watch and jewellery retail trade, import and export. Customers seek pleasure in the form of a gift, either for themselves or for someone else. Employees have to be motivated to sell happiness to others. If employees are not happy will that affect on their ability to sell happiness to the customers?

Since there are not many opportunities for better positions or rise of salary within this business, motivating employees in order to keep them interested and satisfied is really important. Watch and jewellery retail trade, import and export business is a really tough and competitive business field. In order to grow and remain in the business the company needs good motivated employees since the employees are the key to success. It can be said that the employees are the core of the business and they are the ones who stretch when it is needed in order for the company to grow. Employees face excessive workload and rising stress levels. To get the most out of the employees there has to be something in it to them too. Motivating employees will be good for the employees as for the company itself.

This study belongs into the field of international management. The main theories used in this study are Frederick Herzberg's Motivation-Hygiene theory and Victor Vroom's Expectancy theory but also two other early theories of motivation are introduced since they formed a foundation on motivational theories. These early theories of motivation are still used among many managers. In this study author will concentrate on two theories Frederick Herzberg motivation-hygiene theory and Victor Vroom's expectancy theory. Author chose Frederick Herzberg motivation-hygiene theory because it emphasizes that certain factors affect employees work motivation. Job satisfaction will rise when certain needs are fulfilled. As in this study author will search factors affecting motivation in the case company. Author chose Victor Vroom's expectancy theory because it emphasizes payoffs and rewards, which are motivating techniques used at the case company. Author will study the current motivation technique to find out if it is still fully operational.

Research question of the study: How to motivate employees?

Research problem of the study: Ways of how to motivate and whether the motivation of the current is still fully operational in the case company.

The objectives of this study are:

1. To describe theoretical background of motivation
2. To analyze current employee motivation by conducting a research
3. To compare the results of the research with the theoretical background of the study
4. To provide suggestions how to improve employees motivation in the commissioning company

Limitations of the study: This study will only concentrate on employees working as sellers and as store managers at XXXX Oy. The study will exclude all the other employees of the commissioning company.

### 1.5 Research methods

This study is based on desk and field research. Desk research is used to collect information from books and from other literature to present background to the study and theoretical background used this study. Also online sources such as e-books and intranet sources are used to collect information.

Field research is used to gather empirical evidence to support the theoretical background used in this study. Tailored online questionnaire was formulated and send as a link through Webropol to the employees of the commissioning company. Webropol is a research website tool provided by HAMK University of Applied Sciences. Authors own experiences and observations are also used to support suggestions of the study.

## 2 MOTIVATION CONCEPTS AND THEORIES

This chapter will introduce concepts and theories used in this study: early theories of motivation and contemporary theory. These early theories formed a foundation on motivation and are still used among many managers. This study will concentrate on work-related behaviour.

### 2.1 Definition of motivation

Motivation is hard to define. Motivation has been studies thoroughly and there are several theories of what motivates people. The factor that motivates one employee might not motivate another employee. Bagshawe (2011, 14) stated that motivation is “what makes us do what we do”.

Ebert & Griffin (2007, 245) stated that “Broadly defined, motivation is the set of forces that cause people to behave in certain ways.” It is important to understand why some employees are motivated to work hard and some just enough to get by.

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

All people have the ability to be motivated. Motivation is in all of us. Some managers think that some workers are just unmotivated. Motivation is not a personal trait. Time affects motivation. Person can be highly motivated to achieve the set goal today but next day motivation level has lowered significantly. (Robbins et al. 2008, 266.)

“Motivation is a function of three key elements: effort, organizational goals, and needs.” In this study author concentrates to motivation as effort towards organizational goal. (Robbins et al. 2008, 266.)

“The *Effort* element is a measure of intensity.” When a person is motivated he or she is more likely to try harder to reach the set goal. That said if a person is exceeding high levels of effort but is not sharing the same goal, as the organization the outcome of the performance is most likely unfavourable. Quality and intensity of the effort will affect to the end results. If the person shares the same goal as the organization, and this is consistent with the organization’s goal, this effort would be favourable to the organization and to the employee. If there is a difference between the individual’s needs and organization’s goals, this may lead to unproductive behaviour. (Robbins et al. 2008, 266-267.)

*Need* element is “An internal state that makes certain outcomes appear attractive.” When a person is dissatisfied it creates tension. This tension needs to be released. The tension stimulates drives to search behaviour to satisfy and reduce the need. (Robbins et al. 2008, 266.)



Figure 1 The motivation process

Robbins (2008, 266-267) proposes that motivated employee is in the tension mode. Employee tries to release the tension by exerting effort. Employee strives to find a solution. The more tension there is, the greater effort level employee has. If effort leads to satisfaction of the need, it reduces tension.

For example many employees spend their time at work by browsing websites like Facebook and news, talking with their co-workers about their personal life in order to satisfy their social needs. These employees exceed high levels of effort. In other words, they are doing multiple tasks at the same time. From an organizational perspective, they are not doing the right tasks in order to reach the goals of the organization.

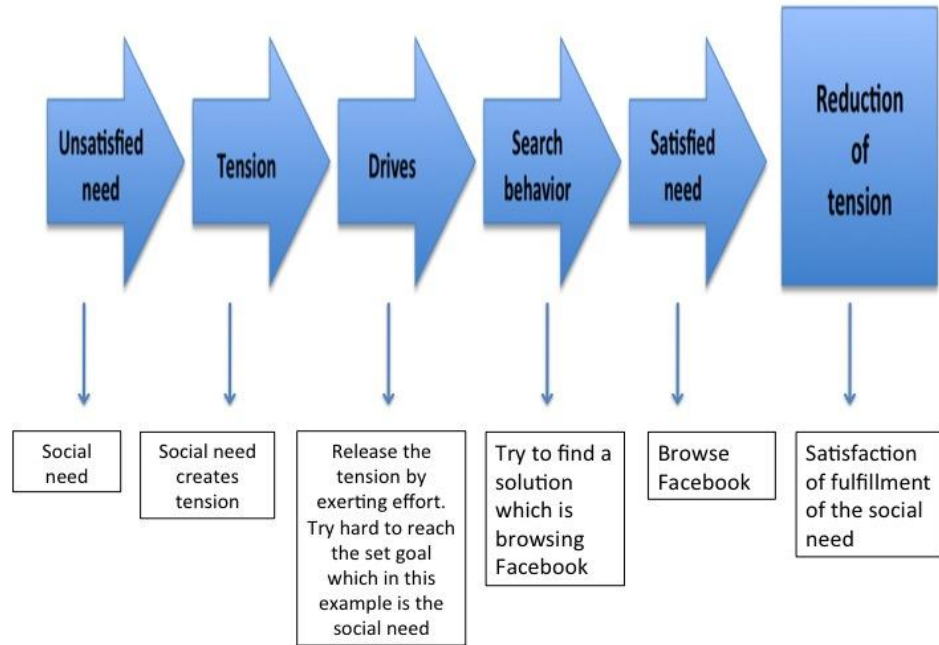


Figure 2 Motivation process example

## 2.2 Early theories of motivation

In the 1950s three specific theories of motivation were formed. Author will introduce and compare these theories briefly in order to justify the theories used in this study. Early theories of motivation have faced major doubts since they are not empirically supported. In today's world these theories are considered questionable. Nevertheless these theories are the base for understanding employee motivation and used still among many managers. (Robbins et al. 2008, 267.)

### 2.2.1 Maslow's Hierarchy of Needs Theory

Abraham Maslow's hierarchy of needs theory is the best-known motivation theory. "He stated that within every human being exist a hierarchy of five types of needs." (Robbins et al. 2008, 267.)

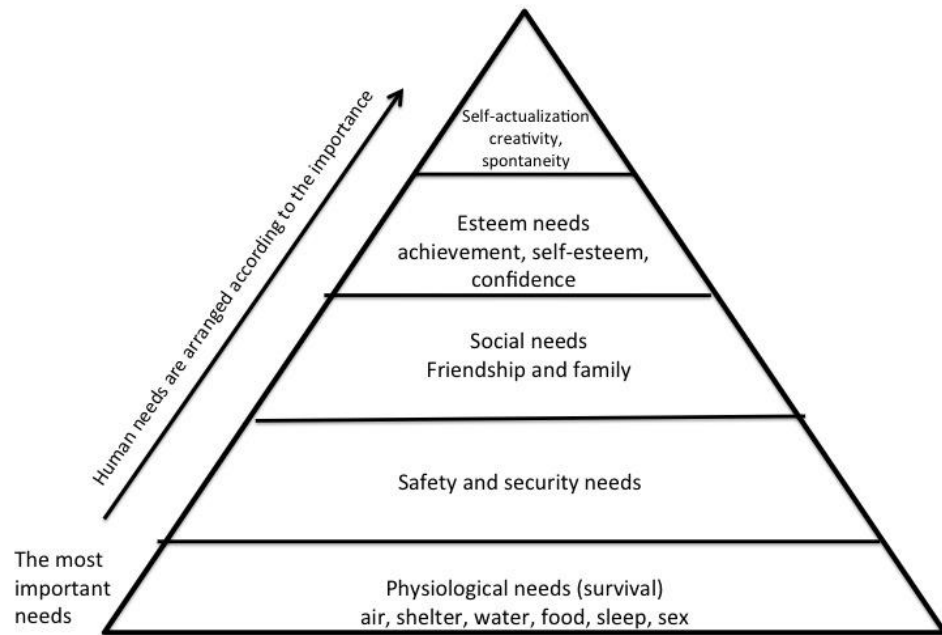


Figure 3 Maslow's Hierarchy of Needs

**Physiological needs:** Air, shelter, water, food, sleep, sex and other bodily requirements are at the bottom of the pyramid since they are the most important. Person is most motivated to fulfil these needs since these are the needs, which keeps the person alive. When an employee is able to keep his job he is motivated enough to fulfil his physiological needs. By having steady income employee can buy food and have a place (shelter) to sleep in. What if the income is not enough to support his basic needs? Motivating minimum wage employee could be hard since the basic level of needs is not fulfilled. This can lead to the situation that the employee is only doing enough in order to keep his job but he is not motivated to do his best. (MTD Training 2010, 19.)

**Safety needs:** "Security and protection from physical and emotional harm" After an employee has managed to fulfil his basic needs such as food and shelter he is motivated to reach safety needs. Job security, financial savings and insurance policies are all safety needs. People want to have order in their life. Most of us need predictability in order to avoid stress of the unknown. Safety needs are not just needs of our own physical safety, but also feelings of the well-being of others. Employees want to feel safe at work without any concerns of harassment or bullying. Nor do they want to worry of losing their job. (Robbins et al. 2008, 267; MTD Training 2010, 21.)

**Social needs:** Needs of social interactions such as friendship, family, acceptance, belongingness. These needs can be pursued when lower lever needs have been met. All people want to be loved, cared for, and accepted by others. People need to feel like they are part of something. For that reason, they form close relations with friends, need family or want to be a part of a work society. Failing to meet these needs person is more likely to feel lonely, experience social awkwardness or evenfall for depression. (MTD Training 2010, 22.)

*Esteem needs:* are divided into “*Internal esteem factors* such as self-respect, autonomy, and achievement, and *external esteem factors* such as status, recognition, and attention” Compared to social needs, esteem needs are needs that are more personal. These are factors of how we see ourselves or think how others see us. People like to reinforce their self-image and the image they have given to other people. Strong self-esteem is based on employees’ own achievements and other internal esteem factors. Fragile self-esteem is based on external esteem factors such as recognition and attention. (Robbins et al. 2008, 267; MTD Training 2010, 22-24.)

*Self-actualization needs:* “Growth, achieving one’s potential, and self-fulfilment; the drive to become what one is capable of becoming” This individual need can be only achieved when all the other needs of the hierarchy have been met. Person highly self-actualized will notice how motivated he is by the things that makes him happy such as being a good parent. Not motivated by his job since it is just what he needs to do. His self-confidence will rise and he can accept himself as he is. Self-actualization needs are hard to reach but employer can help employees to reach them by offering them opportunities to volunteer at the local charity or attend to higher education courses. (Robbins et al. 2008, 267; MTD Training 2010, 24-25.)

Maslow stated that as each need becomes satisfied, the next need becomes dominant. In order to be able to motive an employee manager has to understand on what stage on the hierarchy employee is. By satisfying the need at the current level, the employee is in the hierarchy or above that level. (Robbins et al. 2008, 267.)

According to Ebert & Griffin (2007, 247) human needs are arranged according to the importance. The most important are basic needs (physiological needs), which are at the bottom of the model. For a person these basic needs such as food, sleep and air are the most important to fulfil in order to live. After basic needs, it is important to fulfil safety and security needs. Then social needs, esteem needs and at last self-actualization needs. Person acts according to the importance of the need if physiological needs are not satisfied person is not motivated to satisfy safety and security needs. (MTD Training 2010, 19.)

Maslow also separated the pyramid into higher and lower levels. “Physiological and safety needs were considered lower-order needs; social, esteem, and self-actualization needs were considered higher-order needs.” Low-order needs are satisfied externally and high-order needs are satisfied internally. (Robbins, DeCenzo & Coulter 2011, 294.)

Maslow's theory has been studied and updates to the theory have been made. Studies suggest that people could be on several levels at the same time and move up and down on the hierarchy overnight. Maslow's theory is widely understood and used among managers still in these days. Hierarchy of needs theory is logical and easy to understand. When Maslow created his theory of needs, he did not provide any empirical support. There are many studies made of Maslow's theory but those studies have not been able to validate the theory. (Quinn 2010, 54; Robbins et al. 2008, 267.)

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

Douglas McGregor's theory of X and theory of Y. McGregor's theory suggests two distinct views of the nature of human. Negative and positive views were labelled as theory X and theory Y. (Robbins et al. 2008, 268.)

<b>Management style and effect</b>	
<b><u>Theory X</u></b>	<b><u>Theory Y</u></b>
1 People hate work	1 People like work
2 People have to be forced to work	2 people drive themselves and work effectively
3 People prefer to be told what to do	3 People will take the initiative given opportunity
4 People are selfish and have no interest in the organization	4 People will commit themselves to objectives if it is beneficial to them
<b>MacGregor concluded that employee behaviour was the result of the style of management</b>	
24 Motivation & Behaviour 10	COVENTRY UNIVERSITY

Figure 4 McGregor's theory of X and theory of Y  
(<http://web1.eng.coventry.ac.uk/EMDATA/96mgtstyle.html>)

*Theory X* “the assumption that employees dislike work, are lazy, seek to avoid responsibility, and must be coerced to perform.” For example Anna is theory X manager. She believes that her employees are lazy, have little ambition and are uncooperative. In order to motivate employees she either has to punish them or reward them. (Robbins et al. 2008, 268; Ebert & Griffin 2007, 246.)

*Theory Y* “the assumption that employees are creative, seek responsibility, and can exercise self-direction.” For example Ben is theory Y manager. He believes that his employees are self-motivated, productive and cooperative. Therefore he can motivate employees by giving them responsibilities such as decision-making in order to maximize the work effort. (Robbins et al. 2008, 269; Ebert & Griffin 2007, 246.)

McGregor's based his theories on manager's view of human nature. Manager makes assumptions based on the employees' behaviour, which is either positive or negative. Manager acts according to these assumptions towards the employees. (Robbins et al. 2008, 268.)

Contrasting Maslow's theory to McGregor's theory. Theory X suggests that employees are at the lower levels of the needs hierarchy. Theory X employees are barely meeting the physiological and safety needs and therefore they do not try to reach further. Theory Y employees have met physiological and safety needs. Therefore, employees are trying to meet social and even esteem needs. (Robbins et al. 2008, 268.)

McGregor believed that assumptions of the theory Y are more valid but he was not able to provide any proof for his assumptions. Neither one of the theories have been proved to be used individually motivating employees. (Robbins et al. 2008, 268.)

### 2.2.3 Herzberg's Motivation-Hygiene Theory

Frederick Herzberg motivation-hygiene theory also called as two-factor theory suggests that employees' work environment affects their work motivation. Employees whom are satisfied at work would be motivated and employees whom were dissatisfied would be un-motivated. Employees could affect performance results by believing that their own attitude towards work can determine the success or failure. (Robbins et al. 2008, 269; MTD Training 2010, 11.)

Herzberg studied his theory by asking employees what they want from their job. He asked employees to explain in detail moments at work when they felt good (satisfied) or bad (dissatisfied). Herzberg made a list of those moments and the factors behind them. The top six motivators that create satisfaction and the top six hygiene factors that create dissatisfaction are represented in the figure five. Factors are in order from the highest importance to lowest importance. (Robbins et al. 2008, 269; MTD Training 2010, 12.)

**Motivators** are intrinsic factors that create satisfaction. For example recognition and responsibility can work as powerful motivators leading to work satisfaction.

**Hygiene factors** are extrinsic factors that create dissatisfaction. For example, employee feels that he is having too tight supervision and no responsibilities.



Factors Affecting Job Attitudes	
Leading to Dissatisfaction	Leading to Satisfaction
<ul style="list-style-type: none"> <li>• Company policy</li> <li>• Supervision</li> <li>• Relationship with boss</li> <li>• Work conditions</li> <li>• Salary</li> <li>• Relationship with peers</li> </ul>	<ul style="list-style-type: none"> <li>• Achievement</li> <li>• Recognition</li> <li>• Work itself</li> <li>• Responsibility</li> <li>• Advancement</li> <li>• Growth</li> </ul>

Figure 5 Herzberg motivation-hygiene theory (MTD Training 2010, 12)

The results of Herzberg's study showed that the replies differed strongly with people who felt good about their job and with people who disliked their job. Herzberg proved that certain characteristics were strongly related to job satisfaction and certain characteristics to dissatisfaction. (Robbins et al. 2008, 269.)

Employees mentioned *intrinsic factors* when they felt good about their job. Intrinsic factors are factors that affect to persons self motivation. These factors differ between individuals and within their life situation. Factors like achievement and responsibility, which are characteristics of the job itself. (Robbins et al. 2011, 294; Hokkanen et al. 2008, 34-35.)

*Extrinsic factors* were mentioned when employees felt dissatisfied. Extrinsic factors are factors that affect employees' behaviour from the outside. Such as company policy and supervision, which are characteristics related to the company. These characteristics are not directly related to the job and therefore to the employee itself. Employee response to extrinsic factors depends on his intrinsic factors. (Robbins et al. 2011, 294; Hokkanen et al. 2008, 34-35.)

"The opposite of satisfactions is not dissatisfaction." Herzberg made a suggestion "that the opposite of satisfaction is no satisfaction and the opposite of dissatisfaction is no dissatisfaction." (Robbins et al. 2008, 269.)

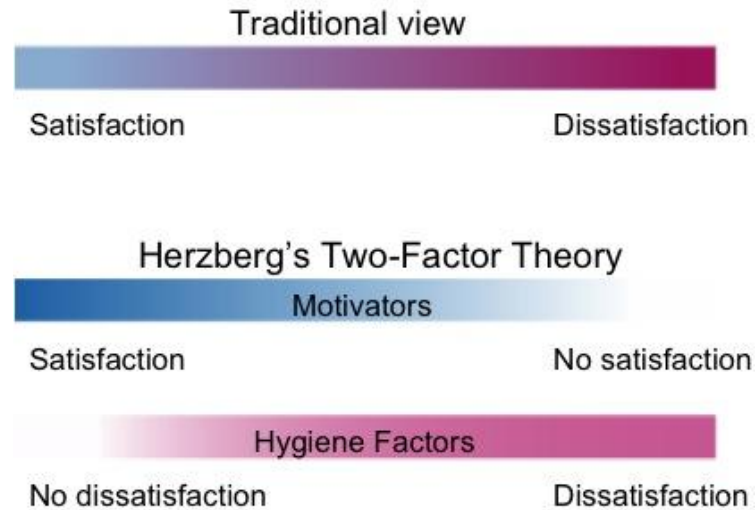


Figure 6 Contrasting Views of Satisfaction-Dissatisfaction  
(<http://mathehu.wordpress.com/>)

He believed that hygiene factors eliminate job dissatisfaction but do not work as motivators. Having hygiene factors in a work environment do not make employees dissatisfied. By removing dissatisfying characteristics from a job does not for sure make the job more satisfying. If all hygiene factors are taken away, it might demotivate employees. For example decrease in work environment, no personal parking space anymore. (Robbins et al. 2008, 269; MTD Training 2010, 12; Hokkanen et al. 2008, 35.)

Factors of satisfaction and dissatisfaction are not exact opposites. A manager cannot assume that by removing one or the other the opposite results will be achieved. For example, an employee A knows he is getting lower salary for the same job than his colleague. His motivation goes down. Manager decides to raise his salary higher than to his colleagues. Employee A now knows his salary is better than others but his motivation is not significantly raised even though he now has better salary compared to his colleagues. (MTD Training 2010, 12; Hokkanen et al. 2008, 35.)

Managers that try to reduce factors that create job dissatisfaction can't fool themselves thinking that by removing dissatisfying factors they will motivate workers. Motivating employees is much more trickier than that. Herzberg suggested focusing on motivators, characteristics of the job itself. Also, Herzberg's theory has been criticized but it is used among many managers. (Robbins et al. 2008, 270.)

### 2.2.4 Comparison between early theories of motivation

*Abraham Maslow's hierarchy of needs theory.* "Hierarchy of five human needs: physiological, safety, social, esteem, and self-actualization; as each need becomes satisfied, the next need becomes dominant." (Robbins et al. 2008, 267.)

*Douglas McGregor's theory X and theory Y.* Theory suggests two distinct views of the nature of human, negative and positive. Theory X “assumption that employees dislike work, are lazy, seek to avoid responsibility, and must be coerced to perform.” Theory Y “assumption that employees are creative, seek responsibility, and can exercise self-direction.” (Robbins et al. 2008, 268-269.)

*Frederick Herzberg motivation-hygiene theory.* “Intrinsic factors are related to job satisfaction and extrinsic factors are related to job dissatisfaction.” (Robbins et al. 2008, 269.)

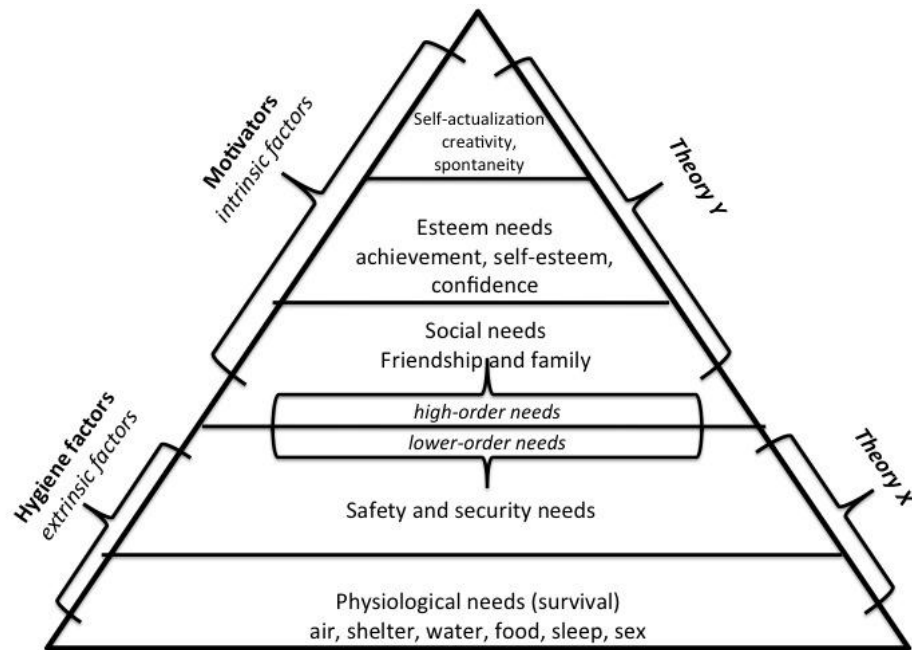


Figure 7 Comparison between early theories of motivation

All early theories of motivation are based on the idea that person behaves in a certain way in order to fulfil their internal needs. Maslow's theory and Herzberg's theory are alike. Both theories have the same assessment criteria. Where Maslow's theory has five stages, Herzberg's theory has two stages. Hygiene factors correspond to physiological needs and safety and security needs. Motivators correspond to social needs, esteem needs, and self-actualization needs. In order to motivate according to Maslow's theory each need has to be fulfilled before moving to the next need. Each need then works as motivator. According to Herzberg's theory fulfilling hygiene factors will only make the person neutral not motivated but fulfilling motivators will make the person motivated and satisfied. Maslow also separated the pyramid into higher and lower levels. Herzberg separated his theory to extrinsic factors and intrinsic factors. Low-order needs and extrinsic factors are satisfied externally and high-order needs and intrinsic factors satisfied internally.

McGregor's theory Y suggests that employees can be motivated by offering them responsibilities and in Herzberg's theory responsibility works as a motivator. In Maslow's theory, responsibility can be part of an esteem need or self-actualization need. When comparing McGregor's

theory X to Maslow's theory of needs the assumption McGregor made that employees try to avoid responsibility could be a result of lower level needs are not fulfilled and therefore a person is not motivated to seek responsibilities.

The most motivating factors are the factors that individuals can affect themselves. Those factors are controls over their own job performance. These factors will most likely make them focus better, achieve the set goals and get recognition. Being able to control these factors that bring them satisfaction will balance those factors that brings them dissatisfaction and, which they have no control. (MTD Training 2010, 13.)

To have satisfied and motivated employees employer has to offer responsibilities and opportunities for advancement. Being able to volunteer for responsibilities, which are important to the employee such as local charity, will bring satisfaction to the employee. Most often employees whom enjoy their jobs are motivated. (MTD Training 2010, 13.)

### 2.3 Contemporary theory of motivation

Contemporary theories of motivation have grown from the need to prove and update early theories of motivation. Contemporary theories are current valid explanations of employee motivation supported by research. In this study author will introduce only Victor Vroom's Expectancy Theory since it emphasizes payoffs and rewards, which are the motivating techniques used at the case company. Other major contemporary theories are McClelland's Theory of Needs, Equity Theory, Goal Setting Theory and Job Design Theory.

#### 2.3.1 Victor Vroom's Expectancy Theory

Victor Vroom's Expectancy Theory suggests, "Individual tends to act in a certain way, in the expectation that the act will be followed by a given outcome, and according to the attractiveness of that outcome." (Robbins et al. 2008, 275.)

Expectancy theory differs from others by concentrating on the outcomes not on the needs of a person. Vroom suggested that *effort* is the result of motivation. Motivated employee will *perform* and that performance will lead to *outcomes*. "In order for a person to be motivated to put forth the effort, he or she must see a link between the three factors effort, performance, and outcome." (MTD Training 2010, 13.)

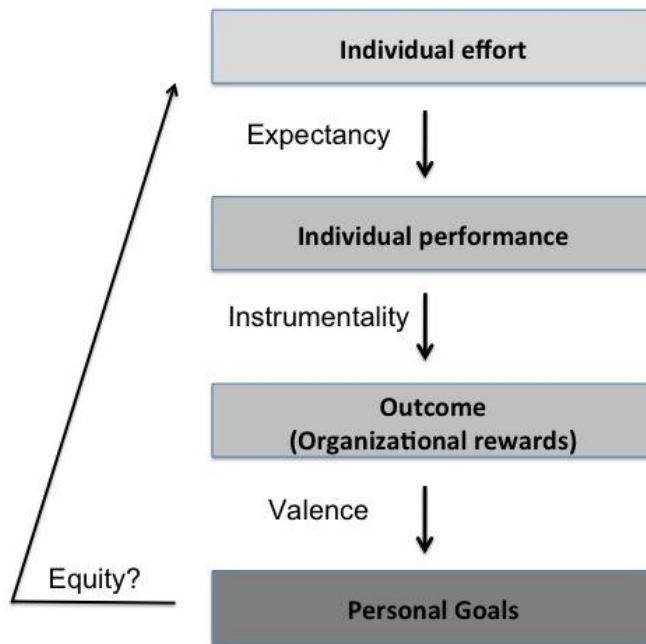


Figure 8 Victor Vroom's Expectancy Theory

**Expectancy linkage.** Employee believes that the individual effort he is putting in can affect on the performance. For example if you work hard your performance will rise. In order to expect employee needs resources, skills, knowledge and support.

- Resources, which are need to perform the job such as hardware and time
- Skills and knowledge to perform the job
- Support like approval to move forward

According to Vroom's theory when designating duties or setting goals for employees' manager has to know each of the employees' skills. If an employee is assigned to a job he has no skills to complete, manager is setting that employee up for a failure. (MTD Training 2010, 13-15.)

**Instrumentality linkage.** Employee believes that his individual performance will affect the outcome and he will be rewarded. Employee has to know there is something for him too if he is doing the job well. For example, by working hard you will reach better results and when you reach better results you will be rewarded. In order to believe employee has to know the expectations, have trust and see transparency.

- Employee needs to understand what is expected from him. What he needs to achieve in order to get a reward
- Trust the people deciding of your reward. Whether getting it or not
- Outcome should correspond the reward and the process should be transparent

Example reward system, the system (expectations) has to be clear to all employees. Consider all possible outcomes in order for a manager to know how to act in every situation. Have consistent rules in order to gain employee trust. Have transparent process for example post result in the

board. In order for employees to understand why they got rewarded or did not get rewarded. (MTD Training 2010, 15.)

*Valence.* “The importance that a person places on the reward or expected outcome.” Most often manager has to consider varieties of rewards since all employees are individuals and therefore they have different motivators. What motivates one employee might not motivate another. In order to motivate all employees is it very important to know what motivates each employee. If a manager fails to find motivators for each employee, he might only motivate some and demotivate others. (MTD Training 2010, 16.)

For example, employee A desires to be a good mother and employee B wants to travel around the world. Manager decides to motivate employees by monetary reward system, which is tied to quick performance results. Employee A is doing a great job within the working hours, but since her motivator is to be a good mother, she leaves after regular working hours. Employee B stays beyond working hours in order to reach quick result. Quick results will give him the monetary reward and he is able to fulfil his desire, a trip around the world. Manager fails to motivate both employees. He actually motivates employee B but demotivates employee A.

*Equity?* Most of the employees like to compare their outcomes with their colleagues. If they notice that with different outcomes, they still got the same reward they might stop trying to reach their best but only do enough in order to get the reward. For example, employee A sold 1000 products and got his fifty-euro reward. Employee B sold 500 products and got the same fifty-euro reward. Most likely employee A will reduce his effort next time. He will be less motivated to reach the best he can because he felt inequalities in the rewarding system. (MTD Training 2010, 16.)

Equity is a major challenge for managers. Reward system has to be designed carefully. The most effective reward system is tied to units. If there are caps in the system such as with selling 500 or 1000 products employee will get the same reward. Eventually employees will stop reaching to 1000 products since they are not motivated to sell more than 500 in order to get rewarded. Manager has to add flexibility to the reward system. He needs to be able to adjust the rewards based on employee performance. Managers have to keep in mind that the reward system has to stay transparent and expectations should be clearly stated. (MTD Training 2010, 16.)

Employees try to satisfy their own motivators. In order to satisfy their own needs they need to understand what they are expected to do, in order to reach the organizational goal, and how they will be rewarded when reaching this goal. Manager has to believe his is offering rewards, which are motivators for all employees. He needs to understand what makes each employee tick. Vroom’s theory is based on self-interest and expected behaviours. It emphasizes payoffs and rewards. The theory is based on understanding another person’s needs. (Robbins et al. 2008, 278; MTD Training 2010, 16.)

### 3 CURRENT MOTIVATION STRATEGIES

#### 3.1 Reward system

Companies want to affect employees' behaviour in order to reach better results. Shaping employee behaviour by linking a positive reinforcement with the desired behaviour and punishment with undesired behaviour. Positive reinforcement such as reward system is tied directly to performance. When an employee performs desired behaviour, a manager provides a reward. This reward can be seen as a positive reinforcement. When planning reward system Victor Vroom's Expectancy theory should be considered. Rewards system has to be clear and transparent to all employees. Often better results are achieved when rewards are tied to short-term targets. Individual targets will decrease teamwork but encourage individual effort and company profit targets vice versa. (Ebert & Griffin 2007, 251; Bagshawe 2011, 43.)

XXXX Oy has a bonus reward system, which is made to motivate employees to reach better sales. Bonus reward system is store-specific and based on monthly sales target. Rules of the bonus reward system are following:

- Permanent employees are entitled to a bonus of hundred euro per month
- Employees who has regular working hours in the work contract which are at least 120 hours per month and are continuously employed are entitled to a bonus of hundred euro per month
- Seasonal workers are entitled to a bonus of fifty euro per month
- An employee must have at least 4000 euro sales within the bonus month to be entitled to a bonus
- Bonus is paid a month after reaching the sales target

This reward system has been updated in June 2008.

#### 3.2 Staff purchases

All employees of XXXX Oy are entitled to buy products at a staff price. The price for the product is calculated by wholesale price multiplied with 1.1. Some suppliers give extra discounts for employees when the order has been made directly to the employee. These suppliers extra discount are often limited to one product per year.

#### 3.3 Personnel benefit: Sports and culture vouchers

XXXX Oy wants to promote the well-being of their employees by offering them an opportunity to purchase sports and culture vouchers. Sports and culture vouchers allow employees to participate in sport as well as culture related activities at lower costs. Such as movie, museum, theatre, gym,

swimming and skiing tickets can be bought with the voucher at a lower cost. Employee can purchase 55 sports and culture vouchers in a year. The cost of one voucher for the employee is two euro and the voucher is worth five euro.

## 4 CURRENT LEVEL OF EMPLOYEE MOTIVATION

This chapter examines current level of employee motivation in the case company. Conducted research method, sample size and the procedure are presented in this chapter. The research results are analysed according to the results in appendix 5.

### 4.1 Method

The purpose of this study was to identify current employee motivation level at XXXX Oy. What are the factors that make employees motivated and whether the motivation of the current is still fully operational. To gather empirical evidence of the current level of employee motivation at the case company questionnaire was formulated. The questions were based on the theoretical background used in this study.

The questionnaire was pretested with two employees. Corrections were made according to the comments given in the pre-test. The final questionnaire was then published in Webropol. Data was collected from 12<sup>th</sup> of October till 21<sup>st</sup> of October 2012.

#### 4.1.1 Sample size

The questionnaire was sent to all sellers and store managers of the commissioning company. The sample size was approximately 90 employees. There were 63 respondents to the questionnaire therefore response rate was approximately 70%. Since the response rate was high, the responses of the questionnaire can be considered reliable. Responses can be used to formulate an overall picture of current employee motivation level at the case company.

#### 4.1.2 Procedure

The questionnaire was formulated in Finnish (Appendix 3) to Webropol and send through a public link to all respondents work email. In the cover letter (Appendix 1) the purpose and limitations of this questionnaire was explained. It was explained in the cover letter that the questionnaire is carried out with reliable Webropol programme and that all answers are anonymous and confidential. Cover letter also underlined that individual responses will not be used only the overall results of the survey will be presented in order the gain employees trust to answer honestly.



For the clarity of this study the questionnaire (Appendix 4) and cover letter (Appendix 2) were translated in English in order to keep the research clear and understandable. The english questionnaire and cover letter were not send to employees and are only used in this paper.

The questionnaire included 30 questions and was divided into three parts. The questionnaire had classifying questions, single choice questions, questions with response scale and open-ended questions. First part of the questionnaire had three classification questions. Classifying questions were formulated in order to provide an overall picture of the personnel in the case company. The second part of the questionnaire had twelve questions, which studied factors affecting employee motivation. Questions in the second part of the questionnaire were formulated based on the Frederick Herzberg motivation-hygiene theory. The author chose Frederick Herzberg motivation-hygiene theory because it emphasizes that certain factors affect employees work motivation. The third part of the questionnaire had fifteen questions, which studied current motivation technique. Questions in the third part of the questionnaire were formulated based on Victor Vroom's Expectancy theory. Author chose Victor Vroom's Expectancy theory because it emphasizes payoffs and rewards, which are the motivating techniques used at the case company. Author chose to concentrate on bonus reward system since it is the main motivation technique used at the case company.

### 4.2 Classifying questions

First part of the questionnaire was formulated in order to provide an overall picture of the personnel in the case company. According to the questionnaire, 53% of the respondents are between the ages of 25-35. 98% of the respondents are female and 21% of the respondents have worked three years in the company. It could be stated that average employee in the case company is 25-35 years old woman who has worked three years in the company. When results of the questionnaire are presented, it should be taken to consideration that the respondents have worked in the company for different time periods, which will lead to different experiences and knowledge of the company.

### 4.3 Factors affecting employee motivation

The second part of the questionnaire was formulated to research factors affecting employee motivation. The questions were based on Frederick Herzberg motivation-hygiene theory. Results of the second part will be discussed under three topics.

#### 4.3.1 Motivational and demotivational factors at the case company

According to Frederick Herzberg motivation-hygiene theory employees whom are satisfied at work would be motivated and employees whom were dissatisfied would be un-motivated. Author studied how important certain factors are to the respondents and how satisfied they are to those

factors at their current job. Question number five was created in order to find out how important chosen factors are to the respondents. Figure 9 illustrates the answer to each option in percentages. (Robbins et al. 2008, 269; MTD Training 2010, 11.)

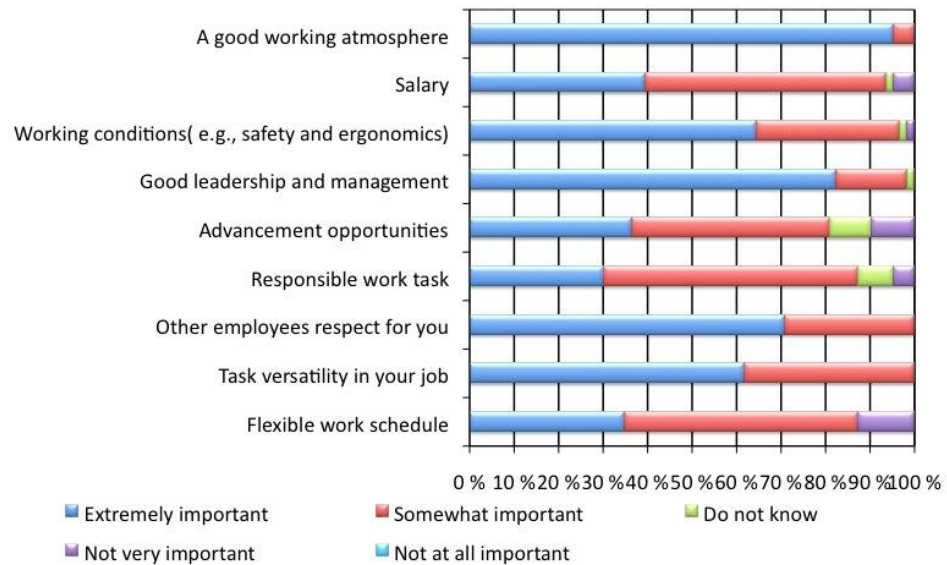


Figure 9 How important the following factors are to you?

Five of the factors were extremely important to over 60% of the respondent. Good working atmosphere, good leadership and management, other employees respect, working conditions and task versatility were rated as extremely important factors. Three of the factors were somewhat important to 50% of the respondents. Responsible work tasks, salary and flexible work schedule were rated as somewhat important factors. Advancement opportunities were somewhat important to 44% of the respondents. None on the respondents considered any of the factors being not important at all.

Question number 6 was created in order to compare how satisfied respondents are with the important factors at their current job. Figure 10 illustrates the answer to each option in percentages.

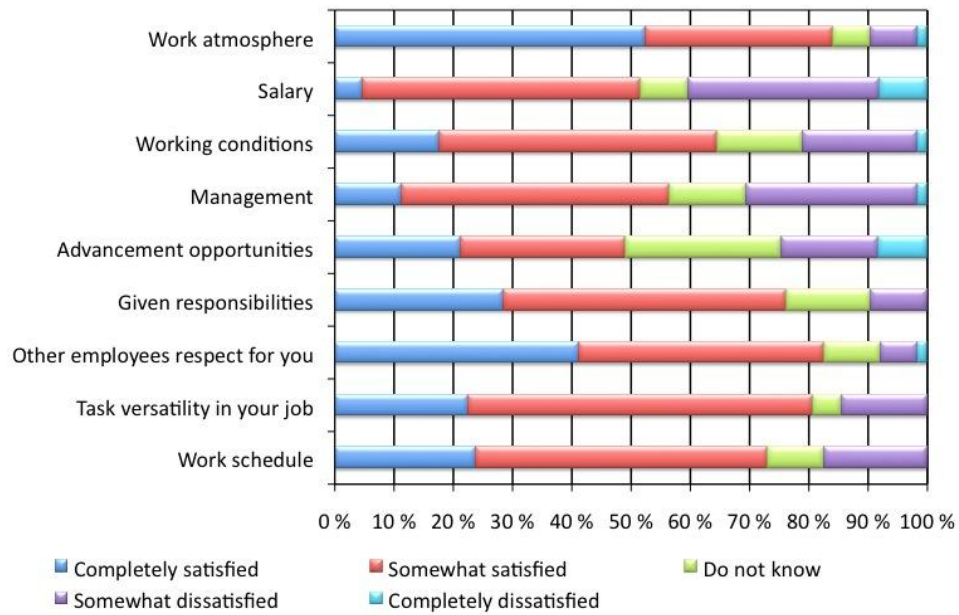


Figure 10 How satisfied are you with the following factors?

52% of the respondents were completely satisfied with their work atmosphere. Over 40% of the respondents were somewhat satisfied with seven factors. Task versatility, work schedule, given responsibilities, working condition, salary, management and other employees respect were rated as somewhat satisfying. Out of the 62 respondents, five indicated being completely dissatisfied to their salary as well as their advancement opportunities.

When comparing the results of the questions number five and number six a conclusion could be drawn. According to the motivation-hygiene theory employees whom are satisfied at work would be motivated. The respondents indicated being somewhat satisfied with the discussed factors at their current job and therefore according to the motivation-hygiene theory they should also be motivated. Respondents were asked in question number 14 how motivated they are at their current job. Out of the 63 respondents, over 90% indicated being fully or somewhat motivated and none of the respondents indicated being fully unmotivated.

The question number 15 was established in order to research specific factors that motivate and demotivate employees in the case company. There were 40 responses to this open-end question and the response rate was approximately 63%. Figure 11 illustrates the respondents' most common answers. The factors are in no specific order. The results will be further discussed in the next chapters 4.3.2 and 4.3.3.

Demotivational factors	Motivational factors
Lack of communication	Succeeding
Lack of appreciation	Salary
Lack of power	Work atmosphere
Sales target	Colleagues
Working conditions	Flexible work schedule
Product quality	Task versatility
Bad management	Products
Salary	Given responsibilities
Work schedule	Training and course opportunities
Advancement opportunities	The job itself

Figure 11 Factors affecting employee motivation in the case company

### 4.3.2 Factors leading to satisfaction at the case company

**Succeeding.** Respondents were asked in the question number 12 have they experienced succeeding in their current work. Over 80% of the respondents have experiences feeling of success frequently or occasionally. In question number six respondents were asked how satisfied they are with the achievements they have reached so far. Over 70% of the respondents were completely or somewhat satisfied to their achievement. Over all it could be stated that the respondents are satisfied to their achievement and they feel like they have succeeded in their job.

**Salary.** Respondents were asked in the question number five how important salary overall is to them at their work. Over 90% of the respondents indicated salary being extremely or somewhat important at their job. Respondents were asked in the question number six how satisfied they are to their salary in their current job. Approximately 50% of the respondents were completely or somewhat satisfied to their salary. It seems that only half of the respondents are satisfied to their salary but majority of the respondents think salary is an important part of a job.

**Work atmosphere.** Respondent were asked in the question number five how important work atmosphere is and in the question number six how satisfied they are to their work atmosphere. 95% of the respondents thought that having a good working atmosphere is extremely important. Over 80% of the respondents were completely or somewhat satisfied to their work atmosphere. In the question number 13 respondents were asked to answer for a statement on a scale totally agree to totally disagree do they think their work atmosphere is positive. Over 80% of the respondents totally or somewhat agree with the statement. It should be notified that out of the 63 respondents 1% totally disagreed and 11% somewhat disagreed. It seems that majority of the respondents think that good work atmosphere is extremely important aspect in their job. Most of the respondents are satisfied with their current positive work atmosphere.

**Colleagues.** Respondents were asked in the question number six how satisfied they are to their colleagues. 59% of the respondents were completely satisfied, 35% were somewhat satisfied, 3% did not know, 3% were somewhat dissatisfied and none of the respondents indicated being completely dissatisfied to their colleagues. In question number 13 respondents were asked do they agree with the statement that their colleagues are problematic. On a scale totally agree to totally a disagree. Out of the 63 respondents 49% totally disagreed, 32% somewhat disagreed, 8% did not know, 11% somewhat agreed and none of the respondents totally agree that their colleagues would be problematic. As mentioned earlier in the chapter 4.3.1 over 60% of the respondents mentioned other employees respect towards them being extremely important factor to them. Respondents were asked in the question number six how satisfied they are to the respect they get from other employees. Approximately 80% of the respondents were completely or somewhat satisfied to the respect they are receiving. In the question number 12 respondents were asked have they experience harassment or bullying. Figure 12 illustrates the answer to each option in percentages.

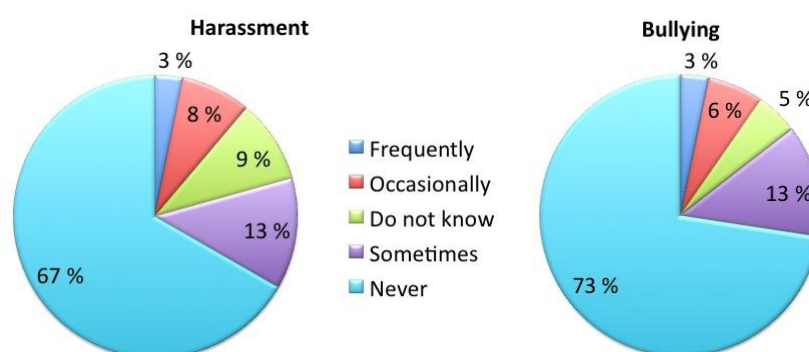


Figure 12 The level of harassment and bullying

Majority of the respondents have never experienced harassment or bullying. Disturbing results were that 3% of the respondents have experienced harassment and bullying frequently and 13% of the respondents have experienced harassment and bullying sometimes. As stated earlier respondents indicated that their work atmosphere is positive and therefore it could be stated that the harassment and bullying does not affect to the general level of work atmosphere. Respondents are satisfied to their colleagues and do not think they are problematic. Colleagues' respect is valued important and majority of the respondents were satisfied to the respect they are getting at their current job. Harassment and bullying should not occur at all.

**Flexible work schedule.** Respondent were asked in the question number five how important flexible work schedule is and in the question number six how satisfied they are to their work schedule. Over 80% of the respondents indicated flexible work schedule being extremely or somewhat important factor at a job. Approximately 70% of the

respondents were completely or somewhat satisfied with their current work schedule. Respondents were asked in the question number ten how well does a flexible work schedule improve their work motivation. Over 90% of the respondents indicated that flexible work schedule improves their work motivation extremely or somewhat well. In the question number 15 respondents mentioned work schedule being a motivator and demotivator. Respondents did not specify what motivated in the work schedule nor did they mention what demotivated. Based on the overall results it could be stated that flexible working schedule is important aspect at a job to the respondents and majority of them are satisfied with their current work schedule. For majority of the respondents, the flexible working schedule is a motivator.

**Task versatility.** As mentioned earlier in the chapter 4.3.1 over 60% of the respondents indicated task versatility being extremely important factor to them. Respondents were asked in the question number six how satisfied they are with task versatility in their current job. Approximately 80% of the respondents were completely or somewhat satisfied with task versatility at their current job. Respondents were asked in the question number 10 how well does task versatility improve their work motivation. Over 95% of the respondents indicated that task versatility in their work improves their work motivation extremely or somewhat well. In the question number 15 respondents mentioned task versatility as a motivator and all the other results support that suggestion. Majority of respondents think task versatility is extremely important factor and under majority of the respondents are satisfied with task versatility at their current job.

**Given responsibilities.** Respondent were asked in the question number five how important responsible work task are to them and in the question number six how satisfied they are to the given responsibilities at their current job. Over 80% of the respondents indicated responsible work tasks being extremely or somewhat important factor to them and over 70% of the respondents were completely or somewhat satisfied with the given responsibilities at their current job. Respondents were asked in the question number 12 if they have experienced trust in their work. 41% of the respondents have felt trust frequently at their job and out of the 63 respondents, none indicated that they have never felt trust in their work. Respondents feel they are trusted and they are given enough responsibilities. Most of the respondents think that it is important to have responsible work tasks and majority of the respondents were satisfied to the amount of given responsibilities in their current job.

**Training and course opportunities.** Respondents were asked in the question number 10 how well training and course opportunities improve their work motivation. 33% of the respondents indicated that training and course opportunities improve their work motivation extremely well, 46% of the respondents indicated that somewhat well and surprisingly 21% of the respondents did not know. Respondents were asked in the question number 11 how well they are aware of the training and course opportunities offered by the company. Over 50% of the respondents were aware of these factors extremely or somewhat well. 17% of the

respondents did not know and 30% of the respondents were aware of these factors somewhat or extremely poorly. Most of the respondents seem to know what training and course opportunities are offered to them and they do improve their work motivation.

Herzberg proved that certain characteristics were strongly related to job satisfaction. He named these factors as motivators: achievement, recognition, work itself, responsibility, advancement and growth. He stated that employees whom are satisfied at work would be motivated. According to the results of the questionnaire, it could be stated that respondents are satisfied with above mentioned motivators and these factors work as motivators to them. With the exception that some hygiene factors were also considered motivators leading to satisfaction. Salary and relationship with peers (colleagues) received positive attitudes from the respondents. These motivators affect to the respondents self-motivation and when they are met they create satisfaction. (Robbins et al. 2008, 269; Robbins et al. 2011, 294; Hokkanen et al. 2008, 34-35.)

### 4.3.3 Factors leading to dissatisfaction at the case company

Lack of communication. In the question number 15 respondents mentioned lack of communication as one of the main factor leading to dissatisfaction. Questions number eight was established in order to research do the employees get enough information on the factors related to the company. Seventy-three percent of the respondents indicated not getting enough information. Questions number 9 was established in order to research are employees satisfied to the company's internal communication. The figure 13 illustrates the answers of each option in percentages.

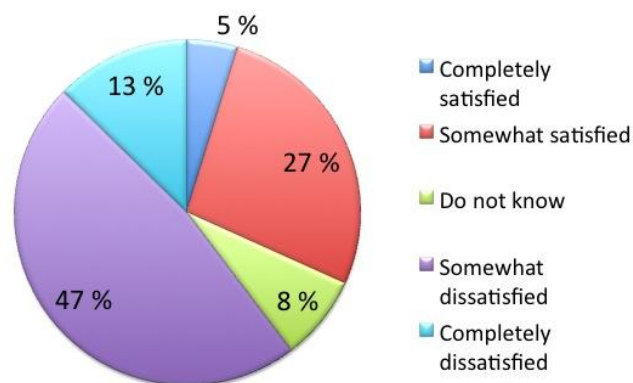


Figure 13 Are you satisfied with the company's internal communication?

60% of the respondents were somewhat or completely dissatisfied with the company's internal communication. 32% of the respondents on the other hand were completely or somewhat satisfied with company's internal communication. In question number 15, respondents mentioned that lack of communication leads to dissatisfaction and works as a demotivational factor. Lack of communication creates uncertainty among employees.

**Lack of appreciation.** As mentioned earlier in the chapter 4.3.2 over 60% of the respondents mentioned other employees respect towards them being extremely important factor to them and approximately 80% of the respondents were completely or somewhat satisfied to the respect they are receiving. The respondents were asked in the question number 13 if they agree with the statement that they get enough appreciation in their work community. Over 80% of the respondent totally agreed or somewhat agreed with the statement. In the same question they were also asked to answer for the statement “my contribution to the work is relevant” on a scale totally agree to totally disagree. Also over 80% of the respondent totally agreed or somewhat agreed with the statement. It could be said that the respondent value respect and are satisfied to the respect and appreciation they are getting at their current job. In question number 15 respondents on the other hand listed that the lack of appreciation works as a demotivational factor at their current job. It seems like the respondents are satisfied to the recognition and appreciation they receive from their colleagues. The respondents were dissatisfied to the recognition and appreciation they receive from their management.

**Working conditions.** Over 60% of the respondents rated working conditions as extremely important and over 40% of the respondents were somewhat satisfied to their working conditions. Question number seven was formulated in order to research does working condition affect employees work motivation. 95% of the respondents said that working conditions affect their work motivation. In the question number 15 respondents listed factors related to working conditions that cause dissatisfaction. Problems in the air condition, poor ventilation, too small break room or no break room at all, bad work ergonomics and the differences in working conditions between different stores causes dissatisfaction among the respondents. Respondents were asked in the question number ten how well do the following factors improve their work motivation: peaceful break room in the store facilities, adjustable temperature in the store facilities, store security, general cleanliness in the store facilities and ergonomic workspaces. The responses to each option are illustrated in the figure 14.



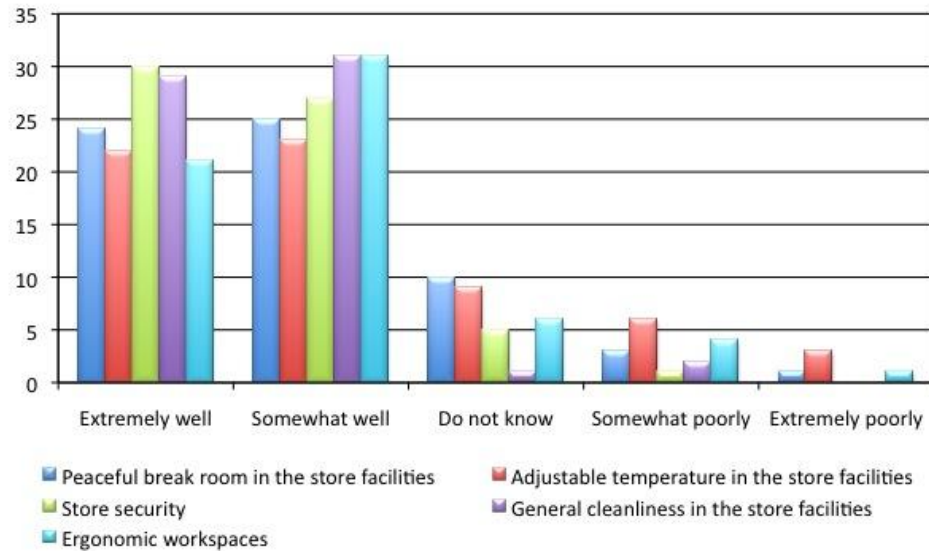


Figure 14 How well does these factor improve your work motivation?

According to the results, most of the factors improve respondents work motivation extremely or somewhat well. Even though dissatisfaction did not come up in the questionnaire respondents strongly stated in the open-end question number 15 air conditioning as one factor leading to dissatisfaction. The respondents indicated that working conditions are important to them but at their current job they are not satisfied to their working conditions. Majority of the respondents indicated that working conditions affect their work motivation.

**Bad management.** Over 60% of the respondents rated good leadership and management as extremely important and over 40% of the respondents were somewhat satisfied with their workplace management. As stated previously the respondents indicated being dissatisfied with the lack of communication and appreciation. These factors are parts of management and as they cause dissatisfaction among the respondents it leads to bad management. In the question number 15 respondents listed factors related to bad management. Factors like the lack of human resource management, no work place steward, management style and lack of confidence toward management. The bad management or the lack of it causes dissatisfaction among the respondents.

**Salary.** Over half of the respondents indicated that salary is important factor at their job and 8% of the respondents were completely dissatisfied to their salary. In question 28 respondents were asked if monetary reward is motivating. 35% of the respondents stated that monetary reward motivates extremely well and 44% of the respondents stated that monetary reward motivates somewhat well. In the open-end results in the question number 15 salary was mentioned many times and criticized being too low or that the low salary is not in proportion to the demands of work. Salary was connected to cause dissatisfaction.

**Advancement opportunities.** Advancement opportunities were completely or somewhat important to 49% of the respondents. Out of the 62 respondents, five indicated being completely dissatisfied to their advancement opportunities. Respondents were asked in the question number 13 have they thought of changing their job? The respondents were asked to answer on a scale totally agree to totally disagree. Result of the question number 13 were quite shocking. 24% of the respondents totally agree of think about of changing their job and only 16% of the respondents totally disagreed. Advancement opportunities seem to cause strong dissatisfaction among the respondents.

Herzberg proved that certain characteristics were strongly related to job dissatisfaction. He named these factors as hygiene factors: company policy, supervision, relationship with boss, work conditions, salary and relationship with peers. He stated that employees whom were dissatisfied would be un-motivated. According to the result of the questionnaire above mentioned factors cause dissatisfaction among the respondents and these factors work as hygiene factors among the employees in the case company. Exception factors were salary and relationships with peers (colleagues). These factors were considered as motivators leading to satisfaction. These hygiene factors affect respondents' behaviour from the outside such as bad management. Bad management is not directly related to the respondent itself. Instead, it relates to the company. (Robbins et al. 2008, 269; Robbins et al. 2011, 294; Hokkanen et al. 2008, 34-35.)

#### 4.4 Current motivation technique

The third part of the questionnaire was formulated to research whether the current motivation system is still fully operational. The questions were based on Victor Vroom's Expectancy Theory. Results of the third part will be discussed under four topics according to the expectancy theory.

##### 4.4.1 Expectancy

According to expectancy theory, employees should know what is expected of them. They need to believe they can personally affect to the end result. Question number 17 "Do you think you can personally affect for achieving the goals set by the bonus reward system?" was created to find out do employees believe they can affect to the end results. Over half of the respondents totally agreed or somewhat agreed with the statement. The figure 15 illustrates the answers of each option in percentages. (MTD Training 2010, 13-15.)

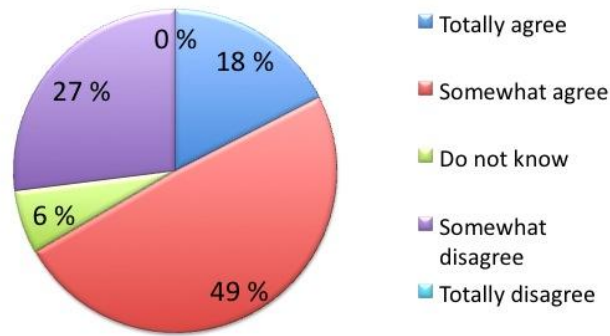


Figure 15 Do you think you can personally affect for achieving the goals set by the bonus reward system?

According to Vroom's expectancy theory, in order to expect employee needs resources, skills, knowledge and support. In question number 13, "What do you think of the following?" respondents were asked do they have the necessary know-how to carry out their job and do they get enough support from their superior. In a scale from totally agree to totally disagree. According to the results 32% of the respondents totally agreed and 44% of the respondents somewhat agree having the needed skills and knowledge to perform their job. 33% of the respondents totally agreed and 30% of the respondents somewhat agree getting enough support from their superior. Respondents were asked in the question number six how satisfied they are with their superior at their current job. 24% of the respondents were completely satisfied and 49% were somewhat satisfied. It could be stated that majority of the respondents think their individual effort affects to the end result and majority of the employees know what is expected of them. Majority of the respondents have the needed skills and knowledge to perform their job. They also get enough support from their superior and are satisfied with their superior. (MTD Training 2010, 13-15.)

### 4.4.2 Instrumentality

According to expectancy theory employee believes that his individual performance will affect the outcome and he will be rewarded. Employee needs to understand what is expected from him and what he needs to achieve in order to get a reward. As stated in the previous chapter 4.4.1 majority of the respondents think their individual effort affects to the end results and they know what is expected of them. Question number 24 "Do you understand what you personally need to achieve in order to be entitled to a bonus?" was created in order to find out if respondents know what they need to do in order to be rewarded. 94% of the respondents know what they need to achieve in order to be rewarded. (MTD Training 2010, 15.)

According to expectancy theory, a reward system should be clear to all employees. Respondents were asked in question number 26 if they think the bonus system is easy to understand. 41% of the respondents totally agreed and 43% somewhat agree. Questions number 21, 22 and 23 were created in order to find out if the respondents think that the reward system is clear. The figure 16 illustrates the answers to each option in percentages. (MTD Training 2010, 15.)

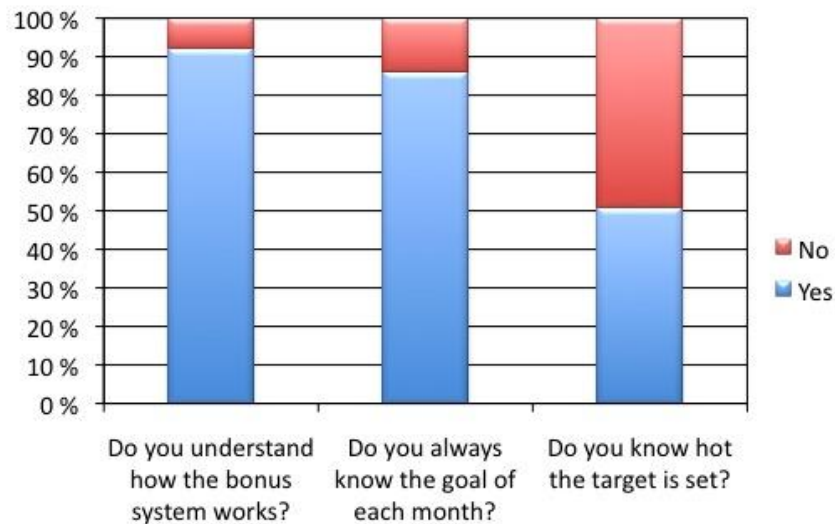


Figure 16 Clarity of the reward system

Respondents clearly know how the bonus system works. Majority of the respondents know the goal of each month. Half of the respondents do not know how the target is set even though 90% of the respondents agreed that they know how the bonus system works. Question number 18 “Do you think the set bonus targets are achievable?” was created in order to find out if the employees in the case company think they can achieve the set up goals. 41% of the respondents somewhat agree that the goals are achievable. On the other hand 35% of the respondents somewhat disagree that the goals are not achievable.

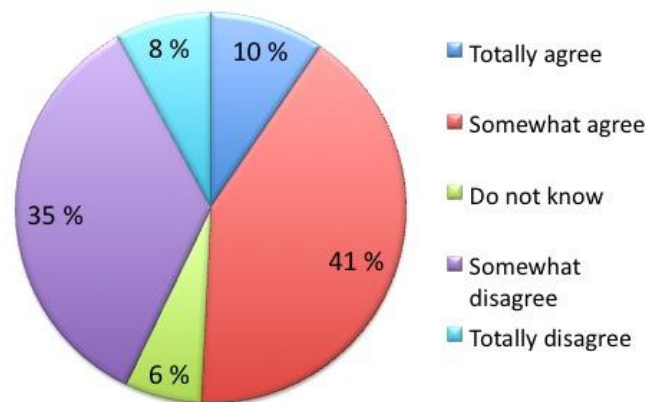


Figure 17 Do you think the set bonus targets are achievable?

According to expectancy theory, in order to believe employee needs to trust the people deciding on their reward. According to the results of question number 25 “Do you trust that the bonus is paid, when the set target is met?” 98% of the respondents trust the system. The whole process should be transparent and the outcome should correspond to the reward. As stated previously respondents seem to know how the system works. In question number 27 respondents were asked if they think the bonus system is fair. 41% of the respondents somewhat disagreed.

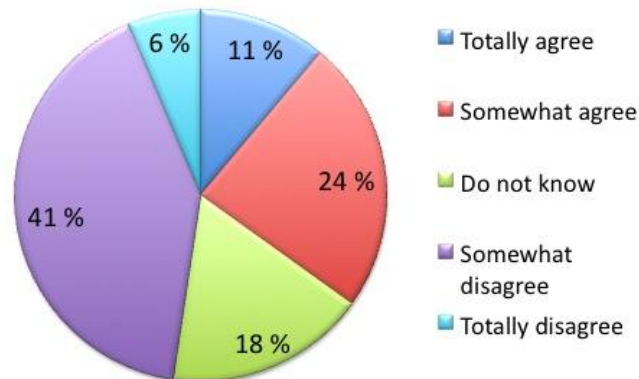


Figure 18 In your opinion is the bonus system fair?

### 4.4.3 Valence

According to the expectancy theory valence is “the importance that a person places on the reward or expected outcome.” Employees are individuals and therefore they have different motivators. What motivates one employee might not motivate another. In order to motivate all employees it is very important to know what motivates each employee. In question number 16 respondents were asked how well the current bonus reward system motivates them and in the question number 28 respondents were asked if monetary reward is motivating. Figure 19 illustrates the answer of the respondents. (MTD Training 2010, 16.)

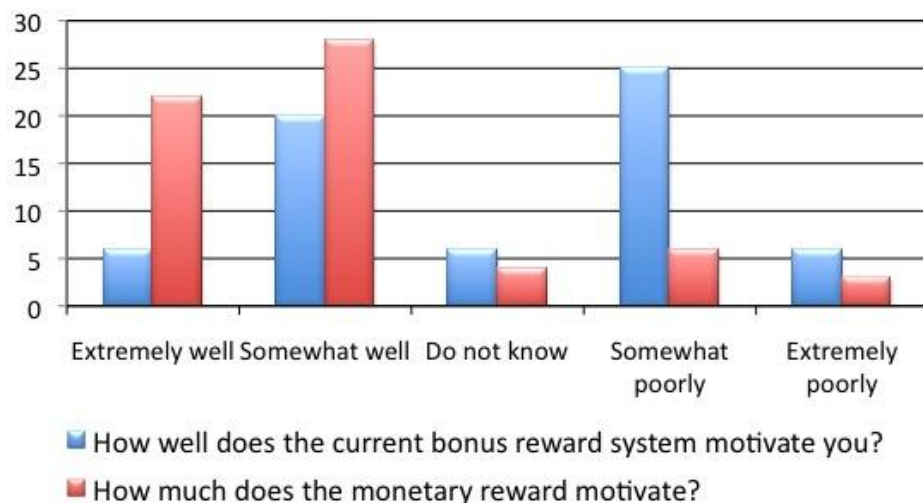


Figure 19 Valence factors

32% of the respondents indicated that the current bonus reward system motivates them somewhat well and 40% of the respondents indicated that current bonus reward system motivates them somewhat poorly. 35% of the respondents stated that monetary reward motivates extremely well and 44% of the respondents stated that monetary reward motivates somewhat well. According to the results, monetary reward motivates respondents but the current bonus reward system does not motivate them.

According to the expectancy theory, in order to motivate all employees is it very important to know what motivates each employee. The question number 15 was established in order to research what factors motivate or demotivate employees in the case company at the moment. The results are illustrated in details in the chapters' 4.3.2 and 4.3.3.

### 4.4.4 Equity

According to expectancy theory most of the employees like to compare their job outcomes with their colleagues. If employee notices that with different outcomes they still got the same reward they might stop trying to reach their best but only do enough in order to get the reward. In question number 27 respondents were asked if they think the bonus system is fair to all employees. The figure 19 illustrates the answers to each option in percentages. Respondents' opinion varies a lot from each other's. 47% of the respondents indicated totally or somewhat disagreeing that the bonus system would be fair but on the other hand, 35% of the respondents indicated totally or somewhat agreeing that the bonus system is fair. Question number 29 was established in order to research does employees attitude change if the sales target is met before the end of the month. There were 50 responses to this open-end question and the response rate was approximately 79%. The most common answer respondent gave was that their attitude does not change even if the sales target is met before the end of the month. The respondents are trying to reach their best all the time, which is a really good result. Some respondents indicated that they loosen their attitude a bit since they are already on the "safe side". Respondents also told that reaching sales target motivates them. They feel revealed and selling becomes more pleasant. (MTD Training 2010, 16.)

## 5 SUGGESTIONS

This chapter will provide motivation plan suggestions and reward system improvement suggestions for the case company. These suggestions are based on the theories introduced in this study (see chapter 2) as well as on the results collected from the conducted research (see chapter 4). Authors own experiences and observations are also used to support suggestions of the study.

### 5.1 Motivation plan

This motivation plan was formulated in order to provide suggestion ideas on how to better motivate employees in the case company. Motivated employees are the key to company success. Majority of the employees in the case company indicated being at least somewhat motivated (see chapter 4.3.1). Respondents indicated specific factors leading to satisfaction or dissatisfaction in the case company (see chapter 4.3). This motivation plan will provide suggestions how to disable factors that lead to dissatisfaction in the case company and how to enhance factors that lead to satisfaction in order them to motivate employees to work even better.

According to Frederick Herzberg motivation-hygiene theory (see chapter 2.2.3) employees whom are satisfied at work would be motivated and employees whom were dissatisfied would be un-motivated. If factors that cause dissatisfaction in the workplace are removed employees become neutral not motivated. In order to motivate employees' factors that cause satisfaction has to be fulfilled. All early theories of motivation (see chapter 2.2) are based on the idea that person behaves in a certain way in order to fulfil their internal needs. The most motivating factors are the factors that individuals can affect themselves. Those factors are controls over their own job performance. These factors will most likely make them focus better, achieve the set goals and get recognition. Being able to control these factors that bring them satisfaction will balance those factors that brings them dissatisfaction and, which they have no control. (MTD Training 2010, 13.)

#### 5.1.1 Three stage feedback session

According to the results of the questionnaire, respondents were dissatisfied to lack of communication and appreciation, working conditions, management, salary and advancement opportunities. Respondents were satisfied to their success, salary, work atmosphere, colleagues, work schedule, task versatility, responsibilities, training and course opportunities.

Factors that cause satisfaction or dissatisfaction among the respondents could be handled in three-stage face-to-face feedback session. Author will provide more detailed suggestions how to improve some factors but three-stage feedback session would be used as an overall technique to tackle current important factors causing satisfaction or dissatisfaction among the employees. Three different types of feedback sessions would be held:

1. Feedback session between sellers and a store manager
2. Feedback session between store managers and upper level managers
3. Feedback session between sellers, store manager and the upper level managers

Feedback session between sellers and a store manager would be held at the end of each month in each store. The session would be held outside store opening hours in order to provide an opportunity for all employees to attend and to have reversed time for the session. These sessions would hold all sellers of the store and their store manager. In these session factors causing satisfaction and dissatisfaction would be discussed. Store manager could give recognition to the sellers if needed, share information and just interact with sellers. This way seller would be able to share feelings and ideas constantly and factors causing satisfaction and dissatisfaction could be indentified. If seller would need face-to-face private discussion time with the manager to tell about factors that they do not want to share with other sellers such as feeling bullied or being harassed. Seller could stay a bit longer after the session and talk privately with the manager or set up a time when they can have a private discussion.

Feedback session between store managers and upper level managers would be held at the beginning of each month. These sessions would hold all store managers and all upper level managers. These sessions would be held face to face but as there are store managers located around Finland also tools like Skype could be used in order for all store managers to be able to attend. In these sessions factors that came up in the feedback session between sellers and store manager would be brought to the knowledge of the upper level managers. In this way upper level managers would better know what is going on in the stores. This way upper level managers would be able to react to factors that cause satisfaction and dissatisfaction among the sellers. Store managers could share their factors that cause satisfaction and dissatisfaction in the store and hear other store managers and upper level management. Upper level managers could give recognition to the store managers if needed, share information and just interact with store managers. This would also provide store managers an opportunity to interact with other store managers.

Feedback session between sellers, store manager and the upper level managers would be held once a year. These sessions would include only one store at a time. In these sessions sellers would be able to see their upper level managers and interact with them. Author knows that some of the employees in the case company do not even know who their boss is. They have only heard a name but never seen their boss. In these sessions recognition could be given face to face as recognition has more meaning to the employee when gotten face to face from their upper level managers. These sessions would increase the spirit of community. Upper level managers would have an opportunity to speak with sellers about factors that cause satisfaction and dissatisfaction.

According to the results of the questionnaire, majority of the respondents indicated that their work atmosphere is positive and they are satisfied to the atmosphere. Respondents also indicated that they are satisfied to their colleagues and that they were satisfied to the respect they are receiving at their current job. All this would indicate that in the feedback session employees would be able to say what they have on their mind and other employees would respect each person's opinions.



### 5.1.2 Communication

According to the results of the questionnaire (see figure 13), majority of the respondent were at least somewhat dissatisfied with company's internal communication. Respondents indicated not getting enough information and getting the information too late, which leads to uncertainty among the employees. A way of communication and channel used to communicate should be set up. The employees are interested in all information related to the company for example new discount campaigns and on going changes in the company. Feedback sessions and informative monthly letter would be used to share information to the employees. As mentioned previously feedback sessions would be a good opportunity to share information but for clarity informative monthly letter would also be used. This monthly letter would be published in company's intranet site where all the employees have an easy access. The letter could hold information on up coming discount campaigns, on how well the sales have been so far, changes concerning the company such as new stores opening or moving dates of the current stores, new store managers and a short introduction of them etc. An informative monthly letter would be used to share information beforehand to release feeling of uncertainty among the employees.

Also, unpredictable factors that the company has faced should be instantly informed to the employees. For example robbery in one of the stores or office employees sick leaves, which are factors that relate and affect to all employees. This instant message should be short and a simple informative straightforward message: published either in the company's intranet site or in the store email. The message should be sent instantly when the source of information has occurred.

### 5.1.3 Recognition

According to the results of the questionnaire, respondents were satisfied to the level of appreciation and recognition they receive from their colleagues. Respondents were highly dissatisfied to the level of appreciation and recognition they receive from their upper level management. Most often employees' feel like their work is not appreciated. Employees feel like it does not matter what they do since nobody ever notices what they do.

Recognition actions should be discussed among the managers. Upper and lower level managers should start giving recognition together and separately. Lower level managers, which are in this case store managers, could give face-to-face recognition to their employees. For example when employee has sealed a good deal or has made something extra in the store or are just are being the trooper of a hard day. Recognition should not come only when employee has made something remarkable also little actions should be noted. Giving recognition to the employees would signal them that their effort is noted. This could motivate some employees to try a bit harder or do a bit more than is needed. By giving recognition too easily, it lowers the impact of recognition and stops it from motivating

employees. Store managers could give recognition at the monthly feedback sessions and instantly when the action has happened.

Store managers could give hints of employees who have done extra good work or have succeeded in some other ways to the upper level managers at their monthly feedback sessions. Upper level managers would then know whom to give recognition and they would have opportunity to give that recognition face to face at the feedback session held once a year. Upper level managers should also visit the stores and give face-to-face recognition or post the recognition news to the company's intranet site for all employees to see. This would be extra special to the employee and would more likely make the employee feel more appreciated. Upper level managers could reward the best sellers yearly based on their sales and other efforts. Reward celebration could be held at the pre-Christmas party.

Even though the employees can look up the sales figures by themselves upper level managers should post updates to the company's intranet site about how the sales has gone so far and encourage employees if they are behind or give them recognition if they are doing great. From the employees point of view it is good to know that the management has seen the effort employees have been exerting.

### 5.1.4 Job rotation within the company

According to the results of the questionnaire, approximately 50% of the respondents have thought of changing their current job. Only 16% of the respondents have never thought of changing their current job. Results were shocking! Results indicate that employees of the case company are not satisfied to their current job. The job has lost its importance to the employees.

Employees of the case company should be offered more job rotation since there is not that many advancement opportunities but there are many stores. By providing employees the possibilities to rotate their jobs, they might be more satisfied and feel like they have advanced. Employees could be offered opportunity to change the store where they work. Since all the stores have different kind of atmosphere, customers and products. By changing the store employee could feel like there are new exiting challenges at their current job. Learning about new procedures and products would keep the employee motivated and up to date. This would also benefit the company since the employee would bring the good aspects of the old store to the new store such as procedures used. Hiring and training new employees is expensive and slow to the company. By job rotation employee might not quit his job. Employee can start a new job but with the twist that it is the same position but a different store. Company saves money and time. Employee stays motivated and satisfied. Job rotation would be voluntary and it would last at least a year.

Author has personal experience of job rotation and it worked for the author. The job felt more interesting and motivating than the "old job" even though it was exactly the same job but in a different store.

### 5.1.5 Task rotation in the stores

Work itself should work as a powerful motivator leading to satisfaction. The questionnaire results indicated that task versatility creates satisfaction within the respondents and work as motivators to the respondents. According to the results of the questionnaire, a majority of the respondents indicated task versatility being extremely important to them and majority of the respondents were also satisfied to the level of task versatility in their current job.

The questionnaire results indicated that succeeding works as a powerful motivator leading to satisfaction in the case company. Respondents were satisfied to the level of achievement reached so far and felt like they have succeeded in their job. These results are good. It seems that the job is challenging enough to the employees since they have reached some achievements they have set up to themselves. Employees also feel frequently or occasionally that they have succeeded in their job. According to motivation-hygiene theory, achievement is the most important factor leading to satisfaction. In order to keep up this level of motivation employees should be offered tasks that keep them motivated. Task rotation could be used.

By offering employees possibilities to different tasks such as engraving or acquiring employer is providing the employee new challenges. When an employee is challenged, he is more motivated to fulfil the need to achieve his new goal. Employee is more likely motivated and more satisfied to his current job. Task rotation could be implemented as each employee would his or her week, weeks or a month to perform certain task. For example employee A would have the opportunity to perform all the engravings of the store in January. Employee B would have his or her turn on February, employee C on March and so on. One employee would only have one certain task to perform at a time. This way there would be more tasks to be offered for employees. Employees could volunteer to these tasks and not all employees would need to engrave if they wish not to. Since motivation is an internal process. A person has to motivate himself in order to be truly motivated. An employer can provide conditions and environment as a platform for motivation, but cannot force an employee to be motivated.

### 5.2 Reward system improvements

According to the results of the questionnaire, monetary reward motivates respondents but the current bonus reward system does not motivate them (see chapter 4.4). This chapter will provide improvement suggestions to the existing reward system.

The existing reward system has been updated in 2008. After that, the case company has grown rapidly. The system was established in order to motivate employees to reach better sales but the current situation is that it does not motivate employees (see figure 19). On the other hand, the idea of the system is good since majority of the respondents indicated that monetary reward motivates them. In order for a reward system to work it has to be thought through. “In order for a person to be motivated to put forth the effort, he or she must see a link between the three factors effort, performance, and outcome.” (MTD Training 2010, 13.)

#### 5.2.1 Rules of the bonus system

The current reward system is not clear to all employees. According to the results of the questionnaire respondents indicated that they know how the bonus system works but they do not know how the targets are set (see figure 16). Respondents know what is expected from them but 41% of the respondents thought that the bonus system is unfair (see figure 18). Results indicated that employees could personally affect achieving the targets (see figure 15) and they know what they personally need to achieve in order to be entitled to a bonus.

According to expectancy theory rewards system has to be clear and transparent to all employees. The rules of the reward system should be written down for all employees to see. Rules of the reward system should also be explained to all employees in order to avoid miss conceptions. The system should be fair to all employees other wise it caused dissatisfaction among the employees. Store manager should post results along the month to the board for all employees to see. Or teach employees how to search sales figures on the computer. In order for employees to see the transparency and understand why they got rewarded or did not get rewarded.

#### 5.2.2 Harmonizing the reward system

According to expectancy theory, most of the employees like to compare their job outcomes with their colleagues. According to the results of the questionnaire, the major concern respondents had was the difference between permanent and part-time workers (see results in appendix 5 question 10). Permanent workers get a bigger bonus than the part-time workers even though they both have the same 4000€ limit in order to be entitled to a bonus. This could explain why respondent indicated that the system is unfair.

Part-time workers should be entitled to equal bonus than permanent workers during the months they have worked equal time than permanent workers. This refers to summer and Christmas time when part-time workers work as fulltime workers. Part-time workers contract stays the same but they work more hours than they normally work and therefore they should be entitled to a permanent workers bonus.

Other way to harmonize the reward system could be that the individual seller limit (4000€) that has to be met in order to be entitled to a bonus should be modified. There should be differences in seller limits between the stores as there are differences between the target limits. For example employee working at a store located in the city centre is more likely to reach the 4000€ limit than employee working at a store located outside of the city. There should also be difference in the seller limit between part-time and permanent workers as there are between their bonus amounts.

By harmonizing the reward system employee trust could be gained and employees of the case company would see the importance of the reward again. This would lead back to the original idea of the reward system. The reward system would again motivate employees to reach better sales.

### 5.2.3 Setting motivating bonus target

The current reward system no longer motivates employees of the case company. According to the results of the questionnaire, monetary reward motivates respondents. So what is the reason that the current system does not motivate employees? Employees of the case company no longer see the importance of the reward. The current reward is not motivating to the employees. Since reward system is a good motivation tool it should not be forgotten but changed. The current bonus format should be further developed.

According to the results of the questionnaire, some respondents indicated that they do not think the bonus targets are achievable (see figure 17). The existing reward system has been updated in 2008 and after that the case company has grown rapidly and the customers have now more stores where to choose. According to the expectancy theory if the target limit is set too high a manager is setting employees up for a failure. This seems to be the case in the case company.

When setting up the target limits the following factors should be taken to consideration. Ever increasing sales seems impossible. General development of trade and the economic situation of Finland should be taken to consideration. Since the company has grown rapidly, the stores now compete from same customers. This will reflect to the sales as customers are now divided between more stores than in 2008. Many stores have faced distractions such as renovation in the store facilities or in the surrounding area that will affect negatively to the customer flow.

The sales forecast should be published one month before hand. This way a store manager could react to the target limit. Store manager could inform upper level management good explanations why the limit is set too high and will most likely set employees up for a failure. For example explanation such as major discount days are not held on the same month than last year and that affect to the sales as they vary a lot depending on what month the discount days are held and by. Upper level management could then evaluate based on the explanations and their own expectations if the original target limit is reasonable or if it should be changed in order to be reasonable.

Suggestion for new ways to set the sales target limits:

- *The reward system should be divided into two targets.* The first target would be that when the store reaches last years sales a bonus would be paid. The second target would be that if the store were able to raise the sales from last year a raised bonus would be paid. This would motivate employees to keep the sales at least the same than the last year since ever increasing sales seems impossible. Raised bonus would motivate employees to try even harder to increase sales. Bonus here does not refer to the current bonus amount. The second target limit would be tied to certain marginal's such as 10% increase in sales would increase the bonus x amount.
- *A whole year target to each store* since sometimes it is so close that the sales target is met. Many times sales target is not met due to the fact that the customers orders the product in one month and then pays it on the next month. In this way the sale is registered to the computer too late and the sale goes to the next month. A whole year target would motivate employees to try harder every month since all the sales would matter. A whole year target would be used side by side with monthly target. The reward here could be something else than a monetary reward for example theatre tickets. A whole year target would be checked in February when it is quieter at the stores and employees rarely reach the monthly target. This would motivate employees and remind them if they have done a good job the whole year around.
- *Whole company area target* such are Pirkanmaa area would have one target. This way all the stores in the same region would try to reach the target together. There has been situations were store A would sell the product to the customer but they would need to get it from store B. Store would not want to give that product to the store A. As store B hoped to get the customers to come to their store and get that sale to their store in order to reach their stores sales target. Whole company area target would guarantee good customer service. It would also motivate employees to help other stores and to work together towards the common target.

### 5.2.4 Factors that could increase the motivation

These suggestions could be used after the reward system is harmonized and the new targets are set. These factors could be used to boost the power of the reward system at times when it is needed such as Christmas time or at quiet months. The main reward would be the monthly monetary bonus but on the side there could be either extra bonuses or the form of the bonus could be changes.

*Individual bonus proportioned to personal sales.* For example the employee who has the biggest sales of the store could get an extra bonus such as gift card to the store. This would benefit the company and motivate the employee. Extra bonus would be given only if the sales target is met. In this way employees would still work together as a team to reach the set target limit but also try more on individual level to gain personal benefit. Extra bonus would come back to the company, as the gift card would be used to buy company's product. The amount of the gift card would be tied to sales such as 100€ sales would be worth 1€ to the employee. This would better motivate employees in individual level. As the sales target limit would need to be met and only one employee of each store could get this extra bonus authors own opinion is that this would still benefit the company.

Different sales contest are a good way to boost general sales as sales of a certain product. Employees tend to try harder if there is a personal benefit for them. There have been sales contest in the company before and they have turned out to be successful to the brand, to the company and to the employee.

The form of a bonus could be changed at times. Monetary reward motivates employees but also other forms of rewards were mentioned. For example recreational day could be used at times to motivate employees.

## 6 CONCLUSIONS

XXXX Oy commissioned this study. The purpose of the study was to identify current employee motivation level at XXXX Oy. The study provided theoretical information of motivation, research of current employee motivation level and motivation techniques for the commissioning company.

Employees are the most valuable assets for any business. Managers often think they can motivate employees but it is a misconception. Motivation is an internal process. Employer can provide motivating working conditions to the employees, but the employer cannot force an employee to be motivated. People are complex and hard to manage. Factors that motivate one employee might not motivate another employee. An employee has to motivate himself in order to be truly motivated. If manager understands, which factors motivate employees he can create a good working environment where employees can motivate themselves. Employer must understand that good working environment does not motivate forever. People tend to get use to the factors that motivate them and after a while these factors can turn into demotivational factors. Motivators are not ongoing they will wear off and need constants updating.

XXXX Oy employees' motivational factors were researched according to motivation-hygiene theory and the expectancy theory. Background theory was gathered through books and intranet sources. The current level of motivation was studies through a questionnaire sent to sellers and store managers of the commissioning company.

Theoretical background in this study was based on early theories of motivation and to one contemporary theory. The main theories used in this study were Frederick Herzberg's Motivation-Hygiene theory and Victor Vroom's Expectancy theory but also two other early theories of motivation were introduced since they form a foundation to motivational theories.

All early theories of motivation were based on the assumption that person behaves in a certain way in order to fulfil their internal needs. Abraham Maslow stated that each person has hierarchy of five types needs. These needs are arranged according to their importance from low-order needs to high-order needs. The most important are basic needs (physiological needs). Maslow stated that as each need becomes satisfied, the next need becomes dominant. In order to motivate manager has to understand on which level of the hierarchy the employee is and satisfying the need at the current level or above that level. Douglas McGregor stated that nature of the human is either negative or positive. He labelled these views as theory X and theory Y. In order to motivate manager should make negative or positive assumptions based on the employees' behaviour and act according to these assumptions. Frederick Herzberg motivation-hygiene theory stated that employees whom are satisfied at work would be motivated and employees whom were dissatisfied would be un-motivated.



Herzberg suggested that employees' work environment affects their work motivation. (Robbins et al. 2008, 267-269; MTD Training 2010, 11.)

Victor Vroom's Expectancy theory differs from early theories of motivation by concentrating on the outcomes not on the needs of a person. Expectancy Theory suggested, "Individual tends to act in a certain way, in the expectation that the act will be followed by a given outcome, and according to the attractiveness of that outcome." Vroom suggested that *effort* is the result of motivation. Motivated employee will *perform* and that performance will lead to *outcomes*. "In order for a person to be motivated to put forth the effort, he or she must see a link between the three factors effort, performance, and outcome." (Robbins et al. 2008, 275; MTD Training 2010, 13.)

According to the results of the questionnaire, employees of the commissioning company are motivated. They are satisfied to their personal success, to work atmosphere, to their colleagues, to work schedule, to versatile tasks, to their responsibilities, and to the training and course opportunities provided to them. Employees of the commissioning company were dissatisfied with the lack of communication and appreciation, with their working conditions, with their management, and to their advancement opportunities. Over all the results were positive since the employees were motivated and there were more satisfying than dissatisfying factors. The author provided suggestions on how to keep up the motivation level and how to tackle factors that created dissatisfaction among the employees of XXXX Oy.

According to the results of the questionnaire, monetary reward motivates employees of XXXX Oy but the current bonus reward system does not motivate them. Employees have the needed skills and knowledge to perform their job and they get enough support from their superiors. Employees know what is expected of them and think their individual effort affects the end results. Employees know how the reward system works. They know the goal of each month but they do not know how the target limit is set. Employees trust the reward system but all of the employees do not think that the reward system targets are achievable. Employees think that the reward system is easy to understand but it is not fair to all employees. Even though sales target would be met before the end of the month employees' attitude does not change.

Current reward system no longer motivates employees of XXXX Oy. Findings indicate that the reward system could motivate employees but it has to be modified in order to be motivating again. The author provided suggestions on how the reward system could be modified in order to be motivating again.

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COVER LETTER IN FINNISH

Hei työkaverit,

Tässä teille aikaisemmin mainitsemani kysely koskien työntekijöiden motivaatiota. Kyselyyn pääset klikkaamalla alla olevaa linkkiä. Linkki on voimassa vain tämän viikon, joten toivoisin teidän vastaavan siihen 21.10 mennessä. Toivoisin kaikkien työntekijöiden vastaavan kyselyyn. Olet sitten osa-aikainen tai vastaava vastaathan kyselyyn, se on minulle todella tärkeää.

Opiskelen HAMK:ssa International Business linjalla ja kysely on osa opinnäytetyötäni. Kaikki vastaukset ovat anonyymejä ja luottamuksellisia. Kyselyn vastauksia ei pystytä yhdistämään yksittäisiin vastaajiin. Kysely suoritetaan luotettavalla Webropol ohjelmalla. Yksittäisiä vastauksia ei käytetä ainoastaan kyselyn kokonaistuloksia tullaan esittelemään. Vastaahan rehellisesti!

Kun opinnäytetyö on valmis toivottavasti siitä saadut tulokset otetaan käyttöön ja saamme paremmin motivoivan työilmapiirin :)

Jos jotain kysymyksiä ilmenee älä epäröi ottaa yhteyttä. Kiitos kun autatte minua valmistumaan!!!

Linkki kyselyyn: klikkaamalla pääset suoraan kyselykaavakkeeseen

<http://www.webropolsurveys.com/S/31BD13D539C0C23B.par>

Ystävällisin terveisin,  
Elina Heikkilä

COVER LETTER IN ENGLISH

Dear colleagues,

Here is the questionnaire I mentioned earlier concerning employee motivation. To access the questionnaire, please click the link below. The link is valid only for this week, so would you be so kind and answer before 21st of October. I wish all employees to answer for this questionnaire. Whether you are a part-time or fulltime employee, please answer the questionnaire. It is really important to me.

I am studying International Business at HAMK and this questionnaire is part of my final thesis. All answers are anonymous and confidential. The survey is carried out with reliable Webropol programme. Individual responses will not be used only the overall results of the survey will be presented. I wish you all answer honestly!

When the thesis is completed, hopefully the results will be taken into account and we can get more motivating work environment :) If any issues arise please do not hesitate to contact me.

Thank you for helping me to graduate!

Link to the questionnaire: by clicking the link you will be directed to the questionnaire

<http://www.webpolsurveys.com/S/31BD13D539C0C23B.par>

Regards,  
Elina Heikkilä

## QUESTIONNAIRE IN FINNISH

**Mitkä asiat vaikuttavat motivaatioosi?**

**Kysely on jaettu kolmeen osaan: kyselyn ensimmäinen osa on luokittelevia kysymyksiä, toinen osa tutkii työhön liittyviä motivaatiotekijöitä ja kolmas osa tutkii myyjäbonusjärjestelmää, joka toimii motivaatiokeinona yrityksessä.**

**Osa yksi: luokittelevat kysymykset****1. Ikä? \***

- ☐ 18-25  
☐ 25-35  
☐ 35-45  
☐ 45-55  
☐ 55-

**2. Sukupuoli? \***

- ☐ Nainen  
☐ Mies

**3. Kuinka kauan olet ollut töissä tässä yhtiössä? \***

- ☐ Alle vuoden  
☐ 1 vuosi  
☐ 2 vuotta  
☐ 3 vuotta  
☐ 4 vuotta  
☐ 5 vuotta  
☐ 6 vuotta  
☐ 7 vuotta tai enemmän

**Osa kaksi: mitkä asiat vaikuttavat motivaatioosi?****4. Oletko samaa mieltä väittämän kanssa: työntekijän oma asenne työtä kohtaan vaikuttaa työn lopputulokseen positiivisesti tai negatiivisesti? \***

- ☐ Täysin samaa mieltä   
 ☐ Jokseenkin samaa mieltä   
 ☐ En osaa sanoa   
 ☐ Jokseenkin eri mieltä   
 ☐ Täysin eri mieltä

**5. Arvioi kuinka tärkeitä seuraavat asiat työssäsi ovat sinulle? \***

	Erittäin tärkeä	Jokseenkin tärkeä	En osaa sanoa	Ei kovin tärkeä	Ei yhtään tärkeä
Joustava työaikataulu	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Työn monipuolisuus	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Muiden työntekijöiden kunnioitus sinua kohtaan	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Vastuulliset työtehtävät	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Etenemismahdollisuudet	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Hyvä johtaminen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Hyvä johtaminen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Työolosuhteet (esim turvallisuus ja ergonomisuus)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Palkka	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Hyvä työilmapiiri	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**6. Kuinka tyytyväinen olet seuraaviin asioihin nykyisessä työssäsi? \***

	Täysin tyytyväinen	Jokseenkin tyytyväinen	En osaa sanoa	Jokseenkin tyytymätön	Täysin tyytymätön
Tähän astiset saavutukset	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Työaikataulu	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Työn monipuolisuus	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Muiden työntekijöiden kunnioitus sinua kohtaan	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Annetut vastuu mahdollisuudet	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Etenemismahdollisuudet	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Johtaminen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Esimies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Työolosuhteet	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Palkka	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Työkaverisi	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Työilmapiiri	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**7. Vaikuttavatko työolosuhteet työmotivaatioosi? \***

- ☐ Kyllä  
☐ Ei

**8. Saatko riittävästi tietoa yrityksen toiminnasta ja tapahtumista? (esim. tulevat kampanjat) \***

- ☐ Kyllä  
☐ En

**9. Oletko tyytyväinen yrityksen sisäiseen tiedonkulkuun? \***

- ☐ Täysin tyytyväinen    ☐ Jokseenkin tyytyväinen    ☐ En osaa sanoa    ☐ Jokseenkin tyytymätön    ☐ Täysin tyytymätön

**10. Miten hyvin seuraavat asiat parantavat työmotivaatiotasi? \***

	Todella hyvin	Hyvin	En osaa sanoa	Melko huonosti	Huonosti
Joustava työaikataulu	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Monipuoliset työtehtävät	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Yrityksen tarjoamat koulutus- ja kurssi mahdollisuudet	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Henkilöstöedut (esim. kahvietu, henkilöstöostot, liikuntasetelit)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Liikkeessä rauhallinen taukotila	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Liikkeessä säädettävä sisälämpötila	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Liikkeen turvallisuus	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Liikkeen yleinen siisteys	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Työtilojen ergonomisuus	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**11. Kuinka hyvin olet tietoinen seuraavista yritykseen liittyvistä asioista? \***

	Erittäin hyvin	Hyvin	En osaa sanoa	Melko huonosti	Huonosti
Yrityksen päätavoitteet	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Yrityksen tarjoamat koulutus- ja kurssi mahdollisuudet	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Yrityksen henkilöstöedut	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**12. Oletko kokenut seuraavia asioita työssäsi? \***

	Usein	Väliillä	En osaa sanoa	Joskus	En koskaan
Turhautumista	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Häirintää	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Kiusaamista	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Onnistumista	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Luottamusta	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**13. Mitä mieltä olet seuraavista väittämistä? \***

	Täysin samaa mieltä	Jokseenkin samaa mieltä	En osaa sanoa	Jokseenkin eri mieltä	Täysin eri mieltä
Saan arvostusta työyhteisössä	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Koen työkaverini ongelmallisina	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Työni on riittävän haastavaa	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Olen harkinnut työpaikan vaihtoa	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Koen työilmapiirin positiivisena	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Minulla on tarvittava tietotaito työni suorittamiseksi	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Olen oma-aloitteinen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Olen yhteistyökykyinen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Koen että työpanoksellani on merkitystä	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Saan tarpeeksi tukea esimieheltäni	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Viestintä minun ja esimieheni välillä sujuu hyvin	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**14. Kuinka motivoitunut olet työssäsi? \***

☐ Täysin motivoitunut
 ☐ Jokseenkin motivoitunut
 ☐ En osaa sanoa
 ☐ Vähän motivoitunut
 ☐ En yhtään motivoitunut

**15. Kerro omin sanoin mikä työssäsi motivoi / ei motivoi?**

### Osa kolme: myyjäbonusjärjestelmä

**16. Motivoiko nykyinen myyjäbonusjärjestelmä sinua? \***

☐ Hyvin ☐ Melko hyvin ☐ En osaa sanoa ☐ Melko huonosti ☐ Huonosti

**17. Koetko, että voit henkilökohtaisesti vaikuttaa bonusjärjestelmän asettaman tavoitteen saavuttamisessa? \***

☐ Täysin samaa mieltä ☐ Jokseenkin samaa mieltä ☐ En osaa sanoa ☐ Jokseenkin eri mieltä ☐ Täysin eri mieltä

**18. Koetko, että asetetut bonustavoitteet ovat saavutettavissa? \***

☐ Täysin samaa mieltä ☐ Jokseenkin samaa mieltä ☐ En osaa sanoa ☐ Jokseenkin eri mieltä ☐ Täysin eri mieltä

**19. Kannustaako bonusjärjestelmä työskentelemään tiiminä? \***

☐ Täysin samaa mieltä ☐ Jokseenkin samaa mieltä ☐ En osaa sanoa ☐ Jokseenkin eri mieltä ☐ Täysin eri mieltä

**20. Motivoisiko myyjäkohtainen tavoite paremmin kuin nykyinen liikkeelle yhteisesti asetettu tavoite? \***

☐ Täysin samaa mieltä ☐ Jokseenkin samaa mieltä ☐ En osaa sanoa ☐ Jokseenkin eri mieltä ☐ Täysin eri mieltä

**21. Ymmärrätkö miten bonusjärjestelmä toimii? \***

☐ Kyllä  
☐ En

**22. Tiedätkö aina kuukauden tavoitteen? \***

☐ Kyllä  
☐ En

**23. Tiedätkö miten tavoite päätetään? \***

☐ Kyllä  
☐ En

**24. Ymmärrätkö mitä sinun henkilökohtaisesti tulee suorittaa, jotta ansaitset bonuksen? \***

☐ Ymmärrän  
☐ En ymmärrä

**25. Luotatko että bonus maksetaan, kun tavoite täyttyy? \***

☐ Luotan  
☐ En luota

**26. Onko bonusjärjestelmä mielestäsi selkeä? \***

☐ Täysin samaa mieltä ☐ Jokseenkin samaa mieltä ☐ En osaa sanoa ☐ Jokseenkin eri mieltä ☐ Täysin eri mieltä

**27. Onko bonusjärjestelmä mielestäsi oikeudenmukainen? \***

☐ Täysin samaa mieltä ☐ Jokseenkin samaa mieltä ☐ En osaa sanoa ☐ Jokseenkin eri mieltä ☐ Täysin eri mieltä

**28. Kuinka paljon rahallinen korvaus motivoi? \***

☐ Todella paljon ☐ Paljon ☐ En osaa sanoa ☐ Vähän ☐ Ei yhtään



**29. Miten asenteesi myyntiä kohtaan muuttuu, jos bonusraja saavutetaan ennen kuun loppua?**

**30. Miten kehittäisit bonusjärjestelmää? Kaikki palaute on tärkeää bonusjärjestelmän kehittämiseksi.**

Lähetä

## QUESTIONNAIRE IN ENGLISH

### Factors affecting your motivation?

**The questionnaire is divided into three parts: the first part of the questionnaire is classifying questions, the second part of the questionnaire studies work-related motivational factors, and the third part of the questionnaire studies current bonus reward system, which is motivation technique used at the case company.**

#### Part one: classifying questions

**1. Age? \***

- ☐ 18-25
- ☐ 25-35
- ☐ 35-45
- ☐ 45-55
- ☐ 55-

**2. Gender? \***

- ☐ Female
- ☐ Male

**3. How long have you been working in this company? \***

- ☐ Less than a year
- ☐ 1 year
- ☐ 2 years
- ☐ 3 years
- ☐ 4 years
- ☐ 5 years
- ☐ 6 years
- ☐ 7 years or more

#### Part two: what factors affect your motivation?

**4. Do you agree with the statement: employee's own attitude towards work can determine the outcome of the work positively or negatively? \***

- ☐ Totally agree ☐ Somewhat agree ☐ Do not know ☐ Somewhat disagree ☐ Totally disagree

**5. Evaluate how important are the following factors to you in your work? \***

	Extremely important	Somewhat important	Do not know	Not very important	Not at all important
Flexible work schedule	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Task versatility in your job	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other employees respect for you	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Responsible work tasks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Advancement opportunities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Good leadership and management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Working conditions (e.g, safety and ergonomics)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Salary	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A good working atmosphere	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**6. How satisfied are you with the following factors in your current job? \***

	Completely satisfied	Somewhat satisfied	Do not know	Somewhat dissatisfied	Completely dissatisfied
Achievements you have reached so far	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Work schedule	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Task versatility in your job	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other employees respect for you	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Given responsibilities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Advancement opportunities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Your superior	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Working conditions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Salary	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Your colleagues	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Work atmosphere	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**7. Does working conditions affect your work motivation? \***

- ☐ Yes  
☐ No

**8. Do you get enough information on the company's operations and events? (For example, up coming campaigns) \***

- ☐ Yes  
☐ No

**9. Are you satisfied with the company's internal communication? \***

- ☐ Completely satisfied    ☐ Somewhat satisfied    ☐ Do not know    ☐ Somewhat dissatisfied    ☐ Completely dissatisfied

**10. How well does the following factors improve your work motivation? \***

	Extremely well	Somewhat well	Do not know	Somewhat poorly	Extremely poorly
Flexible work schedule	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Task versatility in your job	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Training and course opportunities offered by the company	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employee benefits (e.g., free coffee, staff purchases, sports vouchers)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Peaceful break room in the store facilities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Adjustable temperature in the store facility	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Store security	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
General cleanliness in the store facilities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Ergonomic workspaces	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**11. How well are you aware of the following issues related to the company? \***

	Extremely well	Somewhat well	Do not know	Somewhat poorly	Extremely poorly
The main objectives of the company	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Training and course opportunities offered by the company	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The company's employee benefits	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**12. Have you experienced the following in your work? \***

	Frequently	Occasionally	Do not know	Sometimes	Never
Frustration	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Harassment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Bullying	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Succeeding	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Trust	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**13. What do you think of the following statements? \***

	Totally agree	Somewhat agree	Do not know	Somewhat disagree	Totally disagree
I get the appreciation in the work community	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
My colleagues are problematic	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
My job is challenging enough	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I have thought of changing my job	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Work atmosphere is positive	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I have the necessary know-how to carry out my work	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am initiative	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am a co-operative	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
My contribution to the work is relevant	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I get enough support from my superior	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Communication between my boss and me is going well	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**14. How motivated are you in your work? \***

☐ Fully motivated
 ☐ Somewhat motivated
 ☐ Do not know
 ☐ Somewhat unmotivated
 ☐ Fully unmotivated

**15. Tell in your own words what motivate / unmotivate in your job?**

**Part three: bonus reward system**

**16. How well does the current bonus reward system motivate you? \***

☐ Extremely well
 ☐ Somewhat well
 ☐ Do not know
 ☐ Somewhat poorly
 ☐ Extremely poorly

**17. Do you think that you can personally affected for achieving the goals set by the bonus reward system? \***

☐ Totally agree
 ☐ Somewhat agree
 ☐ Do not know
 ☐ Somewhat disagree
 ☐ Totally disagree

**18. Do you think the set bonus targets are achievable? \***

☐ Totally agree
 ☐ Somewhat agree
 ☐ Do not know
 ☐ Somewhat disagree
 ☐ Totally disagree

**19. Does the bonus system encourage to work together as a team? \***

☐ Totally agree
 ☐ Somewhat agree
 ☐ Do not know
 ☐ Somewhat disagree
 ☐ Totally disagree

**20. Would individual target motivate better than the current jointly set target? \***

☐ Totally agree
 ☐ Somewhat agree
 ☐ Do not know
 ☐ Somewhat disagree
 ☐ Totally disagree

**21. Do you understand how the bonus system works? \***

☐ Yes  
☐ No

**22. Do you always know the goal of each month? \***

- ☐ Yes  
☐ No

**23. Do you know how the target is set? \***

- ☐ Yes  
☐ No

**24. Do you understand what you personally need to achieve in order to be entitled to a bonus? \***

- ☐ Yes  
☐ No

**25. Do you trust that the bonus is paid, when the set target is met? \***

- ☐ Yes  
☐ No

**26. In your opinion is the bonus system easy to understand? \***

- ☐ Totally agree ☐ Somewhat agree ☐ Do not know ☐ Somewhat disagree ☐ Totally disagree

**27. In your opinion is the bonus system fair? \***

- ☐ Totally agree ☐ Somewhat agree ☐ Do not know ☐ Somewhat disagree ☐ Totally disagree

**28. How much does the monetary reward motivate? \***

- ☐ Extremely much ☐ Somewhat much ☐ Do not know ☐ Somewhat little ☐ Not at all

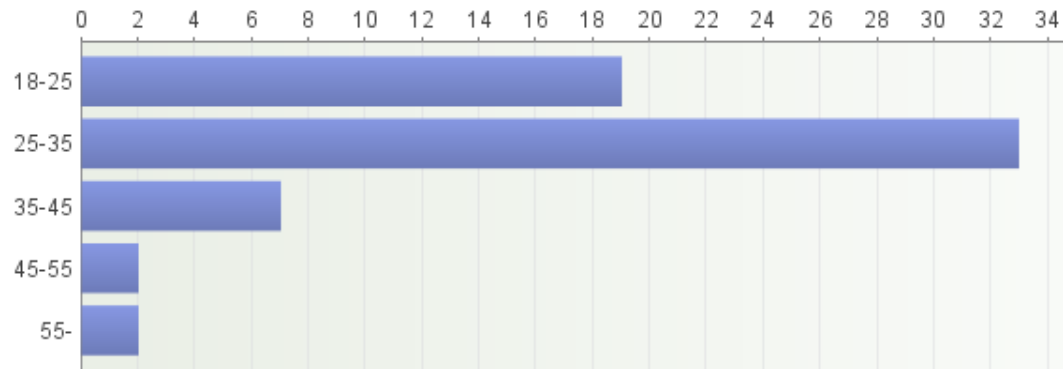
**29. Does your attitude change towards sales if the target is set before the end of the month?**

**30. How would you develop the bonus system? All feedback is important in order to develop the bonus system.**

## QUESTIONNAIRE RESULTS

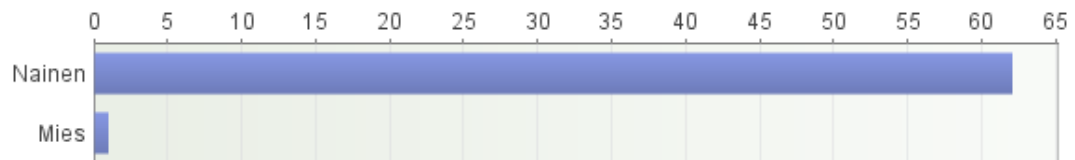
### 1. Ikä?

Vastaajien määrä: 63



### 2. Sukupuoli?

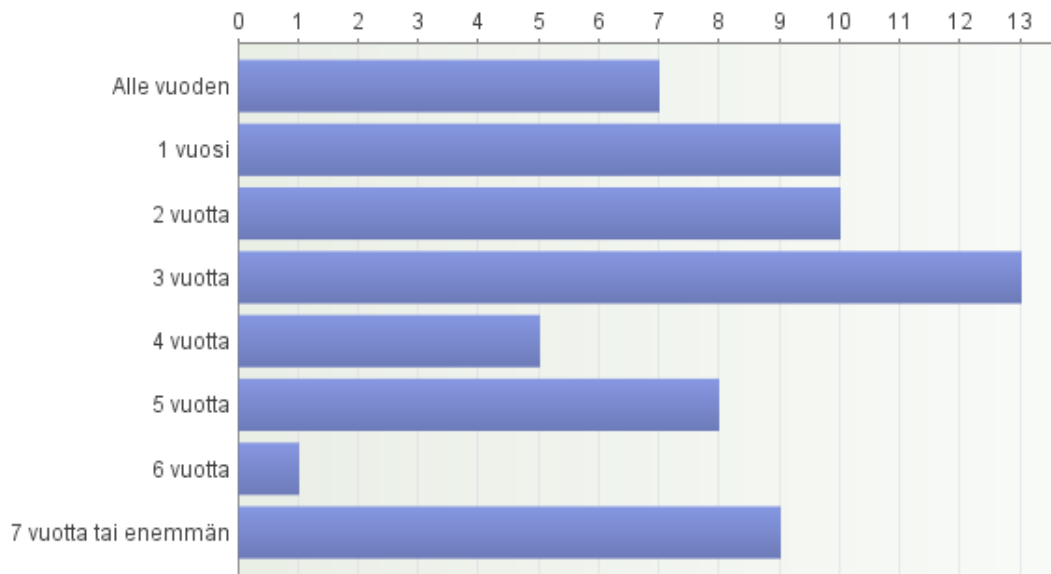
Vastaajien määrä: 63



### 3. Kuinka kauan olet ollut töissä tässä yhtiössä?

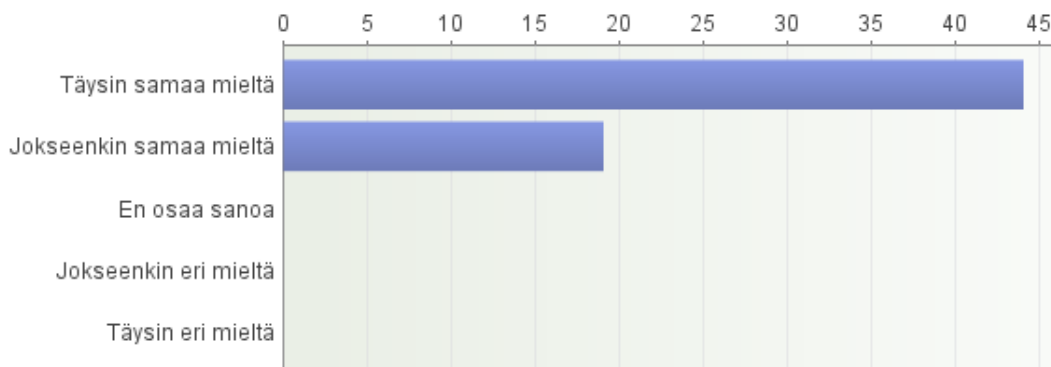
Vastaajien määrä: 63

## Motivating employees



4. Oletko samaa mieltä väittämän kanssa: työntekijän oma asenne työtä kohtaan vaikuttaa työn lopputulokseen positiivisesti tai negatiivisesti?

Vastaajien määrä: 63



5. Arvioi kuinka tärkeitä seuraavat asiat työssäsi ovat sinulle?

Vastaajien määrä: 63

## Motivating employees

	Erittäin tärkeä	Jokseenkin tärkeä	En osaa sanoa	Ei kovin tärkeä	Ei yhtään tärkeä	Yhteensä
Joustava työaika	22	33	0	8	0	63
Työn monipuolisuus	39	24	0	0	0	63
Muiden työntekijöiden kunnioitus sinua kohtaan	44	18	0	0	0	62
Vastuulliset työtehtävät	19	36	5	3	0	63
Etenemismahdollisuudet	23	28	6	6	0	63
Hyvä johtaminen	52	10	1	0	0	63
Työolosuhteet (esim turvallisuus ja ergonomisuus)	40	20	1	1	0	62
Palkka	25	34	1	3	0	63
Hyvä työilmapiiri	60	3	0	0	0	63

## 6. Kuinka tyytyväinen olet seuraaviin asioihin nykyisessä työssäsi?

Vastaajien määrä: 63

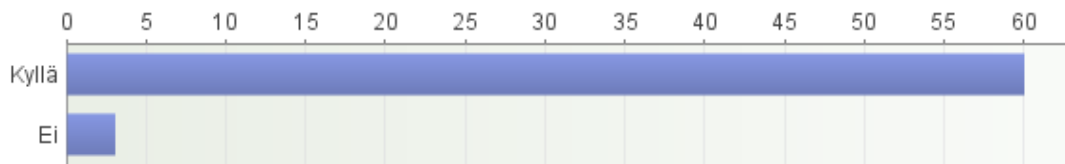
	Täysin tyytyväinen	Jokseenkin tyytyväinen	En osaa sanoa	Jokseenkin tyytymätön	Täysin tyytymätön	Yhteensä
Tähän astiset saavutukset	15	33	9	6	0	63
Työaika	15	31	6	11	0	63
Työn monipuolisuus	14	36	3	9	0	62
Muiden työntekijöiden kunnioitus sinua kohtaan	26	26	6	4	1	63
Annetut vastuu mahdollisuudet	18	30	9	6	0	63
Etenemismahdollisuudet	13	17	16	10	5	61
Johtaminen	7	28	8	18	1	62
Esimies	15	31	3	12	2	63
Työolosuhteet	11	29	9	12	1	62
Palkka	3	29	5	20	5	62
Työkaverit	37	22	2	2	0	63
Työilmapiiri	33	20	4	5	1	63

## 7. Vaikuttavatko työolosuhteet työmotivaatioosi?

Vastaajien määrä: 63

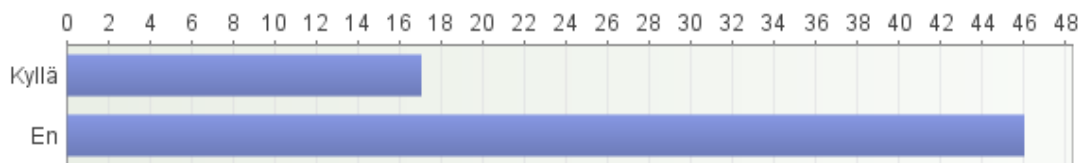


## Motivating employees



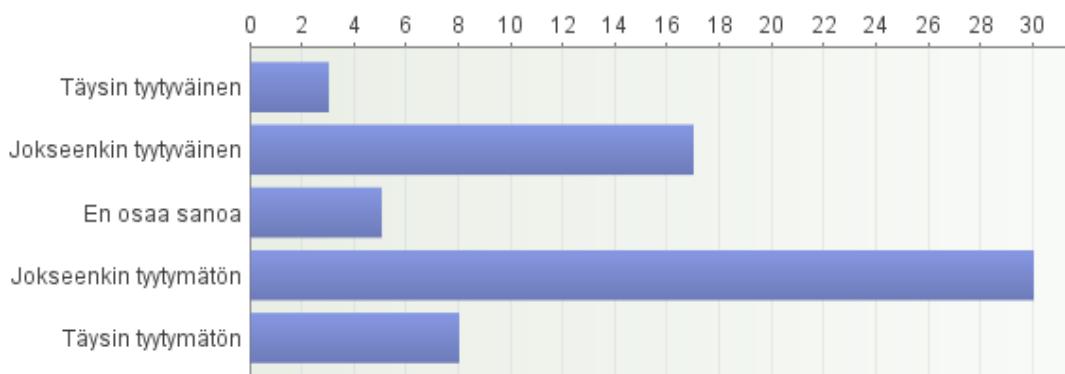
8. Saatto riittävästi tietoa yrityksen toiminnasta ja tapahtumista? (esim. tulevat kampanjat)

Vastaajien määrä: 63



9. Oletko tyytyväinen yrityksen sisäiseen tiedonkulkuun?

Vastaajien määrä: 63



10. Miten hyvin seuraavat asiat parantavat työmotivaatiotasi?

Vastaajien määrä: 63

## Motivating employees

	Todella hyvin	Hyvin	En osaa sanoa	Melko huonosti	Huonosti	Yhteensä
Joustava työaika	17	41	4	1	0	63
Monipuoliset työtehtävät	29	32	2	0	0	63
Yrityksen tarjoamat koulutus- ja kurssi mahdollisuudet	21	29	13	0	0	63
Henkilöstöedut (esim. kahvietu, henkilöstöostot, liikuntasetelit)	25	24	6	7	1	63
Liikkeessä rauhallinen taukotila	24	25	10	3	1	63
Liikkeessä säädettävä sisälämpötila	22	23	9	6	3	63
Liikkeen turvallisuus	30	27	5	1	0	63
Liikkeen yleinen siisteys	29	31	1	2	0	63
Työtilojen ergonomisuus	21	31	6	4	1	63

### 11. Kuinka hyvin olet tietoinen seuraavista yritykseen liittyvistä asioista?

Vastaajien määrä: 63

	Erittäin hyvin	Hyvin	En osaa sanoa	Melko huonosti	Huonosti	Yhteensä
Yrityksen päätaoiteet	3	31	16	11	2	63
Yrityksen tarjoamat koulutus- ja kurssi mahdollisuudet	6	27	11	17	2	63
Yrityksen henkilöstöedut	12	41	4	5	0	62

### 12. Oletko kokenut seuraavia asioita työssäs?

Vastaajien määrä: 63

	Usein	Välillä	En osaa sanoa	Joskus	En koskaan	Yhteensä
Turhautumista	5	42	1	11	4	63
Härintää	2	5	6	8	42	63
Kiusaamista	2	4	3	8	45	62
Onnistumista	28	30	1	4	0	63
Luottamusta	26	33	1	3	0	63

### 13. Mitä mieltä olet seuraavista väittämistä?

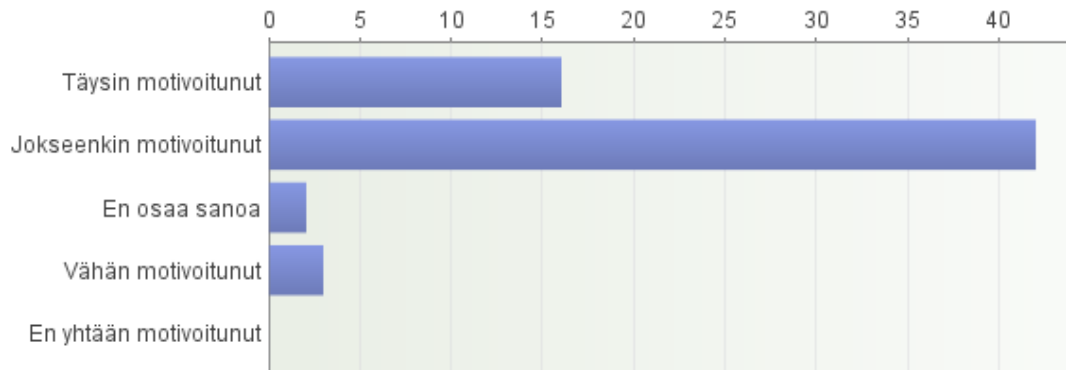
Vastaajien määrä: 63

## Motivating employees

	Täysin samaa mieltä	Jokseenk in samaa mieltä	En osaa sanoa	Jokseenk in eri mieltä	Täysin eri mieltä	Yhteensä
Saan arvostusta työyhteisössä	13	40	3	6	1	63
Koen työkaverini ongelmallisina	0	7	5	20	31	63
Työni on riittävän haastavaa	10	32	3	16	2	63
Olen harkinnut työpaikan vaihtoa	15	18	8	11	10	62
Koen työilmapiirin positiivisena	22	30	3	7	1	63
Minulla on tarvittava tietotaito työni suorittamiseksi	20	28	7	8	0	63
Olen oma-aloitteinen	34	27	1	1	0	63
Olen yhteistyökykyinen	49	12	1	0	0	62
Koen että työpanoksellani on merkitystä	21	33	5	4	0	63
Saan tarpeeksi tukea esimieheltäni	21	19	8	13	2	63
Viestintä minun ja esimieheni välillä sujuu hyvin	22	23	7	9	2	63

### 14. Kuinka motivoitunut olet työssäsi?

Vastaajien määrä: 63



### 15. Kerro omin sanoin mikä työssäsi motivoi / ei motivoi?

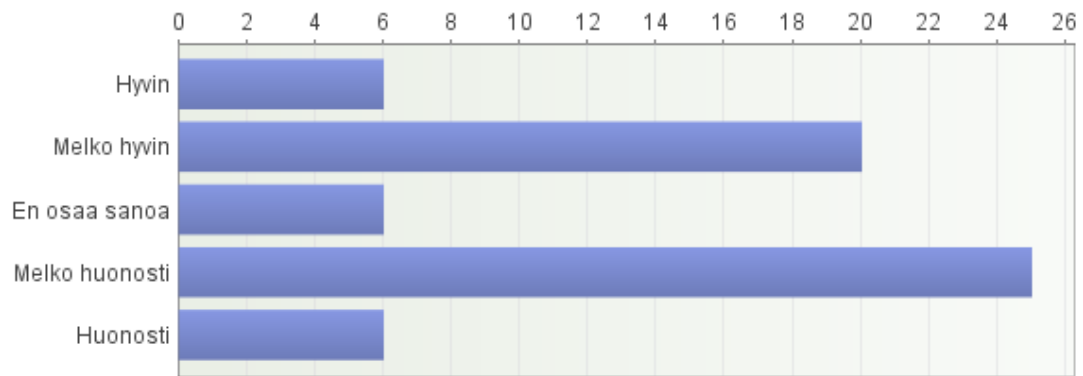
Vastaajien määrä: 40

Respondent's responses have been deleted due to the request of the commissioning company

### 16. Motivoiko nykyinen myyjäbonusjärjestelmä sinua?

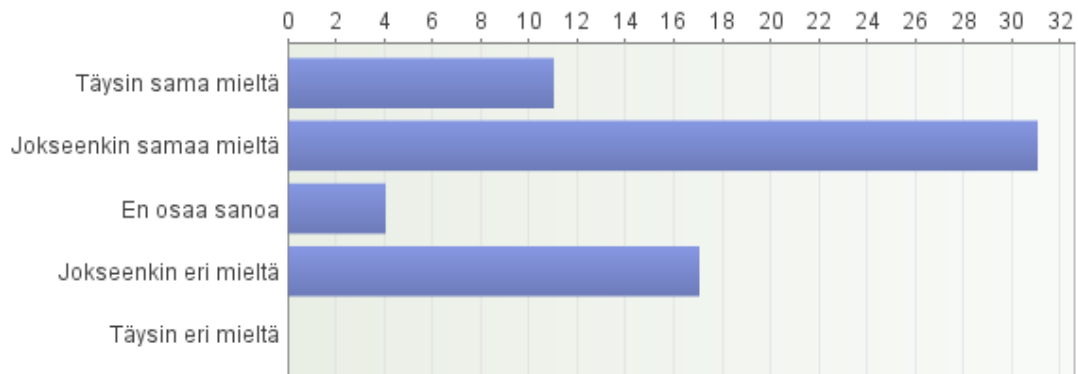
Vastaajien määrä: 63

## Motivating employees



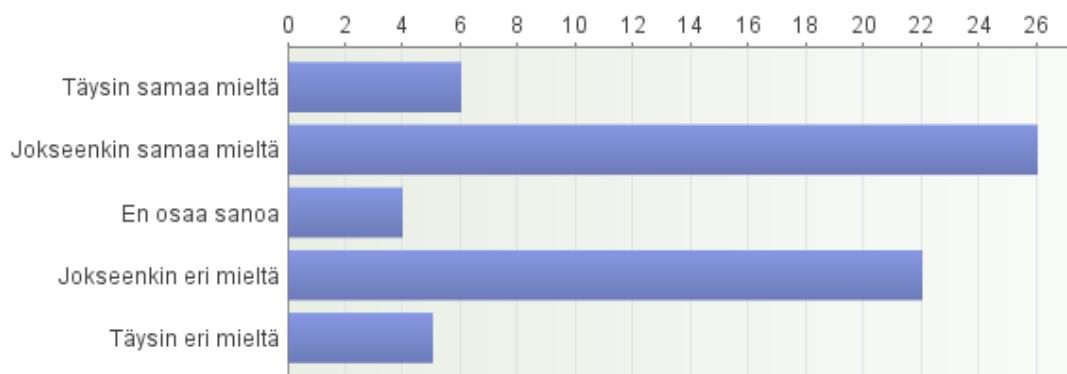
17. Koetko, että voit henkilökohtaisesti vaikuttaa bonusjärjestelmän asettaman tavoitteen saavuttamisessa?

Vastaajien määrä: 63



18. Koetko, että asetetut bonustavoitteet ovat saavutettavissa?

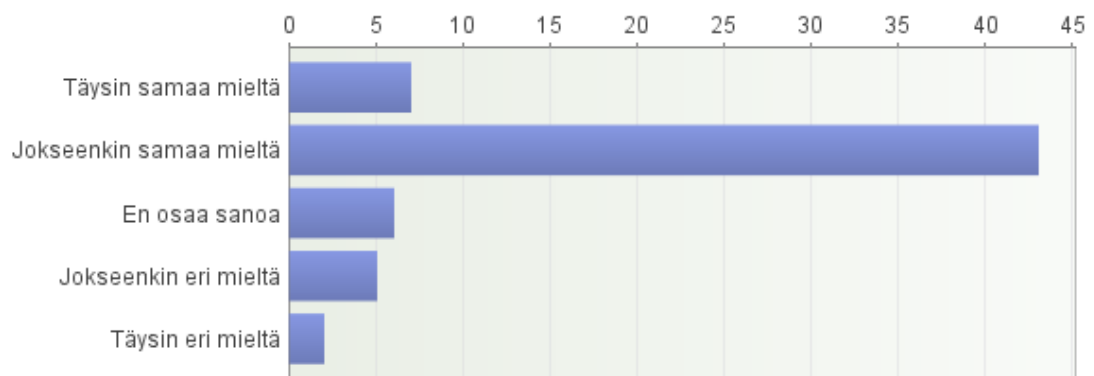
Vastaajien määrä: 63



19. Kannustaako bonusjärjestelmä työskentelemään tiiminä?

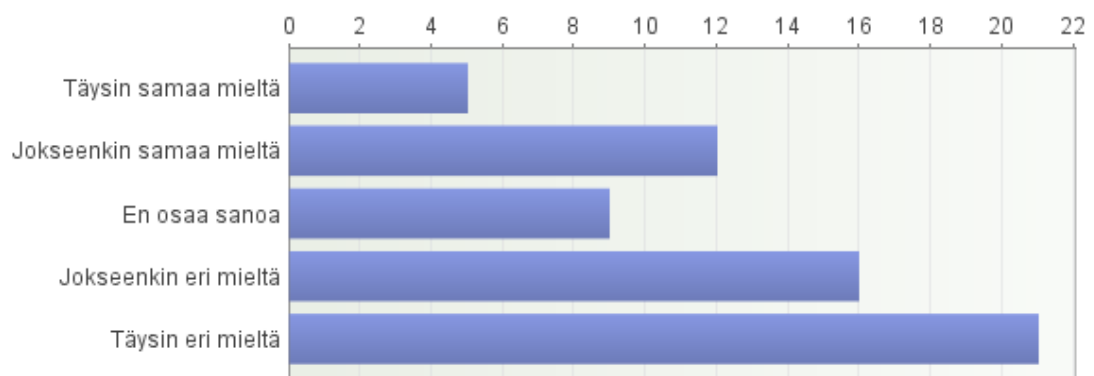
Vastaajien määrä: 63

## Motivating employees



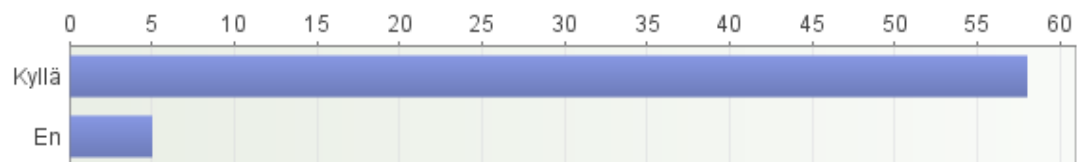
20. Motivoisiko myyjäkohtainen tavoite paremmin kuin nykyinen liikkeelle yhteisesti asetettu tavoite?

Vastaajien määrä: 63



21. Ymmärrätkö miten bonusjärjestelmä toimii?

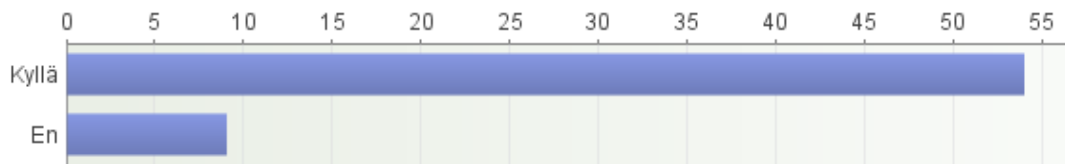
Vastaajien määrä: 63



22. Tiedätkö aina kuukauden tavoitteen?

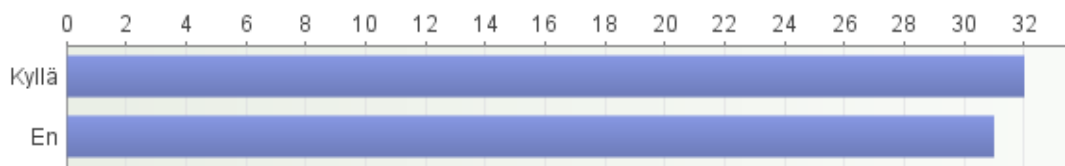
Vastaajien määrä: 63

## Motivating employees



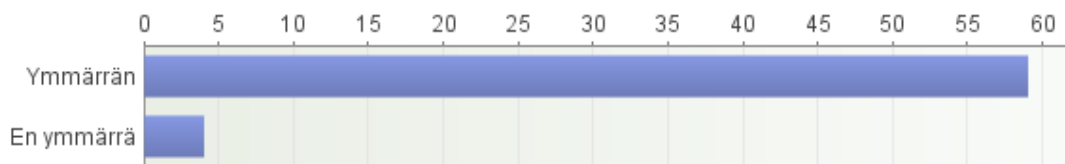
### 23. Tiedätkö miten tavoite päätetään?

Vastaajien määrä: 63



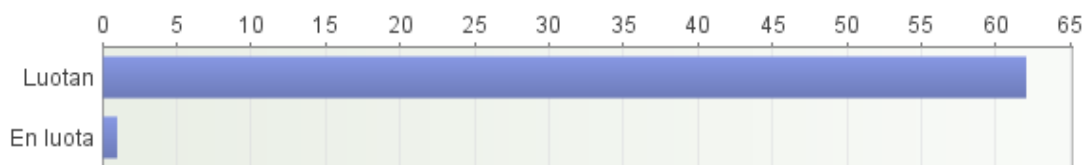
### 24. Ymmärrätkö mitä sinun henkilökohtaisesti tulee suorittaa, jotta ansaitset bonuksen?

Vastaajien määrä: 63



### 25. Luotatko että bonus maksetaan, kun tavoite täyttyy?

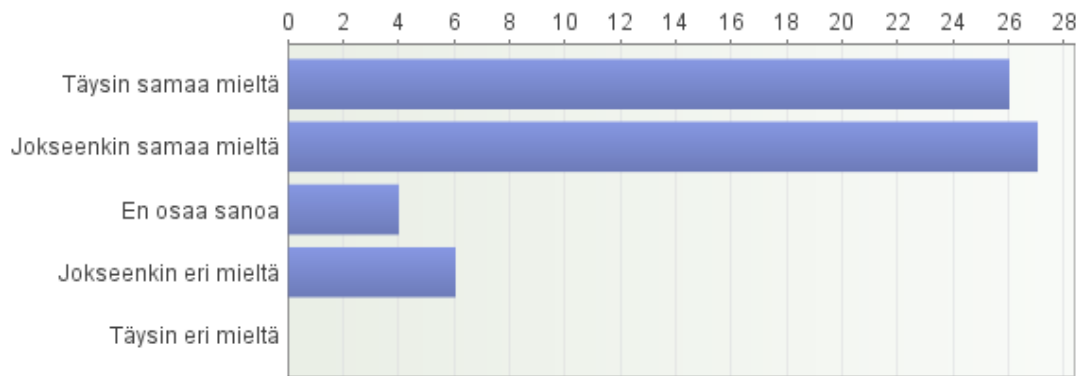
Vastaajien määrä: 63



### 26. Onko bonusjärjestelmä mielestäsi selkeä?

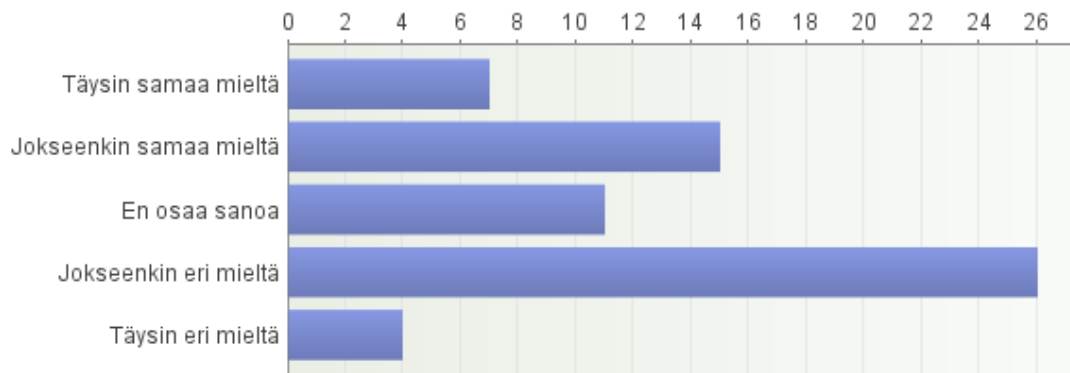
Vastaajien määrä: 63

## Motivating employees



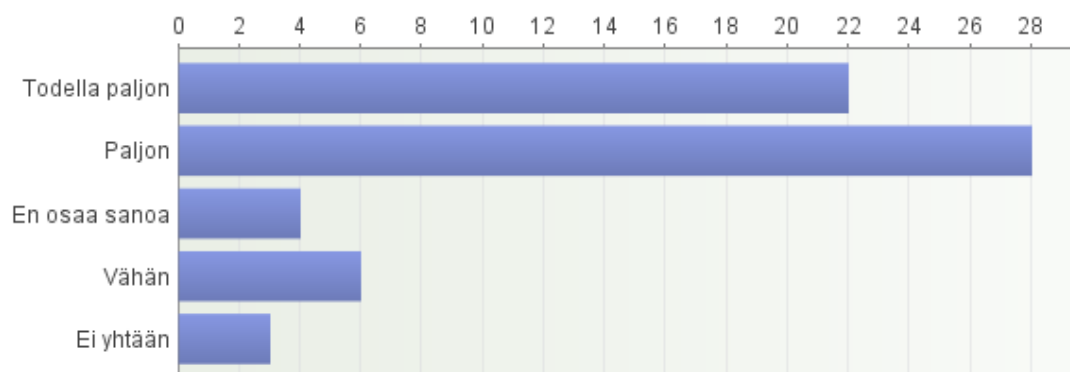
### 27. Onko bonusjärjestelmä mielestäsi oikeudenmukainen?

Vastaajien määrä: 63



### 28. Kuinka paljon rahallinen korvaus motivoi?

Vastaajien määrä: 63



29. Miten asenteesi myyntiä kohtaan muuttuu, jos bonusraja saavutetaan ennen kuun loppua?

Vastaajien määrä: 50

Respondent's responses have been deleted due to the request of the commissioning company

30. Miten kehittäisit bonusjärjestelmää? Kaikki palaute on tärkeää bonusjärjestelmän kehittämiseksi.

Vastaajien määrä: 43

Respondent's responses have been deleted due to the request of the commissioning company