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MASTER'S THESIS

**MOTIVATIONAL DRIVERS OF THE SALES FORCE IN THE
MACEDONIAN FMCG INDUSTRY**

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AUTHORSHIP STATEMENT

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LIST OF ABBREVIATIONS

ERG - Existence, relatedness, growth

SDT – Self-determination theory

FMCG – Fast-moving consumer goods

INTRODUCTION

In a dynamic working environment, employees which are being motivated are vital for the success of companies. Several authors have explained the importance of motivated work force. According to Emelander, a strategic advantage for the companies are motivated, engaged employees which are recognized as the instrument that carries every firm towards achieving their goals (Emelander, 2013). It can be assumed that employees that are motivated will be happier, healthier and more fulfilled, and most probably can deliver better performance as well as higher level of innovation (Wietrak, Rousseau, & Barends, 2021). For individuals that are highly motivated at the contextual level, work motivation becomes more conclusive with greater degree of autonomy, competence, and relatedness (Taylor, 2015). Therefore, motivation can represent a major cause that drives individuals to perform based on their own will. According to Amabile, from motivated employees can be expected to be more persistent, to bring more creativity in doing their job, and to deliver higher quality of work in the tasks that they are engaged in (Amabile, 1993). These definitions converge on the opinion that motivated employees provide a competitive advantage for companies in achieving their goals. Conversely, from employees that are not motivated can be expected to impose lower effort when performing their job, to avoid work as much as possible, to quit the company as well as to produce low quality work (Amabile, 1993). Diminished motivation can be related to negative situations and consequences (Taylor, 2015). Therefore, such motivation among employees would have an undesirable effect on company success.

The purpose of the master's thesis is to contribute to a better understanding of motivation of the sales force in the Macedonian fast-moving consumer goods (FMCG) industry. The results of the empirical study could be useful to companies and managers as well as sales personnel in the industry in determining the drivers that encourage sales force motivation. It could also be used as one of the components for improved decision-making in Macedonian companies.

This thesis will try to test three hypotheses. The first hypothesis tries to understand whether extrinsic motivation is a significantly stronger motivational driver to sales personnel in the Macedonian FMCG industry than intrinsic motivation. Therefore, the hypothesis is formulated as:

H1: Extrinsic motivation is a significantly stronger motivational driver of the sales force in the Macedonian FMCG industry than intrinsic motivation

The second hypothesis is consisted of three parts. The first sub-hypothesis tries to understand if the extrinsic motivational dimension compensation is a stronger motivational driver than the extrinsic motivational dimension outward. It is followed by the second and third sub-hypotheses that try to understand if compensation is a stronger motivational dimension than

the intrinsic motivational dimension of enjoyment and challenge. The second hypothesis is formulated as:

H2: Compensation is a significantly stronger motivational dimension for the sales force in the Macedonian FMCG industry than the motivational dimensions of 2a) outward, 2b) challenge and 2c) enjoyment.

Finally, this thesis will try to understand if there is difference in four demographic factors age, gender, level of education and tenure in the FMCG industry and motivation of sales personnel. The hypothesis is formulated as:

H3: There is no significant difference in the importance of motivational drivers among sales force employees with different demographic characteristics in the Macedonian FMCG industry that include 3a) age, 3b) gender, 3c) level of education and 3d) tenure in the FMCG industry.

The goal of this thesis is to explore the motivational drivers of the sales force in the Macedonian FMCG industry. The theoretical part of the thesis has the goal to present existing research on motivation as well as research on extrinsic and intrinsic motivation and the relationship between them. It will also try to present a general overview of the most prominent motivational theories. In the empirical part, the goal of the thesis is to try to understand which motivational drivers and dimensions impact sales force employee motivation the most. It will also try to understand if there are differences in demographic characteristics among the sales force in the FMCG industry.

The methodology of this research is comprised of primary and secondary data sources. The theoretical framework of the thesis is composed of secondary data sources and is descriptive by nature. It has been collected through extensive literature review of existing academic literature sources including scientific journal articles, books and other electronic sources. In order to test the hypothesis, primary data is collected through a structured questionnaire. The empirical part of the thesis uses quantitative measures to test the hypotheses. Several years of working experience within the industry allows me to use the network of professional contacts in order to collect responses for the questionnaire. A sample of 75 participants has been collected for the purpose of the quantitative analysis. The intended sample for the questionnaire is sales force individuals that work in the Macedonian FMCG industry. The sample of employees ranges from small, medium to large companies that work in the market segments of food and beverages, wine and spirits, home care and personal care. The questionnaire is in Macedonian for the purpose of convenience of the respondents. The data is further analyzed in IBM SPSS software and Microsoft Excel.

The first part of the thesis is theoretical and is focused on literature review. It tries to review the literature of employee motivation, and define motivation as a concept. The research tries to review the literature regarding intrinsic and extrinsic motivation, and to understand the relationship among them. Extrinsic motivation emerges from the intention to acquire a

particular outcome which is separate from the work (Amabile, 1993) and extrinsically motivated behaviors are governed by the chances of gaining or losing the desired outcome (Cerasoli, Nicklin, & Ford, 2014). Intrinsic motivation for the individual emerges from the intrinsic value of an activity (Amabile, 1993), and individuals engage in these activities for their own interest which is not related to a particular outcome (Cerasoli, Nicklin, & Ford, 2014). Furthermore, the most prominent motivational theories are reviewed. A separate chapter is dedicated to Self-Determination Theory (SDT) which is among the most recent and most important motivational theories. Self-determination theory is a theory of human motivation, personality development, and well-being (Deci & Ryan, 2000). The initial premise of SDT is that humans are active, growth-oriented beings who inherently tend to integrate themselves into larger social structures (Deci & Ryan, 2000). Finally, there is a literature review regarding motivation among sales force personnel. A brief analysis of the Macedonian FMCG industry and the employee structure is presented. In the practical part, the method of collecting the data is presented. It is followed by presenting the questionnaire and explaining the tested hypothesis. This work ends with presenting the managerial implications and setting the directions for further areas of research and conclusion of the thesis.

1 EMPLOYEE MOTIVATION

The theoretical part of the thesis tries to review the literature on motivation and its main elements when defining the term. In the following chapter, the thesis analyzes the forms of extrinsic and intrinsic motivation and the relationship among them. Furthermore, the most relevant motivational theories starting from the early 20th century are explained. A separate chapter is dedicated to the Self-Determination Theory by Ryan and Deci. The last chapter will review the literature on the existing research on motivation of sales personnel.

1.1 Definitions of the motivation concept

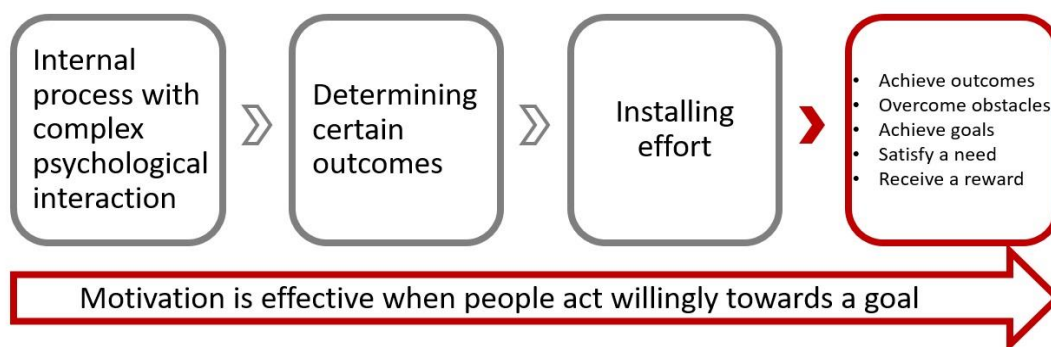
For the purpose of the thesis, motivation is explained from a psychological perspective and from the perspectives of managers, organizations and employees. From a psychological perspective motivation is explained as the internal forces which drive the individual to satisfy basic needs or wants (Yorks, 1976). Motivation as such translates into the working environment, as it is a consequence of the complementary interaction of people and the environment, which has impact on areas such as choices, effort, and persistence (Latham & Ernst, 2006). This kind of interaction in the working environment can have a direct impact on company performance, which justifies why motivation matters for companies and their managers.

There is a wealth of literature addressing human motivation and there is a number of authors that have defined this term. One opinion on motivation is that it is a process consisted of actions aiming to reach a certain goal. Schunk defines motivation as the processes that

initiate and sustain goal directed activities and it is comprised of internal processes that manifest themselves clearly in goal directed actions (Schunk & Di Benedetto, 2019). Such internal processes involve a comprehensive interaction of beliefs, perceptions, values, interests, and actions which are tightly associated among each other (Lai, 2011). These processes lead towards outcomes such as choice, effort, persistence, achievement, and environmental regulation (Schunk & Di Benedetto, 2019). Hamner, who also defines motivation as a process, asserts that motivation dictates the range of choices that individuals make among alternatives that they have (Hamner & Organ, 1978). Another opinion explains motivation as a psychological dimension that demands a given degree of effort to achieve a goal or receive a reward. The Society for Human Resource Management has defined motivation as an psychological infliction that defines the degree of effort of an individual, and a how persistent an individual is when facing obstacles (Society for Human Resource Management, 2010). Brown defined motivation as the level of effort put in activities related to the work (Brown & Peterson, 1994). Similar but broader definitions are given by Weitz according to whom motivation impacts the volume of effort consumed in performing the activities, and aptitude impacts the quality of the expended effort (Weitz, Sujana, & Sujana, 1986), and by Robbins who defined motivation as the intention to commit to high degrees of effort in order to reach the objectives of the organization, paired with the effort to satisfy the needs of the individual (Robbins, 1993). In Vroom's view, the motivation of an individual to put effort is a function of the valences, which represents the importance placed on a certain reward by the employee (Vroom, 1964).

By reviewing the definitions from these authors, several overlapping terms can be synthesized which can be used in defining motivation. Most of the authors define it as a process that occurs internally. These processes involve a complex internal psychological interaction which leads to determining certain outcomes. Therefore, to achieve the outcomes, a certain degree of effort is necessary in order to overcome obstacles, achieve goals, satisfy a need or receive a reward. In order for motivation be effective, it should lead people to act willingly and perform or work towards a goal at will. The terms that synthesize the term motivation are presented in Figure 1.

Figure 1: Synthesis of the concept of motivation



Source: own work.

Employee motivation has been one of the most important issues for managers and current research presents that motivation is a useful tool that they can use in order to achieve high levels of performance, increased level of productivity and to retain individuals that perform well within the organization (Bessell, Dicks, Wysocki, & Kepner, 2002). The differences in the values and the needs of the employees emerge from the inherent differences in their demographics such as level of education, gender, age, working experience and cultural characteristics (Yang, 2011). Management should acknowledge that in their work they are not dealing with machines, but humans, and their job is to motivate and make them perform a particular activity because they want to take part in it (Bessell, Dicks, Wysocki, & Kepner, 2002). These goals can be reached by building a work environment that promotes motivation and organizations should be capable of determining and emphasizing the factors that are critical to their employees (Society for Human Resource Management, 2010).

Research done by Nohria, Groysberg and Lee shows that motivation in general can be influenced by company leaders as much as any company policy (Nohria, Groysberg, & Lee, 2008). Therefore, company leaders have the key role in determining which factors have the most impact on motivation. In order to successfully lead the organization, these leaders should adequately manage human motivation (Amabile, 1993). The approach of management in terms of encouraging motivation should be holistic since it includes a myriad of factors both tangible and intangible. A frequent misinterpretation among managers is that they believe monetary incentives are the best way to maintain high level of motivation for the employees (Bessell, Dicks, Wysocki, & Kepner, 2002). There are other misinterpretations regarding incentives as well. According to Manion, one the is one-size-fits all reward and recognition, because individual differences in human beings are not recognized (Manion, 2005). Another misconception according to Manion is that motivation as a whole can be only extrinsic or intrinsic (Manion, 2005). This misinterpretation, makes managers to focus on only one type of motivation, while neglecting the other, however, he claims that it is critical for managers to understand that it is not just one type of reward that motivates employees, but a combination of factors motivates them (Manion, 2005).

The source of motivation lies in each individual in the organization and that drive translates on the overall company success. Therefore, motivation is critical for organizations since the induced costs are not only financial, they are cultural, psychological, emotional, physical, and spiritual (Taylor, 2015). Such an approach for achieving organizational goals, demands from managers to come up with the right mix of rewards which will motivate the employees to enhance company performance. However, if managers do not take into consideration the range of factors that could impact motivation, they could be misled in determining the right mix of incentives.

1.2 Extrinsic and intrinsic motivation

Theory and empirical research imply that work motivation can be divided as intrinsic and extrinsic. Extrinsic motivation emerges from the intention to acquire a particular outcome which is separate from the work (Amabile, 1993) and extrinsically motivated behaviors are governed by the chances of gaining or losing the outcome (Cerasoli, Nicklin, & Ford, 2014). On the other hand, intrinsic motivation for the individual emerges from the intrinsic value of an activity (Amabile, 1993) and individuals engage in these activities for their own interest which is not related to a particular outcome (Cerasoli, Nicklin, & Ford, 2014). The design of the work itself and the structure of the reward system are a function of the intrinsic and extrinsic motivation of people (Amabile, 1993).

All factors that come from an outside source that tend to impose control on work performance are **extrinsic** motivators (Amabile, 1993). These are factors that are instigated by activities that are not complementary with the work, such as status or rewards, and recognition acts as extrinsic motivator for individuals (Amabile, Hill, Hennessey, & Tighe, 1994). An extrinsically motivated individual will unlikely engage in an activity if there are no material or social rewards (Vansteenkiste, et al., 2007). According to Shanks and Buchbinder, extrinsic rewards such as money, bonuses, promotions, or flexible work schedules can be provided by managers and these rewards can be used as motivators that can increase work productivity (Shanks & Buchbinder, 2015) and all these rewards satisfy lower-order needs (Walker, Churchill, & Ford, 1979). Extrinsic rewards are inherently tangible and their value can be monetized, they can lower concerns of the individual security and physical needs related to the present and the future (Mehta, Anderson, & Dubinsky, 2000).

However, extrinsic incentives can only have a motivational effect to a given extent, when the individual assumes that achieving the incentive affects acquiring the things considered as valuable (Vroom, 1964). Monetary rewards are a powerful motivator, and their effect on motivation results in positive outcomes such as retaining employees (Jewell & Jewell, 1987). These rewards, however, do not necessarily improve the quality of work, which can be defined as job enrichment (Grant & Parker, 2009) which is an major factor of motivation of why people gain personal meaning from enriched jobs (Aguinis, Joo, & Gottfredson, 2013). Jobs are not enhanced by monetary rewards since they do not increase the variety of skills the employees utilize and does not create a notion of a positive influence work has on others (Aguinis, Joo, & Gottfredson, 2013). The job-relevant knowledge does not necessarily improve if the employees are paid more (Aguinis, Joo, & Gottfredson, 2013). In experiments conducted in a laboratory setting, individuals that are driven by extrinsic motivators have a tendency to be more impatient, to show rigid behavior when engaging tasks (Garbarino, 1975), show poorer understanding of concepts (McCullers & Martin, 1971), have limited skills for complex problem solving (Glucksberg, 1962), are poorer incidental learners (Bahrick, Fitts, & Rankin, 1952), are functionally fixed regarding set-breaking tasks (McGraw & McCullers, 1979) and show lower level of creativity when engaging in various

activities (Amabile, 1983). Studies suggested that when introducing extrinsic rewards for doing an intrinsically challenging task, people have a tendency to sense a level of control by the reward itself, which changes their behavior from internal to external (Deci & Ryan, 2000). According to Kohn, relying on incentives that increase productivity does not help in addressing possible underlying issues and can create meaningful changes in the organization (Kohn, 1993). Extrinsic motivations can reduce risk-taking and shift the focus from excellence to achieving the incentive goal (Taylor, 2015). There are several reasons why monetary incentives might not lead to the preferred outcomes. First, large monetary incentives may not serve as motivators (Beer & Cannon, 2004) and can lead to results that are not productive, such as a false representation of the activities (Harris & Bromiley, 2007). Second, if employees are promised high monetary rewards, they may result in poor performance out of concern of failure (Chib, De Martino, Shimojo, & O'Doherty, 2012). Third, employees may feel entitled to a certain level of payouts (Beer & Cannon, 2004) and consequently, the payouts not meeting the expected amounts can have a negative impact regarding the level of payment and can raise intentions to leave the company (Schaubroeck, Shaw, Duffy, & Mitra, 2008).

The human need to be competent and in control of own destiny, to be self-determined regarding the environment, to be able pursue preferred interests and challenge own capacities is defined as **intrinsic** motivation (Deci & Ryan, 1985). It can also be defined as the type of motivation that drives individuals to engage in an activity because the nature of the work is interesting or satisfying (Amabile, Hill, Hennessey, & Tighe, 1994). Therefore, this kind of motivation can be recognized as a natural type of motivation where the work is not a means to achieving the ends, but is a purpose itself and it needs no final goal (Amabile, Hill, Hennessey, & Tighe, 1994). People do the intrinsic activities naturally and spontaneously when they are free to pursue their personal interests (Deci, 1975). The concept of intrinsic motivation is compatible to what White proposes, that people are engaging in activities in order to feel efficient and competent (White, 1959), and with de Charms's proposition that people have a underlying motivational propensity to feel like causal agents regarding their own actions (de Charms, 1968). Intrinsic motivation comes from the fulfillment of deeply embedded, personal drives and needs (Emelander, 2013). These motivations are an inherent part for the engagement of the individual in the activity, they are emerging from the internal feelings about the nature of the activity, are not a logically related to the work (Amabile, 1993) and the engagement in these activities exists because people find them interesting and enjoyable to do (Olafsen, Deci, & Halvari, 2017). Intrinsically motivated behavior that emerges from intrinsic motivators is based on free will and out of interest, and it tends to satisfy the autonomy and competence needs (Deci & Ryan, 2000). Csikszentmihalyi and Rathunde suggested that intrinsic interest of the task is for the individual to realize that they are growing as a result of using their skills to tackle complex tasks (Csikszentmihalyi & Rathunde, 1993). This assertion is in line with Deci who claims intrinsic motivation is related to engagement in tasks in which people have interest and which promote personal growth (Deci & Ryan, 2000). Intrinsic motivation and engagement at work are related to values,

which are the deeply held beliefs that guide our behavior and give life a sense of meaning (Emelander, 2013). Similar to the drives of motivation, values demand from the individual to self-observe himself in order to understand their purpose (Emelander, 2013). Behavior that is intrinsically motivated is enjoyable, has a purpose, and gives a reason to the individual to be persistent in achieving the goal, rather than just be instrumental regarding a particular object that holds an extrinsic value (Pinder, 2011). Recognizing the values of work that instigate intrinsic motivation can emerge at the personal level and in the whole organization (Emelander, 2013). Intrinsic rewards are reflected in actions that are considered important and these outcomes include responsibility, autonomy, accomplishment and pleasure in doing a compelling job (Society for Human Resource Management, 2010). Similarly, Manion relates intrinsic rewards to the job and adds the traits of skill variety, autonomous behavior and feedback as well as participation of the employee in the decision-making process (Manion, 2005). According to Shanks, intrinsic rewards, are intangible and very subjective because to the individual they represent the way he values his work (Shanks & Buchbinder, 2015). Manion notes five types of extrinsic rewards that include a healthy relationship, meaningful work, competence, progress, and choice (Manion, 2005).

Theory and research show when there is high a high level of intrinsic motivation, the approach regarding the task is positive, flexible, more creative and open-minded (Pullins, 2001). When a person is intrinsically motivated, the satisfaction of internal desires is visible (Pullins, 2001). Individuals that see themselves as intrinsically motivated usually tend to ask for tasks that allow them to work on improving a new skill, to be more creative, and to become involved in the work that they are doing (Amabile, Hill, Hennessey, & Tighe, 1994). They may also look for a working environment that supports their intrinsic motivational interests, and they also could look for jobs where the intrinsic motivation is tangible (Amabile, Hill, Hennessey, & Tighe, 1994). The dominant theory of intrinsic motivation, Self-Determination Theory, which will be presented in the next chapter, can be an initial point in addressing the question, by explaining how intrinsic motivation impacts motivated behavior (Kanfer, Chen, & Pritchard, 2008).

1.3 Relationship between intrinsic and extrinsic motivation

The character of the relationship of intrinsic and extrinsic motivation and how they interact is one of the most challenging questions for researches in the area of motivation (Amabile, 1993). One group of theorists is on the opinion that one type of motivation can add up on the other, while another group believes that intrinsic and extrinsic motivation are not compatible (Amabile, 1993). In their work, Herzberg and Maslow claim that intrinsic and extrinsic motivation add up to each other, when the need for extrinsic motivation is fulfilled, intrinsic motivation can achieve higher level of satisfaction and performance at work (Amabile, 1993). On the other hand, Lepper and Greene believe that the intrinsic motivation would diminish to the degree in which extrinsic motivation would increase (Amabile, Hill,

Hennessey, & Tighe, 1994). Deci and Ryan as well claim that extrinsic motivation is opposite to intrinsic motivation (Amabile, 1993).

In their study, Lemos and Verissimo. analyzed if intrinsic and extrinsic motivation are opposite ends of the same dimension or are separate motivational dimensions (Lemos & Verissimo, 2014). Their findings determined that two independent dimensions of intrinsic and extrinsic motivation exist (Lemos & Verissimo, 2014). Assuming that intrinsic and extrinsic motivation are potentially different constructs, allowed further analysis of the relationships between these two dimensions (Lemos & Verissimo, 2014). Results from their research showed that the dimensions of intrinsic and extrinsic motivation mildly relate to each other, supporting that intrinsic and extrinsic motivation are not opposing dimensions and can exist together (Lemos & Verissimo, 2014). Therefore, intrinsic and extrinsic motivation can be considered as separate motivational dimensions, rather than opposite ends of one motivational dimension (Lemos & Verissimo, 2014).

However, the relationship between intrinsic and extrinsic motivation is complex since they do not simply add up to each other or work in opposition to each other (Amabile, 1993). Intrinsic and extrinsic motivation can combine positively, but not in a simple manner as proposed by Maslow and Herzberg (Amabile, 1993). Intrinsic and extrinsic motivators are not completely separate systems where the extrinsic motivation should be initially fulfilled before the intrinsic can begin to be operative (Amabile, 1993). Extrinsic motivation in given circumstances can be complementary to intrinsic motivation (Amabile, 1993). There is evidence in the research of Amabile that high levels of intrinsic motivation can exist simultaneously with high levels of extrinsic motivation (Amabile, 1993). Amabile also recognized that intrinsic and extrinsic motivation can coexist by stating that an autonomous individual can be intrinsically motivated in terms of performing at what he does as well as to demand appropriate remuneration for what he does (Amabile, 1993). According to Hackman and Oldham, extrinsic motivators combine positively only with internal motivation which is a separate form of intrinsic motivation, and it represents the feeling of having performed well in a complex assignment (Hackman & Oldham, 1976).

When the initial level of intrinsic motivation is high, extrinsic motivation will most probably create the most synergy with intrinsic motivation (Amabile, 1993). The initial level of intrinsic motivation can be important, if a person is performing the work because it is interesting or represents a challenge for him, that the level of intrinsic motivation may be relatively resistant in relation to the extrinsic motivators (Amabile, 1993). Thus, it can be expected an additive effect of intrinsic and extrinsic motivation if the level of intrinsic motivation is already high (Amabile, 1993). On the other hand, negative effects might be expected when intrinsic motivation is already present to a lower level for the individual than the extrinsic motivators (Amabile, 1993). When the self-esteem of the person is tied to objectives considered as extrinsic, it can still provide benefits considered as intrinsic, such as increased self-esteem or other needs of the higher-order (Amabile, 1983). Kuchinke also

stated that intrinsic motivation could not emerge without the presence of extrinsic motivation (Kuchinke & Cornachione, 2010).

Some types of extrinsic motivators may undermine intrinsic motivation (Amabile, 1993). Psychological research has shown that intrinsic motivation regarding a task can be temporarily undermined by salient extrinsic constraints that are imposed, such as possibility of obtaining a tangible reward (Amabile, 1993). This is a common pattern that can be found, although intrinsic motivation is not undermined by these factors in each case (Amabile, 1993). Cerasoli, Nicklin and Ford did a meta-analysis focused on the relationship between intrinsic motivation, extrinsic incentives, and performance by reviewing research of primary data of over 40 years (Cerasoli, Nicklin, & Ford, 2014). One of the most important conclusions of their research was that intrinsic motivation is a moderate predictor of performance no matter if any incentives exist (Cerasoli, Nicklin, & Ford, 2014). Incentives can exist together with intrinsic motivation, however, it depends on factors such as the kind of performance and the probability of the incentive to emerge (Cerasoli, Nicklin, & Ford, 2014). Having intrinsic motivation is more valuable when considering the meaning of work, than extrinsic motivation, as intrinsic motivation makes people value work more and gives them the tools to find the meaning (Finkelstien, 2009). A certain degree of extrinsic motivation is necessary to successfully create work meaning, as long as it is not interfering the intrinsic motivation (Finkelstien, 2009). Finkelstein suggests that motives which incorporate intrinsic as well as extrinsic motivation seem to exist (Finkelstien, 2009). Internal and external motivation should be considered as integrated motivational orientations, rather than analyzing them independently. Although there are theoretical and empirical grounds that intrinsic and extrinsic motivation are separate dimensions, the empirical debate about their relationship is still open (Amabile, Hill, Hennessey, & Tighe, 1994).

1.4 An overview of motivational theories

Existing research on motivational theories can be separated in two segments of content and process theories of motivation. Content theories suppose a complex interplay between internal and external factors, and explore when individuals react to different internal and external stimuli (Basset-Jones & Lloyd, 2005). These focus on what people need, what motivates them and how to fulfill these needs (Basset-Jones & Lloyd, 2005). Process theories explain how the process of motivation occurs, how to adjust these processes and they also understand how internal personal factors derive in different behaviors (Basset-Jones & Lloyd, 2005). Most of the modern motivational theories suppose that people initiate behaviors because they believe such behavior will lead to the intended results (Deci & Ryan, 2000).

1.4.1 Scientific management

For the purpose of analyzing motivational theories, a suitable starting point would be the research of Frederick Taylor as the founder of scientific management. In his work, Taylor explains that motivation has a linear relationship with monetary rewards (Taylor, 1919). From today's perspective this statement is overly simplified, but its input is valuable in comprehending the motivational theories.

Taylor's idea was to choose the workers by using scientific method (Taylor, 1919). With the traditional methods, personnel was employed by evaluating whether the worker was suitable for the job or not only after the employment (Taylor, 1919). Taylor observed that workers worked as little as they could because under that system of payment, the worker could gain nothing if he worked harder than the others (Taylor, 1919). Decisions on performance were made on the basis of rule of thumb which allowed workers to systematically limit their performance and in order to solve the issue Taylor developed the system of differential piecework (Taylor, 1919) whose purpose was to motivate workers to achieve the highest level of efficiency.

Taylor believed that money was the main, and probably the only source that motivates the employees (Latham & Ernst, 2006). In his opinion, monetary interests of the employee should be maintained at the highest level possible and the employer should maintain the production with the lowest labor cost possible (Turan, 2015). However, industrial and organizational psychologists understood that it was much more than monetary incentives that make people happy (Latham & Ernst, 2006). Taylor's book *Principles of Scientific Management* is still a fundamental resource for the ones who do research in this field and we could see that Taylor's research is still valid today (Turan, 2015).

1.4.2 Hierarchy of needs

The theory of hierarchy of needs by Abraham Maslow is based on the premise that humans are being motivated by needs that are not satisfied (Maslow, 1943). There are five types of goals can be defined as basic needs which include physiological needs, safety, love, esteem, and the need of self-actualization (Maslow, 1943). According to Maslow the needs of lower level must be satisfied first, so a higher need can start to be satisfied, therefore the theory is named a hierarchy of needs (Robbins & Judge, 2007). People first aim to fulfill the lower order needs as the physiological and security needs, and further focus on the needs of the higher order that include affiliation, esteem, and need of self-actualization (Maslow, 1954).

A person that lacks the needs of food, safety, love, or esteem will tend to look for food more than any of the other needs, and the physiological needs would likely be the major motivational driver (Maslow, 1954). Physiological needs satisfy the basic needs of humans and they include the needs necessary to survive and they are food, air, sleep, water, among others (Maslow, 1954). If the physiological needs are fairly satisfied, the need for safety

emerges, and they include protection, security, dependency, stability (Maslow, 1943). If the needs for safety and the physiological needs are satisfied to a particular degree, the need for affection and belongingness emerges where individuals seek love, independence, respect (Maslow, 1954). The individual will further look for meaningful relationships with people in order to relate with their group and family, and with great intensity they will tend to achieve that (Maslow, 1954). On the following level, Maslow placed the esteem needs which encompass internal motivations of accomplishment, self-respect, and self-esteem, as well as external motivations such as status in the society (Maslow, 1943). Once the needs of self-esteem are met, individuals perceive their accomplishments as valuable (Hopper, 2020). A new discontent can emerge if the abovementioned needs are satisfied, and the individual does what he believes is suited for (Maslow, 1954). Self-actualization is related to growth and self-fulfillment, and the specific aspect of self-actualization is that it is perceived differently for each individual (Maslow, 1954). The different perception of self-actualization for some is helping others and for others it can be doing something artistic (Robbins & Judge, 2007). In essence, self-actualization relates to a feeling that the individual is doing what he believes is meant to do (Hopper, 2020). Maslow believes that it is quite rare for an individual to reach the level of self-actualization, and without finding a purpose in the workplace no individual can reach its full potential (Maslow, 1954). Maslow claims that only a small number of employees reach self-actualization and such motivation gives the employees an opportunity to engage in activities that are innovative and creative (Maslow, 1943). Such needs can be justice, wisdom, truth, and meaning (Maslow, 1943).

The theory of Maslow has been used as a framework in studies, and they showed that individuals engaged in lower level jobs aim to satisfy needs of the lower order that include job security and they were not concerned with the needs of higher order until being promoted to jobs of higher level, where all of the needs of lower order have already been met (Latham & Ernst, 2006). This theory has clear suggestions for decision-makers within the companies, initially they should focus on needs related to pay and benefits which then allows the individual to satisfy the physiological and security needs (Latham & Ernst, 2006). According to the theory, if the needs of lower order are satisfied, the chances that a person will focus on self-actualization, will increase (Latham & Ernst, 2006). According to Maslow, all human beings have the same needs (Robbins & Judge, 2007), which is debated by other authors such as Alderfer, whose motivational model will be discussed in the next section.

1.4.3 ERG theory

The Existence, Relatedness, and Growth Theory (ERG) of motivation was proposed by Clayton Alderfer which to a certain degree is an alternative to Maslow's hierarchy of needs (Alderfer, 1989). Existence is related to the human interest in basic motivators, relatedness is related to motivation that people have in maintaining relationships and growth explains the intrinsic desire of an individual for personal growth (Alderfer, 1972). According to the ERG theory, different people can have different order of needs because ERG considers the

cultural characteristics of the employees as relevant in satisfying their needs (Alderfer, 1989). One of the biggest differences between the models is that relatedness and growth needs are not strictly related to satisfying the lower-order needs in order to initiate motivation (Alderfer, 1972).

ERG as a model is similar to Maslow's concept in regards to existence and self-actualization needs. Maslow's classification of physiological needs is very similar with Alderfer's definition of existence needs, also Alderfer's growth needs are similar with what Maslow defines as self-actualization (Alderfer, 1972). The part of most agreement between these theories is self-actualization, and where they least agree is the relatedness needs (Alderfer, 1989) which are at the midpoint of the hierarchy. Maslow claims that these needs encompass safety, belongingness, love and esteem, and on the contrary, Alderfer relates this category to relatedness (Alderfer, 1989). What Maslow defines by safety needs such as the material component, belongs to existence needs and part of the safety needs belongs to relatedness such as trust in a relationship (Alderfer, 1989). Furthermore, the definition of Maslow for esteem needs is compatible with the needs for relatedness, such as self-esteem related to evaluation by others, and others are related with growth such as self-esteem that comes from the intrinsic valuation of the individual (Alderfer, 1989). Alderfer notes that managers should understand that employees tend to satisfy several motivational dimensions at the same time (Alderfer, 1989). According to this theory, managers focusing only on one set of needs at a time are not effectively motivating the employees (Alderfer, 1972).

1.4.4 Theory of behaviorism

The theory of behaviorism is based on the concept of learning which is explained as moderately permanent change in behavior potentiality which results in reinforced practices (Hamner & Tosi, 1974). The basic postulates of behaviorism are that the mind has no effect on the behavior of individuals by chance, and only the environment can shape their behavior (Latham & Ernst, 2006). According to Skinner all learned behaviors are a function of reinforcements (Skinner, 1953), and by continuous reinforcement a particular behavior can be strengthened and can be intensified, if they appear more frequently (Miner, 2005). In the presence of reinforcers, the response of a person engaged in the environment increases in frequency, and it can decrease if punishers are present, or the reinforcer can withdraw immediately when the response appears (Skinner, 1964). However, the previous reinforcement history defines what would be a reinforcer for each individual, since they can differ on a personal basis (Miner, 2005). In the theory of behaviorism exist four different contingencies. Two of the contingencies that strengthen the desired behavior include positive reinforcement and avoidance learning, and other two that tend to weaken undesired behavior include extinction and punishment (Skinner, 1964). A positive reinforcer is an incentive that increases the chances of an operant response (Skinner, 1953). Avoidance learning is similar to the positive reinforcement, however, the intended action tends to prevent the emergence of a harmful stimulus, or tends to terminate a stimulus that already exists (Miner, 2005).

Extinction happens if a reinforcer that was previously used is restrained (Skinner, 1964). In such an event, the implied behavior can exist for some time, but it will diminish since the desired reward continuously will not appear, and ultimately it will cease to exist (Skinner, 1964). Skinner does not support practicing punishment (Skinner, 1953) and many behaviorists support extinction over punishment in order to impact behavior, claiming that the method of punishment can have unwanted repercussions. Luthans is one of the authors that accepts using punishment the most, however, he recognizes the limits (Luthans & Kreitner, 1973). He notes several side effects of punishment. Firstly, it temporarily suppresses the behavior rather than permanently, secondly, punishment generates emotional behavior against the punisher and finally, a frequently punishing individual may assume that he cannot effectively administer positive reinforcers (Luthans & Kreitner, 1973).

Some of the criticism regarding Skinner's theory is that it is not a function of any internal motives of the individual, but behavior is a function of its consequences which makes this to be a theory of learning, and not a theory of motivation, however, performance of the individual still is the ultimate outcome (Skinner, 1953). Achievement motivation, expectancy, intentions and goals, self-actualization, feelings of equity, as constructs do not have place in the theory, thus it distances from other theories of motivation (Luthans & Otteman, 1973).

1.4.5 Two factor theory

The two factor theory is developed by Frederik Herzberg which separates work related factors in two, as factors of motivation and hygiene factors (Herzberg, Mausner, & Snyderman, 1959). Herzberg regarded these factors as independent dimensions that have impact on two independent elements of job satisfaction (Shiple & Kiely, 1988), and determined that the sources that lead to job satisfaction constitute one scope of factors while the sources that impact on job dissatisfaction constitute another one (Latham & Ernst, 2006). Since separate factors are taken into account when examining job satisfaction or job dissatisfaction, it is apparent that these two factors are not opposite to each other (Herzberg, 1987). The opposite of job satisfaction would not be job dissatisfaction, but it would be no job satisfaction and the opposite dimension of job dissatisfaction is no job dissatisfaction (Herzberg, 1987).

Herzberg asserts that motivators are the factors intrinsically linked to the job and can include achievement, recognition, responsibility, growth and such factors can improve job satisfaction but would not have an impact on job dissatisfaction (Herzberg, Mausner, & Snyderman, 1959). Hygiene factors, or dissatisfying experiences result from extrinsic factors not related to the job itself, and they include company policies, salary, interpersonal relationships, supervision, working conditions, status, among others (Steers & Porter, 1983) and they generate job dissatisfaction which in general could not impact the feeling of job satisfaction (Herzberg, Mausner, & Snyderman, 1959).

As mentioned before, the elimination of the causes that contribute to dissatisfaction through hygiene factors can only lead to a neutral state but will not have an impact in reaching a state of satisfaction (Steers & Porter, 1983). Therefore, when managers tend to eliminate factors that create job dissatisfaction, it will not necessarily improve motivation, but can bring peace in the organization, and improving satisfaction and motivation will happen in the case of using motivators (Ramlall, 2004). Simple changes in the character of the job such as job enrichment can increase motivation (Herzberg, Mausner, & Snyderman, 1959). Thus, jobs should be designed in a manner to increase challenge, responsibility, possibilities for career advancement, growth, and recognition (Steers & Porter, 1983). Kreitner and Kinicki point out one of the main assertions by Herzberg, that managers should not grant employees additional tasks with similar degree of difficulty known as horizontal loading, but should give them tasks that include more responsibility, known as vertical loading (Kreitner & Kinicki, 1998).

The practical benefit of this theory is that it elaborates not only on the needs of the employee, but also shows how jobs can be improved and how to instigate motivation among workers (Fincham & Rhodes, 2005). According to Herzberg, job enrichment as an approach should continuously be implemented by the management and should not be a one-time approach (Herzberg, 1987). The main criticism of the theory is that it disregards differences in terms of employee characteristics. According to this model it should be applicable despite age, occupation or other demographic characteristics (Shipley & Kiely, 1988). This point is disputed by other authors who found the model inappropriate for blue-collar workers (Shipley & Kiely, 1988).

1.4.6 X and Y theory

According to McGregor the beliefs of managers have a commanding impact on how organizations function and the nature of people's behavior are essential for his theory (McGregor, 1960). The theory implies five needs, as the goal of people is to satisfy the lower order physiological and security needs, and only after they tend to satisfy the higher order needs for affiliation, esteem, and self-actualization (Latham & Ernst, 2006). McGregor analyzed different managerial structures at his time and according to the psychological types made a distinction in the managerial approaches (McGregor, 1960). He argued that two broad categories exist: theory X and theory Y, which describe two different perspectives of people at work and it could depict two managerial styles that are opposite to each other (McGregor, 1960).

The theoretical concept of the X managerial style supervises the determined tasks and is threatening with punishment, or promising a better pay, otherwise the manager will employ autocratic means of control which can induce resentment and mistrust by the employees (McGregor, 1960). Theory X is based on the premises that employees are inherently indolent and tend to work as little as they can, they are lacking ambition, want others to be the leaders,

are not interested in the needs of the organization, are not prone to change, and also are not very bright (McGregor, 1960). According to McGregor the carrot and stick approach can be a practice, however, if people are in general social and egoistic it will have trouble to function in practice (McGregor, 1960). When the physiological needs of the individuals are satisfied they are not fearing about their physical welfare anymore, and their social needs are becoming more important motivational drivers in terms of their behavior (McGregor, 1960).

McGregor proposed theory Y in order to convince managers to distance from the limitations of theory X (McGregor, 1960). The main premise of theory Y is that the management is responsible for organizing the company efficiently and people are not inherently passive or impervious to the needs of the organization (McGregor, 1960). Drivers such as motivation, development potential and focus toward the goals of the organization exist in all people, management should recognize them, and its key task is to coordinate the organization in order to allow employees to reach their goals (McGregor, 1960).

Management can impose strong supervision and tight control over behavior (McGregor, 1960). On the contrary, management can apply softer methods for directing behavior which allows to be permissive and to satisfy demands of the people (McGregor, 1960). McGregor did not finish a third theory Z which focused on the criticisms on theories X and Y that they were not compatible to each other (Aithal & Kumar, 2016). This theory was further expanded by William Ouchi whose focus was on improving loyalty of the employees with catering a job for life and caring for the employee's well-being both during and off the job (Aithal & Kumar, 2016).

1.4.7 Achievement theory

David McClelland in his theory of motivation proposes three basic needs of achievement, affiliation and power, which all individuals possess. The combination of these needs explains the drivers and sources of motivation of each individual (Moberg & Leasher, 2011). According to McClelland, motives can be learned and can be ordered in a hierarchy of potential that can influence behavior which is different for each individual (Miner, 2005).

The first need proposed by McClelland is the need for achievement. An individual with a high need for achievement will have a motivation to be successful, and will aim to complete a task by setting goals that are realistic and challenging (Moberg & Leasher, 2011). According to McClelland not everyone tends to focus on achievement, arguing that some people have a need to achieve, while others do not (McClelland, 1961), and in line with this opinion is Kreitner, who claims that motivation and performance can vary depending on the drive of the individual to achieve (Kreitner & Kinicki, 1998). As people learn from positive and negative experiences, situations that relate to achievement such as a complex tasks could produce feelings of pleasure, and can lead to building a strong motivation to achieve a particular outcome (Miner, 2005).

The second motivational driver is the need for affiliation. This need suggests that individuals want to engage in social relationships and such individuals are strongly driven to be liked, accepted, and highly regarded (Ramlall, 2004). Although such individuals may be competent and productive, their need of affiliation regarding their job is high, and effective managing cannot be done if the need is not present (McClelland, 1961). These individuals see themselves as team players and are keen on cooperation in which they can engage with people (Moberg & Leasher, 2011). If their human skills are not developed, people oriented towards achievement could not be the most effective managers in a given organization, which lead McClelland to a conclusion that an effective manager is not necessarily a job-oriented individual or a good producer (McClelland, 1961). Kreinter claims that individuals with high levels of the affiliation need as managers are not the most effective since they concern about being disliked when making difficult decisions (Kretiner & Kinicki, 1998).

The third motivational driver in this model is the need for power. An individual with such a strong need tends to influence and impact others, aims to increase his status and have his ideas accepted in the organization (Moberg & Leasher, 2011). Power represents the desire that an individual has in order to control and impose authority on other individuals and to impact their decisions in relation with their personal ideas (Kukreja, 2021). Power is key to understand and predict the success of managers, however, such needs must be in line with the given context in order to achieve the intended goals (Miner, 2005). Because effective managers must positively influence others, in the view of Kreitner managers on executive positions should desire a need for power together with low affiliation need (Kretiner & Kinicki, 1998).

1.4.8 Equity theory

According to the equity theory the feelings of equity or inequity derive from the cognitive evaluation of individual outcomes, in relation to the individual input, and also induce individual comparison to other individuals (Adams, 1963). This theory proposes that high employee motivation can only be achieved when every employee sees their treatment as fair compared to other employees (Expert Program Management, 2021). Therefore, it distinguishes that individuals are concerned with the rewards that they receive for their efforts in absolute terms, but they tend to measure them in relation to the rewards that others get (Ramlall, 2004). Factors such as effort, level of experience and education are the base on which individuals compare outcomes such as salary and recognition among others (Adams, 1963). The inputs can only be meaningful, if they are recognized by the individual and have relevance for the relationship (Miner, 2005). Individuals will compare the total inputs to total outputs and they will adjust their effort if they perceive unfair behavior by working more or less, depending on the positive or negative comparison in relation to the whole group or a particular individual (Expert Program Management, 2021). Tension is created when people feel the imbalance when their inputs compared to their outputs are not relatively similar and just (Robbins, 1993). Such tension provides motivation because individuals look for fairness

(Robbins, 1993). Thus, when individual effort is not recognized as relevant by the reference group, a potential for inequity exists, which in Adams' view impacts working motivation.

1.4.9 Expectancy theory

Victor Vroom explores why individuals do a certain action or behave in a particular way (Lee, 2007) and in his theory he states that every individual works and expects particular rewards which can have both spiritual or material value (Vroom, 1964). According to the expectancy theory, the potency of a tendency to behave in a particular manner depends on the potency of the belief that the act will result in a particular outcome and is based on the appeal of the outcome for the individual (Robbins, 1993). According to Steers the expectancy theory combines the perception that effort would consequently affect performance and that the expected desirability of the goals emerges from the performance itself (Steers & Porter, 1983). Expectancy theory claims that individual motivation is a rational decision making process which applies to individual knowledge and skills where others can influence motivation up to a particular level in delivering outcomes valued by the individual (Latham & Ernst, 2006), therefore they can anticipate feelings of satisfaction if a desired outcome is achieved (Miner, 2005).

There are three key components that constitute the expectancy theory, namely valence, instrumentality, and expectancy. Vroom defined the valence as the affective orientations people have regarding particular outcomes (Vroom, 1964). According to him, if a particular outcome has positive valence then the person prefers to achieve it in contrast of not achieving it, and it has negative valence when they prefer not to achieve it rather than achieving it (Vroom, 1964). The most important aspect of valence regarding work-related outcomes is that it refers to the degree of satisfaction that an individual intends obtains from them, and not necessarily from the value he will actually receive (Ramlall, 2004). Therefore, valence refers to the level of achievement and not necessarily to the actual result of the work.

According to Vroom, instrumentality is related to acquiring consequences that are positively valent and avoiding the outcomes with negative valence, and instrumentality is in fact a probability belief which connects one outcome to different outcomes (Vroom, 1964). Instrumentality represents the individual notion that the probability of the particular performance will lead to achieving the intended outcome, which is usually in relation to beliefs of the individual that by behaving in a certain way he will receive the rewards (Lee, 2007). Instrumentality relates to the belief that an outcome is possible if the individual acts in a particular manner.

Expectancy refers to the subjective probability of the individual that the imposed effort will result in a given performance (Chowdhury, 1993). Robbins defines expectancy as a belief which is momentary and which is followed by a given result about whether that outcome is possible (Robbins, 1993). Similarly, Lee defined that expectancy is the estimation of the individual on the chances that the imposed effort will result in successful performance,

which is based on the personal conviction that individual capacities can influence the intended results (Lee, 2007).

Expectancy theory can also be expressed as a mathematical equation which shows that people act in a particular manner based on the personal evaluation that effort will result in an actual performance, which is then multiplied by the chances that performance will result in achieving the intended outcome, multiplied by the extent to which the outcomes are being valued. Therefore, this theory relates individual motivation with knowledge and skills in order to reach a rational decision-making process (Latham & Ernst, 2006). Since $M = V \times I \times E$, if any of these factors is equal to zero, then the aggregate motivation in theory will also be equal to zero. A major implication of this theory that has influence on theorizing in the future is the notion that the desire to obtain a reward and the estimation of the individual of the likelihood to obtain the reward are equally important motivational drivers (Walker, Churchill, & Ford, 1977). However, if individuals are engaging in the cognitive process which the theory implies, doubt may exist, since individuals occasionally act because of unconscious drives and in ways that often are not calculative or rational, which are specified by the expectancy theory (Miner, 2005).

1.4.10 Job design theory

The basic premise of the job design theory is that the task refers to internal factors, and it is essential for work motivation of the employee (Hackman & Oldham, 1980). A job that is monotonous decreases the level of motivation for a good performance, on the contrary, a job that has a particular challenge can improve motivation (Ramlall, 2004). According to Hackman and Oldham jobs that require multiple skills provide more meaning and can be intrinsically more motivating than jobs that require fewer skills (Hackman & Oldham, 1980). Pinder proposed that jobs should be designed in a way to create meaningful experiences, as well as to generate responsibility and knowledge of the individual effort (Pinder, 1984). According to Hackman and Oldham, the internal motivation for employees will emerge from their job which generates the three critical psychological states of meaning, autonomy and feedback (Hackman & Oldham, 1980).

Meaningfulness of the work is associated with the characteristics of skill variety, task identity and task significance (Champoux, 1991). These elements should not be necessarily present at the same time in order to create a positive impact on meaningfulness as some could be high and others may be low (Champoux, 1991). Skill variety relates to the extent that the job demands diverse activities when performing the work, such as skills and talents (Hackman & Oldham, 1980). Task identity refers to the extent that a job demands completion of integrating pieces of work that can be identified, meaning completing a task from start to finish with an outcome that is visible (Hackman & Oldham, 1980). Task significance is the extent to which the job has a significant impact on other people's lives (Hackman & Oldham, 1980). Autonomy is mostly associated with having experience

regarding responsibility for work related outcomes (Champoux, 1991), and it explains the degree to which the job entails freedom and independence in choosing the type of work (Hackman & Oldham, 1980). Feedback from the job is related to knowing the actual outcomes of the work activities, and the psychological states coming from these results are further expected to influence the degree of behavioral outcomes (Champoux, 1991). In this model, feedback is the factor that can reduce absence and high employee turnover, because the individual finds a meaningful relationship in job characteristics and behavioral outcomes (Hackman & Oldham, 1980). According to the model, all of the psychological states have to be present in order to reach the highest positive response of the variables (Hackman & Oldham, 1980).

1.4.11 Social cognitive theory

The essence of social cognitive theory is that people are looking for a sense of agency, the belief that they are capable of influencing over important aspects in their own life (Schunk & Di Benedetto, 2019). According to this theory, people operate with their life, and are not only hosts of complex brain mechanisms which are being impacted by events in their surroundings (Bandura, 1999). It asserts that individuals are capable of using their self-regulatory capacities in order to maintain their well-being which is related to self-generated thoughts and behaviors which are focused on achieving individual goals (Bandura, 1986). Therefore, all the sensory, motor and cerebral systems are tools used by individuals in order to achieve the predetermined goals that provide meaning to their own life (Harre & Gillet, 1994). This theory explains that psychosocial functioning is consisted of interconnected personal factors, various behavioral patterns, and events in their surroundings, which influence one another bi-directionally (Bandura, 1999). When considering such a dynamic concept, the motivation is in fact a personal influence that has impact on the behavior and environment, and is also affected by these influences (Schunk & Di Benedetto, 2019). Personal influences are comprised of cognitions, beliefs, perceptions, and emotions, which are essential in identifying motivational outcomes (Ryan, 2012), and identification of these outcomes influences the choice of activities, effort, persistence, achievement, and environmental regulation (Schunk & Di Benedetto, 2019). According to the social cognitive theory, there are three types of an environment, the imposed environment, selected environment, and constructed environment, and each represents a gradation of changeability that requires the exercise of personal agency (Bandura, 1999).

Social cognitive theory emphasizes that social environment plays a critical role in motivation, learning, and self-regulation (Ryan, 2012). Behavior is a result of the operation of various cognitive processes that are in interaction with the environment (Basset-Jones & Lloyd, 2005). People in their nature are seeking for goals and are seeking for positive reinforcements because the environment can produce external social incentives to which they respond (Basset-Jones & Lloyd, 2005). Human agency exists through direct or proxy agents and through collective agency which operates through shared beliefs, aspirations of

the group and collective action (Bandura, 1999). Bandura agrees with Skinner that the environment itself can have an impact on the behavior of the individual, but on the contrary, Bandura acknowledges that the environment can as well be affected by individual behavior (Bandura, 1986). Bandura is also in line with the goal setting theory by Locke and Latham in which goals are intended outcomes which are standards in determining how people measure their own level of performance (Latham & Ernst, 2006).

1.4.12 Goal setting theory

Goal setting theory supposes that individual goals are regulating the conscious behavior of people (Latham & Locke, 1984), and it also implies that conscious goals of people directly regulate their performance (Latham & Locke, 1990). A straightforward explanation of why certain individuals have better results than others is that they set different goals regarding their performance (Latham, 1991). According to Latham and Locke, employees work in order to meet a particular goal which is their prime source of motivation and consequently impacts their performance (Latham & Locke, 1990). The goals that are set should be specific and challenging, however they should not impossible to achieve (Society for Human Resource Management, 2010). Goals are usually the object of a given action, which aims to achieve a certain level of excellence, within a specific time frame (Latham & Locke, 2002). Goals can impact performance by four principles. First, they have directive function because they steer the effort towards activities relevant in achieving the goal (Latham & Locke, 2002). Second, goals elevate performance by means of motivating people to impose a level of effort that matches the difficulty of the aimed goal (Miner, 2005). Third, goals have impact on perseverance because individuals can manage the time spent on working on a task, since goals that are difficult to achieve demand effort (LaPorte & & Nath, 1976). Fourth, goals can indirectly have an effect on the use of knowledge relevant to a certain task (Wood & Locke, 1990).

Three moderators of goals are goal commitment, feedback and task complexity. Goals can have an impact on performance when individuals or groups are trying to achieve them, meaning there should be goal commitment (Erez & Zidon, 1984). In general, committing to the goals is strongest if people believe that they can achieve them and when values are related to the goal itself (Locke, Latham, & Erez, 1988). Two key elements that enable committing to goals are the factors that make achieving a goal important to people, and their conviction that they are capable of achieving the goal, namely, self-efficacy (Latham & Locke, 2002). The concept of self-efficacy is relevant because with self-set goals, individuals with higher level of self-efficacy would set higher goals compared to individuals with a lower level of self-efficacy (Latham, 1991). Such individuals have stronger commitment regarding the goals, they are capable of using enhanced strategies in order to achieve them and better accept negative feedback compared to people with lower level of self-efficacy (Latham, 1991). Goal setting is more effective if feedback allows tracking of performance. Without providing feedback, goal setting has low effect on performance on the long run (Becker,

1978). Individuals would find it hard to adjust and direct the level of their effort in order to achieve the goal if they do not know what they are doing (Latham & Locke, 2002). The third moderator of goals refers to complexity. With increased complexity of tasks, complex skills and strategies still will not be automated (Latham & Locke, 2002). Since people differ in the capability to become automated, the impact that goal setting has is lower on complex tasks compared to simple ones (Latham & Locke, 2002).

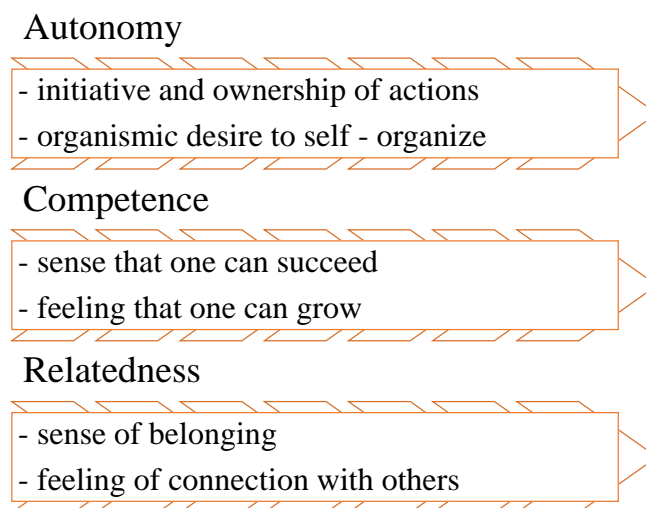
1.5 Self-determination theory

Self-determination theory encompasses human motivation, personality development, and well-being of the individual (Deci & Ryan, 2000). According to SDT, humans are active, growth-oriented beings who inherently tend to integrate into larger social structures (Deci & Ryan, 2000). The theory assumes that people have embedded tendencies for psychological growth and personal development (Ryan, 2009). SDT suggests the adaptive design of humans is to take part in activities, to test their capacities, look for connectedness in social groups, and integrate interpersonal experiences into a relative unity (Deci & Ryan, 2000). However, such tendencies are not considered to be automated since they demand supportive conditions (Deci & Ryan, 2020), and demand support from the social environment to be able work effectively (Deci & Ryan, 2000).

SDT points out that people who feel autonomous, competent and find relatedness at what they do, associate more on the intrinsic level in regards to their responsibilities at work, and possess higher level of autonomous motivation (Conde & Prybutok, 2020). These needs can be satisfied when engaging in certain behaviors that could be differently interpreted by individuals, which may be manifested in a different manner in distinct cultures (Deci & Ryan, 2000). The satisfaction of these needs is pivotal in order to nurture development and well-being of each individual no matter their cultural characteristics (Deci & Ryan, 2000). Autonomy is related to a feel of initiative and ownership of individual actions (Deci & Ryan, 2020), and it refers to the inherent will of individuals to be self-organized and to do activities in accordance with the individual's sense of self (Deci & Ryan, 2000). Competence relates to the notion that an individual can succeed and grow, within environments that are well-structured which as well support challenges, positive feedback, and opportunities for individuals to grow (Deci & Ryan, 2020). It is expressed in activities that are intrinsically motivated and which initiate cognitive, motor, and social growth (Deci & Ryan, 2000). Relatedness essentially represents the sense to belong and be connected, further aided by respect (Deci & Ryan, 2020). SDT supposes that intrinsic motivation will more likely develop when relatedness would be present (Deci & Ryan, 2000). SDT states that these needs are essential, and hindering any of the needs would disrupt the psychological growth, internalization, and individual well-being (Ferris, Chang, Rosen, & van den Broeck, 2016). This claim is in contrast to distinct need theories that ask for a hierarchy of needs, the most acclaimed is Maslow's theory, which asserts that needs of higher order emerge only when the needs of lower order are already pleased (Ferris, Chang, Rosen, & van den Broeck, 2016).

A critical dimension in SDT is goal pursuit which explains the extent to which individuals can achieve their basic psychological needs as they try to achieve the desired outcomes (Deci & Ryan, 2000). Many behaviors tend to satisfy the basic needs, when lonely, people may look for companionship or when people are feeling ineffective they could impose higher effort in order to be more competent (Deci & Ryan, 2000). However, when people experience reasonable need satisfaction, they are going to perform activities that are appealing for them (Deci & Ryan, 2000). Finding such endeavors is influenced by prior experiences and when a person is doing something interesting or important it does not necessarily has the sole intention to satisfy a particular basic need (Deci & Ryan, 2000). In Figure 2, the three needs of autonomy, competence and relatedness are presented in regards to their main characteristics.

Figure 2: Individual needs according to SDT



Source: own work.

What distinguishes SDT to other motivational theories is the difference in interpreting intrinsic and extrinsic motivation (Olafsen, Deci, & Halvari, 2017). From an SDT point of view, this is not a simple distinction, since motivation can differ both in content and character (Deci & Ryan, 2020). Extrinsic motivation is similar to intrinsic motivation in terms of being conducted willingly, but they differentiate mostly that interest and enjoyment are the base for intrinsic motivation and people engage in such practices because they are interesting for them (Deci & Ryan, 2020). What also distinguishes SDT is that it takes into account four separate subtypes of extrinsic motivation (Olafsen, Deci, & Halvari, 2017). External regulation relates to types of behavior that are driven by rewards and punishments that are imposed externally and is a type of motivation which is considered as controlled and non-autonomous (Deci & Ryan, 2020). People act in a particular manner in order to obtain an intended consequence such as rewards that are tangible or to avoid a possible threat of a punishment (Deci & Ryan, 2000). Introjected regulation explains that internalized extrinsic motivation, regulates the behavior by imposing internal rewards for success and by avoiding elements such as anxiety, shame, or fear of failure (Deci & Ryan, 2020). In identified

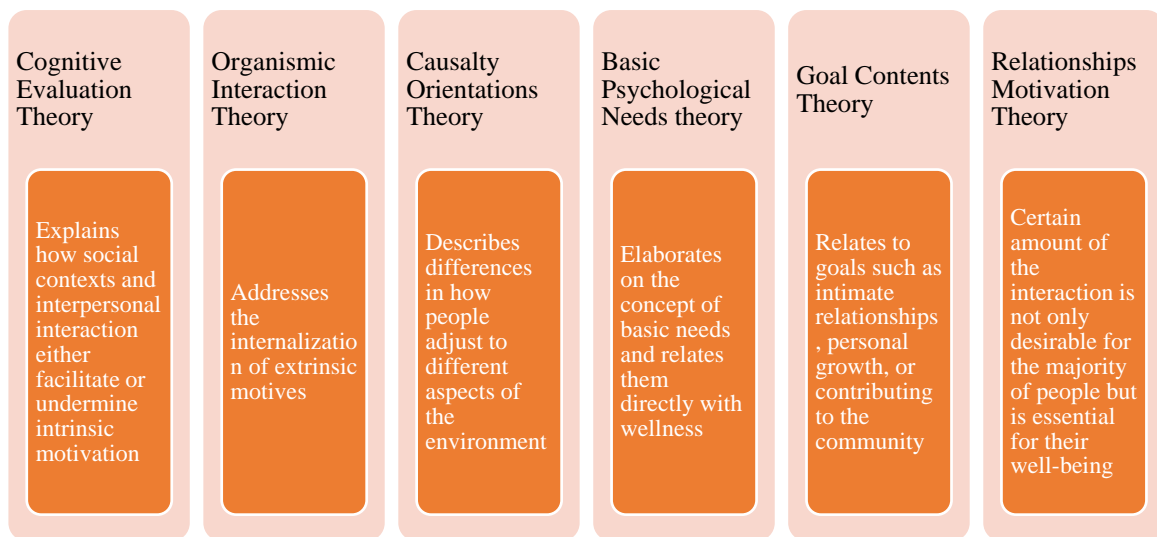
regulation, the person identifies himself consciously with the perceived value of an activity, and has high level of motivation to achieve it (Deci & Ryan, 2020). This process allows people to recognize and acknowledge the true value of a particular behavior, meaning that people have internalized their regulation to a higher degree and they have completely accepted that behavior as theirs (Deci & Ryan, 2000). Integrated regulation is the most autonomous type of extrinsic motivation where the individual can understand and identify himself with the importance of the activity, and also it is in accordance with other of his values and interests (Deci & Ryan, 2020). This form of internalization encompasses extrinsic motivation the most, since it identifies the value of the behavior and integrates the identifications with various aspects of the individual (Deci & Ryan, 2000).

SDT research initially began with a focus on intrinsic motivation, which is related to actions conducted on personal will or as a natural tendency or enjoyment (Deci & Ryan, 2000). That is projected in the natural tendency of individuals to look for challenges, and possibilities to learn (Deci & Ryan, 2000). Deci suggested that intrinsically motivated behavior is founded on the needs of people to feel self-determined and competent, and the source of enjoyment is the activity itself (Deci & Ryan, 2000). Play, exploration and curiosity are among the activities that are an example for an intrinsically motivated behavior, since these are not dependent on external incentives, because they can cater their own satisfaction (Deci & Ryan, 1985). Deci and Ryan found that this concept of needs is essential for intrinsic motivation, because without this concept they were unable to show a meaningful relationship of their research results, which they consider to be a lifelong psychological function of growth (Deci & Ryan, 2000).

SDT is consisted of six mini theories that encompass intrinsic motivation, internalization and the basic needs, as well as needs related to goals and aspirations, motivational differences and motivation in relationships (Deci & Ryan, 2000). Each mini theory was initially proposed in order to interpret results from research on factors that impact motivation (Olafsen, Deci, & Halvari, 2017). Cognitive Evaluation Theory (CET) explains how social contexts and interactions between individuals can aid or interfere in intrinsic motivation (Olafsen, Deci, & Halvari, 2017). CET implies how factors such as rewards, deadlines, feedback and pressure impact autonomy and competence of individuals and how it consequently influences intrinsic motivation (Olafsen, Deci, & Halvari, 2017). Organismic Integration Theory (OIT) explains the internalization of extrinsic motives, extending from external regulation, introjection, identification to integration (Olafsen, Deci, & Halvari, 2017). Such forms of regulation are capable to operate concurrently, they are different in terms of the autonomy, where external regulation is the form with the least autonomy and integrated regulation is the form that allows the most autonomy (Olafsen, Deci, & Halvari, 2017). Causality Orientations Theory (COT) tries to explain the differences in how individuals can adjust to various aspects when adapting their behavior (Olafsen, Deci, & Halvari, 2017). An individual that is autonomy-oriented focuses on aspects that keep his interest and he does them willingly, an individual that is control-oriented in general regulates

his actions with considering social controls, and an individual that is impersonally oriented is oriented on the lack of personal control (Olafsen, Deci, & Halvari, 2017). Basic Psychological Needs Theory (BPNT) explains the concept of basic human needs and directly relates them with wellness of the individual (Oliver, 1974). It asserts that separate needs have distinct impact on wellness, and how it impacts individual behavior and well-being is in fact a function of how it is related with satisfaction of needs (Olafsen, Deci, & Halvari, 2017). Goal Contents Theory (GCT) relates to goals concerning intimate relationships, personal growth, or contribution to the community, which aids need satisfaction, and facilitates health and wellness (Olafsen, Deci, & Halvari, 2017). Relationships Motivation Theory (RMT) argues that a certain amount of the interaction is not only necessary for the majority of people, however is crucial for the well-being since those relationships cater satisfaction of the need for relatedness (Center for Self-Determination Theory, 2021). The personal relationships that have the highest quality are the ones where every individual supports the needs of autonomy, competence, and relatedness to others (Center for Self-Determination Theory, 2021). In Figure 3, the six mini theories of SDT are presented.

Figure 3: Six mini theories of SDT



Source: own work.

SDT is criticized for generalizing its cross-cultural dimension, and suggests that regardless if people are collectivists or individualists, male or female, they function efficiently when their behavior is autonomous rather than controlled (Olafsen, Deci, & Halvari, 2017). SDT also does not differentiate between the strength of the needs, claiming that individuals who have low desire regarding a certain need also can have a benefit when satisfying the particular needs (Deci & Ryan, 2000). Research in the area of SDT in general has not explored moderators such as need strength indices of the effects of need satisfaction (Ferris, Chang, Rosen, & van den Broeck, 2016).

1.6 Research findings on motivation of sales personnel

Until the 1950s researchers did not empirically explore motivation as a predictor of sales performance (Churchill, Ford, Hartley, & Walker, 1985). Research implies that sales managers should be able to determine the needs of the sales personnel in order to be able to motivate them accordingly (Churchill, Ford, & Walker, 1976). However, sales literature has limited sales performance only to sales results for the most part sales revenue (Conde & Prybutok, 2020). Only a handful of researchers have explained the term sales performance to capabilities that include adaptive selling, communication (Piercy, Cravens, & Lane, 2012), sales activity performance (Miao & Evans, 2012) and behavioral and outcome controls (Mallin, O'Donnell, & Hu, 2010). Verbeke, Dietz and Verwaal imply that ambiguity of roles, cognitive aptitude, the extent of adaptability, knowledge related to selling and engagement towards work are strongly related to sales performance (Verbeke, Dietz, & Verwaal, 2011). Earlier research presented that effective salesperson behavior produces better sales organization performance (Barker, 2001).

Since a salesperson's motivation strongly influences performance, sales managers must be sensitive regarding how different factors impact their motivation (Rajagopal, 2008). A study by Churchill, Ford and Walker implies that salespeople have a tendency to be dissatisfied with areas of their job which are directly controlled by the managers (Churchill, Ford, & Walker, 1976). On the contrary, salespeople are fairly content with the nature of the job as salesman, their coworkers and customers (Churchill, Ford, & Walker, 1976). When the job offers challenge, variety and demands specific skills from the salespersons, they acquire personal meaning from the job, and in an absolute manner it may not have the strongest significance (Tyagi, 1985). Similarly, if the perception of the job is to produce a considerable impact on the organization, the salesperson can perceive the job as a whole since it induces feelings of doing a worthwhile job, which results in high intrinsic motivation (Tyagi, 1985). According to Lai and Gelb salespeople that find satisfaction in doing their jobs can have a positive impact on improving customer satisfaction and go over their role as a salesperson and take a role of a consultant to his customers, they may enhance the product design of the company, delivery schedules, or improve pricing policies on behalf of the customers (Lai & Gelb, 2019).

Intrinsic and extrinsic motivation are part of the literature of sales management (Gammoh, Mallin, & Pullins, 2014). Extrinsic motivation implies that individuals tend to put effort in a certain task depending on what they view to be extrinsically appealing (Gammoh, Mallin, & Pullins, 2014). These rewards are from external sources such as a manager or a company and they include pay, promotion and formal recognition (Gammoh, Mallin, & Pullins, 2014). Intrinsic motivation arises within each individual and asserts that individuals are prone to put more effort in tasks as a result of on what is intrinsically appealing for them (Tyagi, 1982). Such rewards can be pride, feeling of accomplishment, satisfaction and enjoyment (Tyagi, 1982).

Walker, Churchill and Ford developed a sales motivation model that identifies variables which can impact salesperson's performance, and additionally can determine the relationships and interactions between them (Walker, Churchill, & Ford, 1977). The model claims that the job performance of salespeople encompasses three factors: level of motivation, sales aptitude, and perceptions on how to perform the role (Walker, Churchill, & Ford, 1977). Motivation relates to the level of effort that salespersons puts in every activity related to their job (Walker, Churchill, & Ford, 1977). This model treats individual sales aptitude as a limitation on the ability to do the job, considering having a reliable understanding of the role (Walker, Churchill, & Ford, 1977). Therefore, appropriately defining aptitude can differ greatly from one industry to another depending how specific the tasks should be done (Walker, Churchill, & Ford, 1977). The role of the sales personnel represents the activities and behaviors that should be done by the individual performing on such a position (Walker, Churchill, & Ford, 1977).

Job performance of salespeople is affected by the types of rewards they will get, however, the relationship is complex because different dimensions of sales performance exist, and a company can choose to appraise them in order to reward them or not (Walker, Churchill, & Ford, 1977). The model distinguishes between externally and internally mediated rewards. Rewards that are externally mediated are not controlled by salespeople, and such can be managers or customers and externally mediated rewards are usually associated to needs of the lower order (Walker, Churchill, & Ford, 1977). The salesman gains the internally mediated rewards for him and they are associated to needs of the higher order (Walker, Churchill, & Ford, 1977). The rewards that the salespeople can get have a predominant impact on their level of satisfaction, the working environment (Walker, Churchill, & Ford, 1977). Satisfaction is classified in two categories of intrinsic and extrinsic satisfaction. Intrinsic satisfaction is concerned with rewards that salespeople earn from the satisfaction of the work itself, which are internally mediated (Walker, Churchill, & Ford, 1977). Extrinsic satisfaction is related to satisfaction with pay, company rules, supervision, coworkers, and customers (Walker, Churchill, & Ford, 1977). The relationships among performance, rewards and satisfaction are likely to be multiplicative (Walker, Churchill, & Ford, 1977). A salesperson performance will probably be low if any of the factors is deficient (Walker, Churchill, & Ford, 1977). According to the model, every determinant of performance is shaped by diverse antecedent variables which comprise salespeople and company characteristics, and factors emerging from the economic environment (Walker, Churchill, & Ford, 1977). It provides a conceptual framework which comprises variables that in the past were considered separately in the literature of sales management (Walker, Churchill, & Ford, 1977). It tackles the issue of sales motivation from the perspective of salesman himself instead on asking for the opinions and predictions of sales managers, and focuses on the psychological mechanisms that tend to motivate sales effort (Walker, Churchill, & Ford, 1977).

It is pivotal to define the variables that can be related to improving the practice of sales people and improve the competitive advantage of the company (Barker, 2001). Managers mostly say that the majority of the motivation emerges from factors such as if the job is interesting and challenging (Pullins, 2001). In a sales environment, the success or failure of a salesperson is evaluated by performance measures such as quotas or total dollar sales and failure to achieve them can make the salesperson ask why the failure occurred (Badovick, Hadaway, & Kaminski, 1993). Replacing salespeople induces costs that go over the lost amounts of sales and also induces costs for recruiting new personnel, onboarding and training programs, and damaged relationships with the customers (Sunder, Kumar, Goreczny, & Maurer, 2017). Verbeke, Dietz and Verwaal argue that further research would be beneficial in terms of how companies can impact engagement of salespeople (Verbeke, Dietz, & Verwaal, 2011).

2 THE MACEDONIAN FMCG INDUSTRY

This chapter presents a general overview of the size of the Macedonian FMCG industry. Parameters like total revenue per year and size in terms of the Macedonian economy are presented. Furthermore, the employee structure as well as the average salaries within the industry is presented.

2.1 Industry size

The FMCG sector plays an important role in Macedonian's economy, as it accounts for about 21.5% of the manufacturing output and with agriculture, contributes to around 10% to the country's GDP (EBRD, 2021). Wholesale trade in 2019 is bn. 460 MKD or bn. 7.5 EUR, while the retail trade in 2019 is bn. 309 MKD or bn. 5 EUR (State Statistical Office, 2020). The turnover of sugar, confectionery products, meat and meat products, dairy products, eggs, edible oils and fats, beverages, fruits and vegetables, coffee, tea, cocoa and spices together accounts for 25.6% of the total wholesale turnover (State Statistical Office, 2020). The total number of retail trade capacities in the Republic of Macedonia is 18.749, out of which 18.266 are retail trade stores (State Statistical Office, 2017). The highest concentration of retail trade capacities is in the Skopje Region, 23.8% (State Statistical Office, 2017).

2.2 Employee and salary structure

In order to understand precisely the actual sum of people working in this industry, figures from two different sources are compared. Both of them present a number of around 120.000 employees in this industry. According to the State Statistical Office, 120.989 people were employed in the service and sales industry in 2018 out of which 70.585 male and 50.404 female (State Statistical Office, 2018). The second source is the report of the International Labor Organization. The number of people employed in 2020 in the retail trade (except

motor vehicles and motorcycles) was 76.981, in the food and beverage service activities it was 25.208 and in the wholesale trade (except motor vehicles and motorcycles) was 20.244 which totals to 122.433 employees (International Labour Organization, 2020).

According to the State Statistical Office, in February 2021 the average wage in the wholesale segment (except of motor vehicles and motorcycles) is 31.365 MKD or 510 EUR and in the retail segment (except of motor vehicles and motorcycles) it is 21.700 MKD or 352 EUR (State Statistical Office, 2021). The minimum average salary is 17.347 MKD or 282 EUR (average minimum of each job position in the industry) and the higher average is 36.599 MKD or 595 EUR (highest average of each job position in the industry) (Paylab, 2021). The salaries for each particular job vary as mentioned before. Junior sales representatives earn between 14.900 MKD and 34.223MKD or between 242 EUR and 556 EUR and the average age is 28 (Paylab, 2021). Senior sales representatives earn between 20.394 MKD and 38.394 MKD or between 332 EUR and 624 EUR and the average age is 36 (Paylab, 2021). Key account managers earn between 26.109 MKD and 74.781 MKD or between 425 EUR and 1216 EUR, and the average age is 35 (Paylab, 2021). Sales officers earn between 18.857 MKD and 52.847 MKD or between 299 EUR and 869 EUR, and the average age is 33 (Paylab, 2021). Retail store managers earn between 14.900 MKD and 36.107 MKD or between 242 EUR and 587 EUR, average age n/a (Paylab, 2021). Merchandisers earn between 16.319 MKD and 27.821 MKD or between 265 EUR and 462 EUR and the average age is 29 (Paylab, 2021). In Table 1 the minimum and maximum salaries as well as the average age by job position are presented.

Table 1: Minimum and maximum wages by job positions

Job title	Minimum wage	Maximum wage	Average age
<i>Junior sales representative</i>	14,900 MKD	34,223MKD	28 years old
	242 EUR	556 EUR	
<i>Senior sales representative</i>	20,394 MKD	38,394 MKD	36 years old
	332 EUR	624 EUR	
<i>Key account managers</i>	26,109 MKD	74,781 MKD	35 years old
	425 EUR	1216 EUR	
<i>Sales officer</i>	18,857 MKD	52,847 MKD	33 years old
	299 EUR	869 EUR	
<i>Retail store managers</i>	14,900 MKD	36,107 MKD	n/a
	242 EUR	587 EUR	
<i>Merchandisers</i>	16,319 MKD	27,821 MKD	29 years old
	265 EUR	462 EUR	

Source: Own work.

3 EMPIRICAL ANALYSIS OF MOTIVATION AMONG SALES PERSONNEL

The first part of this chapter presents the purpose of the research. It is followed by the data collection procedure. There is a separate chapter explaining the questionnaire used for the research, as well as a chapter on the descriptive statistics. Finally, this chapter shows the results of the hypotheses test.

3.1 Purpose of the research

The purpose of the master's thesis is to contribute to a better insight on motivation of the salesforce in the Macedonian fast-moving consumer goods (FMCG) industry. The results of the empirical study could be useful to companies and managers as well as sales personnel in the industry in determining the drivers that encourage sales force motivation. It could also be used as one of the components for improved decision-making in Macedonian companies.

This thesis will try to test three hypotheses. The first hypothesis tries to understand whether extrinsic motivation is a significantly stronger motivational driver to sales people in the Macedonian FMCG industry than intrinsic motivation. Both intrinsic and extrinsic motivation can coexist for individuals for a given task, however, they are separate motivational dimensions, where the impact of one would probably dominate the other (Deci & Ryan, 2008), meaning that a drive which strengthens extrinsic motivation could undermine intrinsic motivation (Kuvaas, Buch, Weibel, Dysvik, & Nerstad, 2017). According to the research of Nowlin, Walker, Deeter-Schmitz and Haas there is a direct relationship between job engagement and sales performance (Nowlin, Walker, Deeter-Schmelz, & Haas, 2018). Consequently, Kuvaas, Buch, Weibel, Dysvik and Nerstad claim in their research that extrinsic motivation will dominate when the incentives from a job are related to achieving certain results because employees will see incentives such as bonuses or commissions as the main reason to perform the work (Kuvaas, Buch, Weibel, Dysvik, & Nerstad, 2017). Therefore, the hypothesis is formulated as:

H1: Extrinsic motivation is a significantly stronger motivational driver of the sales force in the Macedonian FMCG industry than intrinsic motivation

The second hypothesis is consisted of three parts. The first sub-hypothesis tries to understand if the extrinsic motivational dimension of compensation is a stronger motivational driver than the extrinsic motivational dimension outward. Followed by the second and third sub-hypotheses that try to understand if compensation is a stronger motivational dimension than the intrinsic motivational dimension of enjoyment and challenge. Compensation is the key, and probably the most important tool in sales management that companies use consistently in order to motivate salespeople (Chung, Kim, & Park, 2021). The current empirical evidence asserts that monetary rewards are among the most powerful drivers that impact employee motivation and performance which can lead to significant returns on company

level (Aguinis, Joo, & Gottfredson, 2013). Higher monetary compensation and better synchronization of the monetary rewards and performance, permit companies to attract and keep individuals who are show the highest levels of performance (Rynes, Gerhart, & Minette, 2004). Therefore, the second hypothesis is formulated as:

H2: Compensation is a significantly stronger motivational dimension for the sales force in the Macedonian FMCG industry than the motivational dimensions of 2a) outward, 2b) challenge and 2c) enjoyment.

Finally, this thesis will try to understand if there is difference in four demographic factors of age, gender, level of education and tenure in the FMCG industry and motivation of sales people. Although nearly all motivation theories do not mention personal factors, such as gender, age, educational level, working experience, it is believed that work motivation is affected by personal factors (Yang, 2011). The research of Kukanja shows that different demographic factors are strongly related to the motivational factors, and understanding them and their importance on motivation can successfully motivate different employees (Kukanja, 2013). Therefore the hypothesis is formulated as:

H3: There is no significant difference in the importance of motivational drivers among sales force employees with different demographic characteristics in the Macedonian FMCG industry that include 3a) age, 3b) gender, 3c) level of education and 3d) tenure in the FMCG industry.

My personal motivation to conduct research in this particular area is related to my previous professional experience in the FMCG industry. I believe that I have a holistic perspective of the industry because I am in regular communication with people at every level in many FMCG companies. In both formal and informal communication with company owners, C-level employees and regular sales personnel I noticed a common pattern in most of the conversations, which was focused on the monetary aspect. Those discussions initiated the idea to try and understand if that is true for this group of employees or maybe there are some other aspects that impact their motivation.

3.2 Data collection procedure

From my previous working experience in the Macedonian FMCG industry I have built an extensive network of contacts among sales people, C-level positions and company owners. I used my network in order to carry out the answers for the survey. Division managers, C level positions and company owners received the questionnaire from me and then distributed the questionnaire within their companies. In the case of the sales people, I did it on a personal basis. The questionnaire is anonymous, meaning that I cannot know if a particular questionnaire belongs to a certain individual.

For the purpose of this research 75 questionnaires were collected. Only three were left completely blank. Additionally, one questionnaire had one question left blank, while the another had two questions left blank. They are taken into consideration since the majority of the questions were answered. The questionnaire was distributed both in paper form and on a Google Forms link. Both options were made available in order to collect answers to the most suitable preference of the respondents. Later, the paper and the online questionnaires were analyzed with the IBM SPSS package version 28 and Microsoft Excel 2016 (version 16.0). The time period for collecting the survey was 3 weeks, starting from June 7, 2021 to June 25, 2021. The initial idea was to do it in 2 weeks, however, since the season of summer holidays had already started, the time frame was extended in order to gather more responses. The questionnaire was initially created in English, and was then translated in Macedonian, for the convenience of the respondents.

3.3 Questionnaire

The first set of 12 questions is using the 5 degree Likert Scale with 1 as strongly disagree; 2 disagree; 3 neither agree nor disagree; 4 agree and 5 strongly agree. Six questions each cover the motivational drivers of extrinsic and intrinsic motivation. Furthermore, each primary motivational driver is consisted of two dimensions. Three questions for the extrinsic motivational driver cover the dimensions of compensation and outward. Consequently, three questions for intrinsic motivation cover the dimensions of challenge and the other three cover the dimension of enjoyment. The entire questionnaire both the English and Macedonian version are appended at the end of this work in the appendices.

The second block of questions covers the demographic characteristics of the people participating in the survey. The first question is about their age. It offers five options, up to 19 years old, between 20 and 29; between 30 and 39; between 40 and 49, and 50 and older. The second question is about the gender of the respondents, male or female. The third question is regarding the level of education of the respondents. The options offered were high school education; a university degree, master's degree; doctoral degree and an option for other was also offered. The last question of the second block is regarding the tenure in the FMCG industry. The first option is 5 years or less, which is considered a junior position in the industry. The second option is 6 to 10 years and then 11 to 15 years; 16 to 20 years, and the last option was 21 years or more in the FMCG industry.

According to several studies, monetary rewards can be strong motivators (Furnham, 1996; Kim & Tang, 2000; Luna-Arocas & Tang, 2004; Tang, 1992). Money has value because of its perceived instrumentality to obtain the intended outcomes (Lea & Webley, 2006; Vroom & Deci, 1970). Improving at least one factor such as pay, supervision, and prospects for promotion will lead to an increased satisfaction, however, a deterioration would have an opposite effect (Basset-Jones & Lloyd, 2005). The meaning of money is relative to how the individual perceives it, but money has an instrumental means to obtain goods and to satisfy

needs, therefore it is essential and has immense influence on life (Monteiro, Penaloza, Pinto, Coria, & Calderon, 2015). Tang asserts that social values can also be connected to money and also claimed that in such a materialistic society, individuals will be always driven by monetary rewards and perceive them as a manner to obtain power and happiness (Tang, 1992). Researchers explored the attitude people have in relation to money, trying to understand the cognitive structure of money and the related factors and the relationship to motivation, satisfaction, and job performance (Kim & Tang, 2000). Money as a trait can differentiate individuals and can strongly influence on designing and implementing systems of compensation (Lim, 2003). Therefore, the three questions that should measure the dimension of compensation include the following three statements on a 5 point Likert scale:

- I am keenly aware of the promotion goals I have for myself
- I am keenly aware of the income goals I have for myself
- I am strongly motivated by the money I can earn

According to Basset-Jones and Lloyd motivation emerges from satisfaction coming from the senses of achievement, recognizing achievements, responsibility and individual growth (Basset-Jones & Lloyd, 2005). Recognizing achievement can provide straightforward feedback, capability to self-regulate, authority to communicate, maintain control on resources and accountability (Basset-Jones & Lloyd, 2005). Recognition and success describe an outward dimension of motivation. Therefore, the three questions that should measure the dimension of outward include the following three statements on a 5 point Likert scale:

- I am strongly motivated by the recognition I can earn from other people
- I want other people to find out how good I really can be at my work
- To me, success means doing better than other people

People apply a variety of strategies on complex tasks than on simple ones, therefore, strategies regarding the tasks can be more related to performance than measures of difficulty of goals (Chesney & Locke, 1991). When people face a complex task, demanding the best of them, sometimes it can lead to improved strategies compared to setting a particular goal that is hard to achieve (Earley, Connolly, & Ekegren, 1989). Problem-solving activities such as computer programming, tackling logic problems, and design of experiments are related positively with intrinsic and extrinsic motivation (Amabile, Hill, Hennessey, & Tighe, 1994). Therefore, three questions that should measure the dimension of challenge include the following three statements on a 5 point Likert scale:

- I enjoy tackling problems that are completely new to me
- I enjoy trying to solve complex problems
- The more difficult the problem, the more I enjoy trying to solve it

Intrinsically motivated individuals pursue activities because of the enjoyment that they are providing (Csikszentmihalyi, 1975). It has a positive relationship to difficulty up to the point

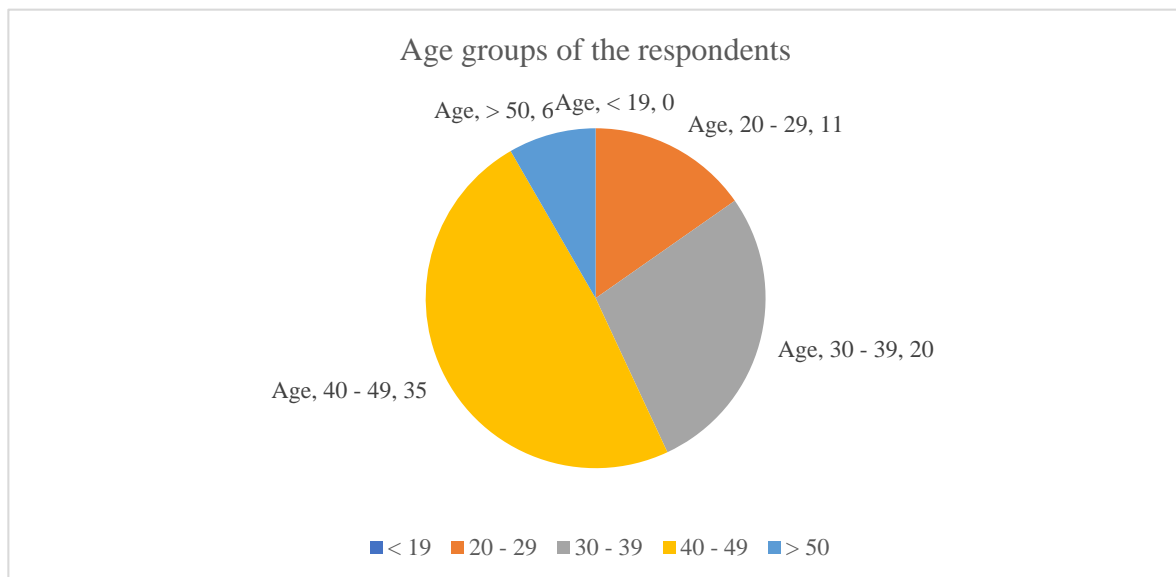
that a task is seen to go over the competences of the individual, after which the relationship is increasingly negative (Csikszentmihalyi, 1975). Research supposes that when an individual perceives himself as competent when doing an activity it can often bring enjoyment in doing that activity as does the presence of optimal challenges and valuing competence in the activity (Csikszentmihalyi, 1975). The three questions that should measure the intrinsic motivational dimension of enjoyment are:

- What matters most to me is enjoying what I do
- I want to find out how good I really can be at my work
- No matter what the outcome of a project, I am satisfied if I feel I gained a new experience

3.4 Descriptive statistics

The demographic questions should give a general overview of the respondents regarding their individual characteristics. On the question about age, 35 respondents (48.6%) were of the age between 40 and 49 years old, 20 respondents (27.8%) were between 30 and 39 years old, 11 respondents (15.3%) are between 20 and 29 years old, and 6 respondents are older than 50 years. There were no respondents in the survey aged 19 or younger. The results of this question are presented Figure 4.

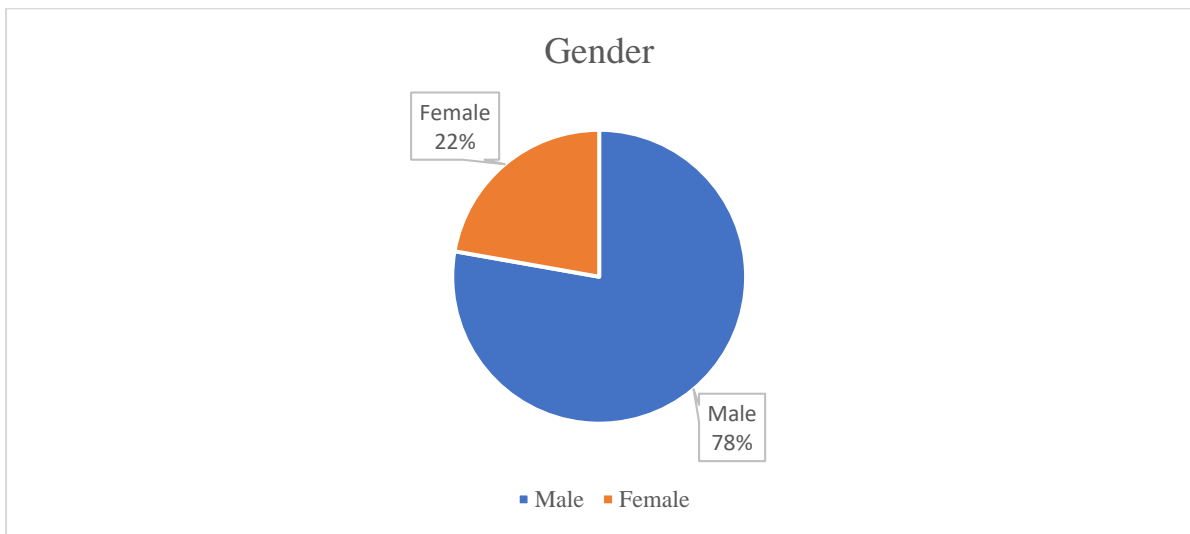
Figure 4: Age groups of the respondents



Source: own work.

On the question about gender, 56 respondents (77.8%) were male and 16 respondents (22.2%) were female. The results of this question are presented in Figure 5.

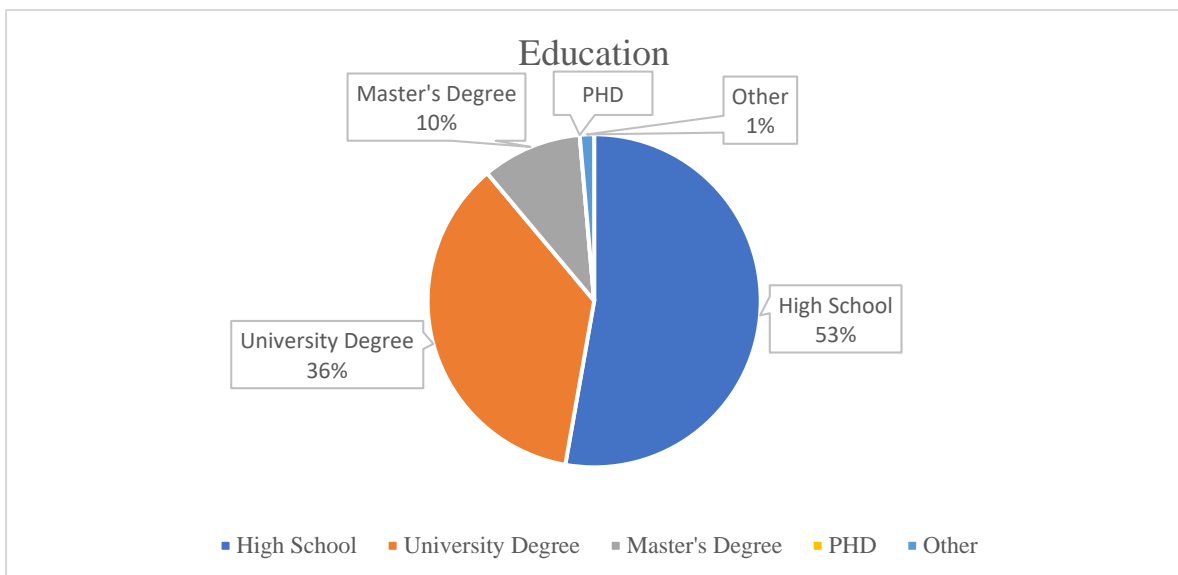
Figure 5: Gender of the respondents



Source: own work.

On the third demographic question regarding the level of education, 38 respondents (52.8%) have high school education, 26 respondents (36.1%) have a university degree, 7 respondents (9.7%) have a master's degree and 1 respondent (1.4%) selected other. These results are presented in Figure 6.

Figure 6: Education level of the respondents

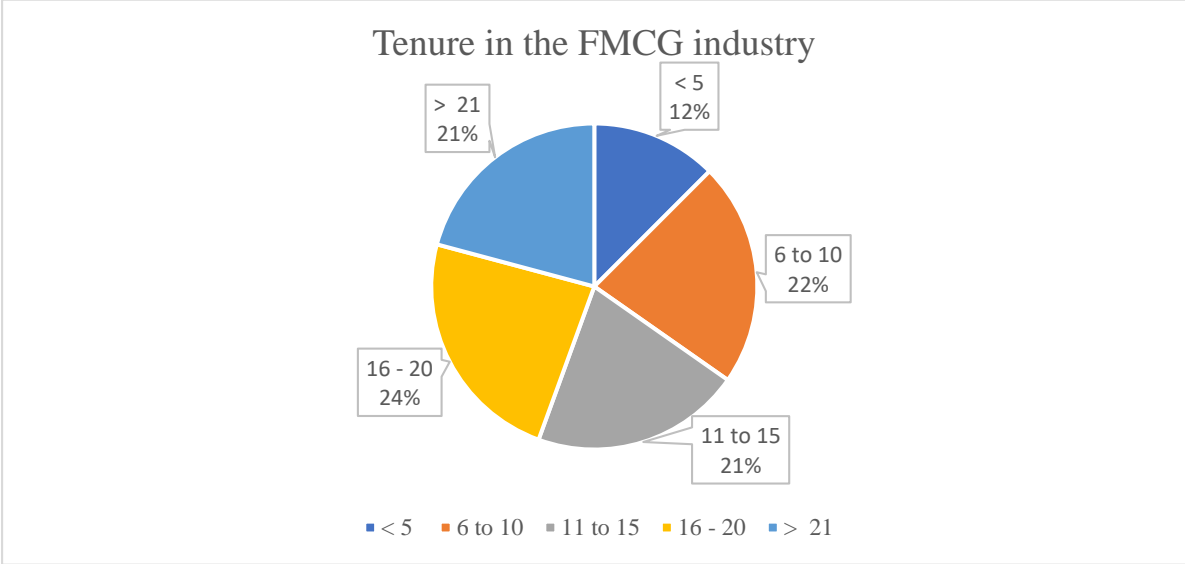


Source: own work.

The final demographic question about tenure in the FMCG industry offered most evenly distributed answers. 17 respondents (23.6%) have experience between 16 and 20 years, 16 respondents (22.2%) have experience between 6 and 10 years of experience, 15 respondents (20.8%) have experience of 11 to 15 years and 15 respondents (20.8%) over 21 years. 9

respondents (12.5%) have experience of 5 or less years in the FMCG industry. The results regarding the tenure in the FMCG industry are presented in Figure 7.

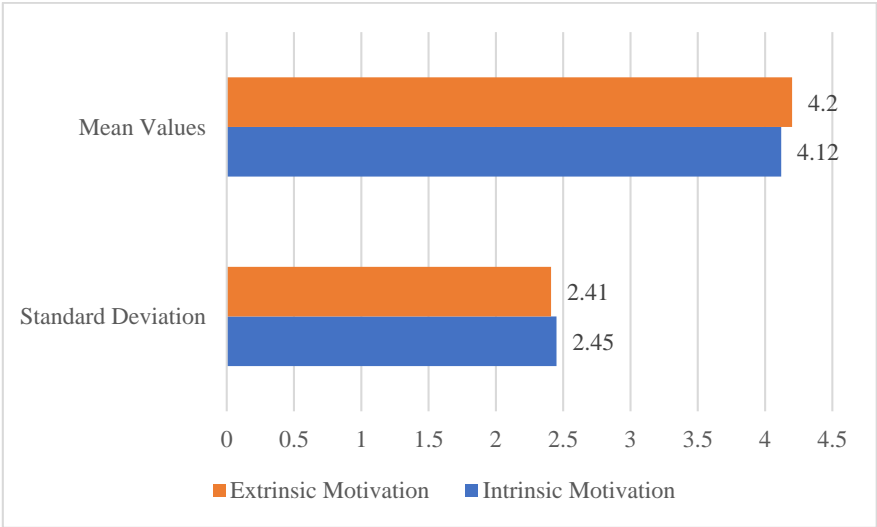
Figure 7: Tenure in the FMCG industry of the respondents



Source: own work.

In Figure 8 are presented the mean values and standard deviation of the motivational drivers.

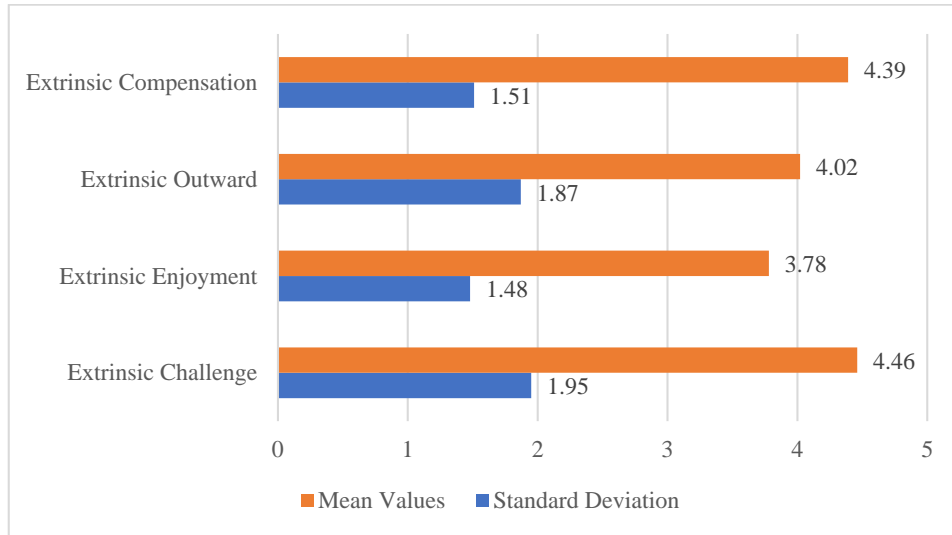
Figure 8: Mean values and standard deviations of motivational drivers



Source: own work.

In Figure 9 are presented the mean values and standard deviation of the motivational dimensions.

Figure 9: Mean values and standard deviations of motivational dimensions



Source: own work.

In Figure 10 are presented the results of the mean values and standard deviation of the questions asked.

Figure 10: Mean values and standard deviations of the statements for the motivational dimensions



Source: own work.

3.5 Hypothesis testing

In order to test if significant differences exist among the drivers and dimensions, the first and second hypotheses of this research are tested by comparing the mean values of the populations. The third hypothesis is tested using one-way ANOVA.

H1: Extrinsic motivation is a significantly stronger motivational driver of the sales force in the Macedonian FMCG industry than intrinsic motivation

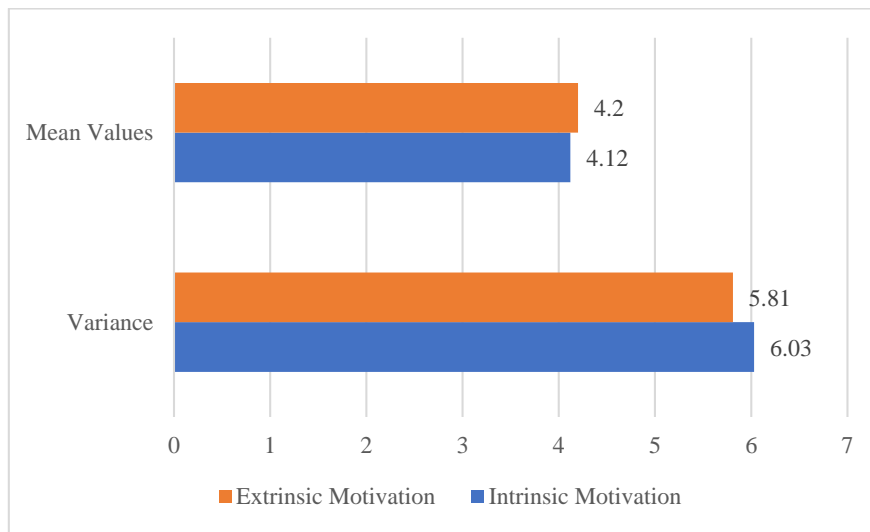
$$H_0: \mu_{\text{Extrinsic}} \leq \mu_{\text{Intrinsic}}$$

$$H_1: \mu_{\text{Extrinsic}} > \mu_{\text{Intrinsic}}$$

The first hypothesis tries to understand if extrinsic motivation is a significantly stronger motivational driver than intrinsic motivation. Intrinsic and extrinsic motivation can motivate people to do their job and can have various effects on feelings regarding the work, and the performance quality (Amabile, 1993). In regards to extrinsic motivation, previous studies have shown that increasing levels lead employees to adopt more efficient behaviors to achieve higher returns compared to intrinsic motivation (Amabile, 1993). These findings are in line with the findings of Ahluwalia and Preet which showed that extrinsically motivated employees show more commitment compared to intrinsically motivated employees (Ahluwalia & Preet, 2017). Based on the abovementioned findings, I try to understand if extrinsic motivation would be a stronger motivational driver for the salesforce in the Macedonian FMCG industry. The wages in the FMCG industry are in the average range of 510 EUR (State Statistical Office, 2021). The assumption is that employees in this industry would be willing to change their job if they have an opportunity to earn a higher wage elsewhere. Employees in this segment are not highly skilled (in this sample 53% of the respondents have a high school degree) and are faced with limited choice in an economy that is one of the weakest in Europe (World Bank, 2021).

A z-test was conducted in order to compare the means of the two dimensions and understand if there is a significant difference between them. The significance level of 95% was chosen and the sample size (N) is 72. In the following table, the mean of each dimension is presented, as well as the variance, which is necessary for calculating the z-test. In Figure 11 are presented the mean values and variances of the intrinsic and extrinsic motivational drivers.

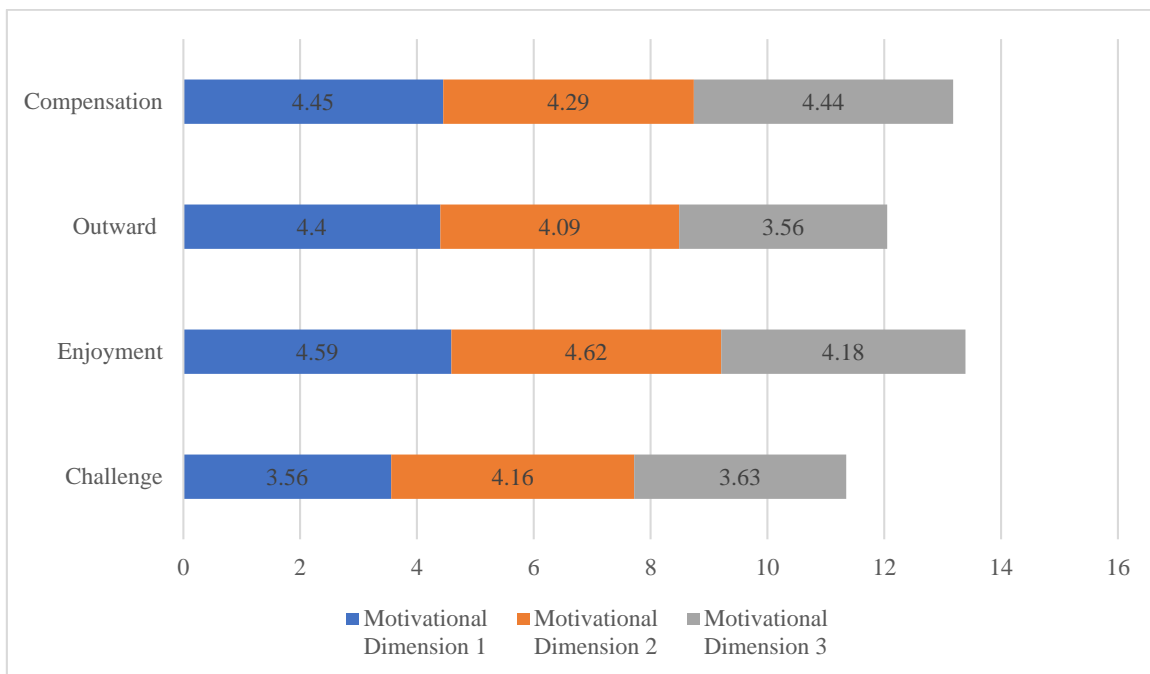
Figure 11: Mean values of extrinsic and intrinsic motivational drivers



Source: own work.

In Figure 12 are presented the results of the mean values of the intrinsic and extrinsic motivational drivers

Figure 12: Mean values of extrinsic and intrinsic motivational dimensions



Source: own work.

$$z = \frac{\bar{x}_1 - \bar{x}_2}{\sqrt{\frac{S^2}{n_1} + \frac{S^2}{n_2}}} \quad z = \frac{4,20 - 4,12}{\sqrt{\frac{5,81}{72} + \frac{6,03}{72}}} = 0.20$$

The z value (0.200) for the first hypothesis is lower than the z test value (1.65) for a one sided z test ($\alpha = 0.05$). According to the value, H_0 will not be rejected that extrinsic motivation is a significantly stronger motivational driver than intrinsic motivation among the sales force in the Macedonian FMCG industry.

H2: Compensation is a significantly stronger motivational dimension for the sales force in the Macedonian FMCG industry than the motivational dimensions of 2a) outward, 2b) challenge and 2c) enjoyment.

The second hypothesis tries to understand if the extrinsic motivational dimension of compensation is a significantly stronger motivational driver than the extrinsic motivational dimension of outward and the intrinsic motivational dimensions of challenge and enjoyment. The research by Nunnally and Bernstein suggests that pay is much more important in the actual choices and behaviors of people than in their self-reports of what motivates them, since there is a tendency to report opinions that reflect societally approved behaviors (Nunnally & Bernstein, 1994). In a meta-analysis of seventy-two field studies, Stajkovic and Luthans concluded that using money as rewards by companies led to a 23% improvement in work performance (Stajkovic & Luthans, 2003). In the research by Pullins, compensation is the most important source of rewards in an organization (Pullins, 2001) and the two most important factors are compensation for the sales force and commission (Pullins, 2001). According to this research, most sales managers think that solely compensation accounts for almost half of motivation of the salespeople (Pullins, 2001). Long and Shield also assert the importance of the monetary aspect, which can be a strong motivational driver of employee performance and can help to obtain best performers because they can provide a wide range of basic needs, and also needs of higher order such as receiving respect and achieving mastery in performing the work (Long & Shields, 2010). Based on the findings of these authors, which exclaim the importance of compensation, I intend to test this hypothesis in order to understand if the findings regarding the Macedonian FMCG industry are concurrent with these findings.

This hypothesis will be divided in three parts. The dimension of compensation will be compared to the dimensions of outward, enjoyment and challenge.

$$H_0: \mu_{\text{Compensation}} \leq \mu_{\text{Outward}}$$

$$H_1: \mu_{\text{Compensation}} > \mu_{\text{Outward}};$$

$$H_0: \mu_{\text{Compensation}} \leq \mu_{\text{Enjoyment}}$$

$$H_1: \mu_{\text{Compensation}} > \mu_{\text{Enjoyment}};$$

$$H_0: \mu_{\text{Compensation}} \leq \mu_{\text{Challenge}}$$

$$H_1: \mu_{\text{Compensation}} > \mu_{\text{Challenge}}$$

A z-test was conducted in order to compare the means of these dimensions and understand if there is a significant difference between them. The significance level of 95% was chosen.

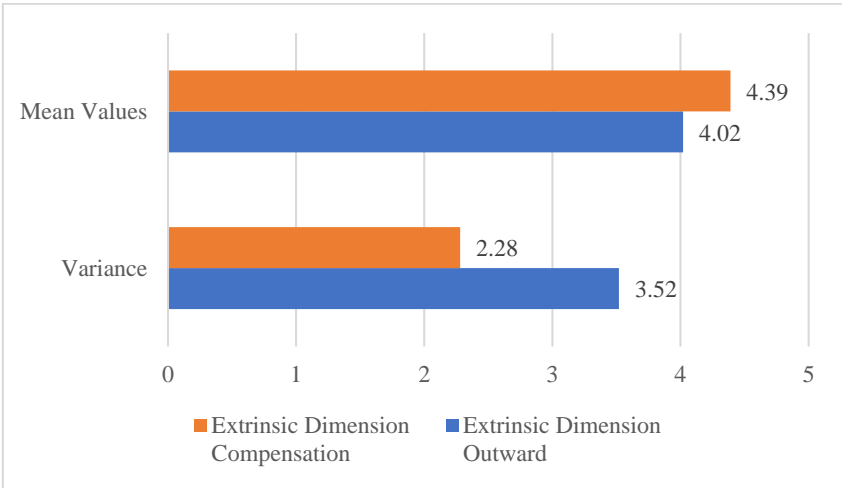
Firstly, the means of the extrinsic motivational dimension compensation and the extrinsic motivational dimension outward were compared trying to understand if there can be a significant difference between them. Therefore, the hypothesis will be formulated as:

$$H_0: \mu_{\text{Compensation}} \leq \mu_{\text{Outward}}$$

$$H_1: \mu_{\text{Compensation}} > \mu_{\text{Outward}}$$

In Figure 13 are presented the mean values and variances of the extrinsic motivational dimension compensation and the extrinsic motivational dimension of outward.

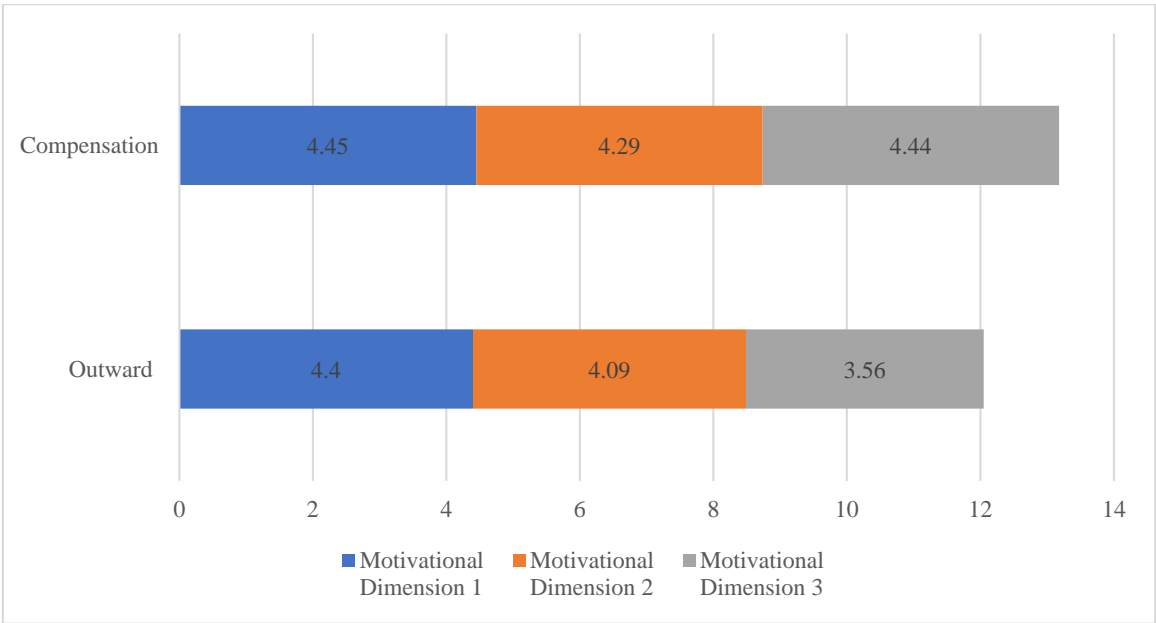
Figure 13: Mean values and variance of compensation and outward dimensions



Source: own work.

In Figure 14 are presented the mean values of each dimension of the extrinsic motivational dimension of compensation and the extrinsic motivational dimension of outward

Figure 14: Mean values each dimension of compensation and outward dimensions



Source: own work.

$$z = \frac{\bar{x}_1 - \bar{x}_2}{\sqrt{\frac{S^2}{n_1} + \frac{S^2}{n_2}}} \qquad z = \frac{4,39 - 4,02}{\sqrt{\frac{2,28}{72} + \frac{3,52}{72}}} = 1.32$$

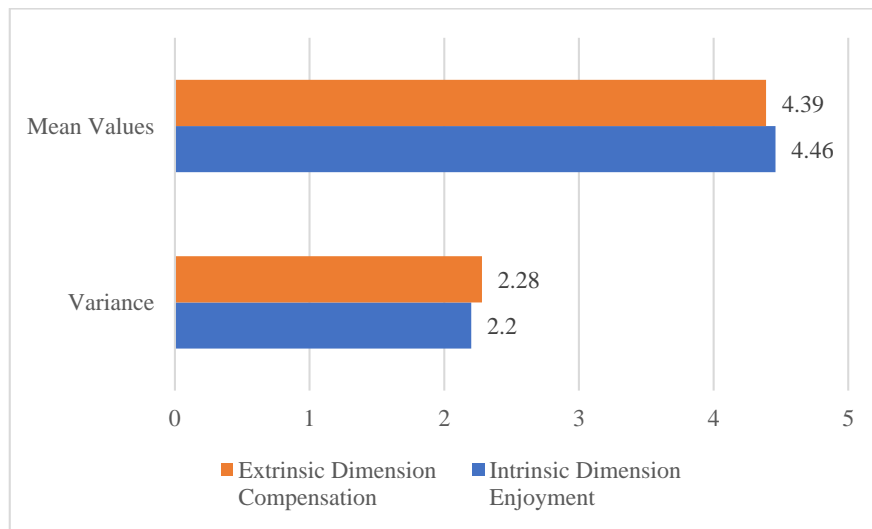
The z value (1.32) is lower than the z test value (1.65) for a one sided z test ($\alpha = 0.05$). According to the value, the first part of H_0 that the dimension of extrinsic motivation compensation is significantly stronger than the dimension of extrinsic motivation outward will not be rejected.

Secondly, the means of the extrinsic motivational dimension compensation and the intrinsic motivational dimension enjoyment will be compared trying to understand if there is a significant difference between them. Therefore, the hypothesis will be formulated as:

$$H_0: \mu_{\text{Compensation}} \leq \mu_{\text{Enjoyment}} \qquad H_1: \mu_{\text{Compensation}} > \mu_{\text{Enjoyment}}$$

In Figure 15 are presented the mean values and variances of the extrinsic motivational dimension compensation and the intrinsic motivational driver of enjoyment.

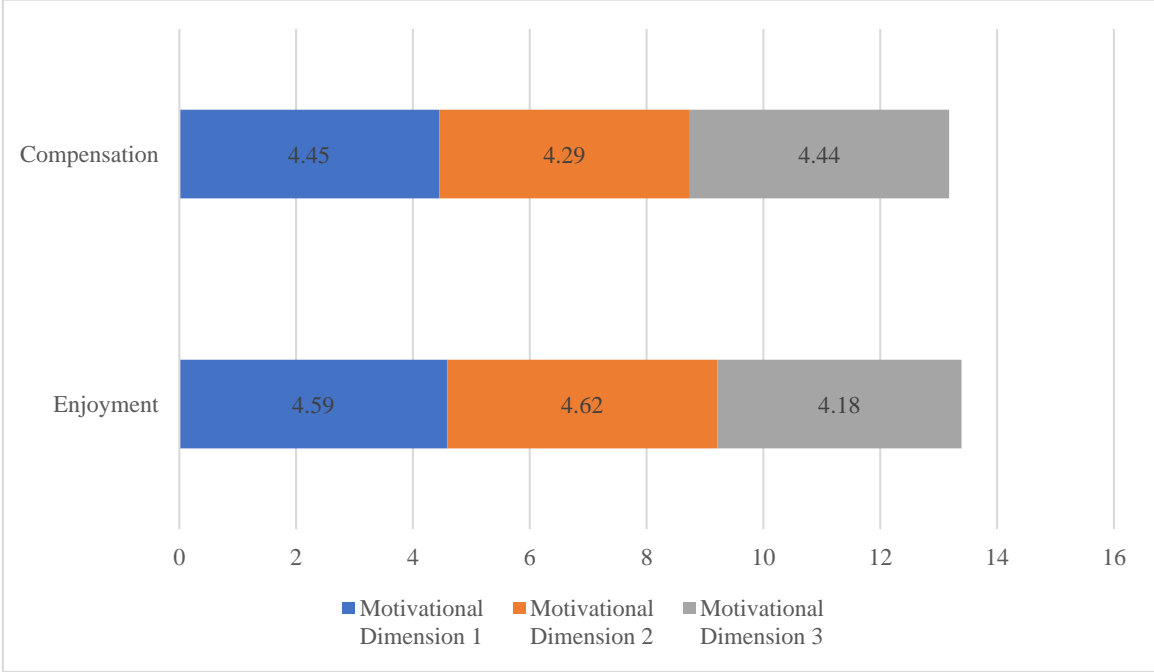
Figure 15: Mean values and variance of compensation and enjoyment dimensions



Source: own work.

In Figure 16 are presented the mean values of the extrinsic motivational dimension compensation and the intrinsic motivational driver of enjoyment.

Figure 16: Mean values each dimension of compensation and outward enjoyment



Source: own work.

$$z = \frac{\bar{x}_1 - \bar{x}_2}{\sqrt{\frac{S^2}{n_1} + \frac{S^2}{n_2}}} \qquad z = \frac{4.39 - 4.46}{\sqrt{\frac{2.28}{72} + \frac{2.20}{72}}} = -0.27$$

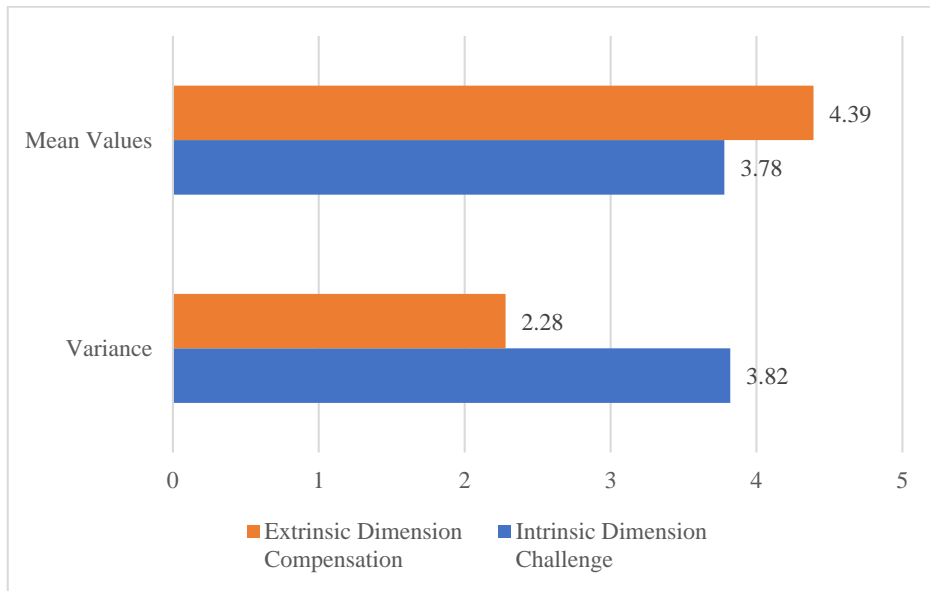
The z value (-0.278) is lower than the z test value (1.65) for a one sided z test (a = 0.05). According to the value, the H₀ that the dimension of extrinsic motivation compensation is a significantly stronger motivational driver than the dimension of intrinsic motivation enjoyment will not be rejected.

Thirdly, the means of the extrinsic motivational driver compensation and the intrinsic motivational driver challenge will be compared trying to understand if there is a significant difference between them. Therefore, the hypothesis will be formulated as:

$$H_0: \mu_{\text{Compensation}} \leq \mu_{\text{Challenge}} \qquad H_1: \mu_{\text{Compensation}} > \mu_{\text{Challenge}}$$

In Figure 17 are presented the mean values of the extrinsic motivational driver compensation and the intrinsic motivational driver of challenge.

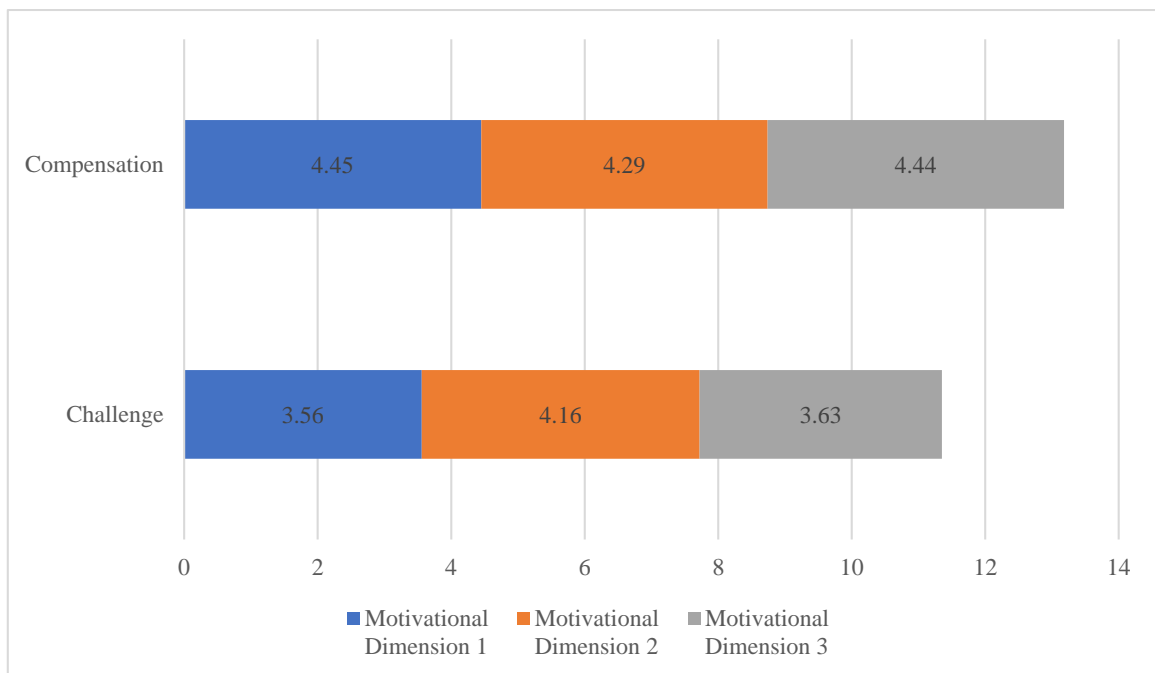
Figure 17: Mean values and variance of compensation and challenge dimensions



Source: own work.

In Figure 18 are presented the mean values of the extrinsic motivational dimension compensation and the intrinsic motivational driver of challenge.

Figure 18: Mean values each dimension of compensation and outward challenge



Source: own work.

$$z = \frac{\bar{x}_1 - \bar{x}_2}{\sqrt{\frac{S^2}{n_1} + \frac{S^2}{n_2}}} \qquad z = \frac{4.39 - 3.78}{\sqrt{\frac{2.28}{72} + \frac{3.82}{72}}} = 2.08$$

The z value (2.0885) is higher than the z test value (1.65) for a one sided z test ($\alpha = 0.05$) According to the value, H_0 will be rejected, therefore, H_1 that the dimension of extrinsic motivation compensation is a significantly stronger motivational driver than the dimension of intrinsic motivation challenge can be accepted.

Finally, H_0 will not be rejected since it was stated that compensation is a significantly stronger motivational driver compared to all of the three other drivers outward, enjoyment and challenge. Considering the results of the survey, can be confirmed that compensation is a significantly stronger motivational driver only compared to the motivational driver of challenge.

H3: There is no significant difference in the importance of motivational drivers among sales force employees with different demographic characteristics in the Macedonian FMCG industry that include 3a) age, 3b) gender, 3c) level of education and 3d) tenure in the FMCG industry.

The third hypothesis tries to test if there is a significant difference in the motivational drivers regarding the demographic characteristics of the sales force personnel such as age, gender, tenure in the industry and level of education. In his research, Cron claims that job-related motivation changes over the career of the sales people, as well as that individuals at different age are motivated by different factors (Cron, 1984). Furthermore, according to Kamdron there is also difference in the factors of motivation among the genders, claiming that females value higher recognition whereas males value responsibility (Kamdron, 2005). The study of Clark, Oswald and Warr shows that different levels of education affect the level of job motivation differently (Clark, Oswald, & Warr, 1996). Based on these findings, I aim to understand if they could be applicable for the Macedonian FMCG industry. This hypothesis is divided into four sub-hypotheses that cover four demographic characteristics of a) age, b) gender, c) level of education and d) tenure in the FMCG industry.

a) The first sub-hypothesis will try to understand if there is a difference in the importance of the motivational drivers among the sales force employees regarding their age.

H_0 : Age <19 = Age 20 to 29 = Age 30 to 39 = Age 40 to 49 = Age >50

H_1 : Age <19 \neq Age 20 to 29 \neq Age 30 to 39 \neq Age 40 to 49 \neq Age >50

The results of the one-way ANOVA for age are presented in Table 2.

Table 2: One-way ANOVA of age

One-way ANOVA of age

	Sum of squares	Degrees of freedom	Mean square	F value	Sig.
<i>Between groups</i>	.724	3	.241	.723	.542
<i>Within groups</i>	22.717	68	.334		
<i>Total</i>	23.442	71			

Source: own work.

After conducting the one-way ANOVA, the calculated significance level (0.542) is higher than P (0.05). The F value (0.723) is lower than the z test (1.96). Therefore, it is not in the rejection zone and the null hypothesis cannot be rejected. According to the values, it cannot be proven that there is a statistically significant difference between the different age groups among the sales force in the Macedonian FMCG industry.

b) The second sub-hypothesis will try to understand if there is a difference in the importance of the motivational drivers among the sales force employees regarding their gender.

H₀: Male = Female

H₁: Male ≠ Female

The results of the one-way ANOVA for gender are presented in Table 3.

Table 3: One-way ANOVA of gender

One-way ANOVA of gender

	Sum of squares	Degrees of freedom	Mean square	F value	Sig.
<i>Between groups</i>	.135	1	.134	.405	.527
<i>Within groups</i>	23.307	70	.333		
<i>Total</i>	23.442	71			

Source: own work.

After conducting the one-way ANOVA, the calculated significance level (0.527) is higher than P (0.05). The F value (0.405) is lower than the z test (1.96). Therefore, it is not in the rejection zone and the null hypothesis cannot be rejected. According to the values, it cannot be proven that there is a significant difference between genders among the sales force in the Macedonian FMCG industry.

c) The third sub-hypothesis will try to understand if there is a difference in the importance of the motivational drivers among the sales force employees regarding their level of education.

H₀: High School = Graduate = Master's = PhD

H₁: High School ≠ Graduate ≠ Master's ≠ PhD

The results of the one-way ANOVA for the level of education are presented in Table 4.

Table 4: One-way ANOVA of level of education

One-way ANOVA of level of education

	Sum of squares	Degrees of freedom	Mean square	F value	Sig.
<i>Between groups</i>	.043	3	.014	.041	.989
<i>Within groups</i>	23.399	68	.344		
<i>Total</i>	23.442	71			

Source: own work.

After conducting the one-way ANOVA, the calculated significance level (0.989) is higher than P (0.05). The F value (0.041) is lower than the z test (1.96). Therefore, it is not in the rejection zone and the null hypothesis cannot be rejected. According to the values, it cannot be proven that there is a significant difference regarding the level of education among the sales force in the Macedonian FMCG industry.

d) The fourth sub-hypothesis will try to understand if there is difference in the importance of the motivational drivers among the sales force employees regarding their tenure in the FMCG industry.

H₀: Tenure < 5 = Tenure 6 to 10 = Tenure 11 to 15 = Tenure 16 to 20 = Tenure > 21

H₁: Tenure < 5 ≠ Tenure 6 to 10 ≠ Tenure 11 to 15 ≠ Tenure 16 to 20 ≠ Tenure > 21

The results of the one-way ANOVA for tenure in the industry are presented in Table 5.

Table 5: One-way ANOVA of tenure in the industry

One-way ANOVA of tenure in the industry

	Sum of squares	Degrees of freedom	Mean square	F value	Sig.
<i>Between groups</i>	.965	4	.241	.720	.582
<i>Within groups</i>	22.476	67	.335		
<i>Total</i>	23.442	71			

Source: own work.

After conducting the one-way ANOVA, the calculated significance level (0.582) is higher than P (0.05). The F value (0.720) is lower than the z test (1.96). Therefore, it is not in the rejection zone and the null hypothesis cannot be rejected. According to the values, it cannot be proven that there is a significant difference regarding the tenure in the industry among the sales force in the Macedonian FMCG industry.

Since the results from the one-way ANOVA did not show any differences among the several demographic factors, a deeper analysis was conducted in order to understand among which statements in particular there might exist differences among the demographic factors.

When conducting a one-way ANOVA for the extrinsic dimensions only and the demographic factor of age, the only question on which there is a statistically significant difference is “To me success means doing better than the others” which is part of the motivational dimension outward. The one-way ANOVA for the extrinsic factors and age is presented in Table 6.

Table 6: One-way ANOVA for extrinsic factors and age

One-way ANOVA						
Statement		Sum of Squares	df	Mean Square	F	Sig.
<i>I am keenly aware of the promotion goals I have for myself</i>	Between groups	.838	3	.279	.404	.751
	Within groups	47.037	68	.692		
	Total	47.875	71			
<i>I am keenly aware of the income goals I have for myself</i>	Between groups	4.067	3	1.365	1.568	.205
	Within groups	58.808	68	.865		
	Total	62.875	71			
<i>I am strongly motivated by the money I can earn</i>	Between groups	.611	3	.204	.260	.854
	Within groups	53.167	68	.782		
	Total	53.778	71			
<i>I am strongly motivated by the recognition I can earn from other people</i>	Between groups	2.319	3	.773	.956	.419
	Within groups	55.000	68	.809		
	Total	57.319	71			
<i>I want other people to find out how good I really can be at my work</i>	Between groups	.671	3	.224	.184	.907
	Within groups	81.639	67	1.218		
	Total	82.310	70			
<i>To me, success means doing better than other people</i>	Between groups	13.250	3	4.417	3.013	.036
	Within groups	98.215	67	1.466		
	Total	111.465	70			

Source: own work.

When conducting a one-way ANOVA for the intrinsic dimensions only and the demographic factor age, the only question on which there is a statistically significant difference is “What matters most to me is enjoying what I do” which is part of the motivational dimension enjoyment. The one-way ANOVA for the intrinsic factors and age is presented in Table 7.

Table 7: One-way ANOVA for intrinsic factors and age

<i>One-way ANOVA</i>						
Statement		Sum of squares	df	Mean Square	F	Sig.
<i>I enjoy tackling problems that are completely new to me</i>	Between groups	8.504	3	2.835	2.235	.092
	Within groups	84.961	67	1.268		
	Total	93.465	70			
<i>I enjoy trying to solve complex problems</i>	Between groups	4.262	3	1.421	1.211	.312
	Within groups	79.738	68	1.173		
	Total	84.000	71			
<i>The more difficult the problem, the more I enjoy trying to solve it</i>	Between groups	4.075	3	1.358	.998	.399
	Within groups	92.537	68	1.361		
	Total	96.611	71			
<i>What matters most to me is enjoying what I do</i>	Between groups	5.216	3	1.739	2.808	.046
	Within groups	42.103	68	.619		
	Total	47.319	71			
<i>I want to find out how good I really can be at my work</i>	Between groups	5.156	3	1.719	2.673	.054
	Within groups	43.719	68	.643		
	Total	48.875	71			
<i>No matter what the outcome of a project, I am satisfied if I feel I gained a new experience</i>	Between groups	4.369	3	1.456	1.699	.175
	Within groups	58.283	68	.857		
	Total	52.653	71			

Source: own work.

When conducting a one-way ANOVA for the extrinsic dimensions only and the demographic factor of gender, the only question on which there is a statistically significant difference is “I want other people to find out how good I really can be at my work” which is part of the motivational dimension outward. The one-way ANOVA for the extrinsic factors and gender is presented in Table 8.

Table 8: One-way ANOVA for extrinsic factors and gender

Statement	One-way ANOVA					
		Sum of squares	df	Mean Square	F	Sig.
<i>I am keenly aware of the promotion goals I have for myself</i>	Between groups	.001	1	.001	.002	.965
	Within groups	47.874	70	.684		
	Total	47.875	71			
<i>I am keenly aware of the income goals I have for myself</i>	Between groups	.033	1	.033	.037	.849
	Within groups	62.842	70	.898		
	Total	62.875	71			
<i>I am strongly motivated by the money I can earn</i>	Between groups	1.132	1	1.132	1.505	.224
	Within groups	52.646	70	.752		
	Total	53.778	71			
<i>I am strongly motivated by the recognition I can earn from other people</i>	Between groups	.737	1	.737	.912	.343
	Within groups	56.582	70	.808		
	Total	57.319	71			
<i>I want other people to find out how good I really can be at my work</i>	Between groups	6.137	1	6.137	5.559	.021
	Within groups	76.173	69	1.104		
	Total	82.310	70			
<i>To me, success means doing better than other people</i>	Between groups	.017	1	.017	.011	.918
	Within groups	111.448	69	1.615		
	Total	111.465	70			

Source: own work.

When conducting a one-way ANOVA for the intrinsic dimensions only and the demographic factor of gender, no question shows significant difference between genders. The one-way ANOVA for the intrinsic factors and gender is presented in Table 9.

Table 9: One-way ANOVA for intrinsic factors and gender

<i>One-way ANOVA</i>						
Statement		Sum of squares	df	Mean Square	F	Sig.
<i>I enjoy tackling problems that are completely new to me</i>	Between groups	1.065	1	1.065	.795	.376
	Within groups	92.400	69	1.339		
	Total	93.465	70			
<i>I enjoy trying to solve complex problems</i>	Between groups	1.032	1	1.032	.870	.354
	Within groups	82.968	70	1.185		
	Total	84.000	71			
<i>The more difficult the problem, the more I enjoy trying to solve it</i>	Between groups	.169	1	.169	.123	.727
	Within groups	96.442	70	1.378		
	Total	96.611	71			
<i>What matters most to me is enjoying what I do</i>	Between groups	.323	1	.323	.481	.490
	Within groups	46.996	70	.671		
	Total	47.319	71			
<i>I want to find out how good I really can be at my work</i>	Between groups	.222	1	.222	.320	.573
	Within groups	48.653	70	.695		
	Total	48.857	71			
<i>No matter what the outcome of a project, I am satisfied if I feel I gained a new experience</i>	Between groups	.042	1	.042	.047	.829
	Within groups	62.611	70	.894		
	Total	62.653	71			

Source: own work.

When conducting a one-way ANOVA for the extrinsic dimensions only and the demographic factor of education, no question shows significant difference between the groups. The one-way ANOVA for the extrinsic factors and level of education is presented in Table 10.

Table 10: One-way ANOVA for extrinsic factors and level of education

<i>One-way ANOVA</i>						
Statement		Sum of squares	df	Mean Square	F	Sig.
<i>I am keenly aware of the promotion goals I have for myself</i>	Between groups	3.280	3	1.093	1.667	.182
	Within groups	44.595	68	.656		
	Total	47.875	71			
<i>I am keenly aware of the income goals I have for myself</i>	Between groups	1.306	3	.435	.481	.697
	Within groups	61.569	68	.905		
	Total	62.875	71			
<i>I am strongly motivated by the money I can earn</i>	Between groups	2.916	3	.972	1.300	.282
	Within groups	50.862	68	.748		
	Total	53.778	71			
<i>I am strongly motivated by the recognition I can earn from other people</i>	Between groups	3.384	3	1.128	1.422	.244
	Within groups	53.935	68	.793		
	Total	57.319	71			
<i>I want other people to find out how good I really can be at my work</i>	Between groups	3.671	3	1.224	1.043	.379
	Within groups	78.638	67	1.174		
	Total	82.310	70			
<i>To me, success means doing better than other people</i>	Between groups	9.285	3	3.095	2.029	.118
	Within groups	102.180	67	1.525		
	Total	111.465	70			

Source: own work.

When conducting a one-way ANOVA for the intrinsic dimensions only and the demographic factor of education, no question shows significant difference between the groups. The one-way ANOVA for the intrinsic factors and level of education is presented in Table 11.

Table 11: One-way ANOVA for intrinsic factors and level of education

<i>One-way ANOVA</i>						
Statement		Sum of squares	df	Mean Square	F	Sig.
<i>I enjoy tackling problems that are completely new to me</i>	Between groups	1.554	3	.518	.378	.769
	Within groups	91.911	67	1.372		
	Total	93.465	70			
<i>I enjoy trying to solve complex problems</i>	Between groups	3.790	3	1.263	1.071	.367
	Within groups	80.210	68	1.180		
	Total	84.000	71			
<i>The more difficult the problem, the more I enjoy to trying solve it</i>	Between groups	.460	3	.153	.108	.955
	Within groups	96.152	68	1.414		
	Total	96.611	71			
<i>What matters most to me is enjoying what I do</i>	Between groups	2.613	3	.871	1.325	.274
	Within groups	44.706	68	.657		
	Total	47.319	71			
<i>I want to find out how good I really can be at my work</i>	Between groups	.434	3	.145	.203	.894
	Within groups	48.441	68	.712		
	Total	48.875	71			
<i>No matter what the outcome of a project, I am satisfied if I feel I gained a new experience</i>	Between groups	2.426	3	.809	.913	.439
	Within groups	60.226	68	.886		
	Total	62.653	71			

Source: own work.

When conducting a one-way ANOVA for the extrinsic dimensions only and the demographic factor of tenure in the industry, the only question on which there is a statistically significant difference is “I am strongly motivated by the money I can earn” which is part of the motivational dimension compensation. The one-way ANOVA for the extrinsic factors and tenure in the industry is presented in Table 12.

Table 12: One-way ANOVA for extrinsic factors and tenure in the industry

<i>One-way ANOVA</i>						
Statement		Sum of squares	df	Mean Square	F	Sig.
<i>I am keenly aware of the promotion goals I have for myself</i>	Between groups	1.253	4	.313	.450	.772
	Within groups	46.622	67	.696		
	Total	47.875	71			
<i>I am keenly aware of the income goals I have for myself</i>	Between groups	4.845	4	1.211	1.399	.244
	Within groups	58.030	67	.866		
	Total	62.875	71			
<i>I am strongly motivated by the money I can earn</i>	Between groups	10.614	4	2.654	4.119	.005
	Within groups	43.163	67	.644		
	Total	53.778	71			
<i>I am strongly motivated by the recognition I can earn from other people</i>	Between groups	1.511	4	.378	.453	.770
	Within groups	55.809	67	.833		
	Total	57.319	71			
<i>I want other people to find out how good I really can be at my work</i>	Between groups	7.608	4	1.902	1.680	.165
	Within groups	74.702	66	1.132		
	Total	82.310	70			
<i>To me, success means doing better than other people</i>	Between groups	4.762	4	1.191	.736	.570
	Within groups	106.703	66	1.617		
	Total	111.465	70			

Source: own work.

When conducting a one-way ANOVA for the intrinsic factors only and the demographic factor of tenure in the industry, no question shows significant difference between the groups. The one-way ANOVA for the intrinsic factors and tenure in the industry is presented in Table 13.

Table 13: One-way ANOVA for intrinsic factors and tenure in the industry

<i>One-way ANOVA</i>						
Statement		Sum of squares	df	Mean Square	F	Sig.
<i>I enjoy tackling problems that are completely new to me</i>	Between groups	5.783	4	1.446	1.088	.370
	Within groups	87.682	66	1.329		
	Total	93.465	70			
<i>I enjoy trying to solve complex problems</i>	Between groups	1.902	4	.476	.388	.816
	Within groups	82.098	67	1.225		
	Total	84.000	71			
<i>The more difficult the problem, the more I enjoy to trying solve it</i>	Between groups	5.453	4	1.363	1.002	.413
	Within groups	91.158	67	1.361		
	Total	96.611	71			
<i>What matters most to me is enjoying what I do</i>	Between groups	4.406	4	1.102	1.720	.156
	Within groups	42.913	67	.640		
	Total	47.319	71			
<i>I want to find out how good I really can be at my work</i>	Between groups	2.666	4	.667	.966	.432
	Within groups	46.209	67	.690		
	Total	48.875	71			
<i>No matter what the outcome of a project, I am satisfied if I feel I gained a new experience</i>	Between groups	2.313	4	.578	.642	.634
	Within groups	60.340	67	.901		
	Total	62.653	71			

Source: own work.

It can be observed that only in the intrinsic motivational dimension of outward exist some differences in the demographic factors of age and gender. For the motivational dimensions of enjoyment and compensation there are even lower differences and for the factor challenge there is no difference at all.

4 DISCUSSION

The summary of the findings of this thesis is presented in this chapter as well as the practical implications of the results. Finally, the limitations of this research and the future areas of research are discussed.

4.1 A summary of findings

The findings of this research reflect the opinion of sales people regarding work motivation in the Macedonian FMCG industry. Initially this research examined which motivational driver has stronger impact on this sample, trying to understand if extrinsic motivation is a stronger motivational driver than intrinsic motivation. The findings of Angle and Perry argue that extrinsic motivation is more powerful in achieving employee motivation, performance and commitment compared to intrinsic motivation (Angle & Perry, 1983). However, according to the results of this sample, the factors that instigate extrinsic motivation are not significantly stronger than those that instigate intrinsic motivation. There is a number of research that asserts the importance of intrinsic motivation. Itri, Bruno, Lalwani, Munden and Tappouni, in their research show that intrinsic motivation has a stronger impact on employee motivation than extrinsic motivation (Itri, Bruno, Lalwani, Munden, & Tappouni, 2019). Furthermore, Barroso-Tanoira claims that intrinsic motivation is more important in increasing employee motivation in relation to extrinsic motivation (Barroso-Tanoira, 2017). Finally, the research of Reinholt, Pedersen and Foss shows that intrinsic motivation often outperforms extrinsic motivation in terms of organizational benefits in regards to work performance of the employees (Reinholt, Pedersen, & Foss, 2011). Such divergent findings can be a result of contrasting contexts in terms of the nature of different industries, the nature of the job tasks and various cultural contexts, among others.

The thesis further aims to measure which motivational dimension has the strongest influence on salesforce motivation. In the research by Pullins, compensation is the most important source of rewards in an organization (Pullins, 2001). Rynes, Gerhart and Minette assert that money ranks highest since it motivates the employees more than any other incentive, and their meta-analytic results do not reveal any motivational tools that work better than performance contingent pay for motivating people to achieve higher level of performance (Rynes, Gerhart, & Minette, 2004). Aslam has also found that factors such as salary and bonuses are significant factors that impact employee motivation (Aslam, 2014). Therefore, the aim was to understand if compensation is a significantly stronger motivational dimension in relation to the motivational dimensions compared in this thesis, namely outward, enjoyment and challenge. However, the findings show that the dimension of compensation is only significantly stronger than the dimension of challenge, meaning that individuals from this sample do not value task complexity which is in line with the finding of Latham and Locke who assert that since people differ in the capability to become automated, the impact that motivation has is lower on complex tasks compared to simple ones (Latham & Locke, 2002). According to the responses from this sample, the dimension of enjoyment is stronger than compensation, which relates to the findings of Ryan and Deci that the source of enjoyment is the activity itself, which impacts the feeling to be self-determined and competent (Deci & Ryan, 2000).

This thesis also examines the differences among the demographic characteristics of age, gender, level of education and tenure in the FMCG industry. In his study, Kovach examined the impact of motivational factors on employees with different age, and found out that younger and older employees are motivated by different factors (Kovach, 1995). Regarding the level of education, Eskildsen, Kristensen and Westlund assert that employees with a higher education are more motivated than those with a high school education or below (Eskildsen, Kristensen, & Westlund, 2004). Yang conducted a research regarding the tenure in the industry, and claims that employees in different stage of their career are motivated by different factors (Yang, 2011). Moody and Pesut also claim that individual differences have an influence on work motivation (Moody & Pesut, 2006). However, the sample of these respondents shows no significant difference in the demographic characteristics. The results of this sample are in line with the findings of Robert Loo who explored the relationship between intrinsic and extrinsic motivation and demographics such as gender, age, by which wanted to determine if his results are consistent with the findings of Amabile, Hill, Hennessey and Tighe (Amabile, Hill, Hennessey, & Tighe, 1994) that there can be no difference on the primary scale in terms of age and sex (Loo, 2001).

Table 14: Summary of hypothesis tests

	Hypothesis	Status
<i>H1</i>	Extrinsic motivation is a significantly stronger motivational driver of the sales force in the Macedonian FMCG industry than intrinsic motivation	Not supported
<i>H2</i>	Compensation is a significantly stronger motivational dimension for the sales force in the Macedonian FMCG industry than the motivational dimensions of outward, challenge and enjoyment.	Not supported
<i>H2a</i>	Compensation is a significantly stronger motivational dimension for the sales force in the Macedonian FMCG industry than the motivational dimension of outward	Not supported
<i>H2b</i>	Compensation is a significantly stronger motivational dimension for the sales force in the Macedonian FMCG industry than the motivational dimension of enjoyment	Not supported
<i>H2c</i>	Compensation is a significantly stronger motivational dimension for the sales force in the Macedonian FMCG industry than the motivational dimension of challenge	Supported
<i>H3</i>	There is no significant difference in the importance of motivational drivers among sales force employees with different age, gender, tenure in the industry and educational level in the Macedonian FMCG industry.	Not supported
<i>H3a</i>	There is no significant difference in the importance of motivational drivers among sales force employees with different age	Not supported
<i>H3b</i>	There is no significant difference in the importance of motivational drivers among sales force employees with different gender	Not supported
<i>H3c</i>	There is no significant difference in the importance of motivational drivers among sales force employees with different level of education	Not supported
<i>H3d</i>	There is no significant difference in the importance of motivational drivers among sales force employees with different tenure in the FMCG industry	Not supported

Source: Own work.

4.2 Managerial implications

The results of this research should help managers in building strategies which could improve and nurture the level of employee motivation. They could serve as a guideline that could maintain or additionally increase the desired level of motivation in order to impact achieving the organizational goals. From the three hypothesis in this research, several conclusions that can impact managerial decision-making can be drawn. There were no significant differences between intrinsic and extrinsic motivation among the sales personnel in the FMCG industry. It could guide managers in this industry to pay attention to factors of motivation other than the extrinsic ones. They should implement measures that would embody the intrinsic motivation of each employee with the intention to have a positive impact on work performance. Since intrinsic motivation refers to the need to be competent and being capable of controlling the actions, management should provide continuous and constructive feedback as well as evaluation of the performance of the sales employees. Therefore, they could have a clear understanding regarding the direction in which they perform the tasks. The employee could feel as an integral part of the organization that contributes to its success. They could also create a transparent career path for sales employees. A positive impact of the motivation could be if the employee could have a vision where they could see themselves the future. These measures should be an addition to the extrinsic factors of motivation that initially satisfy a number of lower order needs.

According to the results of this research, enjoyment as a motivational dimension is as important as compensation. That implies that the sole focus should not be on the monetary aspect, but on making satisfaction from the workplace essential in the work process. Managers should provide employees with a sense of meaningfulness regarding their job as well as a sense of having a purpose in performing their tasks. According to the results of this sample, employees in the FMCG industry do not value challenge in their jobs. This finding suggests that such employees do not demand task diversity and could be content with performing the familiar tasks related to their position. However, it is crucial for the employees to continuously improve their skill set. Therefore, a recommendation for the managers would be to provide training courses and additional education related to sales. The sales force employees would be more competent at what they do, which could impact their intrinsic motivation in terms of meaningfulness and finding their purpose. At the same time, they would not have to dedicate time and effort in order to acquire skills that are not detrimental to sales.

The final managerial implication from this research is regarding the demographic characteristics of this group of employees. Four demographic characteristics of age, gender, level of education and tenure in the FMCG industry were taken into account. The results of this sample showed that there is no significant difference in any of the abovementioned demographic characteristics. The managerial approach in creating the policies that would maintain and increase work motivation should not differentiate regarding the demographic

characteristics of the employees. Furthermore, managers could develop consistent company values regardless of the demographics.

4.3 Limitations and future research

This thesis has its limitations that should be considered in analyzing these results. The thesis is based on self-reported measures which certainly affect the objectivity of the results. Due to the nature of self-reporting, the results can be biased. It can be due to an incomplete understanding of the questions or because of superficial reading. The participants had to choose a pre-defined statement by selecting a position on a labeled response scale (Likert scale). Another constraint is that there was no open question offered. That could have provided answers not considered in the range when creating the survey.

Furthermore, a limitation comes from the fact that the research is focused only on the Macedonian FMCG industry and there is no comparison to neighboring or European countries, or different industries within the Macedonian economy. One of the major limitations regarding the generalizability of these research results is the fact that the respondents are consisted mostly of men with 78%, which is a much higher percentage than women respondents. The fact that men present a majority among the sales force in the FMCG organizations contributes to the findings which are specific to the Macedonian FMCG industry gender structure.

Finally, the timing for the survey could have contributed to the number of participants, since at that time employees were taking their annual leave. Therefore, an additional week for collecting the results was added. The small sample size could have contributed to the outcome of the results. A larger sample size could provide more reliable results and give better insight into employee work motivation in the Macedonian FMCG industry.

The areas for future research can go in several directions. Initially, a research of different departments of FMCG companies can be conducted. This research, however, would be limited to medium-sized and large companies as micro and small companies do not have strictly defined departments. Doing a similar research in a different industry on the Macedonian market could provide comparable results. It would be valuable to see the results for employees in an industry that receives above average salaries. With such research, the motivational drivers among such employees can be observed. Such an industry would be the pharma industry. The IT sector would be especially curious for research. Companies in this industry invest in employee benefits and perks more than companies in other industries. It would be appealing to understand what motivates the employees in this industry.

Another direction for future research would be about the factors of motivation among the sales force employees in the FMCG industry in neighboring countries. Such research would bring value in creating a holistic view of the factors of motivation in the industry. However, such research would demand an effort of larger logistical magnitude.

CONCLUSION

The purpose of the master's thesis is to contribute to a better understanding of motivation of the sales personnel. The results of the empirical study could be useful to companies and managers as well as sales personnel in the industry in determining the right drivers that encourage sales force motivation. It could also be used as one of the components for improved decision-making in Macedonian companies.

This thesis tested three hypotheses. The first hypothesis tried to understand whether extrinsic motivation is a significantly stronger motivational driver for sales personnel in the Macedonian FMCG industry than intrinsic motivation. According to the research results, cannot be confirmed that extrinsic motivation is a significantly stronger motivational driver than intrinsic motivation among the sales force in the Macedonian FMCG industry. The second hypothesis is consisted of three parts. It tried to test whether the extrinsic motivational dimension of compensation is a stronger motivational driver than the motivational dimensions of outward, enjoyment and challenge. According to these research results, compensation is not a significantly stronger motivational dimension than the dimensions of enjoyment and outward. It is only significantly stronger than the motivational dimension of challenge. Finally, this thesis tried to understand if there is difference in four demographic factors of age, gender, level of education and tenure in the FMCG industry and motivation of sales people. According to the research results, there is no a significant difference among any of the four demographic characteristics of age, gender, level of education and tenure in the FMCG industry. The findings could be used by decision-makers in the companies of this industry. They can provide paths which could cultivate a more engaging working environment and more engaged employees. Such employees could have a positive impact on various aspects such as work productivity or improve customer satisfaction.

This research contributes with several key findings. The first hypothesis tested if extrinsic motivation is significantly stronger than intrinsic motivation. The results from this sample showed that there is no significant difference. That would imply that intrinsic motivation has similar significance as extrinsic motivation. Such a conclusion could lead managers to consider a more comprehensive approach towards encouraging employee motivation. The second hypothesis tested if compensation is significantly the strongest motivational dimension compared to outward, enjoyment and challenge. The findings from this sample suggest that it is not the strongest motivational dimension. The results show a similar pattern to the first hypothesis that there are other factors than the extrinsic that impact motivation. This leads to a similar conclusion to the first hypothesis that this topic is multi-layered and demands a comprehensive approach. The third hypothesis tried to understand if there is statistically significant difference among the sales people in this industry in terms of the demographic characteristics. On each of the demographic characteristics tested, age, gender, level of education and tenure in the industry there was no significant difference. This could

imply that managers should have a uniform approach towards this group of employees in terms of these demographic characteristics.

This research contributes mostly to the practice. It provides better understanding of the factors of motivation in the FMCG industry. The results could guide managerial decision-making and it could serve as a direction not to focus solely on the extrinsic aspects of motivation. Additional factors that impact motivation among sales personnel should be considered. Further research in this area could be developed in a couple directions. One direction could be to research the factors of motivation in different departments in these companies. Another direction would be exploring the same industry in neighboring countries or explore motivational drivers in different industries on the Macedonian market.

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APPENDICES

Appendix 1: Povzetek (Summary in Slovenian)

Namen tega magistrskega dela je prispevati k boljšemu razumevanju motivacije prodajne sile v makedonski industriji izdelkov široke potrošnje (v nadaljevanju: industrija FMCG). Rezultati te empirične študije bi lahko bili koristni podjetjem in menedžerjem ter prodajnemu osebju v industriji pri določanju pobudnikov, ki spodbujajo motivacijo prodajne sile. Cilj tega magistrskega dela je raziskati motivacijske dejavnike prodajne sile v makedonski industriji FMCG. Cilj teoretičnega dela magistrske naloge je predstaviti raziskave o motivaciji, raziskave o zunanji in notranji motivaciji, odnosu med njima ter pregled najpomembnejših motivacijskih teorij. V empiričnem delu je cilj diplomske naloge poskusiti razumeti, katere dimenzije najbolj vplivajo na motivacijo zaposlenih v prodajni sili, in poskusiti razumeti, ali obstajajo razlike v demografskih lastnostih v prodajni sili v industriji FMCG.

Metodologija te raziskave temelji na primarnih in sekundarnih virih podatkov. Teoretski okvir magistrske naloge je sestavljen iz sekundarnih virov podatkov in je po naravi opisen. Vzpostavljen je bil z obsežnim pregledom literature obstoječih akademskih virov, vključno s članki v znanstvenih zbornikih, knjigami in drugimi elektronskimi viri. Za preverjanje hipoteze bodo primarni podatki zbrani z uporabo strukturiranega vprašalnika s 16 vprašanji. V empiričnem delu magistrskega dela bodo za preverjanje hipotez uporabljeni kvantitativni ukrepi. Več let delovnih izkušenj v industriji mi bo omogočilo, da odgovore na vprašanja v vprašalniku pridobim prek mreže poklicnih stikov. Za kvantitativno analizo je bil zbran vzorec 72 anketirancev.

S to tezo preizkušamo tri hipoteze. S prvo hipotezo poskušamo razumeti, ali je zunanja motivacija bistveno močnejša gonilna sila kot notranja motivacija. Ta hipoteza ne drži, kar lahko pomeni, da skladno s temi rezultati ni mogoče potrditi, ali je zunanja motivacija bistveno močnejša gonilna sila kot notranja. Druga hipoteza je sestavljena iz treh delov, s katerimi poskušamo razumeti, ali je kompenzacija najmočnejša motivacijska dimenzija v primerjavi z zunanjimi dejavniki, izzivom in užitkom. Glede na rezultate je motivacijska dimenzija kompenzacije bistveno močnejša od motivacijske dimenzije izziva. Vendar tega ni mogoče potrditi za motivacijske dimenzije zunanjih dejavnikov in užitka. Končno s to tezo poskušamo razumeti, ali obstajajo razlike med štirimi demografskimi dejavniki – to so starost, spol, stopnja izobrazbe in delovna doba v industriji FMCG. Glede na te rezultate ni mogoče potrditi, da obstaja velika razlika med temi lastnostmi.

Ugotovitve bi lahko uporabili odločevalci v podjetjih v tej industriji in zagotovili poti, s katerimi bi lahko oblikovali privlačnejše delovno okolje in bolj angažirane zaposlene. Takšni zaposleni bi lahko pozitivno vplivali na različne vidike, na primer na delovno produktivnost, ali izboljšali zadovoljstvo strank.

Appendix 2: Questionnaire in English

Dear, I am a student at the School of Economics and business in Ljubljana. For the purpose of my master thesis I am conducting a research on the factors of motivation among the sales force in the Macedonian FMCG industry. Your answer would stay anonymous and strictly confidential only for the purpose of this thesis and no other use. The survey is about 5 minutes. Thank you for your response and time, Aleksandar Jordanovski.

Please answer to which degree you agree with the statements of the following questions.

1. Strongly disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly agree

1. I am strongly motivated by the recognition I can earn from other people.

Strongly disagree 1 2 3 4 5 Strongly agree

2. I enjoy trying to solve complex problems.

Strongly disagree 1 2 3 4 5 Strongly agree

3. I want to find out how good I really can be at my work.

Strongly disagree 1 2 3 4 5 Strongly agree

4. I am keenly aware of the promotion goals I have for myself.

Strongly disagree 1 2 3 4 5 Strongly agree

5. I want other people to find out how good I really can be at my work.

Strongly disagree 1 2 3 4 5 Strongly agree

6. I enjoy tackling problems that are completely new to me.

Strongly disagree 1 2 3 4 5 Strongly agree

7. What matters most to me is enjoying what I do.

Strongly disagree 1 2 3 4 5 Strongly agree

8. I am strongly motivated by the money I can earn.

Strongly disagree 1 2 3 4 5 Strongly agree

9. The more difficult the problem, the more I enjoy trying to solve it.

Strongly disagree 1 2 3 4 5 Strongly agree

10. To me, success means doing better than other people.

Strongly disagree 1 2 3 4 5 Strongly agree

11. No matter what the outcome of a project, I am satisfied if I feel I gained a new experience.

Strongly disagree 1 2 3 4 5 Strongly agree

12. I am keenly aware of the income goals I have for myself.

Strongly disagree 1 2 3 4 5 Strongly agree

13. Age:

- < 19 (1)
- 20 – 29 (2)
- 30 – 39 (3)
- 40 – 49 (4)
- >50 (5)

14. Gender:

- Male (1)
- Female (2)

15. Level of education:

- High school (1)
- University Degree (2)
- Masters' (3)
- PHD (4)
- Other (5)

16. Tenure in the FMCG industry:

- < 5 (1)
- 6 – 10 (2)
- 11 – 15 (3)
- 16 – 20 (4)
- 21 (5)

Appendix 3: Questionnaire in Macedonian

Почитувани, јас сум студент на Економскиот Факултет во Љубљана. За цел на мојата магистерска теза вршам истражување на факторите на мотивација кај продажниот персонал во македонската индустрија за широка потрошувачка. Вашиот одговор ќе остане анонимен и строго доверлив за целите на магистерската теза и нема да се користи за друга намена. Анкетата е кратка и трае околу 5 минути. Ви благодарам на одговорите и одвоеното време, Александар Јордановски.

Одговорете до кој степен се согласувате со изјавите на следниве прашања.

1. Целосно не се согласувам 2. Не се согласувам 3. Ниту се согласувам, ниту не се согласувам 4. Се согласувам 5. Целосно се согласувам

1. Ме мотивира почитта што можам да ја стекнам кај другите.
Целосно не се согласувам 1 2 3 4 5 Целосно се согласувам
2. Сакам да решавам сложени проблеми.
Целосно не се согласувам 1 2 3 4 5 Целосно се согласувам
3. Сакам да видам колку можам да бидам добра/добар во работата.
Целосно не се согласувам 1 2 3 4 5 Целосно се согласувам
4. Имам предвид која ми е целта за унапредување во кариерата.
Целосно не се согласувам 1 2 3 4 5 Целосно се согласувам
5. Сакам другите да видат колку можам да бидам добра/добар во работата.
Целосно не се согласувам 1 2 3 4 5 Целосно се согласувам
6. Уживам да се занимавам со нови проблеми.
Целосно не се согласувам 1 2 3 4 5 Целосно се согласувам
7. Најважно ми е да уживам во работата.
Целосно не се согласувам 1 2 3 4 5 Целосно се согласувам
8. Многу ме мотивира колку пари можам да заработам.
Целосно не се согласувам 1 2 3 4 5 Целосно се согласувам
9. Колку е потежок проблемот, тоа повеќе уживам да го решавам
Целосно не се согласувам 1 2 3 4 5 Целосно се согласувам
10. Според мене, успех значи да си подобра /подобар од другите.
Целосно не се согласувам 1 2 3 4 5 Целосно се согласувам
11. Без оглед на резултатот од проектот, задоволна/ен сум ако сум стекнал/а ново искуство.
Целосно не се согласувам 1 2 3 4 5 Целосно се согласувам

12. Имам предвид колку ми е целта да заработувам.

Целосно не се согласувам 1 2 3 4 5 Целосно се согласувам

13. Возраст:

- < 19 (1)
- 20 – 29 (2)
- 30 – 39 (3)
- 40 – 49 (4)
- >50 (5)

14. Пол:

- Машки (1)
- Женски (2)

15. Ниво на образование:

- Средно образование (1)
- Високо образование (2)
- Магистратура (3)
- Докторат (4)
- Друго (5)

16. Стаж во години во индустријата за широка потрошувачка:

- < 5 (1)
- 6 – 10 (2)
- 11 – 15 (3)
- 16 – 20 (4)
- 21 (5)