UNIVERSITY OF LJUBLJANA FACULTY OF ECONOMICS

MASTER'S THESIS

# COMPARATIVE ANALYSIS OF TRADITIONAL AND MODERN MOTIVATION APPROACHES

Ljubljana, August 2018

JANJA KOPRIVEC

#### **AUTHORSHIP STATEMENT**

The undersigned Janja Koprivec, a student at the University of Ljubljana, Faculty of Economics, (hereafter: FELU), author of this written final work of studies with the title Comparative Analysis of Traditional and Modern Motivation Approaches, prepared under supervision of Associate Professor Černe Matej, PhD.

#### DECLARE

- 1. this written final work of studies to be based on the results of my own research;
- 2. the printed form of this written final work of studies to be identical to its electronic form;
- 3. the text of this written final work of studies to be language-edited and technically in adherence with the FELU's Technical Guidelines for Written Works, which means that I cited and / or quoted works and opinions of other authors in this written final work of studies in accordance with the FELU's Technical Guidelines for Written Works;
- 4. to be aware of the fact that plagiarism (in written or graphical form) is a criminal offence and can be prosecuted in accordance with the Criminal Code of the Republic of Slovenia;
- 5. to be aware of the consequences a proven plagiarism charge based on the written final work could have for my status at the FELU in accordance with the relevant FELU Rules;
- 6. to have obtained all the necessary permits to use the data and works of other authors which are (in written or graphical form) referred to in this written final work of studies and to have clearly marked them;
- 7. to have acted in accordance with ethical principles during the preparation of this written final work of studies and to have, where necessary, obtained permission of the Ethics Committee;
- 8. my consent to use the electronic form of this written final work of studies for the detection of content similarity with other written works, using similarity detection software that is connected with the FELU Study Information System;
- 9. to transfer to the University of Ljubljana free of charge, non-exclusively, geographically and time-wise unlimited the right of saving this written final work of studies in the electronic form, the right of its reproduction, as well as the right of making this written final work of studies available to the public on the World Wide Web via the Repository of the University of Ljubljana;
- 10. my consent to publication of my personal data that are included in this written final work of studies and in this declaration, when this written final work of studies is published.

Ljubljana, August 31<sup>st</sup>, 2018

Author's signature:

# **TABLE OF CONTENTS**

Ι	INTRODUCTION		
1	DEFIN	ITION OF MOTIVATION	2
2	SIGNI	FICANCE OF MOTIVATION FOR BUSINESS	3
3	MOTI	VATIONAL THEORIES	4
	3.1 Co	ntent Theories	4
	3.1.1	Maslow's Hierarchy of Needs Theory	5
	3.1.2	Alderfer's ERG Theory	8
	3.1.3	Herzberg's Motivator-Hygiene Theory	8
	3.1.4	McGregor's Theory X and Theory Y	9
	3.1.5	McClelland's Learned Needs Theory	
	3.2 Pro	ocess Theories	12
	3.2.1	Vroom's Expectancy Theory	12
	3.2.2	Adams' Equity Theory	14
	3.2.3	Locke and Latham's Goal-Setting Theory	15
	3.2.4	Skinner's Reinforcement Theory	
	3.3 Re	cent Theories	20
	3.3.1	Deci and Ryan's Self-Determination Theory	20
	3.3.2	Grant's Prosocial Theory	26
4	EMPI	RICAL ANALYSIS	31
	4.1 Re	search Scales	31
	4.2 Re	search Question and Hypotheses	34
	4.2.1	Hypothesis 1: Hierarchy of needs	34
	4.2.2	Hypothesis 2: Reinforcement theory	35
	4.2.3	Hypothesis 3: Self-determination theory	35
	4.2.4	Hypothesis 4: Self-determination theory versus hierarchy of needs and	
		reinforcement theory	36
	4.2.5	Hypothesis 5: Prosocial theory versus self-determination theory	36
	4.3 Sa	nple Selection	37
	4.4 Re	search Method	39
	4.5 Re	search Findings	39
5	DISCU	USSION AND RECOMMENDATIONS	45
	5.1 Th	eoretical Contributions	46
	5.2 Pra	ctical Implications	49
	5.3 Lir	nitations and Future Research Directions	52

CONCLUSION	53
REFERENCE LIST	56

## APPENDIXES

## LIST OF TABLES

Table 1. Gender of Analysis Participants	. 40
Table 2. The means of each measured construct	. 41
Table 3. Comparison of hierarchy of needs constructs	. 42
Table 4. Comparison of reinforcement theory constructs	. 43
Table 5. Comparison of self-determination theory constructs	. 44
Table 6. Comparison of relatedness construct to BAS construct and affiliation construct.	. 44
Table 7. Comparison of relatedness construct to prosocial motivation construct	. 45
Table 8. Results of hypotheses testing	. 46

## LIST OF FIGURES

Figure 1. Maslow's Hierarchy of Needs	6
Figure 2. The Self-Determination Continuum	
Figure 3. Years of employment with Equinox Ltd	40
Figure 4. Departments of work within Equinox Ltd.	41

## INTRODUCTION

Motivation is the driving force behind behaviour, an internal psychological process that stimulates individuals to act. It is the result of interaction between an individual and his or her environment (Pinder, 1998). Due to its intangible and very complex nature, motivation has long intrigued psychologists to research it. In the business world work motivation plays an important role in the productivity of employees, consequentially in the productivity of companies and overall economic well-being. The extremely competitive global market has created a challenging environment for businesses. It is more important than ever for companies to effectively utilise all of their resources, including human capital. Human resources pose the biggest challenge among factors of production. Especially in recent years when the trend of tighter staffing, increased workloads and long hours has been prevalent. Companies give more emphasis on employee performance, risk-taking and flexibility thus forming a highly challenging working environment (Rajhans, 2012). Managing and motivating employees is therefore very demanding. It requires skilful handling of thinking process', cultivating skills and knowledge all while balancing people's emotions. A motivated employee is a valuable asset who is prepared to go the extra mile and deliver immense value to the organisation, thus strengthening its business and increasing revenues (Rajhans, 2012). Motivation that initiates work-related behaviour can originate from within a person as well as from his or her environment. It also determines the form, direction, intensity, and duration of work (Pinder, 1998).

The 20<sup>th</sup> as well as the 21<sup>st</sup> century have seen a rapid development in the field of motivation in the workplace. Theories first focused on needs and cognition, but recently the focus has shifted to behaviour. Overall, due to the attention given to all aspects of motivation, it has become easier to understand, predict and influence the motivation of employees. The rapid development has not slowed down and research on needs, values, cognition, behaviour and affect is still ongoing (Latham & Pinder, 2005).

The goal of this study is to create a coherent overview of the development of theories explaining work motivation. Furthermore, I will try to define which of the theories better explains motivation for work through empirical research conducted at a transnational company or more specifically its Slovenian branch. The purpose of this thesis is to help the management of the chosen company identify which theory of work motivation will bring the highest results in motivating their employees so that they may incorporate it in their human resource management and hopefully (in the long run) increase their productivity.

The first part of the thesis defines what motivation is and acknowledges its importance for business. What follows is the summarization of nine "historic" theories of motivation that have been recognized for their impact and contribution to the field of work motivation. The selected theories are divided by their focus either on human needs or cognition. Content or

needs theories described are: hierarchy of needs, ERG theory, two factor theory, theory X and theory Y and learned needs theory. Chosen process or cognition theories are: expectancy theory, equity theory, goal-setting theory and reinforcement theory. As theories of work motivation are still developing and constantly adapting to the ever changing environment it is important to examine recent research as well. The two recently developed theories that are explained in this thesis are self-determination theory and prosocial theory.

The second part is based on the findings derived from the conducted empirical research. I have focused on four theories among which I have attempted to define the one that best motivates people for work out of a chosen sample. The four theories are: hierarchy of needs theory, reinforcement theory, self-determination theory and prosocial theory. The chosen research method is a survey that consists of 31 items related to the theories above. Through them I measured which theory or rather the main construct of which theory scores the highest in motivating employees for work.

The sample comprises of 86 employees of the chosen transnational company (hereinafter also referred to as Equinox Ltd.), that have participated in the survey. The company is one of the largest European distributers, present in 19 countries with over 5.500 employees. For the needs of my research, I have focused on the Slovenian branch that employs approximately 225 people and falls in the category of a medium-sized business. The company operating in an international environment, is constantly changing, adapting and developing which makes for a dynamic working environment. They measure employee motivation annually through an employee satisfaction survey. They also actively try to motivate their employees with several financial and non-financial motivators. Their motivational approaches.

At the end I discuss the survey results providing some theoretical clarifications and implications of the analysis, followed by practical suggestions for Equinox Ltd. to improve their employee motivation.

## **1 DEFINITION OF MOTIVATION**

The Oxford Dictionary (Motivation, n.d.) defines motivation as: "A reason or reasons for acting or behaving in a particular way". It is the driving force behind behaviour that leads individuals to take action to achieve a goal or to fulfil a need or expectation (Business Case Studies, n.d.). The word itself originates from the Latin word movere, meaning "to move". Ryan and Deci (2000a, p. 54) state: "To be motivated means to be moved to do something." When a person is energized and activated toward a goal he or she is motivated. Contrary, when a person feels no inspiration to act he or she is considered as unmotivated. Motivation varies greatly, ranging from very little to a great deal of it, which is why most theories of

motivation consider it a unitary phenomenon (Ryan & Deci, 2000a). Not to be mistaken for satisfaction, which is past oriented, motivation is a future oriented psychological concept.

Motivation is a very complex need-based process because it is in fact an integral feeling present in each individual. Due to its internal state it cannot be directly observed. What can be observed is the outward manifestation of motivation – a person's actions and behaviour, but not motivation itself. Furthermore, motivation is not necessarily conscious. It may be the result of previous experience or impulses, that affect our behaviour unconsciously. Motivation cannot be controlled, only influenced, due to it being internally generated within each individual. Consequentially, no two individuals can be motivated in exactly the same way (Ching, n.d.). Motivation is not a unitary phenomenon. Each individual experiences different levels and types of motivation, which refers to doing something because it is by itself enjoyable, and extrinsic motivation, which refers to doing something because it leads to some desired outcome (Ryan & Deci, 2000a).

## **2** SIGNIFICANCE OF MOTIVATION FOR BUSINESS

There is no doubt that motivation is an essential ingredient of any organisation. It is used as a psychological technique that enables a company to achieve their set plans, goals and policies through the efforts of its employees (Chand, n.d.). Therefore, human resources are a very important factor in the success of a business. It has been theorized that job performance equals to ability times motivation. From this equation we can see that it is crucial for the management not only to train employees to successfully perform a task but also to stimulate and motivate them thus creating a willingness to perform to the best of their abilities. Only in this way can a business capitalize on their employees and utilize all its resources efficiently (Management Study Guide, n.d.).

Motivated employees create an empowered team that can contribute to greater profitability. In a highly motivated environment, it is easier for employees to adapt to changes, apply creativity in problem-solving and it contributes to an optimistic and challenging attitude in the work place. However, motivation does not only bring benefits to the employer but to employees as well as it will help them achieve their personal goals, increase levels of job satisfaction and make them strive for and achieve self-actualization (Management Study Guide, n.d.).

According to Chand (n.d.), managers must create and sustain a desire to work towards certain objectives such as high efficiency, better image, good human relations etc., in their employees. An efficient motivational system allows a company to tap into otherwise hidden reservoirs of physical and mental capabilities. As we have discussed before, motivation helps satisfy human needs which in turn leads to increased productivity. More specifically better

utilisation of (human) resources brings lower costs of operations. From the employees' perspective, a firm that provides opportunities for employee development (financial or personal) is perceived to have a better image in the employment market and thus attracts qualified personnel. Satisfied workers accept and work toward organizational goals and adapt to changes faster and better. It is then easier for management to implement changes to improve efficiency of operations. Finally, effective motivation facilitates job satisfaction. In such a positive working environment relations between employer and employees blossom which is correlated with less disputes, less labour absenteeism and a lower turnover rate, all which benefit a company (Chand, n.d.).

## **3 MOTIVATIONAL THEORIES**

The majority of motivational theories were developed in the 20<sup>th</sup> century. Early explanations of motivation focused on instincts motivation. In the early 20<sup>th</sup> century psychologists believed that humans were basically programmed to behave in certain ways, depending on the behavioural patterns to which they were exposed (Barnet, n.d.). Freud believed that motivation is an unconscious process and is biologically based. However, like many other theories at that time his conclusions were derived from the basis of his patients' problems and experiences in everyday life and lacked predictive power. Freud's theories were later discarded by behavioural scientists.

In the 1950s a paradigm shift occurred as theories advanced from unconscious psychic dynamics and began to investigate the intertwined relations between personal, behavioural and environmental influences (Latham, 2007). Understanding behaviour in the work place was gaining importance which resulted in the emergence of several new theories. Some researchers focused on internal drives, some on learning and the effect of past behaviour on current behaviour. Others focused on the influence of an individuals' cognitive processes on behaviour. Eventually two major types of motivational theories developed: the content theories of motivation and the process theories of motivation. The first focused on the needs that all individuals share, while the second focused on the cognitive differences between individuals (Ching, n.d.).

### **3.1** Content Theories

One of the earliest theories of motivation were content theories. These are need-based theories which focus on identifying human needs and the relation to motivation to fulfil those needs. In other words, content theories focus on internal factors that direct behaviour towards satisfying needs. These needs are universal – they should apply to everyone. However, content theories have been widely criticized for being too simplistic. They fail to take into account how needs change over time, the complexity of the decision making process, or that there are important differences between individuals like gender, age, culture, etc. Finally,

there is also very little research that supports them. Despite of the questionable validity of these theories, they have been very helpful in focusing attention on the area of motivation and have also helped in providing a contextual framework for further studies in this area.

Need theories suggest that employees are motivated to increase their job performance through satisfying their personal needs. Therefore, it is important to identify those needs and the ways in which they are satisfied, in order to better understand work-related behaviour which increases job performance (Arnolds & Boshof, 2002).

The four main content theories which will be outlined in the following chapters are: Maslow's hierarchy of needs, Alderfer's ERG theory, Herzberg's motivator-hygiene theory and McClelland's learned needs theory.

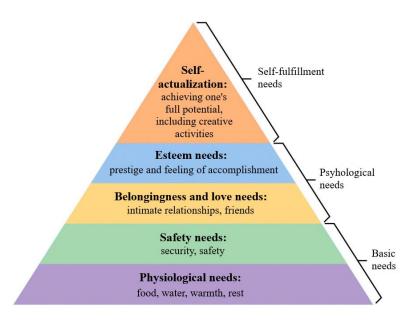
#### 3.1.1 Maslow's Hierarchy of Needs Theory

As described by Maslow in his theory of human motivation, the human organism centres itself on basic goals derived from unsatisfied needs. If needs are satisfied than there is no tension and in return no motivation (Maslow, 1943). As there are various paths to achieving a goal (depending on cultural differences), Maslow rather focused on the more basic, unconscious goals which arise from unsatisfied human needs. Motivated behaviour is thus directed towards satisfying unsatisfied needs. A certain motivated behaviour can satisfy several needs at the same time, thus an act can have more than one motivation (Maslow, 1943).

Maslow (1943) also observed that human needs arrange themselves in a hierarchy and that every drive is related to the satisfaction or dissatisfaction of other drives. If the more prepotent needs are not satisfied, then other needs may disappear altogether. The most prepotent goals will monopolize consciousness. Only when the most basic needs are satisfied can "higher" needs emerge and begin to dominate the organism, and so on. In the first version of Maslow's model he includes five motivational needs, which are sorted in a hierarchical pyramid: physiological needs, safety needs, love or affiliation needs, esteem needs and the need for self-actualization.

These five sets of needs can further be divided into basic needs, psychological needs (both types of deficiency needs) and growth or self-fulfilment needs as shown in Figure 1. People are motivated by deficiency needs when they are unmet and are amplified the longer they go unsatisfied. On the other hand, growth needs may continue to motivate or even increase after being engaged. This is because they are not based on the lack of something, but from the personal desire for growth. Every person desires to move up the hierarchy to develop growth needs and ultimately self-actualization (McLeod, 2017).

#### Figure 1. Maslow's Hierarchy of Needs



Source: S. A. McLeod, Maslow's Hierarchy of Needs, 2017.

Physiological or biological needs refer to the body's biological needs for self-preservation such as the need for air, food, drink, warmth, sex, sleep, etc. Once these needs are satisfied the organism acknowledges the need for safety or freedom from fear. This refers to protection from "the elements", seeking security, stability and order. Even higher in the hierarchy are the needs for love and belonging. This refers to the feeling of friendship, love, affection and intimacy which we seek from family, friends, our work group and partners (being part of a group). On the next level are esteem needs which refer to self-respect and obtaining a certain social status or prestige and respect from others. This can be reached through independence, achievements, mastery, dominance. Finally, at the top of the pyramid we can find the need for growth or self-actualization. This refers to a person seeking personal growth, self-fulfilment and realizing his/her potential. An indicator of self-actualization is when an individual experiences peak-performances (McLeod, 2017).

Maslow later expanded the growth needs and added three other stages to his original five stage model: cognitive needs, aesthetic needs and transcendence needs. In the hierarchy cognitive and aesthetic needs come between esteem needs and self-actualization. Cognitive needs are described as the desire to know and understand – the need for knowledge, meaning, curiosity and systemizing the universe. Aesthetic needs can be described as the appreciation and search for beauty, balance, form etc. The transcendence needs come at the very top of the hierarchical pyramid, above self-actualization and are needs which transcend beyond the personal self (e.g., mystical experience, aesthetic experiences, service to others, the pursuit of science, religious faith, etc.). One aspect of transcendence needs is also the need to help others achieve self-actualization (McLeod, 2017).

In his later studies Maslow noted that the hierarchy can be flexible in certain external circumstances and according to individual differences. The order of the needs may be switched, for example some people place the need for self-esteem lower than the need for love. Life experiences often cause people to fluctuate between different levels of needs, moving back and forth along the hierarchy (McLeod, 2017).

Maslow's theory had many critiques the most important being that there is scarce empirical data supporting this theory. It is quite difficult to empirically test the concept of self-actualization. Maslow's qualitative method was biographical analysis, which is considered very subjective and was carried out on a biased sample of presumably self-actualized individuals. Therefore, we cannot generalize the theory on the entire population. Through examination of different cultures, it was found that even when the basic needs are not met, people can still develop higher needs, thus questioning the set hierarchy. A person can also be motivated by higher and lower needs at the same time (McLeod, 2017).

Considering motivation for work, Maslow's theory does not take into account that some employees cannot satisfy their higher-order needs at work. The theory assumes that all employees and situations are alike, which is problematic, as is the assumption that there is only one best way to satisfy a need (Kaur, 2013). Finally, the theory falls more into the category of job satisfaction, rather than motivation. It is a broad theory of human development and not a description of work motivation. However, Maslow is credited with shedding a light on the subject of work motivation and inspiring further research in the area.

Despite the criticism, managers can still find useful directions in Maslow's hierarchy of needs. If they can assess at which level of the hierarchical pyramid their employees are, they can define which types of motivators would be more appropriate. It is always important that a company provides incentives to keep its employees healthy. People with unsatisfied needs for safety would most appreciate job security and financial security. When we are referring to social needs, affiliation and acceptance by your work group are important. A company should therefore provide opportunities to socialise. People satisfying their need for esteem will seek status, recognition and praise (rewards). And finally, employees at the highest level with the need for self-actualization will be motivated by challenging opportunities, where they can use their knowledge and talent, be creative and achieve their full potential. It is in the interest of managers that their employees reach the highest level – self-actualization, as they will then work at their fullest potential. It is also important to note, that once a need is satisfied it no longer motivates a person, but new needs emerge. People may also move in both directions in the hierarchical pyramid, so it is important to keep track of the stages in which your subordinates reside (Fisher, 2009).

#### 3.1.2 Alderfer's ERG Theory

Alderfer redefined Maslow's theory of needs and created the theory of existence, relatedness and growth also known as ERG theory. Based on empirical data, he compressed the original five levels of needs into three simpler and broader classes: existence needs, relatedness needs and growth needs (Alderfer, 1969). Existence needs include an individual's physiological and material needs as well as the need for physical safety (Maslow's biological needs and partially safety needs). Relatedness needs refer to an individual's need to maintain personal relationships, as well as recognition, maintaining a reputation and esteem needs (needs for love and belonging and partially esteem needs). Growth needs include the need for selfdevelopment, personal growth and advancement (need for self-actualization and partially esteem needs). The theory doesn't assume that lower-level need satisfaction is required for the emergence of higher-order needs. Instead a person can be motivated by more differentlevel unsatisfied needs at the same time (Arnolds & Boshof, 2002). ERG theory introduces the concept of frustration-regression. This means that if a higher need cannot be satisfied and frustrates an individual, he or she may regress and be more motivated to satisfy a lower level need instead (Management Study Guide, n.d.).

ERG theory has focused on the study of human motivation in the workplace. It is used by managers to understand employee job satisfaction and help them identify incentives which increase morale and productivity. By understanding their subordinates needs, managers can define personalized compensation packages that stimulate motivation and in consequence improve job performance. However, such compensation packages must be devised with great care and a deep understanding of an individual, to avoid them being misdirected. If thoroughly explored, needs satisfaction has the potential of predicting work behaviour (Arnolds & Boshof, 2002).

#### 3.1.3 Herzberg's Motivator-Hygiene Theory

In the 1960s Frederick Herzberg, a behavioural scientist developed his own content/need theory on work motivation also called the two-factor theory. It presumes that there are two sets of needs that individuals satisfy or fail to satisfy with different elements of work situations. These two sets of needs are called hygiene factors which concern the basic survival needs (basic biological drives and learned drives conditioned by basic needs) and motivator factors which are connected to growth needs (Herzberg, 1966).

Hygiene factors or maintenance factors are not related to the work itself but more to the job environment or conditions under which an individual works. They are extrinsic to the job and include salary, benefits, company policies, reward system, physical working conditions, relationships with co-workers, job security etc. These factors can effectively prevent dissatisfaction but are not considered as motivators. If managers do not guarantee the adequacy of hygiene factors to avoid job dissatisfaction, motivation cannot exist. Thus hygiene factors are essential for work motivation but they themselves do not motivate individuals (Fisher, 2009).

Motivator factors or satisfiers are related to experiencing psychological growth through achievements, as stated above. These factors are intrinsically rewarding as they are present in the job content (involved in performing a job). Examples of motivator factors are achievement and its recognition, responsibility, advancement and meaningfulness of the work itself. These factors are connected with job satisfaction and motivate employees for a superior performance (Herzberg, 1966).

According to the motivation-hygiene theory personnel can be effectively utilized by enriching their work. Manipulating the motivational factors will boost employee motivation and consequentially their productivity. Job enrichment will provide opportunities for employees' psychological growth. It can be implemented through increasing accountability for their own work, removing some controls, job freedom (granting higher authority to employees for their activities), introducing new and more difficult tasks, enabling them to become experts through specific or specialized tasks, etc. Such activities are connected to motivators like: responsibility, personal achievement, recognition, growth, learning and advancement. It is important that managers improve work-quality by focusing on motivational factors. They must make sure that the job utilizes the skills and competencies of an employee to the maximum, thus making work stimulating (Herzberg, 1966).

There are, however quite a few limitations to Herzberg's theory. For one, the theory assumes the correlation between job satisfaction and productivity, even though productivity was vastly neglected in Herzberg's research. There is a significant risk of biased results as it is in human nature to attribute the sources of dissatisfaction and failure to external factors and give credit for satisfaction factors to themselves. Some scientists argue that hygiene factors like salary or interpersonal relations may also act as motivators. The theory also overlooks individual differences of needs, situational variables and fails to use a comprehensive measure of satisfaction. Nonetheless Herzberg's motivator-hygiene theory is still broadly accepted and influential in the field of organizational theories (Management Study Guide, n.d.).

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

Douglas McGregor (1960) developed a theory with two aspects of employee behaviour at the workplace. He described them as Theory X, which has a negative view of individuals and Theory Y which has a positive view.

Theory X presumes that individuals are by nature indolent – they do not like work and they try to avoid it whenever possible, they lack ambition, dislike responsibility and prefer to be led, they are indifferent to organizational goals and dislike change. Because of these traits employees need to be persuaded to work, with rewards or threats of punishment. Managers, who are responsible for organizing people, are thus required to maintain strict control and give formal direction towards obtaining organizational goals. Their style of leadership needs to be dictatorial. This is a rather pessimistic view of employee behaviour at work. Theory X assumes that employees are driven by their basic physiological and safety needs, among which job security usually ranks the highest (McGregor, 1989). From these assumptions both a "hard" or "soft" approach can be used, but they are both ineffective once an employee reaches a level where he or she is no longer motivated by basic needs but rather by social and egoistic/esteem needs. Consequentially Theory X may work on the shop floor workers in large production firms, but it does not work when managing professionals or managers. They are driven by higher needs for self-fulfilment which cannot be satisfied through Theory X, because strict direction and control provide no opportunities for it (McGregor, 1960).

When dealing with workers motivated by higher level needs, Theory Y needs to be applied. This theory presumes that people are not passive by nature and will seek responsibility and direct themselves if they are committed to the organizational goals of a company. Such commitment and loyalty can be achieved through jobs that are rewarding and satisfying for the employee. Management must provide opportunities for employees to foster motivation, assume responsibility and identify potential for development. Many organizational problems can be solved using creativity, resourcefulness and the innovative potential of employees. A managers' job should therefore be to create opportunities, remove obstacles, encourage growth and provide guidance to his or her subordinates. Opposite to Theory X which relies on external control, Theory Y relies on self-control and self-direction of employees (McGregor, 1960).

McGregor (1989) views Theory Y to be more valid and reasonable than Theory X. He described several ways of applying it in business. Instead of strict control, he encourages decentralization and delegation, which establish a degree of freedom for employees to direct their own activities, assume responsibility and satisfy their egoistic needs. Job enlargement offers challenging opportunities for innovation. Managers should involve employees in decisions that affect them through consultative management and employee participation. Performance appraisal is also important, as is self-evaluation. Employees should set targets and objectives for themselves and then evaluate their performance. Such actions will increase personal responsibility for planning and appraising of an individual's own contribution to the organization, which will at the same time satisfy his/her needs for esteem and self-fulfilment (McGregor, 1989).

In the theory McGregor (1989) has pointed out that there may be some setbacks to applying Theory Y in practice, as people have grown accustomed to being directed and not utilizing all of their capabilities at work. Acceptance of responsibility was often discouraged and passivity encouraged, making many jobs meaningless. Due to this, people satisfy their social, esteem and self-actualization needs outside of work and it may take quite some time for them to adapt to the possibility of fulfilling these needs through their job (McGregor, 1989).

#### 3.1.5 McClelland's Learned Needs Theory

Learned needs or three-needs theory presumes that people are simultaneously motivated by three needs: the need for power, the need for affiliation and the need for achievement (McClelland, 1967). McClelland presented this theory in the 1960s. These needs may differ in importance from person to person and are reflections of an individuals' personal traits.

People motivated by the need for achievement are driven by the desire to excel, as they strive for success. They are motivated by challenges where they can accomplish something difficult. The need for power is connected to influencing others so that they behave in a certain way. People driven by power will be eager to coach, teach and encourage others to achieve set goals. Through leading others, they satisfy their own need for reputation (self-esteem). The need for affiliation is characterised by the desire for friendship, close interpersonal relationships and a supportive environment. People dominated by this need will seek inclusion in various groups and spend a lot of time maintaining their social relationships, but they will also have some difficulties with making hard decisions, due to fear of being disliked (Ramlall, 2004).

Though all three needs are present at the same time, one usually prevails over the others. An individual's needs must be addressed by the work environment and to do so managers must be aware which need dominates their subordinates in order to motivate them effectively. If employees seek power, they will be most productive when they are given control and influence over others. Managers should provide them with opportunities to lead teams for special events. Employees motivated by affiliation will perform best as part of a team where they are accepted. They avoid rejection and desire social inclusion. Achievement motivated employees will thrive when they are presented with the possibility of success or a threat of failure. They appreciate difficult challenges and are very competitive. The achievement itself is perceived as a reward and they will apply innovative solutions to achieve set goals. They also highly value feedback for their work. Research discovered that an efficient manager should have a high need for power and a low need for affiliation (Fisher, 2009).

## **3.2 Process Theories**

Process or cognitive theories try to explain causes that generate, direct, maintain or stop behaviour. Process theories are based on early cognitive theories which presume that behaviour is the result of a conscious decision-making process. Therefore, they focus on the conscious decisions that individuals make to help explain human motivation. While content theories aim to identify factors associated with motivation, cognitive theories attempt to understand the thought processes people go through in determining their behaviour (Steers, Mowday, & Shapiro, 2004).

The four major process theories, that are further described in the following subchapters are: expectancy theory, equity theory, goal-setting theory, and reinforcement theory.

#### 3.2.1 Vroom's Expectancy Theory

V. H. Vroom presented the first systematic formulation of the expectancy theory in 1964. He based it on the preposition that every individual consciously chooses the way he or she will behave according to beliefs, attitudes and perceptions that are underlined by the desire to enhance pleasure or avoid pain (Vroom, 1964). Behaviour is assumed to be purposeful, goal directed and a result of conscious intentions. In other words, individuals will be motivated to act depending on the strength of their belief on how that act will be followed by an outcome and the value of it (Isaac, Zerbe, & Pitt, 2001).

Expectancy theory relies on extrinsic motivators like external rewards, due to the fact that people always aspire to maximize self-interests. People create expectations based on their perceived environment. If management sets rewards appropriately, they can motivate employees to indulge in a desired behaviour because employees will in turn expect a reward for it (Isaac et al., 2001). Employees actively and rationally assess various work situations and behaviours and then choose behaviours that they perceive will lead to their most valued outcome. If they observe that hard work is adequately rewarded (reward is valuable to them), they will be motivated to work harder. To sum up, an employee will be willing to invest more energy if he or she perceives that a certain behaviour is connected to an outcome that he or she perceives highly valuable (Steers et al., 2004).

Expectancy theory is also referred to as VIE theory due to three mental components that influence behaviour: valence, instrumentality and expectancy (Ramlall, 2004). According to the theory, motivation is said to be the product these three components. If any of the three factors is weakened, it will severely impact motivation, as they are all interconnected (Isaac et al., 2001). Thus, an individual feels motivated when three conditions are met:

- the amount of personal effort will result in an acceptable level of performance. This condition is connected to "expectancy" because individuals will input a certain level of effort if they believe a certain level of performance and consequentially, a desired outcome is obtainable;
- the performance level will bring a specific outcome. This is labelled as "instrumentality" and acknowledges the perception that performance levels are connected with certain outcomes/rewards;
- the outcome is valuable to the individual. This is called "valence" and refers to the value a person places on the reward he or she receives. Rewards are valued according to individual preferences.

Vroom's original theory was later extended by Lyman Porter and Edward Lawler III. They set out to identify the source of valence and expectancy and to define a correlation between effort, performance and job satisfaction. According to their extension of the theory, effort is defined by the value of the promised reward, combined with the perceived probability of its attainment and required input (Lawler III & Porter, 1967). The inputted effort together with personal abilities and traits as well as role perceptions will result in a certain level of performance. This performance/accomplishment should be extrinsically rewarded. The extrinsic reward, if perceived by the employee to be equitable and the intrinsic reward, arising from the accomplishment itself lead to job satisfaction. Past experience will greatly influence future effort-reward probabilities (Ramlall, 2004).

When motivating their subordinates, managers must take into account several variables. In regard to the link between effort and performance, it is important that the task at hand is appropriately challenging for the employee, in accordance with his or her skills, abilities, training, education and also self-confidence. In this way, employees won't be bored or frustrated, if the task is perceived as unattainable for being extremely challenging. Employee's perception of their own capabilities and abilities must be considered. If an individual perceives that he or she lacks the capability to carry out a task, motivation levels will decrease significantly. Clearly defined outcomes for acceptable performance levels also enhance the link between effort and performance. Through their work efforts, most employees experience a sense of productivity, usefulness and competence which brings them job satisfaction. Therefore, it is important for managers to explain the importance of assigned work for the organizational vision because it will boost motivation for work (Isaac et al., 2001).

The strength between performance and outcome relies on the trust that the manager will be able to deliver the promised outcome. Managers cannot afford to lose credibility by not fulfilling their promises, because it will lead to loss of motivation, as will lies and hypocrisy. Honesty and fair treatment, as well as constant and constructive feedback, will, on the other hand, increase employee motivation. It will also help employees perceive that various rewards are contingent, in regard to acceptable performance, which will enhance the link between performance and outcome (Isaac et al., 2001).

When considering valence, managers must be cautious of three factors. Firstly, the outcome has a different level of attractiveness for each employee, rewards should therefore, be chosen according to their value to each employee (money, praise, recognition, extra vacation days, enabling employees to pursue personal interests, etc.). Secondly, it is very important that managers transfer or align the company's goals with the personal goals of employees. Rewards must be set in a way, where employees attain their personal goals, while contributing to the common organizational interests. Finally, the means for achieving a goal must be discussed between the manager and his subordinate, in order to establish, if the goal is worth the accompanying constraint to the employee. The valence of certain outcomes must be revised in time as people go through different stages in their life that can change the priority of their needs (Isaac et al., 2001).

#### 3.2.2 Adams' Equity Theory

Adams developed the equity theory in 1963 recognizing that people, who perceive inequity in their social exchange, will be motivated to decrease this inequity. Whenever an exchange occurs between individuals, there is a possibility that one of them (or both) will feel the exchange was inequitable. The simplest example of this would be the exchange of services for payment. Because individuals seek justice and fairness, they will be motivated to reduce the tension created due to the perceived unfair exchange. Therefore, individuals are not only concerned with the absolute rewards they receive, but also in relation to rewards received by others (Adams, 1963).

People participate in various social exchanges where they expect certain outcomes for their inputs. In the work environment, inputs are an employees' education, experience, training, seniority, skill and effort. Outcomes are factors or rewards that result from the exchange such as pay, various benefits, job status, intrinsic rewards etc. In order to simplify the theory, effort will hereinafter be used to represent inputs and salary to represent outcomes. People develop beliefs about what represents a fair outcome in regards to their input, by comparing themselves to referent others (groups or individuals). Inequity exists when a person perceives that the relation of his job inputs and/or outcomes are not in line with the relation between input and outcome of others (Adams, 1963). Inequity is therefore based on individual perception and may not always be completely accurate or logical. Therefore, it is difficult to define when a subordinate will experience inequity. Equity theory emphasizes that it is crucial for managers to design a reward system that will be perceived as fair and just. Managers must also get to know their subordinates to better understand their values and norms.

When an employee's relation between effort and pay is unequal to the relation between effort and pay of a comparable co-worker, the individual will perceive to be relatively underpaid or relatively overpaid. Both situations motivate the individual to decrease this tension of inequity, however it was observed, that there is a higher threshold for feelings of overcompensation than for those of under-compensation. According to Adams (1963), there are several options for an individual to decrease his inequity tensions, among others, by manipulating their own or the comparison person's inputs and/or outputs:

- a person could increase his own inputs if they are lower than his compared co-workers', by increasing productivity or the quality of work;
- a person may decrease his inputs, if they are relatively higher than the comparison others', through reduction of effort and productivity;
- a person may increase his outcomes, if they are lower than his comparison others'. This can be done through obtaining a salary increase or by receiving additional benefits;
- a person may decrease his outcomes, if they are higher than his comparisons'. Though he or she could technically, lower his own pay, this is highly improbable. Another possibility would be to donate the perceived overcompensation to charity;
- a person could withdraw from the situation entirely, by leaving the field, quitting his job, obtaining a reassignment or even through absenteeism;
- a person could psychologically distort his inputs and outcomes by altering their utility;
- a person may try to influence (increase/decrease) the inputs and outcomes of their comparison others'. This can be done by manipulating others to reduce their effort, arrange for a wage increase for the other person etc.;
- a person can choose to change his referent other when inequity exists;
- finally, change in self-perception or in the perception of the comparison other, can occur.

The choice of an option strongly depends on the nature of input/outcome discrepancies, the environmental circumstances and also personal characteristics of the persons involved (Adams, 1963).

#### 3.2.3 Locke and Latham's Goal-Setting Theory

Industrial/organizational psychologists Locke and Latham structured a theory that described how setting specific goals influences performance and consequentially, productivity. They first presented the goal-setting theory in the 1960s, but continued to research and perfect it. One of the core findings was that difficult, specific goals led to a higher level of performance. However, if the goal was perceived as too difficult (or if it was too easy) performance levels were low. When a person was committed to a goal, possessed the ability to attain it, and did not have conflicting goals, the function between goal difficulty and levels of effort and performance was found to be positive and linear (Locke & Latham, 2002). Performance levels decreased only when the limits of ability were reached, or if commitment to an extremely difficult goal failed. It was also observed that having specific goals led to higher performance unlike loosely defined goals like "do your best". This is because specific goals reduce the acceptable variance in performance (Locke & Latham, 2002).

Goals direct actions, effort and attention towards achieving them. Setting a goal automatically implies dissatisfaction with the existing state, as it presents a desire to attain an outcome. In this way, goals set the standard for self-satisfaction with performance. If a person achieves a set goal, he or she will experience satisfaction. The harder the goal, the more motivated a person is to achieve it, because the "reward" (feeling of success, self-satisfaction) is in turn also higher. People choose goals according to self-efficacy, past experiences and performance and various social effects. When confronted with a difficult to achieve goal, people will be motivated to use the skills and knowledge they already possess, and to seek new knowledge, through which they will realize their own ability to grow, meet job challenges and achieve the set goals (Locke & Latham, 2006).

There are four goal mechanisms that affect performance. Goals direct attention toward goalrelevant activities and away from non-relevant ones. They also energize (motivate) individuals and stimulate them to input greater effort, if they are set high. Next, Goals affect persistence, in the sense, if they are hard and require a longer period of time to be achieved, highly set goals will prolong an individuals' effort. But trade-off between work intensity and time must be taken into account. Finally, goals lead to the discovery of task-relevant knowledge and strategies, whether it be the knowledge and skills that people already have and use automatically, knowledge gathered from previous experiences, or if they need to be learned in order to achieve the set goal. People will consciously plan strategies that will allow them to attain a goal. If people have high-efficacy, they are more likely to develop effective strategies. When people are adequately trained in these strategies, they will be more likely to use them, if goals are set higher. However, if a goal or task is very complex, it is advisable to set challenging learning goals, that will help individuals in discovering different strategies to master the task given (Locke & Latham, 2002).

According to Locke and Latham (2002), several moderators of goal setting are also involved in the theory:

• Goal commitment enhances the relationship between goals and performance. High commitment levels can be achieved when individuals believe they can attain the set goal (self-efficacy) and when they perceive the goal to be important. Managers should strive to raise self-efficacy in their employees by ensuring adequate training, finding role models for them, exhibiting performance appraisal, through persuasive communication and inspiring messages. On the other hand, goal importance can be raised by making a public commitment to the goal, allowing subordinates to participate in goal-setting

(because this makes the goal, at least in part their own), or by providing monetary incentives.

- It was discovered that feedback plays an important role in making goals effective, because it reveals progress in employee goal attainment and allows them to adapt their strategies if needed. However, additionally to feedback, motivation also requires feed-forward control. When a goal is successfully achieved, people tend to set an even higher goal for themselves, which fosters even more motivation.
- Task complexity also plays an important role as a moderator of goal effects. When people are faced with a complex task and they need to develop a higher level of skills to attain it, goal effects depend on the ability to discover the right strategies. Task knowledge is harder to acquire for complex tasks and better performance can only be attained, if a learning goal is set. Learning goals are goals to develop required knowledge to complete the task.

In their later research Locke and Latham raised some additional points of the theory. When assigning goals, managers should take into account the framing of said goal. If their employees perceive high goals as threats (they focus on failure), they will have significantly lower performance levels than their colleagues who are focused on success and perceive high goals as a challenge. Another important aspect of the theory is designing group goals. Groups that share information, as a rule, perform better than groups where information sharing is poor. Group performance will be enhanced when individuals have high personal goals that are in line with the group goal. However, if personal goals are incompatible with the group goal, individuals will experience goal conflicts and performance will consequentially suffer. A distinction between conscious and subconscious goals was also made. Both have an independent effect on performance, however, conscious goals, that were accepted and understood (internalized) by an individual, but later pushed aside, to the periphery of consciousness. When conscious and subconscious goals were in conflict, they partially neutralized one another (Locke & Latham, 2006).

There is a significant correlation between effective goal-setting and productivity, provided the goals set are specific, adequately difficult, appropriately chosen and designed (learning goals vs. performance goals etc.). Employee self-efficacy, organizational vision and growth goals were discovered to be suitable predictors of future company growth (Locke & Latham, 2006). Like any tool for increasing motivation, goal setting must be applied with caution. Managers should be aware of the dangers of inappropriate goal-setting. Goals set by superiors, such as target sales, narrow employee focus and can motivate them to use shortcuts, cheat and participate in other types of unethical behaviour just to achieve set goals. Therefore, it is better that goals be set by individuals themselves. By setting "learning" goals, aimed at attaining mastery, people won't be motivated to act unethically, because they themselves would be worse off (Pink, 2011).

#### 3.2.4 Skinner's Reinforcement Theory

Although reinforcement theory has been adapted many times, the basis for it lie in the discoveries by B. F. Skinner. The main assumption of his theory is that behaviour is influenced by its consequences. Skinner studied operant behaviour (or operant conditioning), derived from the fact that every behavioural response activates an environmental consequence (Skinner, 1953). It is also defined as a three-term contingency in which the environmental setting event triggers a response that leads to an environmental consequence. First experiments were done on animals, using the "Skinner box" or operant chamber in which the animal could manipulate a feature and in return receive reinforcement. Skinner observed that events which followed the behaviour would in the future influence the probability of occurrence of said behaviour. There are three types of behavioural consequences according to the function they have on future behaviour: neutral (they do not have an effect on future behaviour), reinforcement (consequences increase the probability of repeating a behaviour), punishment (consequences decrease the probability of repeating a behaviour), punishment (consequences decrease the probability of repeating a behaviour), set way to control behaviour was through reinforcement (O'Donohue & Ferguson, 2001).

There are several principals of operant conditioning according to the reinforcement theory (Stotz & Bolger, n.d.).:

- positive reinforcement, which includes anything that increases the frequency of a behaviour and motivates its repetition. The behaviour which will be reinforced is the one which was preformed right before the positive reinforcement occurred. Therefore, positive reinforcement stands for adding something positive after the behaviour;
- negative reinforcement refers to removing a negative consequence, which strengthens the frequency of the behaviour and stimulates repentance. This means taking away something after the behaviour;
- punishment is an undesirable consequence of a particular behaviour which can be described as adding a negative consequence after the behaviour (positive punishment) or removing a positive one (negative punishment);
- extinction is the final principal and describes the decline in response rate due to the lack of reinforcement. If reinforcing a certain behaviour stops (ignoring or non-reinforcement), the said behaviour will slowly be abandoned.

In order to accurately understand the theory we must also outline some other important characteristics. Firstly, reinforcement is not the same as a reward, because rewards do not necessarily increase the frequency of behaviour and are generally pleasurable, while this is not fundamental for reinforcements. Secondly, as described above, a positive or negative reinforcement/punishment only describes the consequence in terms of something being

added or taken away. The delay between behaviour and consequences plays an important role. The consequence occurring soon after the behaviour is called proximate consequence. These are more powerful in controlling behaviour than distal consequences (occurring after a certain delay). Reinforces can also be defined as natural or artificial, where natural reinforcements follow behaviour without a special agreement, which is typical for artificial reinforcements (O'Donohue & Ferguson, 2001).

The principals of Skinner's reinforcement theory can be applied to the workplace in order to increase employee motivation and productivity. Managers should positively reinforce behaviours that lead to positive outcomes, so that employees will be motivated to repeat them. Behaviours leading to negative outcomes should be negatively reinforced so as to avoid their repentance. Punishments should be avoided as they are fundamentally unpleasant and can bring several unfavourable side effects. The incentive systems may be based on reward or reinforcement and should be designed to increase motivation (Lindner, 1998).

Despite the theory being relatively successful in the past, it has also received some criticism. Technological development has caused jobs and work assignments to transform, which lead to the argument that reinforcement theory might have become outdated as well. Daniel H. Pink warns that rewards and punishments may in fact be hindering motivation for work and that new types of jobs require a new approach to work motivation (Pink, 2011).

To better understand the dangers of extrinsic motivators, Pink (2011) thoroughly defined their side-effects. Firstly, contingent rewards require people to forfeit some of their autonomy which can reduce the enjoyment of an activity. Rewards have the same effect on intrinsically motivated good behaviour: monetary rewards crowd out the intrinsic desire for altruistic acts. For example, people that want to do something for the greater good, will be less likely to do it if they receive a monetary reward for said act. The reward will transform the task, from something purely altruistic into a common transaction. Another drawback of rewards is their addictive property. People feel a certain jolt of pleasure (dopamine) when receiving a reward. They will want to experience it more and more often. This leads people to switch to more risk-seeking behaviour in order to receive the desired reward. Contingent rewards also cause employees to expect them every time they perform a task. It quickly escalates into the status quo, which forces the employer to raise the reward in order to achieve the same effect, which transforms into a vicious cycle (Pink, 2011).

Much like poorly set goals, extrinsic motivators reduce the depth of our thinking and shift the focus from long-term to short-term thinking. By being focused on the immediate gains, people neglect the long-term effects that can come as a consequence (for example slower company growth). People are motivated to work only to the point that triggers the reward. The short-term prize can crowd out the long-term learning (Pink, 2011). Pink does acknowledge that there are situations in which extrinsic rewards work, but they are very limited. Reinforcement theory should be applied when tasks are routine, uninteresting and don't require creative thinking (when following a specified set of rules results in the specific outcome).

## 3.3 Recent Theories

The field of work motivation continues to develop scientifically. As jobs and work environments are constantly changing, so are the approaches towards motivating employees. Even though the "golden age" for the development of motivational theories may have been in the 20<sup>th</sup> century, new theories are still emerging every day. In the following subchapters I will focus on researchers, who have recently been very active in the field of employee motivation. First, I will describe the self-determination theory, largely developed by Richard M. Ryan and Edward L. Deci, as well as Daniel Pink's view of the theory. Finally, I will also focus on prosocial theory, that was recently presented by Adam Grant.

### 3.3.1 Deci and Ryan's Self-Determination Theory

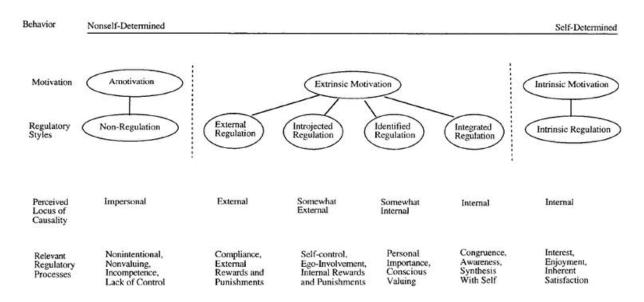
The self-determination theory was predominantly developed by Richard M. Ryan and Edward L. Deci. Based on decades of research, they devised a theory that distinguished between intrinsic and extrinsic motivation and the importance of the first.

Intrinsic motivation comes from within – what motivates a person is their internal satisfaction for doing a task. A person is motivated to act for the fun or challenge of performing the act itself. This phenomenon was first observed in animal behaviour. Through experimental studies it was discovered that many organisms engage in behaviours that are purely exploratory, playful, or curiosity-driven, even though there is no reward for doing them (Ryan & Deci, 2000a). Intrinsic motivation is therefore a spontaneous, natural motivational tendency, which encourages us to discover, learn, and grow as individuals. In this sense it is crucial for human development.

The cognitive evaluation theory (a sub-theory of self-determination) explains that activities which give people a sense of competence combined with self-determination or autonomy increase intrinsic motivation. As an example, optimal challenges, feedback promoting efficiency, and lack of evaluations are all facilitators of higher levels of intrinsic motivation, just as controlling rewards and negative feedback will undermine intrinsic motivation (Deci & Porac, 1978). According to the cognitive evaluation theory not only tangible rewards, but also threats, deadlines, directives and competition pressure diminish intrinsic motivation, because they are experienced as controllers of behaviour. This also means that extrinsic rewards and motivation can undermine intrinsic motivation, in terms of the reward shifting people from a more internal to external locus of causality (Ryan & Deci, 2000a).

Although intrinsic motivation is very important, most people act as a result of extrinsic motivation. Especially after childhood, when social demands and roles force individuals to assume responsibility for non-intrinsically interesting tasks. Extrinsic motivation takes place when an activity is done in order to obtain some separable outcome, a reward or benefit. According to self-determination theory, extrinsic motivation can vary greatly with regard to autonomy (Ryan & Deci, 2000a). A person can perform a task simply to comply with an external control – for example, writing your Masters' Thesis, because you have been threatened to lose your position at work, if you do not finish your studies. Or motivation can involve more personal endorsement and a feeling of choice – for example writing your Masters' Thesis because you strongly believe, it is important for your professional future. The second example involves much more autonomy than the first, but they are both examples of extrinsic motivation.

Self-determination theory focuses on the distinction between controlled motivation and autonomous motivation. Intrinsic motivation is by its nature completely autonomous, but extrinsic motivation can be divided into 4 different types along the autonomy continuum: external regulation, interjected regulation, identified regulation and integrated regulation. As shown in below Figure 2, each latter type has a higher level of self-determination, autonomy and internalization. Higher levels of internalization are desired as they are associated with an increased sense of personal commitment. People who internalize or finally integrate a behaviour, display greater persistence, more positive self-perceptions and higher quality of engagement (Ryan & Deci, 2000a).



#### Figure 2. The Self-Determination Continuum

Source: R. M. Ryan and E. L. Deci, Self-determination Theory and the Facilitation of Intrinsic Motivation, Social Development, and Well-being, 2000b, p. 68.

Along with types of motivation, Figure 2 also shows their regulatory styles, loci of causality, and corresponding processes. The first stage of the continuum is amotivation which is the state of lacking an intention to act. Amotivation thus lacks self-determination. This can be due to not valuing an activity, lack of competence or perceiving that the activity is not connected to a desired outcome (Ryan & Deci, 2000a).

When a behaviour is motivated solely by the perceived connection between that behaviour and a desired outcome, it falls under the category of external regulation. This is the most basic type of extrinsic motivation. Such behaviours are initiated and maintained by external contingencies and are only performed to satisfy an external demand, obtain an externally imposed reward or avoid a consequence (for example tangible rewards or implicit approval). If the external contingency is removed, there is no more motivation to continue with the behaviour (Gagné & Deci, 2005).

Types of motivation that do not require the presence of an external contingency have a certain level of internalization. Internalization is defined as people taking in values, attitudes, or regulatory structures as their own. In this process external regulation of a behaviour and the value associated with it is transformed into an internal regulation. Internalization includes three different processes: introjection, identification, and integration (Gagné & Deci, 2005).

Introjection is slightly more autonomous than external regulation, but it is still quite controlling. This type of internalized motivation pressures people to act in order to avoid the feeling of guilt or anxiety or, on the other hand to enhance their ego or pride. Introjection represents regulation by contingent self-esteem (Ryan & Deci, 2000a). This kind of a regulation has been taken in by an individual, but has not been accepted as his or her own, which means that introjected motivation still has an external locus and is a relatively controlled form of extrinsic motivation (Gagné & Deci, 2005).

When a person identifies with the value of a behaviour, attributes it a personal importance and accepts its regulation as his or her own, it falls under the category of identified regulation. The goals are self-selected and people feel greater freedom and volition. Because such behaviour reflects an aspect of themselves, people feel relatively autonomous while performing tasks, even though they are not intrinsically interesting (Gagné & Deci, 2005).

The final most self-determined and internalized type of extrinsic motivation is integrated regulation. With integrated regulation, people have a complete sense that their behaviour is an integral part of their identity and is thus self-determined. Just like intrinsic motivation, integrated regulation is also autonomous, but it is still considered extrinsic because a person is essentially not interested in the activity itself but rather perceives the activity as instrumentally important for his or her personal goals – the behaviour is done for its presumed instrumental value with respect to some separate outcome (Gagné & Deci, 2005).

Intrinsic motivation is an example of a completely autonomous motivation. It is present when a person engages in an activity with full volition and because they find the activity itself interesting or fun. In this sense intrinsically motivated activities satisfy our innate psychological needs (Ryan & Deci, 2000a). Intrinsic motivation, which is completely internal is most desired, as people driven by it tend to be more persistent in their work. Furthermore, it was observed that when intrinsically motivated, burnout and exhaustion decrease and well-being increases (Deci & Ryan, 2002).

However, autonomy itself is not enough to maintain intrinsic motivation. Two other innate needs are satisfied by intrinsic motivation: competence and relatedness. Together these three needs represent the basic psychology needs that underline intrinsic motivation (Gagné & Deci, 2005). Competence consists of perceived skills and abilities of an individual, which come from seeking and succeeding at optimally challenging tasks. Individuals seek activities in which they have to exercise their full potential. Relatedness refers to seeking connection with others. People have to satisfy the need for acceptance and belonging. We seek mutual respect, reliance, caring for another and being cared for (Deci, 2001).

With regard to the continuum, it should be emphasized that one does not have to progress through each stage of internalization to achieve integrated regulation. A person might firstly be exposed to an activity because of an external regulation, but such exposure could result in an orientation shift, if the person would begin experiencing the activity as intrinsically interesting (Ryan & Deci, 2000a). Intrinsic motivation will be enhanced only when all three basic needs are satisfied: a feeling of competence, an internal perceived locus of causality (autonomy) and a sense of relatedness (Ryan & Deci, 2000a).

#### 3.3.1.1 Pink's View on Drive

In his book Drive: The Surprising Truth About What Motivates Us (Pink, 2011), Daniel H. Pink further develops and adapts the self-determination theory to describe his own view on motivation. As the business world has fallen behind the new scientific developments in the field of motivation, he set out to describe and emphasize the importance of recent research findings.

In the past, two motivational drives were prevalent. The biological drive relied on motivators coming from within, that allowed us to survive. The second drive relied on external motivators (punishments and rewards) that influenced our behaviour. Relying on external rewards was very successful in the past, especially during the industrial revolution, when many jobs were routine, not very interesting and comprised of algorithmic tasks that didn't require creative thinking. People needed to be directed so external motivators worked well. But due to technological development, possibility of outsourcing and automatization, there

are less and less routine, simple jobs. The majority of jobs are more interesting, comprised of complex decisions and innovative solutions, which requires a certain level of self-direction. In this case, a system of rewards and punishments is not adequate. It can reduce employee motivation and performance. External motivators narrow people's focus, which prevents them from seeing the periphery and coming up with creative, original solutions. Therefore, Pink emphasizes a third drive that relies on intrinsic motivation, which stimulates us to be curious, seek out novelty, challenge and learn. This drive is essential for high levels of creativity and relies on the pure enjoyment from mastering a challenge that people get when completing complex tasks (Pink, 2011).

Companies need to create environments that foster intrinsic motivation. The first basic requirement is that employees earn enough for their living. If the baseline rewards are not met, there will be no motivation (neither extrinsic nor intrinsic). Wages, salaries and benefits need to be adequate and fair. Secondly, extrinsic motivators should be avoided, as they can undermine intrinsic motivation by turning interesting tasks into uninteresting work. Setting a monetary reward signals to the employee that the job is undesirable, also known as "the hidden cost of rewards". If, in fact, a situation does require extrinsic motivators, they should be unexpected and offered only after the task is completed. Such rewards have less negative side-effects than classic rewards. When choosing the type of reward, non-tangible rewards such as praise, positive feedback and providing useful information should be considered first. Finally, to encourage intrinsic motivation, employees must have autonomy over their work, they need to be provided with opportunities to pursue mastery and their work must relate to a higher purpose (Pink, 2011).

Pink described two types of behaviour: Type X and Type I. Type X behaviour relies on extrinsic desires and motivators, while Type I leans more on intrinsic desires and the inherent satisfaction coming from an activity itself. Type X people value rewards and are focused on their salaries (not their work). Type I people value freedom, challenge and purpose, and once adequate pay is established, they focus on the work itself. Type I almost always outperforms Type X behaviour. In short-term Type X people may have higher performance because focus on extrinsic rewards can produce fast results. But Type I people desire to pursue mastery, which will lead to better productivity in the long term. Type I behaviour is beneficial for the organization as well as the individual, because it increases physical and mental well-being (higher self-esteem, better relationships, etc.). Type I behaviour is self-directed and underlined by three elements: autonomy, mastery and purpose (Pink, 2011).

Autonomy is the desire to direct our own lives and is fundamental to our human nature. It is defined as behaving with full volition and choice. People desire autonomy over four aspects of their work: task, time, technique and team. When people have the autonomy over what, when, how and with whom they do their work, Type I behaviour will blossom. If people are allowed to choose their own tasks, they will be far more creative, devoted and engaged in

them. Autonomy over time is especially important for non-routine tasks where the link between how much time is spent and the final product is unpredictable and irregular. Individuals, who can choose the time devoted to work, can organize their lives more effectively, enhancing their personal relationships, company loyalty and productivity. When people can decide their own terms (technique) for doing something they will experience individual freedom which is often rare in the workplace. Finally allowing people to choose who they work with, will bring them greater satisfaction. Teams that self-assemble often share a common interest and are drawn from different departments making them versatile in competences (Pink, 2011).

Mastery can be defined as the desire to get better and better at something that matters. It relies on interesting challenges, that motivate individuals to learn to complete them. Solving complex challenges creates satisfying, optimal moments described as "flow". People in flow are fully engaged in their task and utilize all of their abilities to complete it. The effort itself is a reward as it brings focus and satisfaction. In an environment that helps people to move towards mastery, it is important to set clear objectives for assignments and to enable immediate feedback. These assignments need to be adapted to the abilities of individuals – they should not be neither too easy nor too difficult as to avoid anxiety and boredom. Managers should not set performance goals for employees, but instead set learning goals that will lead them to mastery. Employees will welcome effort when it will lead to something that matters. They will be willing to work harder, longer and try several solutions to achieve set goals. This is called "grit" – perseverance and passion for long-term goals. As mastery is often hard and requires a lot of effort over a longer period of time, grit is an important factor for high accomplishments (Pink, 2011).

Purpose is the longing to be in the service of something larger than ourselves. It gives our lives meaning and provides activation energy for living. In the workplace, it gives context to autonomy and mastery. People that are granted autonomy and work toward mastery will perform even better, if it is in the service of some greater objective. Employees will be much more highly motivated, if their companies will function with a purpose motive instead of a profit motive. Companies can be oriented for profit but with giving at their core. In this case, employees will see purpose in their work and be able to give something back to society. Seeing that their work, time or money is spent on purpose-maximizing activities will increase employee well-being. To create purpose, companies can shift some of their budget to charitable giving, allowing employees to spend time working on something meaningful to them, setting purpose goals etc. All these activities will provide higher levels of satisfaction, well-being, self-esteem and lower levels of depression. In order to build a healthy society or a healthy business, purpose must lie at its core and profit should only be a way to move toward that goal, or its by-product (Pink, 2011).

To sum up, we must move the prevailing Type X behaviour towards Type I behaviour in order to foster high-level creative conceptual abilities that are fundamental to our future economic and social progress. Employees should be enabled to develop intrinsic motivation that comes from a deep desire to direct their own lives, to broaden and advance their abilities and to live a life of purpose. Humans are by nature designed to be active and engaged. Thus it is crucial for companies to provide employees with autonomy, mastery and purpose that will allow them to act in accordance with their nature. The higher levels of job satisfaction will lead to higher job performance creating faster growth of companies (Pink, 2011).

#### 3.3.2 Grant's Prosocial Theory

Prosocial theory of motivation leans on the desire of individuals to benefit other people or social collectives. The growth of the service sector and consequentially the increased emphasis on working teams, have provided individuals with more opportunities to build meaningful interpersonal relationships and express prosocial behaviour. The nature of prosocial behaviour is not always purely altruistic. People can be prosocially motivated to genuinely help others (altruism), to protect and enhance their egos (egoism), to uphold moral principles (principlism), or to advance one's relationship with a group (collectivism) (Grant & Berg, 2011).

Fostering prosocial motivation can be beneficiary for employees as well as companies. Prosocial motivation can lead to greater job satisfaction through meaningful work, creating strong social bonds and relationships and can at the same time increase employee effort, persistence, performance, creativity, etc. (Grant & Berg, 2011). Employees who engage in prosocial behaviours such as helping and giving also adopt a positive self-image and perceive their work as more meaningful. The act of volunteering enhances prosocial role identities, which can lead to having an overall better prosocial self-image (identifying as a caring, compassionate person) and further motivate people to make a positive difference. To prosocially motivated employees, their job is not only a transaction contract, but instead an opportunity to focus their prosocial motivation toward co-workers and the organization, or even toward a higher purpose (Grant & Berg, 2011).

According to Grant and Berg (2011) there are four main sources of prosocial behaviour:

- relational job design connecting employees with the beneficiaries of their work increases their desire for prosocial acts as it enhances task significance and also provides contact with the person they are helping, which increases commitment;
- collectivistic norms and rewards collectivistic norms influence motivation by setting the standard and expectations for contributing to group goals and if they are enhanced with collective rewards, they boost prosocial motivation;

- transformational leadership leaders that link employee work to their core values are seen as role models in showing commitment to the greater organizational good, enhancing the sense of collective identity and encouraging employees to prioritize organizational interests over their own;
- individual differences two broad personality traits influence employee prosocial motivation towards different targets: a positive orientation toward others (agreeableness) and dependability or conscientiousness which reflects higher tendencies towards dutifulness.

In his book "Give and Take" Adam Grant describes the three types of inner motives that govern people (Grant, 2013). He classifies these three types as: givers, matchers and takers, determined by an individuals' style of social interaction. People can shift between reciprocity styles across different work roles and relationships. Takers like to get more than they give and therefore only help others strategically – when they perceive that the benefits they will receive are higher than the personal cost involved. They put their own interests ahead of other people's needs. Contrary to them, the givers are motivated by helping other people (prosocially motivated). They focus on acting in the best interest of others and give as much as they can, without expecting anything in return. Therefore, they often make personal sacrifices for the greater good. In their professional careers, the majority of people act as matchers. They strive to preserve an equal balance of giving and taking and believe strongly in the principle of fairness (Grant, 2013).

In order to fully understand what motivates employees of each type, we must first further explore the characteristics of different reciprocity styles, with emphasis on givers. We can identify peoples' styles by looking at how they build relationships, communicate, accept credit, manage other people, etc. Because prosocial people are the most beneficial to a company, Grant has focused more on the giving reciprocity style.

Takers are self-serving in their actions. To ensure they get ahead, they self-promote and take credit whenever possible. They do not acknowledge their team's efforts, share credit for their achievements and often exaggerate their own efforts. In this way, they are subject to a "perception bias" because they cannot understand other people's perspectives. When creating their networks, takers seek connections with people they perceive could help them in the near future. Because of that, they often carry a negative reputation spread by people they have exploited. Takers use a powerful communication style which helps them dominate their conversers. They assert their authority, project confidence and master non-verbal communication as well. If necessary, they convey anger and even issue threats. In work groups, takers are perceived as powerful but due to their dominance other members are discouraged from contributing their ideas and sharing information which undermines the group's performance (Grant, 2013).

Givers focus on other people and their needs and are able to see their perspectives. They are generous in giving help, devoting their time to mentoring others, sharing credit and they always acknowledge their teams' efforts and success. Instead of claiming value, they aim to add it whenever they can. This makes them great team-players because their primary goal is to benefit the group. Their selfless nature over time allows givers to build large and strong networks, based on trust, accompanied by a positive reputation. In their interactions givers adopt a powerless style of communication. They speak less assertively, express their doubts and seek advice from their colleagues. By asking questions, givers engage their conversers who become more involved and encouraged to see their perspective. This leads to self-persuasion, where givers help their audience come to the conclusion themselves. In direct persuasion the audience is aware that they have been persuaded, which raises their resistance. Advice-seeking is very effective in exercising influence when individuals lack authority. Managers who seek advice from their subordinates can persuade them more easily than when applying pressure and it also works with superiors, especially when accompanied with compliments (Grant, 2013).

Matchers represent the majority of people in the business world. As stated above, their highest value is fairness. They are willing to sacrifice their own interests in order to punish a selfish taker, that has acted unfairly, or, on the other hand, reward a generous giver. What motivates matchers is an equal exchange of favours. Because of this, they build networks in the same way as takers – by seeking connections with people who could benefit them in the near future. But in contrast to takers, they are willing to return the favour. Because they are not motivated to exploit their connections, matchers limit themselves to seeking connections that will have an immediate equal benefit. Consequentially, matchers build far more narrow networks than takers and givers (Grant, 2013).

Through several studies Grant has discovered that the least and the most productive people tend to be prosocial givers. They can be less productive because they sacrifice too much of their time to help others and then fail to complete their own tasks. But due to their generous nature, givers have a good chance of succeeding as the people around them will not be envious of their success and will often actively plan their well-being (for example matchers that have received help and are motivated to repay the favour). Because of this an extraordinary phenomenon occurs when givers succeed – their success spreads and cascades, creating a ripple effect that causes the people around givers to succeed as well (Grant, 2013).

Managers should be careful when designing their teams as a single taker may negatively influence a team and decrease their productivity by creating mistrust, envy and a negative atmosphere. They will discourage both matchers and givers from helping others. In contrast, a single consistent giver can boost productivity. Givers make their organisations better because they contribute much more than the others. By sharing their knowledge, mentoring

their colleagues and thus providing everyone with the possibility to succeed, givers improve their teams. Such teams achieve greater success and productivity (Grant, 2016).

Companies that employed prosocial employees achieved higher profits, better customer satisfaction and employee retention. Givers set the standard for everyone else (people match the generosity) creating an encouraging and positive environment with strongly connected team members. Takers and matchers will uphold the norm of giving. They will also be motivated to help when there is a common ground (similarities) between group members – a common identity is activated. Generalized giving will create an emotional experience for group members which will increase identification with the group. Once this identification happens, people will be willing to give freely to other people who identify with the same group (Grant, 2013).

Givers often face the threat of burnout and being exploited, as they tend to invest too much time and energy into helping their collaborators. Exhausted and unproductive employees face a decline in the quality and quantity of their work. To avoid burnout, givers must be properly motivated. The best way to do so, is to show employees how their work has influenced the people around them, so that they can develop a stronger emotional grasp of their impact. This could be done by introducing them to individuals they have helped, giving specific and regular feedback concerning their impact, putting in place initiatives that connect employees to the impact of their products/services, etc. Experiencing positive feedback has an energizing effect on givers who find new motivation for their work and become more engaged. The sense of making a difference protects them from stress and prevents exhaustion. It also raises levels of happiness, self-esteem and life satisfaction. Satisfied people achieve higher performance, make better decisions, negotiate better, have a wider perspective, are more creative and contribute more to organizations. Givers should not feel uncomfortable asking for help and should be encouraged to create a support network that makes them less vulnerable to burnout (Grant, 2013).

Because they are too trusting and empathic, they easily fall victim to becoming pushovers or doormats. Givers need to develop the ability to recognize takers, as to avoid being exploited. This can be done through sincerity screening. When dealing with takers, givers need to change their reciprocity style and adopt a matchers approach: cooperating until their counterpart starts to compete, after which you match their behaviour. Another source of vulnerability for givers is empathy (weakness in negotiations), which is why they should not focus on the counterparts' feelings but rather their thinking, because it will allow them to find alternative ways to satisfy others interests, without sacrificing their own. In this way they can create win-win situations. Givers can improve their negotiation skills by putting themselves in the position of being advocates for someone else. They are not as assertive when defending their own interests, but they will be far more assertive and set higher goals when they have other peoples' interest in mind (Grant, 2013).

One of the important abilities for boosting company success is identifying talented employees. The three reciprocity styles approach this talent-search differently. Takers distrust their subordinates and have low expectations of peoples' potential. They harbour suspicion, perceive highly capable individuals as threats and often engage in strict control, creating negative energy and a discouraging environment. Matchers are willing to invest in supporting, encouraging and developing their colleagues, but only after an employee has demonstrated high potential. Consequentially, they can overlook several promising employees. Finally, givers see potential in every employee and try to bring out the best in them. They provide support, mentoring and other resources to develop employees' potentials. They are very optimistic and trusting, which encourages their subordinates to adopt a positive self-image. Just by believing in their subordinates and having high expectations for them, givers encourage employees to adopt high standards for themselves and work harder to achieve them. Such employees achieve much higher success rates than others (Grant, 2013).

To avoid being exploited, givers often disguise their giver values and withhold from helping others. This reduces the actual amount of help and support which can shift the whole norm of a group away from giving. Creating a Reciprocity Ring can help encourage employees towards helping others. In this activity, each group member must make a request for help to the group, thus eliminating the factor of embarrassment when asking for help. The requests provide clear indication of how to help effectively, which encourages givers to become role models for making contributions. Matchers will be drawn in by empathy and will also start giving. Because this kind of giving is public, takers will also participate, as it will allow them to build their reputation for being generous. Although there is a strong norm for giving, it is still a matter of free choice (Grant, 2013).

Grant (2013) recognized that givers are the most valuable employees. In their minds, success has a distinctive meaning. Takers see it as attaining results, matchers as balancing individual accomplishments with fairness towards others. But givers perceive it as individual achievements that have a positive effect on others. Companies should thrive to create an environment, where givers can achieve and spread success. Managers must first identify them, create a working environment that will encourage giving and asking for help, ensure that givers understand the impact and meaning of their work, which will increase their motivation and finally protect them from takers and sometimes from themselves. The definition of success should be broadened to include contributions to others. Such an environment will set a norm of giving and shift the reciprocity styles of others' more towards giving. Increases of productivity, work satisfaction and consequentially profit will follow.

### **4 EMPIRICAL ANALYSIS**

The purpose of my thesis is to provide empirical proof that one motivational theory's methods better motivate employees than others. For the empirical part of my thesis, I have focused on four theories of motivation among which I have attempted to define the one that best motivates people for work from a chosen sample. The four theories are: hierarchy of needs theory, reinforcement theory, self-determination theory and prosocial theory. I have conducted a survey among the employees of the chosen company. The survey is composed of 36 items, of which 31 are related to above theories and the remaining 5 are related to demographics and work experience. With the collected data I will measure which theory or rather the main construct of which theory scores the highest in motivating employees for work. The results are valuable to the management of Equinox Ltd., which can adapt their methods of motivating employees according to the highest scoring theory. The fact that the company already has in place some methods for motivating employees, I will first define the main constructs of each chosen theory, that are measured by the constructed survey.

#### 4.1 Research Scales

In the following paragraphs I have defined main constructs of each chosen theory: hierarchy of needs theory, reinforcement theory, self-determination theory and prosocial theory. Each construct can be observed as a source of motivation for work. I have also identified measurement instruments that are being used for quantitatively assessing these constructs. The survey questions used for my empirical research have been designed in accordance with these instruments.

According to Maslow's original hierarchy of needs theory, motivation is measured by five scales, corresponding to the five levels of needs: physiological, security, esteem, affiliation and self-actualization. People are driven/motivated by some deficiency or non-satisfaction of one of their needs (Taormina & Gao, 2013). The higher the level of need, the more complex it is. Each need motivates an individual for different actions.

**Physiological needs** are defined as the most basic needs, like food and drink. Firstly, an employer must ensure a work environment with normal conditions, for instance, a dry, warm place, with a tolerable noise level (Goodman, 1968). But, this need also translates into money. If employees receive an adequate pay for their job, with which they can cover their living costs (rent, utilities, food and clothing), then their basic needs are satisfied. As some of these requirements must be provided in accordance with state laws (adequate working conditions, minimal salary, etc.), I will not be measuring this scale, but rather the remaining four.

**Safety and security needs** of employees refer to physical safety and emotional stability in the workplace (a safe working environment, no physical violence, no threats, no sexual harassment) and also job security (low employee turnover, open communication regarding layoffs). These, along with physiological needs are basic needs that influence the organizational culture (Jerome, 2013). These needs have to be satisfied so that an individual will be motivated to work.

Affiliation or belongingness needs refer to social acceptance and are met with positive relationships between employees and also with their superiors. Employees desire to be liked and valued by their superiors and co-workers. Social interaction and positive interpersonal relationships will allow them to experience the feeling of belonging. Effective managerial communication also contributes to employees developing a feeling of belonging (Jerome, 2013).

**Esteem needs** refer to how much employees like and value themselves as well as their need to be respected by others. To satisfy these needs workers must feel that they are productive and contributing to the company goals. They must also have a sense of how their work is important and worth-while. Financial as well as mental motivators should be used (Jerome, 2013). These needs can be met with public recognition, participating in decision making, meaningful job titles, perks (nice work spaces, awards, office cards) and prestigious job assignments. However, all such rewards must be administered in a manner that promotes equity and workplace fairness.

**Self-actualization needs** are satisfied when employees feel that they are living up to their full potential, using their creativity and passion to complete the challenges of their job. Their work must provide a high level of autonomy, challenging assignments and an expert status on the job. Leaders that can satisfy this level of needs will enable their organizations to fully utilize their employees' abilities and potentials, which will in turn increase overall productivity and effectiveness of their company (Jerome, 2013). There should also be enough opportunities for employees to improve and further develop their expert skills and knowledge, thus making work more rewarding.

Reinforcement theory will be measured through the two main constructs of the reinforcement sensitivity theory that can be used to influence or motivate behaviour: behavioural approach system (hereinafter: BAS) and behavioural inhibition system (hereinafter: BIS) (Carver & White, 1994). Reinforcement sensitivity theory is a model of personality that describes the differences in the sensitivity of two neurological systems connected to anxiety and impulsivity. Anxiety is related to punishment sensitivity and associated with a punishment mechanism, while impulsivity is proposedly connected to reward sensitivity associated with a reward mechanism (Corr, 2004). Individuals are

sensitive to both systems but to varying degrees, which means that some people will react more intensely to punishment, while others to rewards.

**Behavioural approach system** or behavioural activation system controls appetitive motivation. It is sensitive to signals of reward, non-punishment or the removal of punishment. A positive feedback loop forms, providing positive effect such as feelings of hope, happiness, elation, etc. (Carver & White, 1994). Motivating employees that score high on BAS should be done with positive reinforcement such as pay raise or additional benefits (Corr, 2004).

**Behavioural inhibition system** is an aversive motivational system. This system is sensitive to signals of punishment, non-reward (omission/termination of positive stimuli) and novelty and may lead to negative outcomes. It is known to generate the negative emotional state that characterises neurosis and is connected to feelings of anxiety, fear, sadness, frustration, etc. (Carver & White, 1994). When motivating employees that score high on BIS it is more efficient to use punishment and threats of sanctions, employment termination, no pay raise or even a decrease in salary (Corr, 2004).

The self-determination theory focuses on the nature of motivation and describes two types of motivation: extrinsic and intrinsic motivation. They depend of the locus of causality – intrinsic motivation is internal and comes from within a person while extrinsic motivation is mostly external and usually comes from the person's environment. The three main constructs of self-determination theory are autonomy, along with competence and relatedness. All three constructs are perceived as nutriments essential for personal growth, development and integrity. The needs for autonomy and competence are integrally involved in intrinsic motivation, while the need for relatedness to some extent acts as a prerequisite for experiencing or maintaining intrinsic motivation (Deci & Ryan, 2002). These three needs have been combined into a variable that has been labelled psychological need satisfaction. Several studies have shown that the satisfaction of these basic needs in the workplace has many positive outcomes like greater job commitment, a positive job attitude, better self-esteem and general health (Vansteenkiste, 2007).

**Autonomy** is present when a person perceives that he or she is the initiator of his or her behaviour – behaviour originates from within, is freely chosen and volitional. Individuals can still experience autonomy as an expression of one's self, even though their behaviour may be somewhat influenced externally (Deci & Ryan, 2002).

**Competence** is connected with the feeling of effectiveness and skilfulness in the activities in which people undertake. Individuals seek optimal challenges that will allow them to exercise their full capacities, as well as maintain and enhance their skills. Competences are the self-perceived capabilities and skills that one has attained (Deci & Ryan, 2002).

**Relatedness** refers to being connected to and accepted by others, experiencing belonging to a community or to other individuals and experiencing the feeling of taking care of others and being cared for (Deci & Ryan, 2002). To fulfil this need a sense of mutual respect, caring, and reliance on others is required.

The prosocial theory of Adam Grant leans on one main construct – prosocial motivation. Grant has found that people, who are focused on the needs of others instead of their own (givers) tend to be more productive and are able to motivate others as well, but only if they are able to work in an environment that fosters their mentality. One of the key factors of prosocial motivation is perceived task significance, which refers to an individual's belief that his or her work has a significant beneficial impact on the well-being of others. Knowing how their work affects others, strengthens the employees' perceived impact of work (Grant et al., 2007).

**Prosocial motivation** is the desire to have a positive effect on others (people/communities). It has a significant influence on the behaviour employees express at work and on job performance, through increasing task persistence and productivity, directing employee focus on developing novel ideas and fostering greater creativity (Grant & Berg, 2011). Prosocial people are best motivated by contact with their beneficiaries, giving specific and regular feedback regarding their impact, collectivistic rewards, time-off to devote to their own charities, setting purpose goals, etc. (Grant, 2013).

## 4.2 Research Question and Hypotheses

The **research question** that guided my empirical research was which theory of motivation best predicts employee motivation and in turn would be most efficient in motivating employees of the chosen company. To answer this question, I have compared means of highest scoring constructs from the chosen four motivational theories.

I also tested 5 **hypotheses**. First, I tried to predict which construct of each motivational theory was predominant and scored the highest mean values. This was done for hierarchy of needs theory, reinforcement theory and self-determination theory. Prosocial theory only has one construct so it was not necessary. Then I also tested if the dominant construct of one theory scored higher mean values than the dominant construct of another theory.

#### 4.2.1 Hypothesis 1: Hierarchy of needs

Concerning the hierarchy of needs theory, employers should strive to always satisfy the lower level needs. The first four levels (basic and psychological needs) are deficiency needs, which when unmet, shift focus away from work. If basic needs are not satisfied, people will

make job decisions based on salary, job security, or stability concerns. However, if people are driven by the need for self-actualization, they will be interested in their growth and development. Such employees are skilled and want a challenging job, an opportunity to complete further education, autonomy etc. (Tanner, 2018) They bring much more to the company. This is why the chosen company aspires to have as many self-actualized employees. Consequentially, my first hypothesis states that self-actualization scored higher than all other constructs of Maslow's theory.

 $H_1$ : The most important construct that best motivates employees of a chosen company according to Maslow's hierarchy of needs is the need for self-actualization ( $\mu_5 > \mu_{2,3,4}$ )

- $\mu_5$  the mean of self-actualization construct
- $\mu_{2,3,4}$  the means of three lower level constructs: security, affiliation and esteem

#### 4.2.2 Hypothesis 2: Reinforcement theory

When comparing BIS and BAS constructs of reinforcement theory, it is clear that BAS is more positive while BIS has more negative effects on employees. People who are BAS sensitive are more eager to engage in goal-directed behaviour while BIS is connected with anxiety-proneness (Carver & White, 1994). BIS causes worry, fear, the feeling of danger, negative thoughts and behavioural disengagement, all of which have negative effects on employees and their productivity. Organizations orientated more towards selling should benefit better from BAS oriented individuals (Corr, 2004). This is why my second hypothesis states that BAS will score higher than BIS.

*H*<sub>2</sub>: Behavioural approach system motivates employees of a chosen company better than behavioral inhibition system ( $\mu_{BAS} > \mu_{BIS}$ )

 $\mu_{BAS}$  – the mean of BAS construct  $\mu_{BIS}$  – the mean of BIS construct

#### 4.2.3 Hypothesis 3: Self-determination theory

The three constructs of self-determination theory (competence, autonomy and relatedness) are all considered as universal, basic psychological needs that have to be satisfied in order for employees to experience intrinsic motivation. The organizational benefits of intrinsically motivated employees have been pointed out in previous chapters. According to the annual employee satisfaction survey on when they feel most motivated, employees ranked statements with regard to self-determination constructs at the top. Therefore, I presume that all three needs are met and motivate employees equally.

*H*<sub>3</sub>: Autonomy, competence and relatednes are equally important in motivating employees of a chosen company ( $\mu_A = \mu_C = \mu_R$ )

 $\mu_A$  – the mean of autonomy construct  $\mu_C$  – the mean of competence construct  $\mu_R$  – the mean of relatedness construct

# 4.2.4 Hypothesis 4: Self-determination theory versus hierarchy of needs and reinforcement theory

As a personal assessment, I would presume that newer theories should better explain employee motivation as they have adapted to the changes in economic and work environments and taken into account other developments as well. With that in mind, the predominant construct of the more recent theory should also have a higher mean than the predominant constructs of other theories. Consequentially, I structured the underlying hypothesis in this manner. In comparing theories, I also took into account the results of the employee satisfaction survey, that had been conducted in the chosen company at the end of 2017. Answering on when one feels most motivated, the majority of employees chose statements connected to self-determination theory. Actually, the three highest scoring statements referred to mastery/competence (highest score), relatedness (second) and autonomy (third), followed by some statements that are connected to the hierarchy of needs theory. Unfortunately, reinforcement theory was not represented in the survey. My fourth hypothesis is set in accordance with those results.

 $H_4$ : The predominant construct of self-determination theory motivates employees of a chosen company better than the predominant constructs of reinforcement theory and hierarchy of needs theory ( $\mu_{SDT} > \mu_{needs,reinforcement}$ )

 $\mu_{SDT}$  – the mean of the self-determination construct that returned the highest score  $\mu_{needs,reinforcement}$  – the means of the highest scoring hierarchy of needs construct and of the highest scoring reinforcement theory construct

#### 4.2.5 Hypothesis 5: Prosocial theory versus self-determination theory

Finally, I compared the two recently developed theories: prosocial theory and selfdetermination theory. The annual employee satisfaction survey conducted in 2017 had shown that the two statements connected with motivation for prosocial behaviour had actually scored the lowest points. Although this came as a surprise to me, I had to assume that prosocial theory will not return high scores with my research and that self-determination theory better motivates the employees of the chosen company. *H*<sub>5</sub>: The predominant construct of self-determination theory motivates employees of a chosen company better than the predominant construct of prosocial theory ( $\mu_{SDT} < \mu_{prosocial}$ )

 $\mu_{SDT}$  – the mean of the highest scoring self-determination construct  $\mu_{prosocial}$  – the mean of prosocial motivation

## 4.3 Sample Selection

I have decided to conduct my research in a Slovenian medium-sized company that has invested a lot of effort in motivating their employees, already having in place several motivators. To ensure its anonymity the company shall hence forth be referred to as Equinox Ltd. The Slovenian subsidiary is part of a larger transnational group of companies, with the parent company headquartered in Zagreb, Croatia. The group operates as a distributor in nineteen European markets: Albania, Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech, Germany, Hungary, Kosovo, Macedonia, Moldova, Montenegro, Poland, Romania, Russia, Serbia, Slovakia, Slovenia and Ukraine. It employs approximately around 5560 people and distributes a total of 512 well diversified brands, ranging from food, toys, cosmetics, electronics, tobacco, motor oil, etc. The group is one of the largest European distributers, realizing nearly 2 billion euros in sales for 2017 (Equinox Ltd., 2018).

The Slovenian company is based in Ljubljana and was first registered in 1990. The company operates as a non-specialized wholesaler – official Slovenian standard classification of activities: G 46.900 Non-specialized wholesale trade (Equinox Ltd., 2017). Currently, it employs 225 people (Human Resource Management, personal interview, April 17, 2018) and thus falls in the category of a medium-sized business. Equinox Ltd. takes great pride in their employees, as one of the core principals of the company states: "Employees are the most valuable part of our organization" (Equinox Ltd., 2018).

Even though the group highly promotes independence of its subsidiaries, some activities remain central. The employee motivational system was gradually developed following the growth of the group. While the group remained small and present in only a few markets, each subsidiary had its own system of motivating employees in place. But in the last decade the group experienced rapid growth through the acquisition of several companies. The group now consists of 31 companies in total. This revealed the need for a more organized approach to human resource management. A system needed to be designed on the level of the entire group. With participation from all group members, best practices were identified and structured into a series of human resource standards (Capability Development Manager, personal interview, May 8, 2018). These standards were then implemented by each member company with some adaptation for local needs. A human resource community was established to ensure that companies respect these standards.

An important part of this system is also employee motivation. The system was not designed in accordance with one specific motivational theory, but rather as a combination of many. After a short discussion with the Human Resource Management, it was established that Equinox Ltd. has many financial and non-financial motivators in place (Human Resource Management, personal interview, April 17, 2018). They vary according to a person's position and department of work. The base for any of them is providing suitable working conditions and a safe and encouraging working environment.

At the core of the motivational system are two elements: the key performance indicator (hereinafter: KPI) and the work and development plan (hereinafter WDR). The KPI was developed for each position and is used to measure work performance through specifically set goals. The most typically used financial motivator is the reward system. Employees get stimulation either monthly or quarterly for maintaining a positive KPI. The KPIs are reviewed by superiors and also by co-workers and subordinates. In the case of a negative KPI, de-stimulation is also an option. Additional to this individual stimulation, employees are also entitled to receive a thirteenth salary, if the company achieves its overall annual target in sales. Employees also have the ability to get a raise of their salary within their position and get promoted to higher positions (Human Resource Management, personal interview, April 17, 2018).

With regard to non-financial motivators, the WDR is an important part of understanding employees. Individual interviews are conducted annually with all employees, where they can express their wishes, concerns, goals and desires for personal development. Together with their superior, each employee then defines a plan of work and development for the whole year. Personal goals are set and reviewed at the interview held the following year. In pursuing their career interests, employees are encouraged in changing their position and widening their range of skills and knowledge (Capability Development Manager, personal interview, May 8, 2018).

Personal advancement and employee mastery are very important for the company. Consequentially, employee training programs are organized regularly – in accordance with the need for specialized skills and expressed employee wishes. Recently a Capability Development Team was established to ensure all employees are provided with the training they need to successfully complete their job. As mentioned in previous chapters, the company also conducts an anonymous annual survey on employee satisfaction. The results of these surveys shape future action plans for increasing motivation, satisfaction and wellbeing of employees (Human Resource Management, personal interview, April 17, 2018).

The company invests a great deal in promoting their corporate culture. Employees participate in various conferences in relation to their work position, including a general annual

conference for all employees. These conferences provide feedback on achieving corporate goals as well as information about their future vision. They usually also incorporate at least one team-building activity. There are visuals containing the company's vision, mission, values and principals displayed in every office. Furthermore, in the spirit of information sharing, the company issues a corporate news publication each month. The company provides opportunities for socialization among employees by organizing various events – picnics, new year's party, skiing trips, team buildings within departments etc. Finally, the company also participates in some charities and donates their products to primary schools, non-profit institutions etc. (Human Resource Management, personal interview, April 17, 2018).

### 4.4 Research Method

The empirical data has been collected through a survey that measures the constructs of each chosen theory. The survey (see Appendix B) consists of 36 items, 31 of which relate to the chosen theories. These items are scored on a five-point Likert scale. The remaining 5 items refer to demographics and work experience. The survey was designed by adapting several previous researches that have measured employee motivation according to each of the four different theories. For hierarchy of needs theory, I measured four levels of needs, with items adapted from a version of Porter's need satisfaction questionnaire obtained from Straswer's and Carpenter's research (Strawser & Carpenter, 1971). Reinforcement theory was measured using two concepts: behavioural approach system and behavioural inhibition system. The survey items were adapted from a reinforcement sensitivity theory questionnaire (Smederevac, Mitrović, Čolović, & Nikolašević, 2014). Regarding self-determination theory, three main concepts were measured: competence or mastery, autonomy and relatedness. The questions were adapted from a basic psychological need satisfaction scale by Deci and Ryan (2000) and Gagné (2003). Finally, prosocial motivation concept was measured with questions adapted from the research of Grant and Sumanth (2009). I have processed the collected data using IBM's SPSS Software. I compared means of different constructs and tested the set hypotheses using statistical paired samples t-tests.

## 4.5 Research Findings

The survey was completed by 86 employees, which represents 38% of all Equinox Ltd. employees. About two thirds of respondents were women (see Table 1). In comparison with the company's data of its employees, both genders are represented in the sample, but relatively more women completed the survey.

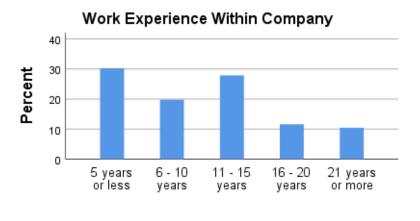
Gender								
	San	nple	Com	pany				
	Frequency	Percent (%)	Frequency	Percent (%)				
Male	24	27.9	101	44.9				
Female	62	72.1	124	55.1				
Total	86	100.0	225	100.0				

#### Table 1. Gender of Analysis Participants

	Source:	Own	anal	lysis
--	---------	-----	------	-------

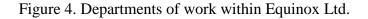
All age groups were represented, with most respondents falling into the age groups 41-50 and 31-40 years. Together these two groups accumulated to 70% of respondents (see Table 1 in appendix D). According to the Human Resource Manager, the average age of all employees is approximately 40 years (Human Resource Management, personal interview, April 17, 2018). An interesting observation was, that the most participants (30%) have been employed at the company for less than 5 years (see Figure 3). However, I do not believe that this is alarming as the remaining 70% have been employed much longer. 10% of the participants have even been employed at Equinox Ltd. for more than 20 years, which in Slovenia represents roughly half of the required years of work to enter retirement. Furthermore, the average length of employment (for all employees) is 11.3 years (Human Resource Management, personal interview, April 17, 2018). The company does not seem to have any problems retaining their employees.

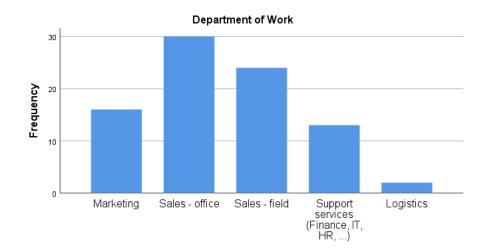
Figure 3. Years of employment with Equinox Ltd.



Source: Own analysis

All departments of work were represented in the survey (see Figure 4), though some more than others. The education levels of respondents ranged from completing vocational/technical secondary schools to obtaining master's degree, with the most respondents completing a university degree programme (see Table 2 in Appendix D).





Source: Own analysis.

After describing the sample demographics and covering questions regarding work experience, the next step was to analyse the results referring to motivational theories. From the 31 survey items that referred to theories of motivation, I first computed the means for ten constructs of the four chosen theories (see Table 2). These means were then used to test the set hypotheses. As shown in Table 2 below, the lowest construct mean was that of BIS, which is a part of the reinforcement theory. The highest mean was reported for prosocial motivation.

	One-Sample Statistics								
Theory					Std. Error				
	Construct	Ν	Mean	Std. Deviation	Mean				
Hierarchy of needs theory	Security_AVG	86	3.5698	1.09050	.11759				
	Affiliation_AVG	86	3.8430	.74463	.08030				
	Esteem_AVG	86	3.4360	.83946	.09052				
	Self-actualization_AVG	86	3.5256	.79294	.08550				
Reinforcement	BIS_AVG	86	2.4264	.84891	.09154				
theory	BAS_AVG	86	3.7519	.63077	.06802				
Self-	Competence_AVG	86	3.8488	.72429	.07810				
determination	Autonomy_AVG	86	3.3760	.73529	.07929				
theory	Relatedness_AVG	86	3.8895	.75304	.08120				
Prosocial theory	Prosocial_AVG	86	4.1488	.66310	.07150				

Table 2. The means of each measured construct

Source: Own analysis.

#### • Hypothesis 1: Hierarchy of needs.

According to the first hypothesis, the construct of self-actualization need should have the highest mean among hierarchy of needs theory constructs. As we can see from Table 3, this is not the case. Both affiliation need and security need have scored higher than self-actualization. However, we cannot be sure that the mean differences are statistically significant just from the calculated means. In order to test the hypothesis, I have compared the need for self-actualization to the remaining three constructs of the theory. The results of the paired samples t-tests are shown in Table 3. A significance threshold level of .05 was used for all statistical tests.

	Paired Samples Test										
			Paire	d Differen	nces						
			95% Confidence								
				Std.	Interva	l of the			Sig.		
			Std.	Error	Diffe	rence			(2-		
		Mean	Deviation	Mean	Lower	Upper	t	df	tailed)		
Pair 1	Self-actualization_AVG - Security_AVG	04419	.98955	.10671	25635	.16797	414	85	.680		
Pair 2	Self-actualization_AVG - Affiliation_AVG	31744	.77295	.08335	48316	15172	-3.809	85	.000		
Pair 3	Self-actualization_AVG - Esteem_AVG	.08953	.47971	.05173	01332	.19239	1.731	85	.087		

Table 3. Comparison of hierarchy of needs constructs

#### Source: Own analysis.

From the comparison of constructs, we can see that taking into account the significance threshold level, the mean for the construct of esteem was significantly lower (M = 3.4360, SD = .83946) than the mean for the construct of self-actualization (M = 3.5256, SD = .79294), t(85) = 1.731, p = .0435. We can also determine that the difference between means of self-actualization construct and security construct was not statistically significant (p=0.34, which is above the chosen significance threshold level of 0.05). Finally, we can observe that the mean for the construct of affiliation (M = 3.8430, SD = .74463) was significantly higher than the mean for the construct of self-actualization (M = 3.5256, SD = .79294), t(85) = - 3.809, p < .001.

Therefore, I must reject the first hypothesis as the results did not return the highest mean among hierarchy of needs constructs for self-actualization need, but rather for affiliation need.

#### • Hypothesis 2: Reinforcement theory.

By comparing the means of BIS and BAS constructs of the reinforcement theory, we can see that BAS did return a higher mean. After testing its significance and taking into account the set confidence level, we can say that the mean for the construct of BAS (M = 3.7519, SD = .63077) was significantly higher than the mean for the construct of BIS (M = 2.4264, SD = .84891), t(85) = -10.646, p < .001 (see Table 4). Therefore, the second hypothesis was confirmed.

Paired Samples Test									
		Paired Differences							
				95% Co	onfidence				
			Std.	Interval of the				Sig.	
		Std.	Error	Difference				(2-	
	Mean	Deviation	Mean	Lower	Upper	t	df	tailed)	
Pair 1 BIS_AVG - BAS_AVG	-1.32558	1.15467	.12451	-1.57314	-1.07802	-10.646	85	.000	

#### Table 4. Comparison of reinforcement theory constructs

Source: Own analysis.

#### • Hypothesis 3: Self-determination theory.

To test Hypothesis 3, I used paired samples t-test to compare the means of the three constructs of self-determination theory: autonomy, mastery and relatedness. I was interested to find out if the differences in reported means were statistically significant. If not, hypothesis 3 could be confirmed. In the below Table 5 we can see that the difference between the means of competence and relatedness was not statistically significant (p = 0.615). However, the results show that the mean for the construct of competence (M = 3.8488, SD = .72429) was significantly higher than the mean for the construct of autonomy (M = 3.3760, SD = .73529), t(85) = 6.349, p < .001. At the same time the mean of the construct of relatedness (M = 3.8895, SD = .75304), was also significantly higher than the mean for the construct of autonomy (M = 3.3760, SD = .73529), t(85) = -7.300, p < .001.

Hypothesis 3 was only partially confirmed, as according to the results means of competence and relatedness did not differ significantly, but the measured mean of autonomy was significantly lower than the means of the other two constructs.

	Paired Samples Test										
			Pair	red Differend	ces						
			95% Confidence								
					Interva	l of the			Sig.		
			Std.	Std. Error	Difference				(2-		
	Mean Deviation Mean Lower Upper		Upper	t	df	tailed)					
Pair 1	Competence_AVG -	.47287	.69068	.07448	.32479	.62095	6.349	85	.000		
	Autonomy_AVG										
Pair 2	Competence_AVG -	04070	.74752	.08061	20097	.11957	505	85	.615		
	Relatedness_AVG										
Pair 3	Autonomy_AVG -	51357	.65240	.07035	65344	37369	-7.300	85	.000		
	Relatedness_AVG										

#### Table 5. Comparison of self-determination theory constructs

Source: Own analysis.

# • Hypothesis 4: Self-determination theory versus hierarchy of needs and reinforcement theory.

To test hypothesis 4, I compared the construct of relatedness (highest mean of selfdetermination constructs) to BAS (highest mean of reinforcement theory constructs) and affiliation (highest mean of hierarchy of needs constructs). Results are stated in Table 6. Even though, the highest mean was in fact measured for relatedness, the tests showed that the difference between the means of relatedness and BAS was not statistically significant (p = .088. The mean for relatedness was also not significantly higher than the mean for affiliation (p = .308). Therefore, hypothesis 4 was rejected.

Table 6. Comparison of relatedness construct to BAS construct and affiliation construct

	I	Paired Samp	les Test					
		Paire	d Differen	ces				
		95% Confidence						Sig.
	Std. Interval of the						(2-	
		Std.	Error	Diffe	rence			tailed
	Mean	Deviation	Mean	Lower	Upper	t	df	)
Pair 1 Relatedness_AVG -	.13760	.93452	.10077	06276	.33796	1.365	85	.176
BAS_AVG								
Pair 2 Relatedness_AVG -	.04651	.85793	.09251	13743	.23045	.503	85	.616
Affiliation_AVG								

Source: Own analysis.

#### • Hypothesis 5: Prosocial theory versus self-determination theory.

To test the final hypothesis, I compared the construct of relatedness (highest mean of selfdetermination constructs) to prosocial motivation construct. From Table 7 we can see that prosocial motivation in fact had a higher mean than relatedness and furthermore the difference was statistically significant. The mean for the construct of relatedness (M = 3.8895, SD = .75304) was significantly lower than the mean for the construct of prosocial motivation (M = 4.1488, SD = .66310), t(85) = -2.529, p = .0065. In conclusion, hypothesis 5 was rejected.

	Paired Samples Test										
			Paire	d Differen	ces						
		95% Confidence									
				Std.	Interval of the				Sig.		
			Std.	Error	Difference				(2-		
		Mean	Deviation	Mean	Lower	Upper	t	df	tailed)		
Pair 1	Relatedness_AVG - Prosocial_AVG	25930	.95084	.10253	46316	05544	-2.529	85	.013		

Table 7. Com	parison of relatedne	ss construct to pr	rosocial motivation	construct

Source: Own analysis.

## **5 DISCUSSION AND RECOMMENDATIONS**

Based on the study, three of the set hypothesis were rejected, one partially confirmed and one confirmed, as seen from below Table 8. Finally, to answer the overall research question, I tested if prosocial motivation, that returned the highest mean overall, was in fact the most efficient approach to motivate employees of Equinox Ltd. I compared prosocial motivation constructs to the constructs of other theories to determine if its mean was significantly higher than all others (see Table 15 in Appendix D). The results showed, that the mean for prosocial motivation construct was in fact significantly higher than all other construct means. Thus we can assume that the motivational theory that best motivates employees of Equinox Ltd. is prosocial theory.

Discovering that prosocial motivation significantly outperformed all other measured theories of motivation indicates, that it is in fact time for a shift in motivational approaches. The business world still mostly relies on traditional motivational approaches (reward systems). However, as Pink (2011) discovered, due to recent technological development jobs have become more interesting and complex making traditional motivational approaches insufficient. Growth of the service sector and consequentially working teams have offered individuals more opportunities to build interpersonal relationships and express prosocial

behaviour (Grant & Berg, 2011). The results of this research support the observed trend and show that more emphasis should be given to prosocial motivation.

	HYPOTHESIS	RESULTS
$H_1$	The most important construct that best motivates employees of a chosen company	Rejected
	according to Maslow's hierarchy of needs is the need for self-actualization.	
$H_2$	Behavioural approach system motivates employees of a chosen company better than	Confirmed
	behavioural inhibition system.	
$H_3$	Autonomy, competence and relatedness are equally important in motivating	Partially
	employees of a chosen company.	confirmed
$H_4$	The predominant construct of self-determination theory motivates employees of a	Rejected
	chosen company better than the predominant constructs of reinforcement theory and	
	hierarchy of needs theory.	
$H_5$	The predominant construct of self-determination theory motivates employees of a	Rejected
	chosen company better than the predominant construct of prosocial theory.	

#### Table 8. Results of hypotheses testing

Source: Own analysis.

In the following subchapters, I have focused on the results from each theory, providing theoretical clarifications and practical suggestions on improving employee motivation in Equinox Ltd.

## 5.1 Theoretical Contributions

Regarding the first hypothesis, survey results showed, that employees of Equinox Ltd. are more motivated by affiliation, than any other level of needs from Maslow's hierarchy. Hence, revealing that this need is not adequately satisfied for them to move up the hierarchy to the highest level of self-actualization. As explained in the previous chapters the need for affiliation refers to social acceptance and building meaningful personal relationships between employees, thus allowing them to experience positive feelings of belongingness. Highly pressured environments (time-sensitive work, work overloads, competitiveness among employees, etc.) often result in employees finding themselves in socially uncomfortable positions and experiencing a deficiency of affiliation. Less and less emphasis is given on social acceptance (Benson & Dundis, 2003). This is problematic, as according to Maslow's theory, unmet deficiency needs will dominate an individual and take focus away from work tasks.

Another factor explaining the high score of affiliation needs is technological development that has brought the ability to reduce in-person contacts. Teams can now be assembled virtually, using electronic media to communicate, which reduces personal contact. Employees often experience a lack of social presence. Furthermore, the chance of miscommunication is higher in virtual interaction, which creates tension within teams (Benson & Dundis, 2003).

The survey results show that Equinox Ltd. employees are more sensitive to BAS than BIS, which means that they are far better motivated using positive reinforcement (rewards) rather than punishments or negative reinforcement. BAS is connected to impulsivity and reacts to conditioned appetitive stimuli (rewards) (Smillie & Jackson, 2005). The stimuli can be either internal (when a person expects a reward) or external (the actual presence of a reward). BAS is also connected to positive emotions such as happiness and hope (Carver & White, 1994). Two types of behaviour are stimulated by BAS: approach (goal directed behaviour) and active avoidance (avoidance of punishment). However, rewards should be used with caution as they diminish intrinsic motivation. They should only be applied when tasks are routine and don't require creative thinking (Pink, 2011). Contingent rewards also cause employees to perceive them as status quo, losing their motivational properties.

The three fundamental factors that allow intrinsic motivation to blossom are competence, autonomy and relatedness. The survey showed that both competence and relatedness scored very high, while autonomy fell behind. This indicates that employees of Equinox Ltd. require more autonomy with regard to their work in order to successfully foster intrinsic motivation. Employees would benefit from additional autonomy over time, task, technique and team. For example, providing the opportunity to work from home boosts productivity and job satisfaction as people feel more comfortable and less monitored this way. Employee retention goes up and recruiting costs for companies are minimised (Pink, 2011). The freedom of choice is what creates the feeling of autonomy for employees, but too much choice can be destructive. Therefore, it is important for managers to create choices within boundaries. Goals should still be set by management, but the ways of achieving those goals should be left up to the employees (Maylett, 2016). The sense of autonomy has a strong effect on an individual's performance and attitude. It encourages better conceptual understanding, increases productivity, enhances persistence, reduces burnout and increases overall well-being (Pink, 2011).

Overall, Equinox Ltd. should try to better empower their employees. Giving them authority, autonomy and responsibility for decision-making with regard to their work tasks, will improve their performance. The transfer of organizational power and the consequent new attained leadership energizes employees, enhances their efficiency and increases intrinsic motivation for their work (Menon, 2001). Considering the motivational approach, empowerment is described as an intrinsic task motivation. It is in a way psychological enabling, a cognitive process that makes employees experience a sense of impact, competence, meaningfulness of their work and free choice (Thomas & Velthouse, 1990). Entrusting employees with power will signal them that they are competent and good at their job which will increase their self-efficacy and self-confidence. Commitment to the task will

be internalized, making tasks meaningful and giving employees purpose. By empowering employees, they will experience an internal locus of control, which is directly connected to their sense of impact. Finally, giving employees independence and choice in decision-making will increase their sense of autonomy (Thomas & Velthouse, 1990).

In order to achieve the benefits of employee empowerment, the company must first set clear and strong goals, that need to be internalized by its employees. Communicating clear expectations for employee performance and a shared vision of where the company wants to go is essential (Herrenkohl, Judson, & Heffner, 1999). Secondly, it is important for employees to experience a supportive organizational structure. Superiors must show trust in their subordinates and loosen controls. A positive environment should be established, where people are comfortable to take risks, learn from mistakes and receive the support they need (Herrenkohl et al., 1999). Frequent communication and information sharing are very important as well as recognition of employee accomplishments.

Survey results show that the construct which significantly outperformed all others was prosocial motivation. This means that employees of Equinox Ltd. greatly desire to have a positive impact on their environment (co-workers, company, community, etc.). They are inclined toward empathy and helpfulness and are concerned for others. What underlines prosocial motivation is meaning and purpose (Grant, 2008). Therefore, we may assume that providing opportunities for prosocial behaviour will have a positive effect on the motivation of employees who will show higher levels of persistence, performance, and productivity at work (Grant, 2008).

Some studies have found that prosocial motivation and intrinsic motivation are connected. Opportunities to benefit others can be experienced as intrinsic rewards which in turn increase intrinsic motivation (Grant, 2008). Intrinsic motivation can prosper when employees help others freely (autonomy), successfully (competence) and connect their actions to positive and meaningful outcomes in the lives of others (relatedness). However, prosocial motivation is often not purely autonomous and has a higher level of self-regulation in comparison to intrinsic motivation. The degree of autonomous regulation in prosocial motivation depends on the level of intrinsic motivation involved. What drives prosocial behaviour are the identified goals of satisfying core values (identified regulation), avoiding guilt or protecting self-esteem (introjected regulation) (Ryan & Deci, 2000a). While intrinsic motivation is focused on the future outcome – the goal of doing a task is to benefit others (Grant, 2008). Intrinsic and prosocial motivation are therefore independent, but can interact.

Mentoring is described as a type prosocial behaviour (Allen, 2003) and considering the high score of prosocial motivation from the conducted survey, I assume that Equinox Ltd. employees would be willing to participate as mentors if given the opportunity. Mentors play

an important role within organizations, ensuring that knowledge is efficiently transferred to junior employees. Mentoring is beneficial to the organization as it ensures information-sharing, organizational learning, developing a competent workforce, higher employee motivation, better job performance, higher retention rates, strengthening organizational culture, etc. (Wilson & Elman, 1990).

People most likely to participate in mentoring are those with prosocial personalities, displaying other-oriented empathy and helpfulness (altruistic tendencies). Studies have shown that employees with prosocial personality provide a greater degree of mentoring (time and effort invested) (Allen, 2003). However, mentoring is not necessarily a completely altruistic act. Mentors often experience intrinsic satisfaction from passing along their wisdom to younger co-workers (Allen, 2003). In this sense, all concerned (themselves, others and the organization) benefit. When asked about the reasons for mentoring, mentors revealed several other-focused motives: the desire to help others, pass along information, to build a competent workforce, etc.; as well as some self-focused motives: the desire to increase personal learning, experience competence, esteem, efficacy and gratification (Allen, Lentz, & Day, 2006).

Another dimension worth exploring to increase prosocial motivation is charity. Research shows that our brain associates giving to charity with processing rewards, thus increasing happiness. For organizations corporate philanthropy represents the peak of social responsibility. Employees often seek to identify with the company they work for, and are therefore attentive to acts of corporate responsibility that shape the perceptions of the firms' responsibility, accountability and upholding ethical standards (Rupp, Ganapathi, Aguilera, & Williams, 2006). Corporate responsibility enhances employee job satisfaction, their commitment to the company and performance. When a person's work is linked to charitable acts, it will give their work meaning, which will increase their happiness, persistence and work motivation (Grant, 2013).

## 5.2 Practical Implications

Even though the company provides several opportunities for socializing, the need for affiliation still dominated over other needs from Maslow's theory. Being present in several industries, many of which are highly competitive, creates a difficult working environment where in some situations employees even have to compete with each other. Equinox Ltd. should promote team work and cooperation among employees and encourage them to build relationships. With companies open in 19 countries, virtual teams are pretty common at Equinox Ltd. Group. People often work together without ever meeting, which hinders the development of a personal relationship. Therefore, it is crucial to ensure enough opportunities for face-to-face interaction between employees. Equinox Ltd. should encourage business trips and international team meetings.

Rapid growth of the company may also have contributed to the predominant need for belongingness among employees. Through various acquisitions, whole companies (and their employees) have been integrated into Equinox Ltd. The primary goal of acquisitions is to create value, but many mergers fail to do so. The most valuable asset of a company are often its employees, thus making human resource issues an important factor for a successful takeover (Schuler & Jackson, 2001). If employees do not feel they fit in the corporate culture of the acquiring company, they will not be motivated to work and will be difficult to retain. Frequent and effective employee communications should be a top priority. Promoting workplace collegiality is also critically important (Benson & Dundis, 2003) as it will allow employees of the acquired company to develop relationships with their peers from the acquiring company.

With future acquisition it would be wise for the company to appoint a transformational leader to help employees of the acquired company to adapt to and accept the changes that follow takeovers (Nemanich & Keller, 2007). This includes helping employees unlearn past routines, understand new environments and learn appropriate responses to them, develop creative solutions to ambiguous problems, and ensure sufficient communicating. According to Nemanich and Keller (2007), transformational leadership is positively related to acquisition acceptance, and job satisfaction.

According to reinforcement theory, BAS sensitive employees are best motivated by rewards. The company already has an efficient monetary reward system in place which relies on position specific KPI-s. Therefore, it would be advisable to try and further develop a system of non-financial rewards. These could include additional paid vacation leave for exceptional achievements, public praise and recognition featured in the company news publication that is issued monthly, trainings or education as a reward, more flexibility and autonomy for high-performers that will allow them to maintain a work-life balance (flexible working hours, work from home, maybe even reduced working hours), etc. When combined with existing non-financial rewards this system would not only further motivate employees but also make the company a desired employer. Younger generations give much more emphasis on the company's climate and non-financial rewards, rather than purely monetary incentives, when choosing their employer (Schlechter, Thompson, & Bussin, 2015).

Non-financial rewards are cheaper for the company and may also be more effective by enhancing job satisfaction, commitment and performance. Furthermore, they decrease intrinsic motivation far less than financial rewards and may even enhance it. Flexible working hours or work from home will provide employees more autonomy over their time, which is an important factor of intrinsic motivation. Offering employees a training/education of their own choosing (not necessarily work related) as a reward increases mastery as well as gives employees a certain level of autonomy.

Providing employees with more autonomy is what the company should strive for, according to the results concerning self-determination theory. A good example are results-only work environments. Companies that create such autonomous environments can bring out the best in their employees, as people do their best work when driven by intrinsic motivation. Another innovative solution to foster autonomy is 20% time, in which employees are allowed to work on any project they want – developing a new solution, optimizing an existing mechanism, mastering a competence they need to better perform their work, etc. The freedom that employees have in such environments presents an added value and will make it less likely for them to switch jobs even if offered higher salaries (Pink, 2011).

With regular trainings employee mastery should be well taken care of. However, the trainings alone do not encourage intrinsic motivation. Specific trainings are designed per groups (referring to the type of work/position of an employee) and therefore assigned to employees. In this sense, employees do not have much choice in their trainings and everyone does not participate in them of their own volition. It would be recommendable to inform employees of several types of trainings/education that are available and allow them at least some autonomy over choosing in which they participate. Being involved in decision-making, especially when it concerns them directly is very important for employees. For obligatory trainings it is necessary to make sure that employees are not homogenous, for some, the assigned trainings are helpful, for others, they may be a waste of time that they feel would be better spent otherwise. By giving employees a choice over their trainings they will also be able to develop new skills, outside of their current job requirements, if interested.

Though the KPI and WDR provide some feedback on employee's work and achievements, superiors should take the time to provide regular feedback and constructive criticism. Knowing the level of their performance gives employees the feeling of control regarding their job stability and quality of work. Feedback will also allow employees to improve their performance and help satisfy the need for mastery. Public recognition of accomplishments will also increase intrinsic motivation for work.

Increasing prosocial motivation by providing opportunities for help at the workplace can present a bit of a challenge. In order to foster prosocial motivation, Equinox Ltd. could implement a formal mentoring programme in the company. In order to effectively mentor others, the mentor will have to invest a considerable amount of time and effort in the activity (Allen et al., 2006). Therefore, it is important for the company to reduce the mentor's work load accordingly, in order to avoid additional work pressure. Mentoring should also be actively encouraged because less confident employees (even though willing and qualified to mentor) hesitate to actually engage in it. People, who are intrinsically motivated toward mentoring, are more likely to provide psychological mentoring as well as career mentoring,

while building meaningful relationships and benefiting the individual as well as the organization (Allen, 2003).

With regard to charity, Equinox Ltd. could commit to donating a certain percent of sales that exceeded corporate plans to charity. Furthermore, they could allow the division that surpassed their plan, and instigated the donation, to choose the beneficiary. It is almost equally important to present the impact of raised funds to employees, possibly by introducing them to some beneficiaries. Realizing, your job has a positive impact on others boosts motivation (Grant, 2013). Another option would be to raise funds by allocating a percent of sales in a limited time frame to charity. As employees respond to prosocial motivation, such actions could increase sales in that period. The company could also participate in charitable acts not necessarily linked to company sales like: donating goods (food, toys, cosmetics etc.), organizing fundraisers such as a charity run, donating discontinued or soon to be renovated items instead of destroying them, etc.

As prosocially motivated people are concerned with benefiting others, they value personal relations and teamwork. Therefore, it is important to provide opportunities for connecting with other employees. In combination with previously mentioned 20% time, the company could establish a platform for ideas to optimize processes. This would allow employees, from different departments and with different skills and knowledge, to connect and improve a chosen process, which would benefit all employees and the company as well, combining autonomy, mastery and purpose with prosocial behaviour.

Finally, Equinox Ltd. should be focused on identifying talented prosocial employees and developing their skills. In leading positions, givers can provide their subordinates the support, mentoring and motivation to develop their potentials. By investing in them, employees will be more willing to persistently work hard on their own development, adopting high standards for themselves (Grant, 2013). Likewise, the company should be cautious to avoid positioning employees with taker profiles as leaders. By taking advantage of others, not recognizing other people's input, and creating a negative atmosphere of mistrust and envy, takers negatively influence productivity (Grant, 2013). In such an environment, even givers and matchers are discouraged from mutual help and cooperation, which can be damaging for the company.

## 5.3 Limitations and Future Research Directions

There are several limitations concerning the conducted research that need to be addressed and kept in mind while interpreting results. Firstly, the survey is based on self-reported measures, which are subject to several response biases. Errors, like social desirability bias, leniency, extreme or in contrast midpoint responses, etc., all decrease credibility. There is also a possibility that people respond more positively, because they have a distorted perception about themselves (McDonald, 2008). In general, people are inclined towards self-enhancement and maintaining positivity, which could affect several measured constructs. Secondly, only 38% of employees responded to the survey. Generalizing the results to the entire company would be much more reliable, if the majority of employees responded. However, the response rate is not critically low and should suffice for the needs of this analysis. Finally, as the survey was only conducted in one company, generalizing the results to a global trend is not possible.

To ensure the validity of these findings, the analysis should be carried out in several companies across industries and geographical regions. It would be interesting to compare results from companies operating in different industries, or perhaps, between companies providing service and production companies. As Pink (2011) points out, reinforcement theory may still be very important in production companies where some work tasks remain monotonous and simple. Consequentially the survey may return vastly different results than in the case of Equinox Ltd.

In the designed survey, motivational theories are measured independently from one another. But, would the survey return similar results, if the research questions directly compared constructs from each theory? For instance, if employees would have to rank the motivational approaches of each construct/theory. Prosocial motivation theory that outperformed all other theories only has one construct that is socially accepted as very positive (inclined toward social desirability bias). Therefore, it would be interesting to see how employees would rank its importance when directly compared to other constructs of motivation.

Specifically, for Equinox Ltd. it would be valuable to carry out this survey in all companies of the group. This would provide information regarding the adequacy of a global motivational strategy. If the survey returned different results across countries, it would be reasonable to rethink the strategy and apply a more local approach towards motivating employees. As Latham and Pinder (2005) discovered, cross-cultural differences in work motivation exist and are influenced by individual self-perceptions, ethics and values, environment etc. Even though Equinox Ltd. Group is present in geographically connected regions, some differences (culture, business environment, size of companies etc.) definitely exist and could influence motivation and consequentially, the approaches toward motivating employees.

## CONCLUSION

Employee motivation is an important factor determining the success of a company. In the business world, work motivation plays a substantial role in the performance of employees, in the productivity of companies and overall economic well-being. Motivated employees are more engaged and persistent, adapt to changes easily, apply creative thinking and adopt a

more optimistic and challenging attitude toward work. Motivation also benefits employees as it increases their levels of job satisfaction and energizes them to develop their full potential (Management Study Guide, n.d.). Because of its importance, several theories explaining motivation for work have been developed.

The aim of this thesis was to compare traditional and modern motivational approaches and determine, which are more efficient in motivating employees for work. After reviewing several traditional (process and content theories) and more recent theories of motivation, I have focused on comparing four: hierarchy of needs theory (traditional-content), reinforcement theory (traditional-process), self-determination theory (modern) and prosocial theory (modern). This was done through empirical research carried out in Equinox Ltd. Employees of the company where asked to participate in a survey measuring constructs of each chosen theory.

By determining the predominant construct of each theory I was able to advise the company on how to improve employee work motivation according to each theory. With regard to hierarchy of needs, results show that employees of Equinox Ltd. desire to fulfil their need for affiliation and belongingness. Management should encourage teamwork and personal contact among employees that will allow them to develop personal relationships. By fulfilling these lower level needs, employees will be able to address their need for selfactualization. Results of reinforcement theory showed that employees are more prone to behavioural approach system, meaning they react to rewards better than punishment. A system of non-financial rewards should be further developed. According to selfdetermination theory, employees should satisfy three psychological needs to foster intrinsic motivation. Both, competence and relatedness, returned high results, but the construct of autonomy fell behind. Equinox Ltd. should increase the autonomy of their employees by empowering them and loosening controls. Finally, prosocial motivation could be increased by implementing a formal mentoring system and engaging in socially responsible activities such as charities and fundraisers.

After comparing the main constructs of the chosen theories, results have shown that there is no significant difference between self-determination theory and the traditional two theories (hierarchy of needs and reinforcement theory). However, after comparing prosocial motivation to other theories, results showed that prosocial motivation scored significantly higher, meaning that employees of Equinox Ltd. greatly desire to have a positive impact on their environment (co-workers, company, community, etc.). It is crucial for Equinox Ltd. to provide opportunities for prosocial behaviour that will increase employee motivation and consequentially their persistence, performance, and productivity (Grant, 2008).

Results of the conducted analysis support recent research that indicates the need for a shift in motivational approaches. Most companies still engage in traditional motivational approaches, mainly reinforcements in the form of reward systems. However, these techniques are outdated and not appropriate for modern jobs that are greatly influenced by technological development (Pink, 2011). Especially younger generations give more emphasis on the company's climate, rather than focusing solely on monetary incentives (Schlechter et al., 2015). More emphasis should be given to prosocial motivation, which is most efficient in motivating employees of the chosen company.

## **REFERENCE LIST**

- 1. Adams, S. J. (1963). Towards an understanding of inequity. *The Journal of Abnormal and Social Psychology*, 67(5), 422.
- 2. Alderfer, C. P. (1969). An Empirical Test of a New Theory of Human Needs. *Organizational Behaviour and Human Performance*, *4*, 142–75.
- 3. Allen, T. D. (2003). Mentoring others: A dispositional and motivational approach. *Journal of Vocational Behavior*, 62(1), 134–154.
- 4. Allen, T. D., Lentz, E., & Day, R. (2006). Career success outcomes associated with mentoring others: A comparison of mentors and nonmentors. *Journal of Career Development*, 32(3), 272–285.
- Alloy, L. B., Bender, R. E., Whitehouse, W. G., Wagner, C. A., Liu, R. T., Grant, D. A., (2012). High Behavioral Approach System (BAS) sensitivity, reward responsiveness, and goal-striving predict first onset of bipolar spectrum disorders: A prospective behavioral high-risk design. *Journal of abnormal psychology*, *121*(2), 339.
- 6. Arnolds, C. A., & Boshof, C. (2002). Compensation, esteem valence and job performance: an empirical assessment of Alderfer's ERG theory. *International Journal of Human Resource Management*, 697–719.
- Barnet, T. (n.d.). *Motivation and Motivation Theory*. Reference for Business: Encyclopedia of Management. Retrieved June 18, 2017, from http://www.referenceforbusiness.com/management/Mar-No/Motivation-and-Motivation-Theory.html
- 8. Benson, S. G., & Dundis, S. P. (2003). Understanding and motivating health care employees: integrating Maslow's hierarchy of needs, training and technology. *Journal of nursing management*, *11*(5), 315–320.
- 9. Business Case Studies (n.d.). *What is Motivation*. Retrieved March 21, 2017, from http://businesscasestudies.co.uk/virgin-media/motivating-and-engaging-employees-for-better-business/what-is-motivation.html#axzz4W2Y6WB6h
- 10. Capability Development Manager, (2018, May 8). Personal interview.
- 11. Carver, C. S., & White, T. L. (1994). Behavioral inhibition, behavioral activation, and affective responses to impending reward and punishment: the BIS/BAS scales. *Journal of personality and social psychology*, 67(2), 319.
- Chand, S. (n.d.). Motivation: Concept and Significance of. In *Your Article Library*. Retrieved September 20, 2017, from http://www.yourarticlelibrary.com/motivation/motivation-concept-and-significance-ofmotivation/28020/
- 13. Ching, B. (n.d.). *Literature Review on Theories of Motivation*. Retrieved June, 2015, from https://www.linkedin.com/pulse/literature-review-theories-motivation-brandon-ching-phd
- 14. Corr, P. J. (2004). Reinforcement sensitivity theory and personality. *Neuroscience & Biobehavioral Reviews*, 28(3), 317–332.

- 15. Deci, E. L. (2001). Need satisfaction, motivation, and well-being in the work organizations of a former eastern bloc country: A cross-cultural study of self-determination. *Personality and social psychology bulletin*, 27(8), 930–942.
- 16. Deci, E. L., & Porac, J. (1978). Cognitive evaluation theory and the study of human motivation. In D. G. Mark & R. Lepper, *The hidden costs of reward: New perspectives on the psychology of human motivation*, (p. 149–177). London and New York: Psychology Press.
- 17. Deci, E. L., & Ryan, R. M. (2000). The "what" and "why" of goal pursuits: Human needs and the self-determination of behavior. *Psychological Inquiry*, *11*, 227–268.
- Deci, E. L., & Ryan, R. M. (2002). Overview of self-determination theory: An organismic dialectical perspective. In E. L. Deci, & R. M. Ryan, *Handbook of self-determination research*, (p. 3-33). Rochester: The University of Rochester Press.
- 19. Equinox Ltd. Retrieved April 29, 2018, from http://www.equinox.si/
- 20. Equinox Ltd. (2017). *Letno poročilo podjetja Equinox (revidirano)* [Annual Report of Equinox Ltd. (revised)]. Ljubljana: Equinox Ltd.
- 21. Fisher, E. A. (2009). Motivation and Leadership in Social Work: A Review of Theories and Related. *Administration in Social Work*, 347–367.
- 22. Gagné, M. (2003). The role of autonomy support and autonomy orientation in prosocial behavior engagement. *Motivation and Emotion*, 27, 199–223.
- 23. Gagné, M., & Deci, E. L. (2005). Self-determination theory and work motivation. *Journal of Organizational behavior*, 26(4), 331–362.
- 24. Goodman, R. A. (1968). On the Operationality of the Maslow Need Hierarchy. *British Journal of Industrial Relations*, 6(1), 51–57.
- 25. Grant, A. M. (2008). Does intrinsic motivation fuel the prosocial fire? Motivational synergy in predicting persistence, performance, and productivity. *Journal of applied psychology*, *93*(1), 48.
- 26. Grant, A. M. (2013). *Give and Take: A Revolutionary Approach to Success*. New York: Penguin Group.
- 27. Grant, A.M. (2016). Are You a Giver or a Taker? In *TED Ideas Worth Spreading* [video]. San Francisco: TED Talks.
- 28. Grant, A. M., & Berg, J. M. (2011). Prosocial motivation at work: When, why, and how making a difference makes a difference. *Oxford handbook of positive organizational scholarship*, 28–44.
- 29. Grant, A. M., Campbell, E. M., Chen, G., Cottone, K., Lapedis, D., & Lee, K. (2007). Impact and the art of motivation maintenance: The effects of contact with beneficiaries on persistence behavior. *Organizational Behavior and Human Decision Processes*, 103(1), 53–67.
- Grant, A. M., & Sumanth, J. J. (2009). Mission possible? The performance of prosocially motivated employees depends on manager trustworthiness. *Journal of Applied Psychology*, 94(4), 927.

- 31. Herrenkohl, R. C., Judson, T. G., & Heffner, J. A. (1999). Defining and measuring employee empowerment. *The Journal of Applied Behavioral Science*, *35*(3), 373–389.
- 32. Herzberg, F. (1966). One More Time: How Do You Motivate Employees. *Harvard Business Review Press*, 12(1), 53–62.
- 33. Human Resource Management. (2018, April 17). Personal interview.
- 34. Isaac, R. G., Zerbe, W. J., & Pitt, D. C. (2001). Leadership and motivation: The effective application of expectancy theory. *Journal of Managerial Issues*, *13*(2), 212–226.
- 35. Jerome N. (2013). Application of the Maslow's hierarchy of need theory; impacts and implications on organizational culture, human resource and employee's performance. *International Journal of Business and Management Invention*, 2(3), 39–45.
- 36. Kaur, A. (2013). Maslow's Need Hierarchy Theory: Applications and Criticisms. *Global Journal of Management and Business Studies*, *3*(10), 1061–1064.
- 37. Latham, G. P. (2007). *Work motivation: History, Theory, Research, and Practice*. Los Angeles: SAGE Publications.
- 38. Latham, G. P., & Pinder, C. C. (2005). Work Motivation Theory and Research at the Dawn of the Twenty-First Century. *Annual Review of Psychology*, *56*, 485–516.
- 39. Lawler III, E. E., & Porter, L. W. (1967). Antecedent attitudes of effective managerial performance. *Organizational behavior and human performance*, 2(2), 122–142.
- 40. Lindner, J. R. (1998). Understanding employee motivation. *Journal of extension*, *36*(3), 1–8.
- 41. Locke, E. A., & Latham, G. P. (2002). Building a practically useful theory of goal setting and task motivation: A 35-year odyssey. *American psychologist*, *57*(9), 705.
- 42. Locke, E. A., & Latham, G. P. (2006). New directions in goal-setting theory. *Current directions in psychological science*, *15*(5), 265–268.
- 43. Management Study Guide (n.d.). *Motivation Articles*. Retrieved March 21, 2017, from http://www.managementstudyguide.com/motivation-articles.htm
- 44. Maslow, A. M. (1943). A Theory of human motivation. *Psychological review*, 50(4), 370.
- 45. Maylett, T. (2016). 6 Ways to Encourage Autonomy With Your Employees. In *Entrepreneur Europe*. Retrieved March 25, 2017, from https://www.entrepreneur.com/article/254030
- 46. McClelland, D. C. (1967). *The Achieving Society*. New York: The Free Press, Macmillan Publishing Co., Inc.
- 47. McDonald, J. D. (2008). *Measuring personality constructs: The advantages and disadvantages of self-reports, informant reports and behavioural assessments.* Cambridge: University of Cambridge.
- 48. McGregor, D. (1960). Theory X and theory Y. Organization theory, 358-374.
- McGregor, D. (1989). The human side of enterprise. In H. J. Leavitt, L. R. Pondy & D. M. Boje, *Readings in managerial psychology*, (p. 314–324). Chicago: The University of Chicago Press.

- 50. McLeod, S. A. (2017). Maslow's Hierarchy of Needs. *Simply Psychology*. Retrieved November 24, 2017, from https://www.simplypsychology.org/maslow.html
- 51. Menon, S. (2001). Employee empowerment: An integrative psychological approach. *Applied psychology*, *50*(1), 153–180.
- 52. Motivation. (n.d.) In *English Oxford Living Dictionaries*. Retrieved March 21, 2017 from https://en.oxforddictionaries.com/definition/motivation
- 53. Nemanich, L. A., & Keller, R. T. (2007). Transformational leadership in an acquisition: A field study of employees. *The Leadership Quarterly*, *18*(1), 49–68.
- 54. O'Donohue, W. T., & Ferguson, K. E. (2001). *The Psychology of B F Skinner*. Thousand Oaks: Sage Publications, Inc.
- 55. Pinder, C. C. (1998). *Work motivation in organizational behavior*. Hove: Psychology Press.
- 56. Pink, D. H. (2011). *Drive: The surprising truth about what motivates us.* New York: Penguin Group (USA) Inc.
- 57. Rajhans, K. (2012). Effective organizational communication: A key to employee motivation and performance. *Interscience Management Review*, 2(2), 81–85.
- Ramlall, S. (2004). A review of employee motivation theories and their implications for employee retention within organizations. *Journal of American Academy of Business*, 5(1/2), 52–63.
- 59. Rupp, D. E., Ganapathi, J., Aguilera, R. V., & Williams, C. A. (2006). Employee reactions to corporate social responsibility: An organizational justice framework. *Journal of organizational Behavior*, 27(4), 537–543.
- 60. Ryan, R. M., & Deci, E. L. (2000a). Intrinsic and Extrinsic Motivations: Classic Definitions and new directions. *Contemporary Educational Psychology*, 25(1), 54–67.
- Ryan, R. M., & Deci, E. L. (2000b). Self-determination theory and the facilitation of intrinsic motivation, social development, and well-being. *American psychologist*, 55(1), 68.
- 62. Schlechter, A., Thompson, N. C., & Bussin, M. (2015). Attractiveness of non-financial rewards for prospective knowledge workers: An experimental investigation. *Employee Relations*, *37*(3), 274–295.
- 63. Schuler, R., & Jackson, S. (2001). HR issues and activities in mergers and acquisitions. *European Management Journal*, *19*(3), 239–253.
- 64. Skinner, B. F. (1953). *Science and human behavior*. New York: The Free Press, Simon and Schuster Inc.
- 65. Smederevac, S., Mitrović, D., Čolović, P., & Nikolašević, Ž. (2014). Validation of the Measure of Revised Reinforcement Sensitivity Theory Constructs. *Journal of Individual Differences*, 35, 12–21.
- 66. Smillie, L. D., & Jackson, C. J. (2005). The appetitive motivation scale and other BAS measures in the prediction of approach and active avoidance. *Personality and Individual Differences*, 38(4), 981–999.

- 67. Steers, R. M., Mowday, R. T., & Shapiro, D. L. (2004). Introduction to special topic forum: The future of work motivation theory. *The Academy of Management Review*, 29(3), 379–387.
- 68. Stotz, R., & Bolger, B. (n.d.) Content and Process Theories. *The Incentive Marketing Association*. Retrieved December 3, 2017, from http://c.ymcdn.com/sites/www.incentivemarketing.org/resource/resmgr/imported/Sec% 201.4.pdf
- 69. Strawser, R. H., & Carpenter, C. G. (1971). A study of the job satisfaction of academic accountants. *The Accounting Review*, *46*(3), 509–518.
- 70. Tanner, R. (16. April 2018). Motivation Applying Maslow's Hierarchy of Needs Theory. *Management is a Journey*. Retrieved April 16, 2018, from https://managementisajourney.com/motivation-applying-maslows-hierarchy-of-needstheory/
- 71. Taormina, R. J., & Gao, J. H. (2013). Maslow and the Motivation Hierarchy: Measuring Satisfaction of the Needs. *American Journal of Psychology*, *126*(2), 155–177.
- 72. Thomas, K. W., & Velthouse, B. A. (1990). Cognitive elements of empowerment: An "interpretive" model of intrinsic task motivation. *Academy of management review*, *15*(4), 666–681.
- 73. Vansteenkiste, M. N. (2007). On the relations among work value orientations, psychological need satisfaction and job outcomes: A self-determination theory approach. *Journal of occupational and organizational psychology*, 80(2), 251–277.
- 74. Vroom, V. H. (1964). Work and motivation. Oxford: Wiley.
- 75. Wilson, J. A., & Elman, N. S. (1990). Organizational Benefits of Mentoring. *The Executive*, 4(4), 88–94.

APPENDIXES

## TABLE OF APPENDIXES

Appendix A: Slovene Abstract / Slovenski povzetek	1
Appendix B: Survey in English	3
Appendix C: Survey in Slovene	
Appendix D: SPSS Results	15

#### Appendix A: Slovene Abstract / Slovenski povzetek

Motivacija zaposlenih ima pomemben vpliv na uspešnost podjetja. V poslovnem svetu je motivacija za delo pomemben faktor, ki definira posameznikovo izvajanje delovnih nalog, kar se prenese na produktivnost podjetja, ter posledično vpliva na vsesplošno gospodarsko stanje. Motivirani zaposleni so bolj angažirani, vztrajni, se lažje prilagajajo spremembam, uporabljajo kreativno razmišljanje, so bolj optimistični in delo tretirajo kot izziv. Motivacija pa nima pozitivnih učinkov le za podjetje, temveč tudi za zaposlene, saj povečuje raven zadovoljstva in zaposlene spodbuja k razvoju vseh svojih potencialov (Management Study Guide, n.d.). Zaradi velikega pomena motivacije se je razvilo mnogo teorij, ki preučujejo motivacijo za delo.

Cilj magistrske naloge je bil primerjati tradicionalne in sodobne motivacijske pristope, ter definirati, kateri so bolj učinkoviti pri motiviranju zaposlenih za delo. Po pregledu nekaterih tradicionalnih (tako vsebinskih, kot procesnih teorij) in sodobnih teorij motivacije, sem se osredotočila na primerjavo med štirimi: hierarhija potreb (tradicionalna-vsebinska), teorija okrepitve (tradicionalna-procesna), teorija samoodločenosti (sodobna) in prosocialna teorija (sodobna). Primerjalno analizo sem naredila skozi empirično raziskavo, izpeljano v podjetju Equinox Ltd. Zaposlene podjetja sem povabila k sodelovanju v anketi, ki je merila glavne konstrukte vsake od izbranih teorij.

Iz rezultatov ankete sem najprej določila prevladujoče konstrukte znotraj vsake teorije. Nato sem jih primerjala med seboj, da sem lahko določila, po kateri teoriji bi bilo najbolj učinkovito motivirati zaposlene. Na podlagi ugotovljenih rezultatov sem lahko izbranemu podjetju predlagala izboljšave, ki bi pozitivno vplivale na motivacijo zaposlenih. Analiza je pokazala, da glede na teorijo hierarhije potreb, zaposlene v podjetju Equinox Ltd. najbolj motivira potreba po pripadnosti. Vodstvo bi moralo vzpodbujati timsko delo in zagotoviti dovolj osebnega kontakta med zaposlenimi, ki bi omogočil razvoj poglobljenih, osebnih odnosov. Šele ko bodo vse potrebe nižjih nivojev zadovoljene, bodo lahko zaposleni začeli zadovoljevati svoje potrebe po samoaktualizaciji. Rezultati povezani s teorijo okrepitve so pokazali, da so zaposleni bolj dovzetni za vedenjski sistem približevanja, kar pomeni, da se bolje odzivajo na nagrade kot na kazni. K dvigu motivacije bi torej pripomogel nadaljni razvoj sheme nefinančnih nagrad. Glede na teorijo samoodločitve, morajo biti za razvoj intrinzične (notranje) motivacije zadovoljene tri psihološke potrebe: kompetentnost, avtonomija in socialna povezanost. Tako kompetentnost, kot socialna povezanost sta bili ocenjeni zelo visoko, vendar pa je avtonomija zaostala za obema konstruktoma. Equinox Ltd. si mora prizadevati k dvigu avtonomije svojih zaposlenih s pomočjo opolnomočenja in zmanjšanja nadzora. Prosocialno motivacijo bi lahko okrepili z implementacijo formalnega sistema mentorstva za zaposlene, kot tudi s povečanjem družbene odgovornosti podjetja, na primer z dobrodelnostjo in sodelovanjem pri zbiranju sredstev za pomoč drugim.

Primerjava glavnih konstruktov izbranih teorij je pokazala, da med teorijo samoodločenosti, teorijo okrepitve ter teorijo hierarhije potreb ni statistično značilnih razlik. Po primerjavi prosocialne teorje z ostalimi tremi, pa se je izkazalo, da je prosocialna motivacija dosegla značilno višje rezultate kot konstrukti ostalih treh teorij. Iz rezultatov ankete lahko torej sklepamo, da zaposleni v podjetju Equinox Ltd. najbolj cenijo in želijo imeti pozitiven vpliv na svoje okolje (sodelavce, podjetje, skupnost, itd.). Zato je ključnega pomena, da podjetje Equinox Ltd. omogoči svojim zaposlenim dovolj priložnosti za udejstvovanje v prosocialnem vedenju, saj bo le to dvignilo njihovo motivacijo in posledično njihovo vztrajnost, kvaliteto dela ter produktivnost (Grant, 2008).

Rezultati izpeljane analize podpirajo ugotovitve nedavnih raziskav, ki so izpostavile potrebo po spremembi prevladujočih motivacijskih pristopov. Večina podjetij še vedno sledi tradicionalnim motivacijskim teorijam, predvsem teoriji okrepitve (sistem nagrad). Tovrstne tehnike so postale zastarele in niso primerne za sodobne službe, na katere močno vpliva hiter tehnološki napredek (Pink, 2011). Posebno mlajše generacije dajejo veliko večji pomen klimi podjetja, kot pa izključno denarnim spodbudam (Schlechter et al., 2015). Podjetja bi morala več pozornosti nameniti tehnikam prosocialne teorije, saj so le te najbolj učinkovite pri motiviraju zaposlenih za delo.

## **Appendix B: Survey in English**

The survey was published on the "OneClick Survey" website (ULR address: https://www.1ka.si/a/168010), the link to which was sent to all employees via e-mail. The entire survey is stated below. It should be noted, that the text in *italic* (including *italic bold*) was not part of the survey, but is merely present in the appendix to provide additional explanation regarding the survey items. The items referring to motivational theories were listed randomly when collecting data.

## INTRODUCTION PAGE

Dear colleague,

My name is Janja Koprivec and as part of my Master's thesis: »Comparative Analysis of Traditional and Modern Motivation Approaches«, I would like to assess which motivational theory best motivates employees of Equinox Ltd. To do so, I will need your help by participating in this analysis. What follows is a short survey, that shouldn't take you more than 10 minutes to complete. The survey is anonymous so I kindly ask that your answers be honest and true. I would like to thank you in advance for your participation.

If you have any questions or concerns, I am available at the following e-mail: janja.koprivec@equinox.com.

## **QUESTION 1 – HIERARCH OF NEEDS THEORY**

Listed below are several characteristics or qualities connected to your current job. Please rate how much of each characteristic is (currently) present in your job?

	1 Not at all	2	3 Somewhat	4	5 Very much
Security Needs					
The feeling that your employment is a secure and permanent one.	0	0	0	0	0
Social/Affiliation Needs					
The opportunity in my position to assist/help other people.	$\bigcirc$	0	0	0	0
The opportunity to develop close friendships in my position.	0	0	0	$\bigcirc$	0

	1	2	3	4	5
	Not at all		Somewhat		Very much
Esteem needs					
The feeling of self-esteem obtained from my position.	0	0	0	0	0
The prestige of my position (that is, the extent to which people inside and outside the company think the job is highly respected).		0	0	0	0
Self-actualization Needs (Autonomy)					
The opportunity for independent thought and action in my position.	0	0	0	0	0
The authority connected with my position.	$\bigcirc$	$\bigcirc$	$\bigcirc$	0	0
The opportunity for personal growth and development in my position.	0	0	0	0	0
Self-actualization Needs					
The feeling of self-fulfillment obtained from my position (that is, the feeling of being able to use one's own unique capabilities, realizing one's potentials).		0	0	0	0
The feeling of worthwhile accomplishment in my position.	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	0

## **QUESTION 2 – REINFORCEMENT THEORY**

Please rate how true the following statements are for you, given your experiences on this job.

	1	2	3	4	5
	Not at all		Somewhat		Very true
	true		true		
Behavioural Inhibition System					
I often worry that I may be criticized.	$\bigcirc$	0	$\bigcirc$	$\bigcirc$	$\bigcirc$
It is difficult for me to make a decision, because I am never certain which choice is the right one.	0	0	0	0	0
I miss many opportunities by thinking what might go wrong.	0	0	0	0	0

	1	2	3	4	5
	Not at all		Somewhat		Very true
	true		true		
Behavioural Approach System					
When the situation is unclear, I am ready to take risks.	0	0	0	0	0
I am always enthusiastic about new challenges.	0	0	0	0	0
I usually tend to start doing many interesting things at the same time.		0	0	0	$\bigcirc$

## **QUESTION 3 – SELF-DETERMINATION THEORY**

The following statements concern your feelings about your job during the last year. (If you have been on this job for less than a year, this concerns the entire time you have been at this job.) Please indicate how true each of the following statements is for you given your experiences on this job.

	1	2	3	4	5
	Not at all		Somewha		Very true
	true		t true		
Competence					
I do not feel very competent when I am at work. $(R)$	$\circ$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$
I have been able to learn interesting new skills on my job.	0	0	0	$\bigcirc$	0
Most days I feel a sense of accomplishment from working.	0	0	$\bigcirc$	0	0
Autonomy					
I feel pressured at work. ( <i>R</i> )	0	0	0	0	0
I am free to express my ideas and opinions on the job.	0	0	0	$\bigcirc$	0
There is not much opportunity for me to decide for myself how to go about my work. $(R)$	0	0	$\bigcirc$	$\bigcirc$	0
Relatedness					
I get along with people at work.	0	$\bigcirc$	$\bigcirc$	0	$\bigcirc$

	1	2	3	4	5
	Not at all		Somewha		Very true
	true		t true		
People at work care about me.	$\bigcirc$	$\bigcirc$	0	$\bigcirc$	0
There are not many people at work that I am close to. $(R)$	0	0	0	0	0
People at work are pretty friendly towards me.	0	0	0	0	0

(R) – any item that is marked with (R) was reverse scored by subtracting the person's response from 6.

### **QUESTION 4 – PROSOCIAL THEORY**

Please rate how much you agree with below statements concerning your job.

	1	2	3	4	5
	Disagree		Undecided		Agree
	strongly				strongly
Prosocial motivation					
I get energized working on tasks that have the potential to benefit others.	0	0	0	0	0
It is important to me to have the opportunity to use my abilities to benefit others through my work.	0	0	0	0	0
I prefer to work on tasks that allow me to have a positive impact on others.	0	0	0	0	0
I do my best when I'm working on a task that contributes to the well-being of others.	0	0	0	0	$\bigcirc$
I like to work on tasks that have the potential to benefit others.	0	0	0	0	$\bigcirc$

## QUESTION 5 – GENDER

Gender:

 $\bigcirc$  Female

QUESTION 6-AGE

Age:

 $\bigcirc$  30 years or less  $\bigcirc$  31 - 40 years

- $\bigcirc$  41 50 years
- $\bigcirc$  51 years or more

### QUESTION 7 – EDUCATION

The highest level of your achieved formal education:

 $\bigcirc$  Primary school or less

- $\bigcirc$  Vocational/technical secondary school
- $\bigcirc$  Secondary (high) school
- Professional Degree Programe
- University Programe (Bachelor's)
- O Master's Degree Programe
- O Doctoral Programe

### **QUESTION 8 – WORK EXPERIENCE**

Years of working experience with this company:

- $\bigcirc$  5 years or less
- $\bigcirc$  6 10 years
- $\bigcirc$  11 15 years
- $\bigcirc$  16 20 years
- $\bigcirc$  21 years or more

### QUESTION 9 – DEPARTMENT OF WORK

Department of work within company:

OMarketing

- $\bigcirc$  Sales office
- $\bigcirc$  Sales field
- Support services (Finance, IT, HR, ...)
- $\bigcirc$  Logistics

## THANK YOU PAGE

You have finished the survey.

Thank you for all your time and help, it is greatly appreciated.

#### **Appendix C: Survey in Slovene**

The survey was published on the "EnKlik Anketa" website (ULR address: https://www.1ka.si/a/168171), the link to which was sent to all employees via e-mail. The entire survey is stated below. It should be noted, that the text in *italic* (including *italic bold*) was not part of the survey, but is merely present in the appendix to provide additional explanation regarding the survey items. The items referring to motivational theories were listed randomly when collecting data.

#### UVODNA STRAN

Spoštovani sodelavec/-ka,

Sem Janja Koprivec in za raziskovalni del moje magistrske naloge: »Primerjalna analiza tradicionalnih in sodobnih motivacijskih pristopov«, želim oceniti, katera od izbranih motivacijskih teorij najbolje motivira zaposlene podjetja Equinox Ltd. Za izpeljavo te analize potrebujem Vašo pomoč in sodelovanje. Sledi kratka anketa, ki Vam bo vzela približno 10 minut časa. Anketa je anonimna, zato Vas prosim, da odgovarjate iskreno in resnično. Za sodelovanje se Vam vnaprej zahvaljujem.

V primeru vprašanj, komentarjev ali kakršnihkoli pomislekov, sem Vam na voljo na sledečem e-mailu: janja.koprivec@equinox.com

#### VPRAŠANJE 1 – TEORIJA HIERARHIJE POTREB

Spodaj je razvrščenih nekaj karakteristik oz. lastnosti povezanih z Vašim delovnim mestom. Prosim, da ocenite, koliko vsake karakteristike je (trenutno) prisotne na Vašem delovnem mestu.

	1	2	3	4	5
	Sploh ne		Nekoliko		Zelo
					veliko
Potrebe po varnosti					
Občutek, da je Vaša zaposlitev varna in trajna.	0	0	0	0	0
Potrebe po pripadnosti in ljubezni					
Priložnosti pomagati drugim na delovnem mestu.	0	0	0	0	0
Priložnosti razviti tesna prijateljstva.	0	$\bigcirc$	$\bigcirc$	0	0

	1	2	3	4	5
	Sploh ne		Nekoliko		Zelo veliko
Potrebe po ugledu/spoštovanju					
Občutek samozavesti, pridobljen iz delovnega mesta.	0	0	0	0	0
Prestiž, povezan z delovnim mestom (v kolikšni meri je Vaše delovno mesto visoko cenjeno znotraj in zunaj podjetja).		0	0	0	0
Potrebe po samoaktualizacija (avtonomija)					
Priložnosti za samostojno razmišljanje in delovanje na delovnem mestu.	0	0	0	0	0
Avtoriteta, povezana z Vašim delovnim mestom.	0	0	$\bigcirc$	0	0
Priložnosti za osebno rast in razvoj na delovnem mestu.	0	0	0	$\bigcirc$	0
Potrebe po samoaktualizaciji					
Občutek samoizpolnitve, pridobljen iz delovnega mesta (občutek, da lahko uporabljate vse svoje edinstvene sposobnosti ob doseganju svojega potenciala).	$\cap$	0	0	0	0
Občutek vrednih dosežkov na delovnem mestu.	$\bigcirc$	$\bigcirc$	0	0	$\bigcirc$

VPRAŠANJE 2 – TEORIJA OKREPITVE

Prosim ocenite, kako resnične so spodnje trditve za Vas, glede na Vaše izkušnje s trenutnim delovnim mestom.

	1 Sploh ni resnično	2	3 Nekoliko resnično	4	5 Zelo resnično
Vedenjski sistem umika					
Pogosto me skrbi, da me bodo drugi kritizirali.	0	0	0	0	$\bigcirc$
Težko sprejemam odločitve, saj nikoli nisem popolnoma prepričan/-a, katera izbira je prava.	0	0	0	0	0

	1	2	3	4	5
	Sploh ni		Nekoliko		Zelo
	resnično		resnično		resnično
Zamudim veliko priložnosti, ker pomislim na vse,		(		(	
kar bi lahko šlo narobe.	0	$\bigcirc$	0	$\bigcirc$	0
Vedenjski sistem približevanja					
Kadar se znajdem v nejasni situaciji, sem pripravljen/-a sprejeti tveganja.	0	0	0	0	0
Vedno sem navdušen/-a nad novimi izzivi.	0	0	0	0	0
Pogosto se lotim več zanimivih stvari hkrati.	0	0	0	0	0

## VPRAŠANJE 3 – TEORIJA SAMOODLOČENOSTI

Spodnje trditve se navezujejo na Vaše občutke o Vašem delovnem mestu tekom preteklega leta (v kolikor ste na tem delovnem mestu manj kot eno leto, se navezujejo na celotno obdobje zaposlitve na tem delovnem mestu). Prosim, da označite, kako resnična je vsaka od spodnjih trditev za Vas, glede na vaše izkušnje s trenutnim delovnim mestom.

	1	2	3	4	5
	Sploh ni		Nekoliko		Zelo
	resnično		resnično		resnično
Kompetentnost					
Ko sem v službi, se ne počutim zelo sposobnega/-o.	_		$\sim$		$\sim$
(R)	0	$\bigcirc$	0	$\bigcirc$	$\bigcirc$
Na tem delovnem mestu sem se imel/-a možnost		$\sim$			
naučiti veliko novih in zanimivih spretnosti.	0	$\bigcirc$	0	$\bigcirc$	0
Večino dni pri opravljanju svojega dela čutim	$\sim$		$\sim$		
zadovoljstvo.	$\bigcirc$	$\cup$	0	$\bigcirc$	0
Avtonomija					
V službi sem pod pritiskom. (R)			$\sim$		
	0		0	0	0
Na delovnem mestu lahko brez problema izrazim	$\sim$		$\sim$		
svoje ideje in mnenja.	$\bigcirc$	$\bigcirc$	0	$\bigcirc$	$\bigcirc$
Ni veliko priložnosti, da sam/-a odločam kako se					
lotiti lastnega dela. (R)	$\bigcirc$	$\bigcirc$	$\circ$	$\bigcirc$	$\bigcirc$

	1	2	3	4	5
	Sploh ni		Nekoliko		Zelo
	resnično		resnično		resnično
Socialna povezanost					
S sodelavci/-kami se razumem.	0	0	0	0	$\bigcirc$
Sodelavci/-ke so mi naklonjeni in jim je mar zame.	0	0	0	0	$\bigcirc$
V službi ni veliko ljudi, s katerimi sem si blizu. (R)	0	0	0	0	$\bigcirc$
Sodelavci/-ke se do mene vedejo prijateljsko.	0	0	0	0	0

(R) – vse trditve označene z (R) se točkujejo obratno in sicer tako, da se odgovor anketiranca odšteje od 6.

## VPRAŠANJE 4 – PROSOCIALNA TEORIJA

Prosim ocenite, kako močno se strinjate s spodnjimi trditvami, povezanimi z Vašim delovnim mestom. (Trditve se nanašajo na bolj ali manj altruistična dejanja pomoči drugim osebam.)

	1	2	3	4	5
	Sploh se ne		Neodločen/		Zelo se
	strinjam		-a		strinjam
Prosocialna motivacija					
Naloge, ki imajo potencial pomagati drugim, me navdušujejo.	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$
Pomembno mi je, da imam pri delu priložnosti uporabiti svoje sposobnosti za pomoč in v dobro drugih.		0	0	0	0
Raje opravljam naloge, ki mi omogočajo, da imam pozitiven učinek na druge.	0	0	0	0	0
Najbolj se potrudim, kadar opravljam naloge, ki pripomorejo k dobremu počutju drugih.	0	0	0	0	0
Rad/-a opravljam naloge, ki imajo potencial, da koristijo drugim.	$\bigcirc$	0	$\bigcirc$	0	$\bigcirc$

VPRAŠANJE 5 – SPOL

Spol:

○ Moški○ Ženski

VPRAŠANJE 6 – STAROST

Starost:

30 let ali manj
31 - 40 let
41 - 50 let
51 let ali več

VPRAŠANJE 7 – IZOBRAZBA

Najvišja dosežena stopnja formalne izobrazbe:

○ Osnovna šola ali manj

○ Srednje poklicno izobraževanje (3 letno)

O Gimnazijsko, Srednje poklicno-tehniško izobraževanje

○ Višješolski program (do 1994), Višješolski strokovni program (VI/1.)

○ Visokošolski strokovni in Univerzitetni program (1. bol. st) (VI/2.)

O Magisterij stroke (2. bol. st.) (VII.)

O Doktorat znanosti (3. bol. st.) (VIII.)

VPRAŠANJE 8 – DELOVNE IZKUŠNJE

Delovne izkušnje znotraj trenutnega podjetja:

- $\bigcirc$  5 let ali manj
- ○6 10 let
- ○11 15 let
- ○16 20 let
- $\bigcirc$  21 let ali več

VPRAŠANJE 9 – ODDELEK DELA

Oddelek znotraj podjetja:

Marketing
 Prodaja - pisarna
 Prodaja - teren
 Podporne službe (finance, kadrovska služba, IT, ...)
 Logistika

ZAKLJUČNA STRAN

Zaključili ste z anketo. Najlepša hvala za Vaš čas! Vašo pomoč zelo cenim.

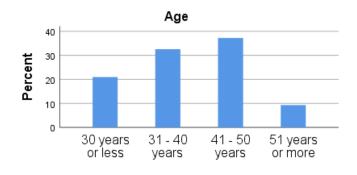
# **Appendix D: SPSS Results**

	Age										
				Valid Percent	Cumulative						
		Frequency	Percent (%)	(%)	Percent (%)						
Valid	30 years or less	18	20.9	20.9	20.9						
	31 - 40 years	28	32.6	32.6	53.5						
	41 - 50 years	32	37.2	37.2	90.7						
	51 years or more	8	9.3	9.3	100.0						
	Total	86	100.0	100.0							

Table 1. Age of p	participants	(Frequency)
-------------------	--------------	-------------

Source: Own analysis.

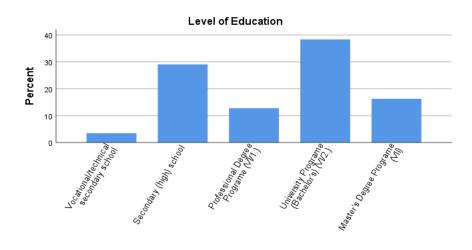
# Figure 1. Age of Participants (Percent Histogram)



Source: Own analysis.

Level of Education									
				Valid	Cumulative				
		Frequency	Percent (%)	Percent (%)	Percent (%)				
Valid	Vocational/technical secondary school	3	3.5	3.5	3.5				
	Secondary (high) school	25	29.1	29.1	32.6				
	Professional Degree Programe	11	12.8	12.8	45.3				
	University Programe (Bachelor's degree)	33	38.4	38.4	83.7				
	Master's Degree Programe	14	16.3	16.3	100.0				
	Total	86	100.0	100.0					

# Figure 2. Level of Education (Percent Histogram)



Source: Own analysis.

Table 3	Work Experier	nce Within	Company	(Frequencies)
Table 5.	WOIK Experies		Company	(Inequencies)

Work Experience Within Company									
				Valid	Cumulative				
Work Experi	k Experience Within Company		Percent (%)	Percent (%)	Percent (%)				
Valid	5 years or less	26	30.2	30.2	30.2				
	6 - 10 years	17	19.8	19.8	50.0				
	11 - 15 years	24	27.9	27.9	77.9				
	16 - 20 years	10	11.6	11.6	89.5				
	21 years or more	9	10.5	10.5	100.0				
	Total	86	100.0	100.0					

Table 4. Department of Work (Frequencies)
---

Department of Work									
				Valid	Cumulative				
		Frequency	Percent (%)	Percent (%)	Percent (%)				
Valid	Marketing	16	18.6	18.8	18.8				
	Sales - office	30	34.9	35.3	54.1				
	Sales - field	24	27.9	28.2	82.4				
	Support services (Finance, IT,	13	15.1	15.3	97.6				
	HR,)								
	Logistics	2	2.3	2.4	100.0				
	Total	85	98.8	100.0					
Missing	No answer	1	1.2		•				
Total	Total		100.0		•				

Paired Samples Statistics							
		Mean	N	Std. Deviation	Std. Error Mean		
Pair 1	Selfactualization_AVG	3.5256	86	.79294	.08550		
	Security_AVG	3.5698	86	1.09050	.11759		
Pair 2	Selfactualization_AVG	3.5256	86	.79294	.08550		
	Affiliation_AVG	3.8430	86	.74463	.08030		
Pair 3	Selfactualization_AVG	3.5256	86	.79294	.08550		
	Esteem_AVG	3.4360	86	.83946	.09052		

## Table 5. Paired Samples Statistics – Testing Hypothesis 1

Source: Own analysis.

## Table 6. Paired Samples Test – Testing Hypothesis 1

	Paired Samples Test									
			Paire	d Differe	nces					
					95% Co	nfidence				
				Std.	Interva	l of the			Sig.	
			Std.	Error	Diffe	rence			(2-	
		Mean	Deviation	Mean	Lower	Upper	t	df	tailed)	
Pair 1	Self-	04419	.98955	.10671	25635	.16797	414	85	.680	
	actualization_AVG -									
	Security_AVG									
Pair 2	Self-	31744	.77295	.08335	48316	15172	-3.809	85	.000	
	actualization_AVG -									
	Affiliation_AVG									
Pair 3	Self-	.08953	.47971	.05173	01332	.19239	1.731	85	.087	
	actualization_AVG -									
	Esteem_AVG									

Source: Own analysis.

### Table 7. Paired Samples Statistics – Testing Hypothesis 2

Paired Samples Statistics								
Mean N Std. Deviation Std. Error M								
Pair 1	BIS_AVG	2.4264	86	.84891	.09154			
	BAS_AVG	3.7519	86	.63077	.06802			

Paired Samples Test										
		Paired Differences								
		95% Confidence								
				Std.	Interval of the				Sig.	
			Std.	Error	Difference				(2-	
		Mean	Deviation	Mean	Lower	Upper	t	df	tailed)	
Pair 1	BIS_AVG -	-1.32558	1.15467	.12451	-1.57314	-1.07802	-10.646	85	.000	
	BAS_AVG									

## Table 8. Paired Samples Test - Testing Hypothesis 2

Source: Own analysis.

### Table 9. Paired Samples Statistics - Testing Hypothesis 3

Paired Samples Statistics									
	Mean N Std. Deviation Std. Error Mea								
Pair 1	Competence_AVG	3.8488	86	.72429	.07810				
	Autonomy_AVG	3.3760	86	.73529	.07929				
Pair 2	Competence_AVG	3.8488	86	.72429	.07810				
	Relatedness_AVG	3.8895	86	.75304	.08120				
Pair 3	Autonomy_AVG	3.3760	86	.73529	.07929				
	Relatedness_AVG	3.8895	86	.75304	.08120				

Source: Own analysis.

## Table 10. Paired Samples Test - Testing Hypothesis 3

Paired Samples Test											
	Paired Differences										
					95% Confidence						
					Interva	l of the			Sig.		
			Std.	Std. Error	Difference				(2-		
		Mean	Deviation	Mean	Lower	Upper	t	df	tailed)		
Pair 1	Competence_AVG -	.47287	.69068	.07448	.32479	.62095	6.349	85	.000		
	Autonomy_AVG										
Pair 2	Competence_AVG -	04070	.74752	.08061	20097	.11957	505	85	.615		
	Relatedness_AVG										
Pair 3	Autonomy_AVG -	51357	.65240	.07035	65344	37369	-7.300	85	.000		
	Relatedness_AVG										

Paired Samples Statistics										
Mean N Std. Deviation Std. Error Mean										
Pair 1	Relatedness_AVG	3.8895	86	.75304	.08120					
	BAS_AVG	3.7519	86	.63077	.06802					
Pair 2	Relatedness_AVG	3.8895	86	.75304	.08120					
	Affiliation_AVG	3.8430	86	.74463	.08030					

## Table 11. Paired Samples Statistics - Testing Hypothesis 4

Source: Own analysis.

## Table 12. Paired Samples Test - Testing Hypothesis 4

		I	Paired Samp	les Test					
		Paired Differences							
		95% Confidence							Sig.
				Std.	Interval of the				(2-
			Std.	Error	Difference				tailed
		Mean	Deviation	Mean	Lower	Upper	t	df	)
Pair 1	Relatedness_AVG - BAS_AVG	.13760	.93452	.10077	06276	.33796	1.365	85	.176
Pair 2	Relatedness_AVG - Affiliation_AVG	.04651	.85793	.09251	13743	.23045	.503	85	.616

Source: Own analysis.

## Table 13. Paired Samples Statistics - Testing Hypothesis 5

Paired Samples Statistics									
Mean N Std. Deviation Std. En									
Pair 1	Relatedness_AVG	3.8895	86	.75304	.08120				
	Prosocial_AVG	4.1488	86	.66310	.07150				

Source: Own analysis.

### Table 14. Paired Samples Test - Testing Hypothesis 5

Paired Samples Test											
		Paired Differences									
			95% Confidence								
				Std.	Interval of the				Sig.		
			Std.	Error	Difference				(2-		
		Mean	Deviation	Mean	Lower	t	df	tailed)			
Pair 1	Relatedness_AVG -	25930	.95084	.10253	46316	05544	-2.529	85	.013		
	Prosocial_AVG										

			Paired Sam	ples Test	;				
		Paired Differences							
					95% Co	nfidence			
				Std.		l of the			Sig.
		Std. Error Difference			(2-				
		Mean	Deviation	Mean	Lower	Upper	t	df	tailed)
Pair 1	Prosocial_AVG - Security_AVG	.57907	1.25296	.13511	.31043	.84771	4.286	85	.000
Pair 2	Prosocial_AVG - Affiliation_AVG	.30581	.95970	.10349	.10005	.51157	2.955	85	.004
Pair 3	Prosocial_AVG - Esteem_AVG	.71279	1.06956	.11533	.48348	.94210	6.180	85	.000
Pair 4	Prosocial_AVG - Selfactualization_AV G	.62326	.92414	.09965	.42512	.82139	6.254	85	.000
Pair 5	Prosocial_AVG - BIS_AVG	1.72248	1.07126	.11552	1.49280	1.95216	14.911	85	.000
Pair 6	Prosocial_AVG - BAS_AVG	.39690	.77239	.08329	.23130	.56250	4.765	85	.000
Pair 7	Prosocial_AVG - Competence_AVG	.30000	.95443	.10292	.09537	.50463	2.915	85	.005
Pair 8	Prosocial_AVG - Autonomy_AVG	.77287	.97108	.10471	.56467	.98107	7.381	85	.000
Pair 9	Prosocial_AVG - Relatedness_AVG	.25930	.95084	.10253	.05544	.46316	2.529	85	.013

# Table 15. Comparing Prosocial motivation to all other constructs