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Master thesis

# Importance of motivational factors among young employees in the service sector

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# Abstract

Due to a number of positive organizational outcomes, work motivation is continually perceived as an important and relevant subject among academics and practitioners. What makes the subject especially relevant today is the dominance of the service sector, which is characterised by a high level of young labour force participants. However, attention to this specific group of employees in the service sector and their motivation is limited in academic research, which calls for a revisited attention towards the topic of work motivation.

The purpose of this thesis is to investigate what motivational factors are perceived as the most important among young employees in the service sector. Hence, the aim of the thesis is to identify, analyse and discuss important motivational factors among young employees working in the service sector. Besides the case study company, HMSHost, other service sector companies could find the findings of the thesis interesting, relevant and applicable in their particular business settings.

The research is based on a combination of qualitative and quantitative data. Interviews with two selected employees are conducted to identify motivational factors that are specific to young employees in the service sector. This is done in order to establish empirical/supplementary motivational factors that later on are included in the research survey. The survey is distributed to 137 employees at HMSHost in the age of 18-29 in order to test the prevalence of the established motivational factors on the research population. The respondents are asked to evaluate 24 motivational factors on a 5-point scale indicating the level of importance associated with each factor.

The research findings indicate that (1) *relationship with peers (2) salary (3) personal life and (4) responsibility* are the most important motivational factors among young employees in the service sector. These motivational factors suggest that young employees' motivation primarily originate from extrinsic sources.

The research findings help to gain a better understanding and insight into what drives young employees' motivation in the service sector. It enables HR management to adopt a more focused approach towards motivating young employees, where motivational strategies/methods can be better designed to address young employees' specific motivational needs.

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# Chapter I: Introduction

## Research topic

The interest in the motivation of human beings has existed and will continue to exist as long as the humans themselves do. The first signs of motivation dates back to ancient times, where the most simple and pure form human motivation, to seek pleasure and avoid pain, was guiding human behaviour (*Porter, Bigley and Steers, 2009*). Today more advanced and complex forms of motivation have become an inevitable and integral part of various areas of a modern society and not the less of businesses environments. Persistent interest in and importance of work motivation is related to numerous positive organizational outcomes, such as: increased productivity, decreased absenteeism and reduced employee turnover. Thereby, the subject of work motivation maintains an exciting and relevant subject among organizational researchers and practitioners. The reason that makes the topic work motivation especially important and relevant in today's business environment is the development and current position of the service sector. Since the drastic movement from a traditional manufacturing economy towards a service economy, the service sector has been constantly growing and today it is the dominating sector in the world's economy. "Service industries generate over two-thirds of GNP and employment in developed countries, and their importance is growing in developing countries"[1]. Some of the distinctive characteristics that define the service sector are; intangible and perishable product nature, as well as a high focus on customer and service provider interaction (*Inman 1985*). The high level of interaction between customer and service provider also marks the service sector as being human resource intensive, as well as it indicates the significance of the employees' role in the sector. According to the report "Growth in Services Fostering Employment, Productivity and Innovation" produced by OECD in 2005: "The services sector now accounts for over 70% of total employment and value added in OECD economies. It also accounts for almost all employment growth in the OECD area". The significance of human resources and the scope of the employment in service sector, calls for a revised attention to the topic of work motivation in an organizational settings.

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[1]The Service Industries Journal, 2011. Aims & Scope, available at http://www.tandf.co.uk/journals/journal.asp?issn=0264-2069&linktype=1

## Problem area

As briefly discussed above, employees are the key elements for the majority of the companies operating in the service sector. Another noteworthy observation when discussing employment scope and structure of the service sector is the involvement and participation level of young employees. In the EU for example, 64% of 15- to 29 year-olds were working in the service occupations in 1995.[2] According to the report produced by the Institute for Occupational Safety and Health, for the European Agency for Safety and Health at Work in 2006, then within the EU-25 in 2005, the sector with the highest proportion of young workers is hotels and restaurants (22.7%), followed by trade (16.3%), other community, social, personal service activities (13.7%) and construction (12.5%).

The young employees are a distinctive group of employees who are different from older, more established employees on a number of characteristics. They have different values, norms, beliefs, perceptions of the world and priorities as they are at a different stage in their lives, e.g. low likelihood of having kids, house/mortgage etc. (*Freund, 2006*). Therefore, it is plausible to assume that work behaviours and attitudes as well as preferences in motivational factors are distinctive in comparison to more mature groups. As the adult intellectual and personal development unfolds across the life span, an employee's needs, wants, work and reward preferences and capabilities change (*Kanfer, Chen and Prichard, 2008*). The research conducted by Freund (*2006*) confirms that age and motivation are interrelated. More specifically, the research shows that age has an impact on persons work motivation and their priorities of various motivational factors change with employee's age.

Due to this, the effectiveness of traditional motivational methods, targeted at more mature employees used by the organizations today, can be questioned. Reviewing current literature on work motivation and personal observations of the practices used in organizations indicate that there is a clear tendency present in the field. Very strong focus is on the individual: its personality, characteristic differences and what influences this has on work behaviour (*Porter et. al, 2009, Kanfer et. al 2008*). Apart from a few authors, it seems that little attention is given to age demographical factor in relation to motivation. Furthermore, due to an aging workforce most of the research conducted in this area is focused on older employees' motivation (*Kanfer &Ackerman, 2004; Kooij, de Lange, Jansen, Dikkers, 2008*). The negligence of young employees as a distinctive group could lead to an assumption that young employees are not motivated correctly or at least not optimally at their workplace. As they represent

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[2]World youth report 2003, Chapter 2: Youth employment, available at http://www.un.org/esa/socdev/unyin/documents/ch02.pdf

a new generation, but are met with old motivational instruments and understandings. It could also mean that motivational theories are misaligned with the motivational factors of young employees. Thereby this thesis aims to look at young employees' motivation and factor related to it, in a workplace environment within the service sector.

## Problem formulation

The problem formulation that best reflects the issues presented and discussed in the section above and additionally sets the direction and the focus of thesis is:

***What motivational factors are important for young employees in the service sector?***

## Purpose and relevance of the thesis

The purpose of the thesis is two-fold. The main objective is to identify, analyse and discuss important motivational factors among young employees working in the service industry. The secondary objective of the thesis is to produce new knowledge by proving insight into the motivation of young employees.

On those grounds that an existing is gap identified within research and practice regarding young employees' motivation, the topic is relevant to investigate. Additionally, the thesis is relevant as the findings of the thesis could have some practical implications to the case study company as well as to similar companies in the service sector.

## Problem owners

The primary owners is the case study company of this thesis, HMSHost. Furthermore, other companies within the service sector could perceive the findings of the thesis interesting, relevant and applicable in their particular business settings. Finally, the thesis could also be interesting for representatives of academic society. As it focuses on an area of work motivation where a limited amount of research is carried out, which means that knowledge is also limited.

## Structure of the thesis

This section presents an overall composition of the thesis. Firstly, by presenting a visual illustration of the thesis and further on by a more detailed content description of each chapter (*see next page*).

| | | |
|---|---|---|
| Chapter I Introduction | Chapter II Theoretical foundation | Chapter III Methodological foundation |
| Chapter IV Presentation of emperical data | Chapter V Empirical data analysis | Chapter VI General discussion and sommarizing conclusion |
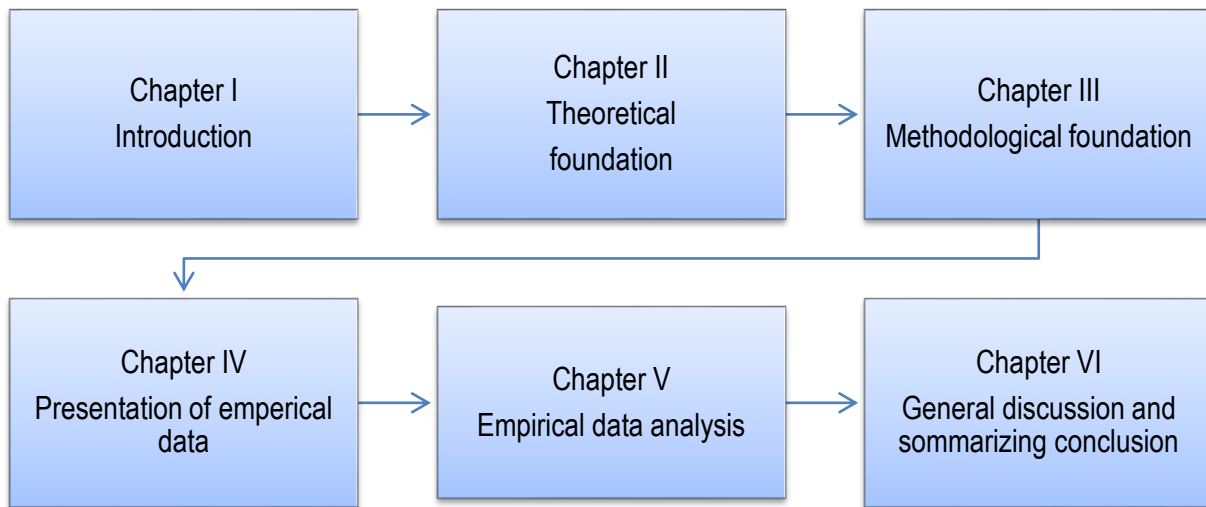
The opening chapter (I) of the thesis is of an introductory nature. It sets the direction and focus of the thesis by introducing the reader to the main topic, problem area, problem formulation, purpose and relevance of the thesis, problem owners and research delimitations.

Chapter II provides the theoretical foundations of the thesis. This part of the thesis focuses on providing the thesis's definition of work motivation and the developments and trends in the field of motivational theory. Lastly, it introduces the theoretical frameworks employed in the thesis and presents supporting argumentation for the choices made, as well as critically assessing the two selected theories.

Chapter III presents the methodological research approach employed in the thesis and sets the thesis' approach from a scientific point of view. This includes discussions and argumentations about research- philosophy, -approach, -strategy and -design. Furthermore, it discusses the data collection and analytical methods employed. The chapter ends with a critical assessment of the methodological methods used in the thesis.

The primary focus of the chapter IV is to provide a general overview of the empirical data. The chapter includes; presentation of the case study company, interviews with employees findings and profile of the research population.

Chapter V is allocated to carry out a more detailed analysis of the empirical data and to present the main findings of the research.

The final chapter (VI) of the thesis includes a discussion of the findings in relation to the theory and practice. Furthermore, the final conclusion and further research recommendations is also a part of this chapter.

## Limitations of the thesis

The thesis' research includes several limitations, which the sections below addresses.

Firstly, the scope of the service industry is very wide and includes a number of different sub- sectors. According to revision 3 of the International Standard Industrial Classification (ISIC), the total service employment is divided into four main sub-sectors: (1) wholesale, retail trade, restaurants and hotels; (2) transport, storage and communication; (3) finance, insurance, real estate and business services and (4) community, social and personal services.[3] Due to formal constrains, this thesis is limiting its scope and focusing on a single selected sub-sector of the service industry. This enables an in depth analysis, which results in a more thorough research and a higher quality of the findings. The sub-sector selected for this thesis is hotel- restaurant. The decision to focus on this particular sub-sector is based on fact, that it is the sub sector with the highest employment percentage of young employees. However, a possible implication of only selecting and focusing on a single service sub-sector is limited generalizability of the findings.

Secondly, the research is limited to a single case study company, HMSHost. It is a conscious decision to rely on a single case study in order to carry out a focused and in-depth research. This might have possible implications for the generalizability of the findings beyond the research population. However, since a representative case study is selected, the findings of the research should at least be applicable to the same type of the businesses as HMSHost.

Thirdly, the research does not include all employees of the case study company HMSHost. Since the focus of the thesis is on young employees' motivation and factors related to it the research population is limited to the HMSHost employees within age range 18-29.

Fourthly, one of the theoretical frameworks of the thesis is Job Characteristics Model (*Hackman and Oldham, 1976*). However, only a selected part (*core job attributes*) of the model is employed in the thesis since the remaining parts of the model are not perceived as less relevant for this thesis purpose.

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[3]Sectoral explanations of employment in Europe: the role of services (2006). Working paper series no. 625, European central bank. Available at http://www.ecb.europa.eu/pub/pdf/scpwps/ecbwp625.pdf.

Finally, the thesis employs a predetermined set of 24 motivational factors when assessing importance of the motivational factors among young employees. Twenty of the motivational factors are established from the two theoretical frameworks employed in the thesis and the remaining four are established from the empirical data findings. As the initial intention of the research was to focus only on the operational level employees, motivational factor '*relationship with subordinates*' is not in included the research. This means that importance of this particular motivational is not assessed in this research. However, there is no any significant evidence present of this factor being very important to young employees. Since open-end question in the questionnaire, regarding additional motivational factors does not include any answers that would resemble the motivational factor '*relationship with subordinates*'.

# Chapter II: Theoretical foundation of the thesis

## Overview of the chapter

This chapter presents and discusses the theoretical considerations and decisions employed in the thesis and is subdivided in to three main sections. The first section focuses on defining and clarifying work motivation as a concept. In the second section, relevant developments in the field of work motivation are discussed with emphasis on the applicable aspects for the thesis's field of research. Therefore, the theories of work motivation that are not directly relevant for the thesis purpose are only lightly touched upon. The final section, introduces, discusses and critically assesses the theoretical frameworks employed in the thesis.

## Defining work motivation

The term motivation has its origins in the Latin word *movere*, which means movement *(Steers, Mowday & Shapiro, 2004)*. In general, motivation can be described as something intangible, a trigger/drive inside a person that stimulates that person to specific actions or to certain behaviours. This indicates a constant movement, thus motivation is always directed towards something or away from something. So employees continually seek or/and are encouraged to become better, faster etc. This implies that there is no final goal in motivation, making it a moving target that is never reached. This might be good for the productivity at a workplace, but in a long-term perspective, it can be difficult to motivate employees as their demands for 'reward/motivation' continuously grow.

Despite a long history and strong research traditions in the field of work motivation, a more generally agreed and coherent definition of motivation is lacking to this day (*Pinder, 1984*). As the literature review reveals, there are almost as many definitions of motivation present as the number of researchers that conducted research within the field. Pinder (*1984*) points out possible reasons for the variance in definitions of motivation. Since motivation is a complex and multifaceted subject there are many definitions present that reflect different aspects of motivation. Furthermore, there is are a number of different philosophical orientations regarding the nature of human beings and this contributes to further variance in perception and definition of motivation.

Despite, the discrepancy in the definition of motivation there are some common elements, which are generally shared by all definitions of motivation. The common traits of motivation across theory are concerned with: *(1) reasons/situations that energize human behaviour, (2) channels of such behaviour and maintenance and (3) sustainability of this behaviour over time (Steers, et al., 2004).*

The thesis favours and relates to the definition of work motivation introduced by Pinder (*1984*).

*"Work motivation is a set of energetic forces that originate both within as well as beyond an individual's being, to initiate work related behaviour, and to determine its form, direction, intensity and duration"* (*Pinder, 1984p. 8*).

The definition of work motivation presented above not only helps to clarify the concept, but also enables one to detect a number of characteristics that work motivation entails. Firstly, the definition indicate that work motivation is of an intangible nature and cannot be observed and measured directly, since the process of motivation is internal to an individual. So in order to measure motivation, the behaviour of an individual and outcomes related to that behaviour needs to be analysed. Secondly, the definition show that work motivation can be perceived as multifaceted, since it constitutes of a number of different factors that can be classified either as internal or external. Internal factors are those that originate within an individual and external factors are those brought on to an individual by the outside environment. Lastly, the definitions demonstrate that motivation involves a number of different psychological processes such as arousal, direction, intensity and persistence that an individual experiences in relation to motivation.

However, when viewing motivation in the context of the work environment, it becomes clear that motivation is usually explained as a desire, need or impulse that makes someone perform a certain/desired action. Meaning that motivation in a work environment is about stimulating employees to perform in a desired way. Normally, this approach towards motivation is about motivating employees to perform in a certain way, retain employees at the workplace and commit to a function i.e. help/service a customer (*Pinder, 1984*). However, influencing/motivating employees to behave/act in a certain way, is far from an easy task. As HR manager (Karin Westrup) states, motivation is like baking a cake where you not only need the right ingredients, but you also the right ratio between the ingredients (*Appendix 1, p. 17*). Meaning that managing and affecting employees' motivation in workplace settings is a complex process.

## Developments in the work motivation field

The following section is included to demonstrate the author's process of comprehending the theoretical developments in the field. In doing so, it creates a common understanding of what is relevant for this thesis' research area and context, by understanding how the theoretical developments have affected motivation today. However, the chapter also seeks to delimit the thesis theoretical foundations to only those theories that are relevant for the thesis research objectives.

As a concept, motivation is traceable all the way back to the time of the ancient Greek philosophers and the concept of hedonism (*Porter et al., 2009)* however the nature of this thesis suggests that it would be more relevant to look at motivation in relation to work and organizations. As the research topic emphasizes on how young employees are motivated at work, as a part of a service organization in the Copenhagen Airport, HMSHost. This approach makes human motivation in general less relevant for the research subject. Thereby, it is natural to start with the scientific management movement, as this was one of the earliest attempts to apply science of the engineering to work processes and management. According to Taylor (*1911*) in the scientific management principles, the most critical factors for employee motivation are task and bonus. So in order to reach high performance level, an employee constantly need to be assigned to a work task and rewarded with a bonus. The main contribution of scientific management theory is that it demonstrates the role of material rewards in the form of salary, bonus etc. as a driver for motivation. This is rooted in scientific management theory's "machine" view on employees, which compares human work tasks to actions performed by a machine. It simply perceives and treats employees as an integral parts of the overall production process (*Jaffe, 2008*). However, the drawback of the theory is its disregard for intrinsic rewards, social aspects and human factors in motivating employees (*Taylor, 1911*). This obvious absence of the human factor makes the approach incompatible with the thesis research design, as it focuses on the service industry, which is defined by high level of interaction between humans to enable high performance outcomes.

The failure of scientific management to comprehend the underlying drivers for motivation and to treat employees as human beings, served as a catalyst to the human relation movement. This approach laid a new direction for the motivational theory, not only considering monetary rewards a motivational factor. Instead, the importance of human relations became the new focus of motivational theories (*Mayo, 1933*). The origin of this development is what is known as the "Hawthorne effect", a study that shown that human contact, shown interest in employees' work and well-being impacted positively on their productivity. Still the theoretical movement of this time does not serve as an explanatory approach to identify what factors that drive young employees' motivation. However, it is an interesting finding for the thesis' research area, as it characterises the nature of the work environment, service industry, as a high human contact industry, where the main asset is the employee and hence relying on their well-being at the workplace to succeed.

Later on the research began to emphasize on discovering what motivates people and identifying factors that can be associated with motivation (*Steers, et al., 2004*). A number of theories referred to

as 'content theories' or 'need theories' were introduced in and around that time. These theories focus on identifying and explaining the underlying factors/needs that have to be satisfied to motivate employees. As such it works with the question "what drives behaviour?" focusing on understanding what, initiate or/and stimulates employee behaviour. This type of theories recognises that motivation begins with individual needs and the satisfaction of those needs (*Porter et al., 2009).*

The fact that content theories are concerned with what drives motivation for employees on a factor basis is interesting for the thesis' perspective. As the major focus is to identify those motivational factors that motivates young employee in the service industry. This alignment between the objective of the thesis and the purpose of content theories makes these theories relevant for the thesis research area.

The two most known and influential theories in this category are: Maslow's Hierarchy of needs and Herzberg's Two Factor theory. According to Maslow's need hierarchy theory; there are five levels of human needs that can be arranged in hierarchical order: physiological, safety, belongingness, esteem and self-actualization (*Maslow, 1943*). An individual starts at the bottom of the hierarchy with some basic needs and as soon as the need(s) on that level are satisfied, they stop serving as a motivator. Instead, the individual directs motivation towards the satisfaction of the next level's need(s). This theory is interesting in relation to the research since it would allow determining what type of needs drive young employee motivation in the service sector. However since the theory does not include any specific motivational factors its applicability to the thesis research is limited.

A second theory in this category is the Two Factor theory. According, to Herzberg, Mausner and Snyderman's (*1993*) two distinctive set of factors influences employees job attitude and motivation: intrinsic (motivators) and extrinsic (hygiene) factors. Motivators are responsible for employee satisfaction, where hygiene factors are associated with job dissatisfaction. The theory also points out a dual relationship between the motivators and hygiene factors. the Two Factor theory is consider to be very relevant for the research, since it provides a set of predetermined motivational factors that can be employed in order to identify and asses importance of motivational factors among young employees in the service sector.

Nevertheless, it is important to remark that content theories are not a single method to approach work motivation. As another approach towards work motivation are the process theories. Here focus is on the process in how to activate, regulate and maintain motivation (*Steers et al., 2004*). However, since the thesis focuses on identifying the motivational factor and not the process of how motivation is

stimulated among young employees, the theories below are presented without further assessment in relation to the thesis.

The Expectancy theory is one of the best known cognitive motivation theories (*Steers et al., 2004*). Ti bases its core theoretical idea on the assumption that individuals make conscious and rational decisions about their work behaviour. Expectancy theory (*Vroom, 1964*) suggests that individuals rationally evaluate and direct their effort (motivation) towards the tasks that they believe, they are able to perform and that performance will lead to the desired/attractive outcomes. The contributions of the theory are that it revealed that individuals are cognitive creatures, where work effort and motivation to perform is based on conscious and rational decisions. It also illustrated motivation as a complex process consisting of a number of interrelated cognitive steps: evaluation of reward attractiveness, evaluation of effort required, evaluation of performance level and evaluation of abilities to perform.

Motivational literature that is more recent focuses on directing and targeting motivation, by utilising goals in a workplace setting. This type of motivational theory is best known for the contributions of Locke (*1996*) and the Goal setting theory. The theory argues that goals serve as an enhancement of work motivation, which is essentially linked to performance effort. It states that by utilising specific and challenging goals with sufficient and appropriate feedback will lead to higher and better employee performance.

## Theoretical foundations of the thesis

As theoretical support, the thesis employs two motivational theories: Two Factor theory (*Herzberg, Mausner and Snyderman, 1959, 1993*) and the Job Characteristics Model (*Hackman and Oldham, 1976*). These two theories are suitable for the thesis, as they provide a 'framework' for identifying the important factors for motivation at a workplace, which is the aim of the thesis.

The first theory employed by the thesis is the Two Factor theory by Herzberg et al. (*1959*). It is used in order to determine motivational factors and the importance of various factors among young employees in service sector. The choice to use this theory is due to its relevancy to the nature and objectives of the thesis. The theory presents a set of 16 specific factors related to job satisfaction and motivation and thereby enables the research to gain a lot of useful information regarding young employees' motivation and factors affecting it.

The second framework used in the thesis is the JCM, which is included for a number of reasons. Firstly, the theory is appropriate for this study since it deals with work motivation and provides insight

into various work related attributes/factors that influence work motivation. Secondly, the JCM is a good supplement for the Two Factor theory. As two theories are compatible since both of them are comprised of various work attributes/factors that affect employee motivation. The JCM contributes with a set of additional motivational factors that that are not present in the Two Factor theory, allowing for a more through and detailed research, which increases the quality of the findings.

As every other scientific theory the selected theories contains their own flaws and limitations. It is therefore important to identify and assess those limitations beforehand in order to foresee the possible implications for the thesis' research. Thereby assessing each of the theories using the same analytical framework for the review. This is done in order to verify their applicability for the thesis research. The analytical framework is comprised of three steps that are common for both reviewing of The Factor Theory and JCM. The structure is as follows: (1) *presentation* (2) *general critique and (3) research related critical assessment.*

The *presentation* section assesses the theory's origin, methodology, approach to motivation and a review of the theoretical framework. This is done in order to make the theory relevant, define a common understanding between narrator and reader, but most importantly to create the theoretical foundations for the thesis research.

The *general critique* assesses the more common criticisms of the theory, focusing on challenging the theoretical foundation of the theory, focusing on presenting some of the most significant points of critique that the chosen theoretical frameworks have received from other researchers.

The *research related critical assessment* assesses the theory in a critical discussion and evaluation in relation to the thesis research and the possible implications.

## Presentation of the Two Factor theory

The Two Factor theory specifically focuses at the individual and its needs for satisfaction in the work environment. Its objective is simply to find out what workers want from their jobs, as remedy to improve productivity, decrease employee turnover and absenteeism (*Latham 2012*). The aim of the research was not only to identify factors directly related to employee job satisfaction and motivation, but also to see what attitudes different factors provoke, and finally what effects those factors had job satisfaction and motivation. The overall objective that guided Herzberg's academic research was to keep sane people sane. As the participation in- and experiences from the World War II, led Herzberg to conclude that the most terrible things happen when sane people lose their sanity or when sane people act in an unethical manner (*Herzberg et al., 1993*).

The theory argues that there are two distinctive sets of factors affecting employee attitudes towards job and motivation. Factors in the first group are motivators (intrinsic) and consists of the following elements: achievement, recognition, work itself, responsibility, advancement and growth. The second group of factors are classified as hygiene factors (extrinsic) and include supervision, company policy, relationship with (peers, subordinates, supervisor) working conditions, salary, personal life, status, security (*Herzberg et al., 1993*). Please see the tables below for an overview[4].

**Table 1: Two Factor Theory - Motivator factors**

| Motivators | Definition |
|---|---|
| Achievement | To succeed in performing a task and /or to see results of own job |
| Recognition | To receive an acknowledgment for the job/task performed |
| Work Itself | Attitude towards tasks involved in the job |
| Responsibility | To be trusted in ones abilities and skills |
| Advancement | To get promoted in the organization |
| Growth | To be able to grow personally and/or learn new skills |

**Table 2: Two Factor Theory - Hygiene factors**

| Hygiene factors | Definition |
|---|---|
| Supervision | Confidence and fairness of management |
| Company policy | Clarity and fairness of the rules at work |
| Relationship with supervisor | Interactions and state of work relations with boss |
| Working conditions | State of working environment, surroundings and equipment |
| Salary | Monetary compensation for job performance |
| Relationship with peers | Interactions and state of work relations with colleagues |
| Personal life | Job and personal life balance |
| Relationship with subordinates | Interactions and state of work relation with employees |
| Status | Reputation associated with job |
| Security | Stability related to job |

However, the novelty of the theory is not based on the ability to classify different motivational factors, but rather the interrelationship between the two different sets of factors. For instance, job satisfaction and dissatisfaction are not two opposites on the same spectrum. Opposite of job satisfaction is not dissatisfaction, but rather absence of job satisfaction. As well as job dissatisfaction, is not the opposite of job satisfaction, but no job dissatisfaction. This means that the satisfaction of hygiene needs can prevent job dissatisfaction and poor performance in the workplace, but it is the satisfaction of the motivating factors that will affect the type of performance a company seeks. By this is meant, that for companies to increase employee productivity, it is the motivators that need stimuli.

Another remarkable proposition of the Two Factor theory is that factors affecting job satisfaction are different from those that affect job dissatisfaction. Motivator factors are associated with job satisfaction and are, where hygiene factors are related to job dissatisfaction. The factors that cause

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[4] The content of the tables are adopted from Herzberg et al. (*1993*), but are the author's own interpretation and structure.

satisfaction are intrinsic and related to the individual and the tasks performed. On the contrary, factors that cause dissatisfaction are extrinsic and related to conditions that surround the job (*Herzberg et al., 1993*). Herzberg suggests that primary attention and energy at the workplace should be directed towards motivator factors as a tool for employee motivation and performance enhancement. However, it is also important to point out that hygiene factors are also important, especially in organizations where possibilities to rely motivator factors are limited. In those cases, it is vital to ensure a high level of hygiene factors (*Herzberg et al., 1993*).

### Critical assessment of the Two Factor theory

The Two Factor theory is a very interesting theory since it is perceived and 'tagged' as the most controversial theory in the field of work motivation. The controversy is mainly caused by highly inconsistent results that were gained by testing the theory on a number of different occasions and thereby creating a dispute wherever theory is valid or not (*Pinder, 1984*). Another point that adds to the controversy of the theory is the high support that the theory received from practitioners' side. Despite that, the academic society had a hard time fully accepting the theory; practitioners were holding a more positive attitude towards the theory. Even to this day, the theory due to simplicity, precision and clarity is well accepted and valued by practitioners' (*Porter et al., 2009*).

### General critique of the Two Factor theory

The most substantial critique of the Two Factor theory concerns the methodological procedures used in the study and thereby questioning the validity of the theory itself. The main points of the critique that the theory receives Dunnete, Campell & Hakel (*1967*) summarises and presents well in their article. The main criticism of Herzberg's Two Factor theory claims that the theory is too simplistic and does not address complexity of human motivation fully. The theory is also criticized for being too general and for neglecting to include individual differences and situational variables in order to develop universal rules for employee motivation.

Further on the critiques questions the methodology used by Herzberg, which naturally raises some doubts concerning the validity of the findings. The most substantial critique is towards the flaws associated with storytelling as a method and over-simplified methods of data analysis and interpretation. Additionally, critique expresses concerns towards the human factor and the possibility of defensive answers from the respondents' side. Dunnete et al. (*1967*) propose an assumption that it would be quite natural for an individual to associate positive job events with themselves and own

efforts, whereas negative job events would be associated to factors external to them, in order to present themselves in a better light.

The theory is also criticized on its methodological grounds. For instance, King (*1970*) criticises the theory for not being very precisely defined and leaving too much room for personal interpretations of the theory. In the article, King states that there are at least five different theoretical interpretations of the theory and claims that in the study conducted none of the five versions receives a strong empirical support. Thereby King, criticizes the Two Factor theory for gaining support only form the studies that utilise methods that are similar to the ones used in the original study.

Despite a severe critique of the Two Factor theory, points of acknowledgment towards the theory can be found as well. These honours the theory for its novelty at the time and for bringing a truly insightful shift in the field of work motivation. The credits are given for the results of the study that allow looking at job satisfaction from a new perspective (*Dunnete et al., 1967*).

### Research related critical assessment of the Two Factor theory

Despite the fact that the Two Factor theory is a satisfactory and beneficial theoretical framework for this study, it is also important to look at it through critical lenses in order to identify possible implications for the research.

The first point of the critical assessment relates to the period in time that the theory was introduced. As the Two Factor theory dates back to 1959, it naturally raises a legitimate question if the theory is outdated. Is it still relevant and in today's society and business settings?

The world have undergone some major and rapid developments in the past five decades since the introduction of the theory. Economical and educational development, technological advancement and globalization are only a few of the factors that have contributed to development and the formation of the modern society. Hence, a number of characteristics of today's society are not the same as it was fifty years ago. The current work force is different from the one in previous generations: increased diversity and mobility are just some of the examples. Even if to look at some of the work characteristics back then and now, a significant change is evident. At that time, it was normal practice to find a job in the same city as you live, to stay at the same workplace for the entire life and then retire. On the contrary, today it is a very normal practice to change job several times during lifetime and relocate for better job opportunities. Another thing that is distinctive from the society around the 1960s is that it was a manufacturing society, where the majority of the jobs available were related to the production of goods. On the contrary, nowadays society is characterized as a service society,

where according to OECD (2005) more than 70% of the employment is in the service sector.[5] The structural changes over time in the society and work environment place some limitations upon the Two Factor theory. It means that the theory does not fully reflect current conditions. It could be that the priorities of the motivational factors have changed over time and/or some additional motivational factors emerged due to changes society and work environment. So, in order to address this limitation, motivational factors suggested by the Two Factor theory are supplemented by additional motivational factors that better reflect the characteristics of the current society and work conditions. Despite that, Herzberg's the Two Factor theory contain some limitations, since it is built upon some universal human needs and values, the core idea of the Two Factor theory should maintain relevant in the modern society and current business settings. However, with the criticism above in mind, it is important to be aware of possible implications when it comes to the universality of the theory. Hence, the focus of the thesis is to use the theory to provide a framework for identifying factors that motivate young employees.

The second point of the critical evaluation of the Two Factor theory relates to the selection of the sector for conduction of the study. Herzberg's study focuses on the manufacturing industry (production and fabrication for metals) and the study conducted in the thesis focuses on the service sector (restaurants). The two sectors are known to be very distinctive from each on a number of characteristics. Furthermore, different sectors imply some differences in the terms of work nature, working environment and conditions. This means that work motivation factors presented in the Two Factor theory do not consider and include motivational factors that are typical for the service sector. To mitigate these disadvantages, additional factors that are relevant and reflect characteristics of the service industry are used to expand the Two Factor theory. The additional factors are obtained from the empirical research conducted for the thesis (please see the methodology chapter for a more detailed explanation on establishment of the empirical motivational factors).

The final point of the critical assessment towards the Two Factor theory relates to the population of the thesis. The population in the Herzberg study is quite deviant from the research population used in this thesis in the number of characteristics.

Namely, the gender distribution of the research population between the two studies is different. Even though Herzberg does not touch a lot upon the gender of the research population, it is a valid

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[5] "Growth in Services Fostering Employment, Productivity and Innovation" report produced by OECD 2005. Retrieved from http://www.wto.org/english/tratop_e/serv_e/sym_april05_e/oecd_counc_min_level05_e.pdf

conclusion that is the population is male dominated. This is natural, as around the time when the study was conducted the female labour participation rate was around 30% (*Smith and Ward, 1989*). Male dominance in the research population could mean that motivational factors suggested in the Two Factor theory are based on the male values. The gender distribution among this research population is almost equal between male and female, which mean that different type of factors could be pointed as being motivational, than in Herzberg's study. However, since the primary aim of the study is not to replicate results of the Two Factor theory study, but rather to use the Two Factor theory as a theoretical framework order to identify motivational factors and prevalence of those factors among young employees in the service sector. Thereby the limitations, associated with the differences in the research populations should not have any significant implications for this research.

## Presentation of the Job Characteristics Model

The second theoretical framework employed is the Job Characteristics Model (JCM) introduced by Hackman and Oldham (*1976*). The theory is included in the thesis for numerous reasons described above.

The Job Characteristics Model has its roots in the work of Hackman and Lawer (*1971*). The contributions of those researchers inspired Hackman and Oldham to further challenge conventional motivational approaches of the time. This work breaks with the common practice, where an individual is fitted to a job by using specific employee selection and training techniques. The approach Hackman and Oldham followed was where a job is designed to fit the employee and where different work attributes are incorporated into the work, in order to promote employee motivation, satisfaction and performance.

With the objective to find out how jobs should be designed to not only enable effective employee performance, but also provide satisfaction and personal gains for employees, Hackman and Oldham initiated their study. By using the Job Diagnostic Survey (JDS) as their primary instrument to data collection, which is specifically designed to measure every variable presented in the Job Characteristics Model Hackman and Oldham conduced their study. The data for the model was obtained from a total of 658 employees, holding 62 various work positions in 7 different organizations (*Hackman and Oldham, 1980*). The study was a very broad in scope, since it included blue collar, white collar and professional employees. Furthermore, both production and service organizations were included in the study. Based on the findings of the study Hackman and Oldham purposed a revised

version of the JCM, which emerged as the major theory in the job design area (*Porter et al., 2009*). For the visual illustration of the Job Characteristics Model, see the figure below.
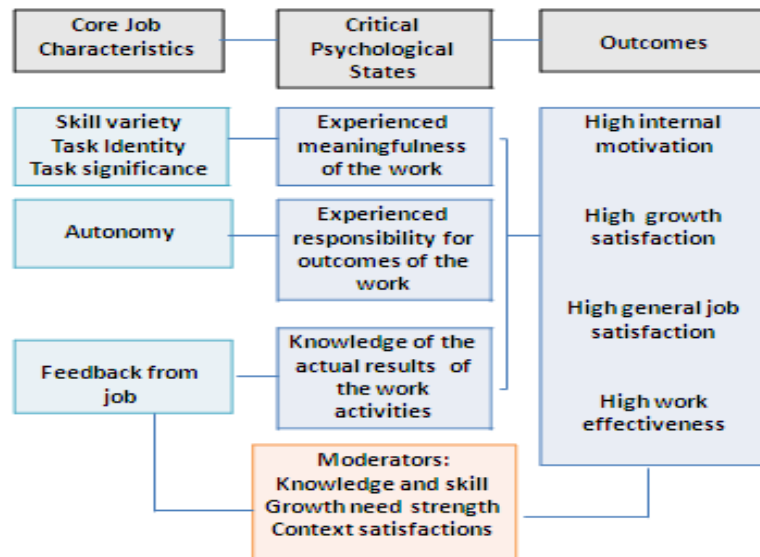
The core idea of the JCM framework is that enriched and complex jobs positively influences employee motivation, satisfaction and performance (*Fried and Ferris, 1987*). The model looks at the relationship between a number of work characteristics, what affects those characteristics and how they affect employee work attitude and behaviour. It is a three stage casual model, which in general argues that the presence of certain job characteristics allow employees to experience psychological states, which results in a number of positive personal and work outcomes (*Hackman and Oldham, 1980*). More precisely the model states that the presence of the following five "core job characteristics": *skill variety, task identity, task significance, autonomy* and *feedback* at work, leads employees to the three following "critical psychological states": experienced meaningfulness of the work, experienced responsibility for outcomes of the work and knowledge of the actual results of the work activities. These results in the following personal and work outcomes: high internal motivation, high quality work performance, high satisfaction with work and low absence/employee turnover.

Hackman and Oldham (*1980*) names the three critical psychological states as the causal core of the model. Moreover, the presence of all three critical psychological states is necessary in order to activate and maintain strong internal motivation of the employee. Absence or removal of any of the three critical psychological states will decrease the level of internal motivation. Furthermore, the JCM

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⁶ Adopted from Hackman and Oldham (*1976, p. 256*)

not only introduces a number of concrete job characteristics that affect employee motivation, but also takes in to account existing differences among individuals. The theory predicts that some individuals might respond very positively to jobs with high motivating potential, where some individuals might have a less positive response towards those kinds of jobs (*Hackman and Oldham, 1980*). Three factors or moderators cause variation in the individual's response towards high motivating potential jobs as referred to in the JCM. The three moderators are as following: (1) Knowledge, (2) Skill, and (3) Growths need strength and satisfaction with work context.

### Critical assessment of the Job Characteristics Model

Just as the Two Factor theory is critically assed in order to anticipate the possible implications for the research, the JCM is discussed similarly. The critical assessment section is divided into two parts. The first part focuses on presenting general critique of the JCM and the second part builds around the research related critical assessment of the model.

### General critique of the Job Characteristics Model

A number of different researchers has examined the Job Characteristics Model over the years *(Fried & Ferris, 1987; Roberts & Glick, 1981*). However, it is beyond the scope of this thesis to include criticism expressed by individual researchers. Therefore, in order to present the criticism that the JCM has been subject to, the thesis relies on the work of Roberts and Glick (*1981*) that provides an extensive and Summarised review of the research conducted in relation to the JCM.

In the article "The Job Characteristics Approach to Task Design: A Critical Review" Roberts and Glick (*1981*) expresses their doubts towards the validity the JCM and criticize it on the number of grounds. "There are number of problems with the Job Characteristics theoretical model and the analytical and operational strategies employed in the initial research related to it" (*Roberts & Glick 1981, p. 196*).

The first point of critique expressed towards the JCM is regarding the inconsistencies in the types of relations. A clear distinction between within person, person situation and situational relations is missing in the model. As Roberts and Glick (*1981, p. 196*) pronounce in their article "person- situation relations between task characteristics and job responses were discussed as if they were interchangeable with within -person relations". There is lack of a clear distinction between the three types of the relations causing considerable confusion (*Roberts & Glick, 1981*).

Another point of criticism towards the JCM is towards the limited scope of the model. Roberts and Glick (*1981*) claim, the model is beneficial only for individuals with high Growth Need Strengths

(GNS). This criticises the theory for neglecting individuals with low GNS. By not including the job characteristics that reflect needs of individuals with low GNS, it puts some limitations on generalizability and practicality of the JCM (*Roberts & Glick, 1981*).

Finally, the critique is concerned with some of the methodological strategies employed in the Hackman and Oldham study. The strongest critique is towards the heavy reliance on a single method instead of a multi- method approach. Based on the review of the research conducted in the relation to the JCM, Roberts and Glick (*1981*) conclude their article that the Job Characteristics theory is ambiguous in a number of areas and thereby is still in the exploratory stage.

*Research related critical assessment of the Job Characteristics Model*

The first point in the critical assessment of the JCM is shared with the Two Factor theory, namely the time aspect. Even though the JCM is a more recent theory than the Two Factor theory, it is still more than thirty years old. The time factor could have some implications for the research. Due to changing society and work conditions since 1976 it is possible that Job attributes/factors included in the JCM does not fully relate and reflect current conditions. To address the time problem associated with the model some precautions are taken. Motivational factors suggested by the Job Characteristics Model, are therefore updated with motivational factors obtained from empirical research of this thesis. This ensures that motivational factors not presented in the JCM, but relevant for this research are included and assessed in the thesis. For a more in-depth argument for including more variables than originally included in the model, please see the methodology chapter. Explaining the reason and the method for incorporating additional factors in the research design.

The second point in the critical assessment relates to the theory's purpose and application. The intended purpose of the JCM is to guide the process of workplace redesign, by incorporating a number of work attributes in order to affect employee motivation. However, in this study the purpose of the theory is to assist in identifying work motivation factors among young employees in the service sector and to measure the prevalence of these factors. Divergence in the purpose of the JCM in the two studies prevents the possibility of direct comparison of the results and thereby introduces some limitations in the data validation. However, the predicted limitations are not perceived to be very significant. As the JCM and the thesis both seeks to identify what motivates people, there is a similarity between the thesis' and the JCM goal. Hence, to employ the model as a framework and basis for including relevant factors in the thesis' research design when assessing motivation among young employees in the services sector does not interfere significantly with the thesis' methodology.

The final point in the critical assessment is regarding the type of motivation found in the JCM. The model deals exceptionally with internal type of motivation and factors related to it. However, this thesis is using a more holistic approach towards work motivation, where both internal and external motivation are treated as equal components of the overall work motivation. Therefore, the fact that the JCM provides only motivational factors related to internal motivation could have implications on the research. Providing an incomplete picture of young employees' motivation in the service sector, if only factors associated with internal motivation would be included and assessed in the thesis. By using a combination of two theoretical frameworks, to ensure a balance between internal and external motivation factors, this issue is mitigated.

# Chapter III: Methodological foundation of the thesis

## Overview of the chapter

This chapter presents the overall research design employed in the study, covering both methodological as well as practical considerations on obtaining, analysing and critically assessing the empirical data. The purpose of the chapter is to provide a detailed overview of the methodological choices taken in order to answer the research question, and to justify these choices. The chapter constitutes of the following sections: research philosophy, research approach, research strategy, time-horizons and data collection methods. Critical evaluation of the research methods in terms of reliability, validity and generalizability is also a part of the chapter.

## Structural framework

"A research design is the logic that links the data to be collected and the conclusions to be drawn to the initial questions of the study" *(Yin 2003, p.19).*

A number of interrelated methodological decisions need to be addressed before one can conduct a scientifically valid and accepted research. In order to produce a systematic and organised presentation of the methodological procedures in the thesis, the research process adopts the "onion" framework proposed by Saunders, Lewis and Thornhill *(2003).* This framework provides a Summarised and complete overview of considerations, choices and steps involved in order to conduct a research. A thesis specific version of the "onion" replaces the generic framework in order to provide a more relevant illustration of the research process employed in this study. The specific "onion" framework is presented below.[7]

Figure 3: The thesis' research process framework



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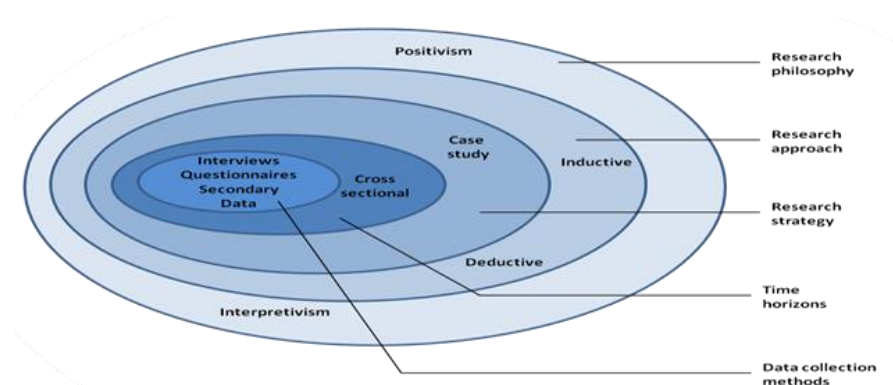
[7] Adoped from Saunders, Lewis and Thornhill (2003)p.83

## Research philosophy

The initial step in the research process is to define the thesis' *research philosophy* for the study. The significance of the choice of research philosophy is profound, as it will form, affect and guide the entire research process in a certain direction. In general, research philosophy is concerned with knowledge development and the nature of the knowledge (*Saunders et al., 2003*).

Firstly, ontology is concerned with the nature of social reality *(Grix, 2002*). It determines how researcher perceives reality, the surrounding world and what assumptions they hold about it. Secondly, epistemology concerns the theory of knowledge *(Grix, 2002*). This means selecting a type of paradigm through which the researcher will approach and handle knowledge development of the study. By selecting a certain view on reality and certain methods to obtain empirical data, the research is approaching the phenomenon of work motivation from a specific perspective. It means that if a different research philosophy would be selected the research's findings might be different. Therefore, the findings of the thesis are not treated as the "ultimate" truth about the phenomenon of young employee motivation, but more a constituting fraction of it.

The thesis bases production and interpretation of knowledge on a combination of two philosophical positions: positivism and interpretivism. The two selected philosophies of science are rather contrasting and therefore employment of both in the same study can be questionable. However, since the two paradigms are used at the different stages and one is the dominant, it is perceived feasible to build the research by using two different paradigms. Positivism is the dominant paradigm and interpretivism is the supplementary paradigm in this research. The decision to rely on the combined philosophical approach is due to nature of this thesis. Firstly, in the initial phase, the research aims to identify a set of motivational factors that are specific for young employees in the service sector. For this matter, interpretivism is used. As it emphasises the importance to understand the subjective reality of the subjects being studied, in order to gain an understanding of the motives, actions and intentions in a way that is meaningful for research participants (*Saunders et al., 2003*). Therefore, in order to gain knowledge about young employees' motivation and factors related to it is necessary to look at work motivation from the employees' perspective. At this point, reality is treated as subjective and knowledge is gained by interacting with employees and by interpreting their perceptions and meanings about work motivation. Secondly, after establishing a set of relevant motivational factors this thesis also aims to measure the importance of various motivational factors. In this part of the study, a positivistic research philosophy is guiding the research. At this point social reality is treated as observable and quantitative research methods are employed to gather empirical data. By working

with a socially observable and measurable reality, the thesis aims to produce systemised knowledge that to some extend is generalizable beyond the case study and the research population.

## Research approach

A research approach can be inductive or deductive in nature. The inductive research approach is typically used with the aim to develop a theory. In this type of research approach the process starts with data collection and further on a theory is developed as a consequence of the empirical data analysis. On the opposite side of the spectrum is the aim of deductive research approach to test an existing theory.

This thesis employs both above presented research approaches. However, it is important to notice that the deductive approach holds a dominant position in this thesis and the inductive approach is used as a supplementary approach. The decision to employ two approaches is due to the dual nature of the thesis. The inductive approach is present in the part of the thesis, when conducting interviews with employees. This is done in order to gain supplementary knowledge regarding work motivation factors and include young employees' point of view on the subject. The advantage being, that this approach is more open-ended and exploratory in its research approach. As it begins with the interviews about specific observations or measures for motivation, from where patterns and regularities are detected to form some general suggestion on what factors might motivate young employees.

The deductive approach is applied in the part of the thesis where various work motivational theories are revised. This is done in order to identify relevant work motivation factors suggested by various motivational theories that later on are assessed by the research population in the terms of importance. There are both advantages and disadvantages of using a mixed research approach. In general, both approaches contribute with a valuable, however different, type of data about young employees' motivation and its factors. The deductive approach is advantageous in establishing the main concepts and elements constituting work motivation. On the other hand, the inductive approach is beneficial in ensuring that work motivation factors characteristic for young employees are included in the research to secure the validity of the data.

The most significant advantage of combining a deductive and inductive approach is that it enables the thesis to reach a more holistic and comprehensive approach to the research phenomenon. The most noteworthy disadvantage of employing mixed type of research approach is that it makes the research more complex and advanced. Due to lack of previous experience in employing this type of research approach, the execution could be less successful and this could influence the overall quality of the research.

## Research strategy

"Research strategy is a general plan how you will go about answering the research question(s) you have set" *(Saunders et al., 2003, p.90)*.

The thesis employs case study as the primary research strategy. A case study is defined as a strategy based on empirical research of a contemporary phenomenon within its real-life context and where boundaries between context and phenomenon are not evident *(Yin, 2003)*.

The arguments behind the decision to use this particular research strategy are as follows. Firstly, the case study strategy is relevant for this research due to the importance of the context in which the phenomenon work motivation is taking place. The phenomenon of this research (work motivation) and context (workplace) are closely interrelated and has an impact on each other. The work settings affect employee motivation and employee motivation affects the performance of the organization. In fact, the existence of work motivation could not be possible without the presence of a workplace. Secondly, the case study strategy is relevant since it has ability to look into complex social phenomenon *(Yin, 2003)*. This element is highly relevant for this research as work motivation is a complex and multifaceted subject, consisting of many interrelated elements *(Mitchell, 1982)*. Finally, this strategy is a valuable method to explore and at the same time to challenge existing motivational theory, thereby opening up possibilities for further research. Exploring and questioning existing motivational theory is precisely what this thesis is aiming for. Therefore, in order to illuminate the phenomenon of work motivation, the case study strategy is an appropriate research strategy for this thesis.

The research paper uses a single case study format. To build the research on single case study format is due to the wish to conduct a focused and in-depth research, instead of broad but less focused research. A more focused research approach is also more advantageous for this thesis due to the presence of formal requirements regarding maximum page number permitted.

As any other method used in scientific research, a case study has its strengths and weaknesses. There is some critique directed, especially towards the single case study method, where the main critique point is that scientific generalizability of the findings obtained is limited *(Yin, 2003)*. However, Flyvbjerg (*2006*) argues that it is feasible to generalize from a single case study and that generalizability of a case study can be improved by a strategic selection of the case. On those grounds, this study employs a representative case study. According to Yin (*2003*), the objective of this type of case study is to capture the circumstances and conditions of an everyday or common place situation.

The case study company HMSHost, is perceived as a very typical company in service industry within the restaurant sector, in the sense that young employees dominate a very high percentage of the employment. Thereby, it represents and reflects other companies operating in the same service sector very well. Therefore, knowledge about young employees' motivation obtained from HMSHost provides information, which allows for making inferences on to larger populations (to other companies in service industry restaurant sector employing young employees).

## Time horizons

In this paper the phenomenon of work motivation, especially in regards to empirical data collection, is addressed only at particular point of time, does not last over a longer period of time and nor are any follow up studies conducted. Hence, the research carried out is a cross sectional study. This type of study is characterised by being able and intended to provide "a snap shot" of reality at a point particular time (*Saunders et al., 2003*). The arguments for selecting this type of study for the research are as follows. Firstly, the aim of the research is simply to explore and identify work motivation factors among young employees in the service sector, and not to track the change or development of employees work motivation factors over different life stages. Secondly, a cross sectional study is also a more favourable method for this research, due to the time constraints set for the thesis.

The most significant advantage of using a cross sectional study is that it provides an opportunity to approach employee work motivation and to look into its factors in a simple and efficient manner. Also the minimal recourses in terms of time that is required to conduct the primary data collection are an advantage. The disadvantage of this type of study is rooted in the centrality of the "snap shot" approach. Namely, that registering empirical data collected about employee motivation at a particular moment, does not necessary mean that the knowledge embedded in that exact moment truly reflects reality as a whole. It could be that knowledge about work motivation factors captured at that particular point of time is affected by different external factors or circumstances and this is transmitted to response of research participants. For instance, interviewing an employee about motivation, after just receiving the title of 'employee of the month', responses that are more positive are expected. On the contrary, if an employee had a bad day at work with unpleasant customers, employee's responses could have a more negative tone. If the empirical data of is obtained at the point of time where unusual circumstances are present, reliability and quality of the empirical data is affected. One of the precautions in order to mitigate the above-described risk is interview scheduling. Where interviews with employees are done prior to their shift, and thereby effects of possible disruptions are minimised.

## Data collection methods

### Empirical data collection

The following paragraphs presents and discusses the primary data collection methods employed in this study. Firstly, by discussing the general terms of the data collection methods. Secondly, by carrying out a more detailed discussion of each empirical data collection method employed in this study.

Empirical data is obtained by using mixed methods where both qualitative and quantitative data is combined to create a more holistic approach to the research phenomenon. Using qualitative data in this study to understand work motivation in context-specific settings, where the phenomenon is not controlled and influenced by the researcher but unfolds naturally *(Patton, 2002)*. Moreover, the qualitative data in the research is approached by using grounded theory. This approach enables to develop a set of concepts/categories that provide a detailed explanation of the work motivation phenomenon in relation to young employees in the service sector (*Corbin and Strauss, 1990*). Quantitative data in this study is used to divide the phenomenon of work motivation into a number of categories that can be measured and further on applied to all of the subjects or wider and similar situations *(Winter, 2000)*. Using different method enables data triangulation to take place, which improves the validity and reliability of research or evaluation of findings *(Mathison, 1988)*.

The following methods are employed in order to gather empirical data for the research:

1. Interviews with two selected HMSHost employees
2. Survey targeted the HMSHost employees in the age group 18- 29
3. Interview with the HMSHost HR manager

The three different empirical data collection methods systematically compose the overall empirical data of the study. (1) Interviews with the employees are used at the initial/exploratory stage of the research in order to identify motivational factors that are specific to young employees in the service sector. (2) Further on in the research process, the survey (in the form of the questionnaire) is used to test the prevalence of the established motivational factors on the larger population of HMSHost employees. (3) The interview with the HR manager is included in the research, in order to include the company's perspective, opinions and experiences about young employees' motivation. This adds perspective and depth to the analysis by incorporating an additional view on motivation of young people in the service sector. As both young employees are included, but also a manager that deals with young employees provide their view/assessment on what motivates young employees.

## Qualitative interviews with employees

Interviewing is a widely acknowledged method of data collection in social research, which yields "rich insight into people's biographies, experiences, opinions, values, aspirations, attitudes and feelings" *(May 2011, p.131)*.

As mentioned earlier the purpose of the interviews with employees is to identify motivational factors that can be used to complement a set of work motivation factors suggested by literature. By conducting the interviews with employees, it is possible to gain valuable insights on work motivation from the employees' point of view. By solely relying on work motivation factors suggested by literature, would mean that some critical factors specific for the young employees in the service sector are not included in the study. Such an approach would impose negative implications on the validity of research findings and therefore this study focuses on mitigating this by incorporating interviews into the research methodology.

### *Interview guide*

The thesis employs a semi structured interview format. The argumentation behind a semi-structured interview format is to ensure that the main themes are covered and but at the same time the focus on work motivation is maintained during the interview. The main advantage of the semi- structured interview approach is that it permits a high degree of flexibility throughout the interviews. It allows for an exploratory approach to the interview subjects, by enabling the interviewer to follow the conversation and direction of the interviewee. As additional questions can be raised, further discussions can be stimulated and the direction of the interview can be adjusted to capture the essence of the interviewee's viewpoints. Thereby, the overall quality of the interview data is improved, opposed to a structured interview format where the interview cannot deviate from the structure. The main audience of the thesis' interviews are the young employees of HMSHost. Generally, young people are perceived as a difficult research group (*Hansen, Marcmann and Nielsen, 2008*). Hence, the research pays extra attention when designing the interview guide employed in the study. Where using plain language in the interviews, avoiding technical or academic terms to enhance mutual understanding. The questions of the interview are pretested before the actual interviews take place. As the interview guide including interview questions is e-mailed to two fellow students to proofread the questions and evaluate them in terms of language, grammar, content and fit-for-purpose. Moreover, a test interview with one person is conducted. Based on the feedback received, corrections and adjustments are incorporated into the interview guide

The interview consisting of 21 predetermined open-ended questions about work motivation is used in this study. (*See Appendix 2*) The interview starts with general questions concerning employees' satisfaction with the current job, reasons for selecting the job, pros and cons of the job etc. By starting the interview, with asking some general questions helps to create a pleasant interview atmosphere and that enables interview participants to relax and respond more openly to the questions. Further on in the interview general questions are replaced with some more targeted questions. This part of the interview focuses on questions about employees' attitudes, believes and experiences in regards to work motivation and factors related to it.

### Interview participants

Two employees of HMSHost were interviewed in the period 15-16 of August 2012, in order to establish additional motivational factors to be included in the research. The selection of the interview participants is based on the purposive sampling technique, where interviewees specifically fit the interview purpose. The main criterion for selection is that there is maximal difference between the interview participants. Thereby the selected employees are different on a number of characteristics: age, gender, nationality, department and employment length. Participant for the interview are contacted, by directly asking if they would be willing to be interviewed about their work motivation attitudes, experiences.

### Interview process

Both interviews are conducted at the work site of HMSHost (meeting room). This location is perceived as the most convenient meeting point for both parties involved in the interview. Due to practical reasons, the interviews are conducted before the employee's work shift. This could of course have some implications for the quality of the interviews. As an interview before an employee starts its work shift, could lead to rushed and not thorough answers. This issue is addressed by allocating interview time correctly, where employees are asked to meet 1,5 hours prior to their shift to ensure sufficient time is allocated to a though interview. As the interviews are approximately 40-50 minutes in length, the 1,5 hour provide a sufficient timeframe, without rushing through the interview and endangering the quality of the research.

The content of the interview are only partly presented to the interviewees prior to the interview. As no actual interview questions, only interview topics and main themes are presented. Only providing brief initial information about the interview topic, upon asking the interviewees to participate in the

interview. One day prior the actual interview a SMS reminder message containing time and place is sent to the interview participant to ensure timely attendance.

One-to-one direct interviews are chosen for this study's research. Using this interview format allows the interviewer to conduct a focused interview, where the interviewee is in the centre of attention. The interview format also provides a sense of security and confidentiality for the interviewee and hence more open/genuine answers are expected. Direct interaction during interview not only allows registering verbal language, but also allows observing body language and reactions of the respondent. This enables situational interpretation of their answers on other parameters than just the verbal wording.

### Interview recording and transcription

The interviews are recorded, using the mobile iPhone application "Voice Memos". The duration of the interviews is 43min 12sec and 49min 29sec. After conducting the interviews, they are transcribed. Transcription takes place after each interview within a short period time, to keep the impressions and knowledge gained during interviews fresh in mind. Additionally, field notes are also taken during or after each interview, to record thought, explanations and observations experienced during the interview.

### Interview analysis

The technique of open coding is used in order to analyse the interviews with the employees. "Open coding is the interpretive process by which data is broken down analytically" (*Corbin and Strauss, 1990, p12*). By analytically examining interview material emerging patterns and concepts about young employee motivation factors are identified. Analysis of the interviews is done manually, due to a small number of interviews conducted. Computer based system to analyse interview material is discarded, since it is not particular advantageous for this thesis. As time consumed to find and get familiar with new a system will not produce outcomes superior to those achieved by doing interview analysis manually.

## Survey

A questionnaire survey is another source of empirical data of this study. The aim of surveys is to test the prevalence of motivational factors on the population of HMSHost employees. To enables this, the questionnaire is designed by combining work motivation factors suggested by selected motivational theories and the ones established by conducting interviews with employees. The main arguments to use a questionnaire as a method of data collection, is its ability to collect large amounts of data in an efficient manner. Additionally, data gained by using questionnaires is easy comparable and analysed, since standardised questions are used and choice of answers are predetermined in advance. However, the weak point of using a questionnaire, as a method of data collection is that post questionnaire information is hard to collect *(De Vaus, 2002)*. Therefore, very careful preparation and planning in regards to the design and execution of the questionnaire is done prior to the questionnaire generation, to ensure validity and reliability of the empirical data. To ensure quality of the questionnaire, check lists purposed by (*Saunders et al., 2003, p. 299- 305*) regarding question wording, question order and questionnaire lay-out are used to a very high extent in this thesis.

### *Questionnaire structure*

In general, questionnaires are defined as a set of predefined questions that is used to gain response from object of analysis *(De Vaus 2002)*. The questionnaire in this thesis is designed by combining 11 open and closed end questions. (*See appendix 3*). The first eight questions of the questionnaire are attribute questions and seek to gain information about respondents' demographical characteristics. Firstly, demographical data assists in creating population profile. Secondly, it enables to make comparison among different groups of employees in relation to age, gender, job position, length of employment and contract type.

Question 9 in the questionnaire is a matrix table and includes a set of 24 motivational factors. Asking the respondents to express their perceived importance associated with every motivational factor present in the table. For this purpose five point Likert scale is used and the respondents need to select the answer that represents their view best (1-Unimportant, 5-Very important). This data allows to identify what motivational factor are important and to what extent they are prevalent among young employees in the service sector.

Questions 10 and 11 are open-ended questions where respondents have an option to provide additional motivational factors that might not among the 24 factors already included.

The questionnaire is pilot tested before applying it to the research population. The purpose of the piloting of the questionnaire is to improve overall quality by testing it in a real life setting. The questionnaire is sent to four persons (friends) via e-mail as pilot test participants, where they are asked to complete the questionnaire and by doing that to evaluating it. Evaluation of the questionnaire is done on a number of points: overall layout, language used, structure/content of the questions, completion instructions/completion time etc. After receiving and reviewing feedback from pilot test participants, the questionnaire is refined, where corrections and adjustments are incorporated into questionnaire.

### Participants

The participants of the survey are employees of HMSHost, within age group 18-29. Since the research population is of rather small size it is decided to use to census instead of sample survey sampling technique. *(De Vaus, 2002)*. Since the census sampling technique requires everyone in the population to be included in the survey, a complete list of employees within the age range 18-29 is provided by the HR manager of HMSHost.

### Process

The questionnaire is carried out in a four stage processes that includes: pre-survey contact, email survey link, 1st follow up and 2nd follow up is used in this study in order to optimise survey response rate. A self-administrative type of questionnaire is used in this thesis, where questionnaire distribution and collection is done by using electronic means: online questionnaire.[8] The questionnaire link is send to employees' private e-mail asking them kindly to participate.

### Analysis

In order to select most relevant statistical tools for empirical data statistical analysis it is important to determine level of the measurement of the variables being used. There are three following levels of measurement: interval, ordinal or nominal *(De Vaus, 2002).* The thesis' questionnaire includes all three levels of measurements.

The analysis of the survey data is done by using descriptive statistics. This statistical method provides a simple, summarised data about attitudes and characteristics of the research group in terms of work motivation and its factors.

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[8] https://www.surveymonkey.com/s/7XPM8CG

As technical support for the survey, Microsoft Office Excel software programme is used for data analysis. Since this study is mainly relying on descriptive statistics as a technique of survey data analysis, the Excel software package is sufficient for this purpose. Visual illustrations in the form of tables are used to provide a summarised and simple overview of the survey findings. Both the raw and analytical data can be found on the included DVD.

## Interview with HR manager

The purpose of the interview is to gain management perspective on the matters of motivating young employees' and what, in their perception, drives their motivation. The significance of the management perspective in this study is rooted in the ability to approach the phenomenon from a different angle and thereby to gain an in-depth understanding of it.

For the same reasons as listed in the part of interviews with employees, a semi-structured format is selected for interviewing with HR manager.

The interview is conducted on the site of HMSHost, since it is the most convenient place for both parties. The interview is scheduled by both parties negotiating and agreeing on the most suitable day and time. A written document including the interview guide is sent to the HR manager a few days prior the actual interview. By having a chance to familiarise with interview, a better interview outcome and higher quality of data is expected.

The following topics are touched upon in the interview: main issues/challenges managing young employees, motivational factors among young employees, practices used to motivate young employees, irregularity of young people as work force[9]. Hence, formulation of the interview questions are done accordingly.

In regards to record, transcription and analysis of the interview, the same procedures and practices are applied as when conducting the employee interviews.

## Secondary data collection

Secondary data used in the research is mainly of qualitative, documentary nature. The following types of secondary data are used in the research, academic journals, scientific articles, research publications and books. Additionally, since this research is case study based, written documents provided by the

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[9] For full length interview with HR manager Karin Westrup see appendix 1

case study company mainly concerning personnel records is also a source of the secondary data in this thesis.

The secondary data incorporated into the thesis is primarily within work motivation and research methodology field. The contributions of the secondary data are manifold for this research. Firstly, it provides an overall overview within the topic of work motivation. It gives an opportunity to get to familiar with trends and development within work motivation field and thereby to gain in depth knowledge about the subject of the research. Secondly, it allows to gain insights about studies carried out in the area and thereby to identify an existing gap for the research. Lastly, it enables to look at various motivational theories purposed by different researchers and by comparing them to establish theoretical grounds of this thesis.

## Critical evaluation of the methods

In order to, critically assess the data collection methods and empirical data gained by employing those methods, the thesis uses the parameters reliability, validity and generalizability *(Saunders et al., 2003)*.

Reliability is concerned with reaching the same results and conclusions, if another researcher would undertake the same study by following the same research procedures *(Yin 2003)*. Since this thesis is based on a case study and the object of analysis is the human being, there is a possibility that if this research would be conducted repeatedly findings could deviate to some extent. Various studies show that same respondents tend to give different answers to same set of questions on different occasions *(De Vaus, 2002)*. Additionally, responses of the research participants and thereby findings of the thesis could deviate on different occasion since cross sectional study. As discussed earlier in the chapter, reality about employee motivation and its factors captured in a particular moment can be affected by some external factors and thereby different responses could be captured in other moment.

Validity is relevant wherever findings generated by research are really assessing what it intends to asses and how truthful the findings are *(Joppe, 2000)*. The thesis is assessing work motivation factors and importance of various factors among young employees. Work motivation factors for this study are established by employing relevant existing motivation theories and by including work motivation factors obtained from research population. This process ensures that correct measurements of work motivation factors are involved in the study and it controls validity of the findings.

External validity is assessing to what extent findings of the research are generalizable to other groups beyond research population *(Saunders et al., 2003)*. The thesis' external validity is a question to what extent the findings about young employees work motivation factors are applicable to other service

sector companies, other industries and even countries. As mentioned earlier in the chapter one of the main case study flaws is the lack generalizability of the findings. However, as the thesis grounds its research on a representative case study, the findings gained from HMSHost case study are applicable to other companies that resemble the characteristics of the case study company: operates within service /restaurant sector and labour is dominated by young employees. Furthermore, to some extent the findings of the research could be applicable to other sub sectors within the service sector. However, due to manifold nature of service industry comprising different types of businesses it is hard to predict to what extent and to what type of businesses within service industry findings of the research are best applicable.

# Chapter IV: Empirical data presentation

## Overview of the chapter

This chapter presents the empirical findings of the research conducted as a part of the thesis. The aim is to provide an introductory overview of the results in order to ensure a common foundation and understanding, prior to the detailed analysis and discussion of the findings in the following chapter. To ensure this structure, the chapter consists of three main sections. The first section focuses on presentation of the company used as the case study in the research. The second section introduces the interview findings conducted with two employees of HMSHost. Finally, the third section provides a demographical profile of the research population.

## Case study presentation

HMSHost is a subsidiary of the Italian corporation, Autogrill S.p.A., who is the world's largest provider of food, beverage and retail services for travellers. HMSHost is a recognized industry leader with dining and shopping locations at airports and on motorways worldwide. They operate in 112 airports around the world, including the top 20 busiest airports in North America, and in 99 motorway travel plazas throughout the U.S. and Canada. HMSHost has 34,000 associates, revenues of more than $2.7 billion and has more than 300 international, regional, local and proprietary brands in their portfolio, including exclusive relationships with hundreds of well-known brands, such as: Burger King, Pinkberry, Wall Street Journal News, Hugo Boss, Ed Hardy, Bulgari, Ermenegildo Zegna, Kiehl's and Starbucks Coffee.[10]

The research in this thesis was conducted at HMSHost Denmark[11], (hereafter HMSHost) which is located at the Copenhagen Airport, their only location in Denmark. The company entered the Danish market in 2006 and have been expanding ever since. Currently HMSHost manages a total of eight different food and beverage establishments such as: Burger King, Starbucks, Ciao, The bar and 'Grab and Fly'.

The company's mission is to provide the best possible service to the guests and please them, as well as the shareholders. In order to live up the company's mission, HMSHost introduces and encourages its employees to practice seven common values that emphases creativity, service, diversity and

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[10] Information regarding case study business information is directly retrieved from HMSHost homepage. Source: http://www.hmshost.com/about-us/

[11] HMSHost Denmark presentation is based on the interview material with HR manager Karin Westrup (*Appendix 1*)

development. HMSHost employs 170-200 employees depending on the fluctuations in staff associated with seasonality in the service sector. Between 80-90% of all HMSHost employees are between 18-29 years old and the average age of HMSHost employee is around 24-25 years. A typical HMSHost employee is young age, most likely to be non-skilled and often recently graduated from school. From a behavioural perspective, HMSHost employees are characterised as very social and seeking social contact, service minded, flexible and easily adaptable to changes. Furthermore, the employees can also be characterised as belonging to two distinctive groups: one group of employees stays within the company for a longer period of time and uses HMSHost as a springboard for pursuing carrier opportunities. Another group of employees perceive work experience at HMSHost as a "transit zone" and stays within the company only for a short period of time. A strong tendency of the short employment is very well reflected in the rate of the employee turnover that HMSHost experiences. In the start-up phase of the business, the employee turnover rate was reaching 100%, currently it is set around 40-50% per year.

The working conditions at HMSHost, present a significant challenge to management, as the working hours often are very unconventional and includes the outlying hours in the morning and evening. For instance, during high season, some units have shifts that start at 4:30 AM and closing shifts that ends at 1:00 AM. Combined with a rotating work shift schedule, this might lead to assigning employees to a morning shift and the other day an evening shift. This requires an extremely high level of flexibility from the employees' side. In addition, according to the HR manager (Karin Westrup) this is the greatest and most important asset of young employees as a labour force. In fact so important, that it overweighs lack of previous job experience and job related skills. In order to enhance and/or retain employees' motivation at workplace, HMSHost employs a number of motivational methods. Firstly, it tries to recognise and appreciate employees' efforts and good job performance. For instance, employee can be rewarded invitation to dine out on company's expense or simply receiving a gratitude and praise for a good job. Sales competition is another method used to affect employee motivation at HMSHost. Competitions can be individual, as well a unit oriented. For instance, one of the latest sales competitions was based on measuring the highest increase in average ticket. Finally, social gatherings are also used a tool to affect employee motivation. HMSHost frequently organises bowling evenings and various parties.

## Interview findings

The purpose of the interviews with the two selected employees was to identify motivational factors that are specific and relevant for young employees in the service sector. [12] Analysis of the interview material enabled identification of four themes that are common between the two participants. Those are as follows:

1. **Dynamic environment** (where no day is the same and new experiences and challenges are a part of the everyday work life).
2. **Service** (serving customers and providing good service pleasing/satisfying customers).
3. **Social interaction** (interacting and socialising with different people in work settings: customers, co-workers and managers).
4. **Workflow** (smoothness of work processes, where things are in order and work can proceed continuously without interruptions).

The next few sections provides a presentation and more detailed and in-depth discussion of the themes. Further on in the thesis, the four identified themes are converted into four motivational factors that combined with the motivational factors suggested by the theoretical frameworks of the thesis are included and assessed in the survey.

### Dynamic environment

One of the themes that emerged in the early stages of the interviews is the importance of a dynamic work environment. Both participants expressed, in one or the other way, the importance of the dynamic working environment. For example, when asked about what made them choose this particular job and/or what was attractive about it, Employee A responded:

> *"...It is always new people to meet, there are always new situations...there is a lot of security here..."*
>
> *(Employee A, p.2)*

Then the employee was asked to elaborate a bit more on the security importance and the answer contained elements of dynamic environment. For instance, when asked if security was important at workplace, Employee A responded:

> *"...No, not really, but I think it is interesting that there is a risk out here..." "...Maybe we don't know if there is a bomb, when the suitcase is left, so the unknown that I experience, the thought, is it?.."*
>
> *(Employee A, p.3)*

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[12] For full-length interviews please see appendix 4 (employee A) and appendix 5 (employee B)

When asked about the reason for choosing this particular job, Employee B's answer shows that a dynamic work environment is one of the influential reasons:

*"...I thought that it would be fun to try it and just to... like meet so many people every day, all day going everywhere and coming from everywhere and they have so many stories to tell..." "...everybody has different stories to tell. So I just love it..." (Employee B, p.2-3)*

The importance of a dynamic environment is further on expressed when employee B makes a comparison between the current and the previous job:

*"... my job that I had before this, it was just the same thing every day, the same people, the same yeah... everything...I mean... I don't grow like that, but here I grow..." (Employee B, p.11)*

Further, the employees reveal the importance of a dynamic work environment is important not only when selecting a job, but it also plays a significant role in employees' every day work settings. The following statements illustrate this:

*"...I don't experience the same every day, so when I wake up I'm thinking I'm going to work do this and this it is probably not the plan I get when I'm coming to work. I will always do something else..." (Employee A, p.4)*

*"It is still exiting, even after a year it is still exiting and it is never boring, maybe on the slow days, but again it always is..." (Employee B, p.3)*

Based upon these inputs from the two independent interviewees, it suggests that a dynamic working environment is very important to young employees. As it is both a factor for choosing the job and for ensuring excitement after a year of employment. This continuous importance is interesting, as it makes it clearly important to the two interviewed young employees.

### Service

Another theme that emerged during the interviews relates to service. Both employees expresses the importance of making the customer happy throughout the conversations. For instance, Employee B expresses the importance of service possibility and pleasing the customer by stating that:

*"...I want to be really, really nice to everybody, every single customer. I always want to make them...give them a pleasant moment, just where ever it is two minutes or half an hour I want them to feel...wow it was nice sitting in "The bar" while waiting for my flight, while I was delayed and pissed off that I would miss my connecting flight...I want them to be happy at least for those ten minutes or thirty minutes and I want to...yeah I want to motivate my colleagues to do the same..." (Employee B, p.8)*

Meanwhile Employee A expresses the importance of service by naming it as one of the three most important motivational factors by comparing it to performing a show:

*"...the last thing is...maybe...I don't know...to make a show out of the day, like every time there is a customer it is like a new face I got on and oh yeah...it is like a role play..." (Employee A, p.11)*

During the interviews, the employees not only tell that the possibility of providing service is important to them, but also explains how it affects them and their work motivation:

*"...If I can make customers smile it affects me too, it gives me energy, but if they are going like mad away, then I get the feeling... oh, I did something wrong." (Employee A, p.4)*

*"...You give them something, you provide something for them, but also you get something, because they have so many stories to tell..." (Employee B, p.2) "...I know I make one person happy and so that motivates me a lot..." (Employee B, p.9)*

The fact that providing good service and pleasing the customers is important is not a surprise, as this is within the service sector and it would be expected to be one of the driving and motivating factors for the employees. Although, it can be argued that some of the employees might only be in the service industry, because it is a mean to earn money while they pursue other career options, such as studying. Nevertheless, it is interesting that despite this argument, the employees have a strong feeling towards service quality and customer satisfaction.

### Social interaction

One of the major themes that emerged from the interviews is social interaction. Both of the interview participants expressed the importance of social interaction in their job, on the numerous occasions. For instance when asked to name three the most important factors affecting their motivation, social interaction was named as number one priority by both interviewed employees.

For instance, employee A expresses the view on social interaction very clearly:

*"...It is important, something...someone to talk with and yeah just have social...all the social is really important. If I was in an office, I was... I would be bored..." (Employee A, p.4)*

Employee A further confirms the importance of social interaction, when asked about factors that are important for young employee in the service sector:

*"...The social life probably, that we are doing something together and maybe having a company party where we see each other outside of the work..." (Employee A, p.13)*

Meanwhile, Employee B indicates the significance of the social interaction by naming it as the ultimate motivational factor:

*"...is the social thing, because I need it to talk to people, need to meet people, need to do stuff..."*
*(Employee B, p.11)*

Moreover, by explaining more in detail why social interaction is so important:

*"... to get another human's point of view in stuff that you are thinking about and to hear their stories, just kind of to escape your own life, to hear something or to hear... I mean just both good stuff and bad stuff, because you need to escape the thoughts that already have when you are at home, when you get to job you kind of forget it, like if you have problems or something at home or you have enemy somewhere it is nice to be able to forget it, because you are concentrating on the stuff that you are doing and the people that want to talk to you. I think everybody needs that." (Employee B, p.12)*

During the interviews, the employees not only talk about the importance of social interaction, but also about the types of social interaction, they encounter in their work environment. Analysis of the interviews revealed that social interaction originates from three different sources.

The primary and most valuable source of social interaction named by the employees are colleagues. For example, when asking Employee A is about what is the best about the job, a firm and clear answer is given:

*"It is the colleagues..." (Employee A, p.4)* *"...right now it is not so much about the money I'm working for, it is mostly when I'm here it is mostly friends I'm working with... it is fun to work like that..."*
*(Employee A, p.3)*

The importance of social interaction with colleagues was also evident in Employee B interview. When presented with a situation if the money would not matter, would she stay the job, the answer was:

*"...I think I would stay, because I love my colleagues and I would not job, I would not work as many days maybe or I would have a lot of vocations maybe or something like that, but I would still be there, because I love it here, I love my colleagues, I love to go to work every day, so I would stay." (Employee B, p.12)*

Further, Employee A and B explains how interaction with colleagues affects their motivation at work.

*"I'm always happier when it is nice colleagues and it is saving my day, they are giving me energy, by just being happy, so they are affecting me by how they are." (Employee A, p.3)* *"Because they affect me by being happy or appreciating each other and that way makes me happier. It is just like a cycle."*
*(Employee A, p.11)*

*"... I can be very sad when I'm having the opening for the day and the next person is coming in and the first thing they say...oh my god, I'm so tired today" or oh my god, this is the most boring day ever...first word is going either destroy my day or keep me going..." (Employee B, p.7)*

The secondary source of social interaction is management. For instance, when asked what management should do to motivate young people, both employees emphasises a lot on elements of social interaction:

*"...appreciate the workers and come down and say hello as they are doing it and yeah...just be on the same level as the employees not being like the boss, but being like the colleague." (Employee A, p.13)*

*"...to always welcome them to work and give them a smile, like talk to them, ask them 'how was the weekend?' and ask them frequently like 'how are you doing?',' how does it feel to be here?', 'are you happy, do you want us to do something for you?' or' do you want help with something?'. Don't just let them struggle on their own, because everybody needs help, where ever you ask for it or not. Sometimes people don't ask for help, they need to be asked if they need help. So you need just...I don't know, see them...I think so." (Employee B, p.16)*

The tertiary source of social interaction is the interaction and relation to the customers. A story Employee B shares by illustrating the importance of social interactions with customers:

*"... there is actually a man from the USA, he travels really really much and he comes sometimes to "The bar" and has a seat and take a beer and just talk and every time he comes he says "Hi honey, it is so nice to see your face again" and he is just such a sweet person he is never disgusting or anything or creepy like somebody, like some people can be, but he is just nice, genuinely nice and that motivates me, because I like it when people are like... oh yeah, I'm at "The bar" again I can take a seat and just talk to the bartenders..., that is what I want people to feel when they get there, because it is a friendly place, we are really friendly people standing there, so that person rally motivates me and those situations when he is there motivates me a lot." (Employee B, p.9)*

Employee A also expressed the importance of interacting with customers during the interview. When asking the interviewees to describe a good day at work, or what ticks their motivation, Employee A provided following example:

*"...maybe nice situation where the customer could make it all better...like his is saying that is a nice sale or... oh you are a nice person...something like that." (Employee A, p.6) "If something funny have been said...or a customer says thank you or just smiles, just all the happy moments around me can affect me." (Employee A, p.9)*

From the above assessment of the interview findings, it is interesting to see that young employees place such a great emphasis on their social relationships and interactions at work. This means that not only does the work environment have to be dynamic; it also has to be compelling, pleasant and present place of work.

*Workflow*

The fourth and final theme identified during the interviews is workflow. Both employees indicated that order and flow at work plays an important role in regards to their motivation. The importance of work was mainly evident when employees talked about the situations where they felt unmotivated or unsatisfied at their job. For instance, when asking what they dislike about their job Employee B answers:

> " I have to say when you are alone for too many hours...like in the beginning of the day or in the end of the day...like for example today I'm closing "The Bar" and the person that leaves me is Nathalie...what is it called...she is...well, she is the one before me who is leaving. She leaves...she is going to go at 7, that is about 3 hours and 45 minutes when I'm alone...and that is kind of... I don't know... the main thing I don't like." (Employee B, p.3-4)

Further, when asking to elaborate on the reasons why, the employee says:

> "I don't want to screw it up, I don't want like mess things up in "The Bar". I don't want it to be chaos, I want it to be like order, like I want it to be... everything at their place and everybody satisfied and it is all good, but I'm always afraid that it is going to be chaos...it is going to be delayed flights and I'm going to stand there with twenty persons in line waiting for me to help them and I'm just not able to help them."
> (Employee B, p.4)

When asking Employee A to describe a situation when feeling unhappy at work, the answer is similar to the one provided by Employee B:

> "Then it is probably one of the times when I was alone at work. Normally we are standing two, but now I only was one and people got more and more mad, because the line would be longer and yeah...I was thinking...why isn't there another person, why I'm alone and earlier that day I heard from my boss that I had not cleaned correctly at the shop last night and I got there and there was a note from one of the other colleagues and yeah..." (Employee A, p.10)

Furthermore there were a number of moments during the interviews were employees indicated the importance workflow. For instance, when asking employee B to describe a good day at work the following response is given:

*"I think, it is when everything is in order, when stuff is where it is supposed to be and the customers are nice and everybody is working together...either it is very crowded with people and we are all stressed or it is just really still...nobody there...it does not really matter, but as long everything working together and everybody is working in harmony together in a team, then I feel good, then I can walk a mile."*

*(Employee B, p.8)*

The fact that workflow is an important factor to the employees, indicates that the young people prefer a structured environment, where there is no trouble with work processes and workflow. It is a rather interesting finding, since the earlier chapter also suggests this. As it suggests that young employees are looking for a balanced work environment, where there is space for unknown, but at the same time some stability and certainty is also present.

## Demographical profile of the research population

The main purpose of the survey was to measure the prevalence of the 24 established motivational factors (*Appendix 3, p. 2*) among young employees in the case company. Additionally, the survey data also provided some demographical information that enabled to construct a profile of the research population. Profiling the research population is being perceived as beneficial for the research, since it enables a better understanding about the population characteristics and the research circumstances.

A total of 137 (n=137) questionnaires were distributed and 56 completed questionnaires were received back. Two of the responses were qualified as unreachable due to invalid email address and four responses were qualified as ineligible due to respondents' age. Thereby the active response rate of the survey is 43,4%. Taking into the account that census method was used for data collection, the achieved response rate can be perceived as satisfactory.

### Research population according to age

**Figure 4: Age distribution of the population**



Age distribution of the population

- 18-21: 52% (26)
- 22-25: 42% (21)
- 26-29: 6% (3)
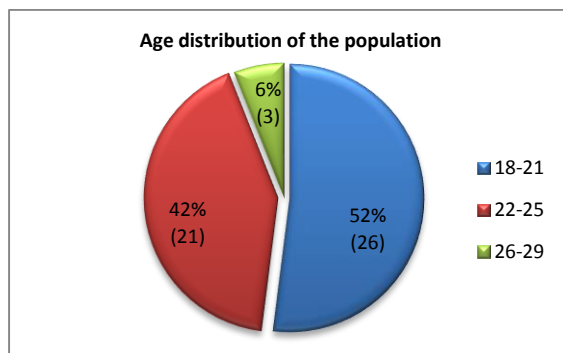
The overall research population constitutes of employees in the age range 18-29. The average age of the research population is calculated to be 22,08 years. In order to enable a comprehensive analysis, the research population is further subdivided into three age groups: 18-21; 22-25 and 26-29. This is done in order to gain a more detailed and accurate information about young employees' preferences in relation to motivational factors. The biggest group of respondents lies within the age group 18-21 and accounts for 52%, 42% falls within the age group 22-25 and 6% within the age group 26-29. An interesting observation found in the age distribution is a steep decrease of the respondents in the age group 26-29. This observation could indicate that employees in the age range 18-25 mainly dominate the service industry. The presented age distribution of the population means that the findings of the research mostly reflect motivational factors of the employees in the age group 18-25 and less of the age group of 26- 29.

## Research population according to gender

Figure 5: Gender distribution of the population
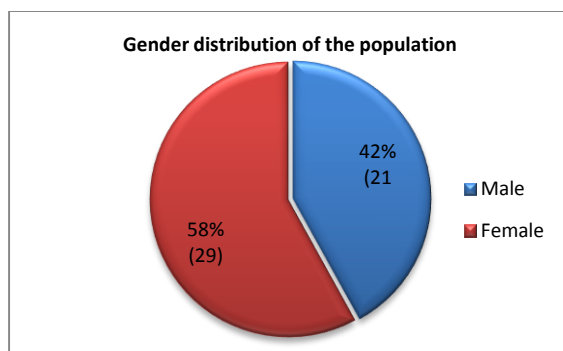


Research population contains 42% of the male respondents and 58% of female respondents. There is no significant dominance of one or the other gender in the research. Rather equal gender distribution of the population is beneficial for the research. The existing balance between male and female respondents ensures that motivational factors assessed in the research are confined towards possible biases associated with specific gender dominance in the research.

## Research population according to educational background

Figure 6: Educational background distribution of the population
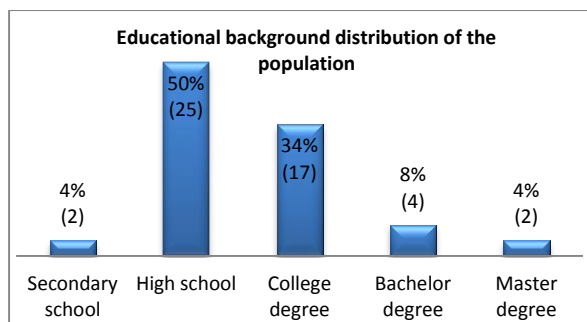
Regarding educational background, the characteristics of the research population are following: 50% of the population has a high school education and 34% hold a college degree, 4% has secondary school education and 12% of the population holds a university degree. However, since only 12% of the population holds bachelor or master degree, the population is considered as averagely educated. Of course, the modest average age of the employees could be a very reasonable explanation to the respondents' educational background. Another interesting observation is that non-of the respondents answered that they have a vocational education like being waiter. This indicates a low match between job and educational background of the employees.
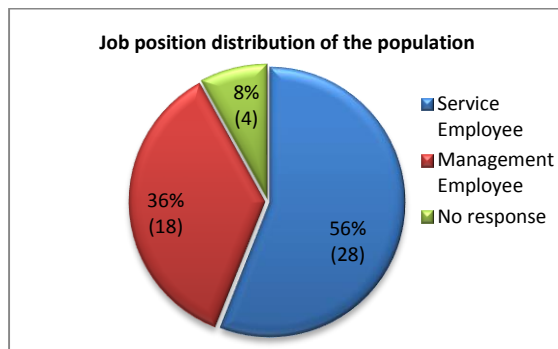
### Research population according to job position

Figure 7: Job position distribution of the population



The surveyed population consists of 56% of service employees, 36% managerial employees (supervisors and managers) and the remaining 8% accounts for non-responses regarding job position. As the numbers indicate the research population not significantly, but is dominated by service employees. Firstly, the dominance of service level employees is not perceived to be irregular situation, since it is a normal practice that number of the service employees exceeds the number of managerial staff. Secondly, the age factor and consequently lack of work experience, which is vital for job advancement and higher-ranking position, could also explain the dominance of the service level employees.

Despite the dominance of service employees, 36% of population within management category is a rather high percentage that allows making some inferences about this group, as well as enables comparisons with the service employees.

## Research population according to years of employment
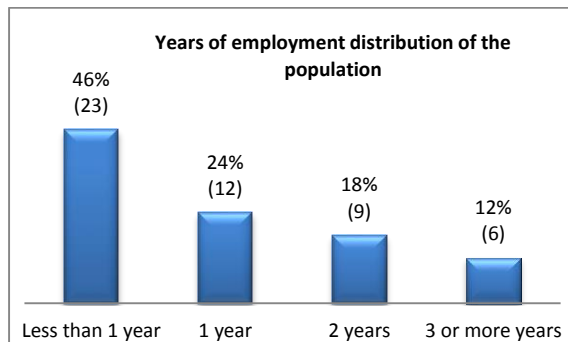
When discussing years of employment, 46% of the research population belongs to the group with less than 1 year of employment, 24% within 1 year employment, 18% within 2 years, 12% within 3 or more years. A considerable observation is that 70% of the population have been employed for 1 year or less. This could indicate a high level of employees' turnover or a tendency that new employees are more active and engaging in work related activities, in this case participating in the survey. The dominance of the rather new employees in the research population could however have some implications for the research. Findings of the survey mainly reflect perceptions of the employees that are rather new in their job. For instance, this could mean that they are lacking work experience, skills, and knowledge about the service industry. Thereby the motivational factors that are important in the starting phase of the employment could differ to some extent from the motivational factors that are important later in the employment phase where the employee is better established and familiar with the working environment.

## Research population according to work contract
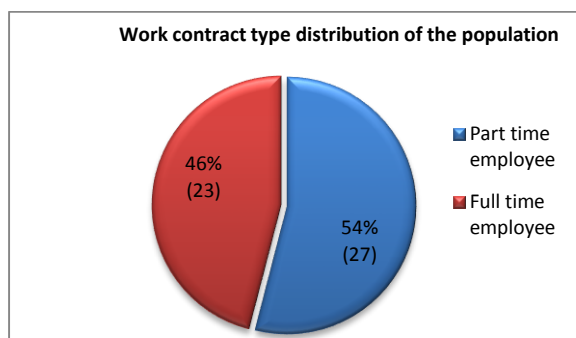
According to the type of contract, 54% of the respondents have part time contracts and 46% of the respondents are on full time contracts. The percentages indicate a rather even distribution of the

responses, none of the groups are significantly under or over presented. This is beneficial for the research since it enables to look at preference of motivational factors among part time and fulltime employees. Additionally, balanced distribution of part time and full time employees also allows to make comparisons between the two categories and thereby to detect interrelation between job contract and preference of motivational factors.

Additionally, the distribution between contract types indicates a strong need to moderate the size of the workforce, which is probably due to the high seasonal impact on the sector. This also means that many of the employees are in somewhat unsecure work positions. Such a situation could also affect the motivation of the employees, given the uncertainty about how many hours to work and consequently the impact this has on the employees' salary.

## Research population according to income per month

Figure 10: Income distribution of the population per month
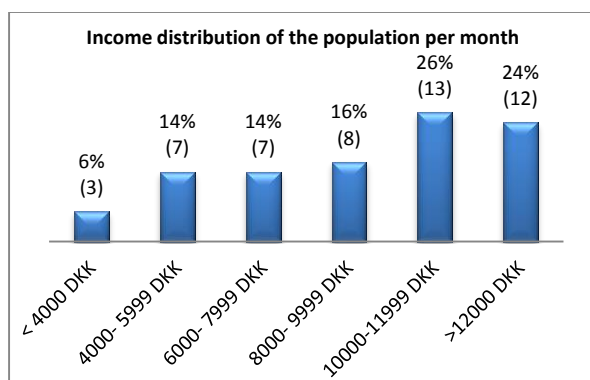


Regarding income the characteristics of the population are as follows: 6% of the population earn less than 4000DKK, 14% 4000-5999DKK, 14% 6000-7999DKK, 16% 8000-9999DKK, 26% 10000-11999DKK and 24% above 12000DKK. The numbers indicate that 50% of the population lie in the high end of the income scale and earning 10 000 DKK and above per month. Some possible implications for the research could be associated with overrepresentation of high-income respondents. The findings of the research would to some extent be biased since the motivational factors identified as important would be more relevant to employees with high income and less to employees with average and low income.

## Summarised findings

The present chapter laid the foundation for the empirical data analysis by introducing the case study company, outlining the findings of the interviews with two employees and presenting the demographical profile of the research population. Establishing four main interview themes: (1)

*dynamic environment*, (2) *service*, (3) *social interaction* and (4) *workflow*. As well as it is discovered that the research deals with a population that includes rather young employees, that are not highly educated and have been employed for short period of time.

It also important to notice that the profile of the research population fits very good with the general profile of HMSHost's employees, portrayed by the HR manager (Karin Westrup) in the previous chapter. This implies a high representativeness of the population and reliability of the research, enhancing the quality of the findings.

# Chapter V: Empirical data analysis

## Overview of the chapter

The previous chapter provided an introductory overview of the empirical data. The aim of this chapter is to conduct an analysis of the empirical data in attempt to identify motivational factors that are important among young employees in the service sector. The chapter opens with a presentation and discussion of the general findings about young employee motivation and motivational factors. Further on followed by a more detailed analysis of data, where motivational factors are assessed in relation to various demographical variables and thereby the most important motivational factors among young employees in the service sector are identified.

## General assessment of the motivational factors

The initial analysis of the survey results asses the data on a general level, presenting an overall evaluation of the 24 motivational factors. At this stage of the analysis, the motivational factors are not assessed for any demographical variables such as age, gender, job position, years of employment etc. The importance of the 24 established motivational factors is illustrated by constructing a table (*see next page*). The table provides a summarised overview of the motivational factors and their degree of importance. The following information is included in the table: name of the factor, importance level, responses in number and percentages, average score, total rank and standard deviation.

To provide an accessible overview, the factors have been divided into four levels:

- High importance motivational factors
- Medium high importance motivational factors
- Medium low importance motivational factors
- Low importance motivational factors

This is done to make an initial prioritisation of the motivational factors, where the top 6 are those with an average score of above 4,38, medium high importance factors have a score above 4,2 and medium low importance factors have a score of 4 and low importance factors with a score of below 4. This classification enables an easy overview of the more important factors for young employees, but also those of less importance, which also permits a focused analysis on the factors that, are of great importance to young employees in the service sector.

| High importance motivational factors | Unimportant | Little | Moderately | Important | Very | Average | Ranking | STDV |
|---|---|---|---|---|---|---|---|---|
| 11. Relationship with peers (I have good relationships with my co- workers) | 2,0% (1) | 2,0% (1) | 4,0% (2) | 20,0% (10) | 72,0% (36) | 4,58 | 1 | 0,83 |
| 14. Salary (I get paid fairly for my job) | 0,0% (0) | 2,0% (1) | 6,0% (3) | 26,0% (13) | 66,0% (33) | 4,56 | 2 | 0,70 |
| 9. Personal life (I can balance my job and personal life) | 2,0% (1) | 0,0% (0) | 8,0% (4) | 28,0% (14) | 62,0% (31) | 4,48 | 3 | 0,81 |
| 13. Responsibility (I am trusted and given responsibility at work) | 4,0% (2) | 0,0% (0) | 6,0% (3) | 30,0% (15) | 60,0% (30) | 4,42 | 4 | 0,92 |
| 7. Growth (I can grow as a person and learn new skills). | 0,0% (0) | 4,0% (2) | 6,0% (3) | 36,0% (18) | 54,0% (27) | 4,40 | 5 | 0,77 |
| 12. Relationship with supervisor (I have a good relationship with my boss) | 2,0% (1) | 2,0% (1) | 12,0% (6) | 24,0% (12) | 60,0% (30) | 4,38 | 6 | 0,91 |
| **Medium high importance motivational factors** | | | | | | | | |
| 20. Supervision (I have a confident and fair boss) | 2,0% (1) | 0,0% (0) | 14,0% (7) | 28,0% (14) | 56,0% (28) | 4,36 | 7 | 0,87 |
| 15. Security (I have a job that is stable and secure) | 0,0% (0) | 4,0% (2) | 16,0% (8) | 24,0% (12) | 56,0% (28) | 4,32 | 8 | 0,88 |
| 1. Achievement (I can see the results of my work) | 0,0% (0) | 6,0% (3) | 8,0% (4) | 36,0% (18) | 50,0% (25) | 4,30 | 9 | 0,85 |
| 4. Company policy (I can see that my job has clear and fair rules) | 2,0% (1) | 4,1% (2) | 16,3% (8) | 20,4% (10) | 57,1% (28) | 4,27 | 10 | 1,01 |
| 18. Social interaction (I have a contact and interact with other people) | 0,0% (0) | 2,0% (1) | 18,0% (9) | 34,0% (17) | 46,0% (23) | 4,24 | 11 | 0,81 |
| 6. Feedback (I receive information about my performance) | 0,0% (0) | 2,0% (1) | 16,0% (8) | 42,0% (21) | 40,0% (20) | 4,20 | 12 | 0,77 |
| **Medium low importance motivational factors** | | | | | | | | |
| 10. Recognition (I get credit for my work) | 2,0% (1) | 4,0% (2) | 20,0% (10) | 22,0% (11) | 52,0% (26) | 4,18 | 13 | 1,02 |
| 16. Service (I have the possibility to serve customers and make them happy) | 4,0% (2) | 4,0% (2) | 12,0% (6) | 32,0% (16) | 48,0% (24) | 4,16 | 14 | 1,05 |
| 5. Dynamic environment (I work in the environment where every day is different) | 0,0% (0) | 0,0% (0) | 24,0% (12) | 44,0% (22) | 32,0% (16) | 4,08 | 15 | 0,74 |
| 22. Working conditions (I have a nice, clean and modern work place/ work equipment) | 0,0% (0) | 2,0% (1) | 26,0% (13) | 36,0% (18) | 36,0% (18) | 4,06 | 16 | 0,83 |
| 21. Variety (I get to perform different tasks and use different skills at my job) | 2,0% (1) | 2,0% (1) | 14,3% (7) | 57,1% (28) | 24,5% (12) | 4,00 | 17 | 0,81 |
| 3. Autonomy (I have the freedom to make my own decisions at work) | 0,0% (0) | 0,0% (0) | 26,0% (13) | 48,0% (24) | 26,0% (13) | 4,00 | 18 | 0,71 |
| **Low importance motivational factors** | | | | | | | | |
| 8. Identity (I get to follow my tasks through and see the outcomes of my work) | 4,0% (2) | 2,0% (1) | 16,0% (8) | 48,0% (24) | 30,0% (15) | 3,98 | 19 | 0,95 |
| 24. Work itself (I like the tasks that my job involves) | 4,0% (2) | 0,0% (0) | 24,0% (12) | 40,0% (20) | 32,0% (16) | 3,96 | 20 | 0,96 |
| 23. Work flow (I experience that everything goes smoothly on a daily basis) | 0,0% (0) | 4,1% (2) | 22,4% (11) | 53,1% (26) | 20,4% (10) | 3,90 | 21 | 0,76 |
| 17. Significance (I feel that my job makes a difference) | 2,0% (1) | 8,0% (4) | 30,0% (15) | 32,0% (16) | 28,0% (14) | 3,76 | 22 | 0,83 |
| 2. Advancement (I have career opportunities at my work) | 8,0% (4) | 10,0% (5) | 22,0% (11) | 26,0% (13) | 34,0% (17) | 3,68 | 23 | 1,25 |
| 19. Status (I have a job that is prestigious) | 14,3% (7) | 18,4% (9) | 28,6% (14) | 24,5% (12) | 14,3% (7) | 3,06 | 24 | 1,25 |

After calculating the average scores and standard deviations of the 24 factors assed in the survey, one can conclude that the high importance motivational factors among young employees in the service sector are the following:

- **Relationship with peers (average score 4,58)**
- **Salary (average score 4,56)**
- **Personal life (average score 4,48)**
- **Responsibility (average score 4,42)**
- **Growth (average score 4,40)**
- **Relationship with peers (average score 4,38)**

Furthermore, the calculations of the standard deviations for each factor confirms the importance of the six motivational factors. The standard deviations for the top six factor are smaller than 1, Σ=0,83; Σ=0,70; Σ=0.81; Σ=0.92; Σ=0,77 and Σ=0,91 respectively. This indicates that the respondents are rather unanimous in their responses in regards to the six most important motivational factors.

Besides the most important factors, it is also necessary to look at the motivational factors of low importance, to gain a better and more comprehensive understanding about young employees' motivation in the service sector. According to the results then the motivational factors that are of low importance for young employees in the service sector are the following:

- **Identity (average score 3,98)**
- **Work itself (average score 3,96)**
- **Workflow (average score3,90)**
- **Significance (average score 3,76)**
- **Advancement (average score 3,68)**
- **Status (average score 3,06 )**

Calculations of the standard deviations of the low importance factors show that the respondents are more divergent in the responses towards factors that motivate them least. Especially respondents dispute in responses related to *advancement* and *status* factors ($\Sigma$ =1,25).

In order to identify and assess important motivational factors among young employees in the service sector, a set of 24 motivational factors was established (*Appendix 3, p. 2*). Twenty of the established motivational factors were extracted from the two selected theoretical frameworks employed in the thesis and the remaining four motivational factors were gained from the interview findings with two HMSHost employees. Analysis the interview material provided some indications that motivational factors such as: *dynamic environment, workflow, social interaction* and *service* might play a significant role in relation to young employees' motivation. Therefore, these four identified factors were taken into consideration when investigating young employee motivation. However, the results of the survey suggest that the four established motivational factors are not very important to the research population, since none of the four factors are present among the high importance motivational factors.

Actually, the highest ranking factor identified in the interviews is *social interaction* with a rank of 11 and an average score of 4,24. The other factors are *service* motivational factor with the average score 4,16 and is ranked as number 14, *dynamic environment* with the average score 4,08 and is ranked as number 15 and finally *workflow* motivational factor with the average score 3,9 and is ranked as number 21.

On those grounds, the conclusion does not confirm the motivational factors established from the interviews to be significantly important among young employees in the service sector. However, it is also necessary to point out that it does not have any significant implications for the research. The scope of the research does not limited the process confirmation or rejection of the 4 identified motivational factors, but rather to identification of the factors that are most important among young employees in the service sector.

## Assessment of the motivational factors in relation to demographical variables

A general overview of the survey results regarding importance of the various motivational factors is a good point of departure, as it provides a broad understanding about young employees' motivation in the service sector. However, in order gain a more in-depth picture about the phenomenon of young employees' motivation, a more systematic analysis of the survey data is required. Therefore, the coming sections analyses the motivational factors among young employees in the service sector in great detailed. This is done by looking at top 6 motivational factors in different demographic subgroups and making comparisons. The purpose of this process is to assist in identifying and establishing the motivational factors that are common among young employees and are thereby confirming them as the most important factors.

### *Motivational factors in different age groups*

Since the thesis focuses on employees' age in relation to motivation, it is necessary to assess the motivational factors in relation to age. For this matter, the research population is subdivided in to three age groups: 18-21; 22-25 and 26-29. Subdividing the population in to different age groups not only permits to discover what motivational factors are dominant in the different age groups, but also enables to track possible changes in importance of motivational factors associated with employees' age. The survey results shows that in the age groups 18-21 the six most important motivational factors are *salary, relationship with peers, personal life, responsibility, relationship with supervisor* and *recognition.*

**Table 4: Top 6 motivational factors in the age group 18-21**

| | Age group 18-21 | Average score |
|---|---|---|
| 1 | Salary | 4,58 |
| 2 | Relationship with peers | 4,58 |
| 3 | Personal life | 4,50 |
| 4 | Responsibility | 4,50 |
| 5 | Relationship with supervisor | 4,35 |
| 6 | Recognition | 4,35 |

In the age group of 22-25 ranking of the 6 most important factors is as following: *salary, relationship with peers, growth, supervision, personal life* and *relationship with supervisor.*

| | Age group 22-25 | Average score |
|---|---|---|
| 1 | Salary | 4,62 |
| 2 | Relationship with peers | 4,52 |
| 3 | Growth | 4,52 |
| 4 | Supervision | 4,52 |
| 5 | Personal life | 4,43 |
| 6 | Relationship with supervisor | 4,43 |

Finally, in the age group 26-29 the top 6 motivational factors are: *relationship with peers, achievement, social interaction, growth, supervision* and *personal life.*

Table 6: Top 6 motivational factors in the age group 26-29

| | Age group 26-29 | Average score |
|---|---|---|
| 1 | Relationship with peers | 5,00 |
| 2 | Achievement | 5,00 |
| 3 | Social interaction | 5,00 |
| 4 | Growth | 4,67 |
| 5 | Supervision | 4,67 |
| 6 | Personal life | 4,67 |

Comparing age groups 18-21 and 22-25 there are some similarities present: 4 out of the top 6 motivational factors are the same in both age groups: *salary, relationship with peers, personal life* and *relationship with supervisor*. Moreover, the motivational factors: *salary* and *relationships with peers* are ranked as number 1 and 2 in both categories. However, for the employees in the age group 18-21 the remaining two motivational factors in the top 6 are: *responsibility* and *recognition*. Meanwhile, employees in the age group 22-25 point out *growth* and *supervision* as the remaining important motivational factors.

Looking at the results in the age group 26-29 it is clear that the top six motivational factors in this category are rather distinctive from the motivational factors present in the age group 18- 21. These two categories share only two factors out of the top 6: *relationship with peers* and *personal life*. The remaining four factors are different in each category.

Comparing the age group 26-29 and 22-25, reveals that the two age groups are rather similar and contain four mutual motivational factors: *relationship with peers, growth, supervision* and *personal life*. Motivational factors that are distinctive for the age group 22-25 are *salary* and *relationship with supervisor*. Factors specific for the age group 26-29 are *achievement* and *social interaction*.

The analysis of the different age groups and their motivational factors provide some suggestions about how age and motivation are interrelated. Firstly, there is a tendency detected that the importance of motivational factors gradually changes with age. Implying, that age does have an impact on what factors are important for employees in the service sector. For instance *salary* as a motivational factor is very important for employees in the age of 18-26, whereas the age group 26-29 shows a significant decrease of this factor. On the contrary, *achievement* is a very important motivational factor for the 26-29 years old, but not so much 18-21. The fact that the motivational factors present in the age group 18-21 strongly deviate from the ones in the age group 26-29 confirms this tendency. The second observation about motivation and age: it is plausible that some of the motivational factors have a tendency to stay stable and not change with employees' age. For instance, motivational factors *relationship with peers* and *personal life* are present in the top 6 priorities in all three age groups. The consistency of the two factors throughout different age groups implies the significance of those factors among young employees in the service sector.

*Motivational factors in relation to gender*

One of the other demographical variables that might have influence on employees' priority of certain motivational factors is gender. It is important to assess similarities and differences in male and female responses in order to be able to identify what motivational factors are important for young employees in the service sector. The analysis of the survey data shows that the top 6 priorities among female respondents are: *relationship with peers, company policy, salary, personal life, relationship with supervisor* and *responsibility.*

Table 7: Top 6 motivational factors among female respondents

| | Female | Average score |
|---|---|---|
| 1 | Relationship with peers | 4,9 |
| 2 | Company policy | 4,76 |
| 3 | Salary | 4,72 |
| 4 | Personal life | 4,72 |
| 5 | Relationship with supervisor | 4,72 |
| 6 | Responsibility | 4,66 |

Meanwhile male respondents' top 6 motivational factors are as fallowing: *salary, growth, relationship with peers, personal life, achievement* and *responsibility.*

**Table 8: Top 6 motivational factors among male respondents**

| | Male | Average score |
|---|---|---|
| 1 | Salary | 4,33 |
| 2 | Growth | 4,33 |
| 3 | Relationship with peers | 4,14 |
| 4 | Personal life | 4,14 |
| 5 | Achievement | 4,14 |
| 6 | Responsibility | 4,10 |

Analysing the results of female and male respondents, it is identified that four of the top 6 motivational factors are the same in both categories. It is clear that both female and male respondents perceive *relationship with peers, salary, personal life* and *responsibility* as highly important factors in relation to their motivation. However, some differences are present in the ranking of the identified four common factors. For instance male respondents place monetary rewards in the form of *salary* as the most important motivational factor. On the contrary, female respondents place non-monetary rewards, namely *relationship with peers*, at the first place when it comes to motivation.

There are also some differences present in female and male selection of the top 6 motivational factors. Two motivational factors in each category are distinctive. For male respondents' motivational factors, such *growth* and *achievement* are also among the top 6 important motivational factors, where for female respondents' those are: *company policy* and *relationship with supervisor*. This inconsistency in regards to the above-mentioned motivational factors could be assigned to gender related differences, where female respondents' motivational factors are based on feminine "soft" and male respondents' motivational factors are based on more masculine "hard" values.

The analysis of motivational factors related to gender leads to some interesting findings. Gender does to some extent shape young employees' motivation and preference of motivational factors, since the top 6 motivational factors in the two categories are not identical. Both categories include two motivational factors specific for each gender. Nevertheless, despite the identified differences between male and female respondents' responses, four motivational factors are found to be universal to both genders. By establishing these commonalities within the gender category permits a conclusion that the following motivational factors are important for young employees in the service sector: *relationship with peers*, *salary, personal life* and *responsibility*, when analysing the results from a gender perspective.

*Motivational factors in relation to job position*

Looking at another variable in relation to young employees' motivation is job position. Then Job position has an impact on job tasks, level of responsibility, work nature and conditions. IT could therefore affect employees' preference of motivational factors in the work environment. In order to assess motivational factors in relation to job position the research population is subdivided into two categories: service employees and management employees. As the findings show, the 6 most important motivational among service employees are: *relationship with peers, salary, personal life, security, relationship with supervisor* and *company policy.*

Table 9: Top 6 motivational factors among service employees

|  | Service employees | Average score |
|---|---|---|
| 1 | Relationship with peers | 4,68 |
| 2 | Salary | 4,61 |
| 3 | Personal life | 4,54 |
| 4 | Security | 4,50 |
| 5 | Relationship with supervisor | 4,46 |
| 6 | Company policy | 4,46 |

Meanwhile management level employees point the following 6 motivational factors as the most important: *relationship with peers, personal life, growth, achievement, salary and supervision.*

Table 10: Top 6 motivational factors among management employees

|  | Management employees | Average score |
|---|---|---|
| 1 | Relationship with peers | 4,72 |
| 2 | Personal life | 4,50 |
| 3 | Growth | 4,44 |
| 4 | Achievement | 4,44 |
| 5 | Salary | 4,44 |
| 6 | Supervision | 4,39 |

Comparing the top 6 priorities between service and management level employees the analysis shows that similarities as well as differences exist between the two groups of employees. There are 3 motivational factors that are the same in both categories*: relationship with peers, personal life* and *salary*. Both service and management level employees agree about the number one priority in regards to their motivation and *place relationship with peers* on the top of the list. However, when it comes to salary incongruence between the two categories appears. It is clear that *salary* is more important to service level employees since it is number 2 out of 24 motivational factors. Meanwhile for the

management level employees' *salary* is in 5<sup>th</sup> place, where personal life is the motivational factor that is ranking second.

As mentioned, there are differences among the six the most important motivational factors between service and management employees. There are three factors detected in each category that are particular for service and management employees. The three factors in the top 6 motivational factors for service level employees are: *security, relationship with supervisor* and *company policy*. Meanwhile management level employees also *include achievement, growth* and *supervision* in the list of the top 6 motivational factors.

Based on the comparison of motivational factors between service and management employees it can be concluded that job position can to some extent have impact on preference of motivation factors among young employees motivation in the service sector. The top 6 motivational factors of the two compared categories are not fully consistent. However, there is also evidence found that there are factors that are unanimous for both service and management employees*: relationship with peers, salary* and *personal life*. Therefore, these factors are identified as very important for young employees' motivation in the service sector, when assessing motivation from a job position perspective.

*Motivational factors in relation to relation to length of employment*

The length of employment affects a number of job aspects. For instance, in the start-up phase of the employment employee is lacking experience and job related expertise. Additionally, the learning curve is very intensive in the beginning of an employment, but it gradually decreases during longer employment. On those grounds, it feasible to assume that the length of employment might affect the prioritisation of motivational factors. Therefore, in order to determine what motivational factors are important among young employees in the service sector, an analysis is conducted to investigate how the length of employment affects the target groups work motivation. For this purpose, the research population is subdivided into four categories according to employment length: less than one year, 1 year, 2 years and 3 or more years. The survey analysis shows following distribution of the top 6 motivational factors in relation to the length of employment. Motivational factors that are identified to be important to employees that have been in job less than 1 year are *salary, relationship with peers, responsibility, growth, achievement and personal life*.

| | Employed less than 1 year | Average score |
|---|---|---|
| 1 | Salary | 4,61 |
| 2 | Relationship with peers | 4,57 |
| 3 | Responsibility | 4,52 |
| 4 | Growth | 4,52 |
| 5 | Achievement | 4,52 |
| 6 | Personal life | 4,48 |

Among employees with 1 year's employment experience, the important motivational factors are as follows: *relationship with peers, salary, personal life, supervision, security* and *company policy.*

Table 12: Top 6 motivational factors among employees - 1 year employment length

| | Employed for 1 year | Average score |
|---|---|---|
| 1 | Relationship with peers | 4,74 |
| 2 | Salary | 4,67 |
| 3 | Personal life | 4,50 |
| 4 | Supervision | 4,33 |
| 5 | Security | 4,33 |
| 6 | Company policy | 4,33 |

Further, among the employees with 2 years employment the most important motivational factors are *supervision, security, personal life, relationship with supervisor, growth and relationship with peers.*

Table 13: Top 6 motivational factors among employees - 2 years employment length

| | Employed for 2 years | Average score |
|---|---|---|
| 1 | Supervision | 4,67 |
| 2 | Security | 4,67 |
| 3 | Personal life | 4,56 |
| 4 | Relationship with supervisor | 4,56 |
| 5 | Growth | 4,56 |
| 6 | Relationship with peers | 4,44 |

Finally, among employees with 3 or more years employment length the most important motivational factors are: *advancement, growth, achievement, identity, relationship with peers and salary.*

Table 14: Top 6 motivational factors among employees - 3 and more years employment length

| | Employed for 3 or more years | Average score |
|---|---|---|
| 1 | Advancement | 4,83 |
| 2 | Growth | 4,67 |
| 3 | Achievement | 4,67 |
| 4 | Identity | 4,56 |
| 5 | Relationship with peers | 4,50 |
| 6 | Salary | 4,50 |

Comparing the length of employment categories, *less than 1 year* and *1 year*, shows that the two categories are similar in some aspects, but not identical. Three of the top 6 motivational factors are identified to be the same and 3 are specific for each category. Both categories prioritise *salary*, *relationship with peers* and *personal life* as very important motivational factors. However, employees in the '*less than one year*' category place *growth, achievement* and *responsibility* among the top 6 motivational factors. The dominance of those particular factors could be related to employees' excitement and eagerness in the beginning of employment. Meanwhile for employees with *1 year* employment length the 3 remaining factors are: *supervision, security and company policy*.

Comparing the categories '*1 year*' and '*2 years*' employment length shows that two categories that are much alike. As four of the top 6 motivational factors are identical; meaning that there are only two distinctive factors between the groups. The common motivational factors are *relationship with peers, supervision, security* and *personal life*. The factors that are identified to be specific for the employees with '*1 year*' employment length category are *salary* and *company policy*. Meanwhile for the employees with '*2 years*' the specific factors are *growth* and *relationship with supervisor.* An interesting observation is regarding *salary*, as there is an indication that the importance of *salary* as motivational factor is stronger at the beginning of an employment as the factors importance diminishes significantly for the '*2 years*' group compared to the '*1 year*' group.

Comparing the categories '*2 years*' and '*3 or more years*' shows two rather distinctive factors as a basic for their motivation. As only two out of top 6 motivational factors are the same, the remaining four factors are specific for each category. The factors that are common for both categories are *growth* and *relationship with peers.* A rather high divergence in the remaining four factors, suggests that something happens in the employee's career after the third year of employment that significantly changes preference in motivational factors. One of the plausible assumptions could be that this is the point in time where employee starts to perceive their job not as temporary, but more as a permanent commitment and possibly considering the job as a possible carrier path. The fact that the motivational factors in the category '*3 or more years*' such as: *advancement, growth, achievement* and *identity* are present, does to some extent support this assumption.

The final analysis is of employees within the groups '*less than 1 year*' and '*3 or more years*'. Interestingly the comparison between the categories shows them to be rather alike. As four out of the top 6 motivational factors are the same. Both new employees as well as more established employees point *relationship with peers, salary, growth* and *achievement* as very important factors in relation to

their work motivation. However, there are some inconsistencies regarding ranking of the factors. For instance, *salary* and *relationship with peer*s are more important to employees in the category '*less than 1 year*' and ranked as priorities first and second. Meanwhile, the same factors is ranking as fifth and sixth among employee with '*3 or more years*' employment.

Factors found to be specific for the category '*less than 1 year*' are *responsibility* and *personal life*. Meanwhile for the employees in the '*3 or more years*' category the specific factors are *advancement* and *identity*. It seems that new employees are driven by trust shown towards them at their workplace, whereas more established employees are driven by carrier opportunities. This makes logical sense, where longer employment leads to prioritisation of motivational factors that are more concerned with future opportunities, as their commitment to the workplace also increases with years of employment.

The above analysis shows that there are some indications of employment length having possible effects on how young employees prioritise motivational factors in the service sector. As the analysis finds both commonalities and differences in preferences of motivational factors. The categories'*1 year*' and '*2 years*' are found to be similar as well as the groups '*1 year*' and '*3 or more years*'. Whereas '*less than 1 year*' and '*1 year*' is identified to be less alike together with the group comparison '*2 years*' and '*3 or more years*'. This grouping of similar employment intervals also shows that there are not a clear development of how motivational factors are prioritised based on employment length. However, it is still found that employment length does affect how young employees are motivated.

There are a number of motivational factors that are found to be particular for each length of employment category, however there is a single motivational factor (*relationship with peers*) that is present in all four categories. Due to the presence of this factor in all four categories, the conclusion is that '*relationship with peers*' is of high importance for young employees in the service sector.

### Motivational factors in relation to contract type

It is important to assess motivational factors in relation to contract type since part time employees spend less time at their workplace, in comparison to their full time colleagues. Therefore, it is reasonable to assume that contract type might have some impact on employee preferences regarding motivational factors. Therefore, it is important to see what similarities and differences exist in the priorities of motivational factors among employees working on part time and fulltime contracts. As the survey results show the 6 the most important factors among part time employees are: *relationship with peers, salary, personal life, relationship with supervisor, responsibility and security.*

| | Part time employees | Average score |
|---|---|---|
| 1 | Relationship with peers | 4,67 |
| 2 | Salary | 4,63 |
| 3 | Personal life | 4,56 |
| 4 | Relationship with supervisor | 4,52 |
| 5 | Responsibility | 4,48 |
| 6 | Security | 4,48 |

Meanwhile, fulltime employees name as their top 6 the most important motivational factors: *growth, relationship with peers, salary, achievement and personal life* and *responsibility.*

Table 16: Top 6 motivational factors among full time employees

| | Full time employees | Average score |
|---|---|---|
| 1 | Growth | 4,67 |
| 2 | Relationship with peers | 4,48 |
| 3 | Salary | 4,48 |
| 4 | Achievement | 4,48 |
| 5 | Personal life | 4,39 |
| 6 | Responsibility | 4,35 |

The results show that the two groups of employees contain similarities as well as some differences in regards to their preferences of motivational factors. Four out of the top 6 motivational factors are the same and 2 motivational factors are distinctive for each category.

Both part time and full time employees agree on *relationship with peers, salary, personal life* and *responsibility* as being very important factors in relation to their motivation. However, the two groups do not prioritise the factors the same. Part time employees prioritise *relationship with peers* as the most motivating factor this is number 2 for full time employees. As they prioritise *growth* as their key motivational factor.

The inconsistencies between the part time and fulltime employees are caused by two factors that are distinctive in each category. Part time employees prioritised *relationship with supervisor* and *security* and fulltime employees' prioritised *growth and achievement*. Hence, part time employees assign more importance to factors that focus on social interaction (*relationship with peers, relationship with supervisor*). On the contrary, full time employees' prioritise a more balanced selection of motivational factors. Nevertheless, it is obvious that social aspects play a significant role since *relationship with peers* is ranking between the two most important factors for both groups. However, the presence of

motivational factors such *growth* and *achievement* among the top 6 factors suggests that the full time employees also value motivational factors that are related to personal/individual prosperity.

The above analysis indicates that there might be a possible interrelation between job position and preference of motivational factors since the two compared categories are not identical. However, there are four motivational factors shared by both part time and fulltime employees. This enables a legitimate conclusion that *relationship with peers, salary, personal life* and *responsibility* are the most important motivational factors in regards to young employees' motivation in the service sector from a job position perspective.

## Summarised findings

The analysis of the empirical data enabled an identification of *relationship with peers*, *salary*, *personal life*, *responsibility*, *growth* and *relationship with supervisor* as the motivational factors that are of high importance among young employees in the service sector. Further, more detailed analysis validate these findings across demographical variables, where four out of the top 6 motivational factors are confirmed as being very important to young employees. Therefore, the motivational factors that are most important among young employees in the service sector are the following: *(1)* ***Relationship with peers*** **(2)** ***Salary*** **(3)** ***Personal life*** **and (4)** ***Responsibility***.

### *Statistical validation of the finding*

In order to strengthen the findings presented above, the statistical tool Chi² test is used to test the relationship between age and the four most important motivation factors. However, it is important to stress that due to a rather small data sample the application of the Chi² test to the findings of the research is very limited. As there are categories containing zero-values in the data sample, which prohibits a calculation of $X^2$. Based on the existing data it is only permitted to calculate a single Chi² test, which is based on *employee age* and the *relationship with peers facto*r. The results of this calculation Chi² test is $P(x^2 > 8,259) = 0,408$.[13] The result indicates that there is no relationship between employees' age and *relationship with peers* motivational factor, further suggesting that *relationship with peers* motivational factor is important to all age groups. However, due to the above limitations in the result of the conducted Chi² test, this is rather insecure and serves more as a demonstrative tool for attempting to statistically validating the data findings.

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[13] For more detailed calculation of Chi², please see appendix 6

## Critical assessment of the empirical data

In closing, the findings of this chapter are assessed in terms of generalizability and validity. The findings are based upon a sample population, which is closely representative for the true population of HMSHost. This makes the finding applicable for HMSHost population at large. Moreover, the findings can be suggested to be applicable for other companies within the same sub-sector as HMSHost and with similar population characteristics. To increase the generalizability to the service sector at large, further research with a larger sample size and with a broader sector spectrum is required.

Finally, the validity of the research findings is thought of as being valid findings. Because, the research is not only based on predefined motivational factors suggested by previous research, but also includes a set of motivational factors that are empirically identified through interviewing young employees. This further strengthens the validity of the research findings. However, there is still the possibility that relevant factors for young employees' motivation are still unidentified. However, this is to some extend mitigated by the employed research approach.

# Chapter VI: General discussion and summarising conclusion

## Overview of the chapter

The main focus of the chapter is to provide a critical assessment of the research findings from a practical and theoretical perspective. The aim of the critical assessment is to identify how findings of the present research fit within existing theory and therefore what contributions the research makes. Following this is an assessment of the research finding's possible implications to HR practice and the service sector. Finally, the chapter ends with presenting the summarising conclusion and further research directions.

## Research findings in relation to the theory

The discussion has its origin in a critical assessment of the research findings. This is done by assessing the findings of the thesis in relation to the two theoretical frameworks employed in the research. The theoretical foundations of the thesis are based two theoretical frameworks: Two Factor theory (*Herzberg, 1959*) and JCM (*Hackman and Oldham, 1976*).

The core idea of the Two Factor theory is that two distinctive set of factors, motivators and hygiene factors, influences employees' job attitudes and motivation. Motivators are responsible for employee satisfaction, where hygiene factors are associated with job dissatisfaction. The theory also points out a dual relationship between the motivators and hygiene factors. According to the research conducted by Herzberg (*1987*) motivator factors that scored highest (percentage frequency among respondents) are as follows: achievement, recognition, work itself, responsibility, advancement and growth. Hygiene factors with the highest scores are company policy, supervision, relationship with supervisor, work conditions, salary and relationships with peers. (*See appendix 7, p. 8 for graphical illustration of Herzberg's findings*).

The main idea of JCM is a job that includes a set of specific job attributes leads employees' to certain of psychological states and thereby results positive personal and work related outcomes. The theory outlines five essential job attributes: skill variety, task identity, task significance, autonomy and feedback. Ranking of the five job attributes is not included in the theory; however the theory states that for a high internal employee motivation all three critical psychological states must be present, thereby suggesting equally high importance of all five job attributes.

In order to discover and assess possible distinctiveness of young employees' motivation, the findings of the thesis' research are compared to the findings of the studies conducted by the two theorists

presented above. The comparison is based on the analysis of the empirical data conducted in the previous chapter where it is identified that: *relationship with peers*, *salary*, *personal life* and *responsibility* are the four most important motivational factors in relation to young employees' motivation in the service sector. These findings are supported by both the survey results and interviews with employees (*Appendix 4, 5 and 8*). Moreover, another study also supports the findings of the present research (*Dermody, Young, & Taylor, 2004*). Not only does Dermody et al. (*2004*) identify relationship with co-workers and money among the important motivational factors for employees in the restaurant sector, but they also confirm the young employee dominance in the service sector by stating that historically above 50% of the employees are between 18-35 years old (*Dermody et al., 2004*).

An initial overall comparison indicates that the findings of this study are inconsistent with the results of the study conducted by Herzberg. The findings of the research show that young employees at HMSHost prioritise the motivators and hygiene factors from Herzberg's study are fundamentally different. As the set of factors that Herzberg's study points as important for motivation, is very different from the set of important factors pointed by the research population of this study. *Responsibility* is the single motivational factor that recurs between Herzberg's study and the present study findings. Whereas the remaining three factors in the thesis' research are characterised as hygiene factors by Herzberg.

Despite the inconsistencies of the results between this study and Herzberg's study there is detected a gradual transition towards Herzberg's results, since motivational factors such as: *growth* becomes important motivational factor in the age group 22-25 and *achievement* in the age group 26-29. This indicates that the motivational factors diverge more, the younger the employees are. However, the thesis' research is less well founded in the eldest age group, but it does indicate a shift in priorities of motivational factors, which is dependent on the employee's age. What is indicated is that the younger the employees are, the more divergent the thesis' findings are from those of Herzberg. This acknowledges the impact of age on employees' motivation and preferences of motivational factors.

These initial observations points to the fact that young employees' motivation seems to originate primarily from the hygiene (extrinsic) factors from Herzberg's point of view. In the findings of the thesis, these factors are the most important drivers for motivation among young employees. Signifying, the need for a different approach when assessing motivation among young employees.

Meaning that Herzberg's division between motivators and hygiene factors does not entirely apply to the thesis' findings about young employees.

While the thesis identifies an interesting and important observation about work motivation, it by no account reject Herzberg's work. It suggests a possible interrelation between age and preference for specific work motivation factors. As well, it points towards the importance of considering employees' age in relation to work motivation. This means that Herzberg's theory is still relevant, but when applying it to a population consisting of young employees it needs a revision when it comes to the division between motivators and hygiene factors. Because, the thesis findings illustrate how young employees' motivators are different from those proposed by Herzberg. Where hygiene factors actually serve or/and function as motivators for young employees. This means, the thesis's findings should be considered as the factors that constitute motivators in Herzberg's framework, replacing the existing ones.

This conclusion yields additional questions to why young employees are motivated differently. However, before addressing underlying reasons for distinctiveness of young employees' motivation, the thesis' finding are looked upon in the light of the Job Characteristics Model (JCM).

On a general notion, then the young employees prioritise the five suggested job attributes/factors by Hackman & Oldham rather low. As the main purpose for including the JCM, was to establish additional motivational factors that could be driving motivation among young employees. The findings of the thesis cannot reject the JCM, but it suggests that the job characteristics/factors the JCM are not those factors that drive young employee motivation. Therefore, the further discussion focuses on assessment of the present study findings in relation to the JCM.

The job design proposed in the JCM relies on specific proposed job characteristics/factors that drive three psychological states, which in return can lead to more internally motivated employees. Nevertheless, the selection of job characteristics/factors needs to be valued or prioritised by the employee in order to generate a positive influence on the employees' internal motivation. As the respondents in the thesis survey do not prioritise the elements proposed by Hackman & Oldham very high. Indicating that the job characteristics suggested by Hackman & Oldham are not the ones of highest importance or strongest influence on motivation among young employees. By incorporating characteristics/factors that are not prioritised by the target group, inevitably lead to a job design that is not leading to the desired outcomes in the model, because the job characteristics relevant for the target group. Especially, the fact that the five job characteristics focuses on factors that a very

narrowly targeted at what Herzberg (*Herzberg, 1993*) refers to as 'the work itself' and neglects social interaction factors. Which supported by the findings in the thesis by the low rank of 'Work itself' (number 20) in the survey, whereas relationship with peers is ranked as number 1. Additionally, the importance social interaction and relationship with peers is further stressed by the two employees interviewed prior to the survey (*Appendix 4,5and 8*). This suggests a possible adjustment of the job characteristics/factors if they are to be relevant to young people in the service sector. The factors identified to be important in the thesis research can be the basis for the alteration of the job characteristics, but certainly further research is needed to confirm the thesis findings and to enable a more generalizable change of the model. This does not dispute the model, but as with Herzberg's findings, the thesis' suggests that young employees are motivated differently than other groups of employees.

The overall conclusion of this discussion is that current motivational theories may not be used unquestioned when addressing the motivation of young employees in the service industry. Furthermore, suggesting that motivational theories need to focus more on sub-groups, as the holistic approach to motivation seems to be insufficient to describe certain populations and industries i.e. the service sector. This also indicates that work motivation is a far more complex and dynamic subject than the existing motivational theories account for.

Inconsistencies between the thesis' finding and the two theories employed could partially explained by certain characteristics of the young employees. Therefore, the final part of the discussion focuses on what are the characteristics of young employees that set them apart from other groups of employees.

Firstly, young employees are characterised as being short-term employees. This finding is based on the interview with Karin Westrup (HR manager), who states that HMSHost has a very high employee turnover (*Appendix 1, p. 4-5*). The survey findings supports this, where 70% of the employees have been with HMSHost for one year or less (*See chapter IV, p. 47*). This shows that short-term employment is normal within the service industry, which indicates that there is not enough time or commitment for the employees to reach high-level motivational needs. In the thesis' context, this is what Herzberg's define as motivators and Hackman & Oldham's internal motivation. Due to a short-term employment young employees' focus on motivational factors that are easy and fast to reach.

Secondly, the thesis' findings suggest that most of the times young employees' treat employment at HMSHost as temporary activity. Because, as HR manager Karin Westrup states there are many

employees who are only there because they are looking to do something else for a while, before proceeding towards their primary occupational focus i.e. another job or further studies at university (*Appendix 1, p. 3*). Therefore, their commitment and requirements for the job are different from those of an average employee, who have long-term commitment to their workplace. This commitment might be established through education, career aspirations or other personal commitment factors to a workplace. However, these characteristics are lacking when looking at young employees. As many of the young employees, have no educational investment in the job (unskilled) or aspirations for a career at HMSHost (*Appendix 1, p. 3*). This makes their employment a less committed relationship, as the investment in their workplace is limited. This means that the employees do not enter into a "psychological contract" with their employer, because they are resolved with their temporary relationship with their workplace.

Finally, young employees are characterised as being unskilled and inexperienced labour force. This characteristic is mainly due to employees' age. According to HR manager Karin Westrup many of the employees join the company straight after graduating from high school and it is their first job. This means that young employees are less established in comparison to other groups of employees. Therefore young employees lack a fundamental understanding about themselves as employees: what they good at what they want form job etc. This characterises them as a rather basic type of employees, therefore the factors that are important in their motivation are also rather simplistic.

In sum, the discussion above shows that young employees are different from an average employee on a number of characteristics. It clarifies why the thesis' findings suggest the need for a different approach when addressing young employees' motivation in the service sector.

## Research findings in relation to the practice

This section assesses and discusses the research findings implications for HR management and the service sector. In general, the finding in the thesis suggests that young employees are motivated differently than the traditional employee and picture portrayed in theory.

Since HR management and the service sector are interrelated, the discussion will have its origin in HR and from there expand the discussion to the service sector.

For HR management the findings of the thesis helps to gain a better understanding and insight into what drives young employees' motivation. Consequently, it enables HR to adopt a more focused approach towards motivating young employees, where motivational strategies/methods can be better designed to address young employees' specific motivational needs.

From a HR perspective, the thesis' finding of *relationship with peers* as the main factor for young employee motivation, might affect the recruitment process. As there need to be a high degree of fit between employees to ensure the satisfaction of this motivational factor. Therefore, the thesis suggests that the personality of new employees, their fit with the workplace culture and social interaction skills to be a prioritised when recruiting new employees. Because these personal characteristics might contribute to a better social environment among the young employees. Additionally, the findings also suggest that young employees in general are extrinsically motivated, meaning that HR needs to play an active role in the motivation of young employees. As the job itself does not motivate them, continuous efforts need to be made in order to maintain motivated young employees.

For the service sector, the implications are more general as the findings points towards awareness about young employees' motivation rather than yielding specific implications. This means, more focus and attention should be given to the young employees, since they are a substantial part of the labour force in the sector and as the thesis suggest different from the other groups of the labour force. This might cause an establishment of a distinctive focus on young employees as a labour force group and recognition of their specific needs and requirements towards their employers.

## Summarising conclusion

The thesis set out to identify and examine what work motivation factors are important for young employees in the service sector. To achieve this, the thesis establishes a set of 24 work motivation factors by combining motivational factors suggested by theoretical frameworks and empirical research findings at the case study company. The 24 factors are used to measure the importance of each motivational factor among 50 young employees at the case study company. The research findings suggest that four motivational factors are the most important influencers of young employees' motivation. The identified factors are (1) *Relationship with peers*, (2) *Salary*, (3) *Personal life* and (4) *Responsibility*. This indicates that young employees' motivation primarily stems from extrinsic sources.

### Further research directions

Two further directions will serve as a logical extension of the present research. Those are as following: (1) extending the scope of the research or (2) narrowing the scope of the research.

Firstly, the scope can be extended through two different approaches. The first approach is to test the findings on companies within the same sub-sector as HMSHost, in order to determine if the findings

of the research are applicable beyond the research population. The second approach is to test the findings on companies within different sub-sectors of the service sector, to determine whether the findings of the present research are applicable to the service sector in general and to what extent.

Secondly, the scope of the research can be narrowed towards a more focused and in depth approach. Since, it could be relevant and interesting to identify and examine the underlying reasons for the young employees' preferences for the motivational factors. This could provide a more comprehensive understanding about young employees' motivation in a workplace setting.

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# APPENDIX 2

*Interview guide*

1. How long have you been working at HMSHost?
2. How is it going with your job?
3. What made you to choose this job at first place?
4. Are you satisfied with your job? Why?
5. What do you like about best about your job?
6. What do dislike about your job?
7. When it is a good day at job for you?
8. What is the main reason you go to work?

- As you know we are going to talk about motivation at work.

9. So I would like to ask how you understand word motivation?
10. What personally for you means to be motivated at work?
11. When do you feel motivated at work?
12. What makes you work hard at work?
13. Can you give an example(s) what made you very motivated at work? Why this motivated you? How it made it feel?
14. When do you feel unmotivated at work? Why?
15. Can you remember some events that you felt very unmotivated at your work? Why?
16. What are 3 things that motivate you most at work? Could you please tell, why each of the things is motivating for you?
17. If you should choose one thing that motivates you most at work it would be? Why?
18. Lets say if you would not have to pay your bills would you still work at the same place as you do now? Why?
19. In your opinion what are the factors that are important for young employees motivation in service sector?
20. What monetary rewards are important for your motivation? Why?
21. What non-monetary rewards are important for you? Why?

This questionnaire is a part of my master thesis at Copenhagen Business School and concerns young employees' work motivation and the various factors related to it.

I would really appreciate if you would take a few of minutes of your time to complete this questionnaire.

1. **Your age?**

    _____

2. **Your gender?**

    Male_____     Female_____

3. **Your educational background?**

    Secondary school___     High school ___          College degree___

    Bachelor degree___          Master degree_____     Other (specify) ___

4. **Your department at HMSHost?**

    BK___    Ciao___   Grab&Fly___    Segafredo____

    STBX Arrivals___   STBX Airside___   STBX T2___   The bar___

    5. **Your job title at HMSHost?**

    _____

6. **Your years of employment at HMSHost?**

    Less than 1 year_____   1 year___   2 years___   3 years___   4 and more years____

7. **Your work contract at HMSHost?**

    Oncaller (afløser)_____   40 hours____   60Hours___   80hours____   120hours___   Other____

8. **Your income per month (after tax) In DKK?**

    Less than 4000DKK____     4000-5999DKK ___     6000-7999DKK___

    8000- 9999DKK___   10000-11999DKK___   above 12000DKK

**Please indicate below (by marking an appropriate answer) how important each factor is for your work motivation.**

**The scale is from 1 to 5.**

**1 - unimportant, 2 - little importance, 3 - moderately important, 4 - important, 5 - very important**.

**9. How important are various factors listed bellow for your work motivation?**

| Achievement (I can see the results of my work) | Unimportant | Little Importance | Moderately Important | Important | Very important |
|---|---|---|---|---|---|
| Advancement (I have career opportunities at my work) | | | | | |
| Autonomy (I have the freedom to make my own decisions at work) | | | | | |
| Company policy (I can see that my job has clear and fair rules) | | | | | |
| Dynamic environment (I work in the environment where every day is different) | | | | | |
| Feedback (I receive information about my performance) | | | | | |
| Growth (I can grow as a person and learn new skills) | | | | | |
| Identity (I get to follow my tasks through and see the outcomes of my work) | | | | | |
| Personal life (I can balance my job and personal life) | | | | | |
| Recognition (I get credit for my work) | | | | | |
| Relationship with peers (I have good relationships with my co- workers) | | | | | |
| Relationship with supervisor (I have a good relationship with my boss) | | | | | |
| Responsibility (I am trusted and given responsibility at work) | | | | | |
| Salary (I get paid fairly for my job) | | | | | |
| Security (I have a job that is stable and secure) | | | | | |
| Service (I have the possibility to serve customers and make them happy) | | | | | |
| Significance (I feel that my job makes a difference) | | | | | |
| Social interaction (I have a contact and interact with other people) | | | | | |
| Status (I have a job that is prestigious) | | | | | |
| Supervision (I have a confident and fair boss) | | | | | |
| Variety (I get to perform different tasks and use different skills at my job) | | | | | |
| Working conditions (I have a nice, clean and modern work place/ work equipment) | | | | | |
| Work flow (I experience that everything goes smoothly on a daily basis) | | | | | |
| Work itself (I like the tasks that my job involves) | | | | | |

**10. Are there any other factor(s) that are important for your work motivation?**
_____

**11. What demotivates you at work place?**
_____