



## What qualities of the boss motivate employees? An Analysis of Motivation Factors on the Example of Employees of the Financial Sector Companies

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### Abstract

The goal of this paper is to find out what qualities of the manager have influence on the employee's motivation level. For the purpose of this article the survey was conducted on employees of the financial sector companies. Statistical tests and logistic regression were used to verify the hypothesis about the importance of specific factors connected with professional work and employees' motivation. In particular, it has been shown that the most important factors include, among others, atmosphere at work and the level of managerial and technical competence of the immediate superior. The limited availability of respondents did not allow an extensive analysis of the superior's qualities, hence it is necessary to deepen this study.

**Keywords:** motivation to work, survey, transformational leadership, exchange  
**JEL:** E24, J28, J53

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### Introduction

Studies on motivation have been in the area of interest of both management theoreticians and managers for many years now. It has long been known that the efficiency of the employee's work, and thus the success of the organization, largely depends on the extent to which people are involved in their work. Frederick Taylor (1856-1915) believed that a worker was inherently lazy and only money could motivate him to make a greater effort

while doing his work. This observation inspired Taylor to come up with a system of incentive wages. It took a long time before people noticed that there were also other factors affecting the level of the employee's motivation. Frank Gilbreth with his wife Lillian (19/20 century) found, however, that employees who were able to work at various positions (displaying broader competencies) had a higher morale which effected that their efficiency at work was also higher. They started therefore putting much emphasis

on employees training. Moreover, Elton Mayo (1880-1970) discovered that an important instrument to motivate employees was to recognize their social needs and the sense of their own usefulness.

Taylor's theory coincided with the tenets of Theory X, according to which people do not like working, do not want to take responsibility for their work, must be supervised by their superiors and forced to work by the means of penalties and rewards. In contrast to it, Theory Y assumes that work is something natural to people and that people can draw satisfaction from it. In light of this theory, people are internally motivated to achieve their goals in the degree that is adequate to the reward they receive.

### Current Views on Motivation

Contemporary theories on motivation tend to be considered within 5 of the following areas (Landy, Frank, Becker, 1987):

1. Equity theory
2. Expectancy theory
3. Reinforcement theory
4. Goal setting theory
5. Theory of needs

In light of equity theory, employees are motivated if their individual assessment of equity or their justification for penalty or reward coincides with that of the superior (the person making assessment). Employees analyse how much work they have contributed compared to the reward they have received. They compare it to that of their other fellow workers and if they believe that they are well rewarded, then their motivation to work is high. Expectancy theory assumes that the level of employees' motivation is conditional on how much they desire something and on the expected likelihood of having this desire fulfilled. If the outcome of having performed certain task is attractive to them,

then their level of motivation will be higher.

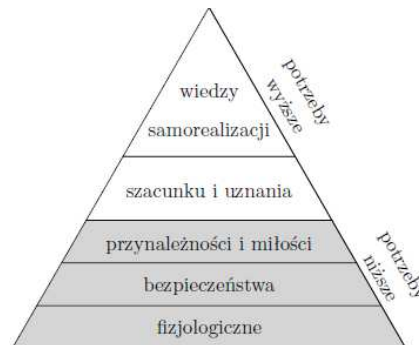
Reinforcement theory focuses on sustaining motivation using positive and negative reinforcement. It assumes that if employees' behaviour has brought them positive results, then this behavior will be repeated in the future. On the other hand, if the outcome proved negative, then this behavior will no longer occur in the future.

Goal setting theory says that human beings feel motivated if their activity leads to achieving goals which they perceive as ambitious, possible to attain and have their acceptance.

While referring to theories of needs, Maslow's hierarchy of needs is often brought up. Maslow believes that an individual is motivated by striving to have their dominating (more acutely felt) need satisfied. He created the so called pyramid of needs (see Figure 1).

According to Maslow, the most fundamental (lower) needs are physiological needs, which in the context of employment cover e.g. remuneration or working conditions. As next, he identified safety needs. Here he also refers to job security, pension system, health care and social benefits. The highest amongst those needs is the need for love and belonging. In the context of employment we of course talk here about work atmosphere, good work relations, willingness to be part of the work team. As next, higher needs appear. Those include: the need for feeling respected and esteemed, which comprise having a responsible job and being recognised by the superior and self-actualisation need, which is at the top of the hierarchy encompassing, above all, the need for one's personal growth.

Maslow believes that the need which has already, to a large extent, been satisfied loses its ability to motivate and then the needs of the higher order gain on importance. The lower



**Figure 1. The pyramid of needs according to Maslow**

*Od góry: knowledge / higher needs  
Self-actualisation  
Esteem  
Love/Belongings / lower needs  
Security  
physiological*

Source: [https://pl.wikibooks.org/wiki/Pomocnik\\_olimpijczyka\\_-\\_Elementy\\_wiedzy\\_obywatelskiej\\_i\\_ekonomicznej/Ekonomia](https://pl.wikibooks.org/wiki/Pomocnik_olimpijczyka_-_Elementy_wiedzy_obywatelskiej_i_ekonomicznej/Ekonomia) [01.09.2015]

needs are also called needs to reduce the deficiencies felt, while the higher needs are referred to as growth needs. A similar theory was created by Clayton Alderfer (Alderfer, 1972). However, he divided the needs into three areas.

1. Existence needs
2. Relatedness needs
3. Growth needs

In contrast to Maslow, Alderfer believes that when the higher needs are not being satisfied, then the needs of the lower order return, even though once they have been satisfied. In his view, human beings climb the need hierarchy just like a ladder (up and down).

An interesting theory on motivation was also proposed by Frederick Herzberg (Herzberg, 1959). He divided the factors influencing employees' satisfaction into hygiene and motivation factors (hence, the name dual-factor theory). He classified the following

factors as hygiene factors: adequate superiors, human relationships, working conditions, wages. Herzberg believes that the presence of these factors does not affect employees' satisfaction, yet it causes that there is no dissatisfaction. Moreover, the occurrence of motivation factors, such as for example achievements, recognition, responsibility and promotions lead to employees' satisfaction.

Herzberg believes that in order to be able to motivate employees, what is first needed is to eliminate those factors which cause dissatisfaction.

#### **Description of the Survey and Analysis Result:**

The survey was conducted between 1 August and 30 September 2015. 108 respondents participated in the survey who filled in an anonymous questionnaire online. The selection of respondents was targeted. The

questionnaire was addressed to persons working at banks and debt collections firms at specialist positions (non-management). The statistical analysis was carried out in R package. The significance level was adopted at the level of 0,05. In order to assess the significance of differences between the groups examined, tests for proportion were applied based on chi-square statistic for the appropriate number of groups. With view to assess which variables influence the wish to change job, logistic regression was employed. The average age of the population was 30 years. All the persons surveyed held a university degree, with women accounting for 52% of respondents. Respondents were asked to fill in the questionnaire designed by the author. In particular, they provided responses to the question asking to assess their motivation to work based on a 5-point Likert scale (1-low, 2-rather low, 3-neither high nor low, 4 – rather high, 5 high). Roughly 2/3 of respondents say that the level of their motivation is high or rather high (in the further part of the paper I will consider them to be persons who are motivated at a high level, with the rest being considered as having a low level of motivation). Less than 15% assessed themselves at level 3. The rest of respondents admitted that their level of motivation was rather low or low. The distribution of the motivation level is not affected by respondent's gender (chi-square test,  $p=0,7$ ).

In the survey, respondents were to choose maximum 5 out of 13 factors listed below which are important to them at work:

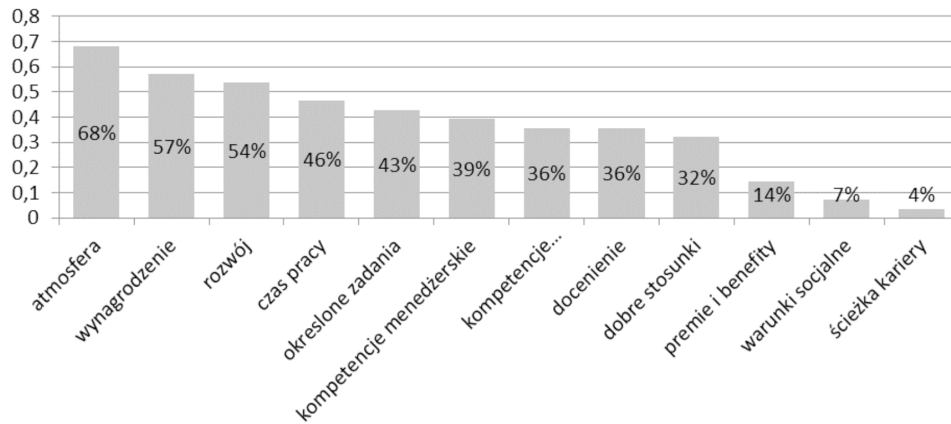
1. High level of managerial competences of the immediate superior
2. High level of specific expertise of the immediate superior
3. Recognition by the superior
4. Good relations with the superior
5. Convenient working hours
6. Good social conditions

7. High wages
8. Bonuses and benefits
9. Growth possibilities
10. Clearly defined professional career path
11. Clearly defined tasks
12. Good work atmosphere
13. Other.

The choice of the mentioned factors was made based on 3 focus group interviews carried out with a selected group of employees. Part of those interviews overlapped with the results presented in, for example, A. Dolot's work (2014).

The results of the answers to this question are shown in Figure 2. 68% of answers referred to good work atmosphere as a motivation factor. Remuneration (57%) came in the second place, and in the third place (54%) growth. The test for proportion for the three groups based on chi-square statistic produced no clear answer as to whether the differences in the percentage of responses are statistically significant ( $p=0,06$ ). At the same time the test for proportion for the two groups based on chi-square statistic showed that the percentage of respondents indicating remuneration was the same as the percentage of respondents indicating growth ( $p=0,68$ ).

The next group of the factors was indicated within the range 32%-46%, these frequencies of responses do not differ from one another in a way that would be significant statistically ( $p=0,25$ ). The factors which were least likely to be chosen were those relating to bonuses and benefits, good social conditions and a clearly defined career path. The low percentage of responses indicating those factors is most likely due to the fact that respondents are corporation employees where such factors are usually provided for (corporations most frequently have the career paths of their employees defined, they offer a variety of benefits and bonuses, and social conditions

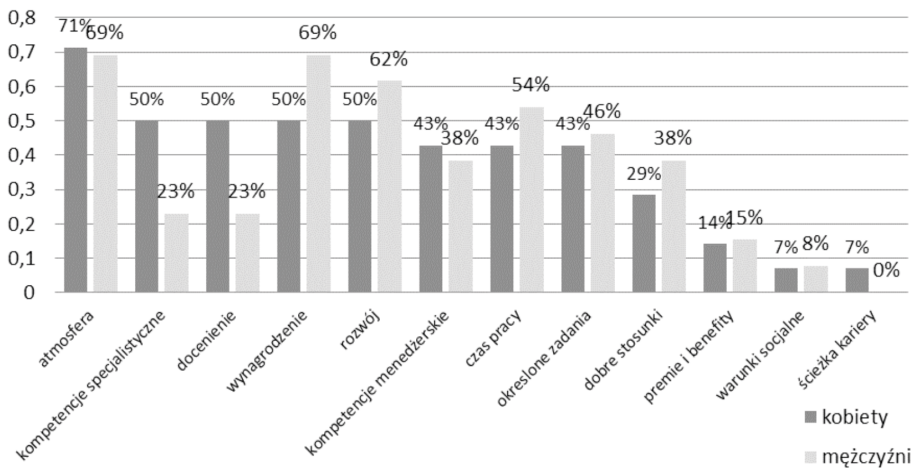


**Figure 2. Result of responses to the question on the importance of individual factors at work (percentage of responses).**

Source: Author's own study based on the survey results.

are often at a much higher level than in smaller companies). Respondents thus take them for granted and only if these elements were to be taken away

from them, this would probably lead to respondents' dissatisfaction (similar to hygiene factors in the two-factor theory by Herzberg).



**Figure 3. Results of responses to the question on the importance of individual factors at work (percentage of responses) for women and men.**

Source: Author's own study based on the survey results.

**Table 1. Distribution of responses on the importance of managerial competences of the immediate superior according to the employee's self-assessment of the motivation level**

self-assessment of the motivation level	Respondents who did not indicate the importance of managerial competences	Respondents who indicated the importance of managerial competences
low	16 (15%)	20 (19%)
high	48 (44%)	24 (22%)

Source: Author's own study based on the survey results.

The survey showed that the importance of these factors is slightly different for women and men (see Figure 3). Although the "atmosphere" is perceived as the most important factor, whatever the gender (approximately 70% responses in both groups), men indicate it equally frequently as "high remuneration". Women, on the other hand, indicate, as second, "high level of specific expertise of the immediate superior" and "recognition by the immediate superior" (roughly 50% for both of these factors). For these factors, the frequency of responses differs according to gender in a way that is significant statistically ( $p=0,007$  for both factors).

The results suggest that despite the same frequency of responses indicating the factors referring to "specific expertise" and "managerial competences of the immediate superior" in the whole population ( $p=0,67$ ), the factor depicting "managerial

competences of the immediate superior" is more important for persons with low motivation than for those who are highly motivated (ch-square test,  $p=0,04$ ), which is demonstrated in Table 1.

Such results show that persons whose motivation is low are more likely to need efficient management whereas persons who are highly motivated have different expectations. The factor referring to specific expertise is of equal importance to respondents, regardless of their motivation level ( $p=0,07$ , see Table 2).

In the entire sample, about 1/3 of respondents reported that being recognised by the immediate superior was important with this percentage being similar in the group comprising highly motivated employees as well as in the one comprising those with a low level of motivation ( $p=0,07$ ), as demonstrated in Table 3.

**Table 2. Distribution of responses on the importance of specific expertise of immediate superior according to the employee's self-assessment of motivation**

self-assessment of the motivation level	Respondents who did not indicate specific expertise	Respondents who indicated specific expertise
low	24 (22%)	12 (11%)
high	44 (41%)	28 (26%)

Source: Author's own study based on the survey results.

**Table 3. Distribution of responses on the importance of recognition by immediate superior according to the employee's self-assessment of motivation**

self-assessment of motivation level	Respondents who did not indicate the importance of recognition by immediate superior	Respondents who indicated the importance of recognition by immediate superior
low	25 (23%)	12 (11%)
high	44 (41%)	27 (25%)

Source: Author's own study based on the survey results.

The atmosphere was the factor which was most frequently indicated (approximately 68% of respondents). However, the study showed that for persons with low motivation atmosphere is decisively less important than for those who are highly motivated (see Table 4). The test for proportion showed that this difference as to the frequency of responses is statistically significant ( $p=0,03$ ).

In the further part of the survey, respondents were asked to answer whether or not the work they were doing matched their education (possible answers: yes/no/difficult to say). Based on this information, the hypothesis was verified which states that the level of motivation is conditional on whether or not somebody works in

“their own field”. 68% of those working in line with their education and 63% whose education did not match their job (here the answers no/difficult to say, were combined as one) specified their level of motivation as high. The test for proportion showed that this difference was not significant statistically ( $p=0,7$ ). However, it turned out that in spite of displaying a similar motivation level, in both of these groups, as many as 50% of persons whose work did not match their education were thinking about changing their job within next six months, whereas this proportion was 26% amongst those who worked in their own field (see Table 5), with the difference between these fractions being statistically significant ( $p=0,006$ ).

**Table 4. Distribution of responses on the importance of atmosphere according to the employee's self-assessment of motivation**

self-assessment of the motivation level	Respondents who did not indicate the importance of atmosphere	Respondents who indicated the importance of atmosphere
low	16 (15%)	20 (18%)
high	16 (15%)	56 (52%)

Source: Author's own study based on the survey results.

**Table 5. Distribution of responses to the question whether respondents want to change their job, according to whether their job matched their education**

Do you want to change your job?	job matching education	education not matching the job
no	56	16
yes	20	16

Source: Author's own study based on the survey results.

A likely consequence of having a job that does not match one's education may be low assessment of one's own competences in relation to the level of competences required at the position the respondent is employed in. Amongst persons who assess their competences as too low only 1/3 are highly motivated and the percentage of persons who are highly motivated increases together with the increase of the assessment of respondent's competences. As many as 80% of respondents who assessed their competences as too high in relation to their work have high motivation to work (this, in turn, is in line with the observations made by the Gilbreths).

The natural consequence of low motivation to work is the wish to change the job within next six months. Nearly 78% of respondents with low work motivation would like to change their job within the time frame analysed and only 11% of those whose motivation is low think about changing their job ( $p < 0,05$ ).

Additionally, it appears that persons who looked for work for longer than one month indicate the importance of the remuneration factor decisively less frequently (40% compared to 71% of persons who found work more quickly,  $p = 0,003$ ), and are less likely to indicate the factor of good relations with the immediate superior as important (only 20% compared to 41% of those who found work more quickly,  $p = 0,04$ ).

Those persons are more likely to indicate such factors as good work atmosphere (80%), a high level of managerial competences of the immediate superior (50%) or convenient working hours (60%). However, the test for proportion showed here no differences that would be statistically significant compared to the group of those whose search for work took maximum one month.

The survey also took into account the specificity of respondents' work in the context of overtime work. It appears that for persons who work overtime more often than 3 times a month the most important motivational factors include good atmosphere at work and the possibility of growth (in both cases 75% of responses), which is indeed more frequently reported than by those persons who work regular hours (47% of respondents,  $p = 0,015$ ). In addition, they are much more likely to indicate clearly defined tasks (63%,  $p = 0,25$ ). 63% of respondents from this group also report the importance of the factor referring to convenient working hours, compared to 42% of respondents from the group with regular working hours ( $p = 0,8$ ). However, they are much less likely to pay attention to the level of managerial competences of the immediate superior (barely 25%,  $p = 0,05$ ).

The last step of the analysis included the application of logistic regression for assessing the total influence of the



**Table 6. Logistic regression result for the model explaining the wish to change work within next 6 months.**

variable	B	S.E.	Wald's coefficient	df	Significance	Exp(B)
Managerial competences	1,47	0,79	3,49	1	0,06	4,37
Specific expertise	-5,26	1,64	10,24	1	0,00	0,01
Recognition	1,58	0,68	5,36	1	0,02	4,87
Good relations	-3,10	0,89	12,11	1	0,00	0,05
remuneration	3,34	1,06	9,92	1	0,00	28,07
Defined tasks	-3,51	1,38	6,50	1	0,01	0,03
Atmosphere	-2,48	0,69	12,81	1	0,00	0,08
Development	0,70	0,75	0,86	1	0,35	2,01
Constant	1,73	1,18	2,15	1	0,14	5,65

Source: Author's own study based on the survey results.

variables relating to the importance of the factors indicated by respondents on their wish to change work within next 6 months. Those variables which were not statistically significant were removed from the model (backward elimination) and which did not improve significantly the classification accuracy rate. The result of the analysis is presented in Table 6.

Table 6 shows that the odds of wishing to change work are over 28 times higher for persons who indicate the importance of remuneration than for those who do not, and over 4 times higher amongst persons who indicate the managerial competences factor or recognition by the immediate superior. This can be gleaned from the last column showing the odds ratio for this situation to occur. The odds of wishing to change work are also over two times higher for persons who indicate the factor relating to growth possibility (this variable is not statistically significant in the model, yet it allows

the classification coefficient to be improved). Moreover, persons who indicate the importance of specific expertise of the immediate superior, clearly defined tasks and good relations with the immediate superior are decisively less likely to report that they want to change their job (odds ratio is equal to 0,001, 0,03 and 0,05, respectively).

### Summary

The survey has found that the superior whose subordinates are highly motivated to work and thus do not plan to change work in the upcoming months is characterized by the following:

- They pay attention to work atmosphere and good relations in the team
- They enjoy a high level of not only managerial competences, but also specific expertise which allow them to teach and contribute to their subordinates' growth

- They are capable of matching motivation techniques to the character of the employee (e.g. gender), his/her life experience (e.g. long search for work), situation at work (frequent overtime work)
- They are capable of selecting employees to their team depending on the employee's education, competence level, and they seek to develop it further so as to sustain the employee's motivation

This study is certainly not sufficient to allow the identification of a complete and absolutely reliable list comprising the superior's qualities which

would be relevant to the motivation level of employees of the financial sector. Nevertheless, it provides a general view of the various expectations of employees towards the superior, conditional on their personal characteristics and life experiences. The findings of the study largely coincide with the theories on motivation presented at the beginning of the paper. However, there is hardly any doubt that in order to draw conclusions as to the motivation factors for the entire population of the financial sector, a study needs to be carried out among a representative sample of respondents.

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## **Jaki szef motywuje? Analiza czynników motywujących na przykładzie pracowników firm z sektora finansowego**

### **Abstrakt**

Celem artykułu jest znalezienie cech przełożonego, które mają wpływ na poziom motywacji podwładnych. Na potrzeby artykułu przeprowadzone zostało badanie ankietowe wśród pracowników firm sektora finansowego. Zastosowane testy statystyczne i model regresji logistycznej pozwoliły na weryfikację postawionych hipotez o ważności poszczególnych czynników związanych z pracą zawodową i poziomem motywacji pracowników. W szczególności wykazano, że do najważniejszych czynników należą m.in. atmosfera w pracy oraz poziom kompetencji managerskich i specjalistycznych bezpośredniego przełożonego. Ograniczona dostępność do respondentów nie pozwoliły na szeroką analizę cech przełożonego, stąd konieczne jest pogłębienie tego badania.

**Słowa kluczowe:** motywacja do pracy, badanie ankietowe, relacje z przełożonym