Tampere University of Applied Sciences

Travek, Inc. – Incentives for Motivation and Engagement

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ABSTRACT

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This thesis was completed for American home improvement and roofing company TraVek, Inc. The company is located in Phoenix, Arizona and has been operating for 23 years, currently with a small to medium-sized staff. The company wanted to learn more about effective incentives they could incorporate into the business for their three teams of employees (administration, sales, and production) to improve motivation and engagement and, resultingly, productivity.

The author conducted qualitative research to find theories on engagement and motivation to learn how these can be measured and what factors may affect them in different ways. Research on how increased engagement and motivation lead to increased productivity was completed. In addition, non-financial and financial incentives as well as team incentive structures were researched to better understand what incentives can be offered to employees to help increase engagement and motivation. An interview was conducted with the head of HR to learn about what incentives are currently offered at the company.

Quantitative research was completed by creating a survey for all employees that could be used to measure engagement and motivation as well as satisfaction with/preferences for different incentives. Survey results were analysed to understand what incentives are needed by team based on what is causing team members lowered engagement and motivation. Recommendations are given on a short-term, medium-term, and long-term basis in terms of how long/difficult it may be for the company to incorporate them in terms of time and money.

Findings suggest short-term incentives of feedback and supported goal-setting and communication on performance for the sales team; medium-term incentives of promotions for the administration and production teams, career development for the sales team, feedback, participation, supported goal-setting and communication on performance, and role in decision making for the production team (focusing on increasing employee autonomy), and training for the sales team; and long-term incentives of introducing a team goal-based incentives system to the production team.

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Key words: engagement, motivation, financial incentives, non-financial incentives

CONTENTS

ABBREVIATIONS AND TERMS

MST	Motivation systems theory
SDT	Self-determination theory
CET	Cognitive evaluation theory

1 INTRODUCTION

This thesis is being embarked on for the purpose of learning more about effective incentives in terms of increasing employee motivation and engagement, leading to higher productivity. The case company, TraVek, Inc., is a small to medium-sized roofing and remodelling company located in Phoenix, Arizona in the United States of America. It is important to mention that the owners of the case company are people with whom the author is personally acquainted. The thesis author's cousin owns the company, and her father has sold his company to TraVek, Inc. a couple of years previous to writing the thesis. A family member of the author is also currently employed at the company. However, the thesis author has not been offered any form of compensation or other reward to complete the thesis in any specific manner, and all research is collected in terms of what the author deems relevant to the topic at hand to help produce helpful recommendations to the case company according to current research. No conflicts of interest are present throughout the thesis, and all research in the thesis is completed in accordance with the Finnish Advisory Board on Research Integrity.

1.1. Thesis topic

The thesis topic is incentives aimed towards improving employee motivation and engagement with the end goal of increasing productivity of employees at home improvement American company TraVek, Inc. Drivers for motivation and engagement that can be incorporated into both non-financial and financial incentives are explored. Due to the company's small to medium size, current incentives as well as time and money restrictions of the company are taken into account to recommend timely incentives to incorporate sooner in the short-term as well as incentives to aim for later in the medium-term and long-term as company resources grow. The thesis revolves around engagement and motivation as core concepts from which incentives are built upon, as the company wished for these to be tied together with incentives for more effective recommendations.

1.2. Objective of thesis

The objective of the thesis is to recommend effective short-term, medium-term, and long-term incentives for TraVek, Inc. to use to increase employee engagement, motivation, and, resultingly production, of employees belonging to administration, sales, and production teams. Research was also made in terms of incentives for employees both company-wide and individually, but later conversations with the company's head of HR showed that these were not wanted. Because of this, theoretical research may reflect that these solutions were searched for, but other research does not seek recommendations of incentives on a company-wide nor individual level. Due to the company's wishes to receive incentive suggestions on a team-specific level, empirical research is gathered and organized in accordance with teams.

Engagement and motivation are researched to learn about what it is that engages and motivates employees. The understanding of engagement and motivation are then applied when researching incentives to find incentive methodologies that are in alignment with the research. Hypotheses for most effective incentive methodologies to utilize at TraVek, Inc. are made in accordance with factors that research shows to be relevant, such as level of intrinsic interest in job roles as well as needs for achievement, power, and/or affiliation with others. A subgoal is to use the research gathered to create surveys to measure different levels of current engagement and motivation as well as preferences for different incentives. The ultimate goal of making relevant recommendations to TraVek, Inc. is reached by analyzing empirical data gathered to select best matches for each group of employees from the list of researched incentives that are shown to increase motivation and/or engagement. Recommendations are made in terms of short-term, medium-term, and long-term time frames in accordance with which incentives can be applied when based on the company's current time and financial limitations.

1.3. Research questions

The objective can be described within the research question, "How can TraVek formulate an incentive plan that is effective in terms of employee motivation and engagement, leading to increased productivity?" This research question is to be answered with a complete set of incentives recommended to implement over short-term, medium-term, and long-term bases for each team of employees.

Some sub-questions to the research question that will help in outlining the path of gathering theory to answer this question are:

"What is employee motivation and engagement?"

"How can increased employee engagement and motivation lead to increased employee productivity?"

"How do different incentives motivate and engage the case company's employees differently?"

"Which incentives might be suitable for the case company to use within specific teams in order to increase employee productivity?"

1.4. Concepts

This section briefly gives definitions of the most common terms in the thesis as well as how they are understood throughout the thesis.

Employee Engagement – the measure of an employee being personally engaged in a physical, cognitive, and emotional context where the self is not separated from the role at the workplace, where lack thereof is described as being personally disengaged (Kahn 1990, 694, 700-702)

Employee Motivation - "the willingness to exert towards the accomplishment of goals or need" (Osemake & Adegboyega 2017, 162); forces from within a person that push them to "satisfy basic needs or wants" (Yorks 1976, 21, as cited by Pardee 1990, 3)

Incentives – something (material or non-material) given to employees in return for excellent work; a way to encourage employees to reach a company's predetermined goals or a way of rewarding employees for their contributions and for following company ethics, rules, instructions, regulations, and so forth (Samery 1990, Civil Service Law 1991 & Kreitner 2007, as cited by Alnsour & Kanaan 2021, 730)

1.5. Structure of research

The thesis contains mixed methods research, which is research containing both qualitative and quantitative research. Both forms of research are described below individually, and the mixed methods approach is described thereafter. Additional information is given on how and why each form of research is used in the thesis.

1.5.1 Qualitative research

Qualitative research is used in the thesis and has the characteristics of looking for meaning to better understand a phenomena at hand, having the researcher as the main person in charge of collecting and analysing data, gathering data before trying to gather meaning from it opposed to proposing a hypothesis first, and having results mainly described through words. It is important to note that having the researcher as the main person analysing qualitative data may affect research through the researcher's subjective thinking and unconscious biases, as the descriptive information that is presented from observational/written data can be gathered, analysed, and presented selectively in a way that numbers cannot. Qualitative research may be used to build theories and may use inductive reasoning, or generalizations, to make conclusions. Typical ways the research is conducted might include interviews, analysing different texts, and/or observations of different people. (Merriam & Grenier 2019, 5-6 and Riewestahl n.d., as cited by Scharrer & Ramasubramanian 2021, 4.)

The qualitative approach to research is done from an interpretive perspective. An interpretive perspective searches for information on how people experience things and interact with society as well as what meaning these experiences and interactions carry for said people (Merriam & Grenier 2019, 3-5). The interpretive perspective is used by gathering research that has already been done on motivation and engagement theories as well as on incentive methodologies. Hypotheses are formed utilizing these forms of research, which are used as a starting point for quantitative research. Additional qualitative research is done by gathering data from interviews with the company's department heads for additional perspective.

1.5.2 Quantitative research

Quantitative research is another research method to be used in the thesis. This research type is characterized by creating hypotheses on why something may be happening and gathering numerical data to measure different variables. Numbers are then organized, analysed, and used to test hypotheses. Some ways quantitative data is gathered may include content analysis, which Columbia University Irving Medical Center (n.d.) defines as studying written data to create statistics on how often different words or themes may be present, experiments conducted in a laboratory, and surveys. (Riewestahl n.d., as cited by Scharrer & Ramasubramanian 2021, 4.) Quantitative research is utilized in the thesis by testing hypotheses using employee surveys to learn which incentives appeal most to employees as well as what factors most affect their engagement and motivation. The surveys are analysed in accordance with the department groups each employee belongs to. The statistics are used to help give relevant suggestions of team-specific incentives to incorporate over short-term, medium-term, and long-term periods of time for TraVek, Inc.

1.5.3 Mixed methods

The official research method used in the thesis is "mixed methods research," or a combination of qualitative and quantitative research methods (Östlund, Kidd, Wengström & Rowa-Dewar 2011, 369). Mixed methods are used to increase soundness of results through triangulation or to point out any faults within the research, should qualitative and quantitative methods not yield similar results. Triangulation is the process of verifying something through different data points from varying kinds of data collected on the same topic (Creamer 2018). The process of triangulation can produce results from qualitative and quantitative research that may complement each other, converge, or diverge. Results that complement each other both support at least one of the same theoretical explanations that lead to both respective outcomes. However, qualitative or quantitative results may suggest another theoretical explanation complementary to the first explanation that the other results would not be able to generate. (Östlund, Kidd, Wengström, & Rowa-Dewar 2011, 378-380.) Results that converge consist of qualitative and quantitative results that both point to one, same theoretical explanation without any other possible explanations being suggested from the results. Some results may converge with such detailed supporting data that they are able to generate a new theoretical explanation. Results that diverge are results that are not able to support expected theoretical proposition(s). In this case, the theoretical proposition(s) that explain(s) results may need to be adjusted or changed entirely. (Östlund, Kidd, Wengström, & Rowa-Dewar 2011, 378-380.)

A mixed methods approach to the thesis helps provide more detailed results by showing if theoretical explanations for which incentives will be most effective and desired by TraVek, Inc. employees hold true or not based survey analysis. Should theoretical explanations hold true, mixed methods research is complementary or convergent and can be considered fairly reliable. Should explanations not hold true, mixed methods research is convergent and may point out something that was missed while conducting research, showing room for further exploration of the topic. Hopefully, results will support the same theoretical explanations.

1.6. Case company TraVek, Inc.

TraVek, Inc. is a family and veteran-owned home improvement and roofing company located in Phoenix, Arizona. The company was launched in September of 2001 and is currently a small to medium-sized company with 49 full-time employees (See Appendix 1). TraVek, Inc. offers swimming pool, kitchen, bathroom, and entire home remodels in addition to roofing repair and installation services to cities Carefree, Cave Creek, Chandler, Fort McDowell, Fountain Hills, Gilbert, Glendale, Mesa, Paradise Valley, Peoria, Phoenix, Queen Creek, Rio Verde, Scottsdale, Tempe, all of which are located in the Greater Phoenix Valley. (TraVek Inc Remodeling & Roofing n.d.a.).

Roofing is a newer venture for the TraVek, Inc., as they acquired roofing companies Trades Unlimited in 2020 and New Life Roofing Staff in 2021, both of which have been rebranded as TraVek Roofing in 2023 (See Appendix 1). Staff is divided into design and sales, production, roofing, administration, marketing, and leadership roles (TraVek Inc. Remodeling & Roofing n.d.c.; TraVek Inc. Remodeling & Roofing n.d.d.).

Staff roles are divided slightly differently in the research phase of the thesis due to the company's wishes as follows: administration (human resources, accounting, marketing, administration), sales (roofing sales manager, roofing salesmen, remodelling sales manager, and remodelling salesmen that go by the name "designers"), and production (remodelling production manager, lead carpenters, roofing production manager, foremen, and assistants for both lead carpenters and foremen).

The company's vision is to build dreams together, while their mission is to provide clients with the "ultimate TraVek experience," which is described as a positive experience where all interactions are filled with respect, integrity, self-initiative, urgency, and quality. Travek, Inc.'s values are listed as integrity, self-initiative, respect, quality, and urgency. (TraVek Inc. Remodeling & Roofing n.d.b.)

2 THEORY

The theoretical frame of reference revolves around engagement and motivation as core concepts from which incentives are built upon, as the company wished for these to be tied together for effective results. Engagement and motivation are introduced to provide a solid ground that can be built upon when finding incentives that are able to or fail to increase these factors. Multiple theories are introduced to provide examples of how employee engagement and motivation may be increased as well as to explain, based on research, which incentives may be most effective in increasing them. How these factors increase employee productivity is discussed, as increased employee productivity is TraVek Inc.'s ultimate end goal to achieve from more effective incentives. Given that qualitative data may always be privy to unconscious biases of the researcher's subjective thinking while analysing theories, this information is to be read with the understanding that unconscious biases may be present in the text. However, information is presented in as straight-forward of a sense as possible.

2.1. Employee engagement

Employee engagement theories are to be approached by first understanding the term "employee engagement" to be multi-faceted and one which may contain a variety of things which employees are "engaged" in. However, they will be limited to being described in terms of Kahn's (1990) broader definition of personal engagement and personal disengagement as well as in terms of job and organizational engagement, which are separate factors that make up employee engagement as a whole when combined (Zimargi, Nimon, Houson, Witt & Diehl 2009, 304; Musgrove, Ellinger & Ellinger, 154; Vinarski-Peretz & Kidron 2023). Job and organizational engagement separate employee engagement in terms of how engaged employees are specifically with their job role and then with their organization of employment. Using Kahn's broad definition of employee engagement and then focusing separately on job and organizational engagement creates a manageable definition of employee engagement and gives an understanding on what factors may affect it positively and/or negatively.

2.1.1 Kahn's general description of employee engagement and how to increase it

The study of employee engagement is one that has been presented first by William Kahn in 1990 (Claxton 2014, 150). Kahn's broad definition of engagement suggests that an engaged employee does not separate the self from the role at the workplace, as they are invested in the work personally, while a disengaged employee, on the other hand, does not connect the self to the role at the workplace, leaving their efforts at best automatic and their actions detached from themselves and others. His definition of employee engagement is described by the words "personal engagement" and "personal disengagement," which are shown by employees in a physical, cognitive, and emotional context. A personally engaged employee can express and make use of themselves physically, cognitively, and/or emotionally while taking part in their work tasks, while a personally disengaged employee may pull back or shield themselves in the same contexts. (Kahn 1990, 694, 700-702). This shows that an engaged employee will try harder and naturally will want to work harder due to their efforts stemming from a personally motivated and excited energy within, while an unengaged employee may do the bare minimum due to feeling disconnected to their role at the workplace, resulting in lower productivity than that of their engaged counterpart.

Kahn (1990, 694, 703-717) identified three psychological conditions of meaningfulness, safety, and availability that affect the engagement or disengagement of employees (Tables 1-3). Higher levels of these psychological conditions lead to higher levels of employee engagement, and vice versa. It can be seen in Tables 1-3 how different factors affect each psychological condition both positively and negatively.

TABLE 1. Psychological meaningfulness (Kahn 1990, 703-708).

PSYCHOLOGICAL MEANINGFULNESS	
DEFINITION: how much an employee feels they are receiving something in return for their physical, emotional, and/or cognitive efforts in their role at work, where the return is typically a combination of appreciation expressed for their work as well as a feeling the employee themselves experiences that their work contributed in a way that was needed, valuable, worthwhile, and useful	
FACTORS THAT AFFECT PSYCHOLOGICAL MEANINGFULNESS:	Task Characteristics - describe how challenging, clear, diverse, creative, and somewhat autonomous a task is - the more challenging, etc. a task is, the higher the psychological meaningfulness
	Role Characteristics - describe how valuable the employee's role is considered by themselves and others in terms of status and influence and how well the employee feels that their role utilizes their talents and skills - the more valuable the role is considered and the more it utilizes and employee's talents and skills, the higher the psychological meaningfulness
	Work Interactions - describe how much the employee experiences positive interactions with clients and coworkers in which they feel a sense of dignity, worth, and appreciation as well as an emotional bond with others first and foremost as a person - the more positive work interactions, the higher the psychological meaningfulness

TABLE 2. Psychological safety (Kahn 1990, 708-713).

PSYCHOLOGICAL SAFETY	
DEFINITION: how much an employee feels they are able to express oneself without worrying about if it may damage one's image, status, or career	
FACTORS THAT AFFECT PSYCHOLOGICAL SAFETY:	**Interpersonal Relationships** - describe the level of openness, trust, and support within relationships with coworkers - higher levels of said factors allow employees to try things without fearing that failure will lead to negative consequences and allows employees to accept criticism from each other in a positive way and integrate it into their work accordingly - higher levels of said factors increase psychological safety
	Group and Intergroup Dynamics - describe the unconscious and informal roles (such as "new employees," "the qualified one," "the weird one," etc.) that employees fall into within the group they work with and the power or lack thereof that these roles have - employees in roles that are more accepted by others have a higher sense of psychological safety
	Management Styles - describe the level of support, resilience, and clarity of instruction that leaders provide employees with - higher levels of these factors are displayed by creating an environment that feels safe to fail in, gives employees control over their work without micromanagement, provides consistency and a kind tone, and where one's word is followed through with - higher levels of said factors increase psychological safety
	Organizational Norms - describe the expectations of employee behaviours - following the status quo of accepted thinking and actions within the workplace gives employees higher levels of psychological safety rather than thinking or stepping outside of the box

TABLE 3. Psychological availability (Kahn 1990, 714-717).

PSYCHOLOGICAL AVAILABILITY	
DEFINITION: how much physical, emotional, or psychological reserves an employee has to participate in a project at a point in time	
FACTORS THAT AFFECT PSYCHOLOGICAL AVAILABILITY:	**Physical Energy** - describes the required physical energy, strength, and readiness that is needed for an employee to complete a task - higher physical energy of employees creates more psychological availability
	Emotional Energy - describes the ability to engage in a task emotionally, whether emotional resources are needed for creativity or for interacting with others who require your attention - more emotional energy of employees creates higher psychological availability
	Insecurity - describes how secure employees might be in their current work and status - new employees or others might feel more insecurity and lack of self-confidence in the quality of their work, which blocks them from being personally engaged in their work due to ongoing anxiety and self-consciousness of whether they are good enough, lowering their psychological availability
	Outside Life - describes employees' lives outside of the workplace, where being too preoccupied with other things going on in one's personal life may create lower levels of psychological availability - Other outside life experiences may create higher levels of psychological availability

2.1.2 Job engagement

Job engagement is a factor that affects employee engagement and focuses on an employee's ability to feel what Zimargi et al. (2009, 303, 320) call "work passion" in terms of being happy with "job factors" related to their specific role at the workplace, such as being clear on what they are meant to do, having appropriate resources on hand to do their job, and being given the freedom of autonomy in their role. Saks (2006, as cited by Musgrove et al. 2014, 154) describes job engagement as passion for a job itself.

Job engagement may be increased through use of job-level resources, four of which are described by Albrecht, Breidahl, and Marty (2018, 75) as job variety, support from supervisors, development opportunities, and job autonomy. Multiple studies have been statistically combined to show the aforementioned job-level resources to be regularly connected with engagement (Albrecht et al. 2018, 68). Crawford et al. (2010, as cited by Albrecht et al. 2018, 68) also identified additional job resources of feedback, rewards and recognition, and work role fit that are important for increasing engagement. One may argue that rewards and recognition relate more to organizational engagement, but they could be seen as a job-level resource if employees are given rewards and recognition relating to their individual performance at their job rather than their team's and/or company's collective performance. Job-level resources as described by Albrecht et al. (2018, 75) and Crawford et al. (2010, as cited by Albrecht et al. 2018, 68) are outlined in Table 4.

TABLE 4. Job-level resources (Crawford et al. 2010, as cited by Albrecht et al. 2018, 68; Albrecht et al. 2018, 75).

JOB-LEVEL RESOURCES						
Job variety	Support from supervisors	Development opportunities	Job autonomy	Feedback	Rewards and recognition	Work role fit

2.1.3 Organizational engagement

Organizational engagement is another factor that affects employee engagement but relates to an employee's ability to display the same "work passion" due to "organizational factors," or reasons of enjoying the fairness, opportunities for career growth, and employee recognition that their employing organization offers (Zimargi et al. 2009, 320). Saks (2006, as cited by Musgrove et al. 2014, 154) describes organizational engagement as passion for an organization. Vinarski-Peretz and Kidron (2023) suggest that organizational factors may contain "policies, goals, values, and coworkers or managerial decisions."

Organizational engagement can be increased by using organizational level resources, one being a company-wide atmosphere in place where support and encouragement are given to employees to make decisions independently as much as is possible and makes sense to allow (Patterson et al. 2006 and Crawford et al. 2010, as cited by Albrecht et al. 2018, 71). In addition, other organizational level resources may include offering employees clarity of organizational goals, understanding of how their roles play a part in company strategy, a strong and positive CEO leadership that is able to motivate others, a flexible and adaptive organizational atmosphere, and opportunities from human resources management for training, development, effective recruitment, and updates on company performance (Avolio et al. 2004, Patterson et al. 2005, Bakker et al. 2011, Albrecht 2014, Biggs et al. 2014, Denison et al. 2014, Ployhart and Turner 2014 & Barrick et al. 2015, as cited by Albrecht et al. 2018, 70-71). Organizational level resources as described are outlined in Table 5.

TABLE 5. Organization level resources (Avolio et al. 2004 and Patterson et al. 2005, as cited by Albrecht et al. 2018, 70-71; Zimargi et al. 2009, 320; Bakker et al. 2011, Albrecht 2014, Biggs et al. 2014, Denison et al. 2014, Ployhart and Turner 2014 & Barrick et al. 2015, as cited by Albrecht et al. 2018, 70-71).

ORGANIZATIONAL LEVEL RESOURCES							
Organizational autonomy	Clarity of organizational goals	Strategic alignment	Senior leadership	Organizational adaptivity	Perceptions about HR practices	Fairness	Recognition

Albrecht et al. (2018, 79) found through a survey test that was conducted through an Australian consulting company and included 2,681 responses that all aforementioned organizational level resources affect the organizational engagement climate of a workplace. Sharing with employees how their role works in the organization's strategy as well as offering organizational autonomy were shown to be two especially highly important organizational level resources in increasing organizational engagement, as a direct link between them and engagement was shown in the survey results (Albrecht et al. 2018, 79).

2.1.4 Link between job and organizational engagement

As can be seen by similar resources relating to development and recognition within both job-level and organizational level resources, job and organizational engagement are interconnected and may overlap and affect each other in certain areas. This is highlighted by Albrecht et al.'s study (2018, 79) establishing that organizational level resources both directly and indirectly impact employee perceptions of job-level resources. Only updates on company performance and positive CEO leadership organizational level resources were not shown to be directly related to perceptions of job resources (Albrecht et al. 2018, 79). This shows that, while job engagement and organizational engagement are two separate sides of employee engagement, they are not completely separate from each other. The better organizations provide employees with organizational level resources, the better employees may perceive their job-level resources. This means that higher organizational engagement can also possibly lead to higher job engagement.

2.2. Employee motivation

Motivation is, as defined by Osemake & Adegboyega (2017, 162), "the willingness to exert towards the accomplishment of goals or need." Another way of looking at motivation is Yorks' (1976, 21, as cited by Pardee 1990, 3) definition, being forces from within a person that give them a push or drive them to "satisfy basic needs or wants."

This is different than being engaged or disengaged at work, but one may venture to think that an employee that is engaged is more likely to be motivated. Theories are explored to learn what motivates people and why. To begin with, basic motivation theories of Maslow's hierarchy of needs, Herzberg's two factor theory of motivation versus hygiene, and McClellan's need for achievement theory are to be introduced. Additional motivational theories are introduced to show how a motivated employee is more likely to give increased effort at work either in search of external rewards or in the process of realizing internal rewards.

2.2.1 Maslow's hierarchy of needs

Maslow's hierarchy of needs is a theory of motivation where it is understood that basic needs must be met in a pyramid-shaped order before higher needs relating to achievement, recognition, self-development, and improvement are recognized and sought after (Pardee 1990, 5-6). Most descriptions of Maslow's hierarchy of needs include motivational levels of physiological needs, safety needs, belonging and love needs, esteem needs, and self-actualization needs. Physiological needs include survival requirements, such as food, water, shelter, and rest. Safety needs relate to security one can gain from order and law (mainly protection from threats, dangers, and uncertainty surrounding one's employment, treatment, and so forth). Belongingness and love needs refer to belonging to a group, friendship, acceptance, and intimate relationships. Esteem needs include achievement, autonomy, and recognition. Self-actualization needs are the need to fulfil one's potential, pursue creative activities, and continuously improve and develop oneself. These needs can be seen in Figure 1. (Maslow, 1943, 1954, as cited by Koltko-Rivera 2006; Hamner & Organ 1978 and Wallace, Goldstein & Nathan 1987, 277 as cited by Pardee 1990, 5-6; Poston 2009, 348.)

Each of Maslow's needs are within each person, and the more rudimentary need within the pyramid must be filled before the next becomes relevant to seek after. Once more rudimentary needs are met, they are no longer as relevant of motivators when compared to the following need on the pyramid.
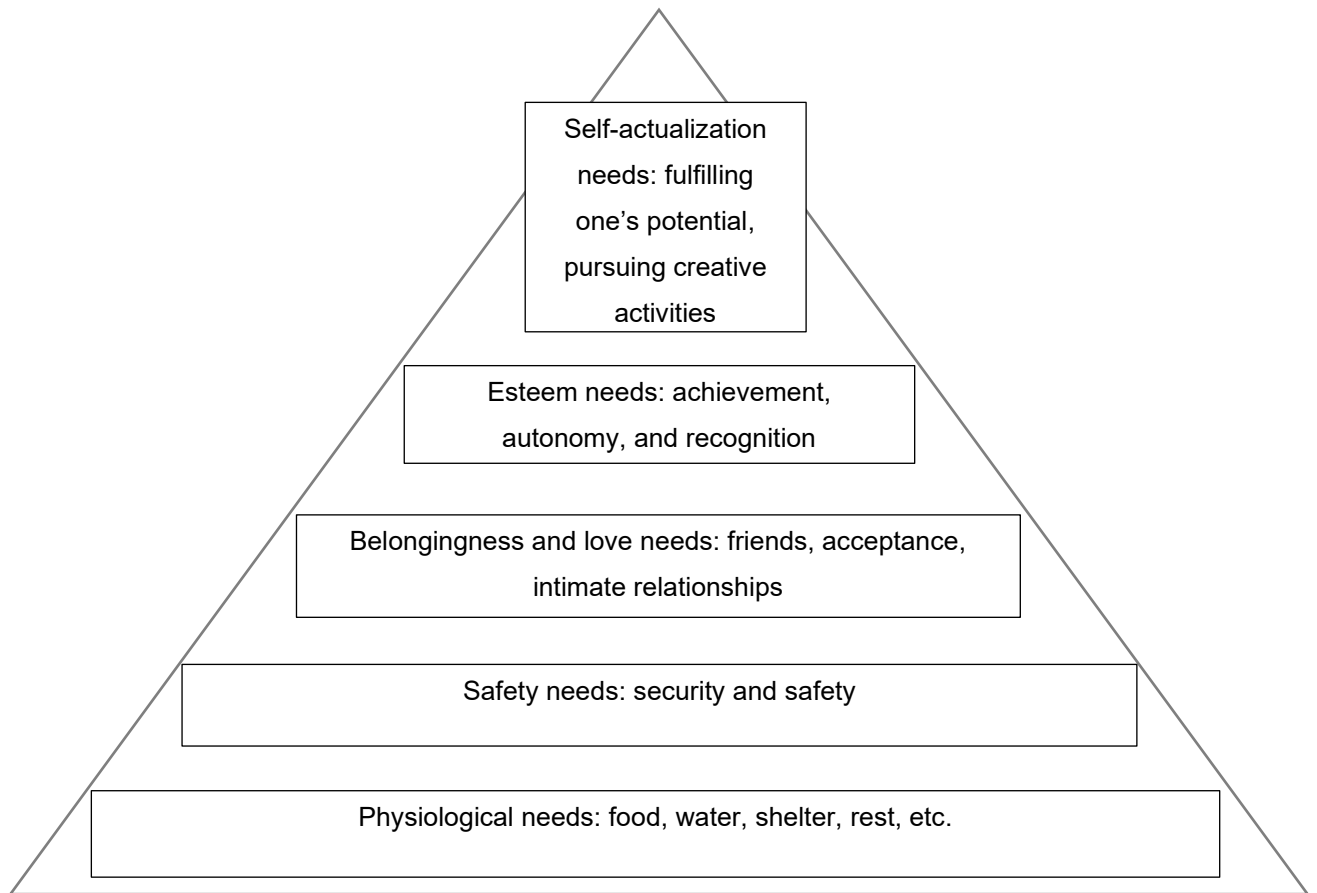
FIGURE 1. Maslow's hierarchy of needs (Maslow, 1943, 1954, as cited by Koltko-Rivera 2006; Hamner & Organ 1978 and Wallace, Goldstein & Nathan 1987, 277 as cited by Pardee 1990, 5-6; Poston 2009, 348).

It should be noted that Maslow's hierarchy of needs can relate directly to the workplace in different ways. For example, safety needs can be affected by discrimination, favouritism, or any factors that may bring about uncertainty relating to job security. (Hamner & Organ 1987, 277, as cited by Pardee 1990, 5). In following the hierarchy of needs pyramid in an upwards direction and in incorporating the aforementioned information into a thought process of how motivators of employees at work would follow this pyramid, it is clear that employees would be first and foremost motivated by a salary to pay for their basic health and living needs. As health insurance is expensive in the United States, one may argue that health insurance provided by a company is another core major motivator for employees.

Following this, an employee would be most motivated by job security. Note that, as long as job security is uncertain, an employee will not be hugely motivated by a friendly group of people at work or by appreciation and recognition, as safety needs would be their largest motivator followed by belongingness and love needs at such a point in time. Once job security is certain, an employee may seek belonging, acceptance, and work friends within an organization and be most motivated by these. When these needs are fulfilled, the same employee would be most motivated by recognition, a chance to achieve something, and autonomy. If an organization wants their employees to be creative thinkers and have work ethic to fulfil their potential, all previously mentioned items of job security, work atmosphere, recognition, achievement, and autonomy must be met in order to trigger the self-actualization motivator.

Maslow's hierarchy of needs theory, while popular, has been challenged. Poston (2009, 352) mentions how needs of belonging may be held to a higher degree of importance than safety needs and how esteem needs may be held to a higher degree of importance than belonging in certain cultures. The question of whether recognition is achieved only when people maximize their self-potential, making self-esteem needs and self-realization needs equal in importance, is also brought about by Bellott and Tutor (1990, as cited by Gordon Rouse 2004, 28). In addition, the thought that self-actualization is more of an ongoing process throughout the entire pyramid that helps one advance from the bottom towards the top of the pyramid rather than an end state at the top of the pyramid is brought about by Sackett (1998, as cited by Gordon Rouse 2004, 28).

2.2.2 Herzberg's motivation-hygiene theory

Herzberg (1976, as cited by Miner 2015, 61) suggests that job satisfaction is not the opposite of job dissatisfaction but is rather a separate concept. His research suggests that the opposite of job satisfaction is simply "no job satisfaction," and the opposite of job dissatisfaction is "no job dissatisfaction" (Herzberg 1976, 76, as cited by Pardee 1990, 12). This gave rise to the motivation-hygiene theory.

Herzberg's motivation-hygiene theory explains how hygiene factors, which are made up of conditions the workplace can affect directly, must be met to avoid job dissatisfaction, but motivation factors, which are internal feelings an employee has, must be experienced in order for employees to feel motivated. (Hersey & Blanchard 1976, 76, as cited by Pardee 1990, 9; Miner 2015, 61.)

Hygiene factors are items required to avoid pain from one's surroundings. Pain is limitless in its sources, and the effects of hygiene factors are short-term. Examples of hygiene factors in the workplace include working conditions, salary, job security, company policy, supervision, interpersonal relations, and personal life. They are mainly extrinsic factors, which means that they can be produced directly by the employer and other external factors. Hygiene factors have an "escalating zero point," which means that these factors must be increased each year for employees to feel as though they are not moving in a backwards direction – the "zero point" increases over time. In short, if hygiene factors are not met, employees will experience job dissatisfaction, which will lead to poorer performance. (Herzberg, Mousner & Snyderman 1959, 59-83, Herzberg 1976, 101, Mathis 1979, 55 & Burke 1987, 33, as cited by Pardee 1990, 7-8, 10; Pardee 1990, 10.) Hygiene factors are outlined in Table 6.

Motivation factors are based on the need for personal growth. Sources of motivation are limited in number and have a long-term effect. Examples include advancement, growth, responsibility, recognition, work in and of itself, and achievement. They are made up of mainly intrinsic factors, meaning that they must be a feeling and/or experience the employee goes through and/or feels internally. The workplace can foster these feelings by providing employees with opportunities for promotions, growth in their roles and skills, responsibility over their work, verbal recognition, challenging work, and periodic achievements over time. Motivation factors have a "nonescalating zero point," meaning there does not need to be more motivating factors each year for employees to continue to feel job satisfaction. According to Herzberg's perspective, if motivation factors are included in the workplace, employees will experience job satisfaction, which can then lead to improved performance. (Herzberg, Mousner & Snyderman 1959, 59-83 and Herzberg 1976, 101, as cited by Pardee 1990, 7-8; Pardee 1990, 10; Miner 2015, 63.) Motivation factors are also outlined in Table 6.

It is important to note that Herzberg's research suggests that, as long as an employee experiences job dissatisfaction, they cannot experience job satisfaction. However, lack of job dissatisfaction does not lead to job satisfaction. (Herzberg 1976, 61, as cited by Pardee 1990, 9.) This means that, in order for employees to even have the chance to experience motivation through intrinsic motivation factors, the external hygiene factors must be met first. For this to be true, their employer must provide satisfactory working conditions, salary, job security, company policy, and supervision, and the interpersonal relations at the workplace must be positive. The only hygiene factor that the workplace cannot influence is an employee's personal life. Once hygiene factors are met, job dissatisfaction and poor performance can be avoided, and efforts for fostering motivation factors within employees by giving opportunities for promotions, growth, responsibility, verbal recognition, challenging work, and achievements over time can be sought after. Seeking motivation factors can then help to create an intrinsically motivated and higher performing employee.

TABLE 6. Hygiene and motivation factors (Herzberg, Mousner & Snyderman 1959, 59-83 and Herzberg 1976, 101, as cited by Pardee 1990, 7-8; Pardee 1990, 10; Miner 2015, 63).

HYGIENE FACTORS	Working Conditions
	Salary
	Job Security
	Company Policy
	Supervision
	Interpersonal Relations
	Personal Life
MOTIVATION FACTORS	Advancement
	Growth
	Responsibility
	Recognition
	Work in and of Itself
	Achievement

Herzberg's motivation-hygiene theory has been criticized, as opportunity for growth has been seen to be no more of a cause for satisfaction than dissatisfaction, and salary, interpersonal relations, and security are seen as being just as must cause, if not more, for satisfaction over dissatisfaction. There remains confusion as to whether hygiene factors or motivation factors are considered more important in predicting satisfaction at the workplace. The motivation-hygiene theory has not tested causes of job satisfaction and dissatisfaction over a long period of time, which may be one of its weaknesses. (Miner 2015, 71-73; Osemake & Adegboyega 2017, 168.) However, the theory still shows the importance of extrinsic and intrinsic motivators.

2.2.3 McClelland's need for achievement theory

Another well-known motivation theory is McClelland's need for achievement theory, which states that each person has different needs of achievement, affiliation, and power that they are motivated by. People with a need for achievement are characterized by wanting to find solutions to problems that challenge them, setting high goals and taking necessary risks to achieve those goals, needing to achieve personal goals, taking ownership of responsibilities, and needing to receive feedback on their performance. Those motivated by achievement may have a competitive edge and a drive to master things and succeed, receiving credit for the value their work provides. A need for affiliation is described by valuing how others feel, tending to do what others want if they are people whose friendship and companionship is important, and wanting approval and acceptance. Being motivated by affiliation may be noticeable within a person if they like to belong within a group, want to feel accepted and cared for by others, and are driven by creating and maintaining social relationships. Those with a need for power, or who are motivated by power, are described as being concerned with keeping up leader and follower relationships in the workplace as well as wanting to influence, give direction to, and have some form of control over others. They may value discipline, enjoy teaching others, and want to make a difference. (Sinha 2015, as cited by Osemake & Adegboyega 2017, 169-170; Osemake & Adegboyega 2017, 169-170.) These needs are summarized in Table 7.

McClelland claims that every employee has affiliation, achievement, and power motivations but in differing amounts based on what their culture requires and what experiences they have lived through. Thoughts on how people with certain motivators may be best utilized in the workplace are explained by McClelland to be as follows: those motivated mainly by power and with a low need for affiliation are well-suited for higher management positions, those with a high need for achievement are best fit for project work, and those with a high need for affiliation are suitable for cooperative work within a team. (Sinha 2015, as cited by Osemake & Adegboyega 2017, 169-170; Osemake & Adegboyega 2017, 169-170.)

TABLE 7. Achievement, affiliation, and power needs (Sinha 2015, as cited by Osemake & Adegboyega 2017, 169-170; Osemake & Adegboyega 2017, 169-170).

ACHIEVEMENT NEEDS	Challenging tasks
	Responsibility for finding solutions to problems
	Sets relatively high goals and takes risks as needed to reach them
	Need to achieve personal goals
	Takes responsibility and does not shift blame
	Need to achieve and receive credit
AFFILIATION NEEDS	Value how others feel
	Tend to do what others want if their friendship and company is important
	Want approval and acceptance
POWER NEEDS	Are concerned with leader and follower relationships
	Want to influence and give direction to others
	Want to have some form of control over others

McClelland's need for achievement theory, while seemingly useful in finding the right work position for different people, has been criticized for being difficult to measure. People may have certain needs and be oblivious to them, as their motivating needs are subconscious. (Robbins et al 2009, as cited by Osemake & Adegboyega 2017, 170-171.)

2.2.4 Motivation systems theory

A more recent motivation theory is Martin Ford's 1992 motivation systems theory (MST). This theory separates motivation into categories of personal goals, emotions, and beliefs of how capable one is as well as how much support their environment provides them with, the latter two of which may be called capability beliefs and context beliefs. Personal goals are separated into 24 different categories which do not follow any form of hierarchy, and it is possible to meet more than one goal at once. In addition, certain individual goals that a person feels are more motivating may give them more motivation to achieve things than other smaller goals. This can be due to emotions, such as dislike or curiosity, or capability beliefs, where one may believe they can or cannot reach a goal. The more an employee believes they can reach a goal, the more attractive that goal is. Another factor that may affect how motivating a personal goal may seem is the amount of support a person believes that their employing organization will give them in reaching said goal. (Gordon Rouse 2004, 28-30; Colbeck & Weaver 2008, 9-12.)

The personal goals in MST are separated into smaller subcategories as follows: affective goals (entertainment, tranquility, happiness, bodily sensations, physical well-being), cognitive goals (exploration, understanding, intellectual creativity, and positive self-evaluation), subjective organization goals (unity and transcendence), self-assertive social relationship goals (individuality, self-determination, superiority, and resource acquisition), integrative social relationship goals (belongingness, social responsibility, equity, and resource provision), and task goals (mastery, task creativity, management, material gain, and safety). Affective goals, cognitive goals, and subjective organization goals are considered as "desired within-person consequences," which are goals that can only be achieved by the one person who has the goal. Self-assertive social relationship goals, integrative social relationship goals, and task goals are considered as "desired person-environment consequences," which include both the person with the goal as well as someone or something external to them in the plan for achieving the goal. (Gordon Rouse 2004, 29-30.)

The more personal goals that are important to an employee and can be met by completing a single task at work, the more motivated the employee will be to do the task. Understanding what goals are important to whom may help assign tasks appropriately for maximum productivity of employees. (Gordon Rouse 2004, 30-31.) MST highlights the specificity of personal goals and the distinction of how emotion, capability beliefs, and perceived support affect the level of motivation attached to these goals as well as usefulness in assigning tasks/incentives according to personal goals of employees.

2.2.5 Goal-setting theory

Locke and Latham's 1990 goal-setting theory defines causes for behaviour as being either values or intentions, where intentions are described as goals. Values are considered as emotional factors that create a want to do something while goals direct one's focus towards taking action. The theory explains that more challenging goals create higher motivation to put forth effort and require people to develop strategies. In addition, achievement of a goal leads to higher motivation, but failure leads to frustration and lowers motivation. Goal setting is useful in increasing motivation when a goal is specific, difficult yet attainable, accepted by all involved in reaching the goal to have full commitment, and situational factors such as support, feedback, money, and facilities are enough to make the goal achievable. (Lunenburg 2011, 1-4; Locke & Latham 2019, 98.)

In terms of the effectiveness, it is said that goals are more effective when they have deadlines and are used to evaluate performance. In addition, employees that value learning over displaying what they can do and receiving compliments typically perform better in reaching the goal. Productivity in reaching the goal is also increased if the goal is one that an employee and their team work on together to reach. Productivity is highest when employees have a mix of individual and team goals. It is to be noted that setting goals may be difficult in the case of a complex and/or new task. (Lunenburg 2011, 4-5.) Goal setting can be utilized by setting and reaching reasonably challenging goals in a manner where employees may have a better chance of being motivated to work hard to reach them.

2.2.6 Vroom's expectancy theory

Vroom's expectancy theory from 1964 approaches motivation from a viewpoint where employees act based on what return they will receive. The theory states that the higher the return of reaching a goal, the more an employee will go for it, pending that factors of expectancy, instrumentality, and valence are high enough. Expectancy measures a person's belief that putting in the effort and reaching the goal will result in a certain outcome, instrumentality measures a person's belief that reaching the goal is necessary to receive the reward, and valence measures how much a person values or does not value the reward. Should one or more of these factors not be existent, an employee will not be motivated to reach the goal at hand. The higher these factors are, the higher an employee's motivation and, resultingly, effort, will be. (Suciu, Mortan & Lazar 2013, 183-184.) Given that Vroom's expectancy theory weighs motivation based on rewards, this is another motivation theory based almost solely on extrinsic motivation. However, if the reward is linked to something intrinsically important to the employee, it can be said that intrinsic motivation might also be included within this theory.

2.2.7 Equity theory of motivation

Equity theory of motivation was first introduced in 1965 by Adams, who suggests that equity is present in a work relationship when inputs that an employee gives a workplace, such as work ethic, educational level, and qualifications, are perceived by the employee to be equal to outputs that they receive from the workplace, such as pay, benefits, status, and how intrinsically interesting the job is to the employee. Should the employee perceive inputs to be unequal to outputs, they will become motivated to reduce inequity (reducing inputs to match being under-rewarded) or achieve equity (increasing inputs to match being over-rewarded). (Adams 1965, as cited by Lawler 1968, 597; Lawler 1968, 597.)

Employees may compare their efforts to those of their coworkers as a reference to measure perceived equity. They may feel under-rewarded if they believe that they offer more input(s) than their coworkers yet receive the same outputs, leading them to reduce work efforts. In the other direction, employees can consider themselves to put forth the same input(s) as their coworkers yet receive higher outputs (e.g. pay), leading to inequity. The more the difference between how low or high an employee's inputs and outputs are compared to their reference source, the more inequity they perceive. (Adams 1965, as cited by Lawler 1968, 597; Lawler 1968, 597; Miner 2015, 137.) However, employees are typically more sensitive to being under-rewarded than over-rewarded, as the amount of over-reward would have to be large for it to cause a negative effect. It is believed by Adams that the main inputs that employees adjust when inequity is experienced are productivity and work quality. (Adams 1965, as cited by Lawler 1968, 597; Lawler 1968, 597; Miner 2015, 137.)

When productivity and work quality in cases of inequality were tested, it was shown that both moved in a direction to lower the inequality. In the tests made, employees paid an hourly rate who were told that they were underqualified yet were still hired at the typical pay rate were more productive than the control group of those who were told that they were qualified for the job. This shows that those working at an hourly rate felt that their inputs needed to increase to match the pay they were getting to reduce inequality. In terms of employees paid a piece rate who were also told they were underqualified yet were still hired at the typical pay rate, their productivity was lower but quality higher than that of their "qualified" control group counterparts. This shows that those working at a piece rate did not want to produce more work and receive even more money at a rate they were supposedly underqualified for and therefore focused on increasing inputs of quality instead to lower inequality. The few working at a piece rate that did not produce higher quality and instead increased production with lower quality were an exception that were desperate for increased finances. (Miner 2015, 139-142.)

The equity theory of motivation is important for businesses to apply in terms of trying to make rewards equal for employees that offer equal inputs. In addition, it may be of importance to note how hourly employees will increase production if they feel that their inputs are too little in comparison to the outputs they receive while those paid at a piece rate will be lower in production but higher in the quality of their work if they perceive their inputs to be lower than the outputs received. One may assume that once an employee feels qualified for the pay received, hourly workers will slow down in production and piece rate workers will increase in production and focus less on quality. This can be leveraged depending on whether a business needs better quality or quantity of work, providing pay raises and/or other incentives as needed to adjust (e.g. giving pay raises to increase the quality of remodelers' work and the productivity of hourly workers).

2.2.8   Cognitive evaluation theory & agency theory

Cognitive evaluation theory
Cognitive evaluation theory (CET) was developed by Deci and Ryan in 1980 after it became clear that more research was needed to explain how extrinsic factors could affect intrinsic motivation, which is considered to be based on competence, autonomy, and relatedness (belonging to a group). CET explains that social-environmental events (e.g. rewards and feedback) can affect intrinsic motivation in two ways, the first being in a "controlling" aspect and the second in an "informational" aspect. The controlling aspect describes how, if one feels as though they are being forced to think, feel, or behave a certain way, their autonomy (and, therefore, intrinsic motivation), will decrease. For example, if a person perceives rewards or other outside events to be the reason that they are taking some action, their need for autonomy will not be fulfilled, lowering their intrinsic motivation. (Deci & Ryan n.d., as cited by Lange et al. 2012, 417-419.)

On the other hand, if outside events include a person's choice to some extent, the external factor will lead to increased intrinsic motivation. The informational aspect describes how, if information on an employee's competence is delivered in a way that compliments their abilities used in their autonomous work, intrinsic motivation increases, and if information on their competence is negative, intrinsic motivation decreases. For example, external factors such as positive feedback (specifically given on something an employee has done autonomously out of choice) support the psychological need of competence and therefore increase intrinsic motivation. Negative feedback, on the other hand, may poorly affect an employee's perception of their own competence, lowering their intrinsic motivation. (Deci & Ryan n.d., as cited by Lange et al. 2012, 417-419.)

Relatedness (social factors) also have an effect on intrinsic motivation in CET. Deci and Ryan describe the general social atmosphere of an environment as being either "autonomy-supportive" or "controlling." These can be thought of as an interactive and fair versus dictatorial-like environment. In general, the more autonomy-supporting an environment is, the higher the intrinsic motivation of subordinates will be. For example, a supportive manager will create more satisfied employees than a controlling manager. It has also been found that boundaries set for children were found to increase their motivation when given in an autonomy-supportive context, while they decreased motivation when given in a controlling context. (Koestner et al. 1984 and Deci & Ryan n.d., as cited by Lange et al. 2012, 419-420.) This might hint that employees would be more acceptive of rules and regulations if they are given in an autonomy-supportive context rather than in a controlling context.

Overall findings of CET show that external factors' effect on intrinsic motivation is dependent on how much controlling and informational aspects they contain, where a lower controlling aspect and higher informational aspect leads to higher intrinsic motivation and vice versa. In addition, general findings show that positive feedback and choice increase intrinsic motivation while competition, tangible rewards, task-contingent rewards, and performance-contingent rewards decrease intrinsic motivation. (Deci & Ryan n.d., as cited by Lange et al. 2012, 419-420.)

However, exceptions exist to these findings. For one, rewards that are not expected and do not have the precondition of completing a task linked to them do not decrease intrinsic motivation. Another exception is that positive feedback only increases intrinsic motivation if it is given in an autonomy-supportive environment; if a controlling manager gives positive feedback, it actually decreases intrinsic motivation. In addition, if neither general rewards nor feedback are given to employees, performance-contingent rewards that are given in an autonomy-supportive environment will increase intrinsic motivation. It is to be noted, however, that according to CET, positive feedback given in an autonomy-supportive environment would be more effective in increasing intrinsic motivation than performance-contingent rewards. (Deci & Ryan n.d., as cited by Lange et al. 2012, 419-420.)

One may wonder whether CET is entirely applicable to organizations, and criticism can be found. It has been shown in separate studies made in 1999 and 2012 that performance rewards have been preferred in over moral incentives (Al-Harthi 1999 and Al-Nsour 2012, as cited by Alnsour & Kanaan 2021, 730; Obeidat & Al-Dwairi 2015, 16). Moral incentives, which include CET's motivators of positive feedback and choice, were still seen as useful, but financial motivators were seen as more important. In this case, it is clear that CET cannot be entirely applicable to every organization. One may guess that CET can only be applied to organizations where an employee's intrinsic motivations match closely with those of the organization's, such as a non-for-profit company, as it has already been hypothesized that job tenure is higher in these companies for this reason (Hillmer et al. 2005, as cited by Alnsour & Kanaan 2021, 731). Critics of CET argue that extrinsic motivators do not lower intrinsic motivation – rather, negative effects linked to extrinsic rewards might be caused by employees being already satisfied, bored, having a sense of learned helplessness, or being paid for something where extra payment is not expected by situational norms (Calder & Hess 1975, Bandura 1986, Locke & Henne 1986, Staw 1989 & Eisenberger & Cameron 1996, as cited by Kunz & Pfaff 2002, 284-285).

In addition, performance-based rewards in themselves are autonomy-supportive in the sense that the employee can decide whether or not to perform more highly to receive the reward or not, and the organization does not have control over the employee's performance (Kunz & Pfaff 2002, 289). This in itself could mean that performance-based rewards should increase intrinsic motivation, according to CET's guidelines. Performance-based rewards have also been shown to increase self-determination along with enjoyment and free-time spent on a task at hand (Eisenberger et al. 1999, as cited by Kunz & Pfaff 2002, 289). This shows that, while CET may be correct in the fact that intrinsic motivators of positive communication and autonomy are crucial to include in the workplace, it may be incorrect in the sense that extrinsic motivators lower intrinsic motivation. When looking at how extrinsic financial motivators can be built in both helpful and harmful ways, agency theory is a good place to start.

Agency theory

Agency theory discusses how employees put a certain amount of effort that only they are able to fully measure into tasks, meaning that they may complete tasks more slowly while using less effort than they are capable of doing. On the other hand, the organization may give tasks that have unknown challenges the employee may run into, making the task one that may take a very long time to complete despite an employee using their efforts to the fullest. Neither the employee's effort nor the task's difficulty can be accurately measured, making it difficult to measure employee performance. Because of this, it has been thought that the best incentive contract includes pay based on performance to some extent, where performance is measured by signs of production that are somewhat related to the employee's efforts. The employee then acts based on how their usefulness is measured within the incentive contract. (Holstrom 1979, Baiman 1990 & Lambert 2001, as cited by Kunz & Pfaff 2002, 277; Kunz & Pfaff 2002, 276-277.)

Should incentive contracts not include the right signs of production, the employee may end up being less efficient and/or productive than they could be. This can happen when useful efforts are unmeasured in an incentive contract and are therefore useless for the employee to put forth compared to other measured efforts that they are paid for accordingly. However, as long as the interests of the employee are slightly different to the interests of the company and the actions of the performance of the employee cannot be controlled by the company, a well-formed incentive contract should increase motivation of employees. (Kunz & Pfaff 2002, 277-278.) In addition, it may be easier to measure output for the private sector than the public sector, making performance incentives more powerful for organizations in the private sector (Ratto & Burgess 2003, as cited by Alnsour & Kanaan 2021). It has been shown by Kunz and Pfaff (2002, 290) that performance-based rewards do more harm than good in terms of motivation only in the case where employees already are extremely interested in a task even without promise of reward, expectation of continued reward is not made apparent and social surveillance is not made, the task that is being rewarded does not offer the possibility of performance improvement, and employees are rewarded for a task that they would not expect a reward from.

When comparing CET and agency theory to previous motivation theories, CET states that intrinsic motivators are most effective in creating employee motivation. It also does not mention extrinsic motivators that would be required before a person is able to focus on intrinsic motivators, besides for the fact that relatedness (a social factor) might be considered as an extrinsic motivator in other theories (e.g. Herzberg's theory, see section 2.2.2). Agency theory, on the other hand, is made of entirely extrinsic motivators and holds them to a higher importance than other intrinsic motivators. It is interesting that competition is seen as an external factor that lowers intrinsic motivation in CET, as McClellan's need for achievement theory (see section 2.2.3) describes a competitive edge as being a positive motivator for those with achievement needs. It is possible that competition motivates some with a high need for achievement and lowers intrinsic motivation for others whose need for achievement is lower.

2.2.9   Theory X and Y & theory Z

Theories X and Y are both motivational theories developed by McGregor (1960) that focus on managerial perceptions and how they affect employee motivation. X theory describes how managers that assume employees to be inherently lazy, be useful only to a limited point, and be untrustworthy over responsible tend to supervise employees more closely and delegate less authority to others. This influences employee motivation and employee behaviour at the workplace in a negative manner, creating low employee motivation and giving managers exactly what they have expected from their employees. Theory Y, on the other hand, describes how managers that assume employees to be industrious, having a large capacity for being able to contribute in a way that is useful and that matters, and responsible over untrustworthy give a wider range of responsibilities to employees and are more likely to delegate authority. This encourages employee motivation in a positive manner. Theory X and theory Y are, however, relatively untested and therefore cannot be relied on to too great of a degree. (Kopelman & Prottas 2012, 450-451.) They do, however, suggest the importance of giving employees autonomy and responsibility to increase employee motivation as well as the effect micromanagement has of decreasing employee motivation, which is consistent with several different motivation theories that have already been discussed.

Theory Z is developed by William Ouchi and focuses on the importance of supporting employee wellbeing to increase loyalty to their employer. This theory suggests that employee motivation increases based on how employees are managed, where good management includes employees as a part of decision making, invests in employee development over a long period of time, and provides a clear and strong corporate culture and philosophy. Ouchi claims that, if carried out, employees are happy to work for their employers and turnover is low. (Aithal & Kumar 2016, 803-805.) Theory Z may not be completely useful today, as it is based on a Japanese cultural context in the 80's. However, the importance of having a say in the workplace as well as development and job security in positively affecting employee motivation can be drawn from today.

2.3. Link between employee engagement, motivation, and productivity

Employee engagement, motivation, and productivity are interconnected. Engaged employees tend to be more motivated to complete their work (Richman 2006 and Fleming & Asplund 2007, as cited by Hanaysha 2016, 62). Osemake & Adegboyega's (2017, 162) earlier-given definition of motivation refers to the willingness to exert oneself towards reaching a goal or a need. This can mean that increased employee engagement leads to higher employee motivation. It is important to note that many factors noted in section 2.1 that increase employee engagement are also listed in section 2.2 as factors that increase employee motivation, showing how closely they are related. Productivity can be determined by how much of a product or service an employee takes care of within a predetermined amount of time (Piana 2001, as cited by Hanaysha 2016, 62).

For TraVek, Inc., increased productivity may be more roofing/remodelling sales made in a certain amount of time or remodels/roofing work that is completed more quickly. While saving time through increased productivity will lead to increased revenues for the company, it is important that quality of work remains high, or time will be lost by going back to make repairs that could have been avoided by slowing down and doing things more carefully the first time. However, given quality of work remains high, increasing productivity is a logical goal for the company that will ultimately increase revenues.

One may assume that higher willingness to complete a task leads to more units of said task being completed within a determined time framework and vice versa. This is supported by a study completed by Hanaysha and Majid (2018, 24), where increased motivation of employees in the higher education sector in northern Malaysia was shown to correspond with higher employee productivity, and a study completed by Maduka and Okafor (2014, 146), showing low motivation of Nigerian manufacturing employees to result in poor productivity.

In addition to employee engagement increasing employee motivation, which then increases productivity, employee engagement can also directly increase productivity. Previous research in this chapter (see section 2.1.1.) shows that Kahn (1990) describes an engaged employee as one that has higher productivity than their disengaged counterpart. Research shows employee engagement to lead to increased job performance, which contains results in productivity along with efficiency and quality of employees' work (Rich, Lepine & Crawford 2010, 628, 619). In addition, more recent studies show that incentives successful in increasing both employee engagement as well as internal and external motivators can be used to increase productivity levels of employees (Rao 2017, 127-128; Triswanto 2020, 115).

2.4. Incentives

Incentives as a concept can have slightly different definitions. For example, incentives can be described as something (material or non-material) given to employees in return for excellent work. They can also be a way to encourage employees to reach a company's pre-established goals or of rewarding employees for their contributions and for following company ethics, rules, instructions, regulations, and so forth. (Samery 1990, Civil Service Law 1991 & Kreitner 2007, as cited by Alnsour & Kanaan 2021, 730.) Incentives, when used effectively, help to reach both an employee's and their employing company's goals. In addition, they should be given to employees at the right time, and continuity of incentives must be ensured. (El-Din 2020, as cited by Alnsour & Kanaan 2021, 730.) In this thesis, incentives are discussed in terms of financial or non-financial rewards.

2.4.1 Financial incentives

Financial incentives are monetary incentives, where employees are rewarded for their efforts with some kind of money payment. Examples of financial incentives can include pure financial incentives, base pay, profit sharing, gain sharing, initiative rewards, special rewards, stock options or co-partnership, and commission. (Manjenje & Muhanga 2021, 192-194.) Pure financial incentives might include bonuses, which are mentioned by Alnsour and Kanaan (2021, 730) as being a form of financial incentives. Promotions are also mentioned as a form of financial incentives (Manjenje & Muhanga 2021, 191). See Table 8 for a detailed summary of financial incentives.

TABLE 8. Financial incentives (Alnsour & Kanaan 2021, 730; Manjenje & Muhanga 2021, 191-194).

FINANCIAL INCENTIVES	
Pure financial incentives	employees are paid based on their abilities to reach certain goals, bonuses
Base pay	employee's salary
Promotions	increase in salary and responsibilities
Profit sharing	employees are given a percentage of their employing company's pre-tax income
Gain sharing	sections of a company's savings that have resulted from performance gains of employees are shared
Initiative rewards	creativity is rewarded with things that aim to help employees to better appreciate their work and office environment, e.g. free food and so forth is offered
Special rewards	non-tangible and may include tickets to a game or a membership to a gym
Stock options/Co-partnership	allows employees to purchase company stock at a lower price and possibly receive a percentage of company profits
Commission	employees earn based on whether they have reached certain goals in addition to a regular wage.

2.4.2 Non-financial incentives

Non-financial incentives are compensation that do not include money. These may relate to things that fulfil the "psychological, emotional, and humanitarian" needs of employees (Al-Jahni 1998, as cited by Alnsour & Kanaan 2021, 730). Examples of non-financial incentives include feedback, participation, recognition, better work environment, career development, training, motivation, and employee performance (Manjenje & Muhanga 2021, 194-196). Additional non-financial incentives mentioned by Alnsour and Kanaan (2021, 730) include having a role in decision making and receiving appreciation certificates, the latter of which may be considered as recognition. It may be argued that motivation should not belong to this list, as it is not something the organization can give. Employee performance can also be reworded as "supported goal-setting and communication on performance", as Manjene and Muhanga (2021) describe it. See Table 9 for a summary as described of non-financial incentives.

TABLE 9. Non-financial incentives (Alnsour and Kanaan 2021, 730; Manjenje & Muhanga 2021, 194-196).

NON-FINANCIAL INCENTIVES	
Feedback	offers employees a chance to learn about where they are succeeding and where they could improve
Participation	allows employees to be a part of influencing the activities of the company as well as activities within their own job scope
Recognition	employees are shown appreciation for their performance, appreciation
Better work environment	adequate resources, materials, lighting, and so forth is sufficient
Career development	allows employees opportunities to advance in their career
Training	provides employees an opportunity to advance in their skills to keep them up to job market requirements
Supported goal-setting and communication on performance	employees are regularly offered the opportunity to go over their performance and goals
Role in decision making	Employees take part in decisions

2.5. Effective incentives for increasing engagement and motivation

This section will analyze which incentives from sections 2.4.1 and 2.4.2 are effective in increasing employee engagement and motivation. A general introduction on why effective incentive plans should include both financial and non-financial incentives is given, and then the incentives listed in Tables 8 and 9 are analyzed in terms of the engagement and motivation theories introduced in sections 2.1 and 2.2.

2.5.1 Why both financial and non-financial incentives are needed

Not all incentives are equal in terms of effectiveness, should some fail to incorporate different aspects of engagement and motivation. This is shown by research completed by Kohn for Harvard Business Review (1993, 1-2), mentioning that incentives focusing solely on extrinsic motivators in which employees are rewarded with an external reward, such as money, for example, are not effective in increasing long-term productivity. Long-term productivity should be increased by way of increasing employee engagement and motivation, both of which include several motivators unrelated to money, so an argument can be drawn to say that solely financial incentives will not increase engagement and motivation. This is supported by the fact that financial incentives do not continue to motivate employees once the needs are met and the bonus and/or other monetary reward is received, and not all employees value money enough for it to motivate their actions (Aldubekhi 1991, Rousseau & Ho 2000, Towers Perrin 2003 & Bates 2004, as cited by Manjenje & Muhange 2021, 191). However, financial incentives have their place in meeting employees' basic needs and requirements at the least by way of base pay (Jordan 2018, as cited by Manjenje & Muhange 2021, 197), which has been shown to be crucial in both Maslow's hierarchy of needs as well as Herzberg's motivation-hygiene theory (see sections 2.2.1 and 2.2.2). This shows that a mix of financial and non-financial incentives leads to best results in employee engagement, motivation, and ultimately, productivity.

2.5.2 Analysis of financial and non-financial incentives' level of effectiveness using engagement and motivation theories

Based on research done in sections 2.1-2.3, many financial and non-financial incentives (see sections 2.4.1 and 2.4.2) are useful in increasing employee engagement and motivation. These incentives are discussed below, and correlating theories from sections 2.1-2.2 and incentives are listed in Figures 2 and 3.

The first incentive required of employees, regardless of their culture, is base pay (or commission, depending on style of pay). This is supported by Maslow's hierarchy of needs and Herzberg's motivation-hygiene theory (see sections 2.2.1 and 2.2.2), where employees must be able to meet base physiological needs, such as living expenses, before moving onto meeting more nuanced needs. Base pay is also an important incentive based on the equity theory of motivation (see section 2.2.7), where employees are likely to compare their pay to that of others who work in similar positions in the same company and/or city and will lose motivation if their pay is less than their reference source's. Given that fairness is of importance in organizational engagement (see section 2.1.3), base pay is likely to affect employee engagement as well for similar reasons.

Financial rewards are most useful when organizations are not able to influence better job fit, status and influence, creativity in a role, and how employees may be treated by clients/coworkers. In this case, any financial reward would be suitable in helping to increase employee motivation, as an employee may have to do something that they do not intrinsically enjoy or that may not fulfil their own power/achievement/affiliation needs (see McClelland's need for achievement theory, section 2.2.3). Extrinsic, performance-based financial rewards are then of relevance in improving motivation (see cognitive evaluation theory, section 2.2.8). Job engagement (see section 2.1.2) also supports the idea of using financial rewards to increase employee job engagement. The reward given should be something valued by the employee for it to be effective in improving motivation (see Vroom's expectancy theory, section 2.2.6). Given that any financial rewards can be given in different increments according to performance, agency theory (see section 2.2.8) may utilize any financial reward.

Certain financial rewards may be tied to other intrinsic rewards, such as "promotion" being tied to increased responsibility. Given that this includes increased challenges on the job as well as opportunity for development, both Kahn's general description of employee engagement and organizational engagement (see sections 2.1.1 and 2.1.3) support the idea that this financial incentive increases employee engagement. Motivational theories relating to goals and external rewards also support this incentive, as a promotion can be highly effective if it is included in an employee's personal goals and can spur action from them accordingly. In addition, McClelland's need for achievement theory (see section 2.2.3) explains that employees with high power needs would greatly value the increased status and responsibility that comes with a promotion.

Financial rewards seem to be most effective when they are similar for employees of similar job roles with employee-specific perks that can be chosen. The equity theory of motivation (see section 2.2.7) suggests that employees in similar roles will become demotivated if their peers have very different financial incentives, so it can be deduced that all incentives are considered effective in increasing employee motivation if they are equal to those of coworkers with similar responsibilities. One way to take advantage of this to increase employee engagement, should budget allow, would be to offer "special rewards" to all employees of a similar level (such as a gym membership) that may increase their physical and/or mental health, resulting in more physically able, healthy, and sharp-minded employees (see Kahn's general description of employee engagement, section 2.1.1). However, Vroom's expectancy theory (see section 2.2.6) suggests that employees will be more motivated by rewards that they place higher value on, showing the need for choice in rewards received. In addition, McClelland's need for achievement theory (see section 2.2.3) may point to financial incentives "commission" and "gain sharing" to be more motivating to those with high achievement needs who have a competitive edge than to those with power/affiliation needs.

Non-financial incentives can be of equal or more importance to financial incentives in terms of increasing employee motivation. When discussing the individuality of incentives' effectiveness, it is important to mention that some employees may hold certain non-financial incentives to a higher value than certain financial incentives. Vroom's expectancy theory (see section 2.2.6) would, in this case, state that the non-financial incentive of highest value to the employee would give the employee the most motivation. McClelland's need for achievement theory (see section 2.2.3) also supports individual employees with higher power needs possibly wanting the non-financial incentives of "participation" and "role in decision making" (in addition to the previously mentioned financial incentive "promotion") and those with higher achievement needs wanting non-financial incentives of "career development" and "training" (in addition to the previously mentioned financial incentives of "commission" and "gain sharing"). Some non-financial incentives are seen as effective in increasing all employee motivation regardless of employees' individual amounts of value placed on certain incentives, depending on various theories. An example of this is cognitive evaluation theory, which suggests that "feedback," "role in decision making," and "participation" are the most effective incentives (see section 2.2.8).

Motivation systems theory and goal-setting theory (see sections 2.2.4 and 2.2.5) both suggest that the most effective incentives in increasing employee motivation are non-financial incentives of "supported goal-setting and communication on performance" in terms of taking employees' personal goals into account when setting goals with them. These theories also highlight the effectiveness of the "better work environment" incentive in terms of giving employees resources to reach their goals, and goal-setting theory also highlights the need for "feedback." X and Y theories (see section 2.2.9) hold "role in decision making" and "participation" as the most effective incentives in increasing employee motivation. Theory Z (see section 2.2.9), on the other hand, holds "role in decision making," "training," and "career development" as the most effective incentives, and organizational development (see section 2.1.3) includes factors that would increase employee organizational engagement that would be affected positively by the "training" incentive.

In addition, Maslow's hierarchy of needs and Herzberg's motivation-hygiene theory (see sections 2.2.1 and 2.2.2) support the idea of all non-financial incentives in Figure 6 as being effective in increasing employee motivation, while job engagement (see section 2.2.2) mentions factors that can improve employee job engagement that can be supported by all non-financial incentives except for "better work environment." Kahn's general description of employee engagement (see section 2.1.1) also mentions factors that can improve employee engagement and be helped by most non-financial incentives, excluding "career development" and "training" and highlighting especially the importance of "recognition" in employee engagement.

While any incentive may be useful, depending on an employee's individual wants as well as their own level of intrinsic motivation in their current position (where more intrinsic motivation requires less financial incentives), a general rule holds fast for all incentives. Once an extrinsic incentive is given, it should not be taken away, as employees will become demotivated (see Herzberg's motivation-hygiene theory, section 2.2.2). Should incentives need adjustments, it would be critical to carefully replace one incentive with another of similar value to avoid upset and, correspondingly, lower motivation and productivity.

Overall, an average of 5.33 theories per financial incentive out of engagement and motivation theories researched suggest that the financial incentive is effective in increasing employee engagement and/or motivation. An average of 7.5 theories per non-financial incentive suggest that each non-financial incentive is effective in increasing engagement and/or motivation. While this may show that non-financial incentives have higher effectiveness, it must be remembered that certain financial incentives, such as "base pay" and "promotion" are highly important and that other non-financial incentives, such as "role in decision making" are very important in increasing employee engagement and/or motivation.

It must be noted that these observations on which incentives are most effective and when take into account only the financial and non-financial incentives that are listed in Tables 8 and 9. This may narrow the results that could be possible in several ways. For example, a non-financial incentive that would support an employee's affiliation needs (see McClellan's need for achievement theory, section 2.2.3) was not found. Affiliation needs could most definitely be filled by a company in some way or another through other non-financial rewards (e.g. team-building games), but such an incentive was not listed due to a need to keep the list of incentives manageable and lack of it being mentioned in research used. Such incentives that support team building, whether non-financial and made possible by playing games, for example, or financial by having something such as company-paid breakfast events as part of special rewards, might be of high importance to those who value relationships. Another non-financial incentive that may positively affect employees' engagement and motivation (especially those with high affiliation needs) and was not included in the non-financial incentives list (see Table 9) is time off. Other limitations to analysis of incentives may be caused by how two non-financial incentives that support autonomy were found ("participation" and "role in decision making"), and both were used accordingly as supporting incentives for theories that highlighted autonomy as being important.

A summary of general advice on creating effective incentives is as follows. First, offer a fair base pay. Offer financial incentives based on performance for tasks that are not intrinsically interesting to the employee to create a source of motivation. Ensure that the employee knows these rewards cannot be obtained in any other way than reaching the set goal, and make certain that rewards are equal to those of other employees at a similar level. If a task is very intrinsically interesting to employees, give them free reign to grow without defined performance-based rewards. Perhaps promote the employee or surprise them with an unexpected reward after discussing if it is a reward they would like. Encourage employees in their work by giving them all possible non-financial incentives. Training, opportunities for development, positive feedback, and compliments on autonomous efforts should build confidence and intrinsic motivation, increasing productivity as a result. Show employees appreciation and give them an opportunity to succeed that is in alignment with where they want to go in their career.

Incentive category	FINANCIAL INCENTIVES								
Name of incentive	Pure financial incentives	Base pay	Promotions	Profit sharing	Gain sharing	Initiative rewards	Special rewards	Stock options/Co-partnership	Commission
Engagement/ Motivation theories the incentive is mentioned to be useful in increasing employee engagement & motivation	Job engagement (2.1.2), Vroom's expectancy theory (2.2.6), Equity theory of motivation (2.2.7), Agency theory (2.2.8)	Job engagement (2.1.2), Organizational engagement (2.1.3), Maslow's hierarchy of needs (2.2.1), Herzberg's motivation-hygiene theory (2.2.2), Vroom's expectancy theory (2.2.6), Equity theory of motivation (2.2.7), Agency theory (2.2.8)	Kahn's general description of employee engagement (2.1.1), Job engagement (2.1.2), Organizational engagement (2.1.3), Maslow's hierarchy of needs (2.2.1), Herzberg's motivation-hygiene theory (2.2.2), McClelland's need for achievement theory (2.2.3), Motivation systems theory (2.2.4), Goal-setting theory, Vroom's expectancy theory (2.2.6), Equity theory of motivation (2.2.7), Agency theory (2.2.8)	Job engagement (2.1.2), Vroom's expectancy theory (2.2.6), Equity theory of motivation (2.2.7), Agency theory (2.2.8)	Job engagement (2.1.2), McClelland's need for achievement theory (2.2.3), Vroom's expectancy theory (2.2.6), Equity theory of motivation (2.2.7), Agency theory (2.2.8)	Job engagement (2.1.2), Vroom's expectancy theory (2.2.6), Equity theory of motivation (2.2.7), Agency theory (2.2.8)	Kahn's general description of employee engagement (2.1.1), Job engagement (2.1.2), Vroom's expectancy theory (2.2.6), Equity theory of motivation (2.2.7), Agency theory (2.2.8)	Job engagement (2.1.2), Vroom's expectancy theory (2.2.6), Equity theory of motivation (2.2.7), Agency theory (2.2.8)	Job engagement (2.1.2), McClelland's need for achievement theory (2.2.3), Vroom's expectancy theory (2.2.6), Equity theory of motivation (2.2.7), Agency theory (2.2.8)
Number of theories the incentive supports	4	7	10	4	5	4	5	4	5

FIGURE 2. Evaluation of supporting motivation and engagement theories for financial incentives.

Incentive category	NON-FINANCIAL INCENTIVES							
Name of incentive	Feedback	Participation	Recognition	Better work environment	Career development	Training	Supported goal-setting and communication on performance	Role in decision making
Engagement/ Motivation theories the incentive is mentioned to be useful in increasing employee engagement & motivation	Kahn's general description of employee engagement (2.1.1), Job engagement (2.1.2), Maslow's hierarchy of needs (2.2.1), Herzberg's motivation-hygiene theory (2.2.2), Vroom's expectancy theory (2.2.6), Equity theory of motivation (2.2.7), Cognitive evaluation theory (2.2.8)	Kahn's general description of employee engagement (2.1.1), Maslow's hierarchy of needs (2.2.1), Herzberg's motivation-hygiene theory (2.2.2), McClelland's need for achievement theory (2.2.3), Vroom's expectancy theory (2.2.6), Equity theory of motivation (2.2.7), Cognitive evaluation theory (2.2.8), X and Y theories (2.2.10)	Kahn's general description of employee engagement (2.1.1), Job engagement (2.1.2), Organizational engagement (2.1.3), Maslow's hierarchy of needs (2.2.1), Herzberg's motivation-hygiene theory (2.2.2), Vroom's expectancy theory (2.2.6), Equity theory of motivation (2.2.7)	Kahn's general description of employee engagement (2.1.1), Maslow's hierarchy of needs (2.2.1), Herzberg's motivation-hygiene theory (2.2.2), Vroom's expectancy theory (2.2.6), Equity theory of motivation (2.2.7)	Job engagement (2.1.2), Organizational engagement (2.2.3), Maslow's hierarchy of needs (2.2.1), Herzberg's motivation-hygiene theory (2.2.2), McClelland's need for achievement theory (2.2.3), Vroom's expectancy theory (2.2.6), Equity theory of motivation (2.2.7), Z theory (2.2.9)	Organizational engagement (2.1.3), Maslow's hierarchy of needs (2.2.1), Herzberg's motivation-hygiene theory (2.2.2), McClelland's need for achievement theory (2.2.3), Vroom's expectancy theory (2.2.6), Equity theory of motivation (2.2.7), Z theory (2.2.9)	Kahn's general description of employee engagement (2.1.1), Job engagement (2.1.2), Maslow's hierarchy of needs (2.2.1), Herzberg's motivation-hygiene theory (2.2.2), Motivation systems theory (2.2.4), Goal-setting theory (2.2.5), Vroom's expectancy theory (2.2.6), Equity theory of motivation (2.2.7)	Kahn's general description of employee engagement (2.1.1), Job engagement (2.1.2), Maslow's hierarchy of needs (2.2.1), Herzberg's motivation-hygiene theory (2.2.2), McClelland's need for achievement theory (2.2.3), Vroom's expectancy theory (2.2.6), Equity theory of motivation (2.2.7), Cognitive evaluation theory (2.2.8), X and Y theories (2.2.9), Z theory (2.2.9)
Number of theories the incentive supports	7	8	7	5	8	7	8	10

FIGURE 3. Evaluation of supporting motivation and engagement theories for non-financial incentives.

2.6. Hypotheses of results in accordance with theory

The following shows hypotheses of which financial and non-financial incentives may be of highest importance to employees (and hopefully increase employee engagement and motivation) and in what case(s). Time off and team building are added to these lists due to their relevance. Overall, hypotheses reflect how base pay is the most important incentive followed by non-financial incentives for employees that enjoy their jobs and financial incentives for employees that are not genuinely, intrinsically interested in their work. All employees, however, value incentives that they individually hold to high importance as well as all non-financial incentives, specifically those relating to feedback, autonomy, and recognition. Learning about incentives individuals find important can be done by understanding their achievement, power, and/or affiliation needs.

When forming incentive plans, employees of similar roles within teams and across the job market should have similar incentives to keep things equal.

Top incentive for all employees:
- Base pay

Other effective incentives for all employees:
- Equal financial incentives to those that are received by other employees of similar roles inside and/or outside of the company
- Any particular incentive(s) that is particularly valued by the individual
- All non-financial incentives, especially feedback, role in decision making/participation (autonomy), and recognition
- Special rewards that might relate to improving health

Highly valued incentives for employees that are not intrinsically motivated by their role at the workplace:
- All financial rewards given in correlation with performance and, if possible, in correlation with which reward most interests the individual employee

Highly valued incentives for employees that are intrinsically motivated by their role at the workplace:
- All non-financial incentives
- Surprise financial rewards that are in alignment with financial incentive(s) the employee values (given for when employee goes above and beyond)

Highly valued incentives for employees with high achievement needs:
- Commission
- Gain sharing
- Career development
- Training

Highly valued incentives for employees with high power needs:
- Participation
- Role in decision making
- Promotions

Highly valued incentives for employees with high affiliation needs:
- Time off (not included in Table 9)
- Team-building (could be non-financial, which is not included in Table 9, or financial, the latter of which would be a special reward)

2.7. How incentive systems may be organized for teams

This section introduces how incentives can be organized for teams. This information is utilized in the analysis to suggest relevant incentive systems for teams in accordance with the kind of team they work with as well as preferred incentives. Hoffman and Rogelberg (1998, 22) suggest that there are seven categories of team incentive systems: team gain sharing, team profit sharing, team goal-based incentive systems, team discretionary bonus systems, team skill incentive systems, team member skill incentive systems, team member goal incentive systems, and team member merit incentive systems.

Team gain sharing and team profit sharing reward teams based on the organization's performance. Team gain sharing is an equally shared cash reward given based on improvements made in organizational wins (e.g. reaching a certain level of increased productivity, quality, or customer satisfaction). Profit sharing is a cash reward divided evenly to teams when the organization makes a certain amount of profit. If teams feel that they cannot impact the outcome needed to receive the reward, cash rewards and organizational outcomes should be made team-specific and relevant to departmental goals; otherwise, the incentives will not be effective. Rewards from these incentives should be given often so a clear correlation between team performance and the reward is established. (Swineheart 1986, Nickel & O'Neal 1991, Sisco 1992, Thornburg 1992, Schuster 1993, Miller & Schuster 1993, McNerney 1994 & O'Neill 1994, as cited by Hoffman & Rogelberg 1998, 22; Hoffman & Rogeblerg 1998, 22.)

Team goal-based incentive systems are one-time monetary or non-monetary bonuses or variable pay given in accordance with pre-determined team short-term and/or long-term team performance goals. Variable pay means that each team member's base pay may be decreased, met, or increased by the same percentage depending on how the team's objectives are not met/met/exceeded. (McNally 1992 & Johnson, 1996, as sourced by Hoffman & Rogelberg 1998, 25; Hoffman & Rogelberg 1998, 25.)

Team discretionary bonus systems are one-time, surprise monetary or non-monetary rewards given to teams based on team outcomes (such as customer satisfaction, for example). Teams are not told about the performance standards by which these incentives are rewarded. These are typically given to teams on a random basis for exceptional performance. (Kanin-Lovers 1993, as cited by Hoffman & Rogelberg 1998, 26; Hoffman & Rogelberg 1998, 26.)

Team skill incentives are monetary or non-monetary rewards given to teams when they have acquired certain team skills, such as cooperation. In this case, a team's development of proper processes to function as a unit is rewarded instead of the performance outcome of the team. (Musselwhite 1998 and Geber 1995, as cited by Hoffman & Rogelberh 1998, 26-27; Hoffman & Rogelberg 1998, 26-27.) Team member skill incentive systems, on the other hand, are regular or one-time monetary or non-monetary rewards given to individual team members based on their ability to demonstrate team skills. Other team members typically evaluate each team member's team skill abilities, such as communication, commitment, and problem solving. These skills are usually gone over during performance appraisals, which are executed on a consistent basis. The goal of team member skill incentive systems is to increase team performance, and an example of employees earning reduced base pay until all team skills are demonstrated is one way that rewards may be used. However, other rewards may be given on a one-time basis each time skills are demonstrated. (Musselwhite 1988 and HRFocus 1995, as cited by Hoffman & Rogelberg 1998, 26-27; Hoffman & Rogelberg 1998, 26-27). It should be noted, however, that reduced base pay should only be used for newer employees as a starting pay and should not be given to employees as punishment, as previous research (see section 2.2.2) shows this would reduce employee motivation.

Team member goal-based systems are monetary or non-monetary rewards, such as base pay, bonuses, and achievement awards, awarded twice a year to individual team members when they meet their individual goals that help their team's performance. Goals are evaluated during performance appraisals and are set in a way that works together with other team members' and supervisor's goals (Bartol & Hagmann 1992, as cited by Hoffman & Rogelberg 1998, 28; Hoffman & Rogelberg 1998, 28).

Team member merit systems are similar in the sense that team members are rewarded for contributions to their team's performance, but in this case, rewards are given spontaneously for outstanding efforts. Rewards can be monetary or non-monetary with examples being bonuses, special recognition dinners, and salary increases. (Sales and Marketing Management 1994, Heneman & von Hippel 1995 & HRMagazine 1995 as cited by Hoffman & Rogelberg 1998, 28; Hoffman & Rogelberg 1998, 28.)

In deciding which team incentives to use, it is important to consider whether team members are highly dependent on one another or not and whether teams are "full-time" or "part-time". Teams that require members to be dependent on one another and are considered full-time teams are recommended by Hoffman and Rogelberg to have incentives distributed evenly amongst members of the team based on team goals and/or skills, rewarding the team as a whole. Teams that do not require members to be highly dependent on one another yet are considered full-time teams should divide bonuses based on individual contribution of team members or may distribute rewards based on current pay, where team members with higher pay receive larger rewards. In addition, rewards are to be equally distributed to all teams unless the company does not see that all teams necessarily need to work together at all times, in which case rewards may be team-specific. (Hoffman & Rogelberg 1998, 22.)

For example, gain sharing/profit sharing rewards should be equally distributed to all teams, but if inter-team cooperation is not necessary, competitive versions of these incentives where performance of the team determines the size of the reward received can be useful. However, all teams with the opportunity to earn the reward should feel that they can put in equal effort as other teams to receive the same amount of reward as other teams to avoid unfairness. Members within the same team should only receive varying amounts of these rewards if there is a clear and easily measurable difference of contributions made by different team members, and team member tasks are not highly dependent on one another. (Farr 1976, Johnson, Maruyama, Johnson, Nelson & Skon 1981, Pritchard et al. 1989, Thornburg 1992, Fisher & Lindquist 2993 & Johnson 1996, as cited by Hoffman & Rogelberg 1998, 23-25; Hoffman & Rogelberg 1998, 23-25.)

Team goal-based incentive systems are seen as useful for full-time teams, as they have the most use for clear, pre-determined team goals. Variable pay percentage should be equally distributed within the team, but each team member will still receive differing pay based on their current salary. Bonuses can differ if it is obvious that some members contribute more than others, but the more team members depend on one another, the more equal their rewards should be. (Pritchard et al. 1989, Bartol & Hagmann 1992, HRFocus 1994a&b, Gross 1995 & Supervisory Management 1995, as cited by Hoffman & Rogelberg 1998, 25-26; Hoffman & Rogelberg 1998, 25-26.)

Team discretionary bonus systems are best utilized within full-time teams, especially when high cooperation between different teams is not needed. Should other teams cooperate often and tightly with the team that has received the team discretionary bonus, a feeling of unfairness may spread between teams. Given that this system focuses on team skills, the team must be tight and very interdependent for this team incentive to be worth it for the organization to invest in. (Hoffman & Rogelberg 1998, 26.)

Team skill incentive systems and team member skill incentive systems are most useful within full-time, permanent teams, as they are otherwise a waste of money, seeing as they focus on improving the team as a whole (Geber 1995 and Gross 1995, as cited by Hoffman & Rogelberg 1998, 27; Hoffman & Rogelberg 1998, 27).

Team member goal-based and team member merit incentive systems can be useful for both full-time and part-time teams. However, these may not be the best incentives to use for very tight teams where members are expected to cooperate very often which each other. (Gross 1995, as cited by Hoffman & Rogelberg 1998, 28; Hoffman & Rogelberg 1998, 28.)

3 RESEARCH

This section contains additional qualitative as well as quantitative research conducted to learn more about how TraVek, Inc.'s current incentive plan is set up, where employees need improvement in their productivity, and how employees themselves are motivated and engaged. Information is gathered through an email interview with the head of HR to learn about current incentives offered, and surveys are filled out by employees from each department. The research is meant to give a better understanding of what the actual desires of employees are in terms of non-financial and financial incentives, especially within teams. Results are used to make connections with qualitative research in Chapter 2.

3.1 Working methods

Data is collected through an email interview as well as through surveys. The head of human resources is interviewed via email to learn more about TraVek's current incentive plan. Data on the incentive preferences of employees on each the administration, sales, and production teams is gathered through surveys.

3.2 Research objectives

By learning about TraVek, Inc.'s current incentives, information can be gathered to better understand what financial and non-financial incentives as well as which team incentive systems might already be in place and what might be missing. In addition, this helps to apply research on engagement and motivation from chapter 2 to evaluate which incentives are being applied where, which can later be connected to each team's specific wants and needs in terms of incentives.

Employee surveys are used to connect the dots on what incentives employees value the most/least as well as to measure their levels of overall engagement, job engagement, organizational engagement, and motivation. Survey questions are formed based on research in Chapter 2, which gives background on what may be causing lack of engagement/motivation and helps to guess what may be creating these gaps. In addition, research-based questions on incentives are asked to learn about how employees would like for support to be shown through different, specific incentives. Once information is gathered from employee surveys, it can be analysed in terms of administration, sales, and production teams to learn about the most effective incentives/incentive systems per team based on survey results and theory in Chapter 2. Conclusions are then made based on connections between theory and data gathered.

3.3   Validity

Validity is used to determine whether the correct thing is being measured and to derive meaning from some kind of scale. Validity forms to be used in the thesis include face validity and content validity. Face validity checks whether a scale of measuring items looks relevant and whether it is understandable to subjects that will be answering questions. Content validity judges whether all relevant concepts pertaining to the topic of interest are measured and that all irrelevant concepts are not included in the questions asked. (Gould 1994, 99; Messick 1994; Utwin 1995; McDowell & Newell 1996, 500 & Carr 2001, as cited by Bannigan & Watson 2009; Bannigan & Watson 2009.) Face validity is used in the thesis to ensure that all survey and interview questions and answers are as understandable as possible to those who answer them. The surveys are judged for content validity by ensuring that relevant theoretical items have been included in questions, and the email interview is also formed on a need-to-know basis to gather information that is necessary to help with content validity.

3.4   Reliability

Reliability means the consistency or dependability of a scale to measure something (Polit & Hungler 1995, as cited by Bannigan & Watson 2009). In making the theory as reliable as possible, research articles used are gathered from Tampere University of Applied Science's online library, AndOR, and Google Scholar. These forums allow for more trustworthy and reliable sources of information to be used for theory, which create for more reliable surveys and interviews, which are built upon the theory.

In making the research process reliable, all details of the research are noted, such as location, ways in which research may have been influenced by outside factors, and so forth. The sample used in the interview and surveys must be correctly described to give as reliable of results as possible. As the thesis contains surveys, there is a possibility that those who answer them may be distracted when doing so, resulting in some error. However, the less varied the results of an instrument are, the more reliable and able to be reproduced the results are (Utwin 1995, 6 and McDowell & Newell 1996, 37, as cited by Bannigan & Watson 2009). It must be noted that the surveys will not be repeated, so finding "less varied" results through repetition is not possible within the thesis.

3.5   Research limitations

The thesis is limited by need to narrow definitions of terms. For example, employee engagement is limited to Kahn's (1990) general definition of the term, job engagement, and organizational engagement rather than continuing to discuss team engagement, task engagement, etc. Limitations are also present in how some theories may conflict with others. All theories are taken into consideration, but decisions on where each is relevant and is therefore used may be biased. Limitations on research for team incentives is prevalent, as the company changed their request from individual, team, and company-wide incentive suggestions to only team incentive suggestions after theoretical research was already completed, and time restraints did not allow for further theoretical research.

Limitations are found in surveys, as they must be short enough to not be overwhelming, making it difficult to measure every aspect of engagement, motivation, and incentive preferences. In addition, incentives cannot be expected to grow to that of a large-sized company for a long while, and hence incentives that only companies of a smaller size are capable of are included in surveys as options. Lastly, the requirement to translate surveys into Spanish via artificial intelligence translator Deepl may produce less-fluent sounding questions for Spanish-speaking employees to answer, possibly limiting accuracy of answers from Spanish speakers.

3.6 TraVek, Inc.'s current incentive plan

The following explanation of TraVek's current incentive plan is derived from an email interview with TraVek, Inc.'s head of human resources (see Appendix 1). Information from the interview is organized in terms of financial and non-financial incentives listed in Tables 8 and 9 and incentive systems listed in section 2.8.

Out of the financial and non-financial incentives listed on Tables 8 and 9, TraVek, Inc. utilizes pure financial incentives, base pay, profit sharing, initiative rewards, special rewards, stock options/co-partnership, commission, recognition, career development, training, supported goal-setting and communication on performance, and role in decision making. The company has not highlighted its use of promotions as an incentive, but one can guess that promotions are used when there are job openings and/or a person's skills increase drastically in an area where job openings are typically available (such as in the case of an assistant becoming a lead carpenter or foreman). However, given that the company is relatively small, it may be that budget and company size keep promotions from being highlighted as heavily as other incentives.

Incentives that are not mentioned by the head of human resources as being utilized include gain sharing, feedback, participation, and better work environment. In addition, some roles receive very different incentives from others, meaning that each role's satisfaction with their particular incentives may vary based on the personality of the employee within the role.

Team incentives also seem to be created in a way where managers receive a different reward than the rest of the team, which may be justified by their higher rank.

In comparing team incentives to section 2.8, TraVek, Inc. utilizes team profit sharing, team goal-based incentive systems, team member goal-based systems, and team member merit systems. They seem to be utilizing these well in their company for the most part according to suggestions made in section 2.8, but team goal-based systems could possibly also be offered for the production teams, as it seems that production assistants do not receive any kind of team rewards. However, if production assistants are considered to work very tightly together with the same coworkers, it may not be a good idea to offer this incentive system to them. It should be noted that team member merit systems are considered in this case to be used due to TraVek, Inc.'s employee of the month program. In addition, it should be noted that team member goal-based systems and team member merit systems are not suggested for too tight of teams, but it is assumed that sales and administration teams have enough independence and separation from coworkers in their work for these incentive systems to be considered as useful.

The company does not, however, utilize team gain sharing, team discretionary bonus systems, team skill incentive systems, and team member skill incentive systems. Gain sharing could be considered at a time in the much further future if the company grows to a large size and has the budget for this. Team discretionary bonus systems could be useful for the production team, especially since they are not currently offered team goal-based systems. This could help boost performance of assistants especially, given that lead carpenters and foremen are already incentivized to produce well through piece rate pay. Team skill incentive systems and team member skill incentive systems are not used, nor are they likely to be needed in the company, unless it grows to a very large size where team skills become more and more important due to moving pieces of large projects (such as in corporations). However, different non-monetary incentive systems that utilize team skills could be useful for the company, such as team meetings for teams to bond and exchange ideas/learn from each other.

Table 10 summarizes Travek, Inc.'s current use of the financial and non-financial incentives described in sections 2.4.1 and 2.4.2 as well as current use of different incentive systems (italicized) as outlined in section 2.8, and Table 11 summarizes those that are not currently used or emphasized.

TABLE 10. TraVek, Inc.'s Currently Used Incentives and Incentive Systems

Everyone	- special rewards (points system for gift cards/cash for health savings account, rewards for employee of the month/year, 401k) - profit sharing (if financial goals are reached for the year) - recognition (employee of the month, employee of the year) *Team profit sharing* *Team member merit systems (EE of month)*	
Higher-Ups	- pure financial incentives (bonuses) - stock options/co-partnership	
Administration	- pure financial incentives (team bonuses) - special rewards - supported goal-setting and communication on performance (individualized incentives) *team goal-based incentive systems*	
Sales	Salesmen - commissions - pure financial incentives (bonuses) - special rewards (team/individual rewards, million dollar sales club reward) - initiative rewards (team dinners) - recognition (million dollar sales club) *team goal-based incentive systems*	
	Sales Managers - pure financial incentives (bonuses based on their salesmen meeting goals) *team member goal-based incentive systems*	
Production	Foremen/Lead Carpenters - pure financial incentives (piece rate pay/bonuses/pay from marketing for the company using decal stickers on vehicle) - role in decision making (flexibility of piece work)	
	Assistants - base pay - training - career development (training with the purpose of advancing in one's career) - pure financial incentives (pay from marketing for the company using decal stickers on vehicle)	
	Production Managers - pure financial incentives (bonuses based on foremen/lead carpenters meeting goals, pay from marketing for the company using decal stickers on vehicle) *team member goal-based incentive systems*	

TABLE 11. Incentives and Incentive Systems Not in Use or Emphasized at TraVek, Inc.

Team gain sharing - Too expensive for such a small company - Could be useful if company grows much, much larger
Team discretionary bonus systems - Could be useful for production teams, as they could use motivation for excellent performance
Team skill incentive systems - Too expensive for such a small company - Could be useful for administration team if company grows much, much larger - However, replacements for all teams such as team meetings/bonding could be used for now
Team member skill incentive systems - Too expensive for such a small company - Could be useful for administration team if company grows much, much larger - However, replacements for all teams such as team meetings/bonding could be used for now
Promotions - Are likely used but not emphasized
Gain Sharing - Same as team gain sharing incentive system, too expensive
Feedback - Likely used informally, but a system could be developed to ensure consistency
Participation - Likely used but is not emphasized
Better Work Environment - Either not used or not emphasized

3.7 Design process of surveys

The surveys are formed based on general theory to gain answers that will hopefully be helpful in the analysis phase of the thesis, where they are able to be analysed using theory as a basis. In designing employee surveys (see Appendix 2), questions on cultural background and what team employees belong to are asked to better understand answers. Additional questions are created with the goal of being able to measure engagement and motivation in employees and to better understand why employees may be disengaged/unmotivated at times. Overall preferences for incentives are asked to better understand which current incentives that TraVek, Inc. offers may be more useful compared to others. Additional incentive wishes are learned from employees themselves to be analysed on a per-team basis. Employee surveys are translated using Deepl for Spanish-speaking employees to also have access to.

Questions are formed to gain perspective on what makes certain tasks unappealing and/or appealing and how to help adjust employee attitude towards them, if possible. Surveys are kept completely anonymous to encourage honesty in answers.

3.8   Results from employee surveys

Results from employee surveys are shown in picture form in Appendix 2. It is not shown which employee has answered what, as employees were promised confidentiality when presented with surveys. However, results per team are shown accordingly. Surveys are completely anonymous and are created in a manner that allows engagement, motivation, and preferences for different incentives to be measured by using different theories presented throughout the thesis. It must be noted that there are five answerers from administration, twelve from sales, and eight from production. Each team's answerers consist of employees of different job descriptions and at different rankings in the company. Employees were given around two weeks to answer questions, during which slightly over 50% of TraVek, Inc.'s employees filled out the survey.

4 ANALYSIS OF DATA

This section provides an analysis of the data gathered from employee surveys. The analysis is based on Appendices 3-6, where survey results are analysed in terms of where each team at TraVek, Inc. measures in terms of engagement, motivation, and incentive satisfaction and preferences. Engagement and motivation are measured in terms of different theories presented in the thesis. This analysis only points out things that measure below 100% level of positive answers relating to engagement and motivation for each team to point out what can be improved on rather than what is already being done well. An explanation of how percentages of each section are calculated is given in Appendix 3. Suggestions on short-term, medium-term, and long-term incentives to put into place for each team are then given.

Administration team

Starting with the administration team, engagement measures relatively high with 93.33% psychological meaningfulness and 97.14% job-level engagement being the only factors at less than 100%. Main reasons for this include slight dissatisfaction with task characteristics, diversity of tasks, and role characteristics. Motivation for this team is also very high, with only Maslow's theory and Herzberg's theory measuring motivation at less than 100% (96.67% and 98%, respectively) due to some perceiving their pay to be unfair or not enough to meet their (and possibly their family's) basic needs. In terms of McClellan's theory, this team measures as 60% of answerers having power needs as the highest motivating need, 20% achievement, and 20% affiliation. Incentives for the administration team show 100% satisfaction with non-financial incentives as well as an 80% satisfaction with base pay. In terms of preferences, 80% prefer pure financial incentives over time off, and 60% prefer initiative rewards (e.g. free food/other free items in the office) over special rewards (e.g. tickets to a game/a trip). In terms of feeling included in decisions on which incentives are offered, 80% of this team felt that they were. Open suggestions for incentives from this team included team events as well as training/additional responsibilities that can lead to promotions/raise.

This shows that the administration team's engagement could be increased by attempting to improve work role fit, possibly by assigning tasks more aligned with employees' personal goals. Motivation levels show a need for some to have a chance to take on more responsibility as well as pay. The mixture of power needs show that not everyone on this team is motivated by the same thing, although most answerers would be motivated by having more responsibilities/chances to teach others and/or get promoted. Incentives preferences show that financial incentives drive this team more than time off and that more employees prefer perks at the office to special rewards, but the percentages are close enough that both should be offered.

Sales team

The sales team's engagement is lower than that of the administration team. To begin with, psychological safety measures at 91.67% due to lower perceived organizational norms of encouraging employees to share ideas on how things can be done differently/better. They also measure at 87.5% in terms of psychological availability due to job insecurity and at 93.37% in organizational level engagement due to less satisfaction with training received as well as fairness perceived within the company. Job-level engagement for this team measures at 92.45% due to less than 100% satisfaction with feedback and support from supervisors, development opportunities, and fairness of team rewards. Motivation for this team in terms of Maslow's theory measures at 90.28%, where mainly low job/status security and dissatisfaction with opportunities for training/development/achievement as well as slightly perceived unfair pay are the cause. Herzberg's motivation-hygiene theory measures this team's motivation at 93.33% due to the same reasons in addition to less than satisfactory supervision (in terms of management support) for all employees. An interesting measurement for this team made within Herzberg's motivation-hygiene theory's measurements is only a 75% satisfaction with motivation factors of growth and achievement, which are quite low. This team measures at 91.67% motivation by the motivation systems theory due to not all employees being included in goal-setting with managers, and the equity theory of motivation measures motivation at 90.25% due to some amount of perceived unfairness of how employees and/or teams are treated/rewarded as well as perceived unfair pay.

A slight dissatisfaction with clear and consistent manager feedback is shown by 97.92% motivation, as measured by the cognitive evaluation theory, as well as 90% motivation, as measured by theories X, Y, and Z. These theories also show that not all employees feel that they are included in decision making in terms of sharing ideas on how things could be improved and also feel that chances for employee development are below satisfactory. McClellan's theory measures the sales team as being 66.67% motivated by power needs and 33.33% being motivated by achievement needs. Incentives for the sales team show 90.28% satisfaction with non-financial incentives due to less than 100% being satisfied with their role in decision making, feedback, communication on performance, supported goal-setting, career development, and training. In terms of base pay, 91.67% of this team are satisfied. Incentive preferences for this team show that 100% of the team prefers pure financial incentives to time off, and 58.33% prefer special rewards to initiative rewards. In terms of feeling included in decisions on which incentives are offered, 80% of this team felt that they were. Not all employees feel as though incentives are given fairly in comparison to others, as this measured at 88.33%. Open suggestions for incentives from this team heavily suggested more training as well as some suggestions for more compensation for trainers, career development/team building/surprise gift cards, more company-generated leads, and an additional bonus for surpassing goals.

This shows that the sale's team's engagement and motivation could be improved by listening to employees more and including their ideas into solutions, giving them a more secure feeling that their jobs are safe, increasing training given, learning about where unfairness is perceived and working to fix it, having supervisors give more feedback and support, and attempting to reward the team fairly for their efforts. The following sources of low motivation of low job/status security, dissatisfaction with opportunities for training/development/achievement, slightly perceived unfair pay, and less than satisfactory management support as measured by Herzberg's motivation-hygiene theory for this team (except for growth and achievement) are hygiene needs that cause job dissatisfaction in employees and will prevent job satisfaction and, consequently, motivation until they are met.

McClellan's theory shows that most employees on this team need the opportunity to move up the ladder while many others need the opportunity to attack new challenges, giving background for why this team is feeling frustrated with lack of training/achievement opportunities. Incentives preferences show that financial incentives drive this team and that employees prefer perks at the office and special rewards almost equally, so both should be offered, and incentives suggestions reflect a high want for increased training.

Production team

The production team's general engagement measures at 97.88% due to not everyone being invested in their work, and psychological meaningfulness for this team measures at 89.58% because of task characteristics, diversity of tasks, and role characteristics being less than satisfactory. Psychological safety measures at 93.75% for this team due to organizational norms where not all team members feel that their ideas are valued/listened to, and Maslow's theory measures motivation for this team at 89.58% due to low job security, unfair/not enough pay, not feeling as though the company offers enough autonomy, and feeling unsatisfied with opportunities for training/development/achievement experienced by some employees. Herzberg's motivation-hygiene theory measures motivation of this team at 88.33% for the same reasons of not being personally invested in one's work, insufficient levels of autonomy, and not feeling as though achievement opportunities are readily available in addition to less than satisfactory supervision in terms of support and setting goals together, environmental working conditions, and not feeling that promotion opportunities are available. The motivation systems theory for this team measures motivation at 91.07% due to the work environment not being conducive to all employees to reaching their goals as well as a lack of team and individual goals that excite them. Lack of exciting team and individual goals also affects motivation measurements given by the goal-setting theory (87.5%) in addition to challenge of goals being too high for one employee. The equity theory of motivation measures motivation for this team at 85.38% due to perceived unfairness in equal treatment of employees and pay received, while the cognitive evaluation theory measures at 87.5% mainly due to mainly perceived low autonomy in addition to micro-management and lack of positive and consistent feedback.

Theories X, Y, and Z measure at 85% for this team due to low autonomy, micromanagement, lack of being included in decision making, less than satisfactory employee development opportunities, and lack of supportive management being perceived by some. In terms of McClellan's theory, this team is 75% motivated by power needs, 12.5% achievement needs, and 12.5% affiliation needs. Incentives for the production team show 89.58% satisfaction with non-financial incentives due to mainly more participation (influencing activities within own job scope) as well as role in decision making, feedback, communication on performance, career development, and training being desired. In terms of base pay, 87.5% of this team are satisfied. Incentive preferences show that 100% of this team prefers pure financial bonuses to time off, and 87.5% prefer special rewards over initiative rewards. Only 75% of this team feels as though they are included in decisions on which incentives are offered, and 83.25% of this team feels as though incentives are given fairly in comparison to others. Open suggestions for bonuses from this team include several suggestions for performance-based bonuses/ratings in addition to some other suggestions for more bonuses, surprise gift cards, transparency, team building activities, and employee of the month or year (which can be interpreted as a singular employee expressing that they would like to win this incentive).

Engagement results point to the production team requiring more interesting tasks/responsibilities that they feel are meaningful, TraVek, Inc. taking their ideas into account more often, increased autonomy, and reassurance that their jobs are safe in order to increase engagement. Motivation results show that this team needs most highly more autonomy in addition to supportive management to increase their motivation. Opportunities for achievement are also desired and may keep motivation levels lower than they otherwise would be. Job dissatisfaction cannot dissipate from this team until Herzberg's hygiene factors of satisfactory supervision in terms of support and setting goals together as well as environmental working conditions are improved, after which other factors such as trying to offer more choices to employees in their work to make it more personally interesting/investing can be addressed to improve motivation. In addition, a need for team and individual goals that excite employees on the production team to be clearly outlined is shown, which may go hand in hand with a need for supportive management to help create such goals.

The production team also has the most perceived unfairness for how they and their team are treated/rewarded, which could greatly affect motivation. Most of this team is motivated by power needs, showing that they may require opportunities for advancement and teaching others in order to feel motivated. Incentives preferences show that financial incentives drive this team and that most employees prefer special rewards to perks at the office, so special rewards can be focused on by giving surprise rewards such as game tickets. Incentives suggestions reflect a clear want for more performance-based bonuses and bonuses in general as well as highlight again a want for better communication/transparency with management.

Additional remarks

One hundred percent of answerers from every team mentioned that profit sharing motivates them, showing that this incentive must remain at TraVek, Inc. in order to prevent loss of motivation from removal of effective incentives.

Results are in alignment with hypotheses from section 2.6 besides for those not motivated by mainly affiliation needs (e.g. the sales team) still wanting more team building and majority of sales team members (who are primarily motivated by power needs) heavily wanting more training, which was predicted to be sought after by mainly those with achievement needs higher than power needs. In addition, gain sharing was not measured after learning about the company being unable to provide this for employees at a general level. However, general results show convergence of qualitative and quantitative research.

4.1   Short-term incentives

In terms of short-term incentives that can be implemented almost immediately, the sales team could benefit from being given more time to bond with each other, as 25% of the team wished for more time to bond and get to know each other. This could look like more fun team meetings during work hours. In addition, increasing participation offered to sales employees (for example, by gathering ideas from them on what could be done better/differently during team meetings) may help increase motivation.

More importantly in the short-term for the sales team, however, would be to put forth an effort to learn more about where unfairness is perceived – for example, whether it is only in pay received or whether it is also in perceived treatment by management. The production team would also benefit from this, as they do not feel equally treated/valued. Learning about what the root cause of the unfair feeling is can also be considered as increasing the non-financial incentive of participation for these teams.

Ways to help prevent perceived unfairness that can be put into play immediately for the sales team may include giving very clear communication to new employees before offering them a job that their income is based on commissions, meaning that their sales for the week determine their income. In addition, if some bonuses are only given to the top seller, others who are struggling may feel unmotivated to improve due to hopeless feelings that they will never get there – in this case, smaller, staggered bonuses/rewards can be offered so that other salesmen have a chance to benefit from incentives meant for individuals in some manner.

In addition, the short-term non-financial incentives of feedback and supported goal-setting and communication on performance should be increased within the company's upper management/human resources for the sales team. The company's financial situation and what they can offer in terms of helping employees increase their skills should be given more often and in a transparent manner. Employees on this team already feel job insecurity more than employees of any other team (25% feel insecurity), so transparent communication on company performance will give them peace of mind in knowing what the situation is and how they must either improve and/or look for other work options, lowering overall anxiety with having the knowledge ahead of time. Should opportunities for increasing job skills (e.g. through training) be given by management to help improve performance, more employees will be motivated by being given the chance to improve their skills and achieve more than will be ready to leave for another company. However, the peace of mind received from knowing that they have time look for another job if needed may lower anxiety from job security to a degree.

It would also be a good idea to learn from the production team what may be causing less than 100% satisfaction with work environment, as this non-financial incentive is easy to offer in terms of ensuring that materials are readily available and sufficient for the team.

4.2   Medium-term incentives

In terms of medium-term incentives, it is necessary to introduce the chance of being promoted to members of the administration and production team. The administration team is highly engaged and motivated in general, but negative responses mainly stem from a desire for increased pay and interesting responsibilities. The production team is mainly motivated by power needs, highlighting the innate need for this incentive in this team. As seen in Table 11, promotions are not likely highlighted as an incentive at TraVek, Inc., and this shows in both teams. Promotions (and the non-financial incentive of career development) can be introduced by providing teams with a career development track that shows where the company needs more highly skilled labour and what can be done to reach said positions from different career tracks. This can give employees the feeling that they are effectively working towards their goal of being promoted while the company can develop a longer-term strategy of where more highly-skilled employees will be needed.

These career development tracks can also be used for the sales team to outline career paths for eventual increased pay (should this be possible), especially should the root of their feelings of unfairness stem from payment. Should increased pay for sales employees be impossible due to commissions-based pay, giving employees on the team clear communication on how income can be increased as well as ensuring that small bonuses can be given based on performance during shorter durations (and not only based on longer-term sales) may help to give all employees a feeling that they have an equal shot at receiving incentives.

TraVek, Inc. could also ensure that the team goal-based incentive systems in place for the sales team include financial incentives so that even those who are unable to sell well at first might gain motivation to improve their selling skills and, therefore, income, as they are receiving some kind of financial incentives based on the entire team's performance.

Training is also very necessary to improve for the sales team, as this is a large cause for lowered motivation and engagement as well as is a very wished for non-financial incentive. Therefore, the company must create a system for training within the sales department, where trainers receive income of some sort for their efforts and trainees are able to learn from both standard sales guidelines used within the company as well as training on the job with a mentor for a period of time. This will give the sales team a chance to increase their skills, achieve more, and ultimately bring in more revenue for the company.

Additional medium-term incentives that must be implemented for the production team circulate around management education and organizational norms. Non-financial incentives of feedback, participation, supported goal-setting and communication on performance, and role in decision making all should be improved within this team, and all of these greatly have to do with the organizational autonomy that the company offers employees on this team as well as the autonomy and communication that management gives employees. This can be addressed by creating a new status quo on how much autonomy the company gives the production team in addition to creating management training on how to communicate with, give positive feedback to, and set effective goals with employees. It is likely that this will also help reduce feelings of unfairness once autonomy is increased. Management training could also be useful for the sales team, as they require increased non-financial incentives of feedback and supported goal-setting and communication on performance and could have feelings of unfairness stem from management treatment.

In terms of individual employees, it is important to keep in mind all employees' individual incentive preferences. For example, one should learn whether an employee may prefer financial bonuses or time off. In the rarer case that an employee may prefer time off, it would be suggested to explore this option to make employees feel seen and listened to in terms of which incentives they prefer, increasing engagement and motivation as a byproduct. The company is doing a decent job at this, but not all employees feel heard in terms of what incentives they want.

4.3   Long-term incentives

Long-term incentives for TraVek, Inc. to consider include a slight increase to base pay for the sales team for times when sales are low, should feelings of unfairness stem from payment.

The company could also consider a long-term incentive of incorporating team goal-based incentive systems into the production team, as they are not currently offered anything similar and also requested more performance-based financial bonuses. This would allow team members to work hard as a collective and would allow them to be rewarded as a team, should they reach set goals together per month. Hopefully, this could reduce feelings of unfairness with payment/rewards. Another option would be to offer more individual bonuses to members of the team, but this may be more expensive for the company in the long run and also will not work to draw the team closer together to learn from each other. Team discretionary bonus systems are not suggested due to the desire for bonuses to be performance-based from members of the production team.

5   CONCLUSION & RECOMMENDATIONS

The thesis's objective was to recommend short-term, medium-term, and long-term incentives for TraVek, Inc. to use to increase employee engagement, motivation, and, resultingly production, of employees within administration, sales, and production teams. The author researched information on engagement and motivation theories, non-financial and financial incentives, and team incentive structures as well as conducted a survey to measure engagement, motivation, and employee satisfaction with/preferences for incentives. The research question "How can TraVek formulate an incentive plan that is effective in terms of employee motivation and engagement, leading to increased productivity?" is answered in the analysis after all theoretical and quantitative research is completed. Sub-questions "What is employee motivation and engagement?" and "How can increased employee engagement and motivation lead to increased employee productivity?" are answered by theories, and "How do different incentives motivate and engage the case company's employees differently?" and "Which incentives might be suitable for the case company to use within specific teams in order to increase employee productivity?" are answered in the analysis.

This thesis benefits the case company by providing an understanding of what is negatively affecting their employees' engagement and motivation as well as providing solutions to increase them through incentives, which will hopefully lead to increased productivity of employees. Recommendations include non-financial and financial incentives to improve and/or incorporate into each team based on need as well as suggestions on how. Slight changes to team incentive structures are suggested as needed. A brief explanation of the most important financial and non-financial incentives and team incentive systems that should be improved on/introduced per team include: short-term incentives of feedback and supported goal-setting and communication on performance for the sales team; medium-term incentives of promotions for the administration and production teams, career development for the sales team, feedback, participation, supported goal-setting and communication on performance, and role in decision making for the production team (focusing on increasing employee autonomy), and training for the sales team; and long-term incentives of introducing a team goal-based incentives system to the production team.

Actions to take to make this possible that should be considered include improving company-level feedback and transparent communication on performance from a human resources level for the sales team, creating and highlighting opportunities for promotions within administration and production teams, creating career development tracks for all teams, introducing a management training program to improve management skills, offering more autonomy from an organizational perspective for the production team, creating a training program complete with basic and mentor learning for the sales team, and offering team goal-based incentives based on performance to the production team. More detailed explanations and additional recommendations can be seen in 4.1-4.3. It is suggested that an employee within HR works to act upon recommendations.

Validity of the thesis could have been improved by measuring fairness of financial rewards/pay separately from fairness of management treatment as well as by having a Spanish speaker review the Spanish version of the survey before distributing. Validity in terms of relevance could also have been improved by having more frequent meetings with the head of human resources at the company to understand sooner that more research on team incentives and less research in other areas could have been completed. However, a large time difference as well as business limitations on how much time could be spent aiding with the thesis made more communication unrealistic. Reliability of results could also have been improved by waiting longer for employee survey results, but time did not allow for this. However, results cannot reflect the thoughts of everyone at the company, as only just over 50% of employees responded to the survey.

During the research, the author realized how broad the topics of motivation, engagement, and incentives are and struggled with narrowing research topics. Some topics were researched that were later deleted while other topics could have been researched and were not, but this was impossible to know in the beginning of the writing process. This may slightly negatively affect the practical suggestions the author was able to provide for the company. Time management caused some difficulties in reaching the deadline, as too much time was allotted for theoretical research and too little for quantitative research. However, the author learned how to be more flexible as well as deeply learned about employee motivation, engagement, and incentives during the process of writing the thesis.

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APPENDICES

1.   How many employees does TraVek have?

47

2.   What year did TraVek acquire Trades Unlimited? Has the company acquired any other business since then?

TraVek acquired Trades Unlimited in 2020. The company has since acquired New Life Roofing and has rebranded the roofing department as TraVek Roofing in 2023.

3.   What does each role in the administration team do, and what incentives are used in the administration team for each role and for the team as a whole?

The roles on the administration team (human resources, accounting, marketing, administration) are responsible for the typical tasks associated with these roles. Incentives are given to each person on the administration team in accordance with their hierarchy, where larger money incentives are given to those with more responsibilities. Individualized incentives for each role are given based in goals set together with the employee and their manager and incentives that appeal to the employee.

In addition, team incentives are given, where bonuses are attached to meeting different company goals, such as revenues, profits, and so forth.

4.   What does each role in the sales team do, and what incentives are used in the sales team for each role and for the team as a whole?

Roofing salesmen and remodeling salesmen are both responsible for generating sales for the company and are incentivized by a commissioned pay, where roofing salesmen receive 10% of the money from company-generated leads that they manage to sell along with an extra 1.5% of the money from self-generated leads, and remodelling reps get 11% with company lead, addit 1.5% with self gen lead. Salesmen are also incentivized with perks throughout the year, which are both individualized (given according to what each person wants the most) as well as aimed towards the sales team as a whole.

Sales team goals are created in a way where, if all roofing or remodeling salesmen close on a certain number of sales, they will receive a bonus, go to a fun event, or anything that appeals to the team. (Note that the teams are separately rewarded in accordance to roofing and remodeling.) It is up to the sales manager to know their teams well, what motivates them as a whole as well as indiv, and bonuses are based on that. Both roofing and remodeling salesmen's sales numbers are shown on a screen in the office to use competition within their own respective teams as a motivator.

The remodeling salesmen are also incentivized with the "million dollar sales club," where they receive a plaque that invites them into the club if they have made one million dollars of sales within the fiscal year. In the past, we have bought a rep a Harley Davidson motorcycle, taken them the HI, and also just invited them to be in the club, which is an honor, even without the trips and prizes. It just depends on our profits and how we can use them for perks like this.

The roofing sales team is incentivized with shorter, quicker, and more impulsive rewards than the remodeling sales team, as the sale cycle is much quicker for them (roofing team has same day closes while remodeling team's sales cycle lasts 4-6 weeks). Roofing sales managers and remodeling sales managers are responsible for leading their teams of salesmen, getting to know the team, and coming up with incentives individualized to each salesman's unique motivators. They are incentivized in a similar way as production managers, where they receive bonuses in accordance with their team's performance. If the base expectation level that every salesman brings in a certain amount of money per month is reached, sales managers receive a quarterly bonus. They receive additional bonuses tied to making sure more of their team meets the mark consistently.

5.   What does each role in the production team do, and what incentives are used in the production team for each role and for the team as a whole?

Lead carpenters are responsible for taking on piecework (kitchen/bathroom/remodeling project given specifically to the lead carpenter to complete either alone or with others by hiring assistants for help). They are incentivized by being given any money in a budget that is left over from a piece work, given the work is completed before a deadline or on time. As they are paid "piece rate" they are given a lump sum of monies in their budget, which is estimated around various trades/labor/materials/time, etc that are required to get the job completed. If that lead is skilled in a trade that we have estimated to sub out, they can pocket those monies allocated for the sub, for an example. If they complete the job in less time than scheduled, they will pocket some of the labor dollars. It's a great role for someone who is hard working, motivated and highly skilled to meet and beat goals. Lead carpenters are paid per project and also can decide if they want to take each job, which gives the incentive of flexibility.

Remodeling production managers are responsible for leading lead carpenters and their assistants. They make schedules for different piece work projects and are responsible for ensuring that the job is completed on time and under budget. Remodeling production managers are incentivized by a bonus system that works as follows: If the base expectation level that every lead carpenter brings in a certain amount of money per month is reached, remodeling production managers receive a quarterly bonus. They receive additional bonuses tied to making sure more of their team meets the mark consistently. Foremen are responsible for taking on piecework related to roofing jobs. They are incentivized in the same way as lead carpenters. Roofing production managers are repsonsible for leading foremen and their assistants. They are incentivized in the same way are remodeling production managers. Assistants are responsible for helping lead carpenters and foremen complete a job when need extra help. They are incentivized by a base pay given at an hourly rate that the lead carpenter or foreman sets for them. They are also required to attend all of our trainings, led by a professionally certified lead. These are offered bi-weekly, such as drywall training, window install, framing, etc. The goal is to help them learn the skills to be leads themselves.

Also, they are part of our Points Program, which all team members as well as clients are able to reward each other through. Many of our assistants receive kudos from clients as well as team members through points, which translate into dollars they can use for gift cards or put in their medical HSA account. If anyone of the production team wants to get signage on their trucks, TraVek will reimburse them (I think it's like $250/mon) because it helps us with marketing.

6.   Are there any other incentives that are provided to the administration, sales, and/or production teams?

The administration, sales, and production teams are also incentivized with a 401k plan for anyone that has worked at the company for a minimum of one year. TraVek matches any contributions to an employee's 401k retirement savings plan dollar to dollar for the first 3% of an employee's paycheck that is sent to the employee's 401k. If numbers are hit and profits are made, a percentage of the profit is given to all employees, where the percentage received varies. In higher profit years, we have given a % to all team members based on their annual salaries. In lower profit years or no profit years (like last year) we did not give anything. It just depends. We have our points program, which generally at the end of each year, everyone has at least a few hundred dollars worth in there, and they redeem for gift cards they can use before christmas time. Stock options/co-partnership are given to very select few roles by invitation only, where TraVek ownership decides who receives these incentives. All leadership team members- we have our departmental quotas (what the business needs as a min to make profit), we receive a bonus if we exceed our quotas

Employee of the Month- someone is nominated each month who exemplifies our core values, $50 visa gift card and in the pool for employee of the year; employee of the year receives a week extra PTO and stay at a VRBO, paid for (up to $300/day) by TraVek

Answers are separated in terms of administration, sales, and production starting at question 3. One answer was turned in using the Spanish version of the survey, and its answer has been included in results below.

1. Which team do you belong to?
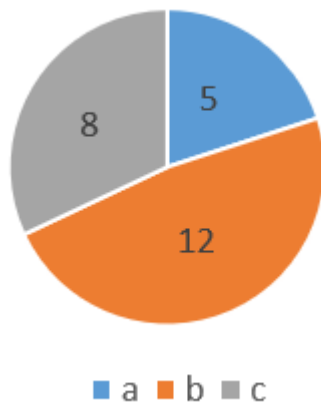   a. Administration
    b. Sales
    c. Production

FIGURE 4. Question 1.

2. Please write your job title below. (open answer)

(This answer is kept out of the thesis upon reflection, as complete anonymity was promised of survey answerers.)

3. Which ethnicity best describes you?

    a. American Indian or Alaskan Native

    b. Asian / Pacific Islander

    c. Black or African American

    d. Hispanic

    e. White / Caucasian

    f. Other
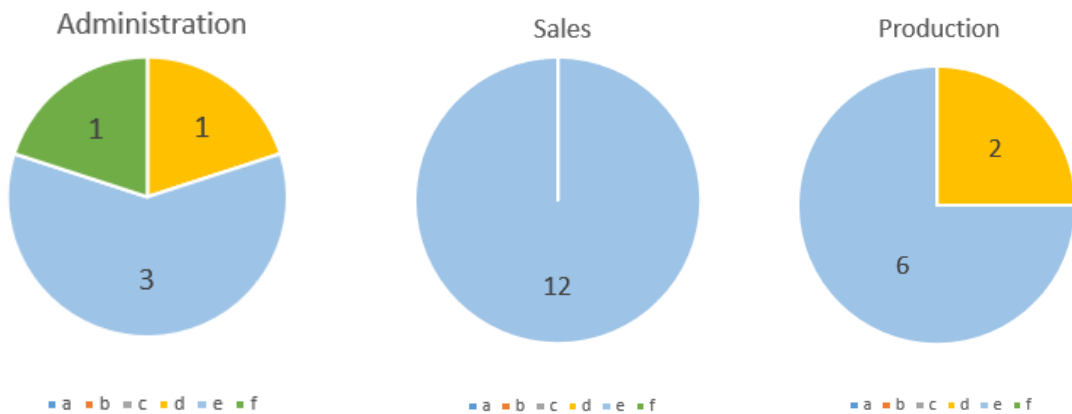
FIGURE 5. Question 3.

4. Choose which of the following best describes you.

    a. I feel personally invested in my work, and it brings me joy. I am happy to go to work each day and view my workplace in a positive light.

    b. I am not personally invested in my work, but I am still happy to go to work each day and view my workplace in a positive light.

    c. I do my work because it is necessary and view my workplace neutrally.

    d. Work is tedious for me, and my workplace is a cause of stress.
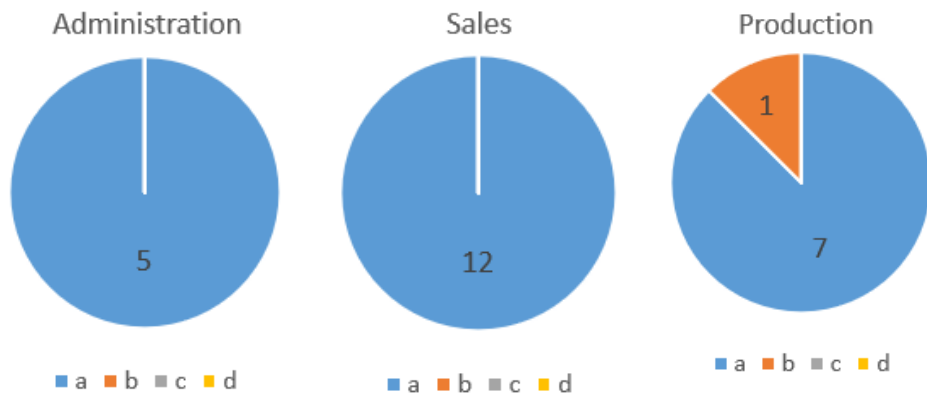
FIGURE 6. Question 4.

5. In my opinion, my work is:

    a. Too challenging

    b. Sufficiently challenging

    c. Not challenging enough
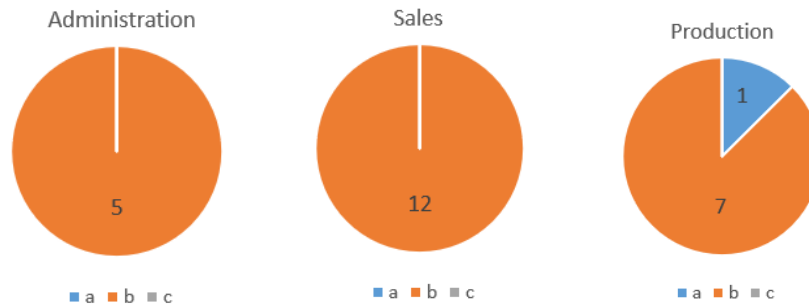
FIGURE 7. Question 5.

6. In my opinion,

    a. My job at TraVek and Travek as a company offers me and others enough autonomy. I also feel like my role at work is important and valued by others and by myself and is a good fit for my talents, skills, and preference of diversity of tasks.

    b. My job at TraVek and Travek as a company offers me and others enough autonomy. However, I do not feel like my role at work is important and valued by others and by myself nor is a good fit for my talents, skills, and preference of diversity of tasks.

    c. My job at TraVek and Travek as a company does not offer me and others enough autonomy. However, I feel like my role at work is important and valued by others and by myself and is a good fit for my talents, skills, and preference of diversity of tasks.

    d. My job at TraVek and Travek as a company does not offer me and others enough autonomy. I also do not feel like my role at work is important and valued by others and by myself nor is a good fit for my talents, skills, and preference of diversity of tasks.
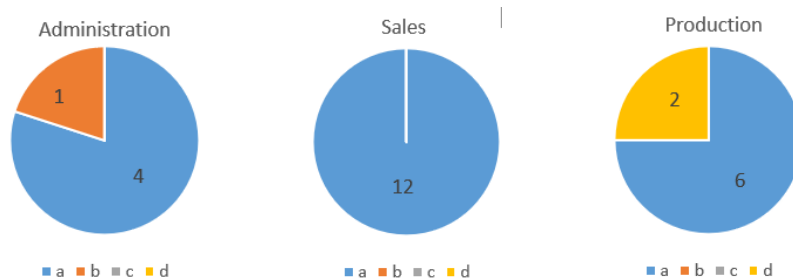
FIGURE 8. Question 6.

7. Please choose which of the following is most true for you:

   a. I enjoy positive relationships with my coworkers and manager and feel valued as a person and accepted by them. Sharing my ideas on how things might be done differently/better at the workplace is encouraged.

   b. I enjoy positive relationships with my coworkers and manager and feel valued as a person and accepted by them. However, sharing my ideas on how things might be done differently/better at the workplace is not particularly encouraged.

   c. I do not enjoy positive relationships with my coworkers and manager nor feel very valued as a person/accepted by them. Sharing my ideas on how things might be done differently/better at the workplace, however, is encouraged.

   d. I do not enjoy positive relationships with my coworkers and manager nor feel very valued as a person/accepted by them, neither is sharing my ideas on how things might be done differently/better at the workplace encouraged.
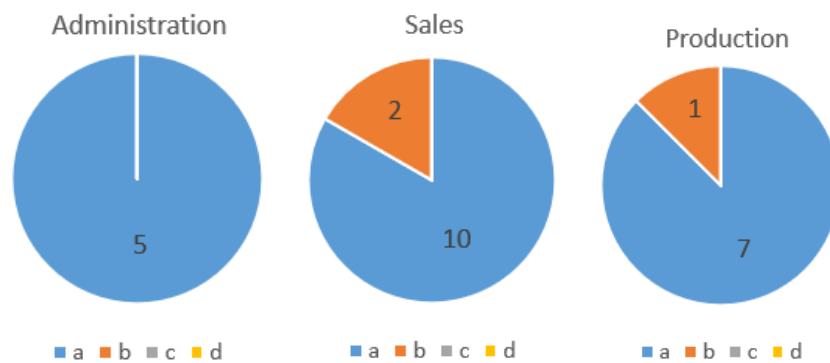

FIGURE 9. Question 7.

8. In my opinion,

    a. My manager gives me clear instructions, and I do not feel micromanaged by them.

    b. My manager gives me clear instructions, but I feel micromanaged by them.

    c. My manager does not give clear instructions, and I feel micromanaged by them.

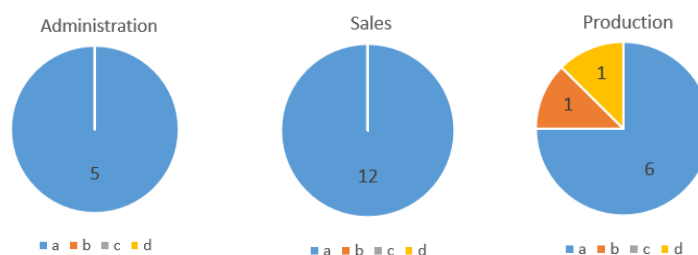   d. My manager does not give clear instructions, and I do not feel micromanaged by them.

FIGURE 10. Question 8.

9. Please choose which of the following is most true for you:

    a. My manager provides me with clear and consistent feedback on my performance. We set my work goals together and have regular discussions, where I feel that I receive enough support and positive feedback.

    b. My manager provides me with clear and consistent feedback on my performance. However, I am not a part of the goal-setting process.

    c. My manager does not provide me with enough clear and consistent feedback on my performance. However, I am included in the process of setting goals for my performance.

    d. My manager does not provide me with enough clear and consistent feedback on my performance nor am I included in the process of setting goals for my performance.
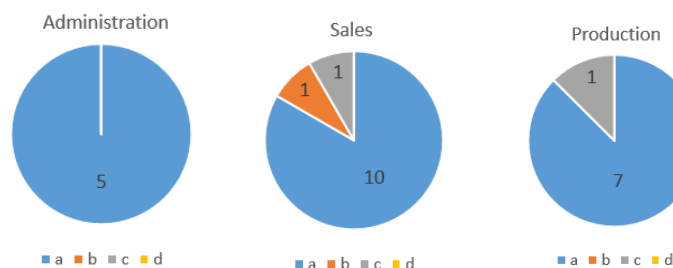
FIGURE 11. Question 9.

10. Please choose which of the following is most true for you:

   a. I have enough physical and emotional energy to complete my work tasks and interact with others without a problem, and my personal life does not affect my energy at the workplace negatively. In addition, the safety, breaks offered, lighting, and other factors of my environmental working conditions are sufficient for my well-being.

   b. I have enough physical and emotional energy to complete my work tasks and interact with others without a problem, and my personal life does not affect my energy at the workplace negatively. However, the safety, breaks offered, lighting, and other factors of my environmental working conditions are not sufficient for my well-being.

   c. I either do not have enough physical and emotional energy to complete my work tasks and interact with others without a problem, and/or my personal life affects my energy at the workplace negatively. However, the safety, breaks offered, lighting, and other factors of my environmental working conditions are sufficient for my well-being.

   d. I either do not have enough physical and emotional energy to complete my work tasks and interact with others without a problem, and/or my personal life affects my energy at the workplace negatively. In addition, the safety, breaks offered, lighting, and other factors of my environmental working conditions are not sufficient for my well-being.
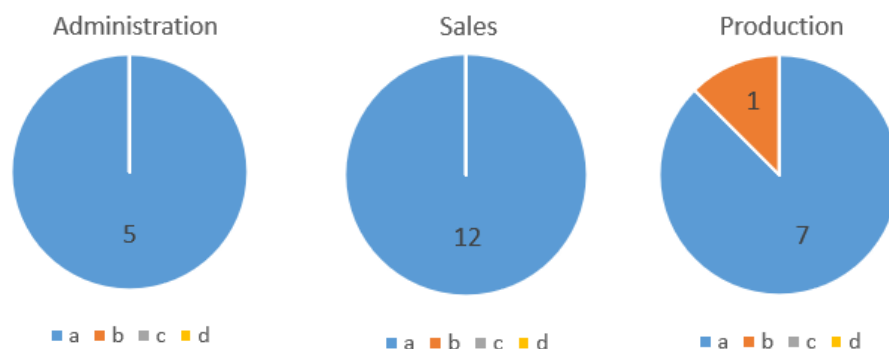

FIGURE 12. Question 10.

11. Please choose which of the following is most true for you:

    a. I feel like my work position is secure and do not worry about losing my job and/or status. In addition, the pay I receive is fair for the work that I do and is at least enough to support my basic needs (and the basic needs of my family, if I am supporting them financially).

    b. I feel like my work position is secure and do not worry about losing my job and/or status. However, I do not think that the pay I receive is fair for the work that I do, and it is not enough to support my basic needs (and the basic needs of my family if I am supporting them financially).

    c. I feel like my work position is not secure and do worry about losing my job and/or status. However, the pay I receive is fair for the work that I do and is at least enough to support my basic needs (and the basic needs of my family if I am supporting them financially).

    d. I feel like my work position is not secure and do worry about losing my job and/or status. I also do not think that the pay I receive is fair for the work that I do, and it is not enough to support my basic needs (and the basic needs of my family if I am supporting them financially).
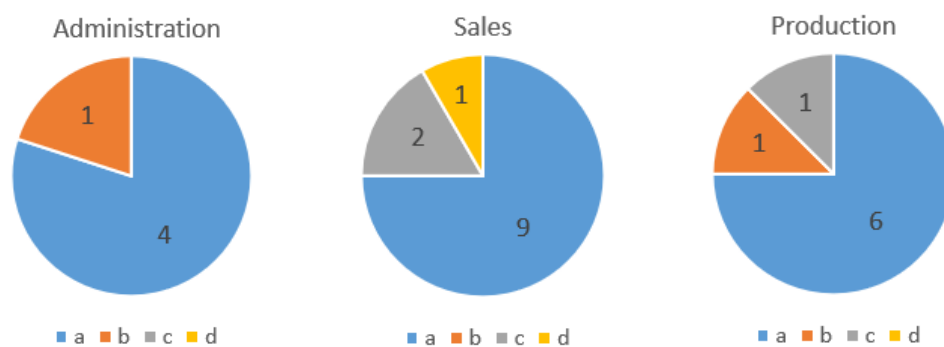

FIGURE 13. Question 11.

12. Please choose which of the following is most true for you:

    a. I am satisfied with the opportunities for training on the job, job development, and achievement that TraVek gives me. I also feel that the opportunity for a promotion is available to me once I have gained the necessary skills.

    b. I am satisfied with the opportunities for training on the job, job development, and achievement that TraVek gives me. However, I do not feel that the opportunity for a promotion is necessarily available to me once I have gained the necessary skills.

    c. I am not satisfied with the opportunities for training on the job, job development, and achievement that TraVek gives me. However, I do feel that the opportunity for a promotion is available to me once I have gained the necessary skills.

    d. I am not satisfied with the opportunities for training on the job, job development, and achievement that TraVek gives me. I also do not feel that the opportunity for a promotion is available to me once I have gained the necessary skills.
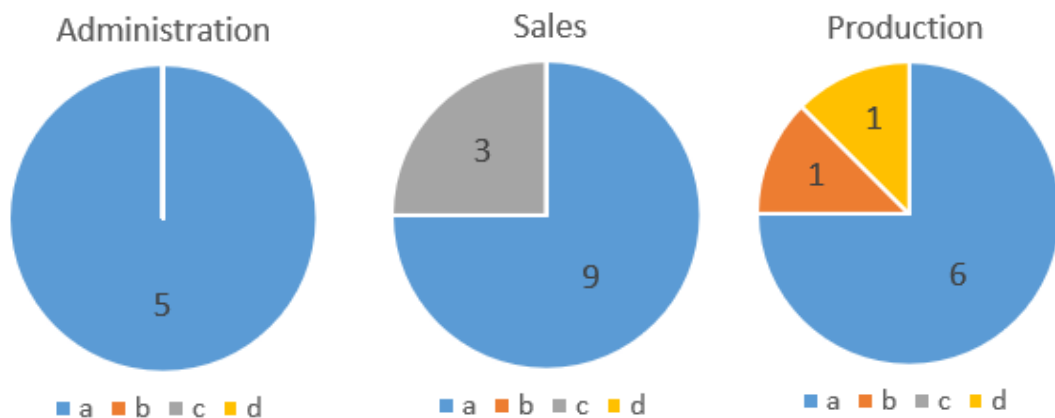
FIGURE 14. Question 12.

13. Please choose which of the following is most true for you:

   a. I feel that TraVek makes clear the goals and performance of the company to me and other employees as well as how our work roles play a part in the company strategy. I also feel that TraVek, as an organization, adapts well to change, has positive CEO leadership, and has effective HR practices.

   b. I feel that TraVek makes clear the goals and performance of the company to me and other employees as well as how our work roles play a part in the company strategy. However, I do not feel that TraVek as an organization adapts well to change, has positive CEO leadership, and/or has effective HR practices.

   c. I do not feel that TraVek makes clear the goals and performance of the company to me and other employees as well as how our work roles play a part in the company strategy. However, I do feel that TraVek, as an organization, adapts well to change, has positive CEO leadership, and has effective HR practices.

   d. I do not feel that TraVek makes clear the goals and performance of the company to me and other employees as well as how our work roles play a part in the company strategy. I also do not feel that TraVek as an organization adapts well to change, has positive CEO leadership, and/or has effective HR practices.
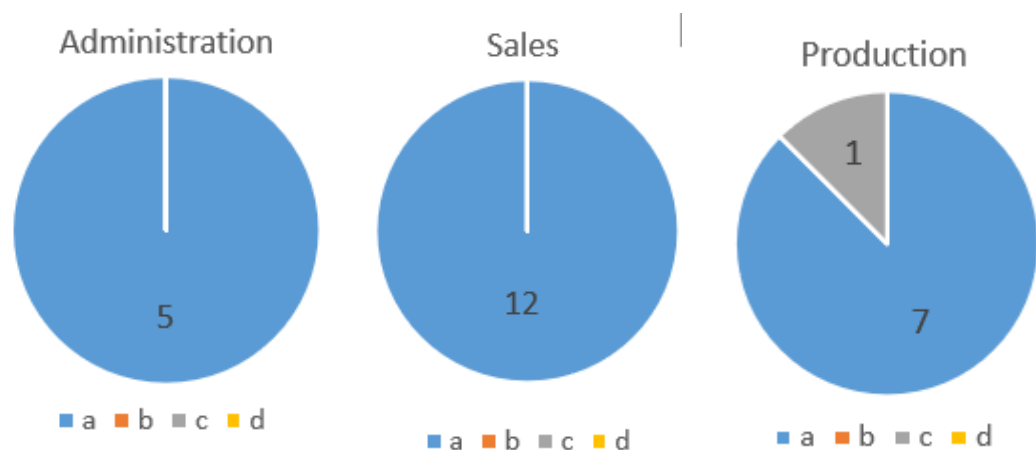

FIGURE 15. Question 13.

14. In my opinion, TraVek operates in a way that is fair to all employees. I feel as though I am rewarded fairly for my efforts at work/performance in comparison to others, and my team is also rewarded fairly for our collective efforts.

    a. True

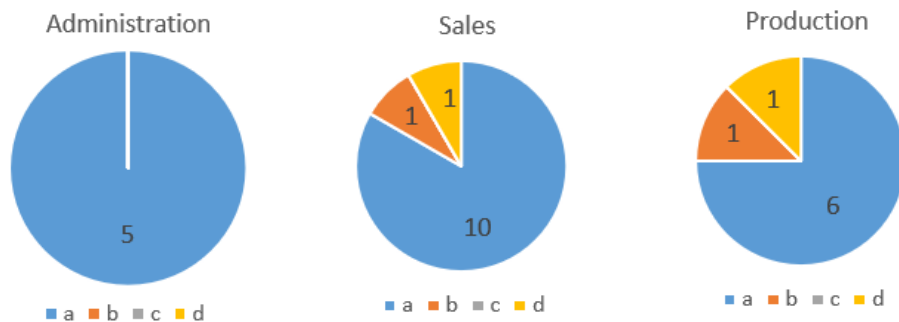   b. Somewhat true

    c. Somewhat false

    d. False

FIGURE 16. Question 14.

15. Which of the following is most important to you?

    a. Teaching others/making a difference/having a say in what is done at the workplace

    b. Having challenging responsibilities/being offered healthy competition/receiving credit for accomplishments made

    c. Having positive social relationships at work/feeling accepted and cherished at work and within my team

FIGURE 17. Question 15.

16. Please choose which of the following is most true for you:

    a. I have a mix of both team and individual goals at work that excite me. In addition, I think my team and I have enough time to bond and get to know each other and are a strong team.

    b. I have a mix of both team and individual goals at work that excite me. However, I wish my team and I had more opportunities to bond and get to know each other better – I think we could be a stronger team.

    c. I do not have a mix of both team and individual goals at work that excite me. However, I think my team and I have enough time to bond and get to know each other and are a strong team.

    d. I do not have a mix of both team and individual goals at work that excite me. I also wish my team and I had more opportunities to bond and get to know each other better – I think we could be a stronger team.
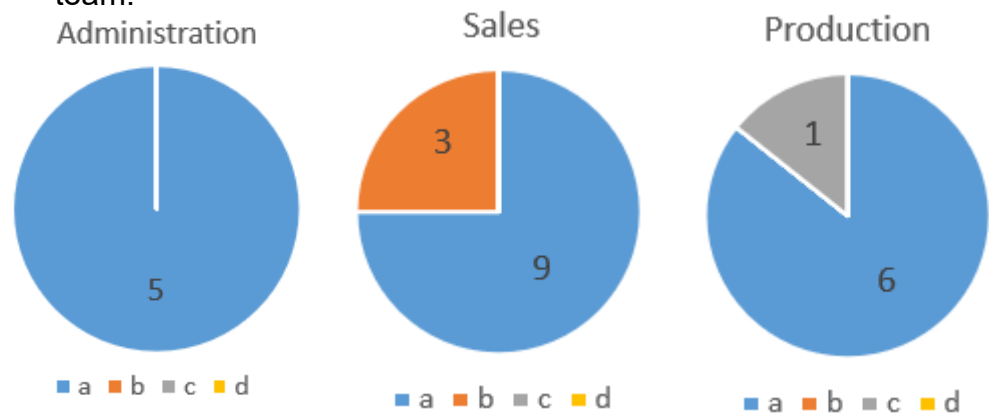
FIGURE 18. Question 16.

(Production is missing an answer for question 16.)

17. Please choose which of the following is most true for you:

    a. In my opinion, I receive enough recognition for my achievements and appreciation for my performance from my manager and/or higher management at TraVek. In addition, I am asked for input on which incentives I would like to have and feel that I receive incentives that are specific to what I personally want.

    b. In my opinion, I receive enough recognition for my achievements and appreciation for my performance from my manager and/or higher management at TraVek. However, I am not asked for input on which incentives I would like to have and do not feel that I receive incentives that are specific to what I personally want.

    c. In my opinion, I do not receive enough recognition for my achievements and appreciation for my performance from my manager and/or higher management at TraVek. However, I am asked for input on which incentives I would like to have and feel that I receive incentives that are specific to what I personally want.

    d. In my opinion, I do not receive enough recognition for my achievements and appreciation for my performance from my manager and/or higher management at TraVek. I also am not asked for input on which incentives I would like to have and do not feel that I receive incentives that are specific to what I personally want.
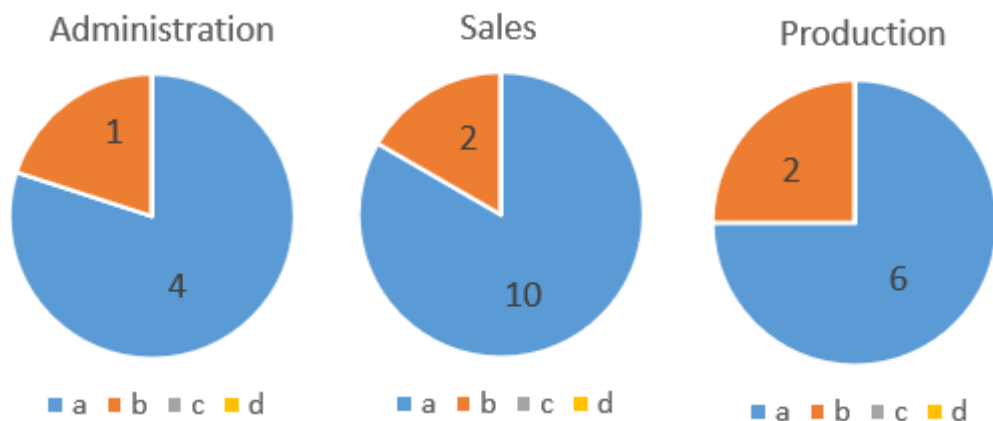

FIGURE 19. Question 17.

18. If given the chance to choose an option of incentives from the following options, I would choose:

    a. More time off & free food/other free items in the office

    b. More time off & tickets to a game/a trip/other similar special rewards

    c. More financial bonuses & free food/other free items in the office

    d. More financial bonuses & tickets to a game/a trip/other similar special rewards

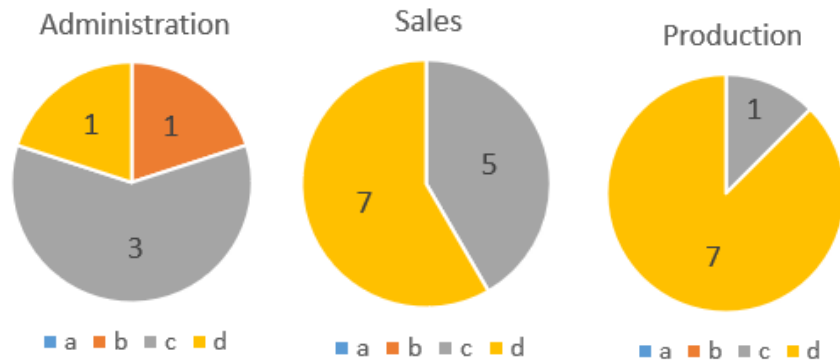FIGURE 20. Question 18.

19. Which of the following is true for you?

    a. I am motivated to help the company succeed because of additional bonuses I might receive based on the company making profit.

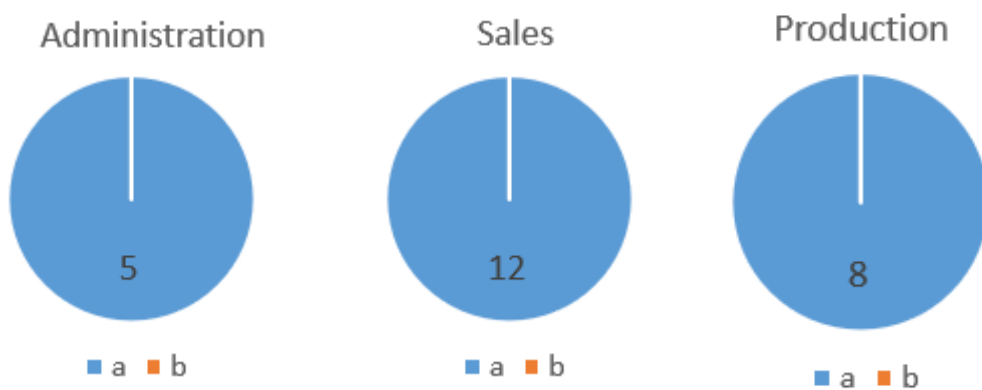   b. I don't pay as much attention to the company's profit as a whole because it does not affect me much.

FIGURE 21. Question 19.

20. Please write below about any incentives you might personally love to receive together with your team. (more training, career development, more responsibilities, better feedback, more appreciation/recognition, team building, performance-based bonuses, surprise gift cards, etc.) (open answer)

Administration:

Events that bring the team together as a whole.

More training and responsibilities that could lead to promotions/raise. I am always willing to learn and grow as an individual as well as a a whole with the company and I appreciate the opportunities to do so.

Sales:

I would like to see those that give their time to train new people financially compensated.

I'm content with the current situation as a whole. I'm proud to be a part of the Travek family

I am pleased with our current incentives

More training, I feel like with the new development of my role and the lack of training on my position in the beginning of my time here I feel I'm at a place where I'm confused if I'm doing anything right because I'm not seeing the results I saw when I started

More training, career development, team building, surprise gift cards.

Every thing is good. Thank You.

Additional bonus for surpassing monthly goals

I would like to receive more training.

More company generated Leads.

Production:

Performance based bonuses as well as more team building activities.

Employee of the month or year

Performance based bonuses

Transparency

Performance-based bonuses and surprise gift cards

More bonus

Performance-based ratings

Appendix 3. How engagement, motivation, and incentives are measured using
survey results

Note: Each survey question is formed differently, and some questions measure two items at once. Questions that measure only one item where a is the highest measure of that item, b is lower, c is lower than b, and d is lowest are represented by the number question followed by "a" (e.g. 4a). Questions that measure two items where a and b represent the presence of that item (e.g. "positive relationships"), and c and d represent the lack of that item (e.g. "no positive relationships") are represented by the number question followed by "a/b" (e.g. 7a/b). Should the item measured be present in other letters, they will be represented by the letters they are present in (e.g. 6a/c). Percentage measurements for each number are calculated for questions with the form "number a" by taking an average, where answers given are added (where 4a would represent 1, 4b would represent .66, 4c would represent .33, and 4d would represent 0 or, if only answers a, b, and c are offered, 4a would represent 100%, 4b 50%, and 4c 0%) and divided by number of answerers. Percentage measurements for numbers with the form "number letter/letter" are calculated by added answers given (where if the item is present in the answer, 1 is added, and if the item is not present in the answer, 0 is added) and divided by the number of answerers. Final percentages are calculated by taking the average of each number's percentage value. Percentages are rounded to the nearest hundredth. Number 16 of the survey is missing one answer from the production team. Number 5 of the survey is measured in an exceptional way due to how the question is formed, where 5b represents 1, and 5a and 5c represent 0.

Appendix 4. Measuring engagement of teams

Note that Kahn's meaning of engagement is the only theory that is divided into 4 sub-theories when measuring.

Concept	Theory	Numbers used to measure theory	Average positive answers for each number	Average positive answers for each theory
ENGAGEMENT	Kahn's meaning of engagement	General engagement – 4a (investment in work), 7a/b (connections with others)	Administration: 4a 100%, 7a/b 100% Sales: 4a 100%, 7a/b 100% Production: 4a 95.75%, 7a/b 100%	Administration: 100% Sales: 100% Production: 97.88%
		Psychological meaningfulness – 5a (task characteristics), 6a/c (task characteristics, diversity of tasks, role characteristics), 7a/b (work interactions)	Administration: 5a 100%, 6a/c 80%, 7 a/b 100% Sales: 5a 100%, 6 a/c 100%, 7 a/b 100% Production: 5a 93.75%, 6 a/c 75%, 7 a/b 100%	Administration: 93.33% Sales: 100% Production: 89.58%
		Psychological safety – 7a/b (interpersonal relationships, group and intergroup dynamics), 7a/c (organizational norms)	Administration: 7a/b 100%, 7a/c 100% Sales: 7 a/b 100%, 7 a/c 83.33% Production: 7 a/b 100%, 7 a/c 87.5%	Administration: 100% Sales: 91.67% Production: 93.75%
		Psychological availability – 10a/b (physical and emotional energy, outside life), 11a/b (insecurity)	Administration: 10a/b 100%, 11a/b 100% Sales: 10a/b 100%, 11a/b 75% Production: 10a/b 100%, 11a/b 87.5%	Administration: 100% Sales: 87.5% Production: 93.75%
	Organizational level engagement	6a/b (organizational autonomy), 12a/b (training), 13a/b (clarity of organizational goals, strategic alignment), 13a/c (senior leadership, organizational adaptivity, HR processes, and updates on company performance), 14a (fairness), 17a/b (recognition)	Administration: 6a/b 100%, 12a/b 100%, 13a/b 100%, 13 a/c 100%, 14a 100%, 17a/b 100% Sales: 6a/b 100%, 12a/b 75%, 13a/b 100%, 13 a/c 100%, 14a 88.83%, 17a/b 100% Production: 6a/b 75%, 12a/b 87.5%, 13a/b 87.5%, 13 a/c 100%, 14a 83.25%, 17a/b 100%	Administration: 100% Sales: 93.97% Production: 88.88%
	Job-level engagement	6a/c (job variety, work role fit), 6a/b job autonomy, 9a/b (feedback), 9a/c (support from supervisors), 12a/b (development opportunities), 14a (rewards), 17a/b (recognition)	Administration: 6a/c 80%, 6a/b 100%, 9a/b 100%, 9a/c 100%, 12a/b 100%, 14a 100%, 17a/b 100% Sales: 6a/c 100%, 6a/b 100%, 9a/b 91.67%, 9a/c 91.67%, 12a/b 75%, 14a 88.83%, 17a/b 100% Production: 6a/c 75%, 6a/b 75%, 9a/b 87.5%, 9a/c 100%, 12a/b 87.5%, 14a 83.25%, 17a/b 100%	Administration: 97.14% Sales: 92.45% Production: 86.89%

FIGURE 22. Team Engagement.

Appendix 5. Measuring motivation of teams   1 (2)

Note: Maslow's self-actualization needs are not measured due to limited questions in the survey and likelihood that no employees have actually fulfilled self-actualization needs, being they are the highest on Maslow's pyramid. Vroom's expectancy theory is also not measured, as it simply states that employees are more likely to go for goals that are attached to incentives high in value to them. Agency theory is also not measured due to the likelihood that employee answers on how much effort they put into their own work may be biased. McClellan's theory is not measured as an average. It is measured as percentage of employees on each team that have either highest achievement, power, or affiliation needs.

Concept	Theory	Numbers used to measure theory	Average positive answers for each number	Average positive answers for each theory
MOTIVATION	Maslow	11a/b & 11a/c (physiological and safety needs), 7a/b (belongingness and love needs), 6a/b (esteem needs - autonomy), 12a/b (esteem needs - achievement), 17a/b (esteem needs - recognition)	Administration: 11a/b 100%, 11a/c 80%, 7a/b 100%, 6a/b 100%, 12a/b 100%, 17a/b 100% Sales: 11a/b 75%, 11a/c 91.67%, 7a/b 100%, 6a/b 100%, 12a/b 75%, 17a/b 100% Production: 11a/b 87.5%, 11a/c 87.5%, 7a/b 100%, 6a/b 75%, 12a/b 87.5%, 17a/b 100%	Administration: 96.67% Sales: 90.28% Production: 89.58%
	Herzberg	7a/b (hygiene – interpersonal relations), 9a/b (hygiene – supervision), 10a/c (hygiene – working conditions), 10a/b (hygiene - personal life), 11a/c (hygiene – salary), 11a/b (hygiene - job security), 4a (motivation – work in and of itself), 6a/b (motivation – responsibility), 12a/c (motivation – advancement), 12a/b (motivation - growth, achievement)	Administration: 7a/b 100%, 9a/b 100%, 10a/c 100%, 10a/b 100%, 11a/c 80%, 11a/b 100%, 4a 100%, 6a/b 100%, 12a/c 100%, 12a/b 100% Sales: 7a/b 100%, 9a/b 91.67%, 10a/c 100%, 10a/b 100%, 11a/c 91.67%, 11a/b 75%, 4a 100%, 6a/b 100%, 12a/c 100%, 12a/b 75% Production: 7a/b 100%, 9a/b 87.5%, 10a/c 87.5%, 10a/b 100%, 11a/c 87.5%, 11a/b 87.5%, 4a 95.75%, 6a/b 75%, 12a/c 75%, 12a/b 87.5%	Administration: 98% Sales: 93.33% Production: 88.33%

FIGURE 23. Team motivation 1 (2).

	McClellan	15 (measuring for highest need being power - a, achievement - b, or affiliation - c)	(no averages taken)	Administration: power 60%, achievement 20%, affiliation 20% Sales: power 66.67%, achievement 33.33%, affiliation 0% Production: power 75%, achievement 12.5%, affiliation 12.5%
	Motivation systems theory	9a/c (feeling supported in reaching goals), 10a/c (work environment allows for reaching goals), 16a/b (exciting goals)	Admistration: 9a/c 100%, 10a/c 100%, 16a/b 100% Sales: 9a/c 91.67%, 10a/c 100%, 16a/b 100% Production: 9a/c 100%, 10a/c 87.5%, 16a/b 85.71%	Administration: 100% Sales: 97.22% Production: 91.07%
	Goal-setting theory	5b (challenge of goals), 16a/b (mix of both individual and team goals)	Administration: 5b 100%, 16a/b 100% Sales: 5b 100%, 16a/b 100% Production: 5b 87.5%, 16a/b 85.71%	Administration: 100% Sales: 100% Production: 86.61%
	Equity theory of motivation	14a & 11a/c (fairness)	Administration: 14a 100%, 11a/c 80% Sales: 14a 88.83%, 11a/c 91.67% Production: 14a 83.25%, 11a/c 87.5%	Administration: 90% Sales: 90.25% Production: 85.38%
	CET	6a/b (autonomy), 8a/d (micro-management), 9 a/b (positive and consistent feedback), 9a/c (fair and autonomy-supportive management)	Administration: 6a/b 100%, 8a/d 100%, 9a/b 100%, 9a/c 100% Sales: 6a/b 100%, 8a/d 100%, 9a/b 91.67%, 9a/c 100% Production: 6a/b 75%, 8a/d 87.5%, 9a/b 87.5%, 9a/c 100%	Administration: 100% Sales: 97.92% Production: 87.5%
	Theories X, Y, Z	6a/b (X/Y theory - autonomy), 8a/d (X/Y theory - micro-management), 7a/c (Z theory – included in decision making), 12a/b (Z theory – employee development), 9a/b (Z theory – supportive manager)	Administration: 6a/b 100%, 8a/d 100%, 7a/c 100%, 12a/b 100%, 9a/b 100% Sales: 6a/b 100%, 8a/d 100%, 7a/c 83.33%, 12a/b 75%, 9a/b 91.67% Production: 6a/b 75%, 8a/d 87.5%, 7a/c 87.5%, 12a/b 87.5%, 9a/b 87.5%	Administration: 100% Sales: 90% Production: 85%

FIGURE 24. Team motivation 2 (2).

Appendix 6. Measuring incentives of teams. 1 (3)

Note: Incentives that ask about preferences of one incentive versus another are not measured as averages, but rather as percentage of employees that chose the one incentive over another. Questions that ask opinions about certain things that do not have to do with receiving enough of an incentive are measured in terms of employees with a positive opinion. Questions that have to do with how satisfied employees are with the amount of certain incentives that they receive, however, are measured as averages. Open answers' average responses are calculated in terms of number of different suggestions given rather than number of answers.

Thoughts on gain sharing and stock option/co-partnership are not gathered due to the company's inability to offer them at this point.

Concept	Theory	Numbers used to measure theory	Average positive answers for each number	Average positive answers for each theory
INCENTIVE PREFERENCES	Non-financial	6a/b (participation – influencing activities within own job scope), 7a/c (role in decision making), 9a/b (feedback, communication on performance), 9a/c (supported goal-setting), 12a/b (career development, training), 17a/b (recognition) 18a/b (time off) – no averages taken, percentages taken to see preference for time off versus financial bonuses	Administration: 6a/b 100%, 7a/c 100%, 9a/b 100%, 9a/c 100%, 12 a/b 100%, 17a/b 100% Sales: 6a/b 100%, 7a/c 83.33%, 9a/b 91.67%, 9a/c 91.67%, 12a/b 75%, 17a/b 100% Production: 6a/b 75%, 7a/c 87.5%, 9a/b 87.5%, 9a/c 100%, 12a/b 87.5%, 17a/b 100% 18a/b (no averages taken)	Administration: 100% Sales: 90.28% Production: 89.58% 18a/b Administration: 20% Sales: 0% Production: 0%
	Financial	11a/c (base pay) 19a (employee is motivated by profit sharing and feels that it affects them) – no averages taken 18c/d (pure financial incentives over time off) – no averages taken 18a/c (initiative rewards over special rewards) – no averages taken 18b/d (special rewards over initiative rewards) – no averages taken	Administration: 11a/c 80% Sales: 11a/c 91.67% Production: 11a/c 87.5% 19a, 18c/d, 18a/c, 18b/d – no averages taken	(average for 11a/c) Administration: 11a/c 80% Sales: 11a/c 91.67% Production: 11a/c 87.5% 19a Administration: 100% Sales: 100% Production: 100% 18c/d Administration: 80% Sales: 100% Production: 100% 18a/c Administration: 60% Sales: 41.67% Production: 12.5% 18b/d Administration: 40% Sales: 58.33% Production: 87.5%

FIGURE 25. Team Incentives 1 (2).

	Are employees included in decisions on which incentives they are offered?	17a/c	(no averages taken)	17a/c Administration: 80% Sales: 83.33% Production: 75%
	Do they feel that incentives are given fairly in comparison to others?	14a	(no averages taken)	14a Administration: 100% Sales: 88.33% Production: 83.25%
	Open suggestions for incentives employees want	Open answer	Administration: team events (1), training/additional responsibilities that can lead to promotions/raise (1) Sales: more training (3), more compensation for training others (1), career development/team building/surprise gift cards (1), more company-generated leads (1), additional bonus for surpassing goals (1) Production: performance-based bonuses/ratings (4), more bonus (1), surprise gift cards (1), transparency (1), team building activities (1), employee of the month or year (1)	Administration: team events 50%, training/additional responsibilities that can lead to promotions/raise 50% Sales: more training 42.86%, more compensation for training others 14.29%, career development/team building/surprise gift cards 14.29%, more company-generated leads 14.29%, additional bonus for surpassing goals 14.29%, Production: performance-based bonuses/ratings 44.44%, more bonus 11.11%, surprise gift cards 11.11%, transparency 11.11%, team building activities 11.11%, employee of the month or year 11.11%

FIGURE 26. Team Incentives 2 (2).