Working with motivation to increase performance.

by Natalija de Jesus

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Author’s Declaration

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Abstract

This research study examined how organizations might apply the wealth of research about employee motivation into business practice. Incorporating the knowledge from behavioural economics and psychological studies positively influences the following: employee motivation, productivity, well-being, engagement (Pink, 2011). In turn, this helps reduce the stunning loss of productivity, due to employee demotivation, quoted between USD 480-600 billion a year (State of the American Workplace 2016, Gallup).

To conduct my research study, I relied on qualitative research methods including literature review of scholarly sources, an overview of grey literature, with some insights from semi-structured interviews. My research looked to both North American and European sources. Scandinavian countries are known for their leadership in management practice (Eriksen et al, 2006) and attracting, developing, and retaining top talent (IMD, 2017). According to the Varieties of Capitalism framework, which outlines the differences in economic and political institutions, USA and Canada and the Nordic countries belong to two contrasting economies, and have profoundly distinct approach to law, development of labour market, inter-firm and employee relations (Hall, Soskice, 2001). This awareness is important to situate both approaches to company-employee relationship in economic and political context. I illustrated the ways the findings from behavioural economics and psychological studies have been harnessed in innovative ways. This manifests through creative management initiatives such as Results-Only Workplace Environment, reduced work hours, and Holacracy. This growing understanding of changing employee needs leads to the rise in team members’ motivation and furthers general engagement, decreases turnover and increases profit for business.

Keywords: motivation, employee performance, organizational culture, alternative management approaches, management innovation, motivation and incentives, management practices and processes.
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INTRODUCTION
The purpose of this study was to examine ways of incorporating existing motivation research into the business practices of an organization in order to boost team members’ performance. Our world has shifted dramatically in the last 40 years thus affecting how work has been historically structured, thought about and managed. “There is a central difference between the old and new economies: the old industrial economy was driven by economies of scale; the new information economy is driven by the economics of networks...” (Shapiro and Varian, 1998, p. 173). With the shift from an industrial to knowledge economy came a very real shift in how people feel about work and what motivates them. The reward and punishment system set out in Taylor’s Theory of Scientific Management no longer functions successfully (Pink, 2011).

Upon investigation, the area of employee performance and motivation has received a lot of attention through the years, specifically as it pertains to optimizing it as a strategic asset. Various theories on how to improve the current state have been described, from blending human and social capital (Kotter, 1982) to Engage for Success Initiative in the UK. There have been a lot of work motivation theories developed such as: the goal setting theory, action regulation theory, Kanfer’s task-specific motivation, job characteristics theory, needs and motives: Maslow, Herzberg and Aldefer, Kelman’s theory of internalization and the concept of identification, and organizational commitment (Deci, Gagne, 2005). Although there is no lack of theories, practical applications and field experiments are very few. Quite possibly it is due to the fact that private sector corporations are unwilling to undertake such risky experiments in case the workforce gets influenced in some way towards dissatisfaction. Another reason might be that successful applications are kept secret as they improve productivity and the bottom line. Personally, I am very interested in examining alternative ways of management as a promising way to implement the findings from psychology and behavioral economics, as there has been significant exploration in that field. Therefore, my research question is:

**Research question:** How might organizations apply motivation research to business practices in order to enhance team members performance?

There are two sub-questions that relate to my overall research question.

1. How might the motivation research scale from small to large organizations?
2. How can companies think innovatively about team members’ development to adapt to the changing economic landscape (decreasing natural resources, protectionism, pressures from globalization)?
I have a couple of statements with regards to my research question. I have captured these statements to acknowledge my biases, so I am aware of my stance before conducting the research.

Statement 1: A more accessible way to use findings from behavioural economics and psychological studies is needed. The current state is that the research varies in how easily applicable it is, and understandably so, as much of it is done by academics to appear in peer-reviewed journals or books. Overall, the material does a great job at diagnosing the issue, but provides a limited path forward. In order for the research findings to be actionable, more practical guidance would be a welcome addition.

Statement 2: Learnings from the Scandinavian countries, especially Denmark and Sweden, will highlight a potential path of exploration for Canadian and American organizations as there is evidence to support that alternatives to traditional management techniques work.

To start unpacking this topic, some terms need to be defined as they are used almost interchangeably in literature. ‘Employee’ is a traditional way of naming an individual engaged in a hourly or salaried way by a company. Recently, this term has been shifting to ‘Team Member’ as a reflection of a changing sentiment in the workplace. ‘Performance’ is employee behaviour that contributes to the goals of organization. It refers to task performance, organizational citizenship behaviour (soft performance) and negative employee behaviour (avoiding work, gossip, absenteeism) (Noordzij, 2013). However, other words appear as soon as employee performance is mentioned. Terms such as employee engagement, motivation, productivity and participation. One cannot speak about motivation without some familiarity with intrinsic and extrinsic types of motivation, self-regulating behaviour and internalization. ‘Employee engagement’ has risen in popularity in the 1990s, with William Kahn’s (1990) article called Psychological Conditions of Personal Engagement and Disengagement at Work, and continues being a widely used term. Employee engagement has been linked with the business benefits of performance, safety, profits, retention and well-being. ‘Culture’ is part of this discourse as well as it is as broadly and flexibly defined as engagement is. Airbnb CEO Brian Chesky (2014) defined company culture in an informal way: “it is simply a shared way of doing something with passion” (Chesky, 2014). Webster defines culture as “the set of shared attitudes, values, goals, and practices that characterizes an institution or organization” (Merriam-Webster.com, 2018). Organizational culture is complex and has been formally examined resulting in several influential views that could be MRP topics themselves. Some examples include Hofstede’s four dimensions (1983), Cooke’s (1988) constructive, passive and aggressive cultures, and Schein’s (2016) model of three levels: artifacts, values and assumptions. This subject is deeply connected with the study of motivation but, as it requires more resources than are available, is outside of scope of this report.

The truth of the matter is that North American employees are largely demotivated and unengaged. According to the Gallup State of American Workplace Study (2016), USD 480-600 billion a year is lost due to demotivated workforce. This is a sobering picture. Depleting natural resources, growing international competition and pressures from globalization make companies’ bottom lines shrink and are forcing them to rethink the way they operate (Deloitte Center for the Edge, 2013). There is one key strategic resource that remains untapped for its full potential - the employees. The people within the organization have the capacity to energize the workplace, optimize
and even invent new product lines when they feel directed, optimally challenged and connected. However, employee development is often relegated to a once a year touchpoint that can be somewhat meaningless and generally lacks follow-through.

Therefore, for productivity and engagement to be achieved within organizations, different and new business practices should be initiated or reinstated, as they have a direct impact on employee well-being. This is easier said than done. In the period of growth, many organizations increase their size rapidly and lack resources and, sometimes, even a formal HR structure. Thus, there is rarely any time for employee development and thoughts about motivation. There is a need for an innovative approach to this topic so it can be scaled as the organization grows and becomes successful. It is also important to scale in times of downturn, when layoffs and removal of perks demotivate remaining employees. As change has become the new norm, it is more important than ever to keep employee engagement a top priority. Employees that bring their initiative, imagination and zeal to work every day create unique customer value that allows the company to truly differentiate its offering (Hamel, 2006).

The objectives of the study are threefold. First, I hoped to gain a deeper understanding of what motivates people at work. Secondly, I wanted to have a useful set of guiding principles to help improve motivation in an organization. I did this by reviewing literature and gathering real life opinion through interviews. And lastly, I wanted to have a shareable artefact in form of a presentation and a written report to bring awareness to this complex subject. It is especially important when work gets hectic and deadlines loom, because forgetting about people’s needs is a recipe for turnover and demotivation.

This paper is structured in the following manner. Research methodology is introduced in Section 2. Literature review follows in Section 3, and is broken up into two subsections. Subsection 3.1 delves into three examples of what scholars that investigated motivation have discovered. This is by no means an exhaustive list—there is much more knowledge out there—however, these findings shed a lot of light on the subtle and often counterintuitive processes that drive our behaviour. First I looked at the work of Dr. Amabile. Her discovery of the influence of good inner work life on creativity and productivity is eye-opening. It demystifies the connection between the collection of small events that motivate us and the results we produce. and Work of behavioural scientist Dan Ariely’s is up next. I have followed his work for many years, after discovering his talk through TED. Ariely’s ideas about work being much more than just fulfillment of a firm-employee contract resonated deeply with me, although the focus of what I discuss in this paper is different. I have since discovered his research on the counterintuitive nature of motivation and this is what I chose to look closer at here. Our reactions are not always what we expect to happen, especially when the effects of rewards on motivation are investigated. The last scholarly source I included in this subsection is the work of Edward Deci and Richard Ryan on the Self-Determination theory. They explored the three universal psychological needs that we all share: autonomy, competence and relatedness. They posit that fulfillment of these needs leads to success or failure with life at large, including at work. A common thread throughout these research efforts is the deep focus on the individual, and the fact that we bring our ‘whole person’ when we come to work. We sensemake as the environment shifts with new information and people’s actions. It is a constant nuanced process that is invisible to the eye, as observed by Dr. Amabile. And so,
any organizational structure needs to take into consideration the full spectrum of human emotions and perceptions, in order to let the employees fully fulfill their potential and bring their unique value to the table.

Subsection 3.2 explores what approaches to work organization and management have been experimented with in a practical business setting. I chose to focus on Scandinavia and North America. Scandinavian countries were selected since they consistently perform at the top level for quality of life, education, workplace training, language skills and remuneration (IMD, 2017). This list of approaches is by no means complete, but it is a good overview of alternative management methods. I selected them because they focus on the individual first, and profits are a by-product of a sustainable business practice. I have looked at the Scandinavian Model, Holacracy, flat organization, reduced work hours, Results-Only Work Environment, self-organizing, and an overview of management innovation. I reviewed these approaches in hope that a connection to the research findings discussed in the Section 3.1 will become apparent. What do these methods use as inspiration? What problems are they trying to solve? Is there an all-star approach? Section 3 ends with a comparison table that highlights the pros and cons of the approaches and what type of organization they are best suited for. Section 4 houses the trend analysis, developed from contemporary sources such as news articles in reputable online publications, that surveys the external environment for relevant signals of change. It is followed by primary research in Section 5, in the form of semi-structured interviews with participants in different levels of management and types of organizations. Semi-structured interviews were chosen because they allow for dynamic adjustment of questions, probing deeper into topics that might otherwise remain undiscussed. Interviews were analyzed, and the results, with the most important observations, visualized. Section 6 brings the primary research findings and insights from secondary research together and distills them into guiding principles for creating optimal conditions for employee motivation. Section 7 concludes the study with overall limitations, barriers to implementation and addressing the sub-questions. It also revisits commonalities found between scholarly research, management approaches and perspectives of the employee sample and outlines how the guiding principles may be applied.
RESEARCH METHODOLOGY
2. Research Methodology

My epistemological view, when it comes to interpreting the research, leans towards constructivism since I agree with Merriam’s (1998) statement that “the key philosophical assumption upon which all types of qualitative research are based in the view that reality is constructed by individuals interacting with their social worlds” (Merriam, 1998, p. 6). I agree with her comment “that reality is not an objective entity; rather, there are multiple interpretations of reality” (Merriam, 1998, p. 22). We all bring our own view of reality into research, it is part of how we understand the world, and any information gleaned through the qualitative research is our interpretation of it. This view is a good fit for the topic of employee motivation since it deals with subjective opinions and cannot be solved with a formula. The drive to produce depends on our perceptions, feelings and emotions as the work day progresses, as evidenced by 12,000 diary entries from 238 professionals that Amabile and Kramer (2011) collected during their research for The Progress Principle. We interpret the day as it affects us and the result is a unique subjective snapshot that changes with every interaction. That is why constructivism, which embraces the relativity of reality, is especially well-suited.

I have used a combination of primary and secondary research methods in a form of semi-structured interviews and a literature review. Both of these methods were a good fit for the topic since the literature review gave me an overview of motivational research and its applications, and the interviews added a real world perspective. The sources for literature review were papers in peer-reviewed journals, books and reputable newspaper articles. I have conducted 10 semi-structured interviews with a mix of participants from different industries that hold a spectrum of leadership positions. Semi-structured interviews allowed me to ask follow-up questions and steer the conversation towards a meaningful topic for the interviewee, something I would not be able to do with the structured approach. At the same time, having some structure in a form of four questions, let the conversation have an anchor and remain on point.

There are several limitations to the methods used. They include the absence of quantitative data as both literature review and interviews are qualitative methods. In addition, due to the depth of the topic, the literature review could only deal with a portion of available research. It is entirely possible to spend a year or more deep-diving into various topics connected with motivation, psychological theories and organizational design approaches. The other limitation is the size of the interviewee sample and access to people in very different industries. The sample drew heavily from a creative field of knowledge workers in intermediate to senior roles. There were no health workers or teachers, for example, which skews the findings towards the creative industry. It also has to be acknowledged that when collecting data in an interview, several biases can crop up and influence what gets verbalized. Following biases can skew the final outcome of the interviews: selective memory (remembering or not remembering things that happened in the past), attribution (when positive events and outcomes are attributed to one’s own agency, but negative events and outcomes to external forces), hindsight (memory distortion), and exaggeration (representing outcomes or embellishing events as more significant than they actually are) (Benson, 2016).
REVIEW OF THE LITERATURE
3. Review of the Literature

Literature review is divided into two subsections: 3.1 deals with motivation research, and 3.2 explores what approaches organizations take to improve performance.

As mentioned in the introduction, Subsection 3.1 looks at three examples of what scholars that investigated motivation have discovered. Dr. Amabile’s work on the importance of inner work life is first. The counterintuitive nature of rewards as explored by Dan Ariely is next. Self-Determination theory by Edward Deci and Richard Ryan finish the overview. Subsection 3.2 explores work organization and management approaches. As I wanted to look more in depth at the success of the Nordic European countries, Scandinavian Model is first in this subsection. It is followed by different structural approaches, like Holacracy, flat organization, reduced work hours, Results-Only Work Environment, and an overview of management innovation. There are other methods that have been applied and tested such as Sociocracy and organic self-management but they are outside of the scope of this study due to time limitations.

All of the approaches studied include elements of self-management and self-organization as it seems to be the most natural way for an organization to ‘feel its way’ towards the future, given the new challenges of complexity, heightened transparency, faster deadlines, economic and environmental instability and demands to have a more positive impact on the world. Literature review ends with a comparison table that highlights the pros and cons of the approaches and what type of organization they are best suited for.
3.1 WHAT MOTIVATION RESEARCH SAYS
Dr. Teresa M. Amabile is a professor at Harvard Business School with over 40 years of research on how the work environment can influence creativity and motivation. Her current research investigates how life inside organizations can influence people and their performance as well as how people approach and experience the transition to retirement. Dr. Amabile and her research partner Steve J. Kramer have found that the single most important factor that motivates people to work above and beyond what is required and enjoy it, is the presence of a good inner work life. Their book The Progress Principle (Amabile & Kramer, 2011), collected evidence that employee performance soared on days that people reported having made meaningful progress at work, their perceptions of their colleagues and management were positive and it even affected their productivity for days after.

Surprisingly, although this finding seems a bit mundane, most business schools do not teach it. As a result, the conventional rules miss the fundamental act of good management: managing for progress. Dr. Amabile breaks down the elements that can help or hinder this process. She defines progress at work as making meaningful strides towards a solution (Amabile & Kramer, 2011). This can be either helped by catalysts (events that directly help project work) and nourishers (interpersonal events that uplift the people doing the work) or hindered by setbacks in the work, inhibitors (events that directly hinder project work) and toxins (interpersonal events that undermine the people doing the work) (Amabile & Kramer, 2011, pp. 27-43). Catalysts include clear goals, allowing autonomy, help from a team member, necessary resources being available upon request, sincere acknowledgement from management, and providing sufficient resources. Inhibitors are the opposite of these: lack of help, resources, indecisive management, lack of communication, competing agendas. Nourishers include interpersonal support, encouragement, showing respect, and collegiality (Amabile & Kramer, 2011, pp. 29-43).

Inner work life is something that goes largely unseen yet it is felt by each of us, and it contributes to a success or demise of a company. Though largely undiscovered, it has a huge impact on the level of productivity people report (Amabile & Kramer, 2011). Great inner work life sets the stage for innovation, breakthroughs and a thriving organization. Miserable inner work life leads to the opposite: demotivated workforce and high turnover (Amabile & Kramer, 2011).

Inner work life consists of three components that influence performance: emotions (or feelings), perceptions (thoughts or cognitions) and motivation (or drive) (Amabile & Kramer, pp. 29-36). When something happens at work, all three processes get triggered: people are sensemaking, feeling and assessing their drive for what needs to be done to...
move forward. Amabile and Kramer's research (2011) have left no doubt that inner work life is related to performance (The Progress Principle, p. 40). Work that is full of meaning, interest and joy leads to long-term success of the organization and a positive work environment that nurtures innovation. Inner work life operates in three primary ways: attention to tasks, engagement in the project, and intention to work hard (Amabile & Kramer, 2011). When inner work life is bad, all three suffer and performance takes a nosedive.

Amabile and Kramer (2011) also found that people remember negative events far more vividly than the positive ones (The Progress Principle, 2011). A setback can colour the inner work life quite drastically, if it goes unaddressed. Small positive and negative events are tiny booster shots of psychological uppers and downers. In management, it seems that you do have to sweat the small stuff.

“In settings where people must work together to solve challenging problems, high performance has four dimensions: creativity, productivity, commitment, and collegiality” (Amabile & Kramer, 2011, p. 49). Creativity thrives in happy surroundings and even follows from positive emotion. Motivation is higher when it comes from within—what is called intrinsic motivation. Extrinsic motivation narrows the focus; the individual will do what is necessary and only that. Going the extra mile will seem excessive.

The main takeaway for team leaders and management is not to interfere with the progress of work. This can be accomplished by clearly setting goals and ensuring that everyone is on the same page about expectations and then letting employees get on with it. Discuss progress at agreed upon touchpoints but otherwise, let people surface the problems when they arise. Secondly, it is very important to provide catalysts and remove inhibitors. This requires judgement and awareness of what is happening in the environment. Regular touchpoints and a genuine interest in employees will accomplish a lot. A quick conversation will indicate what is on a person’s mind, if he or she is asked. Then if there is an issue, it can be dealt with. The size of the organization does not seem to matter in application of these findings. Whether in small or large organizational settings, positive inner work life is important because it happens for everyone involved in the operations. A manager’s job is to serve employees by ensuring that their need for challenging work and satisfying work lives are fulfilled.
Rewards

Another person that has done a lot of research into the field of motivation is a behavioural economist Dan Ariely. The work discussed here involves his experiments with how rewards affect cognitive abilities. External rewards, such as financial incentives, are used as a general practice to motivate employees to perform better. They range from the expected yearly raise to bonuses, which can be large or small, depending on the industry and the state of the market. The incredibly high bonuses paid to the C-level executives are well-known. This practice got a lot of bad press a decade ago during the 2008 financial meltdown. At Goldman Sachs, 200 employees were collectively paid nearly USD1 billion in total, and at Morgan Stanley, USD 577 million was shared by 101 employees, while the banks were receiving government bailouts (Story & Dash, 2009). Why such high dollar amounts? It is assumed that people in those positions require large incentives to motivate them to perform their jobs better. They also have many more responsibilities and thrive under pressure. Dan Ariely (2016) and his team set out to find out whether this preconception was true. Through a series of experiments the data showed that while financial incentives do work, as soon as they get to a very substantial amount, person’s cognitive abilities drastically suffer (Ariely, 2016). A large amount of money had the opposite effect on participants’ ability to perform. They did the tasks slower and less successfully. They seemed preoccupied by the fear of doing something wrong and not getting paid, or they used their cognitive bandwidth contemplating how they will spend it. Ariely’s research (2016) has shown conclusively that large financial incentives do not improve performance.

Other researchers have arrived at similar conclusions. Back in 1970s, Edward Deci, then a graduate student, did a series of experiments with the Soma puzzle cube. The results revealed that the workings of motivation run counter to what society—including teachers and businesses—believe: when you increase the reward, the results do not get better (Deci, 1971). “When money is used as an external reward for some activity, the subjects lose intrinsic interest for the activity,” Deci wrote (Deci, 1971, p.114). Rewards provide a short boost of interest, but reduce long-term motivation for the subject (Deci, 1971).

It is strange that in light of these findings, the practice of rewarding employees with bonuses has not changed. Deci and Ariely are not the only researchers that have published work that debunks the myth of financial rewards leading to better results. And, as we have all witnessed in the crash of 2008, million dollar bonuses certainly do not make employees behave ethically. In a perfect world, companies would learn about these findings and adjust the way they distribute financial encouragement, especially if the work is heavy on cognitive processing. Considering job descriptions and investing in a positive work environment would be a great start. It has to be acknowledged that it
is challenging to change an ingrained behaviour without some careful consideration what to replace it with. Habits are hard to break. It is possible that in order to keep their competitive advantage while recruiting, companies are expected to offer large financial incentives. And it requires some legwork to figure out how to motivate employees better. While the size of the organization does not seem to matter in application of these findings, the type of work done might. As found by Deci and Ariely, contingent rewards lessen motivation especially for tasks that require deep cognitive involvement. For work that is algorithmic in nature (repetitive and not variable), contingent rewards do work, for example, for meeting sewing quotas.

Both of these subsections point to the fact that it is a mistake to think of employees in simplistic terms and follow management practices from the past without evaluating and adjusting for change. As our world has transformed drastically in the last century, so have our needs. This is why, as a last piece of research, I have chosen to investigate Deci and Ryan's Self-Determination theory. It posits that everyone has basic psychological needs that need to be met in order to lead a fulfilled life, including life at work. A person that comes to work needs to be considered as a whole, not as only an employee performing a service in exchange for compensation. Only then can the full human potential be realized and it will directly positively impact the business bottom line.
Self-determination Theory

Edward Deci and Richard Ryan are experimental psychologists at the University of Rochester. Deci is also a director of its human motivation program. Together they co-founded Self-Determination theory (SDT), an influential contemporary motivational theory. SDT focuses on self-motivation and healthy psychological development (Ryan & Deci, 2017). It considers the context of social conditions/environmental factors that either facilitate or hinder these elements (Ryan & Deci, 2017). In other words, it tries to explain what makes people lead active fulfilling lives versus simply existing in a trance full of distractions like television and social media. SDT identifies three basic psychological needs that are essential to leading satisfying happy lives: autonomy, competence, and relatedness; when these needs are not met, demotivation and apathy appear (Ryan & Deci, 2017).

Motivation is at the center of biological, social and cognitive regulation. But perhaps what is even more important is that motivation produces results (Ryan & Deci, 2017). Motivation can be internal or external. Most of the time we experience a blend of both, since we live in society with rules but also enjoy a certain level of independence. Studies have shown that people who engage in activities that are intrinsically motivated (self-authored) have more excitement, better performance, persistence and creativity than those who are extrinsically motivated through rewards and/or punishment (Ryan & Deci, 2017).

Intrinsic motivation is the inherent human tendency to seek out novelty and challenges, to explore and to learn (Harter, 1978). We do something simply because it is fun. This tendency, however, can be easily stamped out by different environmental factors. Cognitive evaluation theory (CET) focuses on specifying factors that explain the variability within intrinsic motivation and is a subtheory of SDT (Ryan & Deci, 2000). It focuses on the components of autonomy and competence. This theory posits that having positive elements (rewards, feedback) during an activity can increase feeling of competence and, in turn, increase intrinsic motivation (Ryan & Deci, 2000). The theory further finds that the feelings of competence will not be enhanced if the sense of autonomy is absent (Ryan & Deci, 2000).

Relatedness plays a role in enhancing the intrinsic motivation. CET has observed that infants explore more when in presence of a secure warm adult, such as the mother (Ryan & Deci, 2000). Also, students have displayed less intrinsic motivation when taught by cold uncaring teachers than the opposite. It is important to remember that these rules of intrinsic motivation will hold true only for activities that people find intrinsically motivating to begin with (Ryan & Deci, 2000).

Deci and Ryan also explored extrinsic motivation. We live in society that expects a variety of things from its citizens, many of which are not in line with our personal desires. Things like jobs, performance reviews, flossing, taxes, and obeying traffic laws come to mind. SDT posits that our behaviour during these activities is guided by how much (or little) these requests have been internalized or integrated. According to Deci and Ryan (2000), “internalization refers to people’s ‘taking in’ a value or regulation and integration refers to further transformation of that regulation into their own so that, subsequently, it will emanate from their sense
of self” (p. 71). Internalization and integration start to develop in childhood, and continue to be relevant later on. Deci and Ryan (1985) have developed a subtheory called organismic integration theory which describes the different integration and internalization levels. As people internalize regulations and integrate them into their sense of self, they experience greater levels of autonomy.

So why would people adopt behaviours that are not intrinsically interesting to them? There are several conditions that need to be present for that to happen. The main reason according to Ryan, Stiller, and Lynch (1994) is because someone who they are attached to prompts or models them - when relatedness is present. Competency helps as well, if a person feels they are good at something, they are more likely to internalize it (Vallerand, 1997). Autonomy is the third critical component for internalization; to integrate a behavior/value that is external, it must feel as if a person is making a choice of his own volition, free from excessive pressure (Kuhl & Fuhrmann, 1998).

SDT is extremely relevant to the study of motivation regardless of the organization size. The jobs in the knowledge economy require deep cognitive processing and thinking critically (Pink, 2011). The consideration for motivation that produces results need to extend beyond extrinsic rewards such as salary raises and bonuses, which do not work anyway, as discussed in previous section. It is through allowing people to bring their best self to work by creating conditions for independent decisions, giving them the ability to further their craft and creating collegial environment without toxic coworkers.

These findings illustrate the gap that exists between knowledge about employee motivation and business day-to-day practices within most organizations. As shown through the work of Amabile, Ariely, and Deci and Ryan, this gap can manifest through lack of attention to progress that allows employees feel good about their work, or distributing large financial rewards contingent on performance that actually have the opposite effect, or ignoring the significant need for autonomy that enhances performance. The notion of this disparity has been identified and discussed as science-practice gap that has its roots in the agenda of individuals that do the research and the individuals to whom this research would be most
valuable (Meyer, 2013). Academics and practitioners have very different goals and objectives. Academics need to publish credible research to retain tenure and advance their careers, they are able to undertake lengthy research projects that focus on identifying the issues. It is rarely their objective to get the findings tested and applied in a real business setting. Practitioners, on the other hand, have pressures from their leaders to perform and get results, be it winning a new account or growing the market share of a product. They need accessible frameworks that have been tested in the field and have evidence to their success (Meyer, 2013). This research initiative does not attempt to change the way academics and practitioners work. The goal is to find ways and examples of how this insightful research can be used in daily business practice.

This concludes the scholarly research portion of the literature review. From now on I will examine selected approaches to work organization and management that have been tested in a practical business setting.
3.2. WHAT ORGANIZATIONS DO TO IMPROVE PERFORMANCE
Although this research study looks at Scandinavian countries as an inspiration for how employees are motivated, it needs to be acknowledged that countries such as Denmark, Sweden, Finland, Iceland and Norway belong to a different type of capitalism than Canada or the U.S. (Hall & Saskice, 2001). U.S., U.K., Canada, Australia, New Zealand, and Ireland belong to liberal market economies (LMEs) and Germany, Japan, the Scandinavian countries, and Austria belong to coordinated market economies (CMEs) (Hall & Saskice, 2001, p. 19).

This difference between the LMEs and CMEs is quite significant in how companies react to economic upheaval, what strategies and measures are taken to account for variability of the market, and the laws that govern the movement of capital, labour relations and disclosure of information (Hall & Saskice, 2001). For example, British companies tend to pass the price raise to the consumer, whereas their German counterparts will choose to maintain prices and accept lower returns internally (Hall & Saskice, 2001, p. 16). This is due to the fact that access to funding for companies within an LME is tied to their financial performance, but companies within an CME have access to capital independently of their numbers (Hall & Saskice, 2001, p. 16).

There is a correspondence between the type of the economy and social policy. Social policy is often thought to interfere with the labour market by raising labour costs and the median wage, especially in the LME countries that have a ‘fluid’ labour market (Hall & Saskice, 2001). ‘Fluid’ refers to the speed with which the companies are allowed by law to change employment status of their workers. The ability to hire and let go workers provides an advantage for companies. In response to the high uncertainty in the market it allows companies to trim or expand their operations within two weeks (Diosdado, 2017). In human resources departments in LME countries, there is a tendency to have less investment in training and development and to have limited systems of employee participation and involvement. Where trade unions are present they are not well integrated and the relationship is adversarial, focused mainly on distributive wage bargaining (Soskice, 1990). Looking at an example of US specifically, as an LME country, the Labour Regulations have had very little change during the past several decades. It has weak levels of regulation of basic laws governing working time (derived from federal legislation of the 1930s); a rigid and unreformed system of industrial relations law which neither provides for compulsory worker representation at the management level, as with CME countries in Europe, nor for a meaningful right to strike (Deakin & Lele, 2007). Practices such as forced arbitration—which made Google’s sexual harassment the tech news story in November 2018—illustrate how skewed the labour laws in LMEs are towards the benefit of the employer. This is what forced arbitration means: employees cannot sue for discrimination, harassment, abuse, retaliation, or wrongful termination, which are part of the US Civil Rights Act and the Equal Pay Act (NACA, 2018). In this outrageous way, hidden in fine print in an employment contract, employees must waive some of their rights if they want a job with the company. Google since announced that it is abandoning this practice, after employee walkouts and public outcry, with Facebook and Airbnb following suit (Clark,
Coordinated Market Economies
- Denmark
- Finland
- Norway
- Sweden
- Austria
- Belgium
- Netherlands
- Germany
- Switzerland
- Japan

Liberal Market Economies
- U.S.
- U.K.
- Canada
- Australia
- New Zealand
- Ireland

In recent decades, in addition to unfair legal practices, social, economic, and political forces have aligned to make work more precarious in LMEs (Kalleberg, 2009). Precarious work means employment that is uncertain, unpredictable, and risky from the point of view of the worker (Kalleberg, 2009, p.2). Stress from this risk takes on a variety of forms. The Bureau of Labor Statistics (BLS) estimates that more than 30 million full-time workers lost their jobs involuntarily between the early 1980s and 2004 (Uchitelle 2006). Job loss often leads to other negative outcomes, such as loss of health insurance and enhanced debt. Mortgage foreclosure rates have increased fivefold since the early 1970s (Hacker 2006). U.S. personal bankruptcy filings are at record highs (Leicht and Fitzgerald 2007) and nearly two-thirds of bankruptcy filers reported a job problem (Sullivan, Warren, and Westbrook 2001). In Canada, bankruptcy has increased twofold from 2.1 in 1990 to 4.2 in 2017, per thousand people 18 and over (Office of the Superintendent of Bankruptcy Canada, 2018).

Enabling “fluid” labour market and precarious work has contributed to greater economic inequality, insecurity, and instability. The growth of economic inequality in the United States since the 1980s is well documented (Mishel et al. 2007). There is nothing admirable about this. From an individual’s point of view, things are worse for an employee in a LME country than in a CME construct, due to the lack of protection by the labour laws, worker councils, and trade unions on both federal and state/province level. As a recent example I want to cite UberEats which is an app with 10,000 couriers in Canada and is registered as a telephone answering services/call centre, therefore not requiring UberEats to provide workers compensation in case of an injury on the job (Ghebreslassie et al., 2018). As a Toronto resident that bikes, I have experienced first-hand
the aggressiveness of the drivers and witnessed two collisions between a bike and a car. To let people ride bikes in all weather delivering food without providing protection is shocking.

To sum up, CMEs practice long-term vision and are highly collaborative within the industry, this mindset encourages companies to invest in training opportunities, hire for a longer period of time and the employee’s welfare is better protected by laws, trade and worker councils. It is challenging to find evidence that income inequality and insecurity in LMEs have negatively influenced social stratification, organizations, labour markets and gender, race, and age because the study of issues has largely fallen through the cracks (Kalleberg, 2009). Studies of the labour processes have focused on incremental elements such as occupations, industries, or workplaces; how people come to occupy different kinds of jobs; and economic and status outcomes of work, while taking the general status of labour law for granted (Kalleberg, 2009). My interpretation of the impact of the fluid labour market is that it erodes the trust between employer and employee, negatively influencing organizational culture and reducing the commitment employee feels towards the organization. To contrast this labour market approach with more detailed look at CMEs, I will explore the Scandinavian countries, consistently occupying top spots in various rankings from World Economic Forum to Institute for Management Development.
The Scandinavian Way: Value-Based Management

Scandinavian countries through statistics

Scandinavia as a region is one of the world’s most successful group of countries on various counts. They have extensive strong welfare states which offer their citizens free education, a wide variety of social support programs including generous unemployment benefits, and a well-developed public health system. The Finnish educational system is consistently lauded as the best in the world (Hart, 2017) and Denmark is the happiest country (Helliwell et al. 2018). The Nordic countries have managed to combine the socialist thinking from the east with the free market policies from the west (Eriksen et al, 2006).

In addition to the differences created by being in a coordinated market economy, Scandinavian countries have invested significant resources into work organization, from the 1960s on in various forms (Gustavsen, 2007). The diversity of initiatives was very broad; from a series of research-supported field experiments with autonomous work groups first in Norway (Emery & Thorsrud, 1976), followed by parallel initiatives in Sweden and Denmark (Sandberg, 1981) to a Work Environment Fund and Work Life Fund (1983-1990), which provided funding to different programmes dedicated to the issue of technology, work environment and work organization, leadership, participation and organization, competence, women and men in cooperation, the occupational health services and small businesses (Oscarsson, 1997).

The most striking result of these efforts was a finding that there was a strong positive correlation between work organization and improvements in productivity as well as in health and safety (Gustavsen, 1996).

In order to gain insights about the success that Scandinavian countries are famous for, I would like to delve into details of the reports by several reputable sources such IMD World Talent Ranking 2017 and World Happiness Report 2018.

First let’s look at the IMD (Institute for Management Development) report. The objective of the Talent Ranking is to assess the extent to which countries develop, attract and retain talent to sustain the pool that enterprises employ to create sustainable value (IMD, 2017). According to this report, Nordic countries (Denmark, Finland, Norway and Sweden)—with the exception of Iceland—perform significantly well in areas such as investment in education, while they slightly lag behind in terms of appeal for foreign workers. Denmark ranks 2nd in the overall talent ranking in 2017. It thrives on the prioritization of employee training (2nd), ranks high in the level of worker motivation (2nd), and in the prioritization assigned to attracting and retaining talent (3rd). In the overall talent ranking Finland comes in the 5th position. The country is leading in education investment (2nd), motivation of workers (12th) and the participation of female labour force (9th). Norway is 7th in the overall ranking, high on worker motivation (1st) and skilled labour availability (1st). Sweden is 9th in the overall ranking, it is still in the top ten but has slipped from its 3rd place in 2013 (IMD, 2017). As proven by their top rankings, the Scandinavian countries place a high emphasis on overall education, talent development, and employee motivation. For the average person this translates into barrier-free access to education, resulting in the ability to retrain and refocus their skills based on personal goals and the state of the job market. Once in the workplace, employees
are encouraged to continue their development by pursuing knowledge through conferences, seminars, classes, and networking. These opportunities shape an individual’s experience with a positive slant, as there is support and resources during an employee’s work life, contributing to the overall success of the Scandinavian economies.

The cost-of-living is high in all Nordic economies. Similarly, income tax is high: Sweden is 49th, Finland is 58th, Norway is 61st, and Denmark is 63rd (IMD, 2017). The quality of life is superior in these countries as well: Sweden is 7th, Finland is 10th, Norway is 1st, and Denmark is 4th (IMD, 2017). The high quality of life ranking can be explained by the high income tax that provides strong welfare states with a large investment in education and health services. These investments in infrastructure make the life of an average citizen of Nordic countries quite protected which certainly contributes to their high score in happiness.

The World Happiness Report places all of the Nordic countries in the top ten, in the 2015-2017 survey results with Finland, Norway, Denmark and Iceland taking the top 4 spots. Sweden lags behind slightly, in 9th place (Helliwell, Layard and Sachs, 2017). The measurements come from a variety of sources. As visible in Figure 2, statistics such as GDP per capita and life expectancy are easy to come by from the record-keeping offices of the governments. The other parameters are slightly more vague, such as social support, freedom to make life choices, generosity and perception of corruption. These numbers are informed by surveys conducted in part by the World Happiness Report Institute itself, to round out information available from Gallup or other global polls. As with any opinion survey, it is hard to take it as a 100% accurate since opinion is subjective and can be influenced by societal norms. What is agreed upon as happiness might share commonalities across the Nordic countries but might not have the same facets as in Brazil or Cambodia. Nevertheless, the fact that...
Scandinavian people self-identify as happy so visibly speaks to their contentment and satisfaction with the way their countries operate.

classes, and networking. These opportunities shape individual’s experience with a positive slant, as there is support and resources during employee’s work life, contributing to the overall success of the Scandinavian economies.

Scandinavian culture: unique elements

This success of Nordic countries has been studied and written about in papers and books. Authors and journalists have tried to distill the elements that contribute to this overwhelming well-being. After researching this topic, two cultural constructs have bubbled up. First thing that comes to mind is ‘hygge’, loosely translated as an enjoyment of good, everyday things in life (Wiking, 2016). Hygge is cosiness, and it is a concept not only Scandinavian people cherish, Germans describe this as ‘gemütlich’, and the Dutch title candlelit gatherings ‘gezellig’.

Hygge, however, has been taken to the next level by the Danes, and has experienced quite a cult following in the last couple of years, with nine books about the subject out in 2016 (Booth, 2016). It is a feeling, one that is experienced alone, or together with people, celebrating staying in the moment and enjoying the everyday life, usually with a lot of candles. Perhaps it is amplified by a low number of hours the sun shines in Scandinavia. In winter, Stockholm gets around five and a half daylight hours, while in the north of Lapland, there are just 4 hours of twilight and almost 20 hours of complete darkness (Nature travels, 2007). The Nordic people found a way to fight gloom with hygge.

Another element that influences the social norms of Nordic countries is the infamous Jante law. It has appeared in a 1933 book called “A Fugitive Crosses His Tracks”, by Axel Sandemose, but it has been present culturally for much longer (MacLellan, 2016). It is a collection of rules about social behaviour, for example, ‘You’re not to think you are smarter than we are’ or ‘You’re not to think you are more important than we are’ (MacLellan, 2016). The people of Scandinavia insist that Jante law is no longer present but, Booth (2014), in his extensive research on the subject, concluded that it is still pervasive on some level. The chef René Redzepi of Noma has shared a story of being spat at in the street and ordered to “go back home” (his father is Macedonian) by fellow Danes, after a documentary about his restaurant aired on TV (Booth, 2014). It seems that this sensibility it tightly interwoven with the highly prized equality of the Nordic countries. It is kind of a two-edged sword, this unspoken conformity to be the same. It seemingly prompts people to pay high taxes without complaint thus financing a strong welfare state, but it also encourages mediocrity and being average, which has a potential to stifle innovation and creativity. Jante law is indeed a unique Scandinavian construct which regards the success of the team as more important than individual achievement (Larsen, 2014). It is significant because it regulates how people behave. Although it is hard to say what came first—Jante law or the prioritization of equality and protection of citizens’ well-being—there is a strong connection.

Considered together, the societal elements of ‘hygge’ and Jante law contribute to the recipe for success that has fueled the rise of the Scandinavian countries.

Management approach

According to IMD’s management study in 2006, Scandinavia is at the top, due to its strength in ethics, social responsibility, environment, health, and accounting. Moreover, Scandinavia leads in areas such as shareholder value, customer satisfaction and management trustworthiness. The current knowledge economy presents unique challenges
to organizations, where the old hierarchical top
down management approach is no longer the most
effective. There is a need to be network-oriented
and motivating, in order to create truly breakthrough
innovations. This is where Scandinavian management
style is really appropriate. In Scandinavia, companies
manage with goals and values rather than control and
strict chains of command (Eriksen et al, 2006).

The concept of the Scandinavian Model of
Management has been investigated at some length.
Scandinavian culture has been reviewed and found
to have commonalities within the shared history,
languages that are similar enough not to need
translation (with exception of Finnish), same religion
(Lutheran), and politically close ideology (Social-
democratic) (Grenness, 2003, p.10). It was also
found that Scandinavians value collectivism, power
sharing and participation (Grenness, 2003, p.11).
The Swedes, for example, have been called ‘The
Japanese of the North’ (Daun, 1986), as both nations
seek harmony and mutual understanding, and try to
avoid direct conflict. Overall, the Scandinavian Model
is characterized by the desire for consensus, and
the need to make decisions through a democratic
process (Grenness, 2003, p. 13).

In Scandinavia, management is guided
by values, the primary focus is on developing,
maintaining, and ensuring that the team members
have healthy and productive work lives (Grenness,
2003). In other words, the pivotal strategy is to
ensure that the culture is strong. The right culture can
promote creativity by empowering employees and
encouraging them to generate ideas, challenge and
experiment. Corporate culture is the least hierarchical
in Denmark and Sweden (Schwab K., Ed. 2018).

Scandinavian management’s main values
are care and trust (Eriksen et al, 2006). The
responsibilities that are delegated to an employee
are generally much greater than in a US-based
management style, echoing Deci & Ryan’s finding
about autonomy being one of the most important
needs to satisfy (Ryan & Deci, 2017). Such level of
delegation is possible due to Scandinavians being
highly educated and taught to think critically and
independently from childhood. This makes them very
competent and highly motivated (Eriksen et al, 2006).
It is also due to the fact that the Nordic countries
have high levels of trust, with the Danes being the
most trusting in the world (Booth, 2014). In a 2011
survey by the OECD, 88.3% of Danes expressed
a high level of trust in others, more than any other
nationality, followed by Norway, Finland, and Sweden
(Booth, 2014). This extraordinary attitude makes this
style of management possible, as without the high
levels of trust, company culture can go in a very
negative direction. One does not need to look further
than the USA, in 21st place out of 30 countries
surveyed on the topic of trust in 2011 by OECD, with
such examples as the Enron’s culture of greed, or
more recently, #MeToo movement against sexual
harassment in the workplace.

Professor Göran Ekvall, an influential industrial
psychologist during the 1950s through 1970s in
Sweden, has done a significant amount of work
in the area of employee engagement and working
environment. He has designed a Creative Climate
Questionnaire, aimed at developing the optimal
conditions for creativity and innovation (Isaksen &
Ekvall, 2015). His best known work is the discovery
of a direct relationship between managerial focus and
working conditions, morale, and worker engagement
(Isaksen & Ekvall, 2015).

A good manager needs to have a combination
of goal-oriented and people-oriented behavior. Ekvall
shows two managerial types are especially well
suited to run a modern company. The one organizes,
planning to the detail, takes no unnecessary risks,
but is not against change. Progress happens over
time with continuous development (Isaksen & Ekvall,
2015). The other is aimed at change and is strongly
people-oriented. There is a focus on the opportunity for the individual worker to be creative, and the management understands how to take care of the gifted workers and get them to grow (Isaksen & Ekvall, 2015).

This value-based management approach seems very natural and respectful to everyone in the organization. According to IMD World Talent Ranking 2017, Nordic countries (Denmark, Finland, Norway and Sweden) perform significantly well in areas such as overall education, talent development, and employee motivation. In the overall ranking, Denmark ranks 2nd, Finland comes in 5th, Norway is 7th and Sweden is 9th. And this is not the first time these countries are occupying the top tier of this and other rankings. The Global Gender Gap 2017 ranking from the World Economic Forum was topped by Iceland (for the ninth year in a row), followed by Norway (2), Finland (3), Sweden (4), and Denmark (14). Iceland also ranked first in the 2018 Global Peace Index (Denmark was 5th, Norway, Sweden and Finland followed in the first 20). These statistics provide evidence that the Scandinavian Model works and is a sustainable way to motivate people to do the best they can at work. While we cannot lift the way Scandinavian countries do things verbatim since there is such a difference in the underlying economical, political and legal structures, we can be inspired by the essence of the employee/employer relationship which is built on trust. From my perspective, it is much better to have a friendly helpful working environment and succeed together than to motivate with ‘the stick’, encourage office politics and judge people on appearances.

Next up is a tactical approach of increasing employee performance through reducing actual working hours but using them more efficiently.
“Work expands as to fill the time available for its completion”: this is a well-known statement by Cyril Northcote Parkinson (1955), a famous British historian and author (Parkinson, 1955). This statement means that if you give yourself a day to complete a 2-hour task, then the task will seem more complex and daunting and you will end up taking all 8 hours to finish it (Falconer, 2017). Does this make employees more productive? Definitely not. It just means they are less efficient. If, however, the team can sit down and work for six hours in an extremely productive way and then leave to get on with their life, they will feel more content and, in turn, more excited to do well at work (Falconer, 2017). In fact, a study out of the University of Warwick confirmed that “happiness led to a 12% spike in productivity, while unhappy workers provided 10% less productive” (Sgroi, 2015). Working less hours really does lead to more productivity.

Numerous studies by Marianna Virtanen of the Finnish Institute of Occupational Health and her colleagues have found that overwork and the resulting stress can lead to many health problems, including impaired sleep, depression, heavy drinking, diabetes, impaired memory, and heart disease (Virtanen et al, 2012). Those are bad on their own. But they also mean bad things for a company’s bottom line, showing up as absenteeism, turnover, and rising health insurance costs.

Contrary to popular belief, as confirmed by the World Economic Forum’s 2018 Competitiveness report, higher competitiveness is typically associated with less working time and therefore more leisure time: workers in the 10 most competitive economies work, on average, 361 fewer hours per year, that’s eight fewer hours per week, than in the 10 lowest-ranked economies (Schwab K. (Ed.), 2018). In Germany, the third-most competitive economy, workers average just 29 hours per week - 10 fewer than the average across the 66 countries surveyed. This suggests productivity is increased not through more working hours, but by using working hours more efficiently (Schwab K. (Ed.), 2018).

In Sweden almost one-fifth of the population is over 65 years old. The number of people over 80 is expected to soar from half a million to 800,000 in the next two decades. Healthcare workers are often forced to work very long shifts with significant repercussions on their health and productivity (Congregalli, 2018). With this issue looming Sweden is testing unorthodox working schedules. There have been several pilots focusing on reduced work hours in Sweden in the last decade, latest one being in Gothenburg (Congregalli, 2018). This trial lasted for just under 2 years and implemented 6 hour shifts instead of 8, but with full pay in Svartedalen care home facility. During the first 18 months of the trial the nurses were less absent due to sick leave, reported “better perceived health and boosted their productivity by organising 85% more activities for their patients, from nature walks to sing-a-longs” (Savage, 2017). Although this trial was not sustainable in the short term, the positive effect translated into long-term tax savings and therefore, the trial itself was considered a success and is...
being used to continue the conversation about reduction of hours worked, at least in the healthcare industry (Congregalli, 2018).

To sum up, reducing work hours is a tactical solution to increasing performance and it makes a lot of sense, especially for certain, less flexible, work environments. In North America, due to psychological and economic reasons, to be busy at all times has become a sign of prosperity, an indicator of social status (The Economist, 2014). It is therefore especially counter-intuitive, given the culture of idolizing busyness, to strive for a shorter work day, but it will make the employees more effective and healthier both physically and mentally in the long run.

The next section is presenting an approach that puts the employee in the driver’s seat of when they work, where they work and how they choose to accomplish the work. While the amount of hours worked is not reduced, ROWE approach demonstrates a way to increase performance through ultimate autonomy.
A Results-Only Work Environment (ROWE) is a human resource management strategy co-created by Jody Thompson and Cali Ressler during their time at Best Buy. The idea first appeared when Best Buy needed a boost in attracting top talent. A survey asking employees what they wanted most from work was conducted. And the answer was: trust me with my time, trust me to do my job, and I’ll deliver results, and be a happier employee too (Ressler & Thompson, 2008).

In this management approach employees are paid for results rather than the number of hours worked. The strategy has been implemented at a large American retailer, Gap, as well as the Girl Scouts of San Georgino, J.A. Counter and Associates, and the Fairview Health Services I.T. Department. ROWE equips managers with the tools to define goals which can be clearly met or unmet by the results of an individual. Each person in the organization is 100% accountable and 100% autonomous. This means that each employee is crystal clear about what their measurable results are, and managers manage the work, not the people. Performance conversations are ongoing, and teams are highly collaborative. Managers become Results Coaches, and strive to create a culture of competence, not complacency (Ressler & Thompson, 2008).

“In a Results-Only Work Environment, people can do whatever they want, whenever they want, as long as the work gets done... You have complete control over your life as long as your work gets done” (Ressler & Thompson, 2008, p. 3).

The demands of shifting workforce demographics and the global customer base are real. By 2025, 80% of the workforce will be comprised of millennials.

Management practices from past decades must transform in order to motivate today’s talent and the talent of the future.

This approach can also help close the gender gap, as women tend to be the primary caregivers and need more flexibility in order to balance both roles. ROWE offers the freedom of being measured on an equal basis, not by how many hours employees stay at the office (Mondalek, 2013). This is an important distinction because women are currently at a disadvantage, should they choose to have a child and need the flexibility to split their workday.

**ROWE Standards** (Ressler & Thompson, 2008).

* Performance conversations are ongoing, not relegated to an annual review process.
* Employee accountability and responsibility are expected and rewarded.
* Nobody talks about how many hours they work. The focus is on the work being accomplished.
* Results-focused collaboration is required.
* Work isn’t a place you go, it’s something you do.
* Managers address performance issues, not attendance or tardiness issues.
* Productivity is the new workplace currency.
* The customer is at the center of all decisions.
* No results? No job. That’s the new employee agreement.

The research paper by Dr. Erin Kelly and colleagues concluded that employees participating in ROWE experience reduced work-family conflict and an improved work-family fit (Kelly et al., 2011). It allowed for greater sense of schedule control to accomplish the tasks when it is optimal for the employee, which, in turn, allowed the individual
be more present in family life without the stigma attached to asking for time off (Kelly et al., 2011). ROWE is different from other flexible work arrangements — such as flextime, telecommuting, compressed work weeks and reduced-hours schedules—by attempting to shift the culture within the organization so that the flexibility is the norm (Ressler & Thompson, 2008).

There is some research proving that telecommuting actually increases work hours by 5-7 per week, on average (Noonan & Glass, 2012, p. 40). Telecommuting tends to mean more availability due to perceived connectivity 24/7, and employees respond to work demands, especially email, even when they are sick or on vacation (Noonan & Glass, 2012, p. 40).

Gap Outlet has piloted ROWE for their production and technical service teams as well as Banana Republic product and store support teams in 2008 (Fox, 2009). Gap had a high percentage of female employees between 25-34, and they had difficulty retaining them once they left on maternity leave (Fox, 2009). The employees reported high levels of satisfaction with work but low levels of confidence in how it can work once they have family responsibilities (Fox, 2009). The assessment conducted post pilot in 2009 revealed that productivity increased 21% and quality 15%; at the same time turnover went down 18% and work-life balance scores went up 10 points to 82%, see Figure 3 for more details. (Fox, 2009). Some of the learnings included the need to prepare the employees well, have coaching sessions to overcome any unclarity, and the need of pre-existence of trust within the company culture (Fox, 2009). So clearly, this approach has solved the problem that Gap has identified - female employees leaving their workplace due to incompatibility of task types and the need for flexible hours. The company has since rolled out the ROWE management approach to more departments. Companies that tried and abandoned ROWE include its pioneer Best Buy due to the inefficiencies in leadership styles (Bhasin 2013). With the change at the top level (new CEO), Best Buy cited the urgency

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*Figure 3. ROWE Gap Pilot results (Fox, 2009).*
to turn around its struggling consumer electronics retail business as the reason for ending it (Lee, 2013). The Office of Personnel Management Director of US Government abandoned ROWE pilot after a year due to the inability of managers to evaluate results and employees being confused about expectations (Glazer, 2013).

Continuous progress discussion and clear actionable goals echo the findings of Dr. Amabile in the Progress Principle (2011). To help the employee make sense of her/his work, clear goal posts of measurements and agreed-upon results make this approach work. Naturally, this level of autonomy and flexibility needs the right organization to thrive. Employees have to be ethical and the culture has to have enough trust to ensure that everyone will play by the rules. However, if there are procedures in place that make the work visible and measurable, then the ‘office slacker’ will find himself or herself out of a job very quickly. It is harder to hide behind a facade of meetings if your deliverables are not met, be it actual documents, research or artefacts. It requires managers to work harder to define the details of deliverables as there is no more ad-hoc meetings at the employee’s desk. This approach is certainly not appropriate for all organizations, certain conditions have to be met. The conditions are not about the size of the organization, or the industry it is in, they are mostly about the type of tasks and the level of employee experience. First, the office cannot be front client-facing or customer service focused. These types of tasks require employees to keep set hours to meet customer expectations, whether in person or on the phone/chat. A store cannot be left without a salesperson or phone lines unmanned, the result would be loss of business. Second, employees need to be experienced and mature, without a constant need of supervision or support. New or inexperienced staff would need oversight and feedback on a more frequent basis, making ROWE inefficient. And lastly, the work has to have the structure that lends itself to separating, which can be difficult for highly collaborative companies to implement. In the UI/UX world that I am most familiar with, this is only possible sometimes. Quite often designers have to work together in an agile way to meet deadlines and reflect changes in real time. This would take longer to do remotely. However, if a deliverable is a sum of parts that can be put together by contributors working separately, ROWE would work well.

As much as ROWE threw the traditional management book out, Holacracy, the next approach discussed, takes it even further. It attacks the problems that cause organizational issues at their core by ruthless search for better alternatives.
Holacracy

Brian Robertson came up with the idea of Holacracy in 2007, when his company was growing rapidly, and he felt that his position as a CEO was becoming a bottleneck. He was also seeking an alternative to a traditional top-down managerial structure because there was no way to effectively communicate the tensions felt by employees, himself included. Robertson (2016) believed that these tensions need to be processed and acted upon in order for the organization to be as successful as it can be in a fast-changing market. Each tension is a signpost telling how the organization can better express its purpose (Robertson, 2016).

The economist Eric Beinhocker (2006) wrote that while the markets shift with a ferocious speed, most companies lack the ability to adapt to this change. Robertson (2016) was motivated to explore how an organization can sense, learn from, and integrate the changes dynamically.

A key organizational principal beginning in the 1900s was to predict and control. It worked well in a more static world, before the onset of progress thanks to the computer and the internet. In today’s post industrial world, however, companies face significant new challenges: increasing complexity, enhanced transparency, greater interconnection, shorter time horizons, economic and environmental instability and demands to have a more positive impact on the world. Even as the people are ready for a new approach to deal with these challenges, the predict and control foundation becomes a barrier.

And so, many organizations are struggling to keep up and are becoming obsolete.

Holacracy is a social technology for governing and operating an organization, defined by a set of core rules distinctively different from those of a traditionally managed organization. Rather than trying to rigidly predict the future, this approach lets the organization organically feel its way forward.

Holacracy includes following elements:
- A constitution, which spells out the rules and distributes authority
- A new way to structure an organization and define people’s roles and spheres of authority within it, through circles
- A unique decision-making process for updating those roles and authorities
- A meeting process for keeping teams in sync and getting work done together

Robertson (2016) says, “The shift at the heart of Holacracy: the recognition that when the core authority structure and processes of an organization fundamentally hold space for everyone to have and use power, and do not allow anyone—even a leader—to co-opt the power of others, then we no longer need to rely on leaders who empower others. Instead we have something much more powerful: a space where we can all find our own empowerment, and a system that protects that space regardless of the actions of any one individual, whatever his or her position.”

The strength of this approach lies in governance processes and job descriptions that provide clarity on everyone’s domains. Roles are important, not
people filling them. This takes away the personal agenda, and helps clear up misunderstandings that arise out of undiscussed expectations, which are at the source of many workplace conflicts. Leadership responsibilities shift as the work changes and as teams create and define new roles. Job descriptions are fluid and updated at any time as needs change. The teams are constructed in nested circles with a lead link role that acts as a bridge between the circles. Zappos, for example, has more than 500 circles (Bernstein et al., 2016). Within them, individual roles are collectively defined and assigned to accomplish the work. The circles do not just manage themselves, they also design and govern themselves guided by the constitution. There is a facilitator who runs the meetings making sure the governing principles are upheld. The facilitator’s role is especially important, in my opinion, as it helps the meeting to stay on track and he/she has the power to interrupt any comment or discussion that is not relevant at a particular stage. The focus of the meeting is kept to the next step, not five or six steps out. This produces a mental shift from a problem to a solution and filters out unnecessary arguments and conversations about potential future problems (Zoll, 2018). The conversation stays on track and the loudest voice in the room does not derail the proceedings.

Several companies have adopted Holacracy as the internal organizational principle. The largest, as mentioned, is Zappos. It has not been completely smooth sailing for them. In 2015, just over a year into practicing Holacracy, the CEO Toni Hsien has offered a severance package to any employee that did not feel that Holacracy was working for them (Bernstein et al., 2016). 18% took the package and 6% cited Holacracy as their reason for leaving (Bernstein et al., 2016). In their exit interviews, they talked about hearing shiny buzzwords everywhere but seeing little difference in how tasks were accomplished; facing “ambiguity and lack of clarity around progression, compensation, and responsibilities”; and getting frustrated with the whole idea (Bernstein et al., 2016).

Medium, a large online publishing platform, has tried Holacracy for a few years but abandoned it in 2016. The biggest challenge became coordination.
of efforts for large initiatives. There was a lot of time spent in governance and making sure the roles and accountabilities were updated, and Medium felt it was getting in the way of the work (Doyle, 2016). It seems that Medium took the elements of self-management of Holacracy and adapted them to their needs. This comes through in the principles they follow such as, ‘Ownership is accountability, not control’, and ‘Authority is distributed, though not evenly or permanently’ (Doyle, 2016).

In my opinion, distribution of authority is what makes Holacracy especially effective. This allows for the removal of barriers that stand in the way of acting on sensemaking in a traditional organizational structure. In a hierarchical construct, the lines of communication are clearly defined, whether vocalized or implied. As a rule, when there is tension, be it product or people related, getting action requires buy-in from the immediate superior. If support is not forthcoming, there are still ways of getting it, but it requires potentially damaging relationship with your boss by going over his/her head. This results in a lot of politics and currying favours, wasting everyone’s time. But within a Holacracy, because the power is not vested in a few people, and the roles and accountabilities are clear and dynamic, the issues can be dealt with much faster and without the usual rigamarole of stepping on people’s toes. The focus is on enabling forward movement, a sense of progress, that echoes Dr. Amabile’s findings about the conditions for good inner work life. On the days that employees reported good inner work life, productivity soared and even had an effect on the next day or two (Amabile & Kramer, 2011). It seems like an enlightened approach to make the organization move faster and react to internal and external events. I personally would love to take part in this type of working environment. It seems that it would work for any size of organization as it is more about the openness of the mindset than the parameters of the organization. It certainly gets more complex and time consuming to run Holacracy in a large organization, but then, even managed traditionally, things take longer the larger the company gets. There are more people to inform and keep in the loop, more processes to observe and document.

Even though Zappos has had growing pains with Holacracy and some employees decided it was not for them, the majority of the employees stayed and reported positive experiences with this way of management. Based on that, and on the fact that working within the framework of Holacracy Zappos achieved a 75% year-on-year increase in operating profit in 2015, I conclude that Holacracy is worth exploring and being open-minded about (Bernstein et al., 2016).

The next approach, a flat organization, also attempts to distribute power in a way that is conducive to progress.
Flat Organization

Organizational structure delineates lines of communication, policies, authority and responsibilities. It determines the extent and nature of how leadership is disseminated throughout the organization as well as the method by which information is exchanged. Organizations commonly adopt either a flat (horizontal) or tall (vertical) hierarchical structure. A flat organization refers to a structure with few or no levels of management (Meehan, 2018).

A manager in a flat organization possesses more responsibility than a manager in a tall organization because there is a greater number of individuals immediately below who are dependent on direction, help, and support. Moreover, managers in a flat organization rely less on guidance from superiors because the number of superiors above the manager is limited (Ghiselli & Siegel, 1972). There is a link between employee success and the level of autonomy and self-realization in flat organizations, and there is more participation in broader decision-making creating a sense of ownership, which in turn, increases productivity (Ghiselli & Siegel, 1972).

The principles behind a flat organizational structure reflect the findings of Self-Determination theory which posits that the condition of autonomy is one of the three most important psychological needs for stimulate intrinsic motivation (Ryan & Deci, 2017). When this desire is satisfied, it leads to higher productivity and creativity which is essential to fostering innovation.

Advantages of a flat organization:
- It elevates the employees’ level of responsibility.
- It removes layers between employees and increases the speed of communication and coordination.
- It encourages an easier decision-making process among employees.

Disadvantages of a flat organization:
- Autonomy without experience can creates confusion and stress as there might be no immediate available senior staffer for support.
- The specific responsibilities of employees may not be clear.
- Flat structure may limit long-term growth of an organization.
- Once the organization grows large, it is very hard to continue operating effectively without some middle management. Changing this policy might cause resistance.

This structure is generally possible only in smaller organizations or individual units within larger organizations with more experienced individuals. After significant growth, organizations can not remain completely flat without impacting productivity (Meehan, 2018).

Valve is a company that has had a flat hierarchy from the beginning. It makes video games (Half-Life, Counter-Strike, and Team Fortress), software (Steam) and some hardware (VR, Steam controllers). There are no managers, and employees sit where they want, choose what to work on and decide each other’s pay (Kelion, 2013). Instead of circles of Holacracy, they are organized in Cabals (Bernstein et al, 2016). They even go on holiday together once a year (Kelion, 2013). Cliff Oswick (2013) from Cass Business school commends the
model: “This is the most extreme form I’ve seen of deliberately moving away from hierarchy. What I like most about this is it privileges the idea of dialogue, the idea of collective engagement.” The leadership of Valve believes that because the company is not managing people and everyone has the right to work on their preferred idea, the company empowers people to do their best work, leading to overall success (Kelion, 2013). Valve is a privately owned company and does not disclose its earnings, but SteamSpy—the company that collects data and analytics from the platform Steam which accounts for the majority of Valve’s earnings—reported a USD 4.3 billion revenue for Valve in 2017 from Steam games (Galyonkin, 2018). This is a best-ever year for Valve, up from USD 3.5 billion in 2016 (Galyonkin, 2018). The strength of this approach is that everybody can interact more easily. Communication is not hindered by hierarchical levels, but encouraged and enabled. This makes it possible for employees to take better advantage of their competencies, and increase the value of their contributions thanks to the freedom they have. The weakness lies in its inability to scale for larger operation, it seems to lack structure that makes processing large amounts of information effectively. Flat organization puts a lot of responsibility on the individual to move the tasks forward.

The next section looks at a tactical method of organizing employees to provide optimal conditions for rapid results.
Self-Organizing & Agile

This topic has cropped up during my research as a way of organizing teams that have autonomy to decide on how to do the work, and which is geared towards iterative development.

Agile Movement has gained acceptance and momentum with the publication of the Agile Manifesto in 2001. It has roots in software development but since has been accepted as a project management approach. This way of project and team management allows for rapid simultaneous work that lets the team move faster. It is direct opposite of the waterfall method which has teams of specialists work on a piece of a project at a time. Several Agile methodologies have evolved including Scrum, unified process, dynamic systems development method (DSDM), crystal clear, extreme programming, adaptive software development and feature-driven development (Ondiek, 2015).

The term self-organizing teams appears in much of the discourse surrounding Agile methodologies. Here are three key characteristics (Surdek, 2016):

- They have a certain level of decision-making authority
- They are working toward meeting their emerging vision
- They take ownership of how they work and continuously evolve

They are, however, not free from management control. Management chooses the product and the people to work on the project (Cohn, 2010). Anything that pertains directly to how the work is done is in scope for a self-organizing team to decide, unless there are organizational considerations that trump their decision. These teams have no authority in traditional HR roles such as hiring/firing and compensation, they cannot prioritize work or pick their own project, and they do not manage their own budget.

Overall, it seems like a half-hearted way to give employees autonomy. They have freedom to execute how they wish but what if that requires more resources? What if there is a mismatch of character on the team? It still has to be laddered up and managed the usual way, with buy-in from people with power.

This methodology can certainly be effective when the timeline is short and all the parties involved can work in close proximity with frequent informal check-ins, eliminating the need for official meetings and email chains. This approach lends itself to organizations that have grown to have several teams. A certain level of experience or training support is required to make it work smoothly.

The next section moves away from organizational principles and investigates the level of humanity that is welcome in a company culture.
Employee as a ‘Whole Person’

Mutual ownership is a concept that was introduced as a design principle in the Workplace Redesign Report by Deloitte Center for the Edge. When employees are treated as owners, they can be relied upon to step up and act in the company’s best interest to ensure its success.

The sense of ownership involves three elements: empowering employees to shape their own experience, recognizing each employee as a ‘whole person’ and helping them ‘feel at home’ at work. This notion of being a ‘whole person’ at work, not some automaton hiding behind a professional mask is refreshing. The idea that a company would welcome the authenticity of employees is heartening and perhaps a sign that the status quo is somewhat changing. Motley Fool cultivates this authentic behaviour at work, as the company believes that this helps create a sense of ownership and for employees to feel a genuine connection to the organizational values. Through the external expression of each employee’s value (an addition in 2010: Make Foolishness Your Own), the company has managed to decrease the time spent in meetings since employees come prepared with the understanding of what motivates each other (Street, 2018). This understanding of how to motivate its employees helps Motley Fool improve its productivity and therefore its profits.

Another company that significantly invests in the employee well-being and work-life balance is SAS Institute, an analytics software giant. SAS really takes perks to a new level. Employees can choose their own hours of the 35 hour week, there is a giant gym with free personal trainers and an Olympic-sized pool, a free full-service health clinic, extremely affordable childcare and work-life councillors (Brenoff, 2017). When your every need is anticipated and work-life balance is respected, no wonder the employee enthusiasm is so high, especially for people with families (Brenoff, 2017).

In order to promote authenticity, the ‘how’ cannot be lifted from another company, it has to come from the organization’s unique DNA, otherwise it will feel fake and undermine the trust among employees. It requires analysis of what is at the core of the values of an organization and building on it.

To finish the overview of what approaches to work organization and management have been tested, the last section presents unique ways in which companies motivate their employees from well-known examples such as Google 80/20 rule to a lesser known Andon cord of Toyota production line.
Toyota Motor Corporation has consistently outperformed its peers in terms of revenue year over year. It has remained at the top of consumer survey on brand perception which measures quality, safety, performance, design, technology, and green attributes. Its success is not driven solely by dedication to specific practices, but also by a work environment which focuses on engaging workers and ensures continuous development (Deloitte Center for the Edge, 2013).

There are several areas in which Toyota differs greatly from its competitors, but one of the main differentiators is how it approaches talent development. Employees have a deep sense of ownership for the manufacturing process through the Toyota Production System. They are encouraged to treat the workflow as a work in progress, and solve problems together, as a team, through a key component called the Andon cord. This is a rope connected to a series of lights. Every time there is an issue on the assembly line, every worker is encouraged to pull the cord which stops production and the team addresses the problem together. The cord gets pulled hundreds of times during the day and, as a result, there is more creative problem solving and, I would argue, more satisfactory inner work life, than in any other car manufacturing plant. According to Spear (2004), Toyota enables ‘a series of nested, ongoing experiments, whether the work is as routine as installing seats in cars or as complex, idiosyncratic, and large-scale as designing and launching a new model or factory’ (Spear, 2004, p.79). Some very important principles of motivation are being put to work here: autonomy, sufficient help from peers and management, a sense that meaningful work is being produced and that employee contribution, however small, is valued.

There will be a wealth of barriers erected on the way to start practicing a different management approach at the office (Hamel, 2006). But there are examples and case studies to draw inspiration from, be it Whole Foods with its unwavering commitment to be different through their employee autonomy, or Google, through its encouragement of ‘Googlettes’, small grassroots projects that may one day grow into valuable products (Hamel, 2006). Google has since abandoned its 80/20 rule in favor of a more focused innovation approach with a dedicated team (Truong, 2013). What connects all of these experimental techniques, and makes them different from the traditional top-down management approach, is the level of autonomy that employees have. This is a direct application of learning from psychology of intrinsic motivation: motivation grows when an individual has a sense of power over how he or she can solve any given problem (Ryan & Deci, 2017).

There is a discomfort in trying out new things, resistance to change that has no documented positive rise in output, and the larger the organization, the bigger this discomfort may be. The new management principles - variety, competition,
allocation flexibility, devolution and activism, differ greatly from the ones that have governed management philosophy for the last century (Hamel, 2006). With great outsourcing options, comes a new challenge of differentiation. If any company can have the same quality of a call center, supply chain, distribution and operations, how can your company have an edge? It comes out of harnessing the human potential for the truly unique customer value that can only be created by employees that take initiative, are imaginative and bring their zeal for work every day. In other words, employees that are intrinsically motivated to go above and beyond what is stated in their job description.

This wraps up the overview of what organizations do in order to achieve optimal performance through employee motivation.
Approach Comparison

The focus on the individual, allowing for a high sense of autonomy and ownership is what connects all of the approaches discussed. They also include elements of self-management. All of them seek to have the organization be more adaptable to the external and internal shifts. All are participatory and adaptive. There is hard evidence that such approaches work. Moving to self-management yielded breakthroughs in many companies, mainly in manufacturing and service operation contexts. The Swedish Volvo plant reduced defects by 90% in 1987, after organizing the workforce of a brand new plant in Uddevalla entirely by self-managed teams (Lohr, 1987). FedEx, as part of a company wide push to convert to teams in 1989, organized its 1,000 clerical workers into small super teams, and gave them the training and authority to manage themselves. As a result, the company cut service glitches, such as incorrect bills and lost packages, by 13% the same year (Dumaine, 1990). In the early 1990s, C&S Wholesale Grocers’ CEO, Rick Cohen, implemented the self-managed teams concept in his warehouse, which yielded a 60% cost advantage over competitors (DeLong et al, 2003). General Mills increased productivity by up to 40% in plants that adopted self-managed teams in 1990. One reason is that the plants need fewer middle managers. The other reason is that self-managed teams set higher productivity goals than management does. At its Carlisle, Pennsylvania, plant, teams changed some equipment and got a 5% production increase in a plant management thought was already operating at full capacity (Dumaine, 1990). Some approaches like Holacracy have been formalized and tried more often, making it easier to analyze. The Scandinavian Model has had decades of development in a very different style of economy, and the underlying societal structure, supported by laws and shared culture, makes it possible. The approaches discussed in this study are just a slice of what organizations do to lift employee engagement, what I could survey in the time allotted for this portion of the project. There are many more approaches out there, both in North America and Europe. Given another chance to investigate this subject I would include Sociocracy and investigate self-management as its own topic.

Below is a comparative table of the approaches that highlight their pros and cons, and what type of organization the approaches are best suited for. The table format allows for a quick scan and an overview of what each approach is about. It distills the main differences making it digestable and easy to share in a group setting.
<table>
<thead>
<tr>
<th>NAME</th>
<th>PROS</th>
<th>CONS</th>
<th>BEST FOR</th>
</tr>
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<tbody>
<tr>
<td>Everyone is an adult, let’s treat each other with respect.</td>
<td></td>
<td></td>
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<tr>
<td>Employees can choose when, how and where to work.</td>
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<tr>
<td><strong>Reduced Work Hours</strong></td>
<td>Focus: work-life balance Autonomy: not applicable Work-life balance: high Health: better Better focus for a shorter amount of time, achieving the same results. Employee are happier as they have more leisure time.</td>
<td>Not a good fit for every organization. Employees might take advantage.</td>
<td>Companies where work happens at a steady predictable pace. Not recommended for the ebb and flow type of work.</td>
</tr>
<tr>
<td>Work less hours but more efficiently.</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td><strong>Holacracy</strong></td>
<td>Focus: democratic power Autonomy: high Fosters flexibility and engagement. Unique features: Clear dynamically updated processes and rules. Ability to shape a role based on individual strengths and desire for development.</td>
<td>Prioritization due to multiple roles may be problematic. Meetings take up a lot of time. Ambiguity can arise around responsibilities, compensation. Difficult to coordinate effort at scale. Old behaviours must be unlearned.</td>
<td>Companies that want to manage themselves differently. Open and learning culture.</td>
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<tr>
<td>Empower employees to act with autonomy by decentralizing power and injecting dynamism.</td>
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<tr>
<td>NAME</td>
<td>PROS</td>
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<tr>
<td>Flat Organization</td>
<td>Focus: ownership, flexibility</td>
<td>High autonomy at junior level causes stress.</td>
<td>Smaller companies that have experienced mature staff.</td>
</tr>
<tr>
<td></td>
<td>Autonomy: high</td>
<td>In growth mode:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Unique features:</td>
<td>Lack of cohesion and transparency.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Increased level of responsibility.</td>
<td>A need to insert hierarchy.</td>
<td></td>
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<tr>
<td></td>
<td>Communication and coordination between employees faster.</td>
<td>Lack of clarity.</td>
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<tr>
<td></td>
<td></td>
<td>Lower productivity.</td>
<td></td>
</tr>
<tr>
<td>Self-Organizing and</td>
<td>Focus: rapid iterative development</td>
<td>Management determines work priorities and content.</td>
<td>Software or product development companies with a dynamic approach.</td>
</tr>
<tr>
<td>Agile</td>
<td>Autonomy: limited</td>
<td>Lack of detailed knowledge causes scheduling conflicts.</td>
<td></td>
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<tr>
<td></td>
<td>Unique features:</td>
<td>Hours get cut due to focus on speed.</td>
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<tr>
<td></td>
<td>Employees decide on the ‘how’ of the work (tools, servers).</td>
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<td></td>
<td>Close teamwork allows rapid iteration.</td>
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<tr>
<td></td>
<td>Team communication is instantaneous resulting in fast progress.</td>
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An organization with little or no middle management.

Software or product development companies with a dynamic approach.
TREND ANALYSIS
4. Trend Analysis: STEEP+V

Subsection 3.1 and Subsection 3.2 both discuss shifting attitudes and changing environment as reasons for different organizational approaches. Trend scans are normally used to survey the external environment for relevant signals of change to inform the investigative direction; in my study, however, the trend scans will gather evidence for the changes in the economic, societal and environmental spheres which became apparent during the literature review. Although it is customary to investigate trends at the beginning of research process, my research question was informed by personal experience and literature review, therefore a trend scan played a tertiary role. There are different trend analysis frameworks that are used for scanning developments in the external environment with the view towards the future. Frameworks such as PEST, STEEP, PESTLE, STEPJEE, STEP, STEEPLED, and LEPEST investigate the following dimensions: Social, Technological, Economical, Environmental, Political. Sometimes dimensions such as Regulatory, Legal, Ethical and Values get added, based on the industry investigated.

I chose STEEP + V because of my familiarity with it from the Foresight Studio during the SFI program. STEEP + V stands for Social, Technological, Economical, Environmental, Political and Values. Values are important for this study because it deals with people’s motivations, and values play a big role in informing our goals. There is a constant stream of events that influence our lives, our perceptions and beliefs, such as elections, new laws, technological progress, and environmental changes. It is important to evaluate the influences and determine how they might impact our lives, both within the workplace and outside of it.
Driver: The rise in longevity.
Trend: Boomers and Millennials are co-existing in the workforce.

By 2025, 75% of the workforce will be comprised of Millennials (Csorba, 2015) as the percentage of Boomers will decline. Because of the rise in life expectancy, some Boomers will stay on working for longer, therefore overlapping with the Millennial generation for a considerable amount of time. As their motivation is somewhat different from each other, learning about how the values are expressed will go a long way to creating harmony and understanding in the workplace. Much has been written about Millennials since they are shaping the future through their adoption and development of technology, purchasing habits, and value system. Their core motivations—to affect the world around them, to be part of positive action, to experience other cultures—are different from the previous generations, especially the Boomers (Buck, 2017).

I agree with David Villa (2018) who states that Millennials are just people, and should be treated with respect, and a focus on progress. Millennials value cross-mentorship, ability to express their vision and ideas for the company and would appreciate more responsibility earlier in their careers (Csorba, 2015). This trend is relevant for employee motivation because it is important to realize the difference in values that influence employee choices and behaviours. This understanding is necessary to treat co-workers with respect regardless of age. Everyone wants to do good work, be treated well and have a balance between meaningful work and home life.

![Figure 5. Millennial values vs Boomers values (enso.co/worldvalues, 2017)]
Technological

**Driver:** Developments in AI, smart machines and systems.

**Trend:** Workplace automation nudges human workers out of routine, repetitive tasks.

Recent innovations in technology have altered many aspects of our lives and workplaces beyond recognition. And while this trend is not something entirely new, automation has been replacing human workers gradually since the Industrial Revolution, but the speed is increasing. Developments in areas such as artificial intelligence, robotics, and big data analytics might displace whole professions and create new ones (World Economic Forum, 2018). In the White Paper called Eight Futures of Work (2018), the scenarios follow a storyline where technological changes happen at a pace either slower or faster than the recent years (World Economic Forum, 2018). The implication for the labour market and workers range from cautiously optimistic to downright disastrous, depending on a variety of conditions including regulatory policies, educational development, business environment and human tendencies (World Economic Forum, 2018). These factors could block or at least significantly delay automation. However, all scenarios agree that the technological change will disrupt how we work, meaning that many workers might find themselves unable to find meaningful occupations and will need to re-skill and re-train on mass (World Economic Forum, 2018). Another implication is that there might be a large amount of population requiring government support to provide for their livelihood in the interim period (World Economic Forum, 2018).

We can infer the implications of this trend on employee motivation: the job market might become a very agile competitive environment with workers highly motivated to remain employed. Instability and job scarcity can lead to extreme contrasts in motivation depending on the status of the worker. There are some arguments that tech development will enrich our jobs, taking care of the routine non-cognitive tasks such as data entry, reviewing legal documents for case relevance, and cross-referencing patient records and clinical trials (Frey & Osborne, 2017). The employee segment that does those tasks now is at risk and will need to be re-trained in the next 25-50 years, in case of AI development meeting current projections. How much AI development will affect the labour market remains to be seen. It will depend on many factors, as mentioned above, government policy, job protection and incentive creation as well as the technological progress and its adoption.
**Driver:** Limited Natural Resources.  
**Trend:** Circular Economy.

The United States with only 4% of the world’s population consumes 30% of the world’s resources (Kinsman, 2017). The ‘consumption epidemic’, a term coined by George Monbiot, a British environmental activist, is causing, directly and indirectly, many global issues such as geopolitical conflicts, refugee flow, hunger, climate change and pandemics (Kinsman, 2017). One of the solutions discussed to combat these challenges is to transform our linear economic model into a circular one, and create strong, balanced, and sustainable economies in the process. The circular economy aims to eradicate waste throughout the life cycle and use of products (Zils, 2014). Tight product cycles of use and reuse, aided by product design, define the concept of a circular economy and distinguish it from the linear take - make - dispose economy, which wastes large amounts of embedded materials, energy, and labor (Zils, 2014). In a circular economy, the goal for durable components, such as metals and most plastics, is to reuse or upgrade them through as many cycles as possible. This approach contrasts sharply with the linear mind-set embedded in most of today’s industrial operations. Even the terminology - value chain, supply chain, end user - expresses a linear take - make - dispose view.

IKEA has a somewhat negative image of being a producer of throwaway furniture. It has been trying to change both this image and the amount of items in landfills by engaging in initiatives that focus on circular economy. In 2017, there were over 100 projects and pilots worldwide contributing towards IKEA’s learning about the circular economy (IKEA, 2017). For example: by collecting and recycling old mattresses when a customer buys a new one (US and Canada), IKEA US saved over 41,000 mattresses from going to the landfill (IKEA, 2017). In Europe, IKEA UK collected 1.1 tonnes of textiles from customers for recycling during its textile take-back initiative at the Cardiff store (IKEA, 2017). IKEA Japan has had success with its ‘Buy back service’ that lets customers sell their used furniture back to IKEA later at a good price, provided it is in good condition (IKEA, 2017). As a result, 1,900 second-hand items were returned and 1,600 were repaired, refurbished and resold (IKEA, 2017).

Why is this trend relevant here? It is confirming the shift in value system from an overly-consumerist society with such business practices as planned obsolescence to a more careful approach to natural resources resulting in a higher standard of corporate accountability. Numerous large corporations are still not fully committing to the implementation of environmental initiatives (Ramus & Montiel, 2005). What’s more, as many are privately held, they are not required to provide records publically. But considering that a very civic-minded and connected generation is entering the workforce on masse (the Millennials), companies will have a harder time creating throw-away products and engaging in unsustainable environmental practices.
Driver: \textit{Global Warming.}

Trend: \textit{Renewable energy systems.}

Scientists are working tirelessly on envisioning a wind, water and solar-powered world. The initiatives to move towards renewable energy for all sectors and industries are supported by multiple countries. Some plans are as low tech as storing heat in rocks deep underground, others as costly and advanced as building wind turbine farms. There is a great example in Alberta, near Calgary. A whole development called Drake Landing in Okotoks is reducing their carbon footprint through a solar thermal energy system (Kruger, 2016). This is done through seasonal heat storage within rocks. Sunlight is gathered during the summer on the roof of a building in a collector that contains a glycol solution. The solution gets passed through to water; the heated water is piped underground to heat rocks. The rocks stay hot because they are insulated. In the wintertime the whole system runs in reverse and supplies 100\% of heat in the winter. It has amazing results: 100\% solar fraction in the 2015-2016 heating season, meaning all the heat required by the houses for space heating was supplied by solar energy (DLSC, 2018). And a reduction of approximately 5 tonnes of greenhouse gas (GHG) emissions per home per year (DLSC, 2018).

As climate change becomes more of a reality, everyone will have to adjust how we use the planet’s natural resources. Companies that invest in renewable energy systems contribute to the reversal or, at least the slowing down, of the effects of climate change. This trend is relevant to the study of employee motivation because companies can use their investment in environment both as a differentiator to attract talent, and a proof that their corporate values are not just on paper.
**Political**

**Driver:** Displacement due to war leads to greater geographical movement of people.

**Trend:** Rise in populism as a reaction to migration.

Populism has been on the rise both in the European Union and the USA during the last few years. This trend has expressed itself in such unlikely events as the election of Donald Trump and Brexit. What is populism and who are the people that hold this set of beliefs? According to Professor Michael Cox (2017) “populism reflects a deep suspicion of the prevailing establishment; that this establishment in the view of most populists does not just rule in the common good but conspires against the people.” Currently, populism is quite often combined with nationalism, and even protectionism, as the uncertainty of our time plays out in the political arena.

Populists share a deep-seated suspicion of foreigners, the facts as provided to them by the establishment press, and, in most cases, they dislike intellectuals (Cox, 2017). In the case of UK, Brexit was made possible by the ‘somewheres’, people who are firmly connected to a specific community accounting for about 50% of the population, as opposed to the ‘anywheres’, people who feel at ease with a mobile-type of lifestyle weighing in at 20-25% (Goodhart, 2017). Goodhart’s point was that many people that do not live in the cities feel largely left behind by the rapidly changing modern world and the ‘anywheres’ that dominate culture and society (Goodhart, 2017). British sociologist Anthony Giddens (1999) wrote that due to “the speed and depth of the changes across traditional frontiers, many citizens feel as if the world is not just passing them by but undermining their settled notion of identity born in more stable, more settled times. This loss has been felt by everybody. But it has been experienced most by an older cohort of white people who simply want to turn the clock back to a time when the people in their towns looked like them, sounded like them and even had the same traditional loyalties as most of them: an age in other words when there were fewer immigrants and even fewer Muslims living amongst them.”

This sounds exactly like the sentiment expressed by the people a few days after Brexit vote, when I visited West Yorkshire, England. The older cohort thought that Brexit means no more people that looked different to them, while in reality, it meant no more Eastern Europeans, who look exactly the same, at least from the colour of their skin.

There are wider causes of populism which include neoliberalism, the fall of the USSR and the global power shifts (Cox, 2017). Neoliberalism arose in the 1970s and has affected the world through four significant economic policies such as globalization, focus on maximizing shareholder value, abandonment of full employment as policy goal and pursuit of flexible labour markets (Montier & Pilkington, 2017). These four policies have allowed “lower inflation, lower growth rates, lower investment rates, lower productivity growth, increasing wealth and income inequality, diminished job insecurity, and a seriously deflationary bias in the world economy” (Montier & Pilkington, 2017).

In addition, the enormous impact the fall of the Soviet Union had on the world is rarely discussed. Before it happened, communism acted as a limit to the operation of the free market. After the fall, the floodgates of massive low wage economies like
China have opened (Cox, 2017). Millions of jobs have been lost in the West because of the new emerging economies joined the free market leading to income inequality, rise in unemployment and a general feeling of instability.

This trend is relevant to the understanding of employee motivation because it paints a picture of the external environment that influences people. It is important to be aware of the spectrum of political sentiments to make sure the workplace remains a safe and neutral environment.
Values

Driver: Search for meaning.
Trend: Alternative lifestyles: Minimalism, Tiny House Living and Homesteading.

There is a number of alternative lifestyles that have gained momentum in the last decade or so including minimalism, tiny house living (inspired by minimalism) and the latest addition, homesteading. They attract people that seek a different way of living within the confines of our consumerist society. Some do it by minimizing possessions and valuing experiences over things, others, like homesteading, go even further, and embrace self-reliance in the extreme. I am a professed minimalist myself. Having moved several times across the ocean, things do not have much meaning for me. I am also interested in having just enough space to be comfortable, for obvious financial reasons, and having less space to clean.

Minimalism

Life is more than just a never-ending shopping spree. Minimalism is selecting the things we value most and removing anything that distracts us from our search of simplicity. It requires a conscious decision because it is a countercultural lifestyle that stands against the culture of overconsumption that surrounds us (Becker, 2018). We are bombarded by relentless ad campaigns that encourage us to buy more stuff, whereas, in reality, our society is getting deeper and deeper in debt. Canadians now owe more than they earn, CAD 1.71 to every disposable dollar, to be precise (Evans, 2017). This is the highest debt amount on record, which makes me wonder how sustainable this lifestyle has become.

There is a lot of interest in minimalism, as evidenced by content creation on well-visited websites and books on the subject. Marie Kondo is a Japanese organizing consultant and an author whose book The Life-Changing Magic of Tidying Up: The Japanese Art of Decluttering and Organizing (2011) has been published in more than 30 countries and has become very prominent in popular culture here in North America. In 2015 she was listed as one of Time’s “100 most influential people” (Curtis, 2015). Joshua Becker, a founder and editor of a website Becoming Minimalist, author of The More of Less: Finding the Life You Want Under Everything You Own (2016), says that “overcoming the pull of consumerism is a difficult challenge regardless of our stage in life” (2018). There is also an abundance of blogs that showcase life choices of people who choose to live with less such as 600sqft.com, a tale of a Vancouver family of four that live in a one-bedroom condo.

Tiny House Living

Tiny House living has roots in the 18th century with Henry David Thoreau and Walden Pond, but has gained momentum recently with reality TV shows Tiny House Nation and Tiny House Hunters in 2014 (Hoffower, 2018). The appeal of tiny houses is easy to see: lighter financial burden, mobility, and they are environmentally friendly. Many tiny houses choose to build off the grid, and produce their own solar electricity. It is also a kind of minimalist utopia, paring down to the essentials, finally letting go of boxes stored all over the house. There is a freedom that comes with that, freedom from debt, from participating in the rat race, freedom to be intentional about things, as there is simply no room to put...
them. It forces you to return to a simpler existence. Naturally, it has its downsides. Sometimes, a tiny space is all you can afford, living in a big expensive city. There is a lack of personal space for a couple or family, when something breaks it is a much bigger mess, you can not really entertain, unless it is outdoors. Furniture and carpets wear out sooner, simply because they are used so much more. And cooking smells can overpower a tiny house, letting the fried onion linger for weeks (Tempest, 2017). It forces you to consider everything, from possessions to habits and adjust.

**Homesteading**

Homesteading movement encourages self-reliance through the embrace of traditional skills and farming. It inspires people to sew their own clothes, homeschool their kids, knit, make preserves, grow their own vegetables and fruit, basically, live as pioneers (Bosker, 2018). Apparently homesteading has been romanticized by every American generation, except for the one who actually did it. In times of uncertainty and upheaval, people crave a back-to-the-land moment, to take back control over their surroundings and their food. Versions of homesteading flourished after the Great Depression, during the Vietnam War, in the years before Y2K, during the Great Recession, and again more recently, amid the rise of an anti-establishment ethos (Bosker, 2018). There is something idyllic about this style of living, to go back to how things used to be. It is certainly therapeutic to bake bread and make jam from the berries you picked, but it does sound like an awful lot of hard work. When you have a garden, weeding and watering never ends in the summer, and when the vegetables start to ripen, you eat zucchini three times a day.

The relevance of alternative lifestyles for employee motivation is that organizations have to find other, more meaningful ways of incentivizing employees than simply financial. People who spend time thinking about their values see through the advertising and do not seek luxury items or status symbols. They are motivated by finding meaning in their work, their home life, and their relationships. My own experience and the interviews I have conducted (see Section 5) make me believe that employees prize reduced work hours, flexibility over where to accomplish their tasks and being there for family occasions over a financial incentive.

**Driver: Climate change and income inequality.**

**Trend: Combining profit with non-profit.**

The information about the harm the industrial world is doing to our planet is spreading, and this awareness is raising questions. In October 2018, the Intergovernmental Panel on Climate Change, has issued a special report on the impact of global warming of 1.5°C (Masson-Delmotte V. et. al., 2018). The scientists have evidence that if we do not drastically change consumption of natural resources, the planet will exceed the mark of 1.5°C by 2030, and by the end of the 21st century the planet will be as much as 3°C hotter (Masson-Delmotte V. et. al., 2018). This will result in more flooding than ever predicted, displacement of millions of people, coral reefs completely disappearing, crops such as rice, corn and maize will also be affected (McGrath, 2018). This kind of information is leading to a rise in conscious consumption and a change in expectations from ourselves, our government and the organizations we work for.

There is an increase in successful companies that combine shareholder profit with doing good. Method (soap company) combines fiscal success with a positive impact for the environment and the people. Its Benefit Blueprint measures the company’s progress through 5 metrics: B Corp score, the Compass score (an internal measuring tool), carbon footprint, usage of water, and amount of waste from
production (Method Benefit Blueprint, 2018). From using recycled plastic for their packaging (50-100% in different ranges) to making sure the product itself is biodegradable, Method is constantly improving its footprint on the planet while producing revenue “north of USD 300 million” (Malone, 2015). TOMS shoes have started out with their ‘One for One®’ approach: for every pair of shoes purchased, one pair of shoes gets donated to a child in need (TOMS Giving, 2018). It has since expanded its efforts to donating eyecare like cataract operations and vision exams/glasses, to clean water initiatives, and providing conditions for safe births (TOMS Giving, 2018).

This trend further proves that people are driven by more than desire to accumulate material possessions. They want to do good for the environment and the larger community.

As our world continues to change, it brings about a shift in attitude, as seen from examples above. Considering employees only in the workplace context is a narrow view, in order to truly understand and motivate someone, you have to know more about them. These examples of shifting values, for instance, in conjunction with the research about rewards, make traditional financial reward system seem obsolete. I am not advocating against adequate salaries, but simply relying on a bonus structure is not enough to tap into the best version the person can be. And for most companies in the Western world, innovation and creativity is a must to stay competitive, and that can only happen when employees are motivated to do more than what is absolutely necessary.

The trend scanning exercise proved very valuable, as Subsection 3.1 and 3.2 highlighted changing attitudes, and I needed to see evidence of this in the economic, societal and environmental sphere. Emerging trends show that the external environment is shaping how people choose to live, from selecting sustainable energy sources to supporting a circular economy. The rise of populism and the counter-consumerist movements certainly influence organizations since we bring our beliefs and values to work every day. And while these things sit on the peripheral, they contribute to the invisible rules of behaviour that govern our days, both at work and at leisure.

This brings to an end the literature review portion of this paper. Moving forwards I will be discussing original research in form of interviews, analysis of the data discovered, and my take on what is needed to create a sustainable practice of employee motivation.
Participants and Procedures

To provide this study with more context, semi-structured interviews were used as the primary research method to gather more real-life opinion.

Procedure: Semi-structured Interviews

A semi-structured interview can be defined as a qualitative method of inquiry that combines a predetermined set of questions that prompt discussion with the opportunity for the interviewer to explore particular themes or responses further. I chose this method in order to probe interesting directions the subject was taking. I wanted an opportunity to go off track and explore in depth the issues that were important to the interviewee.

I followed the format from Giff Constable (2014) in his book “Talking to Humans”. The interviews were meant to gather real life impressions interviewees had of their organizations, how does the organization motivate its employees, what areas of improvement might there be, and what motivates the interviewee personally. I had a couple of assumptions about what the most important elements of motivation could be from secondary research. My assumptions came from the literature review portion of the study. For example, I expected autonomy to play a big role in motivating people based on the work of Deci and Ryan who defined the need for autonomy as one of the three basic psychological needs that have to be satisfied in order for a person to thrive (Ryan & Deci, 2017). The other assumption I had was that progress at work, be it in project itself, or progress in regards to individual goals, is going to prove crucial. This was based on the work of Dr. Amabile and my own observations of the level of motivation I experience when reaching some goals and making progress towards other ones. I used semi-structured interviews as a way to sound out the opinions on these subjects, in pursuit of validating or invalidating these assumptions. When an interviewee did not mention autonomy or progress themselves, I had asked follow-up questions to gather this information.

The key learnings from the interview process:
- Using semi-structured interview format allowed me to probe deeper into interviewees answers.
- The interviews were done within time limits. Most of the interviews were conducted through video-conferencing and this format worked very well. They were focused with little to no distractions. The interviews were recorded and then transcribed.
Participants
I conducted 10 interviews in total. The interviewees were part of a number of different industries, such as: digital advertising, integrated software development, fast-moving consumer goods, oil and gas, and strategic consultancy. All of the participants work in the private sector. They were all professionals with varying years of experience in the industry. They ranged from less than 10 years to more than 25 years of experience. The positions the interviewees occupied vary from an intermediate to a senior level.

Following questions were motivation-specific:
1. How does your organization motivate its employees?
2. What areas of improvement do you see?
3. What do you personally do to keep your team motivated?
4. Could you tell me about what motivates you to keep working?
As the method chosen was qualitative and exploratory, I have used consolidation, reduction and interpretation of what people said, and what I have read, in the ‘process of making meaning’ (Merriam, 1998, p. 178). Also, as per Merriam’s direction, literature review was an essential phase contributing to the development of the interview questions and gave me enough information to further probe the topics during the interview.

As I transcribed the interviews, I looked for the most salient points the interviewees were making, things that they discussed at length, repeated, or made special effort to describe. The semi-structured interview format worked well in this regard as the questions were open-ended and not constrained. I was able to ask follow up questions and refer to the important roots of motivation that emerged from my secondary research. The items were then written on sticky notes and placed on the board to see what themes might emerge. Several clusters appeared, for example, centered around autonomy or perks.

I have separated the content into positive and negative areas. The clusters in both areas then were grouped into two major sections that emerged naturally: directly impacting work and indirectly impacting work. Directly related grouping include all the elements to do with immediate profession itself (skills, development in your field etc), while indirectly impacting work grouping encompasses all the things surrounding actually doing your job (office culture, compensation, etc).
When interviewees were describing things that positively motivated them, three topics that directly affect their ability to do their job came to the forefront, and were discussed with almost equal importance. The most important aspect that affected their motivation was autonomy. This validated my assumption based on Deci and Ryan’s work described in the Self-Determination theory in Subsection 3.1. Autonomy was defined as the ability to execute one’s vision. It also included ability to decide on how to accomplish a task (resources, timelines), the power to prioritize tasks, and flexibility to work remotely (autonomy over where one accomplishes tasks). Progress in one’s development was almost equally as important, especially getting feedback. Again, this validated my assumption based on the Progress Principle by Dr. Amabile discussed in Subsection 3.1. Having regular meetings and check-ins with one’s supervisor really helped to make this progress real and not just on paper, as it tends to be with yearly reviews. Breaking down professional development goals into actionable steps helped to keep them top of mind and achievable. And lastly, learning new skills, and doing a variety of tasks was mentioned a lot. This includes having access to a range of work to build one’s skill set, being challenged in professional development, and most importantly, having the resources and encouragement to learn and try new things.
Many things came up in the interviews that did not have a direct relationship to the performance of one’s job but were equally, if not more, important. I base that on the length of time interviewees spent discussing the topic, as well as the level of detail provided. These were the things that make work life bearable and can make it fun. Moments of non-work to create connection, relieve stress or celebrate wins were some of the big ones. These instances of joking around, going for lunch and getting to know your colleagues away from the office, having a beer on Friday, were all fondly discussed. Interviewees especially singled out events that happen off-site, be it a trip that a whole company makes to discuss yearly plans, or smaller events that take you out of the office for an afternoon to learn something new. These types of initiatives seemed particularly energizing and appreciated. And, naturally, the parties and small celebrations are expected and enjoyed. What all of these activities have in common is that they give opportunities to build trust within a team or organization at large. This connects directly to how the Scandinavian organizations approach organizational design and management philosophy, it is built on trust and care (Eriksen et al. 2006).

The other element of work life that was mentioned a great deal were perks, ranging from the location and the level of polish to the office, to the presence of child care and sports facilities options. These are the things people really care about, whether it is something expected like conference attendance of your choice or a spot bonus to show appreciation. A seemingly small thing such as a free lunch with a ‘lunch’n’learn’ makes a really good impression and improves attendance. This finding echoes the effort by SAS Institute in an amazing selection of perks that leads to extremely high employee satisfaction (Brenoff, 2017).
Corporate initiatives such as working for a bigger cause or being able to choose a charity where to spend some of your working time were discussed. Diversity came up as a top-down initiative, such as internal goals for more women in senior roles. Protection for the employees through worker’s councils is viewed mostly as a good thing, as it limits the power the corporation has. Transparency in finance, work performance, and future plans were referred to. Some things I labelled as psychological safety were touched on in the conversation. The feeling that ‘I can be myself at work (within reason)’ echoes the sentiment to bring the ‘whole self’ to work as opposed to hiding behind a professional persona (Deloitte Center for the Edge, 2013). It also means having an environment where employees feel safe to do that, which is a testament to the internal culture. Feelings of trust and mutual respect enhance the working experience tremendously. Great people cropped up as a motivator, having co-workers you can count on is contributes to the high trust environment.

Compensation is another driver of motivation, for, as much as we work best when we are driven by intrinsic motivation, the bills still have to be paid. Money remains a motivator, and expected raises and bonuses are part of the reason people get out of bed in the morning.

For people with demands on their time such as dependents, work-life balance was a huge motivator to stay in the company. Ability to work from home on a regular basis, the option to pop out and pick up the kids and continue to work later is very much appreciated. To make work life sustainable and avoid burnout, work-life balance is important and should be made a priority even for people with no dependents. Self-care is essential to function well for the duration of your career, as it is less of a sprint and more of a marathon. Results-Only Work Environment provides a solution, since its strength lies in flexibility and allowing a completely customizable schedule. As mentioned in Subsection 3.2, Gap had difficulty retaining highly trained staff once they left on maternity leave (Fox, 2009). The employees reported high levels of satisfaction with work but low levels of confidence in how it can work once they have family responsibilities (Fox, 2009). After piloting the approach for a year in 2009, it was so successful, that it was rolled out to more departments and continues to be adopted.

Upon review of the data in the positive grouping, my expectation that autonomy would play a big role in motivating people was fulfilled completely. This topic came up in nearly every interview. It echoes the research findings quoted at the beginning, the work done by Deci and Ryan on the Self-Determination theory. According to Deci and Ryan (2017), autonomy is one of the three psychological needs that we have that needs to be met, in order for a person to thrive. For a manager the learning is to get in the habit of developing trust and delegating tasks. It takes time for the team to grow together but it is definitely a process worth investing in.

The importance of non-work related connections was expected. My own work experience informed it, and it was substantiated by the Scandinavian model, where values such as care and trust play a major role. In order to develop these values, a manager needs to provide opportunities for connecting outside of the work sphere, be it a team lunch or an activity where you learn something new.

What was surprising to me is how much people cared about perks. The quality of the office design, the furniture, the location, straight up benefits like bonuses and money towards personal development came up at length in the interviews. So the learning for management is to sweat the small stuff, invest in a great coffee machine and think about how to make people comfortable.
**NEGATIVE DIRECT IMPACT**

Gaps and missed opportunities in employee motivation were part of the questions. Here, the findings were also grouped into items directly and indirectly affecting performance. Issues that seemed structural in their nature influenced people’s ability to perform optimally. Surprisingly, abundance of autonomy came up as a negative when an employee was inexperienced or brand new. Lack of senior staff support was the issue, no one to turn to with decisions that had big implications. That created a lot of pressure, stress, and a lack of confidence. Traditional offenders such as shortness of resources were clear negatives, as they result in overtime and work-life balance suffers. Flux in staff due to high turnover also influences the output negatively as unfilled roles create more work for everyone else. No organizational flexibility in role development hindered progress as employee’s goals shifted. And processes on every level of organization for touchpoints and communication often fall by the wayside as projects get busy. During the hectic time it is even more important to keep employees’ motivation top of mind since this is a recipe for burnout and turnover.

A lot of issues crop up when an organization is experiencing rapid growth: goals and objectives become less clear, transparency suffers and, as the roles morph and new ones appear, a lack of definitions and responsibilities can contribute to chaos. There are some issues specific to a flat type of an organization. Once the growth exceeds what an initial group of leaders can manage, hierarchy gets inserted and it is not always smooth. Employees that are used to the ‘old ways’ of doing business resent the latest additions, there is hostility to new hires or the ideas they bring with them. Because of the

![Figure 9. Visualization of research: direct negative impact on work.](chart.png)
lack of structure, and therefore lack of transparency into who is doing what, productivity starts to suffer. There can be a doubling of effort and overlap of initiatives. Overall it seems adding hierarchy to the flat organization is a tricky thing and needs to be approached with careful consideration.

It would not be a well-rounded discussion without mentioning some negative personality traits that employees display. Complacency grows with time, a feeling that someone else will pick up the slack, causing stagnation in the atmosphere. Relying on one’s seniority for arbitrary decisions, judgmental behaviour and motivating by the outdated technique of a stick/carrot were all mentioned as things that suck motivation right out of the workplace. These are exactly the type of behaviours that approach such as Holacracy aims to eliminate, by placing focus on clear role responsibilities, governance processes to affect change and decentralization of power. Quite often these negative behaviours go unreported for a variety of reasons; nobody wants to be a snitch, or the person misbehaving might be high on the corporate ladder. A healthy organization plans for pathways to manage this by providing unbiased policies and, more importantly, trustworthy people to turn to. Conversely, if the organization lacks such processes, toxic environment can quickly become the norm and lead to people leaving.

Teamwork was discussed, the importance of internal alignment and how difficult things can get when employees fail to put team first. This can cause a project to derail completely, a presentation to go awry and create a harmful atmosphere that makes motivation plummet. Going through team exercises that let employees discover their styles of conflict management, for example, could be very eye-opening and help mitigate some of these difficulties.
Values and culture play the largest role in negatively influencing motivation that indirectly impacts work. The biggest offender was not living the values that are displayed on company’s masthead, saying one thing and doing the opposite. Some others were having no investment in culture and no processes for appreciating the effort of employees. Lack of perks contributed to feeling demotivated, including a visually unappealing office and an inconvenient location. Compensation was mentioned as not sufficient. A lack of diversity in senior leadership was discussed, especially as it pertains to the number of women in top roles. A lack of awareness towards gender bias was mentioned.

Investing in culture and employee appreciation matters, people notice and if companies want to engage and retain experts, they have to continue working on it. Guarding against negative behaviours, having a ‘code of conduct’ that is based on trust and accountability will help keep the working environment healthy. It comes down to thoughtfulness, it seems. Nobody sets out to have a terrible organizational culture, but it is hard internal work that often falls to the side when client work is in a crisis mode. But both secondary research and in-person interviews indicate that employee well-being, although not a simple goal to achieve, is worth continual attention and investment of resources.
Limitations

The study was conducted with a limited amount of interviews (10), all with participants from a private sector. There was not an even sampling from team leaders and team members, the interviewees were more heavily weighted on the team leader spectrum. There was also a large amount of professionals working in marketing agencies, and this definitely skewed the findings as this type of environment allows for higher flexibility in working hours, in comparison with front-line health-care workers. To make the study more well rounded, if revisited in the future, I would strive to select a more varied sample of employees from a broad spectrum of industries. The sample would also include all levels of professionals, starting with junior positions, a level completely missing in this study.

The other limitation worth mentioning is the general quality of the questions. They were quite broad in nature, which was good, since it gave the interviewees freedom to express any opinion that came to mind, but also lacked some focus which was reflected in the general quality of the findings. If given the chance to deep dive into the subject again, I would narrow the focus on one specific aspect of the motivation at work. For example, it would be interesting to know more about the motivation within a flat organization, where there is a very high level of employee autonomy. Specifically, how do tensions get addressed when there are no bosses? How do personality clashes get resolved? Another topic that is very rich in content is self-management. Researching this particular construct would require sampling from organizations that use that method to organize themselves, and the questions would have to reflect the unique nature of that structure.
6. RESULTS
Opportunity

In a perfect world, we would live in a balanced work-life state, fulfilled and acting as our best selves. We would feel challenged and alive both at work and outside. The complexity of private sphere aside, ideally we would go work with an open-mind, thoughtful and positive. Whether in a position of leadership or not, there are things that every employee can do to improve their own well-being and bring consideration to the team. It includes an examination of own goals and measuring them for fit against the organization one works at. Being realistic, allowing others to be human, asking for help without becoming a victim, and attempting to see the big picture. This requires constant effort, a positive mindset, an awareness of own biases and vigilance against bad habits. But even with the best intentions, we may go off course when the organization is not set up to adapt and sense change and have a way to deal with it effectively. Herein lies the opportunity, for an organization to express its purpose in the best way possible, it has to come from the deep understanding how people create their best work and let them do that, through whatever constructs that are necessary.
Guiding Principles

Based on the literature review and the interviews I have conducted, a set of guiding principles has emerged that could be useful in structuring a mindset that would achieve high productivity from team members. This can be done by effectively leveraging motivational research and alternative approaches to management. Each individual is unique and the same can be said for organizations. There is no one-size-fits-all solution, no silver bullet that will fix all problems. Depending on a number of parameters—industry, market state, geographic location, its maturity, size, employee makeup (gender, age, number)—organizational structure will vary. What is a perfect solution for a software startup of ten friends from university is going to be very different from a mature international organization that has grown through mergers.

Before going any further, some table stakes that must be taken care of need to be mentioned. Contractual pieces such as salary, vacation days, health benefits, maternity/paternity leave, bereavement days, all need to be fair and industry standard, because employees talk and resentment arises from a disparity of pay or vacation days allotted. In a liberal market economy (LME) such as Canada, this depends on a personal negotiation skill, whereas in a coordinated market economies (CME), payscale, vacation and benefits are more evenly distributed across the board due to the participation in worker council schemes and government regulations. At the end of the day, employees should be free to focus on their work and not spend valuable time stressing about inequality of pay or time off.

Psychological safety is another item that is non-negotiable, everyone deserves to work in a respectful harassment-free environment with clearly upheld policies of limiting and dealing with negative actions. Once people are paid well, are rested on par with others and feel safe and protected, they are free to bring their best selves to work.

The idea is that if people feel heard, feel like they are progressing and learning, have flexibility and autonomy over how the actual tasks get done, organization will not have to employ the ‘stick’ processes. Processes for not meeting goals and negative behaviour still have to exist, but a manager should know why an employee is struggling in the first place.
The graphic in Figure 11 shows a layered approach to designing an environment that provides optimal conditions for employees to thrive and do their best work. Below is a detailed description of the elements found in the three layers (starting with the bottom first).

<table>
<thead>
<tr>
<th>PRINCIPLES</th>
<th>Execution</th>
<th>Practice</th>
<th>Structure</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Execution</strong></td>
<td>Sweat the small stuff</td>
<td>Empower autonomy</td>
<td>Build on trust</td>
</tr>
<tr>
<td></td>
<td>Frequency is key</td>
<td>Manage for progress</td>
<td>Decentralize power</td>
</tr>
<tr>
<td></td>
<td>Make non-work fun</td>
<td>Set clear goals</td>
<td>Enable self-management</td>
</tr>
<tr>
<td><strong>Be thoughtful</strong></td>
<td></td>
<td><strong>Nurture flexibility</strong></td>
<td><strong>Design for dynamism and adaptation</strong></td>
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<td></td>
<td></td>
<td><strong>Encourage and appreciate</strong></td>
<td><strong>Evaluate often</strong></td>
</tr>
</tbody>
</table>

Figure 11. Guiding principles.
Trust is baked into the foundation because only then the items in the other layers would be actionable. By trusting someone, a confidence in their abilities is expressed. It is essential for building strong relationships, working effectively with each other and ultimately, it leads to authentic engagement. Autonomy, flexibility and being thoughtful towards each other can only happen when there is a high trust culture. This is inspired by both my personal experience of working with people I can trust and the research into the Scandinavian Model which operates on very high level of trust.

Decentralizing power makes organization more nimble in response to change, and avoids arbitrary decisions and bottlenecks. Disclaimer: as this study focused on the knowledge-driven professions, manufacturing sector was not investigated. It is entirely possible that traditional hierarchy works better in that sector.

Self-management lightens the workload of managers, freeing them up to do more product/service related work, and creates a high level of ownership within employees. This has been proven to lead to better performance and higher engagement. Two of the examples cited in Subsection 3.2 show just how effective self-management can be. The example of Volvo plant that reduced defects by 90% in 1987, and FedEx, that cut service errors by 13% in 1989 by giving teams the training and authority to manage themselves (Dumaine, 1990).

In the current economic, political and environmental climate, no company can rest on the laurels of previous success. Ideas spread fast and keeping a competitive edge is paramount. In any organization, a dynamic approach to the parameters of work needs to be applied. This
includes **evaluating and revisiting** job descriptions, responsibilities, processes, even the product/service itself.

The actual ‘how’ of applying these foundational elements will differ based on the style, size and makeup of the organization. Smaller company will fare well with a flat organization approach whereas a bigger, more entrenched organization has to do some checks before determining whether Holacracy or ROWE could work, or perhaps a combination of their elements.
Empowering **autonomy** allows the sense of ownership to grow, and with it, higher levels of accountability and care. By letting the decision-making process reside within each role, clearly defined and dynamically updated, the employees’ intrinsic motivation grows and their enjoyment and commitment to the work soars.

The idea of **managing for progress** brings focus to the everyday process of doing work. With this mindset, small wins and positive events get more recognition, and they fuel inner work life. Great inner work life sets the stage for innovation, breakthroughs and a thriving organization. Miserable inner work life leads to opposite—demotivated workforce and high turnover (Amabile & Kramer, 2011). Managers need to enable events that directly affect the work in a positive way, foster interpersonal relationships that uplift people, watch out for setbacks and events that directly hinder work, and remove interpersonal events that undermine the people, as much as possible. It is a tall order, to be sure, especially since many of the interpersonal events are unseen, comprised of perceptions and emotions, but greatly impact the performance of employees (Amabile & Kramer, 2011).

**Setting clear goals** is another must-have in an organization. Without clear actionable goals employees, individually and in teams, lack a path forward. Goals span from overarching mantra-type statements that define the course of the organization, to department, team, and project level, all the way through to the employee personal goals that help development and growth. Holacracy, for example, focuses on the question “What do you need?” in order to help define the next step to reach the project goal. This lets the conversation be about what is needed immediately, not five steps out, making it
actionable, granular, and executable.

Nurture flexibility pertains to both where, when and how the work is done, and to remaining open-minded during discussions. The flexibility to accomplish work as the employee chooses borrows its principles from ROWE. Naturally, this has to align with the organizational structure and type of work done: work can be done separately, there is no expectation of direct customer-facing engagement during set hours, and the employee is experienced. Remaining open-minded and flexible helps avoid blinders to other points of view and non-constructive arguments.

Encourage and appreciate are both important actions to practice every day. People will do more if they feel like someone believes in their abilities, and support is available if needed. Appreciation is enormously important in enhancing motivation, simply saying “Thank you, great job” makes a huge impact on how much people’s desire to work increases (Ariely, 2016). Opportunities for appreciation with low barriers for participation should be ample, and expressing thanks for a job well done should be part of regular interaction. How formal implementation gets depends on the organization. It can be as regular as weekly shout-outs on Friday or monthly nominations gathered through an app. The size and culture will inform the final execution.

These practice-related principles can be applied regardless of the size, industry, economic climate or cultural context. All of them put the person first, enabling the best versions of ourselves to show up and function. However, the way they are put into being makes all the difference, which segways into the next section: execution.
How something is prepared makes a big difference. Take cookies, for example. Homemade are better, as a rule, than store-bought. Cookies made by hand usually use better ingredients, they are personal, and there tends to be a story behind them. The amount of care matters, whether with cookies or when implementing measures that ensure people feel motivated to tackle challenges that come up.

Based on the research, interview findings and my own personal observations, it pays to sweat the small stuff when it comes to motivation. First, the easy stuff - perks. As discussed in Section 5, people care a lot about the extras at work. Coffee you actually enjoy drinking, a comfortable office chair that does not hurt your back, free lunches and snacks; these small things add up to a big positive impact in how the employees perceive the workplace. The quality of materials sends a message that employees are valued and cared for. Sweating the small stuff also applies to interpersonal relationships. Here, same rule applies, interactions matter, the hellos and goodbyes, inquiries about holidays and weekends, paying attention to birthdays and family events. Doing so sends a very powerful message that employees are significant, not only as means of making money. Nobody wants to feel like a number, dehumanizing people destroys motivation very quickly.

**Frequency of interactions/events is key**. Check-ins about goals and progress, rather than being relegated to a static once a year occurrence, should be part of a monthly routine. Sponsored lunches, off-site events and industry-relevant touchpoints should be part of the expected programming. It gives the impression that, first of all, everything is going well with the company financially,
and secondly, there is someone that cares about high standards and knowledge leadership. Granted, this is more relevant for workers in the knowledge industry, as mentioned in the interview sample limitation, but as we have moved into the knowledge economy in the developed nations, the percentage of workers that fall into this category is high.

**Making non-work fun** is probably the easiest item on this list. The best way to approach it is to have a good sense of people’s backgrounds and what they might find exciting and try a few outings. Naturally, everyone enjoys a good meal, but learning new things is also fun. Cooking with black garlic, going to see how honey is gathered, scavenger hunts of famous landmarks all inject a sense of comradery and allow trust to grow among the team members.

And last but not least is **being thoughtful**. This might sound fluffy but by observing thoughtfulness, some bad decisions that affect company culture would never be made in the first place. Thinking through the reverberations of inserting a layer hierarchy into a flat organization, for instance. How would people really feel about it? Is there anything that needs to be done first to make it more acceptable for employees? It builds on trust and care that are the foundational elements of a healthy organization.

There are certainly other elements that make a difference in how motivated employees can feel in the workplace, but the ones mentioned in the structure, practice and execution layers have been informed by research findings and interview results in this study. I hope I will get to put them to practice in some way when I rejoin the workforce again.
CONCLUDING OBSERVATIONS
As mentioned in Section 2, there are several limitations to the methods used in this study. There is an absence of quantitative data as both literature review and interviews are qualitative methods. As stated in the introduction to Section 3, the selection of both motivation research and organizational approaches investigated is by no means exhaustive. This is due to the depth of material on the subject. There are so many complex topics, theories and great research papers done by scholars and practitioners, that I had to choose some in order to keep this study within the scope of a Major Research Project. What connects all of them is a focus on the individual and regarding that individual both in context of the workplace and out of it. In other words, the research and organizational approaches do not deny the human part of the employee. Given another chance to investigate this subject I would focus more on self-management, as this topic was coming up very often in the literature about the organizational approaches. Another topic that merits looking at is Sociocracy, or dynamic governance. Brian Robertson was inspired by Sociocracy in creation of Holacracy (Bernstein et al. 2016). Recruitment strategy was left out of the study as, although important to the health of the organization, is another complex topic out of scope of this effort.

The other limitation is the number of interviewees, and similarity in the industry they are engaged in. The sample was made up of knowledge workers, mostly in the creative industry, in intermediate to senior roles. Sectors such as health services, education, retail, just to name a few, were not represented. To ensure a more equal representation of employees, a selection of interviewees from a variety of industries is best when doing another study on the subject.

Data in an interview is prone to biases which can influence what gets discussed and noted. Biases such as selective memory bias (remembering or not remembering things that happened in the past), attribution (when positive events and outcomes are attributed to one’s own agency, but negative events and outcomes to external forces), and exaggeration (representing outcomes or embellishing events as more significant than they actually are) tend to happen and need to be kept in mind.
Barriers

During the research phase it occurred to me that the difficulty in applying findings from motivation research studies to the everyday business practice is as follows:

1. **The volume of information.**
   There is a lot of material to find, read and assimilate, there are new studies coming out in a constant stream, plus a treasure trove of information from previous decades, which is just as useful.

2. **The discrepancy in target audience.**
   Many studies are prepared for consumption by academics, not practitioners, quite often with a purpose of being published in a peer-reviewed journal, making the language not user-friendly. In addition, often the material diagnoses the problem without offering a path for a solution. The language, volume and the presentation method of the information are not easily consumable by individuals.

3. **Lack of business case studies in an open forum.**
   Often, unique approaches that increase performance give companies a competitive edge and are considered a differentiator. Therefore, organizations tend to keep the specifics of internal processes and improvements a secret, making it impossible for others to learn from.

4. **Time constraints.**
   The people that this information is most useful to are also the people with the least amount of time to spare. Team leads have a lot of tasks including personnel oversight, client-facing work, concept development, and team alignment leaving them strapped for time to do non-client work.
Apart from the main research question, this study attempted to answer several sub-questions. Having referred to them within the main body of the study, I will address them here more pointedly.

Sub-question 1.
How might the motivation research scale from small to large organizations?

There are some unique changes that happen as the organization goes from a small start-up to a large, publicly traded corporation. Some basic things stay the same, for example, compensation. But, simultaneously, internal motivators such as inner work life, conditions for autonomy, competence and relatedness have to be considered. The 'how' of keeping the motivation high depends on the individual characteristics of the organization. Although it has to be acknowledged that in a small tight-knit community of a start-up, motivating people is easier simply because you know everyone and people have more visibility. As discussed in at the end of section 3, in the comparison of approaches, smaller organizations might do very well with a flat organizational structure that empowers employee autonomy. This approach works if there is no need for extensive support or training of the employees, in other words, staff needs to know what they are doing. Another way to accomplish a large degree of autonomy is to base organization on the values of trust and care, as is the case with the Scandinavian model. To generalize, the Nordic nations do not micromanage, individuals grasping for power are discouraged by the societal norms, and decisions are largely made by consensus. As the organization grows, complexity increases, and employee motivation needs to be approached with more thought. By asking ‘What is hindering us from reaching our goals?’ the leadership team will be pointed in the direction of changes they should make. Perhaps it is high turnover and the inability to retain women after maternity leave, then Results-Only Work Environment might be advisable, as seen from the Gap Outlet example. A lack of efficient system to act quickly on the tensions felt by the employees that leaves people demotivated might indicate the need for a self-management approach such as Holacracy. To sum up, the need to consider employee motivation remains a priority, regardless of the organization size, and the execution of the approach is customized depending on factors such as size, industry type, organizational goals and labour market conditions.

Sub-question 2.
How can companies think innovatively about team members’ development to adapt to the changing economic landscape (decreasing natural resources, protectionism, pressures from globalization)?

I do not think that anyone will argue that the landscape in which businesses have to operate today is complex and increasingly challenging. Tapping into a resource such as employees by doing the things mentioned in the guiding principles will go a long way towards signalling that the workers are valued and cared for, which increases their motivation to do the best possible job, affecting the bottom line. A lot of the time companies chase external talent as a panacea to what is missing in the organization, overlooking the existing workforce. This often
backfires, since the above-mentioned talent is well aware of their perceived value and is constantly on the lookout for the next big signing bonus (Deloitte Center for the Edge, 2013). It would be a better strategy to continue sincere development of the existing talent along with the recruitment strategy of top talent in the market.

Overall, this study shed a lot of light on the topic of motivation in the workplace, opening my eyes to many different ways to approach the structure of organization from a familiar flat construct to a brand new one such as Holacracy. I also had an opportunity to deep dive into the reasons the Scandinavian countries enjoy such high acclaim for their standard of living, working conditions and societal benefits. The ability to invest in human capital and protect people from the disruptions that are part of the capitalist system are the things that I have come to admire about the Nordic countries. Admittedly, they have a very different underlying foundation to their society, both political and economic, and it enables this model. But we can be inspired by their example of creating a high trust environment that fosters ownership, autonomy and the feeling that employees can count on each other.

A common thread throughout—a focus on the ‘whole person’—was observed and a change in individual values and demands of the workplace. The STEEP + V trend analysis confirmed a shift towards pursuit of positive change, environmental consciousness, and intentional consumption. It has also highlighted the need to prepare for rapid technological progress as it relates to job market, and the awareness of the rise of populism as a reaction to the turbulence in the immigration discourse. My research question, How might organizations apply motivation research to real business practices in order to enhance team members performance?, was answered by surveying the organizational approaches that utilize the principles of motivation, and primary research in the form of semi-structured interviews. As a result, I distilled the guiding principles for ensuring motivation remains high in a competitive fast-paced business environment. These guiding principles deal with the three layers of organizational design for motivation: structure, practice and execution. Each of these layers houses influential components to ensure the balance between business objectives and sustainable employee motivation. In the last section of this paper, I will look at what next steps might be appropriate to take when attempting to implement these principles in an organization.
Sustainable practice of employee motivation looks different for each company. It is based on its unique DNA, the objectives, how it started and where it ultimately wants to go. Before creating any action plan, status quo analysis and information gathering needs to happen to determine the right path for the organization. Information about the current and ideal state of the workplace might be collected through employee satisfaction survey, interviews, appreciative inquiry workshop or another participatory method that opens the channels of communication. The best course of action would be to get employees to contribute and co-create the solution for optimal workplace design. This way the solution can get support from bottom up and be reflective of the unique culture of the organization.

As an example, I will run the scenario of an small-medium enterprise in creative services industry. As a starting point, power distribution needs to be considered. Traditionally, in a vertical structure, the power is held by a few individuals high up in the hierarchy. This creates bottlenecks and a less flexible way of dealing with change. In this case, however, after determining that the company will stay private and small, the structure of a flat organization is selected. It is a nimble management-light approach with employees that are experienced enough to run their own projects with little oversight. Flat organization encourages self-management which creates conditions for autonomy and trust. By letting employees decide on the right course of action for their project, reliance on one another flourishes. As a direct outcome of trust, employees stay accountable and responsible. Another thing to consider at this structural level is a process for evaluation and adapting to changes. It can be accomplished by a monthly meeting where the latest external developments from each of the disciplines are discussed, with a discussion component of how to meet the new challenges, be it a new competitor or a change in regulation.

The next grouping of principles is accomplished by working with individuals and setting expectations that the following items have to be delivered. Things such as making sure inner work life is good by enabling employee autonomy, setting clear goals, nurturing flexibility and celebrating wins. Autonomy and establishing clear goals go hand in hand. When employees know what is expected in broad strokes, they can focus on executing the best way they see for the organization. Creation of clear goals requires careful thinking on the part of the leadership. It needs to keep the objectives of the entire organization in mind, while understanding how the skills of each person in the department can contribute towards them in the best way. Once these are established, employees are empowered to ask for necessary resources, resolve conflicting priorities and succeed in their tasks. Managing for progress, in other words, making sure that the employees have what they need to be successful, makes for a largest component in how the organization is run. Many of these items happen simultaneously, need to be revisited or adjusted, that is why flexibility needs to stay top of mind. Deliverable dates, conditions, prices, all can change at a moment’s notice and require a great deal of comfort with ambiguity to keep going. That is why it is equally important to recognize and celebrate wins when they happen, big or small. Both monetary
appreciation and a public-facing shout-out are appropriate.

The last grouping of the guiding principles is best thought of as a program. Execution is most effective when it feels coherent and makes sense from touchpoint to touchpoint. Both employee development and non-work events should be structured in a way that is frequent, fluid and challenging in a non-threatening way. When it comes to employee development, performance reviews should not be a form you fill out once a year and forget it. Whatever means you choose to record it with: paper, google docs, a website/app with more functionality, it needs to have a sense of constant attention. Chats about feedback, goals and progress should be no less than once a month. As for non-work events, it is great to create a calendar to set people’s expectations when things happen. Perhaps there is a mini-session every Friday with a rotating theme, a lunch’n’learn every Tuesday, a bigger event every three months and learning events you can sign up for ahead of time. This requires a dedicated team to create this type of programming in a high quality manner. Overall, skimping on these types of initiatives is tempting, but, like in any relationship, this investment creates goodwill and a motivated workforce. After all, the alternative scenario includes employees faking sickness, surfing LinkedIn or finessing their cover letters.

These ideas are most effective when there is a framework of communicating them to all new staff. Perhaps it is part of onboarding experience with monthly follow-ups as the new hires start working and discover new hurdles. In any case, whatever specific approach gets tailored to the company’s DNA, it needs to have a dedicated team, even if it is two people sharing the workload of creating this dynamic program of employee engagement. It is important, in times of growth or decline, to keep this effort going. These are powerful signals which employees will interpret and make the decision on how to work and whether to work for an organization. Building a company on trust, questioning power distribution, ensuring a good inner work life of employees, and sweating the small stuff when it comes to execution, are just a few things that bubble up to the surface as the most important to implement. And while doing so does not guarantee a 100% success in the organization, they will take you a step in the right direction towards a more sustainably motivated workforce.
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