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**IMMATERIAL AND MATERIAL REWARDING IN MOTIVATING
EMPLOYEES**

Observations in a Public Agency

Master's Thesis in
Public Management

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ABSTRACT:

Rewarding is an essential part of human resource management. Its central goal is to motivate and encourage personnel. Rewarding has effects on the whole of individual's work well-being. The difference and variety of personnel constitutes challenges to rewarding in today's world. The experiences of most motivational rewards are being affected for example by person's age, gender and earlier experiences.

The aim of this thesis was to research what is rewarding and what kind of rewards there exist in today's working life. I was especially interested in the role of rewarding in public sector and its motivation potential. Furthermore, I wanted to consider the age and gender differences, and if there are needs of development in some field.

The theoretical framework of the study consists of two human relations school classics, namely McGregor's X- and Y-theory and Herzberg's motivation-hygiene theory. These theories cover motivation and the factors which direct it, incentives and rewards, particularly in working life. I also used two more practical models, job characteristics model and job design model. These are putting the theories into practise in order to increase motivation, satisfaction and work well-being.

As a research method I used quantitative survey-research. The results are based on internet-inquiry which I conducted in a Finnish public sector organisation. In the analysis I used comparisons under some questions. According to the research results both the employees of various ages and the different genders considered as the most motivational rewards nice work atmosphere, pay, interesting work, possibilities to affect contents of own work, flexible working hours, and praise and recognition.

Young employees emphasised in their answers ascending on a career, flexibility in work arrangements and nice work atmosphere. Whereas older employees emphasised as motivators interesting work and job contents, job security, further education possibilities and nice work atmosphere. The meaning of pay was also quite big and it maintained its rank among all age groups.

When ageing and when thinking about coping longer in working life as the most important rewards were experienced nice work atmosphere, interesting work, flexible working hours, possibilities to affect contents of own work and achievements in own work. Immaterial rewarding has clearly a strong influence on enjoying at work and encouraging to continue longer in working life. The meaning of immaterial rewarding also strengthens and is being emphasised over the working years and within ageing.

There came up some important development needs and wishes among the respondents. Praise and recognition, development discussions, further education opportunities, payment issues and overall communication were the things which would need attention and improvement. Also the factors of job design, especially job rotation, and job enlargement and enrichment, caught attention. In general the respondents would like to have more and better communication and recognition, opportunities to learn and deepen own know-how, and flexibility and creativity in work arrangements.

1. INTRODUCTION

My interest towards working life, personnel's work well-being and human resource management has inspired me in choosing the topic of my master's thesis. Partly I got the inspiration from the economic course, called economics of personnel. There we talked about among other things incentives and rewarding which really got my attention. In my thesis I want to explore this theme, rewarding, and especially immaterial rewarding in working life and its effects on personnel. Rewarding can be studied from several points of views depending on your interests, for example motivation, effects of rewarding on productivity, rewarding as an instrument of management or economic meaning of rewarding (Moisio, Salimäki & Sweins 2006: 5). I will study rewarding from a motivational view and at individual level. Because in public sector there are usually no financial rewards, for example results-oriented salary or profit sharing, we have to find some other ways and techniques to motivate and encourage personnel. At this point the immaterial incentives and rewards come into focus. I want to find out does management really use immaterial rewards or do employees just have so strong intrinsic motivation and will to work without clear encouragement and recognition.

My research questions are:
- What is rewarding and what kind of effects it has on employees' work motivation?
- What is the role of immaterial rewarding in public sector and what is its motivation potential, considering also the age differences?
- Do the employees feel the immaterial incentives and rewards necessary and vital and are there needs of improvement in some field?

I start my thesis with examining what is motivation and where it comes from. In chapter two I concentrate on these themes and also on the theories which give a basis to work motivation. In this chapter I will also focus on the rewarding. What are the material and immaterial rewards that affect people's motivation and what are their impacts? Then I explore the influence and the roles of management and superiors in the entirety of rewarding. Chapters three and four tell about my empirical part of the thesis; the inquiry

and its results and analysis. In the last chapter, number five, I conclude the thesis by summarizing the research, discussing about it and making conclusions.

Some rewarding researchers have made a definition according to which rewarding is a two-way process between an organisation and its members. There are also other actors in this process besides employee and employer, for example labour market organisations. Rewarding can mean all the practises with which an organisation tries to motivate, guide and make its personnel commitment and to attract skilful labour from the market. So rewarding has to be meaningful from personnel's point of view, but at the same time it should be a part of organisation's management system. (Moisio et al. 2006: 10–11.)

What are the things which motivate us in working life? In today's working life it is important for a job applicant to find a work where among other things he/she is happy, the amount of work and the requirements are fit, work itself is interesting and the atmosphere is encouraging and open. An organisation's rewarding strategy has then an important role in attracting, motivating and holding on its employees. An organisation's overall rewarding has to be in order in both respects, material and immaterial. Before an employee comes to an organisation he/she only knows the assured and public material/economic rewards or fringe benefits, and in that point those are significant for an employee. Whereas when an employee is working in an organisation the other aspects of work well-being comes more and more meaningful. The immaterial rewarding is one of the important factors which affect work well-being and atmosphere at a work place.

The role of payment and rewarding systems and the views about rewarding have varied during history. They have been influenced by different development stages of economy and working life, and by changes in labour market systems and in views about leading organisations and employees' motivation. Rewarding affects among other things productivity and personnel's work well-being. That is why the functionality of rewarding is important to organisations, society and individual employees alike. There are several reasons to develop rewarding. Many current changes create pressures to develop better rewarding systems in order to have competitive organisations at labour market. Expecta-

tions about the quality of working life create expectations also to the rewarding systems. (Moisio et al. 2006: 5.)

Poorly organised work and clumsy superior are examples of things which quite quickly can discourage the joy of work. Everyday routines and the spirit of work place affect significantly working and that how it feels mentally. These things are hard to compensate by material and economic rewarding, but they can be improved otherwise. (Kauhanen, Kolari & Rantamäki 2006: 67.) Rewarding in working life is not just money and other economic and material rewards or goods, it is also immaterial things like opportunities to improve and learn, possibilities to contribute to own job, regular feedback and stability of employment. Overall rewarding has a big impact on employees' work well-being and continuing in working life. Rewarding has changed in 21st century. Work performances and requirements are being evaluated more closely and different kinds of bonuses and merit pays have increased. In the background there is an aim about to motivate personnel and make them commitment to an organisation and to improve efficiency. Rewarding is also closely related to public discussion in Finland about work well-being and raising of the retirement age. Adequate human resources work, which includes overall rewarding, helps to maintain employees' capability to work and encourage them to continue longer in working life. (Härkönen 2010: 10–12.)

Work well-being is a current topic in Finland. Uncertainty about the continuation of work and threat of temporary dismissals and different economic problems affect people's work motivation and general well-being. Motivation has an important role in working life. Work is neither inspiring nor meaningful if there is no motivation. Different things affect work well-being, such as working environment, co-workers and employee's own personality. Things which motivate people are for example pay rise, respect from colleagues and atmosphere at work place. Job has to be interesting and changing enough to keep an employee motivated. In order to success it is central that employees are motivated and experience their job meaningful and pleasing. Some of the most important factors of attractive work and commitment are; a) employee's experience about the value, meaningfulness and significance of the job, b) knowing that own know-how increases at work and c) relations with superior(s) and team and pleasant

environment. It is important to realise that employees are motivated by different things. That is why a superior needs to know his/her subordinates and the things which motivate each. (Esimies-info 2010.)

Public discussion about rewarding tends to focus on the material part of it, but immaterial rewarding is in a major role from the viewpoint of work well-being and comfortable environment (Härkönen 2010: 12). Financial rewarding is just a one tool in the entirety of motivating. It is essential that economic rewarding is evaluated and planned as a whole. In addition to basic wage and possible merit pays there are also different kinds of bonus systems, fringe benefits and share-based rewards. Payment by results is often more powerful motive than a sheer basic wage. But in order to success, payment by results should be experienced equitable and legitimate. The whole of wages must be in order so that employees could feel their job valued and worthy. Open communication concerning questions about wages adds contentment with payment. (Esimies-info 2010.)

Constancy of employment is usually at the top when asking the most important things concerning work. But in today's world no organisation can provide lifelong security, so the constant development of work and know-how is one of the best insurances for unemployment. Superiors have also many other ways to influence employees' experiences of meaningfulness of work than just providing possibilities to learn and educate oneself. Nice atmosphere and close relations with co-workers are important for some of us. The key question is to think why employees want to work in this exact organisation and why they stay and feel happy there. Starting point for a meaningful work could be that one knows his/her place in the ensemble of an organisation. Regular feedback, although it would be sometimes constructively negative, helps to feel own work as recognised. Motivating environment is a very important factor. It is nice to work in a great team and when co-workers support each other; working environment and colleagues are backup group not competitors. Open and easy discussion and atmosphere create also a motivating environment. General trust in an organisation and its functioning arises when one can trust in own team and superior. A good relation with a superior is one of the most

important factors affecting work well-being. (Esimies-info 2010; Härkönen 2010: 12, 14.)

But do immaterial incentives and rewards have any place in today's world, where the money seems to have so big role? Especially in the public sector there are challenges and opportunities to use recognition in keeping employees engaged and working toward shared goals. The fact is that in many countries people do not work in public service for the monetary rewards. The lack of rewarding in public organisations is supposed to attract employees who are most averse to exerting effort. But is this pessimistic view true? When citizens are asked about their personal experience with civil servants, many tend to be satisfied with their performance. Is it so that civil servants have so strong inner motivation and interest in society, and a will to contribute and make their country a better place that their own intrinsic motivation carries far enough. Such "public service motivation" i.e. even when material or economic incentives and rewards are weak or non-existent some civil servants appear to be highly motivated in his/her job. (Lachance 2000: 312; Delfgaauw & Dur 2008: 171.)

2. MOTIVATION AND REWARDING IN WORKING LIFE

2.1. Motivation

2.1.1. The concept of motivation

Motivation has an essential role within working life, but what it is actually? Honka and Ruohotie (1999: 13) define motivation as a psychological state, which is related to a certain situation. It determines how intensively, actively and diligently a person is acting and to what one's interest is directed. It depends on motivation how willingly a person is using his or her physical and mental strengths. (Honka & Ruohotie 1999: 13.) An individual's behaviour and acting at work like in all other activities vary with person- and situation-specific. Both innate factors and the factors revised by environment add experiences affecting acting. Innate factors are e.g. traits of personality and mental and physical capacities. Factors revised by environment and experiences contain discoveries, learning and experiences which have accumulated during life time that affect individual's values, attitudes, motives, needs and will. (Viitala 2004: 150.)

Motives cause and maintain motivation. A motive can be conscious or unconscious, external or intrinsic, biological or social. They spring up of needs, desires and expectations, which can be contradictory with each other. A stronger motive usually wins the battle. A person's emotions and sense also affects motives. A motive can be for example a need, a desire, a social norm, a given incentive, a reward or a punishment. (Peltonen & Ruohotie 1987: 20−22; Viitala 2004: 150.)

Motivation is a fire lighter of action, but even the same person's motivation can vary in different situations and times. Motivation depends on intrinsic needs and it can be strengthened by external incentives. The importance of incentives naturally varies with different persons. For some the central source of motivation is their own intrinsic need to perform and the external incentives do not have so strong meaning. Motivation can be divided in different motivations states. Motives, which are situation bonded and limited by duration, refer to state of situation motivation. An example is a need to work

hard without rest in order to accomplish some project. On the other hand there are more general motivation, which is individual, quite permanent and slowly changing state. A person, who has a strong general motivation to educate oneself, is for example usually willing to participate in training programs of his/her work place. (Viitala 2004: 150, 153.)

Motivation can also be divided into intrinsic and external motivation. However, these cannot be totally separated but they complement each other: they exist simultaneously though some motives may be more dominant than others. It is characteristic to intrinsic motivation that the work itself and accomplishments reward, in other words, the motivation is intrinsically transmitted and the reasons for behaviour are internal. Intrinsic motivation is based on human's need to be independent, to learn and to prove how good one is. A human actively seeks challenges and tries to face and win them. External motivation is dependent on environment and the rewards come from outside, not from the actor or work itself. External rewards can be pay or other financial profit, respect or security. The more tempting the rewards are being seen, the more motivational is the working in order to achieve them. Especially when the job is routine and uninteresting, the meaning of external rewards grows. (Ruohotie 1998: 38; Honka & Ruohotie 1999: 14; Viitala 2004: 153–154.)

Work motivation

Motivation has a vital role in working life. Without it the work will not interest, inspire nor get on. Even in the same duty different people can be motivated by different motives. One is motivated by pay rise, the other by respect from colleagues and the third by one's own competence. (Nurmi & Salmela-Aro 2005: 132.) According to Honka and Ruohotie (1999: 17–18) there are three important factors, which affect work motivation, namely employee's personality, work's characteristics and working environment. The first factor, employee's personality, is divided into three parts: interests (What is/are employee's object/s of interest? It depends on employee's interest how an external incentive e.g. money or an intrinsic reward e.g. recognition affect his/her behaviour at work.), attitudes (Attitude towards work itself and attitude towards his/herself, so-called

self-image.), needs (A person is acting and trying hard in a certain way in order to find an intrinsic balance. An individual has a need of appreciation and self-fulfilment.).

The second factor, work's characteristics, has an important role affecting work motivation. What work itself and its contents offer to an employee? Does he/she get experiences of success? Is work meaningful and rewarding? The work itself affects strongly a person's will to do his/her job well. Responsibility, independence, feedback and recognition can affect positively work motivation. Also an employee's achievements, advancements and learning may add weight to motivation. The third factor, working environment, can cover either the immediate working environment or the environment of the whole organisation. One of the qualities of an immediate working environment is for example the influences of a team and a superior on a person's performance. The environment of the whole organisation involves factors, which are common for all in the work place. The other way to divide working environment is to have firstly economic and physical environment and secondly social environment. Pay, material rewards, working conditions and work arrangement for example safety at work are the factors of economic and physical environment. The factors of social environment can be a management style, team spirit, group norms, immaterial rewards and atmosphere of work place. (Honka & Ruohotie 1999: 18; Viitala 2004: 151.)

The act of volition related to working, work motivation, is the key of success in many expert organisations nowadays. An expert's work motivation might be an absolute prerequisite both for implementation of an organisation's strategy and for that an employee feels fine and that he/she is able and willing to work hard. The meaningfulness of work does not arise just from money in expert organisations, but the intrinsic factors are emphasised. An expert's motivation spring up from the need to satisfy social needs, the needs of appreciation or the needs of self-fulfilment. In reference to work motivation it is important that an individual feels and experience his/her job meaningful from his/her own viewpoint. (Kulmala 2003: 16.)

Opportunities to use own abilities are often the most meaningful source of work motivation. The contents of work are also important; interesting, challenging and changing

work assignments motivate and inspire. A viable cooperation with colleagues and clients come also into focus along with feedback and immaterial rewarding. Employees at different ages and at different career stages are motivated from various things. Young may feel the material and financial rewards, promotions and feedback motivating, whereas when the working years increase the opportunities to combine work and family life and to improve own know-how become more meaningful. At the end of the career job security and feedback from colleagues and clients become into focus. Essential is to provide right kind of challenges and rewards at different stages of career not forgetting the individuals' backgrounds. (Kulmala 2003: 17– 18.)

The concepts of work contentment and work motivation are closely related to each other. However, they are separate things. Contentment is a consequence of rewarding a work performance, whereas work motivation is influenced by among other things the expectations about rewarding. The amount or meaning of rewards is just a one factor when defining contentment. Contentment is also affected by that how a person thinks he/she has done the job and what he/she thinks is an appropriate and fair reward. Work contentment affects indirectly motivation because it strengthens individual's conception of connections between effort, performance and rewards. According to motivation researches it can be showed that work performance gets better when work motivation increases. (Peltonen & Ruohotie 1991:18, 20−21.)

2.1.2. Human relations school

Human relations school emerged in Chicago in 1927-1932. In that time Elton Mayo started a research program in the factories of Western Electric. The aim of this Hawthorne research was to find out what kind of effects changes in working environment and tiredness has on the employees' motivation and work performance. The name human relations school refers to the way of thinking in which the focus is on people and persons, not on structures and impersonal processes. Mayo's research results created a base for this new way to analyse organisations. Next couple observations depict this base:

- the amount of work and the rationality of an organisation are not determined by physical capacity but by the social capacity,
- other than economic rewards have a central role in determination of employees' motivation and contentment,
- the biggest possible specialisation is by no means the most efficient form of distribution of work. (Harisalo 2008: 91–92.)

According to human relations school, management is above all about a skill how to manage and treat people, not so much about constructing formal structural factors. Already in the earliest researches it was detected that the manager's personality and ways of action affected substantially organisation's accomplishments. These findings were supported by experimental researches according to which people act effectively when managers/superiors pay attention to them, listen to their opinions and give them freedom of action in the realms of possibility. Human relations school has also explored motivation and means which affect it. It is assumed that when affecting relevantly people's motivation (enthusiasm and spirit), it is possible to increase organisation's competence and efficiency. The purpose of managing motivation is to affect people's will to work, make an effort and strive in order to reach the organisation's goals and satisfy own needs and aims at the same time. (Harisalo 2008: 96–97, 100.)

Since the writings of the human relations school started to come out around World War II, there has been a flood of books, papers and studies on motivation, achievement, industrial psychology and sociology, interpersonal relations at work and worker satisfaction (Drucker 1994: 220). After the war and especially during the 1960s developed considerable interest in what can be described as the psychological factors influencing motivation (Bailey 1983: 35). Next I introduce two motivation theories which both belong in human relations school, namely McGregor's X- and Y-theory and Herzberg's motivation-hygiene theory. On the basis of these theories there is Abraham Maslow's hierarchy of human needs. The main point of the Maslow's theory of human motivation is that a man has basic needs which must be satisfied and after that he/she starts to seek fulfilment to the higher needs. These needs are often presented as a pyramid. The needs at the hierarchical order are; the physiological needs, the safety needs, the belonging-

ness and love needs, the esteem needs and the self-actualization need (Maslow 1987: 15–22). These theories, also called as content theories, emphasise universalistic needs and intrinsic rewards, like job content, and characteristics of the job itself as motivators (Heffron 1989: 266). Generally motivation theories give a fertile base to explore organisations and different possibilities to connect organisations' and people's goals (Harisalo 2008: 101).

Theory X and Theory Y

Douglas McGregor proposed two distinct views of human nature and behaviour, one basically negative, Theory X, and the other basically positive, Theory Y. Under Theory X the assumption is that the average human being has an inherent dislike of work and will avoid it if he/she can. This is because an average man is by nature indolent, self-centered, lacks ambition and is not very bright. Behaviour like in theory X is not, however, a consequence of man's inherent nature rather it is the outcome of management philosophy and practise. Therefore they must be controlled, directed and coerced to perform toward the achievement of organisational objectives. But the promise of rewards is not generally enough and so only the threat of punishment will work and do the trick. Without the active intervention by management, people would be passive, even resistant, to organisational needs. According to Theory X the average human being prefers to be directed, tries to avoid responsibility, has relatively little ambition and wants security. (McGregor 1960: 33–34; McGregor 1981: 257; Latham 2007: 32; Judge & Robbins 2009: 88.)

Under Theory Y the use of physical and mental effort in work is natural for human being. Work can be a source of satisfaction. An average person learns to seek responsibility. There is a possibility of human growth and development but the intellectual potentialities are only partially utilized. Theory Y implies the cooperation and integration of personnel and management. Responsible management make it possible for employees to recognise and develop human characteristics, like motivation, the potential for development, the capacity for responsibility and the readiness to behave toward organisational goals, for themselves. An organisation is likely to suffer if it ignores individual's

needs and goals. The principle of integration demands recognition of both, individual's and organisation's, needs and the working together for the success. Theory Y is about creating opportunities, releasing potential, removing obstacles, encouraging growth and providing guidance. (McGregor 1960: 45–53; McGregor 1981: 262.)

McGregor's X- and Y-theory has been criticized for its simplicity; it divides things too straightforwardly into two groups. X- and Y theory can be valid in certain situations but in reality things are far more complicated and changing and that is why it is hard or even impossible to categorise them in two groups. (Harisalo 2008: 105.)

Motivation-hygiene theory

Frederick Herzberg created the two-factor theory, also called motivation-hygiene theory, especially to the working life. He divided motivation into hygiene and motivation factors. He answers to the question, "What do people want from their jobs?", with the motivation-hygiene theory. When employees are feeling happy with their jobs, they most frequently refer to factors related to their tasks, to events that indicated that they have succeeded and to the possibility of professional growth. It is primarily these "motivators" that serve to bring about to kind of job satisfaction and improvement in performance. These motivation factors which lead to positive job attitudes do so because they satisfy the individual's need for self-actualization in his/her work. Whereas when there are feelings of unhappiness, they are not associated with the job itself but with conditions which surround the doing of the job. In that case the context in which an employee performs his/her work is unfair or disorganized and represents an unhealthy psychological work environment. Factors involved in these situations are hygiene factors. (Herzberg, Mausner & Snyderman 1967: 113–114.)

There are two essential findings from the theory. First, the factors which make employees happy are not the same factors which make people unhappy on the job. The distinguishing characteristic of these two types of factors is whether they describe the job content or the job context. Second, the effects of hygiene factors on job attitudes

have relatively short duration in contrast with the motivation factors which have long lasting attitude effects. (Herzberg 1981: 287.)

Hygiene factors are related to working environment, such as quality of supervision, pay, company policies and administrative practises, physical working conditions, status, interpersonal relations and job security. They are seen as extrinsic to the performance of work, being features of the work environment rather than the work itself. These factors may placate workforce and bring about peace rather than motivate workers. When they are adequate, employees will not be dissatisfied but neither satisfied, in other words; by improving hygiene factors one can decrease work dissatisfaction but not increase work satisfaction. (Parker & Wall 1998: 10; Nurmi & Salmela-Aro 2005: 133; Judge & Robbins 2009: 89–90.) Herzberg was somewhat ambivalent about the hygiene factor of pay. Although the original study definitely classified money as a hygiene factor, later Herzberg stated,

> *"Because of its ubiquitous nature, salary commonly shows up as a motivator as well as hygiene. Although primarily a hygiene factor, it also often takes on some of the properties of a motivator, with dynamics similar to those of recognition for achievement." (Heffron 1989: 272.)*

But after all, salary as a factor belongs more in the group that defines the job situation and context and is primarily a job dissatisfier (Herzberg et al. 1967: 83).

Motivation factors create contentment with job and motivate personnel. They are associated with work itself or with outcomes directly derived from it. These "motivators" are the nature of work itself, advancement, recognition, responsibility, achievement, promotional opportunities and opportunities for personal growth. People find motivation factors intrinsically rewarding. (Parker & Wall 1998: 10; Nurmi & Salmela-Aro 2005: 133; Judge & Robbins 2009: 89–90.)

Both kinds of factors, motivators and the factors of hygiene, meet the needs of an employee, but it is primarily the motivators which serve to bring about the kind of job satisfaction and improvement in performance that is sought from work force. Herzberg (1967: 82) states:

"Poor working conditions, bad company policies and administration, and bad supervision will lead to job dissatisfaction. Good company policies, good administration, good supervision, and good working conditions will not lead to positive job attitudes. In opposition to this, as far as our data has gone, recognition, achievement, interesting work, responsibility, and advancement all lead to positive job attitudes. Their absence will much less frequently lead to job dissatisfaction."

The fewer there appear opportunities for the motivators, the greater must be the hygiene offered in order to make the job tolerable. For example an employee who finds his/her job challenging and satisfying will perhaps better tolerate a difficult supervisor. (Herzberg et al. 1967: 114–115.)

Herzberg's theory could not neither avoid criticism; it has been regarded unreliable and that it oversimplifies things. There is an assumption that it is more like a theory about work satisfaction than about motivation. It has been criticised that the research sample was too biased towards technical and professional jobs rather than manual and clerical ones. Lack of discuss about organisation's environment has also been regarded as a weakness of the theory. One point emerge when considering the work of Herzberg and others; there is an underlying assumption that all people want to satisfy their higher level needs (self actualisation, needs for respect) and that they want to do this through their work. Therefore there arises a question of how widely these theories hold good and whether they apply in all circumstances. Despite the criticism Herzberg's theory is still very popular. (Bailey 1983: 40–41; Harisalo 2008: 108.)

2.2. Incentives and rewards

An incentive can be defined as a stimulus existing in an organisation that may affect the behaviour of the people in an organisation. The effect of an incentive on work performance depends on an individual's needs and the ways, which incentives are being offered. With the help of incentives one can affect that how eagerly people aim for the goals. An incentive urges people to act, whereas a reward satisfies a need; the former brings about action, the latter strengthens it. (Ruohotie 1990: 15; Honka & Ruohotie 1999: 45.) Rewarding can be described as terms of trade in which an employee gives

his/her work contribution to an organisation and gets in exchange different kind of things like pay, rewards, benefits, feedback or opportunities to develop know-how. Both should benefit from this relation; an employee is doing right things from an organisation's point of view and an organisation gives in exchange things which are important for an employee. (Kauhanen et al. 2006: 15.)

Juhani Kauhanen (2010b: 88) has described rewarding as follows:

- rewarding is a management instrument with which organisation's success is being supported and personnel is being encouraged
- employees are being encouraged to act according to organisation's strategy, values and goals
- rewarding should be seen as an investment, with which organisation is being developed, and competitiveness is being maintained and improved
- rewarding should be related to those things with which the productivity is improved both now and in the long run.

From an individual's point of view an organisation is sending an important message through rewarding of how he/she has done the work. On an individual level there are also lots of expectations of rewarding. When succeeding, rewarding supports a person's motivation and decrease obstacles to motivate. From an organisation's point of view rewarding is about directing operations according to the strategy in different time periods. Through rewarding an organisation can affect individuals in a way which causes desired influences. (Kaajas, Luoma, Nordlund & Troberg 2004: 34.)

The nature of rewarding involves always goal-orientation and an aim to direct actively operations. This goal-orientation refers to rewarding as an instrument of managing and leading. However, rewarding is not a way to manage. Many of organisations try to increase or focus activity to conform to strategy, increase commitment and motivation of personnel, encourage cooperation and dividing of knowhow, support carrying out different projects and development plans with the help of rewarding. (Kaajas et al. 2004: 36.)

The whole of rewarding includes material, indirectly material and immaterial rewards. Some rewards refer to organisation's core structures, culture and values, that are not written in processes or instructions. There exist different rewards with different time periods and so they have also different goals. "Fast" or short-term rewards are typically single special rewards or payment by results. "Slow" or long-term rewards can be for example training and education programs. The rewards which are linked to the past (to reward retroactively for successes), to the present (the quality of conversation or feedback when interacting) or to the future (setting a supposition of a reward) are also related to different time periods. Rewards aiming at the future are the hardest one to set. (Kaajas et al. 2004: 36–37.)

There exist both material/economic (money) and immaterial (e.g. encouragement, appreciation) forms of rewards. The division into material and immaterial rewards is not very clear or unambiguous, because many of immaterial forms of rewards are indirectly material (e.g. education programs, career development). Indirectly material rewarding as such does not include economic rewards, but it leads to economic rewarding (e.g. career development leads to rearrangement of work tasks and to changes in pay) or it demands economic investments from an organisation (e.g. training and education programs). (Kaajas et al. 2004: 38.)

2.2.1. Material rewards

Material or economic rewards involve both financial rewards (direct rewarding) and benefits which can be clearly measured in money (indirect rewarding). These benefits refer to either statutory or voluntary benefits that have some economic value at least for an employer. Employees may value these benefits quite differently. In Finland, statutory benefits are different social security benefits which are related to wages, e.g. employment pension, sickness insurance, accident insurance and unemployment insurance. (Kaajas et al. 2004: 39; Kauhanen 2006: 109.)

Voluntary benefits are additional insurances, which an employer possibly is paying (retirement pension-, travel-, nursing costs- and other insurances), and different fringe ben-

efits like meal, company car, housing benefit and telephone. In Finland all these fringe benefits are liable to taxation. Because the taxable value of these benefits is usually smaller than the market value, the benefits are being received almost without exception. Beside of these fringe benefits an employer can provide benefits which are exempt from tax, but only if they are customary, reasonable and offered the whole personnel. Here are some examples; health care which is more exhaustive than a statutory one, hobby and sports activity in leisure time, personnel discount on an organisation's products and services, possibilities to spend a holiday e.g. cottage, leisure time insurance and updating education. (Kauhanen 2006: 109, 115.)

Usually the problem concerning indirect rewarding is that the personnel may not completely appreciate or understand the value of offered benefits commensurate to expenses resulted to the employer. Therefore management should be aware of things which are appreciated among personnel and what to invest in. An organisation should also know which decision will benefit it most. For example an exhaustive occupational health care and supporting of fitness training and exercise can be real invests if by using these one can reduce work disability and cut sick absences. It would also increase psychological and physical well-being and prevent need for rehabilitation. To success organisations need wide conversation with different parties for example finance and personnel departments and occupational health care. Easily the people working with finance consider all things as expenses and the people working with human resources as rewarding and binding. Then the general view, from both an organisation's and an individual's points of view, is missing. (Kauhanen 2006: 116.)

The financial rewards are usually the most common ones to people. They are wage, payment by results (e.g. incentive wage, profit sharing, employee fund sharing, option and share arrangements), different kinds of bonus payment and merit raises, single special rewards (e.g. one-off special rewards, product gifts and other rewards which can be measured in money), competition rewards (e.g. sale competition), innovation and invention rewards and pension plans. (Kaajas et al. 2004: 39; Kauhanen, J. 2010a.)

Material or economic rewarding serves many different means. With the help of material rewarding one can

- attract potential job applicants
- keep the excellent employees in an organisation
- get a competitive advantage
- increase productivity
- support an organisation's strategic goals
- strengthen and specify an organisation's structure. (Kauhanen 2006: 111.)

2.2.2. Immaterial rewards

When talking about immaterial rewarding usually first to people's minds come feedback, encouragement and praise. But there are also lots of courses of action and cultural characteristics in organisations, which include in immaterial rewarding. Some research have suggested that whereas material and economic rewards may be more motivating in the short term, in the long run, nonfinancial rewards are more motivating (Judge & Robbins 2009: 116). According to some motivation theories; the bigger is the wage, the bigger is the meaning of immaterial rewards. Immaterial rewarding is important especially in expert organisations, where the meaning of intrinsic motivation is high. Nonfinancial rewarding is also related to emotion experiences which result from material or indirectly material rewarding. (Kaajas et al. 2004: 43; Moisio & Salimäki 2005: 194–195; Kauhanen 2006: 131.)

Instruments of immaterial rewarding are for example possibilities for education and learning, development and getting ahead on career, chances to influence and participate, getting feedback, and arrangements concerning work and working time. Immaterial rewarding can be roughly divided into rewards concerning career, and social rewards (Kauhanen 2006: 131). Next we look at closer these two types of rewarding.

Career rewards

Rewards related to career can be divided into different factors:

- work itself

- education

- flexibility of a career

- possibility for increase in incomes. (Kauhanen 2006: 131.)

Work itself

Work itself has to be motivating and challenging enough to keep an employee diligent and committed. An interesting and inspiring work is intrinsically motivating and creates the joy of work to its maker. Intrinsic motivation and motivating job can be understood with the help of the modern job characteristics model, developed by J. Richard Hackman and Georg Oldham. It proposes that any job can be described in terms of five core job dimensions that relate to the motivation and satisfaction of employees:

- *Task and skill variety.* An employee can use a number of different skills and talents in his/her job.

- *Task identity.* A job requires completion of a whole and identifiable piece of work rather than simply a part. Extensive work assignments.

- *Task significance.* A job has a substantial impact on the lives or work of other people inside or outside an organisation. The extent to which an employee finds the job to be personally valuable in some way.

- *Autonomy.* A job provides substantial freedom, independence and discretion to an individual in scheduling the work and in determining the procedures to be used in carrying it out.

- *Feedback.* An individual obtains direct and clear information about the effectiveness of his/her performance. (Parker & Wall 1998: 11–12; Gibbs & Lazear 2009: 193; Judge & Robbins 2009: 105; Kauhanen, A. 2010.)

The Figure 1 on the next page shows the elements of the job characteristics model and their interrelationships.
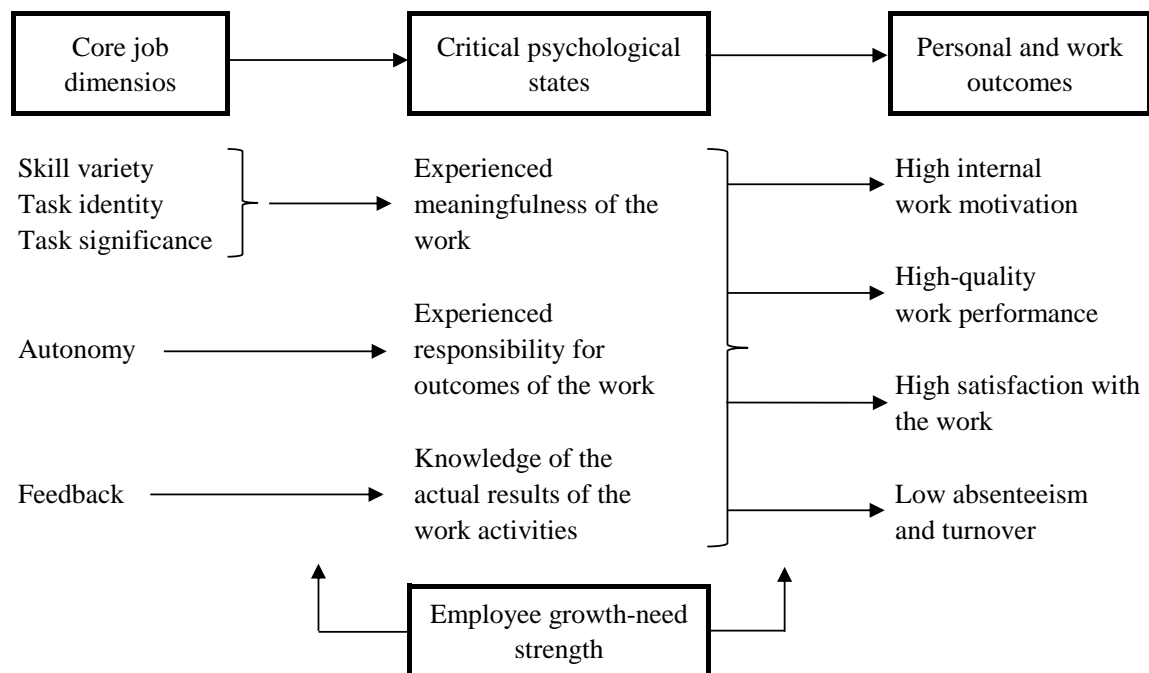
Figure 1. The job characteristics model (Judge & Robbins 2009: 106).

The first three dimensions, skill variety, task identity and task significance, create meaningful work leading to greater motivation even without the use of pay for performance. The job is psychologically motivating and the employee will find his/her work important, valuable and worthwhile. Jobs that provide employees the ability to perform more tasks or learn more skills are likely to provide greater intrinsic motivation. A high autonomy will give an employee a feeling of personal responsibility for the job. It is important that an employee gets feedback for the job and knows how effectively he/she is performing. From a motivational point of view, the job characteristics model says that employees obtain immaterial rewards when they learn (knowledge of results) that they personally (experienced responsibility) have performed well on task that they care about (experienced meaningfulness). The more all these states are present, the greater will be employee's intrinsic motivation, performance and job satisfaction and the lower their absenteeism and the probability to leave the organisation. The links between the core job dimensions and the outcomes are moderated or adjusted by the strength of the individual's growth-need, that is, desire for self-esteem and self-actualization. When an employee is intellectually challenged by the job, intrinsic motivation arises. The term to

refer to differences in the degree of intrinsic motivation is to say that individuals differ in their growth-need strength. (Gibbs & Lazear 2009: 193–194; Judge & Robbins 2009: 105–106; Kauhanen, A. 2010.)

There is a close connection between job design or redesign and work itself. Job (re)designing is kind of putting the job characteristics model into practise to make jobs more motivating and interesting. Here are six different examples of job (re)design, which can act at the same time as rewards or incentives too. The first four means are related to contents of work.

Job rotation. When an activity is no longer challenging or interesting enough, the employee can be rotated to another job or task, which has similar skill requirements, and usually at the same level. The strengths of job rotation are that it reduces boredom, increases motivation and versatility and creates flexibility. However, training costs are increased. Sometimes productivity is reduced by moving an employee into a new position just when efficiency at the prior job was at the highest, and sometimes it is gained more when an organisation has multiple skilled persons and job rotation is making personnel more efficient and motivated in the long run. (Judge & Robbins 2009: 107.)

Job enlargement. The idea is to expand jobs and work assignments horizontally to create more complete and hence more meaningful jobs (Bailey 1983: 78). This means increased number and variety of tasks and processes in order to have new and wider entireties and jobs with more diversity.

Job enrichment. Job enrichment refers to vertical expansion of jobs. It can increase an employee's control of the planning, execution and evaluation of the work. The aim is to enhance the motivational content of the job in terms of increased autonomy, decision making, responsibility, recognition and individual development (Bailey 1983: 78). By enriching a job an employee's freedom, independence and responsibility increase. Traditional way to enrich a job is to transfer superiors' power and responsibility to employees. An employee may also have freedom to decide for example his/her own time tables, working methods and breaks. Job enrichment demands from an employee exten-

sive know-how, skills, independent reasoning and ability to make decisions. (Kauhanen 2006: 57; Judge & Robbins 2009: 108.)

Job organising. The same job can be organised and done in different ways for example by using teamwork. (Kauhanen, J. 2010a.)

Workplace. A possibility to do the work somewhere else than in an ordinary place of work or workstation. An ideal example is telecommuting, which refers to employees who do their work at home for example at least one day a week. A job can also be naturally mobile and/or it does not need a certain workstation to be done. Due to modern information technology and telecommunications telecommuting has increased. (Judge & Robbins 2009: 110.)

Working time. Every job has its own working hours but there are different ways to arrange them. The concept of working time includes for example the possibility for flexible working hours. It allows employees some discretion over when they arrive at work and when they leave. A part time job, different day, week or year working hours, shift work, permanent and temporary employment are also examples of different ways to do work and arrange working time. (Kauhanen 2006: 58; Judge & Robbins 2009: 109.)

Working equipment. An employee needs appropriate, high-quality and up-to-date equipment, which he/she can use and control. Outdated and impractical working equipment decrease quickly work motivation. Whereas modern and efficient equipment may essentially increase it, in which case also the amount and quality of work increase. (Kauhanen 2006: 60–61; Kauhanen, J. 2010a.)

Education

Education as a career reward does not imply just to formal education and training, but also to learning new things and skills at work. Many organisations pay attention to its personnel's know-how and education by paying for example different course fees and book procurements. This is a cheap way to an organisation to educate and develop em-

ployees. Nowadays many employers think that employees must take care of their professional skills and keeping up of them mainly at the spare time. An employer can financially support in direct expenses. It is more a question of employee's own will and use of time than for example money and place of living. (Kauhanen 2006: 132: Kauhanen, J. 2010a.)

Education can also refer to growth and development in general in working life: for example an orientation of new employees or to new duties; development discussions which are put on frequently enough (once in a year is not usually enough); mentoring when a more experienced person mentors and assists a junior member of staff in his/her career; coaching in which the goal is to achieve individual's or organisation's development, growth, balance and ecology by improving performance and courses of action and by exploiting present and unused potential. (Kauhanen et al. 2006: 76; Suomen Coaching-yhdistys 2010.)

Flexibility of a career

Flexibility of a career refers to that how flexibly an employee could have moved from one duty, work or sector to another. It is about growing path in several directions, not just about straight and simplistic career path. These growing paths can be for example superior path, expert path or developer path. In practise these can for example refer to deepening or enlargement of own expertise, job rotation inside an organisation or development into a top expert in a current job. (Kauhanen 2006: 132–133; Kauhanen et al. 2006: 79; Kauhanen, J. 2010a.)

Possibility for increase in incomes

Usually getting ahead on a career or more demanding duties mean among other things bigger incomes. Sometimes a possibility for extra income refers to that an employer wants to reward a person for example with a single special reward for a good project. (Kauhanen 2006: 133.)

Social rewards

Social rewards are usually the best-known immaterial rewards. They refer primarily to status symbols, praise and other recognition, contentment with work assignments and social relations.

Status symbols

Status symbols are visible signs of rank. There exist quite amount of different symbols, for example:

- job title/ classification of work
- visiting card
- work station (location, size and equipment)
- working equipment
- work clothing
- working hours
- number of subordinates and educational background
- car park
- credit cards
- passes
- secretary and assistant services
- medals and titles
- other special rights and services. (Kauhanen 2006: 134; Kauhanen, J. 2010a.)

All these symbols create an image of that what kind of position an employee has in an organisation and how much a management and superiors appreciate him/her. Some symbols or things are essential in order to have proper working conditions and to reach good performance. So they are not always regarded as status symbols. Fundamental is how other people see and consider these things and how a person him/herself sees them. Although sometimes status symbols are being diminished, to some people they are really important and if it comes to the crunch a person might be willing to exchange pay rise or cut for status symbols. (Kauhanen 2006: 134.)

Praise and other recognition

Recognition can be in its simplicity just about giving someone feedback on what a person has done right or just saying "thank you" or "that's better". It is a question of celebrating successes and acknowledging effort, commitment and learning, even if the outcomes were not as planned. The one fundamental reason why recognition works is that it is a way to show you are paying attention. People want to feel that the recognition they receive is sincere, genuine and personal. Recognition is a big part of motivating people by giving a direction and purpose to what they do. By recognizing accomplishment clearly and timely, one can keep enthusiasm going. (Lachance 2000: 308; Milne 2007: 30.) An important thing to remember is that recognition does not involve just interaction between superiors and subordinates but also between colleagues horizontally. The obvious advantage of praise and other forms of recognition and feedback is that they do not cost anything. It does not take much time and one does not have to fill in any forms. That is why you would think that praise and recognition are very common, but at least in Finland recognition is being delivered far too seldom. (Kauhanen, J. 2010a.)

Usually the basis for the recognition and feedback is to strengthen something that is already good or to better something that can be improved. That is why personnel would like to hear besides positive feedback, the kind of feedback which could help them to advance. Thus a superior may in vain to worry about giving feedback on poor performance. Feedback and recognition can be divided in two categories; strengthening and constructive feedback. Strengthening feedback is an expression of contentment and it supports current activities and direction. It encourages and inspires to continue. Strengthening feedback behoves one to give in public. Constructive feedback is an expression of hope or expectation. A superior tries to express that he/she wants to help an employee and encourage to alter activities. Constructive feedback is given in private. (Kauhanen et al. 2006: 71.)

Contentment with work assignments

Some people may come to work for the pay, but they usually stay at work for other reasons like chances to learn new skills or just for an inspiring and motivating job (Lachance 2000: 307). According to researches a person is contentment with the same duties for about four years. Within the time the interest in assignments fades and that is why the work assignments should be changed at certain intervals. But too frequent changing is not expedient anymore from an organisation's and performance's standpoint. (Kauhanen 2006: 135.) In an ideal situation work assignments are being tailored to the needs and skills of every employee individually. That is not of course always possible, but the basic rule should be that everyone has interesting and motivating work assignments, which can be revised when needed.

Social relations

An organisation can reward its employees providing them interesting social contacts. Many might appreciate possibilities for represent own work community inside or outside an organisation, for example working as an organisation's representative during important visits. An organisation can also choose employees for example to its own branch's interest group. One must remember to consider that not everyone likes and get motivation from these kinds of representation tasks and new social contacts, instead they are being regarded as additional strain or unpleasant. (Kauhanen 2006: 135–136.)

2.2.3. The meaning of rewarding

An organisation creates opportunities to success for example by taking care of the clearness of the goals and assignments, and providing appropriate working equipment. Good performances arise when employees can and want to do the job well and organisation gives opportunities to that. With the help of rewarding successes can be supported from three different views, see Figure 2 on page 33. In order to attain good work performance an employee must have opportunities, abilities and will to act and work. Rewarding encourages personnel to develop their know-how, and also increase the will to

work harder. It may clarify the goals, ease giving feedback, and increase communication. (Kauhanen et al. 2006: 19–20.)

Opportunity to do

Clear goals, roles and responsibilities

Feedback

Open communications and good relationships

Appropriate working equipment

Ability to do

Professional skills and knowledge

Organisation-specific special skills

Interaction skills

Readiness to change and develop

Will to do

Motivation

Will to success

Experience of

appreciation

Strengthening and

constructive feedback

Figure 2. Preconditions for good work performance (Kauhanen et al. 2006: 20).

The effects of rewarding are diverse; at the same time they can be both positive and negative, and short- and long-term. It can be gained a lot of good effects with rewarding, but sometimes organisations are quite negligent to find out the functionality and effects of rewarding. Here are examples of good effects:

- leading the activities in the right direction
- development of desired culture and atmosphere
- increase in cooperation
- increase in productivity and efficiency

- attractiveness of an organisation

- commitment of personnel

- improvements in work well-being

- experiences of fairness and respect

- better understanding of strategy and one's own role. (Kauhanen et al. 2006: 31–32.)

Rewarding is also a mean to attract new employees and to keep present employees satisfied. A will to come and stay in an organisation arise from different things. For some the money is the most important criterion. Competitive pay and benefits are important, but more often and especially in expert organisations the contents of work, ways of action, and learning and development opportunities are very crucial to employees. (Kauhanen et al. 2006: 35.)

The whole of rewarding can support and improve personnel's work well-being. The basic idea of the concept of work well-being is that the working ability is comprised of the wholeness of individual, work community and working environment. But it is important to notice that also the factors outside the work, like the structures of society, family and immediate surroundings, affect individual's working ability. The enhancement of work well-being ought to be a fundamental part of every organisation's personnel policy and development. Basically the enhancement of work well-being is about maintenance and increase of employees' resources. The employees' resources are organisation's social capital which consists of people's social relations in organisation's operations. (Vesterinen 2009: 270, 273.)

Two fundamental things concerning work well-being are clear goals and feedback/recognition. In order to success at work one has to know what is being wanted and expected. Strengthening and constructive feedback helps to guide and direct activities. Recognition and feedback tells that the work is important and appreciated. Another fundamental thing about work well-being is the balance between own know-how and the job's requirements and challenges. In order to keep the balance we need means to develop know-how, enrich and enlarge jobs, and increase flexibility. All the factors of job

(re)design support maintaining this balance, see pages 24 and 25. Also the fringe bene-
fits and career and social rewards support work well-being. Employees appreciate sta-
bility of employment, opportunities to flexible working hours and extensive occupation-
al health care. By taking good care of work environment, working equipment and at-
mosphere one can support welfare at work. (Kauhanen et al. 2006: 33–34.)

On 21st century there has been a lot of discussion about work well-being and this new
term, control of working ability. These terms refer to question of how an individual
would stay able and eager to work longer than before. Working careers can be extended
in three different ways; stepping into working life earlier, cutting down the breaks dur-
ing career (e.g. sick leaves and unemployment) and leaving working life later than no-
wadays. There are three parties which can affect work well-being; an individual, a work
organisation and a society. A work organisation has several means to affect its em-
ployees' working ability and well-being. These are for example contents and variability
of work, working hours, amount of work, safety at work, atmosphere, work motivation,
reconciliation of work and private life, leading and management style, rewarding and
benefits. Superiors can have an influence on almost all of these things directly or indi-
rectly. Essential is that a superior is aware of prevailing situation at work place and is
working actively to improve work well-being. By investing in work well-being and con-
trol of working ability an organisation can affect its direct and indirect costs and em-
ployer image. (Kauhanen 2010b: 107–108.)

Although high personal income is associated with well-being, the relation between these
variables is complex. Individuals may achieve higher happiness and well-being by earn-
ing higher incomes, when they move upward relative to their material desires and in
relation to others. However, as everyone's income rises in prosperous societies, rising
income does not seem to provide a well-being dividend. (Diener & Seligman 2004: 7.)
Clark and Oswald (1996: 360, 375) found that employee's levels of well-being and job
satisfaction depends not on absolute pay, but on pay relative to other employees. Meas-
ures of comparison income are negatively correlated with levels of happiness at work.
Employees are more satisfied with work when they compare themselves with others
who have lower income than they do. So money does not necessarily bring happiness

and well-being at work. The joy of working must then be found from somewhere else than from payment. Hagemann (1993: 33–34) has also concluded the same phenomenon; high income does not automatically guarantee that an employee enjoys his/her work. Indeed, paying bigger pays to the employees who already earn much, does not increase their motivation. They will compare themselves also in the future with they who earn yet more. Decisive is that the pay is experienced fair both with regard to employee's own abilities and input and that of others.

2.3. The role of management

Rewarding is an instrument of management in organisations. With the help of rewarding, strategic goals are made concrete and changed to functional aims. Rewarding tells what is being expected from an employee. It is relevant from an organisation's point of view how much an employee is willing to work hard and to what his/her energy is directed. Hence an organisation should know what things motivate a worker and get him/her to work hard to achieve exact this organisation's goals. (Kauhanen et al. 2006: 16.)

Rewarding should always be related to an organisation's strategies, results and values. The first step is to formulate a rewarding strategy which tells how rewarding is wanted to support the realization of organisation's strategy. The bases of the payment and rewarding should emerge from the rewarding strategy. A rewarding strategy describes those ways of action with which an organisation tries to achieve its goals. Next step is to define what the whole of rewarding consists of, namely an organisation's actual ways of rewarding and their meanings. A skilled management brings up from the whole of rewarding those elements which are the most important and meaningful to employees. (Joensuu 2005: 18; Kauhanen et al. 2006: 19.)

In any kind of rewarding, but especially in immaterial rewarding, the superiors are in crucial and important role. A superior works as a representative of an employer. He/She is working in order to integrate the values and goals, develop know-how and maintain

work well-being. Superiors are being expected to have besides good knowledge of common ways of action also knowledge of human nature, interaction skills and situational sensitivity. A skilled professional does not mean automatically skilled superior because leadership demands problem solving skills, ability to act exemplary and support others, will to give recognition and courage to seize difficult issues. The know-how and motivation of superiors themselves have a major influence on success of both material and immaterial rewarding. (Moisio & Salimäki 2005: 196; Kauhanen et al. 2006: 68.)

A superior has a vital role in matching different experts and creating an atmosphere where spreading knowledge and know-how is being encouraged. There should preval an environment where an employee experiences him/herself and his/her own competence as a meaningful part of a team, organisation and organisation's strategic plan. The goals of an organisation are transmitted to employees through superiors, and in the interaction between superiors and subordinates these goals become concrete subordinates' personal goals whose accomplishment is possible to tie to rewarding. The work of superiors has a significant impact on intrinsic and external motivation and on experiences of rewarding. (Kaajas et al. 2004: 68.)

A superior has an important role from a viewpoint of motivation and rewarding. A superior is a person who knows his/her subordinates and so is able to recognize their individual motives and the strengths and developing needs of know-how. The overall rewarding, which includes interactive and responsive processes and subjective interpretation of superior, is made up greatly of the superiors' activities. If these activities are participant, responsive and they support development of know-how, there is sent a message that in this organisation good performance is wanted to be rewarded. (Kaajas et al. 2004: 68–69.)

Important in superior's work is not just ask how can I motivate others but also focus on creating conditions that are motivating to employees. A motivating environment can be accomplished by becoming a values-driven organisation where trust, honesty and ethicality are in a great role, by fostering a safe environment in which to express and share ideas and where it is safe to ask help, by expecting people to act with responsibility and

accountability and by encouraging everyone to do his/her best on the job. (Strickler 2006: 28, 44.) A skilful superior removes factors and obstacles which weaken motivation in an organisation. These factors can be e.g. vagueness in definitions of assignments, unclear job descriptions or areas of responsibility. As a means to improve motivation a superior can affect employees' work contents and its challenges, interaction and the regularity of feedback and development discussions. (Kulmala 2003: 18.)

However the overall rewarding is implemented, employees want to feel that the recognition they receive is sincere, genuine and personal. Personnel need to understand why they are being rewarded; hence a superior must be able to articulate why an award is given. An organisation must reward for what it says its values and give all employees an equal opportunity to receive recognition. Employees also prefer the reward or recognition to be given by someone who means something to them. (Lachance 2000: 309, 311; Milne 2007: 36–37.) For some this may include all personnel from any hierarchical level in an organisation for example colleagues and subordinates, and for some only the persons in higher positions.

Rewarding is not always an easy job and a straightforward process. It is not always evident for a superior what results should be rewarded, and even if that is known it is not always clear how the rewarding should be done. A personnel is made up of individuals and this entails an additional challenge as rewarding should be done at both the team and individual levels. A rewarding is often a very subjective process. Great care must be taken to ensure that favouritism do not impact on the rewarding. Subjectivity opens the door to favouritism when evaluators/superiors use their power to reward preferred subordinates beyond their true performance. (Milne 2007: 35–36.)

There is a threat that a rewarding program deteriorate into a ritual which employees view with cynicism and suspicion. Employees will not support it anymore and without that support, powerful positive effects of rewarding evaporate. The best way to ensure the legitimacy of rewarding processes is to systematically monitor and evaluate their effectiveness. It is important to develop transparent and credible awards criteria and to increase employee involvement in the development of rewarding programs. When em-

ployees have a stake in the creation and management of a rewarding program it will be more meaningful to them and the organisation will benefit from greater commitment and better performance. (Lachance 2000: 310–311.) Employee involvement can for example refer to creation of developing groups, sending a proposal to commentary or processing of goals in meetings. If personnel can actively work with suggestions and participate in discussions about different alternatives and take part in decision-making processes, they get a feeling of appreciation and hence the opportunities to participate can be experienced very rewarding. (Kauhanen et al. 2006: 74.)

Sometimes a rewarding program may lose its edge because people have got used to it or it has simply become dated. This is natural and not necessarily a cause of bad design or management. It demands work, innovation and flexibility in the range of recognition items and actions that programs can use in order to success and stay fresh. Different forms and degrees of achievement and performance should be recognized appropriately and thus the reward should fit the contribution. The programs should be tailored to each organisation's people and culture individually and locally. Simply copying another organisation's program without considering its reception and affects can lead to failure and disappointment. (Lachance 2000: 311.)

3. RESEARCH METHOD AND THE EMPIRICAL STUDY

3.1. Research method

A method can refer to the way to research including techniques, processes and procedures. My method in this thesis is positivism which is an epistemological position that advocates the application of the methods of the natural sciences to the study of social reality and beyond. In epistemology it is important to maintain objectivity and to have knowledge based on facts and which is value free. This kind of knowledge refers to quantitative methods. In positivism the science should be useful and aspires to improve public conditions. Positivism is about explaining phenomenon and it bases on the hypotheses which can be tested with the help of empirical observations. (Bryman 2004: 11; Viinamäki 2008.)

Debate about differences between quantitative and qualitative research has existed long time. Often qualitative research is seen narrowly and it is related to certain means to gather material, typically interviews and field study, or its non-numeric feature, whereas quantitative research is related to numeric measuring and statistical analyses. But in practise these two approaches are hard to strictly separate from each other. They are seen as approaches which complement, not compete one another. My thesis is closer the quantitative research which emphasises quantification in the collection and analysis of data and entails a deductive approach giving weight to the testing of theories. Qualitative research emphasises words and an inductive approach in which the emphasis is placed on the generation of theories. (Bryman 2004: 19–20; Hirsjärvi, Remes & Sajavaara 2004: 125–131.)

In a survey-research one of the central ways to gather material is to make a survey. Survey refers to such forms of inquiries, interviews and observations, in which the material is collected standardised and the target group forms a sample from a population. Standardisation means that a certain thing must be asked similarly all the respondents. The advantage of the survey is that one can gather extensive research material; by using a big target group and/or asking many things. Survey is also efficient because it saves

time and effort of a researcher. Survey's advantage is its objectivity, since researcher does not affect answers through his/her presence and attendance. It also improves reliability when the questions are asked similarly all the respondents. There are also disadvantages; usually material is considered superficial and researches theoretically modest. Other weak spots are that one cannot be sure how seriously respondents take the survey, it is neither clear how successful were the answer alternatives from the respondents' view. Misunderstandings are hard to control. It is also usually impossible for a respondent to ask clarifying information or help from the researcher regarding vague questions. Researcher cannot neither ask supplementary questions like when doing interviews. Non-response can also be sometimes quite high. (Valli 2001: 101–102; Hirsjärvi et al. 2004: 182, 184.)

With the help of survey we can get information about facts, behaviour and actions, knowledge, values, attitudes, beliefs, conceptions and opinions. In addition we can ask estimations or explanations for acts, opinions or beliefs. In most surveys there are also questions about person's background like gender, age, education, profession and family relations. Questions in a survey can be formulated in different ways, usually using these three forms: 1. Open questions, in which a respondent can write an answer by him/herself. 2. Multiple choice questions, in which a researcher has made clear answer alternatives and a respondent picks up the most suitable one(s). After this kind of question can also be an open question where a respondent can for example reveal or highlight his/her opinions. 3. Questions which are based on scales. There are propositions and a respondent chooses how strongly he/she agrees or disagrees. Here is an example of a scale: 1. strongly agree, 2. agree 3. undecided, 4. disagree and 5. strongly disagree. This is an example of Likert's scale. Scales are usually five to seven stepped and alternatives create an ascending or downward scale. (Hirsjärvi et al. 2004: 186–189.)

Validity and reliability

Reliability is concerned with the question of whether we have researched that what we had wanted to. The results of the study must be repeatable. The material and the analysis should be trustworthy and credible. (Viinamäki 2008.) Reliability can suffer for in-

stance when there occur random errors in the inquiry studies, for example a respondent may understand a question differently than a researcher have planned or he/she does not have motivation to answers questions properly or there might exist teleinformatic errors (Uusitalo 1991: 84). Reliability of this research is primarily good, since I am studying and questioning the things and themes that I was planning to study at the beginning of work and in my research questions. Reliability might have decreased since there is no certainty whether the respondents have answered right or truthfully to the inquiry. There is neither knowledge of how the atmosphere and practises of the organisation and recent experiences of the respondents have affected or have been emphasised in the answers. Reliability was tried to be improved by measuring the same characteristics or concepts from different views or in different questions, and handling the research results with care.

Validity is concerned with the question of how reliably we have researched that what we wanted to. Here are the main types of validity:

Measurement validity. A measure should reflect the concept that it is supposed to be denoting. We can for example ask does the IQ test really measure variations in intelligence. The measures must represent the concepts they are supposed to be tapping. If they do not, the study and its findings are questionable.

Internal validity. A conclusion, which incorporates a causal relationship between two or more variables, holds water. If for example x causes y, can we be sure that it is x which is responsible for variation in y and not something else?

External validity. Results of a study should be generalized beyond specific research context. Here becomes the issue of selecting of target group in research crucial.

Ecological validity. Social scientific findings should be applicable to people's everyday, natural social settings. Social research sometimes produces findings which may be technically valid but have little to do with what happens in people's everyday lives. (Bryman 2004: 28–29; Viinamäki 2008.)

The validity of this research is primarily in order. Validity was tried to be improved by clarifying and explaining things that are being sudied and/or asked. The background questions of the inquiry were unambiguous and so they can be considered valid. In the

actual questions about rewarding the same concepts or things were asked in various questions from different views. These views could have been more versatile in order to have better extensiveness but that could have led to too long and wide inquiry and decrease respondents' response willingness. The validity of the inquiry was improved by testing it first and making corrections before the actual implementation. However, we cannot know how the respondents have understood all the questions and the scales in the inquiry. Validity was tried to better with clear questioning form. The respondents answered the inquiry anonymously and there were no contacts with the researcher, so the answers were independent from researcher. The results of the study can be generalised, i.e. external validity, at some level. The inquiry was conducted in the public sector organisation so the results can be generalised quite well at that sector. I believe that results would be somewhat different in a private sector organisation and therefore the results of this particular study cannot be generalised there. The sex ratio of the inquiry was also good and that, for one, improves the validity. The age distribution of the respondents was ascending and I believe that it describes well the usual age distribution generally in public organisations. The theme of the study, motivation and rewarding, is humane and related to people's working life, and that refers to good ecological validity.

3.2. Empirical study

The purpose of the empirical study was to explore the role of immaterial rewarding in public sector and its motivation potential and effects on work motivation. I want to find out if the employees feel the immaterial incentives and rewards necessary and vital and if there is any need of improvement in some field of rewarding. I decided to make an inquiry to one Finnish public sector organisation, South Ostrobothnian Ely-centre. There are fifteen centres for Economic Development, Transport and the Environment in Finland. These centres manage the regional implementation and development tasks of the state administration. There are three areas of responsibility; (1) business and industry, the labour force, competence and cultural activities, (2) transport and infrastructure, and (3) the environment and natural resources. (Elinkeino-, liikenne ja ympäristökeskus 2011.)

The sample of Ely-centre consists of 420 employees. I contacted the corporate communications manager of South Ostrobothnian Ely-centre and she helped me to carry out the inquiry. The info about my research, instructions and the hyperlink to the inquiry were available in Ely-centre's intranet to all participants. The info text and the instructions are attached as an appendix 1. The participants had two weeks to answer the inquiry and I sent one reminder via e-mail to all participants a week before the last answering day.

The inquiry

The inquiry included nineteen questions, the first four were background questions and the rest fifteen were about rewarding. The background questions, age, gender, education and working years at present employer, were the factors which I used as a descriptive and comparing element when exploring the results. In the inquiry I used Likert-type scales in three questions rating the answers into five-point scale. I also had some open questions and then simple "yes", "no" or "I do not know" questions. The purpose of the inquiry was to increase knowledge of the studied group, mainly in the areas of rewards and their motivation effect, satisfaction with and attitudes towards rewarding and job design. Next I go through the questions, their themes and scales.

Questions relating closely to the rewarding at the respondent's work place and their attitudes;

Rewarding strategy or plan was measured in three questions concerning whether a respondent knows if there is a written strategy or plan, should there be one or should the present one be revised somehow.

Rewards were measured with seventeen-item scale. A respondent chose the concrete rewards which are used at his/her work place.

Motivation potential was measured by a fifteen-item scale. A respondent indicated to what degree the rewards motivate him/her, using a five-point scale (not at all, very little, some, quite a lot, very much).

Feedback and praise were measured by one question: which one a respondent considers more encouraging and important, feedback and praise from superiors or from colleagues.

Satisfaction with rewards was measured by a fifteen-item scale. A respondent rated his/her satisfaction with rewards using a five-point scale (very dissatisfied, dissatisfied, not satisfied nor dissatisfied, satisfied, very satisfied).

Questions relating to work motivation's theoretical aspects;

Motivation factors were measured by twelve-item scale. This question was formulated using the Fredrick Herzberg's motivation-hygiene theory and its motivation and hygiene factors. A respondent must choose four important factors which motivate him/her the most. With this question I wanted to try the motivation-hygiene theory.

Job design was included in three questions. Firstly asking with seven-item scale what factors of job design there are at the respondent's work place. Then asking if he/she is satisfied with them and last an open question about adding, abolishing or developing job design factors.

Questions referring to ageing and lastly a question about development of rewarding;

Work motivation was measured by a fifteen-item scale. A respondent indicated to what degree the rewards motivate and encourage him/her to continue longer in working life using a five-point scale (not at all, very little, some, quite a lot, very much).

Meaning of immaterial incentives and rewards was measured in two questions. A respondent answered if this meaning had become more important and meaningful in time. In the next question a respondent could clarify his/her answer.

Development of rewarding was asked with an open question in which a respondent could tell wishes and thoughts of development regarding to rewarding at his/her work place.

3.3. Motivation and rewarding in public sector organisations in Finland

One of the most prevalent beliefs is that public sector organisations are inefficient and wasteful and their productivity level is lower than those of private sector organisations. The public sector is labour intensive, so an increase in productivity depends a lot on increasing the number and productivity of workers. Logically this refers to that public sector workers are less motivated than their private sector counterparts. Consequently, employees' motivation is a central concern for public sector organisations. When public sector employees are plagued with low productivity, it is at least partially attributed to a lack of motivation. But low motivation, as well as low productivity, is basically an unproven assumption, because motivation is very difficult to measure. (Heffron 1989: 261, 263.)

Ascertaining the needs and desires of diverse workers remains one of the most complex problems in motivation. But no clear, universal or agreed on set of needs and desires has emerged. For managers it would be best if they could operate and reward from the assumption that all employees are the same, but individual differences make this impossible. Especially in the public sector the lack of adequate resources, money, personnel and equipment, might directly diminish rewarding and organisational and employee performance. Also situational variables, like the nature of clientele, political, legal and constitutional restrictions, public expectations and demands, all play a major role in determining the performance, productivity and motivation of public sector organisations. (Heffron 1989: 263, 265.)

There are several change trends in environment of rewarding. Moisio, Salimäki and Sweins (2006: 22, 24) have analysed factors which strongly affect rewarding in Finland. The biggest factors are globalisation development, changes in age structure of labour,

and technology. As a consequence of these it is believed that the competition tightens, the ways of working change and the demands of know-how increase. A push for productivity increase and working pace tense. At the same time working life will fragment in many ways; different kind of people and employees, different kind of working methods and assignments fragment the picture of working life.

Companies in the private sector use overall more diversified payment and rewarding systems than in the public sector. The most common determination of wages in the private sector is job title but also the use of personal contract wages, especially among management and in growing companies, is typical. Payment, which is based on how demanding is one's job, has become more general in the 21st century. Among the supplementary rewards, the merit pays and profit sharing are quite common in private sector. There are also often a wide range of benefits, especially in large companies, for example possibility to use car, retirement and insurance benefits. (Moisio et al. 2006: 13.)

In the public sector in the municipalities the basic wage is usually comprised of that how demanding job one has but also the job title is usual basis for wage. Many municipalities and federations of municipalities use individual share of wage which is based on evaluation of personal competence and work performance, and supplement which is determined by years of service. Payment by results is still quite rare. The most general benefits are flexible working hours, staff canteen and exercise benefits. (Moisio et al. 2006: 13.)

In government institutions there has been in the last years moving more and more towards basic pay systems which are based on that how demanding the job is. Even bigger change can be seen in the increased use of individual share of wage. At the same time the use of experience and seniority allowances has clearly decreased. Payment by results and other supplementary wage basis are still quite rare in government organisations. In public sector there is usually the same reward basis for whole personnel, and in that, the public sector clearly differs from private sector companies. Predominantly only the management may belong in club of benefits which are not offered to whole personnel. (Moisio et al. 2006: 14.)

Rewarding has been actively developed in recent years. In working life there is moving towards new rewarding systems that is seen especially in the abundance of systems which base on demands of job, work performance and results. The focus of rewarding is moving towards individual rewarding both in private and public sector. But there are still companies in the private sector which use payment by results –systems and reward big groups and the whole organisations. Also the municipalities and government institutions move to new payment systems, in which competence and demands of job are being evaluated. There is moving towards direction of individual. (Joensuu 2005: 18, 20–21.)

In public sector the development of rewarding is considered important in the first place because it is a way to encourage and motivate personnel. It would be important to get wages and rewarding at competitive level and to improve attractiveness of public sector as an employer. The question is how to get skilful employees into an organisation and make them committed. The goals of development are typically to get rewarding more encouraging, motivating and fair. The challenges are the arrangement of financing and change of attitudes that good work performance can be rewarded and that it is worthy of investing. (Moisio et al. 2006: 16.)

4. REWARDING IN THE FINNISH PUBLIC AGENCY

4.1. Background questions

The inquiry was conducted in South Ostrobothnian Ely-centre, where overall 420 people had a chance to answer the inquiry. The inquiry was available in the Ely-centre's intranet. The total amount of the answers was 91, from which the number of male respondents was 40 and female respondents 51. The sex ratio of the respondents was quite good, when there were 56 % women and 44 % men. Response rate was 22, which is not so high that could have been waited for the internet-inquiry. Nonresponse can be explained with the way of sending the inquiry (the inquiry was first available only in the intranet, not sent individually), the short answering time and the point of time when there was also another inquiry in the organisation.

The age distribution of the participants was ascending; there were 16 respondents between 25 and 34 years, 18 respondents between 35 and 44 years, 21 respondents between 45 and 54 years and 33 respondents over 55 years old. There were none under 25 years old. The oldest persons were 64 years old and the youngest was 25 years old. The respondents' average age was 48 years. The numbers and the percentages of varying ages can be seen from the Table 1.

Table 1. The age distribution of the respondents.

Age	n	%
25-34	16	18
35-44	18	20
45-54	21	24
55$\leq$	33	38

The mean educational level of the respondents was university degree, 41 % of the respondents. Then the next common educational backgrounds were college level (29 %) and university of applied sciences (15 %). A few had comprehensive school, vocational/upper secondary school or licentiate/doctor as an uppermost educational background. The Figure 3 shows the number of the respondents under each uppermost background education.
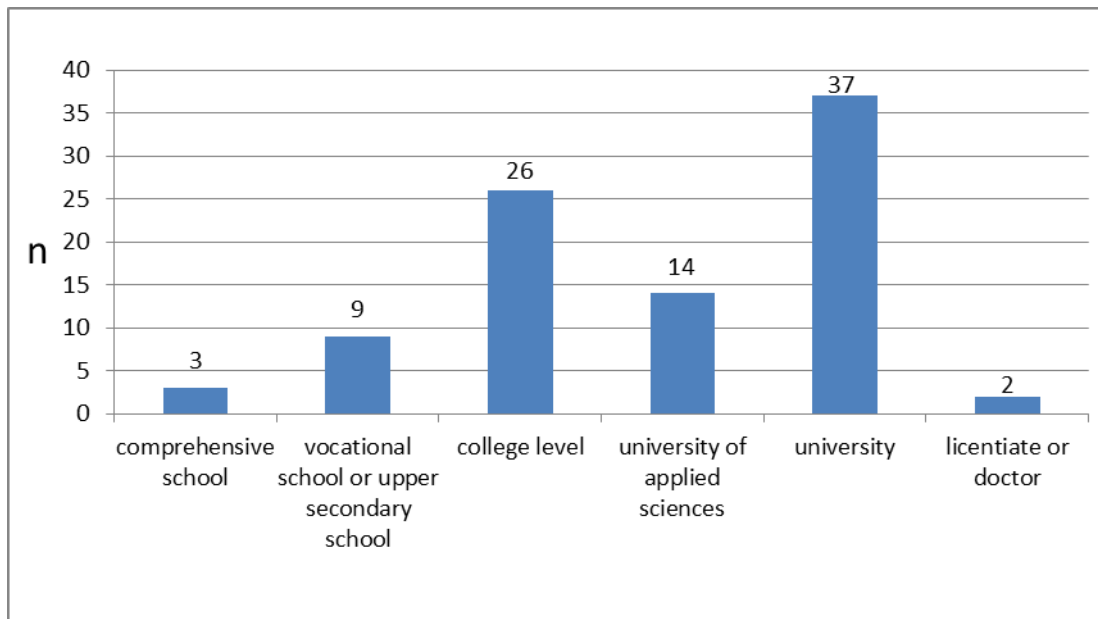
Figure 3. Uppermost educational backgrounds of the respondents.

The average working years at the present employer was 15. Working years varied from a couple of months to 40 years. Two and under two years worked made 16 % of respondents, from 2,1 to 15,9 years worked made 47 % and 16 to 30 years worked made 16 %. 16 % of respondents had worked over 31 years. The Table 2 on page 51 shows these distributions in working years in numbers and in percentages. From the answers to working years can be concluded that commitment to employer is high. Nowadays the cycle of changing the work place is about four to five years, especially within the young employees who are at the beginning of their careers. Within that time an employee starts in a new position, learns new assignments and customs and gradually gets into flow of

work. But after this an individual usually starts to hunger more challenges and deepening of own expertise in working life, and this usually means changing of work place or for example work unit. However, in public sector the employments are usually longer and the employees are more commitment to an employer, an organisation or a sphere of authority. This can be seen also in the answers of the inquiry. It is said that public sector employees have so strong inner will and enthusiasm toward their work that they do not need so big incentives and material rewards in order to stay at certain job and to work eagerly. The inner motivation and immaterial rewarding have also a big role. Also the benefits of service, in contrast to employment based on a contract, are important to some. Long careers under one employer linked with high average age can also explain the commitment; formerly it was usual to stay in one work place and make a career there.

Table 2. Working years at present employer.

Years	n	%
≤2	14	16
2,1-15,9	40	47
16-30	14	16
31≤	14	16

4.2. Questions about rewarding

4.2.1. Rewarding strategy or plan

After the background questions the first questions about rewarding were about organisation's rewarding strategy or plan. Only nine from 91 knew that an organisation they are working in has a written rewarding strategy or plan. The rest thought that an organisation does not have strategy or plan (n=33) or they did not know if it has that (n=49).

Most of the persons who knew about organisation's rewarding strategy felt that the strategy should be revised and developed. The rewarding strategy is experienced unequal, because it applies to only a part of employees, real expertise is not being noticed in rewarding and also because financial rewarding has been hanging on the balance due to lack of money. The rewarding strategy is wanted to be equal, transparent and concern whole personnel. Rewards are hoped to be fair and appropriate and especially financial rewards to be regularised. Public sector field in Finland is facing or have already experienced quite big changes and in the middle of these organisational changes it would be important to remember rewarding and its meaning. Rewarding should be developed and updated at least when working environment in its entirety, personnel or practises change in an organisation. Majority of employees (83 %) who answered that there is no rewarding strategy or did not know if it exist thought that there should exist a written rewarding strategy or plan. The rest 17 % think that there is no need of that.

In South Ostrobothnian Ely-centre's internet pages can be found it's proposition to strategic result agreement (Ely-keskuksen strateginen tulossopimusesitys) where is a paragraph about management and development of mental resources. This text can be regarded as organisation's rewarding strategy or plan. It contains comments for example on leadership, development discussions, telecommuting opportunities, communications, strengthening of work well-being and Kaiku-development project. (Etelä-Pohjanmaan Elinkeino-, liikenne- ja ympäristökeskus 2009: 35.) There is no clear strategy or instructions about rewarding, but above-mentioned things, however, support and are linked with rewarding. This proposition to strategic result agreement is not, however, a real and independent rewarding strategy or plan and that is perhaps why respondents did not know about the existence of this kind of a strategy or plan in an organisation.

4.2.2. Rewards

I wanted to inquiry after what kind of rewards do the respondents have at their work place. I wanted to have both kinds of, material and immaterial, rewards into the alternatives, emphasising immaterial ones. There were also some indirectly material rewards, namely additional insurances, fringe benefits, exhaustive health care, and promotion and

further education possibilities. Indirectly material rewards are benefits which can be clearly measured in money, but however, are not direct financial rewards. This grouping of rewards was not shown to the respondents. I wanted to have also some single and more concrete rewards, like own work room and organisation's credit card. I believe that these two and other status symbol rewards in the inquiry are common status symbols in working life.

The answers dispersed to all the alternatives, but the most common rewards were development discussion (71 selections), flexible working hours (53), praise and recognition from superiors and/or colleagues (43), own work room (42), exhaustive health care (42), deepening or enlargement of own expertise (34) and interesting work assignments (31). Also car park, further education possibilities, payment by results and job rotation were selected rewards by about a quarter of respondents. Only some have announced fringe benefits, promotion possibilities and organisation's credit card as their rewards. Bonus systems, additional insurances and representation tasks were the most uncommon rewards. In Figure 4 on page 54 the rewards have been grouped into material, indirectly material and immaterial rewards. The frequencies of the rewards can also be seen from that figure i.e. the number of the respondents who chose to have a particular reward.

But why there is so much divergence and difference among the answers? The most probable reason is that all the rewards simply are not available or offered to all employees, for example further education possibilities might not be available to non-permanent employees or all the employees do not have opportunities of representation tasks. It may also be that some employees do not feel getting rewarding, for example praise or encouragement. Or it might be that the reward does not exist in a proper or such way that it could be considered as a reward, for example development discussions are rare and felt coercion by superiors.

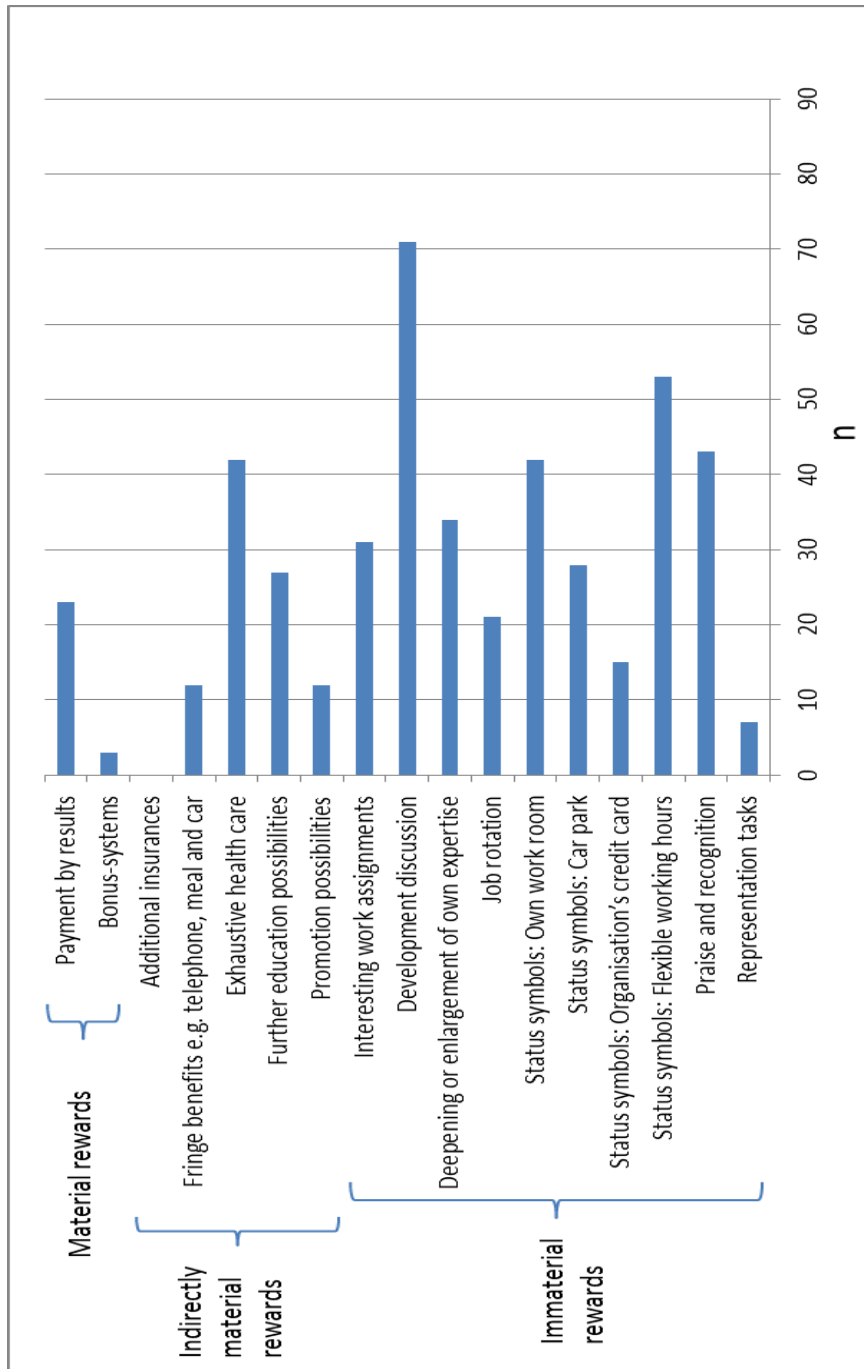Figure 4. The rewards at the respondents' work place.

I also wanted to research if there are differences between the answers within different age groups. I used the same age groups as in the beginning when grouping the respondents on the grounds of the background question. So there are four age groups; younger 25 to 34 years old, two middle-aged groups 35 to 44 and 45 to 54 years old and older

who are over 55 years old. All respondents mainly agreed on the existing rewards. Rewards which hardly or not exist in the organisation were bonus systems, additional insurances, fringe benefits, representation tasks and promotion possibilities. The numbers under payment by results varied quite a lot when 31 % of 25 to 34 years old, 17 % of 35 to 44 years old and only 10 % of 45 to 54 years old have it. Payment by results is more general within the older employees and 41 % of over 55 years old had this reward. Exhaustive health care was the only factor of material rewarding which got about 50 % of selections in every age group. Otherwise the other material rewards were quite uncommon.

I was surprised that only 30–40 % of the respondents experienced to have interesting work assignments. Work itself, its contents and interesting assignments are the most important factors creating a pleasant and inspiring job though. 55–63 % of the three first age groups felt to get praise and recognition from superiors and/or colleagues but only 31 % of the older employees. I think this is quite alarming when there is so big gap between the ages. Is it so that younger employees are being noticed better and superiors invest more in encouragement of the younger. Or in the organisation praise and recognition is not at that level the older employees would like it to have, maybe it is too rare or not constructive enough.

The most common rewards among all age groups were flexible working hours and development discussion. These probably are generally common rewards in most Finnish public agencies and organisations. Further education opportunities were smallest within 35 to 44 years old (11 %) and highest within 45 to 54 years old (41 %). The same situation appeared also under deepening or enlargement of own expertise. These rewards affecting own know-how and professional skills seemed to be most available to young and then older employees. Employees in the middle of so called peak years (35 to 44 years old) missed out on these opportunities. A factor of job design, job rotation's existence was quite minor. But still it got more selections (on average 23 %) than in the later question of the existence of job design factors in which only 14 % of respondents chose it. It is hard to say what is the truth regarding to the existences of the rewards when there can be found this kind of discrepancy. One explanation could be that in the

later question of job design all the factors are being described well and so the respondents have pondered them more closely and knew their actual meaning. And so the answers of that question may be more accurate.

In the inquiry I had a simple question of whether the respondents experience the feedback and praise more encouraging and important either from superiors or from their colleagues. A clear majority, 69 %, considered the feedback and praise from superiors more important. The rest third felt the colleagues as better givers of feedback and praise. About half of the respondents told to have praise and recognition as a reward at their work place (see page 53). Verbal comments, praise, feedback and recognition are the kinds of rewards which many think as an everyday custom or pleasantry, not as an actual reward. In most cases the verbal consideration and recognition just do not get the appreciation that they ought to get. But in reality, well-being, comfortableness and ability to work are greater in the atmosphere where the communication, praise and recognition are open, regular and genuine. The praise and recognition should come naturally and by itself especially from superiors but also from colleagues. It increases trust, self-confidence, motivation and interest toward work. The commitment to the work and the employer strengthens and it is easier and more encouraging to move forward when one gets praise and positive and constructive feedback.

Verbal feedback from superiors is considered more important perhaps because the superiors have larger influence and the superiors' word is thought to be more meaningful and weighty, after all they are of higher rank. Praise and feedback from superiors might decrease hierarchy and bring the superiors closer to the employees. It also improves relations between management and subordinates. On the other hand the praise and recognition from colleagues might be considered more genuine and truthful because it comes from the same level and there are no usually attempts to please anyone. This kind of praise and encouraging increase and improve togetherness and social relations among employees.

Respondents' satisfaction with incentives and rewards used in their work place was also measured. From the results there could not be found any incentive or reward with which

all the employees would have been clearly very satisfied. All the alternatives got some selections as very satisfied, most got flexible working hours, nice work atmosphere, own work room and responsibility and independence in own work, but still only 18 % of the selections. The rewards with which the employees were clearly satisfied were interesting work, responsibility and independence in own work, achievements in own work, nice work atmosphere, flexible working hours and possibilities to affect contents of own work. An alternative, neither satisfied nor dissatisfied, was quite popular among respondents; it is easy to choose when not knowing exactly own opinion. But still I wanted to give this option to the respondents. Rewards which got most these selections, but with which people were also satisfied, were praise and recognition from superiors and colleagues, own work room, car park and further education possibilities. More negative feeling and dissatisfaction were noticed among rewards which got most selections of very dissatisfied, dissatisfied and neither satisfied nor dissatisfied. These rewards were promotion possibilities, basic wage, fringe benefits and organisation's credit card. So these incentives and rewards would need most development and attention.

In general the rewards with which the respondents were satisfied were very much immaterial rewards and things which concern own work and its contents and elements for example interesting work, nice work atmosphere and flexible working hours. Employees were also satisfied with the responsibility and independence they have got. Nice atmosphere and surroundings got also positive answers. More negative answers and dissatisfaction were noticed among rewards which do not arose from the work itself but which are provided by an employer and one usually cannot affect them by oneself. These rewards were also more materialistic rewards like wage and fringe benefits. I believe that the biggest reason for the dissatisfaction with these certain rewards is that there simply do not exist enough or at all these rewards at respondents' work place. Probably they are not properly arranged and they have not got so much attention and development as they should have for example promotion possibilities or praise and recognition.

4.2.3. Motivation factors

One question was based on Frederick Herzberg's motivation-hygiene theory. I wanted to try the theory in practise and see what kind of results I get from today's public organisation. I listed the same motivation factors which are used in the theory and the respondents had to choose four the most important motivation factors from their points of view. In the theory there are two kind of factors, namely motivation factors which are related to personal and immaterial rewarding, and then hygiene factors which are more economical and official. When employees are feeling happy with their jobs, they most frequently refer to factors related to their tasks, to events that indicated that they have succeeded and to the possibility of professional growth. These motivation factors bring about job satisfaction and improvement in performance. Whereas when there are feelings of unhappiness, factors are not associated with the job itself but with conditions which surround the doing of the job. Factors involved in these situations are hygiene factors. (Herzberg et al. 1967: 113–114.)

In the inquiry four factors got most selections, namely pay (66 selections), interpersonal relationships at work place (59), achievements in own work (54) and responsibility over own work for example time tables and decision-making (51). The least selections got own status at work place (7 selections), physical working conditions (8), advancement (9) and company policy and administration (11). No one selected supervision from above over own work. At the top four there were both motivation and hygiene factors, two of both. Also when examining the whole question we can notice that all the five motivation factors and all the seven hygiene factors got almost the same amount of selections (189/175). So there was no clear division or difference between these two factor groups. Hygiene factors were at the top two but also at the bottom of the list so they got more dispersed choices. Whereas the motivation factors got more evenly the selections and did not divide opinions so strongly.

In Herzberg's own studies the factors in top five were achievement, recognition, work itself, responsibility and advancement. They all focus on the job itself; on doing, liking, success in doing and on recognition for doing the job and on moving upward as an indi-

cator of professional growth. In the results of my inquiry there were all these aforementioned in top six except advancement. The factors of work itself, responsibility and advancement are associated with long-term satisfiers. They are singularly potent when measuring their lasting effects. Whereas recognition and achievement are short-term satisfiers when referring to their effects on the duration of feelings. As well in Herzberg's and my studies the less motivating factors were company policy and administration, supervision, working conditions and status. They represent the major job dissatisfiers with little potency to affect job attitudes in a positive direction. (Herzberg et al. 1967: 59−83.)

Herzberg was somewhat ambivalent about the factor of pay, because it has properties of a motivator as well as a hygiene factor. But after all, salary as a factor belongs more in the group that defines the job situation and context and is primarily a job dissatisfier (Herzberg et al. 1967: 83). In Herzberg's own studies the factor of pay was placed in the middle of the list whereas in my study the pay got first place as the motivating factor. My first thought was that maybe one reason for this could be the era. In today's world the pay is more on the desk and it may have bigger meaning and more importance to the workers. A today's man as an employee sells his/her labour at the best price he/she can get for it. Also the nature of my target group may also have affected to the pay's high rank. There is a Finnish saying that "the civil service office is long and thin", which means that the offices are usually long and permanent but the pay is not so high. There can be some dissatisfaction with the pay among respondents and that is why it is experienced so important. It has a lot of motivation potential especially when there are possibilities of rise in salary or you can yourself influence on the amount of your pay.

I wanted to compare this question's answers on the basis of the respondents' ages. I used the same age groups as earlier when grouping the respondents. So there are four age groups; 25 to 34 years old, two middle-aged groups 35 to 44 and 45 to 54 years old and a group of over 55 years old. The motivation factors on which all the respondents agreed as very motivating were pay, responsibility over own work and interpersonal relationships. Of course there were minor differences between the answer rates but in general all the age groups valued these motivators and agreed on these. A less important

motivation factors were advancement, company policy and administration, physical working conditions, own status and supervision from above over work, which got none selections. These answers were greatly the same as in the earlier analysis.

The differences between the age groups were found within the rest motivation factors. Achievements in own job were a little bit more important for younger employees aged 25 to 34 than for the others. There might be a bigger hunger to move on a career, learn new and have experiences of achievements in job when one is young and at the beginning of working life. Recognition from superiors and colleagues was more motivating for young and older respondents (50 % of 25–34 years old and 47 % of over 55 years old had chosen this) than for the middle-aged groups. Young persons may need strengthening and motivating in a way of verbal praise and recognition more than more experienced workers who already know better their strengths, know-how and places at work. While older employees may value more praise and recognition itself and superiors and colleagues who invest in it; the immaterial rewards become more meaningful and valuable when one gets older and have a long career behind. Also job security was more meaningful to the respondent groups' both ends. This I think is quite logical when thinking that young employees have recently started their careers and hope for a stable and secured employment and the older employees who are approaching retirement age and would like to stay under the same employer without worries and exploit their know-how at full blast. In the Table 3 on page 61 there are the most important motivation factors chosen by different age groups. There are listed those factors which got at least 50 % of the selections and they are in the order of answering rate so that the factor which got most selections is first.

Table 3. The most important motivation factors among different age groups.

Age		
25-34 n=16	pay	11
	interpersonal relationships at work place	11
	responsibility over own work	9
	recognition from superiors and colleagues	8
35-44 n=18	pay	14
	achievements in own job	13
	responsibility over own work	10
45-54 n=22	pay	15
	responsibility over own work	15
	work itself	13
	achievements in own job	13
	interpersonal relationships at work place	12
over 55 n=32	interpersonal relationships at work place	26
	pay	23
	achievements in own job	19
	responsibility over own work	16

4.2.4. Motivation potential

Motivation potential was measured by a question of how strongly the listed rewards motivate a respondent. The rewards which motivate very much employees were nice work atmosphere, possibilities to affect contents of own work and interesting work. These rewards were selected by 46 to 58 % of all the respondents and they got also selections as quite motivating rewards. Quite a lot and some motivating rewards were achievements in own work, flexible working hours, responsibility and independence in own work, praise and recognition from superiors and colleagues, basic wage and further education possibilities. Car park and organisation's credit card were rewards which were not motivating at all or just some. Selections dispersed most under rewards: promotion possibilities, fringe benefits and own work room. These rewards were selected on a whole scale from very motivating to not motivating at all.

The most motivating rewards are all somehow related to the work itself and its immaterial factors. Nice work atmosphere on the highest rank is a factor which affects enjoying both at work place and also in private life. If an employee likes his/her job and tasks, gets along with colleagues and superiors and enjoys his/her days, it has an influence also on an employee's life at home and on leisure time. Nice, inspiring and open atmosphere motivates, makes personnel more commitment and eases teamwork and communication. According to the inquiry the respondents were largely satisfied with the atmosphere at their work place. They were also satisfied with the work itself and the possibilities to affect contents of own work. This means that the most motivating rewards are in order because the respondents were satisfied with them. The only reward whose motivation potential and the level of satisfaction clearly did not correspond each other was basic wage. The pay was experienced quite a lot motivating reward but the satisfaction with it was not so strong or large.

Overall, the rewards which are experienced motivating are mostly immaterial rewards. The respondents value the freedom and independence in own work and its planning, flexibility, and possibilities to ascend on a career and to deepen own expertise. The rewards which got most dispersed answers, promotion possibilities, fringe benefits and own work room, are the kind of rewards which I think are related much to individual's personality. Some employees value and expect these kinds of things and rewards, and for some for example fringe benefits do not have so big meaning if he/she enjoys his/her work, the tasks and the atmosphere are in order and he/she gets satisfaction from the job. The earlier working experiences and work places and the status/position can also have an effect on thoughts and views about rewards and their motivation potential. Age and gender may have a big influence too.

I compared the answers of males and females with each other about how motivating they experience certain rewards. I found some differences but also a lot of similarities. Both, males and females, experienced interesting work, possibilities to affect contents of own work, responsibility and independence in own work and nice work atmosphere as the most motivating rewards. Men and women appreciated alike basic wage; 63 % of men and 67 % of women thought the basic wage quite a lot or very much motivating.

Achievements in own work were also very important, 90 % of both genders experienced them quite a lot or very motivating. Both genders also agreed on the not-motivating rewards, namely fringe benefits, car park and organisation's credit card. Praise and recognition were experienced also motivating, but among women generally more motivating than among men. It has not a notable difference whether the praise and recognition were from superiors or from colleagues.

Promotion possibilities were experienced slightly more motivating among women than men. Men's answers dispersed more, focusing on the alternatives of motivates very little and motivates quite a lot. Women were more unanimous and they thought opportunities to promotion as some, quite a lot and very motivating. Females were also somewhat more motivated than males by own work room and further education possibilities. There was also divergence of opinion on flexible working hours which were experienced more motivating by women. One reason for that might be motherhood and the importance of family life. The flexibility is then usually very desirable. But I believe that nowadays the flexible working hours are so common in office work that most are grateful for and motivated by those. There are perhaps no particular or special reasons why women felt flexible working hours more motivating.

I compared the answers also on the basis of the four different age groups. The most motivating rewards were mostly the same between all the ages and so it was also under the rewards which hardly motivated at all. Nice work atmosphere was one of the most important factors, all the others ranked it first except 45 to 54 years old who placed it third. Every group got also motivation from possibilities to affect contents of own work and interesting work. Responsibility and independence in own work were also experienced very important, slightly more among the two older age groups. The rewards which clearly did not have motivation potential or just a little were organisation's credit card and car park, and among 45 to 54 and over 55 years old, fringe benefits. Fringe benefits clearly not motivated these older employees whereas 35 to 44 years old experienced them very little or some motivating. Among the youngest employees, 25 to 34 years old, fringe benefits divided opinions but most, about 30 %, considered them as some motivating.

Rewards which divided respondents' opinions about their motivation potential most were promotion possibilities and own work room. Promotion possibilities were most important for 25 to 34 years old. For the rest groups they were not so meaningful. But one cannot say that the meaning of promotion opportunities would get significantly less important when getting on in years, for example promotion possibilities were considered least motivational among 35 to 44 years old, not among the oldest group. But still the work related advancements and achievements are slightly more motivational for younger employees, and it is quite logical because they are at the beginning of their careers. One interesting notice was that when basic wage was among three first age groups clearly a quite a lot motivating reward, over 55 years old respondents were not so agreed on the importance of wage and their answers dispersed to all the answering alternatives. So the meaning of pay decreases within the working years, however, there were not (a) reward/s which would have replaced that and be more important just among the older employees. Hence immaterial rewards besides material ones are motivational and important already from the beginning of the working life, but the meaning of material rewards decrease during the years.

Other rewards which motivated all the age groups were achievements in own work, flexible working hours and further education possibilities. All the groups agreed on the two first experiencing them mostly as quite a lot and very much motivating. From the answers could be seen that under the further education possibilities, its meaning was at its highest among the 25 to 34 years old. 88 % of them experienced education opportunities as quite a lot and very much motivating. This number lessened as people got older; among 35 to 44 years old it was 61 %, 45 to 54 years old 59 % and among over 55 years old it was 41 %. Also praise and recognition from both superiors and colleagues motivated respondents. Encouragement from superiors was generally somewhat more meaningful than from colleagues. The youngest, 25 to 34 years old, agreed most and valued praise and recognition very much; 100 % of the respondents thought the praise from superiors quite a lot and very much motivating and the equivalent number under the praise from colleagues was 99 %. These numbers among the both middle-age groups (35 to 54 years old) were only a little bit smaller, 86 % and 73 %, so that the encouragement from superiors was more important. But among the group of over 55 years old

the opinions were more fragmental and they were not so unanimous in the motivational potential of praise and recognition. From well more than half of the older respondents, chose the alternatives some and quite a lot motivating.

4.2.5. Job design

Job design is a meaningful and important factor in rewarding and in making the work more interesting and versatile. First of all I inquired what factors of job design the employees have at their work place. I had listed seven factors which were: job rotation (an employee voluntarily adopts another task for a specified period of time in order to learn and develop him/herself), job enlargement (jobs are being enlarged horizontally by joining work assignments to new and wider entireties), job enrichment (steps which increase vertical demandable and independence of work e.g. superiors' power and responsibility is transferred to employees and/or an employee can freely plan own time tables and working), job organising (e.g. use of teamwork), workplace (e.g. possibility of telecommuting), working time (possibilities to flexible working hours, part time job, different day, week or year working hours, shift work and permanent or temporary employment) and working equipment (appropriate and up-to-date equipment, whose acquisition an employee have possibilities to affect).

From the factors of job design, working time, job enlargement and working equipment were the most frequent factors (67, 47 and 46 % of the answers). Then came job organising and job enrichment (41 and 40 % of the answers). Work place and job rotation were the uncommon ones (only 26 and 14 % of the answers). The Figure 5 on the next page shows the numbers of selections under each job design factor.
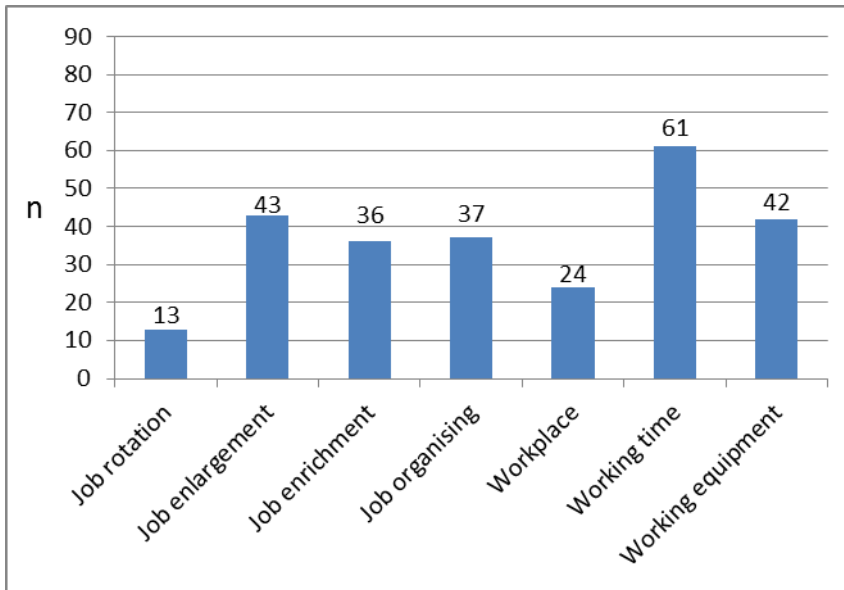
Figure 5. Factors of job design at the respondent's work place.

Secondly I inquired if the existing factors of job design are adequate from the employees' point of view. The answers dispersed quite a lot and none of the answer alternatives (yes, no, I cannot say) got over half of the selections. Most of the respondents, 43 %, were not satisfied with the organisation's job design. A little less, 34 % thought that the existing factors are adequate. And the rest 23 % could not say their opinions about the state of job design. I believe that the dissatisfaction with job design is concentrated on the factors which do not exist or are not perhaps properly arranged at the respondents' work place, like job rotation and telecommuting.

Thirdly I inquired in an open question what factors of job design the employees would like to add, abolish or develop and how. There were many kinds of wishes and needs of development but especially job rotation emerged in many answers. With the use of job rotation a man can achieve and familiarise oneself with different job characteristics, use own diverse skills and have opportunities to learn. Unfortunately in some cases job rotation has been viewed among employees quite negatively as simply meaning more work. (Bailey 1983: 77.)

In the answers employees wished to have more opportunities to and encouragement for job rotation. This corresponds well the earlier question in which job rotation was the rarest factor of job design. So there is a clear link between these answers and it means dissatisfaction with the arrangements relating to job rotation. Whereas there can be found a link between the answers concerning working time/flexible working hours. In the organisation there exist different working time arrangements and there is also satisfaction with them. Of course there are also some wishes of developing them. All the factors should be updated and developed every now and again and tailored to the employees, their situation in life and career, personalities and needs, and the work place's spirit.

Many would also like to add and develop job enrichment and enlargement, although a couple of respondents thought that at the time of rationalisation job enlargement is more like a curse than a reward and that enlargement is sometimes too wide and done without considering the entirety. Herzberg et al. (1967: 133) have commented on job broadening relating to making jobs more interesting in the following way. If job broadening or enrichment means "a Cook's tour" in which individuals have only snippets of different activities, unrelated to any meaningful sense, then this should not be expected to increase motivation. Job rotation, job enrichment and job enlargement would be successful only if an employee is able to integrate his/her various capabilities and activities into achievements that have psychological meaning for him/her. The achievements should lead to a feeling of personal growth, accompanied by a sense of increasing responsibility.

While job enlargement has been criticized, it has also various benefits from both management's and employees' points of views. Buchanan (1985: 27) has listed the benefits concerning employees: increased satisfaction, increased understanding of operations, more job variety, less monotony and increased earnings and use of skills. Critics have been arguing that although the simple grouping of tasks may provide opportunities to use variety of skills, it does not make increased intellectual demands. And thus job enlargement may help to reduce monotony it does not improve the motivational content of the job. In order to improve the motivational content it is necessary to increase vertical

loading of the job and the delegation of responsibility i.e. job enrichment. Through vertical loading, by for example increasing the accountability, granting additional authority or freedom and/or introducing new, more difficult and specialised tasks, job enrichment tries to improve the job content and provide opportunities to satisfy intrinsic needs such as achievement, recognition, job interest, responsibility and growth. (Bailey 1983: 99–100.)

Flexible working time arrangements and opportunities to telecommuting were also experienced very important and worth of development. There were also hopes of better and more modern working equipment, and encouragement and supporting in further education. Job organising and its development were mentioned in the answers too; the processes should be better functioning and co-operation should be developed between agencies.

4.2.6. Ageing and rewarding

Finnish society is facing and affected by the problems and challenges of the ageing population. People are retiring too early, the amount of ageing people is increasing all the time and the costs of retirement and health care are growing. The greatest challenge will be imposed on the sustainability of public sector finances. Worklife should be lengthened for the sake of society and it is vital to create positive attitudes towards a longer working life and to prevent age discrimination. Solutions can be found within legislation hence retirement reforms can create new alternatives, conditions for early retirement are tightened, employment security is improved and general attitudes towards ageing are mended. The aim of Finnish policies is to ensure the full participation of citizens in working life, by extending the time people spend in worklife, improving the consolidation of work and family life, improving equality and strengthening the appeal of work. (Ilmarinen 2006: 18, 53–55.)

In the inquiry I wanted to bring out the social discussion about the elongation of careers and the raising of the retirement age. Respondents answered to what degree the listed rewards would encourage and help them to continue longer in working life. The most

important factors in encouraging were nice work atmosphere, interesting work, flexible working hours and possibilities to affect contents of own work. These rewards got most selections as very encouraging. As quite encouraging were experienced achievements in own work, responsibility and independence in own work, praise and recognition from superiors and colleagues, basic wage and further education possibilities. Promotion possibilities and own work room got divergent selections and they were experienced both some and quite encouraging but also not encouraging at all. Rewards which got most selections as not important or encouraging were fringe benefits, car park and organisation's credit card.

All the rewards which were experienced most helpful and encouraging were immaterial rewards. Work place's atmosphere and interesting work which contents one can affect by oneself are fundamental things and which sometimes may be taken for granted too easily. Flexible working hours are important in today's busy world and in different phases of life. Young employees as well as parents with children and experienced employees approaching age of retirement need opportunities to flexibility at work. In today's world the trend might be that the work will bend along employees, not that employees bend along the work. Further education opportunities were experienced important also in other questions of the inquiry. The opportunities should be open for all employees and there should be encouragement to use them. Basic wage was also quite encouraging, and it is an important part of working and people's lives. But one must remember that if the only satisfaction or reward provided is money/wage then it is not perhaps surprising that employees will be motivated by it. However, there is much evidence that other factors in addition to money can have a significant influence over people's motivation and behaviour at work. (Bailey 1983: 33.)

In encouraging to continue longer in working life the material rewards were not experienced so important. According to the answers for example fringe benefits or own work room do not actually increase desire to stay at work. I believe that material and financial rewards are nice bonus and often important short-term motivators and rewards, but they do not really help or encourage employees to stay longer in working life or increase their motivation and enthusiasm for work.

Ilmarinen (2006: 75–76) has found an interesting relation between the age and the intentions to continue to work. Employees over 60 years seem to consider continuing work more often than other ageing employees. This can be explained by that when people crossing the boundary of 60-year age in their careers, their attitudes must be reinforced by sufficient resources and an appropriate job. Besides, for young people it is usual to find it hard to make a concrete view on how long they might want to work. According to Ilmarinen a high level of education, good health, support from the work place, ability to affect own work, job security and good leadership are factors which encourage to continue to work. Despite the reforms of the pension system, many employees seem to plan early retirement. Half of workers think the age of 60 as an appropriate goal and also the age of 63 is a clear target. Another landmark is 58 which is related to the minimum age for a part-time retirement. In the public sector the average retirement age is 65. Old practises and retirement customs seem to influence employees still, even though nowadays there exist more individual and flexible options.

Under this question I wanted to take age and gender into consideration. First I am going to explore the answer differences between the age groups. I used the same four age groups as earlier in the research. The first thing I noticed when looking the answers was that the answers of over 55 years old were more fragmental than others'. It can also be seen from the Table 4 on page 71 that shows the most important rewards among each age group. On the right side there is the percentage of the respondents who chose the reward in question. Age group over 55 years old is the only one which has not rewards having 50 % or more choices. So the older respondents were not so emphatic about their most encouraging and helpful rewards. But more than that there were rewards chose as quite a lot encouraging. According to the respondents over 55 years old the most powerful rewards which help to cope longer in working life were nice work atmosphere, possibilities to affect contents of own work, flexible working hours and basic wage. Then came rewards which were mostly selected as quite a lot motivating; interesting work, achievements, responsibility and independence in own work and praise and recognition from superiors and colleagues. Further education possibilities and own work room got most dispersed selections and so there were no clear opinions about them. Fringe benefits motivate very little the employees over 55 years old. The rewards which were expe-

rienced not so helpful or helpful at all in continuing the working life were promotion possibilities, organisation's credit card and car park.

Table 4. The most important rewards by different age groups.

Age		%
25-34	nice work atmosphere	75
	interesting work	69
	flexible working hours	69
	basic wage	50
35-44	nice work atmosphere	56
	possibilities to affect contents of own work	56
	interesting work	50
45-54	interesting work	55
	flexible working hours	50
	possibilities to affect contents of own work	41
over 55	nice work atmosphere	47
	possibilities to affect contents of own work	34
	flexible working hours	34

The middle-aged groups, 35 to 44 and 45 to 54 years old, were somewhat similar in their answers. Both age groups considered interesting work, possibilities to affect contents of own work and nice work atmosphere as the most motivating when continuing the working life. Further education possibilities, flexible working hours, responsibility and independence in own work and basic wage were also important just like as from the older's opinion. The middle-aged groups valued a little bit less the praise and recognition from superiors and colleagues. But then again the youngest respondents, age group 25 to 34 years old, considered it as important as the oldest employees. In all age groups the meaning of nice work atmosphere stayed big and also among the young respondents it was considered as the most helpful reward. They valued also interesting work, flexible working hours and basic wage. Unlike the other age groups, the young experienced

promotion possibilities more motivating in helping to continue the working life. In the beginning of a career and at young age ascending and promotions often play a greater and more important role than when approaching retirement. Otherwise the views about not so motivating rewards cohered; they were fringe benefits, car park and organisation's credit card. I myself think that the meaning of fringe benefits was quite surprising. I thought that they would have had a bigger role in working life. But on the other hand, because fringe benefits are not clearly related to work itself they might not have so big meaning. They may be a nice add on the list of rewards but not really act as a motivator when it is about coping longer in working life.

When comparing all the age groups with each other it can be seen that further education possibilities become slightly more important the older an employee gets. It is clear that young employees who are just entered the working life do not need further education whereas employees having a longer career may need and want it in order to stay in pace of working life's demands and to maintain own know-how. Flexible working hours were equally important to all respondents. Flexibility is waited from an employer and an organisation in many phases of life, so it is inevitable that all age groups experience that as a motivating reward. Between the alternatives concerning praise and recognition from superiors or from colleagues there were not big differences. All the other age groups except 35 to 44 years old experienced praise and recognition from superiors a little bit more meaningful than from colleagues. But all in all praise and recognition are important along the whole career. Basic wage was thought in all age groups as quite motivating when thinking about lengthening the working life. It did not belong to the most important factors but still it got quite some selections. But as a reward which would encourage and help to continue longer in working life, it did not reach the same motivation potential than when asking earlier the most important motivation factors and the motivational degree of used rewards. In the end it might be that the pay is experienced as very motivating reward along a career but when thinking about coping longer in working life the more immaterial things become more important and meaningful.

Then I present the results of the comparison between females and males under the same question of what degree the certain rewards motivate and help to continue longer in

working life. The rewards which both genders value highest in helping to cope in working life were quite similar, namely nice work atmosphere, flexible working hours, interesting work and possibilities to affect contents of own work. Women and men also agreed on basic wage, responsibility and independence in own work and achievements in work. They experienced these as quite a lot or very motivating ones. There were no difference to the earlier results in the least helpful or motivating rewards; they were now also fringe benefits, car park and organisation's credit card. Males and females appreciated almost equally much praise and recognition from superiors and colleagues. Both genders valued more superiors' message in this case and females generally thought praise and recognition to help more in continuing longer in working life. Women also considered further education possibilities and own work room more important than men. The only distinct difference between genders could be seen under promotion possibilities; 41 % of women experienced them as quite a lot or very helpful whereas 50 % of men experienced them as only a little or at all helpful. One reason for that may be that men generally possess higher positions at work places and the women of this sample are in lower positions in the organisation and so they consequently are somewhat more ambitious and are kind of in need of promotions.

I wanted to take age and career aspects into consideration and I asked if the meaning of immaterial incentives and rewards, like praise and recognition, interesting work, further education, job design, status symbols and social relations, have become more important and meaningful as their working years have increased. Half of the respondents said that the meaning has become more important. 30 % said that the immaterial rewarding has no any particular meaning and the rest 20 % could not say their opinions. The former question about the rewards which encouraged respondents most set up the answers to this question. In encouraging and helping to continue longer in working life the immaterial rewards were experienced more meaningful and that was seen also in the answers of this question. It may be that when the material aspects in life for example wage, housing, and assets, are in order, the immaterial factors become more and more meaningful and motivating. An individual seeks a state in which he/she feels secure and encouraged, being in a nice and open work community, having challenges and further

education when needed, having enough responsibility over own work and enjoying the benefits which an employer provides.

I continued the same theme in the next question and asked the respondents, if they had answered yes in the previous question, to clarify what factors of rewarding have the biggest meaning and why. The most important factors were far and away praise and recognition. Many respondents mentioned praise and appreciation from superior as a source of motivation and self-confidence. It is important that a superior values and appreciates employee's work. Interesting work was also experienced as very important factor. Several employees referred also to opportunities to further education and possibilities to affect contents of own work. Interesting, independent and recognised work has a big meaning in today's working life. Employees appreciate opportunities to specialise and deepen own expertise and to develop know-how. Many respondents mentioned in their answers nice work atmosphere; relaxed and flexible team and work atmosphere and good social relations have an important role in work well-being. Also flexible working hours, promotion possibilities, achievements in own work and wage found their places in the answers. A couple of respondents wrote that they value the congratulations given by an organisation for example on employees' special days.

Many of the answers were related to basic immaterial rewarding. On the basis there is an interesting and inspiring job as a one source of work well-being and motivation. This is spiced with nice atmosphere, encouraging superiors and colleagues, achievements in own work and a convenient amount of responsibility and independence. Over and above there are further education possibilities (life-long learning), flexible working hours, promotion opportunities and additional benefits that an employer provides. All these factors together create an encouraging environment in which an individual has better opportunities to cope longer in working life and still stay motivated.

From the answers it can be noticed that the mental well-being is more and more important nowadays. Although the wage would be good and satisfactory it does not alone guarantee work well-being and that one copes at work. Also the opportunities to affect things at own work place are important. An individual itself is an only expert knowing

own areas of special knowledge and what he/she manage and what fits for him/her. Opportunities to promotions and to affect contents of own work, changes of work assignments and further education possibilities all together make it possible to learn life-long, improve professional skills and grow as a human.

Huuhtanen, Martikainen, Nygård and Tuomi's (1997) follow-up research examined the realization of thoughts of retirement. The results showed that work-related thrust factors which accelerate employees' attitudes towards retirement especially included disadvantages relating to physical work and work environment, the uninspiring and binding nature of work, the mental load of work and the difficulty and reluctance to go to work daily. Whereas appealing factors which prevented thoughts of retirement included responsibility for people, good work ability, job satisfaction and opportunities to develop and contribute to work and to exploit own work experience.

These appealing factors can also be found from the answers of my inquiry. In both surveys employees appreciate the work itself which is interesting and can provide satisfaction, responsibility and independence. Opportunities to affect and develop own work environment and job are very important, after all an employee him/herself is the best expert of his/her own abilities and well-being. Especially for an aged worker this is important because at that time one knows best own interests, talents and experiences, and wants to use and exploit them. Also the more immaterial things like mental and physical well-being, praise, atmosphere and pleasing work assignments get more value along age and career.

The year 2005 Finnish pension reform's main goal is to defer retirement by a couple of years. The common age limit of 65 years has been given up and now it is possible to retire flexibly between ages from 62 to 68 years. According to the research of Takala, Tuominen and Tuominen (2004: 7, 18–19) about 70 % of the respondents of their survey judged the reform positive and half of these justified their views with the system's flexibility, freedom of choice and individuality. Almost a quarter judged the reform negative and the general reasons for that were the gravity of the branch, occupation or

job and the highness of the age limits. Next there are some findings of the Takala and other's survey.

In Finland supporting the aged to continue longer in working life is quite common. Over in half of the work places employees are being supported at least to some extent to continue till the age of retirement pension. There exists more support in public than in private sector. Employers' and employees' views about the important factors which support continuing in working life are quite uniform and their order of importance is somewhat the same. In both's answers the most important factors were nice atmosphere of work community, good and well-functional work environment and leadership and possibilities to affect work. The biggest difference between the answers of employees and employers was under the further education. Employers value that more than employees. The answers of employees must have been affected by that the respondents were close the retirement age. The views differ also under the material/economic incentives. Employers thought more than employees that nice atmosphere and good leadership would have more impact on continuation. Whereas employees considered the increase of wage or other material rewarding more important as for continuation. In about half of the survey's offices there have been developed management and leadership or increased the flexibility of work arrangements. These are the most common areas of development. Public sector has excelled in development work and in reassigning the aged employees better than private sector. (Takala et al. 2004: 31–52.)

4.2.7. Needs and wishes of development

In the last question I gave the respondents an opportunity to write needs and wishes of development regarding to rewarding at their work place. Payment issues emerged in the answers beyond the others. Employees simply hope for better wages and that payment should correspond to the demands of work and be encouraging. Many called for payment by results and quick merit pays. Praise and recognition from superiors were also mentioned in many answers. There was also a wish that superiors could have teaching of giving feedback and recognition. Employees need a feeling that their job in public administration is appreciated. There were wishes of weekly situation reports and devel-

opment in communications. Especially development discussions would need development and revision. One comment was very important; a development discussion once in a year is not enough. Some respondents mentioned the further education opportunities as a factor in which employer should invest. There was a wish that after all the changes in the agencies in Finnish local administration the system of rewarding should start with a clean slate, not by copying from some other organisations. Rewarding should be open, transparent and informed in advance who is being rewarded, for what and on what grounds. An organisation should create coherent practises and rules regarding to rewarding and develop company policy and administration, because they have a big influence on motivation.

Respondents' needs and wishes corresponded to the dissatisfaction with certain rewards expressed in the earlier questions. Especially wage is a one of those. Also the simple rewards like praise, feedback and open communication are in need of development. These do not need huge invests from an organisation or superiors in order to be improved and added. Employees appreciate clear, simple and effective rewards and these should be in order in organisations, like for example recognition, well-defined financial rewards, further education, development discussions and flexible working hours. Rewards which have a distinct influence and meaning to employees, are the most important ones and in these an employer should invest. That is why an employer must know his/her subordinates, communicate with them and have an interest in rewarding.

Development of rewarding is persistent work but always very current. However, it is often forgotten that rewarding is much more than just money and material. Overall rewarding includes besides money among others fringe benefits, opportunities to learn and educate oneself, work contents and its quality, working environment and atmosphere and the balance between work and other life. In the development processes it is important to listen to employees and general atmosphere at work place. It is beneficial to make, change or improve things which have real and distinct effects so that employees can enjoy rewarding without feeling of injustice and hiding. The effects of rewarding should be seen in and benefit a whole organisation.

I got a comment about my inquiry from one respondent who told that some of the rewards listed in the inquiry made him/her little confused. The respondent did not perceive all the factors as rewards but as basics which belong to everyone for example flexible working hours and fringe benefits. Conceptions of rewarding may vary notably. Some consider only factors which outreach the collective labour agreement as rewards, like merit and initiative pays, and some may consider the overall wage which includes a basic wage with different allowances and fringe benefits as a reward. Some might think that personnel facilities like staff meal and exercise vouchers are not real rewarding because they are offered for whole personnel. (Hakonen 2009: 214–215.) Some rewards for example fringe benefits and flexible working hours have been so long involved in working life and are so ordinary that some employees might not consider them as rewards anymore. Nevertheless, they are additional benefits and factors of rewarding provided by an employer.

Desire to come into an organisation, stay there and eagerness to work spring up from different things to different people. Some value money and company car, some value interesting work assignments and further education opportunities. Well-planned working arrangements help to match working and family life and to stay longer in working life. In many jobs the things related to contents of work, working methods and management are emphasised besides basic wage. Most value appreciation and systems which are fair. (Hakonen 2009: 216.)

5. CONCLUSIONS

In order to work an individual needs motivation. This motivation can be intrinsic or external, long-term or short-term, wild enthusiasm or stable attention. Every individual gets his/her work motivation from different things but one external factor affect often all, namely rewarding. Material and immaterial rewarding exist usually and hopefully in every organisation and work place. But to what extent, what are their effects, and what is the role of immaterial rewarding – all that depends on an organisation, its culture and personnel. These were the subjects which were on my mind when I started to ponder my thesis' theme. Now it is time to revise my research questions:

What is rewarding and what kind of effects it has on employees' work motivation?
What is the role of immaterial rewarding in public sector and what is its motivation potential, considering also the age differences?
Do the employees feel the immaterial incentives and rewards necessary and vital and are there needs of improvement in some field?

Motivation is something which energizes, directs and sustains behaviour. It is a degree and a type of effort that an individual exhibits in a behavioural situation. An individual as an employee receives some kind of reward in exchange for his/her behaviour and services. These rewards may be extrinsic, such as money or they may be intrinsic, such as personal satisfaction. (Porter & Steers 1987: 575.) Rewarding is also a way to motivate personnel and keep it commitment and well-being. Through rewarding an employer can show appreciation and interest toward an employee and his/her work contribution. I wanted to research particularly immaterial rewarding, rewarding which refers to non-financial and intrinsic rewards. I explored the state of immaterial rewarding in today's public organisation and conducted an inquiry in order to find out employees' feelings and experiences about rewarding at their work place.

Work has personal meaning for an individual. From a psychological viewpoint it can be an important source of identity, self-esteem and self-actualization. Work can provide a sense of fulfillment by giving an employee a sense of purpose and by clarifying his/her

value to an organisation and society. On the contrary, however, work can also be a source of frustration, boredom and feelings of meaninglessness and failure. (Porter & Steers 1987: 576.) Work has a major role in our lives; it directs us and defines us as persons. We spend many hours at our work places or thinking about the job and our assignments, so it is important that we enjoy our stay there. Personnel management has opportunities and duty to affect our enjoying and well-being at work. Rewarding is only a one part of personnel management but it has a great meaning in igniting, improving and maintaining our work motivation. Besides helping the motivation, rewarding is also a way to show appreciation, make personnel more commitment, inspire and encourage employees, improve mental and also physical well-being and satisfaction with work, and develop communication and work atmosphere.

Doing the inquiry for the first time was very interesting and chastening. I looked hints and models from other surveys and theses for example about phrasing of questions, length of a survey and answering alternatives. It was also my first time doing an internet inquiry. Afterwards I noticed couple of things which I should have asked or formulated in a different way, or when analysing the answers I realised that it would have been interesting to ask something more or go deeply into some theme. But all this is a part of learning process doing the thesis and it keeps up motivation and interest. The findings were interesting to analyse and I discovered things which were congruent with my own thoughts and things which surprised me.

5.1. The main findings

The organisation where I conducted the inquiry is a traditional Finnish public office. The employees are experts in their own field, highly educated and usually have long careers behind. The commitment is high and this can be seen from the asked working years. The average working years at this particular office is 15 years. The personnel is also quite aged since the average age is 48 years and almost 40 % of the respondents are over 55 years old. The sex ratio of the inquiry is excellent, because there are almost equivalent men and women. And so it was also easier to make comparisons between the

genders. I did couple comparisons based on gender and age when analysing the results. These comparisons were interesting to do and see if there can be found differences among the sample.

I gathered the results of four questions together and made a clarifying table for myself to compare and see the answers at the same line (see Appendix 3). I listed the rewards from the questions whether they exist and motivate, are employees satisfied with them and if there are needs of development. I was looking for if there could be found congruencies and/or divergences among the answers. The rewards which most exist in the organisation are also rewards which motivate these respondents and with which the respondents are satisfied apart from a couple of exceptions. The existence and the simultaneous high motivation potential is not a surprise because it is logical that the existing rewards which are familiar motivate most the employees, not the rest rewards whose effects are not known among personnel. The important thing to notice is that the rewards which are in need of development, namely payment issues, praise and recognition, development discussions and further education possibilities, are also rewards which motivate employees a lot and exist already in the organisation. So there is perhaps no need to introduce so much new but to improve and develop the already existing factors. The first step would be to improve communication, by this way recognition, praise and feedback could also get better and the overall atmosphere would stay open and supportive. The employees' opportunities to influence the things concerning their work, work place and work arrangements are also essential in order to maintain work well-being and satisfaction and positive attitudes towards an organisation, employer, working and rewarding.

Promotion possibilities and fringe benefits are somewhat ambiguous factors since employees value them differently. They exist at some level in the organisation and some get and some do not get motivation from them, but the respondents are dissatisfied with them both. Also when looking at the question about the rewards which help to continue longer in working life, promotion possibilities and fringe benefits do get only little votes. It might be that these two rewards are not the ones which are in mind when thinking about the most important rewards. But if they were taken away there could be ruc-

tions among personnel. They are ought to be found from an organisation and maybe sometimes they are being taken too easily for granted. It is obvious that people want challenges and to ascend, and so promotion possibilities are very important. Fringe benefits are likewise often so usual and part and parcel of working life that people might forget to consider them as a one way of rewarding. But the importance and meaning of fringe benefits may decrease quite easily for example within working years and it would be easier to relinquish fringe benefits than some other reward if employees had to make a decision between rewards.

The neither existing nor motivating rewards are the same that I ought them to be before doing the inquiry, namely car park and organisation's credit card. Similarly, different kinds of bonus systems do not usually exist in public organisations and so is the case under this office. These are, however, hoped-for and experienced motivating, that can be seen from the question of development needs and hopes. Payment issues also come in for dissatisfaction. I believe that no matter what organisation, private or public, big or small, there will always be some dissatisfaction with wages and payment issues, either on an individual level or generally in an organisation. As in the Herzberg's motivation-hygiene theory the money takes properties both of a hygiene factor and a motivator. Money can produce negative feelings as a hygiene factor for example when an employee thinks he/she is underpaid or there is injustice in payment issues, and then positive feelings as a motivator for example when getting rise in salary or bonuses. According to the inquiry money actually is often experienced very important and motivating but after all it do not have this same meaning and importance when asking the factors which would help and encourage to cope longer in working life. Then come the more immaterial things more valuable.

The answers to the question relating to Herzberg's motivation-hygiene theory are somewhat the kind I assumed. Only the strong meaning of pay little surprised me. The most motivating factors of my inquiry are almost just the same as in the original Herzberg's apart from a couple of exceptions. The top four of the best motivators is pay, interpersonal relationships, achievements, and responsibility over own work. The factor of advancement is listed higher in the Herzberg's studies whereas the factor of interper-

sonal relationships at work place is experienced much more motivating in my answers. The meaning of relationships, atmosphere and communication can be noticed also generally from the answers of the inquiry not just under this question. Although pay is experienced in many questions and concerns very important, right after that come the immaterial factors. Wage and money may be the most familiar rewards and the most initial reasons to work and so its importance is digestible. But who wants to work in a place where one is feeling bad and nothing else satisfies one than wage? Is that work place worth of staying? It can be seen that nowadays the working atmosphere, communication, mental well-being and demands of working life rear their heads in public discussions. Rewarding, motivating and work well-being are not just money and bonuses any more, they are also factors which bring about well-being in the long run and widely to individuals' lives.

I highlight in a couple of questions job design. In general some factors of job design are very familiar to employees for example flexible working hours, and some may be quite distant and not in use for example teamwork. The factors of job design existing at the respondents' work place are as I presumed. Different kinds of working time arrangements, appropriate and up-to-date working equipment and job enlargement are the most common factors in the organisation. Job rotation is the rarest factor and it can be seen also in the respondents' wishes of development. Job rotation is the most wanted job design factor among the employees, so that could be one important target for development in the organisation. The employees would also readily add and/or develop flexibility in working times, job enrichment and enlargement, and telecommuting. These are the already at some level existing factors in the organisation, and hence these comments just confirmed the fact that job design should be improved and developed. Opportunities, factors or changes relating to job design do not perhaps usually come up in coffee table conversations or either in more formal development discussions. So they must be well planned, organised, informed and implemented. Job design factors are important to keep up-dated because they make jobs more versatile, varying and interesting and clearly are in the respondents' hopes. Investing in job design is also reinforced by the fact that only 34 % of the respondents think that the existing factors of job design are adequate at the moment.

The main findings concerning the comparisons between the genders are not as surprising or major as they could have been. Men and women agree on both the most motivational and the non-motivational rewards. Both genders value nice work atmosphere, interesting work and possibilities to affect contents of own work. The rewards which do not motivate are organisation's credit card, car park and fringe benefits. My own assumption that men value more the financial factors, in this connection basic wage, did not come true because the both genders agree on the quite high motivation potential of basic wage. Both genders are about equally ambitious in their jobs, and achievements in own job are important for both. But there is a distinctive difference in promotion opportunities which are more important for women. Women also appreciate further education possibilities and flexible working hours more than men. The differences in the previous are minor but still their motivation potentials are higher among females. The only thing which motivates men little bit more is responsibility and independence in own work. This difference is very minor but still it exists as an only reward which is at least little bit more important for men. In general women estimate the rewards in the inquiry more motivating than men, so maybe women are easier to motivate externally in working life. But does that mean that men content themselves with less? Probably not. Men may be more independent as employees, as for example praise and recognition do not reach so high motivational level among men as women. Women might take the challenges of working life and the feelings caused by work more personally and seriously and that is why they need and value attention, recognition, social relations and intercourse and rewarding more.

When I gathered up the information about different age groups' answers, I noticed some differences between the ages and also things from which could be drawn generalisations. For all age groups common sources of motivation and important rewards are nice work atmosphere, flexible working hours, responsibility over own work, pay, and praise and recognition. Of course there are also many other rewards which are as important as these named but their significance may vary between the age groups, for example achievements in own job and interpersonal relationships. No matter what is the age of an employee the immaterial rewards seem to play quite a big role and meaning in work-

ing life. 51 % of the respondents also announce that the meaning of immaterial incentives and rewards become more important as working years increase.

The differences between the four age groups can be found under just couple of rewards. Promotion possibilities are a clear one; it is most important among the youngest employees and its meaning decrease along the age, although not completely to non-existence. Also the meaning of basic wage is at its highest among the youngest persons, in spite of minor variation its importance stays quite strong during a whole career. Flexible working hours are motivational already from the beginning of working life, but the importance decrease slightly among the over 55 years old. The possibilities for further education are most motivational for the middle-aged groups. Over 55 years old have more fragmental opinions but generally they do not value them so much as other.

Rewarding is an essential and necessary part of organisations' functions. Besides an individual's intrinsic motivation, rewarding is one the most important sources of motivation. For management it is important to remember that its personnel consists of many individuals and that is why rewarding should also be tailored to correspond to employees' needs as individuals and as a group. The age is one the most notable factors affecting motivation and attitudes to rewarding. From the inquiry it can be seen that the factors of immaterial rewarding are very important in the public sector. Their meaning is strong already from the beginning of a career among the young employees and it just strengthens the closer is the retirement. We cannot either deny the motivation potential of money because basic wage get so much attention from the respondents. Its importance can be seen in all ages although in the group of over 55 years old the views are more dispersed. Generally the younger were more definite and united in their answers whereas the older employees had a little bit more non-uniform answers. One reason may be that the older persons have more diverse backgrounds, for example their family relations are more varied than young's. They might also have already lots of experiences of working life and different work places and they have more life experience.

The results can be culminated in that the young employees can be attracted to organisations with good payment, promotion opportunities, nice work atmosphere and flexibili-

ty, and the older employees with interesting work, further education opportunities, nice work atmosphere, good interpersonal relations and job security. So the opportunities to educate and develop oneself and to ascend on a career combined with adequate payment seem to play a major role in young employees' thoughts about working life. In the views of the ageing employees the motivating factors are related more to contents of work, flexibility of work arrangements and employment security. The factors of intrinsic and immaterial rewarding seem to be emphasised in the later phases of working life, the differences within the rewards are not, however, big or notable.

The respondents' dissatisfaction with for example job design factors can be seen clearly from the results. The development work concerning rewarding is very important in order to maintain the motivation and well-being of employees. For example with the help of the hoped-for job rotation, job enrichment and enlargement the jobs would become more versatile and interesting. Employees would also feel that their voice and wishes are being listened to and taken really into account. Especially in public sector one of the stumbling blocks in the development of rewarding can be that people cling to the old habits and processes. We might wonder, why change something if the current practises function and no one is complaining. Sometimes these familiar practises might be well-tried and pleasing, but it is good to remember the strengths of development and change. There might be lots of wishes and development suggestions regarding rewarding, but those do not come up for example because of poor communication or lack of opportunities for influence. For instance from this survey I got the feeling that under the surface there are much dissatisfaction and development needs. There are lots of good things but also a lot in need of development.

The effects of immaterial rewarding on motivation are significant and that should be taken into account especially in public sector, where wage is not perhaps the most central asset. Rewarding especially in public sector is important also for the reason that one cannot always see the results or effects of own work. Hence it is more difficult to get satisfaction or encouragement from the job itself and that is why rewarding and recognition are so essential. In rewarding the salient points are among others equality and rightness. This means the impartial and fair treatment of all employees, however, not

forgetting individuality. The differences in personalities should be accepted and taken into account in motivating and especially in immaterial rewarding. The demands of working life and the rewarding should be squared with the different phases of life and organisation's age structure. It is important to recognise what different needs and wishes there are, arise or are hidden in a work community.

5.2. Subjects of further study

I think that the most interesting part of the thesis and the inquiry is the age perspective. The comparisons between the different age groups and the questions and challenges of ageing in working life could be questions to go still deeper. It would be great to research the ageing in today's Finland. What would be the most workable solutions and rewards which really motivate to continue longer, and what are the concrete thrust and appealing factors? And what is the meaning of money and wage? Interesting viewpoints would also be the role of trade and the effects of the reforms in the public sector. The same kind of inquiry could also be carried out in a private sector organisation – would the results be different and to what degree? In a larger research there could also be a comparison between the public and private sector. The differences and variation among these sectors and different rewardings, financial and immaterial, would be interesting to study.

Further studies could deepen the already existing themes in the thesis. For example the job design, its factors and meaning in today's organisations. Are they really being used and exploited, what are their concrete effects and are they being experienced important and longed-for? It would also be interesting to question the meaning of wage and other financial rewarding, especially in the public sector and take the age differences into consideration also in here. The comparisons in my thesis limited to the gender and age; comparing could also be done on basis of status and/or background education. It would also be interesting to see the possible effects of family relations to the experiences about rewarding. I found many possible subjects and themes of further study. There could be

used so many different and interesting aspects to explore this topic or use and deepen the already existing ones.

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APPENDIX 1. Covering letter

Arvoisa kyselyn vastaanottaja,

Olen julkisjohtamisen opiskelija Vaasan yliopistossa ja teen pro gradu -tutkielmaani aineettomasta palkitsemisesta. Tutkielmaani liittyen toteutan kyselyn Etelä-Pohjanmaan Ely-keskukseen.

Tutkimuksessani pyrin selvittämään mitä palkitseminen ja erityisesti aineeton palkitseminen on ja mitkä ovat sen vaikutukset työmotivaatioon ja työssä viihtymiseen. Mielenkiintoni kohdistuu julkiseen sektoriin, sillä taloudellisen palkitsemisen vähäisyyden tai puuttumisen vuoksi aineettoman palkitsemisen merkitys korostuu. Haluan selvittää aineettoman palkitsemisen roolia julkisella sektorilla, sen motivoivaa vaikutusta ja kenties mahdollisia kehittämistarpeita jollakin palkitsemisen osa-alueella. Kyselyn avulla haluan tutkia koetaanko aineeton palkitseminen tärkeäksi ja tarpeelliseksi ja onko sillä mahdollisesti vaikutusta työssä viihtymiseen ja siellä pidempään jaksamiseen.

Kysely suoritetaan internet-kyselynä. Kyselylomakkeeseen pääset vastaamaan tässä viestissä olevasta hyperlinkistä. Vastaaminen vie arviolta noin 10 minuuttia. Kaikki saadut vastaukset käsitellään luottamuksellisesti. Tutkimustuloksia ei raportoida henkilötasolla, eivätkä vastaajien henkilöllisyydet ole tunnistettavissa tuloksista. Kyselyyn vastaaminen on mahdollista 15.4.2011 saakka. Tutkimus toimitetaan Etelä-Pohjanmaan Ely-keskukseen sen valmistuessa syksyllä 2011.

Linkki kyselylomakkeeseen:
https://eforms.uwasa.fi/lomakkeet/1288/lomake.html

Vastaan mielelläni kyselyyn sekä tutkimukseeni liittyviin kysymyksiin.
Kiitän jo etukäteen tutkimukseen osallistumisesta ja sen hyväksi käyttämästänne ajasta.

Ystävällisin terveisin
Maria Katajamäki
+35850 123 4567
maria.katajamaki@student.uwasa.fi

APPENDIX 2. The inquiry

BACKGROUND INFORMATION

1. Gender
    Male
    Female
2. Year of birth 19__
3. Uppermost educational background
    Comprehensive school
    Vocational school or Upper secondary school
    College level
    University of applied sciences
    University
    Licentiate or Doctor
4. How long have You been working at present employer? __ years

QUESTIONS ABOUT REWARDING

5. Do You know if an organisation You are working in has a written rewarding
    strategy or plan?
    Yes
    No
    I do not know

If You answered No or I do not know, move to the question 7.

6. If You answered Yes in the previous question, do You feel that the present re-
    warding strategy or plan should be revised? Tell also how.

7. If You answered No or I do not know in the previous question, do You feel there
    should exist a written rewarding strategy or plan?
    Yes
    No

8. What rewards do You have at Your work place?

        Payment by results

        Bonus payment

        Additional insurances e.g. retirement and nursing costs insurances

        Fringe benefits e.g. telephone, meal and car

        Exhaustive health care

        Interesting work assignments

        Further education possibilities

        Development discussion

        Promotion possibilities

        Deepening or enlargement of own expertise

        Job rotation

        Status symbols:

                Own work room

                Car park

                Organisation's credit card

                Flexible working hours

        Praise and recognition from superiors and/or colleagues

        Representation tasks

9. To what degree the rewards below motivate You in Your job? (1= not at all, 2= very little, 3= some, 4= quite a lot, 5= very much)

        Promotion possibilities

        Interesting work

        Possibilities to affect contents of own work

        Basic wage

        Fringe benefits e.g. telephone, meal and car

        Responsibility and independence in Your own work

        Praise and recognition from superiors

        Praise and recognition from colleagues

        Achievements in Your own work

        Status symbols:

                Own work room

                Car park

                Organisation's credit card

                Flexible working hours

        Further education possibilities

Nice work atmosphere

10. Which one do You consider more encouraging and important, the feedback and praise from

Superiors or

Colleagues?

11. Are You satisfied with incentives and rewards used in Your work place? (1= very dissatisfied, 2= dissatisfied, 3= neither satisfied nor dissatisfied, 4= satisfied, 5= very satisfied)

Promotion possibilities

Interesting work

Possibilities to affect contents of own work

Basic wage

Fringe benefits e.g. telephone, meal and car

Responsibility and independence in Your own work

Praise and recognition from superiors

Praise and recognition from colleagues

Achievements in Your own work

Status symbols:

Own work room

Car park

Organisation's credit card

Flexible working hours

Further education possibilities

Nice work atmosphere

12. Choose from the list below four the most important motivation factors.

Achievements in Your own job

Advancement

Responsibility over Your own work e.g. time tables and decision making

Recognition from superiors and colleagues

Work itself

Supervision from above over Your work

Company policy and administration

Interpersonal relationships at work place

Pay

Physical working conditions
Own status at Your work place
Job security

13. Job design. What factors of job design do You have at Your own work?
　　Job rotation: an employee voluntarily adopts another task for a specified period of time in order to learn and develop him/herself.
　　Job enlargement: jobs are being enlarged horizontally by joining work assignments to new and wider entireties
　　Job enrichment: steps which increase vertical demandable and independence of work e.g. superiors' power and responsibility is transferred to employees and/or an employee can freely plan own time tables and working methods
　　Job organising e.g. use of teamwork
　　Workplace e.g. possibility of telecommuting
　　Working time: possibilities to flexible working hours, part time job, different day, week or year working hours, shift work and permanent or temporary employment
　　Working equipment: appropriate and up-to-date equipment, whose acquisition an employee have possibilities to affect

14. At Your work place, are existing factors of job design adequate from Your point of view?
　　Yes
　　No
　　I cannot say

15. What factors of job design would You like to add, abolish or develop and how?

16. There has been a public discussion about elongation of careers and raising of the retirement age. To what degree the factors below would encourage and help You to continue longer in working life? (1= not at all, 2= very little, 3= some, 4= quite a lot, 5= very much)
　　Promotion possibilities
　　Interesting work
　　Possibilities to affect contents of own work
　　Basic wage

Fringe benefits e.g. telephone, meal and car

Responsibility and independence in Your own work

Praise and recognition from superiors

Praise and recognition from colleagues

Achievements in Your own work

Status symbols:

     Own work room

     Car park

     Organisation's credit card

     Flexible working hours

Further education possibilities

Nice work atmosphere

17. Has the meaning of immaterial incentives and rewards; like praise and recognition, interesting work, further education, job design, status symbols and social relations, become more important and meaningful as Your working years have increased?

     Yes

     No

     I cannot say

18. If You answered yes in the previous question, could You clarify what factors of rewarding have the biggest meaning and why?

19. Are there needs or wishes of development regarding to rewarding at Your work place?

TAUSTATIEDOT

1. Sukupuoli
   > Mies
   >
   > Nainen

2. Syntymävuosi 19__

3. Ylin koulutustaso
   > Peruskoulu tai Kansakoulu
   >
   > Ammattikoulu tai Lukio
   >
   > Opistotaso
   >
   > Ammattikorkeakoulu
   >
   > Yliopisto
   >
   > Lisensiaatti tai Tohtori

4. Kuinka kauan olette työskennellyt nykyisen työnantajan palveluksessa? __ vuotta

KYSYMYKSET PALKITSEMISESTA

5. Tiedättekö onko organisaatiolla, jossa työskentelette, oma kirjallinen palkitsemisstrategia tai -suunnitelma?
   > Kyllä
   >
   > Ei
   >
   > En tiedä

Jos vastasitte kysymykseen Ei tai En tiedä, siirtykää kysymykseen 7.

6. Jos vastasitte edelliseen kysymykseen Kyllä, koetteko että tiedossanne olevaa nykyistä palkitsemisstrategiaa tai -suunnitelmaa tulisi mielestänne kehittää tai uudistaa? Kertokaa myös miten.

7. Jos vastasitte edelliseen kysymykseen Ei tai En tiedä, koetteko että organisaatiolla tulisi olla kirjallinen palkitsemisstrategia tai –suunnitelma?
   > Kyllä
   >
   > Ei

8. Mitä palkitsemistapoja työpaikallanne käytetään?

  Tulospalkkaus
  Bonus-systeemit
  Lisävakuutukset esim. eläke- ja sairauskuluvakuutukset
  Luontaisedut esim. puhelin, ateria ja auto
  Laaja työterveyshuolto
  Mielenkiintoiset työtehtävät
  Lisäkoulutusmahdollisuudet
  Kehityskeskustelu
  Ylennysmahdollisuudet
  Oman ammattitaidon syventäminen tai laajentaminen
  Työnkierto
  Statussymbolit:

      Oma työhuone
      Autopaikka
      Organisaation luottokortti
      Joustavat työajat

  Kiitos ja kannustus esimiehiltä ja/tai kollegoilta
  Edustustehtävät

9. Missä määrin alla luetellut palkitsemistavat motivoivat Teitä työssänne? (1= ei lainkaan, 2= hyvin vähän, 3= jonkin verran, 4= melko paljon, 5= erittäin paljon)

  Ylenemismahdollisuudet
  Mielenkiintoinen työ
  Mahdollisuudet vaikuttaa oman työn sisältöön
  Peruspalkka
  Luontoisedut esim. puhelin, ateria ja auto
  Vastuu ja itsenäisyys omassa työssä
  Kiitos ja kannustus esimiehiltä
  Kiitos ja kannustus kollegoilta
  Saavutukset omassa työssä
  Statussymbolit:

      Oma työhuone
      Autopaikka
      Organisaation luottokortti
      Joustavat työajat

  Lisäkoulutusmahdollisuudet

Mukava työilmapiiri

10. Kumman koette kannustavampana ja tärkeämpänä, palaute ja kiitos
      esimiehiltä vai
      kollegoilta?

11. Miten tyytyväinen olette kannustimiin ja palkitsemistapoihin, joita käytetään
    työpaikallanne? (1= erittäin tyytymätön, 2= tyytymätön, 3= ei tyytymätön eikä
    tyytyväinen, 4= tyytyväinen, 5= erittäin tyytyväinen)
        Mielenkiintoinen työ
        Mahdollisuudet vaikuttaa oman työn sisältöön
        Peruspalkka
        Luontoisedut esim. puhelin, ateria ja auto
        Vastuu ja itsenäisyys omassa työssä
        Kiitos ja kannustus esimiehiltä
        Kiitos ja kannustus kollegoilta
        Saavutukset omassa työssä
        Statussymbolit:
                Oma työhuone
                Autopaikka
                Organisaation luottokortti
                Joustavat työajat
        Lisäkoulutusmahdollisuudet
        Mukava työilmapiiri

12. Valitkaa alla olevasta listasta neljä mielestänne tärkeintä motivaatiota lisäävää
    tekijää.
        Saavutukset omassa työssä
        Ylennys
        Vastuu omasta työstä esim. aikatauluista ja päätöksenteosta
        Tunnustus ja kiitos esimiehiltä ja kollegoilta
        Työ itsessään
        Ylhäältäpäin tuleva työn valvonta
        Yrityksen käytäntö ja hallinto
        Henkilösuhteet työpaikalla
        Palkka
        Fyysiset työolosuhteet

Asema/status omalla työpaikalla

Työsuhdeturva

13. Työn muotoilu. Mihin työn muotoilun osatekijöihin Teillä on mahdollisuus omassa työssänne?

Työnkierto: työntekijä siirtyy vapaaehtoisesti määräajaksi toiseen tehtä-vään oppiakseen ja kehittyäkseen.

Työnkuvan laajentaminen: työtä laajennetaan horisontaalisesti yhdistämäl-lä työtehtäviä uusiksi ja laajemmiksi kokonaisuuksiksi

Työnkuvan rikastaminen: toimenpiteet, joilla työn vaativuutta ja itsenäi-syyttä lisätään vertikaalisesti, esim. esimiesten valtaa ja vastuuta siirretään työntekijöille ja/tai työntekijä voi vapaasti suunnitella työnsä aikataulun ja työmenetelmät

Työn organisointi esim. tiimityöskentely

Paikka työnteolle esim. mahdollisuus etätyöskentelyyn

Työajat: mahdollisuus joustaviin työaikoihin ja työaikajärjestelyihin esim. osa-aikatyö, erilaiset päivä-, viikko- tai vuosityöajat, vuorotyö ja vakituinen tai määräaikainen työ

Työvälineet: kunnolliset ja ajanmukaiset, joiden hankintaan työntekijällä on mahdollisuus vaikuttaa

14. Ovatko organisaatiossa jo olemassa olevat työn muotoilun osatekijät mielestän-ne riittävät?

Kyllä

Ei

En osaa sanoa

15. Mitä työn muotoilun tekijöitä haluaisitte lisättävän, poistettavan tai kehitettävän ja miten?

16. Julkisuudessa on lähiaikoina keskusteltu paljon työurien pidentämisestä ja eläke-iän nostosta. Missä määrin alla luetellut tekijät kannustaisivat ja auttaisivat Teitä jatkamaan työurallanne pidempään? (1= ei lainkaan, 2= hyvin vähän, 3= jonkin verran, 4= melko paljon, 5= erittäin paljon)

Mielenkiintoinen työ

Mahdollisuudet vaikuttaa oman työn sisältöön

Peruspalkka

Luontoisedut esim. puhelin, ateria ja auto
Vastuu ja itsenäisyys omassa työssä
Kiitos ja kannustus esimiehiltä
Kiitos ja kannustus kollegoilta
Saavutukset omassa työssä
Statussymbolit:

     Oma työhuone
     Autopaikka
     Organisaation luottokortti
     Joustavat työajat

Lisäkoulutusmahdollisuudet
Mukava työilmapiiri

17. Onko aineettoman palkitsemisen, kuten kiitoksen ja kannustuksen, mielenkiintoisen työn, lisäkoulutuksen, työnmuotoilun, statussymbolien ja sosiaalisten suhteiden, merkitys muuttunut tärkeämmäksi ja merkityksellisemmäksi työvuosienne karttuessa?

Kyllä
Ei
En osaa sanoa

18. Jos vastasitte Kyllä, niin voisitteko selventää millä palkitsemisen tekijöillä ja tavoilla on suurin merkitys ja miksi?

19. Onko mielessänne kehittämistarpeita tai –toiveita palkitsemisen suhteen nykyisellä työpaikallanne?

APPENDIX 3. The collecting table

EXISTING REWARDS	MOTIVATING	SATISFACTION WITH	NEED DEVELOPMENT
development discussion	nice work atmosphere	nice work atmosphere	payment issues/wages
flexible working hours	flexible working hours	flexible working hours	praise and recognition
interesting work	interesting work	interesting work	development discussions
praise and recognition	achievements in own work	achievements in own work	further education possibilities
own work room	praise and recognition	own work room	communication
exhaustive health care	responsibility and independence in work	responsibility and independence in work	
deepening or enlargement of own expertise	possibilities to affect contents of own work	possibilities to affect contents of own work	
	basic wage		
	further education possibilities		
EXIST AT SOME LEVEL	MOTIVATING AND NOT MOTIVATING	SATISFACTION AND DISSATISFACTION WITH	
fringe benefits	fringe benefits	car park	
promotion possibilities	promotion possibilities	further education possibilities	
organisation's credit card	own work room		
NOT EXISTING	NOT MOTIVATING	DISSATISFACTION WITH	
bonus systems	car park	promotion possibilities	
additional insurances	organisation's credit card	basic wage	
representation tasks		fringe benefits	
		organisation's credit card	