

Generational motivation and preference for reward and recognition in a South African
facilities management firm

by

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I would like to acknowledge the late Geraldine Smith for instilling in me the greatest respect for education, empowerment and independence – the most valuable gifts any mother could have left behind and without which I would not be where I am today.

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I declare that “Generational motivation and preference for reward and recognition in a South African facilities management firm” is my own work and that all the sources that I have used or quoted have been indicated and acknowledged by means of complete references.

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SUMMARY

Generational motivation and preference for reward and recognition in a South African facilities management firm

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DEGREE: Masters of Commerce

SUBJECT: Industrial and Organisational Psychology

SUPERVISOR: Professor Nico Martins

Generational sub-groups have been stereotyped as requiring different approaches in the workplace with regard to what keeps them motivated.

This research study was conducted from a humanistic-existential paradigm, seeking to find ways to avoid the demotivation of employees that can result from one-size fits all reward and recognition policies. The research attempts to establish the existence and nature of generational differences.

Two quantitative measuring instruments, namely the Rewards Preferences Questionnaire (RPQ) and the Motivation Measure, were distributed electronically to all staff of a South African facilities management firm.

The findings indicated that there are generational sub-group preferences for certain types of reward, and different perceptions about what types of reward attract, motivate and retain employees. They can be motivated differently by some reward structures. However, for others there was no obvious preference among the generational sub-groups.

The main recommendation of the study is that companies adopt a flexible approach to reward and recognition, allowing employees to tailor reward structures according to their needs. Remuneration is the most preferred method of rewarding employees across all generations.

KEY TERMS: Generation, motivation, reward, recognition, facilities, Baby Boomer, Veteran, Generation X, Generation Y, reward preference

| TABLE OF CONTENTS | | Page |
|---|--|-------------|
| Acknowledgments | | ii |
| Declaration | | iii |
| Summary | | iv |
| List of figures | | viii |
| List of tables | | ix |
| CHAPTER 1: SCIENTIFIC ORIENTATION TO THE RESEARCH | | 1 |
| 1.1 BACKGROUND AND MOTIVATION | | 1 |
| 1.1.1 Generation theory | | 4 |
| 1.1.2 Motivation theory | | 10 |
| 1.1.3 Generations and motivation | | 13 |
| 1.1.4 Reward and recognition | | 15 |
| 1.1.5 Generations, reward and recognition | | 16 |
| 1.2 RESEARCH QUESTIONS (PROBLEM STATEMENT) | | 17 |
| 1.2.1 General research questions | | 17 |
| 1.2.2 Research questions for the literature review | | 17 |
| 1.2.3 Empirical research questions | | 18 |
| 1.3 AIMS OF THE RESEARCH | | 18 |
| 1.3.1 General aim | | 18 |
| 1.3.2 Specific aims | | 18 |
| 1.4 THE PARADIGM PERSPECTIVE | | 19 |
| 1.4.1 Philosophical paradigm: Humanistic existential paradigm | | 19 |
| 1.4.2 Theoretical paradigm: Systems and generation theory | | 21 |
| 1.5 RESEARCH DESIGN | | 23 |
| 1.5.1 Research approach | | 23 |
| 1.5.2 Survey approach | | 24 |
| 1.5.3 Research participants | | 24 |
| 1.5.4 Research method | | 25 |
| 1.5.5 Research procedure | | 25 |
| 1.6 CHAPTER LAYOUT | | 30 |
| 1.7 DELINEATION AND LIMITATIONS | | 31 |
| 1.8 DEFINITION OF TERMS | | 31 |
| 1.8.1 Generational cohort | | 31 |
| 1.8.2 Motivation | | 32 |
| 1.8.3 Reward | | 32 |
| 1.8.4 Recognition | | 32 |
| 1.9 SIGNIFICANCE AND CONTRIBUTION | | 32 |
| 1.10 LIMITATIONS OF THE STUDY | | 33 |
| 1.11 ETHICAL CLEARANCE | | 33 |
| 1.12 CHAPTER SUMMARY | | 34 |
| CHAPTER 2: THE CONSTRUCT OF GENERATIONS | | 35 |
| 2.1 DEFINING GENERATIONS | | 35 |
| 2.1.1 The time dimension of the generation | | 36 |
| 2.1.2 The space dimension of the generation | | 37 |
| 2.2 CONCEPTUALISING GENERATIONAL COHORTS | | 38 |
| 2.2.1 Veterans | | 38 |
| 2.2.2 Baby Boomers | | 40 |
| 2.2.3 Generation X | | 44 |
| 2.2.4 Generation Y | | 48 |

| | | |
|--|--|------------|
| 2.3 | GENERATIONS: A COMPARISON | 51 |
| 2.4 | GENERATIONAL DIFFERENCES AND SIMILARITIES | 54 |
| 2.4.1 | Marriage and children | 54 |
| 2.4.2 | Education | 55 |
| 2.4.3 | Childhood and formative years | 55 |
| 2.4.4 | Organisational values and work ethic | 56 |
| 2.4.5 | Technology | 61 |
| 2.4.6 | Diversity and change | 61 |
| 2.4.7 | Teamwork and collaboration | 61 |
| 2.4.8 | Work life balance | 61 |
| 2.4.9 | Loyalty to employer | 62 |
| 2.4.10 | Training and development | 62 |
| 2.4.11 | Career path | 62 |
| 2.4.12 | Preferred leadership style/ view of authority | 63 |
| 2.5 | GENERATIONS: A SOUTH AFRICAN PERSPECTIVE | 63 |
| 2.5.1 | Apartheid | 64 |
| 2.5.2 | South African generations | 65 |
| 2.6 | CHAPTER SUMMARY | 70 |
| CHAPTER 3: MOTIVATION, REWARD AND RECOGNITION | | 71 |
| 3.1 | INTRODUCTION | 71 |
| 3.2 | MOTIVATION | 71 |
| 3.2.1 | Defining motivation | 71 |
| 3.2.2 | Motivation theories | 74 |
| 3.2.3 | Typical aspects of motivation that can be measured using the SDT | 92 |
| 3.2.4 | An integrated model of motivation | 94 |
| 3.3 | REWARD AND RECOGNITION | 95 |
| 3.3.1 | Reward | 96 |
| 3.3.2 | Recognition | 97 |
| 3.4 | GENERATIONS: REWARD, RECOGNITION AND MOTIVATION | 101 |
| 3.5 | CHAPTER SUMMARY | 103 |
| CHAPTER 4: RESEARCH DESIGN | | 104 |
| 4.1 | INTRODUCTION | 104 |
| 4.2 | EMPIRICAL STUDY AIMS | 104 |
| 4.3 | POPULATION AND SAMPLE | 104 |
| 4.4 | MEASURING INSTRUMENTS | 106 |
| 4.4.1 | Motivation Measure | 106 |
| 4.4.2 | Rewards Preferences Questionnaire (RPQ) | 111 |
| 4.5 | DATA COLLECTION | 117 |
| 4.6 | DATA ANALYSIS | 117 |
| 4.6.1 | Descriptive Statistics | 118 |
| 4.6.2 | Inferential Statistics | 119 |
| 4.7 | FORMULATION OF HYPOTHESES | 119 |
| 4.8 | CHAPTER SUMMARY | 120 |
| CHAPTER 5: RESULTS AND DISCUSSION | | 121 |
| 5.1 | DEALING WITH MISSING DATA | 121 |
| 5.2 | VALIDITY | 121 |
| 5.3 | RELIABILITY | 127 |
| 5.4 | DESCRIPTIVE STATISTICS | 129 |

| | | |
|--|--|------------|
| 5.4.1 | Demographic variables | 129 |
| 5.4.2 | Mean scores | 134 |
| 5.4.3 | Frequencies for reward category preferences | 138 |
| 5.4.4 | Frequencies for the generational sub-groups' perception of the importance of reward categories in attracting, motivating and retaining staff | 142 |
| 5.5 | INFERENTIAL STATISTICS - ANOVA | 145 |
| 5.6 | INTERPRETATION OF RESULTS | 151 |
| 5.6.1 | Rewards preferences | 151 |
| 5.6.2 | Motivation | 152 |
| 5.7 | HYPOTHESES | 152 |
| 5.8 | CHAPTER SUMMARY | 153 |
| CHAPTER 6: CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS | | 154 |
| 6.1 | CONCLUSION RELATING TO DEFINED AIMS | 154 |
| 6.1.1 | Conclusion relating to theoretical aims | 154 |
| 6.1.2 | Conclusion relating to empirical aims | 157 |
| 6.1.3 | Conclusion relating to hypotheses | 161 |
| 6.2 | LIMITATIONS | 161 |
| 6.2.1 | Limitations of the literature review | 162 |
| 6.2.2 | Limitations of the empirical study | 162 |
| 6.3 | RECOMMENDATIONS FOR GENERATIONAL RESEARCH | 163 |
| 6.4 | CHAPTER SUMMARY | 164 |
| REFERENCES | | 165 |
| ANNEXURE A: QUESTIONNAIRE | | 178 |
| ANNEXURE B: SPSS OUTPUTS | | 194 |

| LIST OF FIGURES | | Page |
|------------------------|--|-------------|
| Figure 3.1 | Maslow's hierarchy of needs | 75 |
| Figure 3.2 | The expectancy theory model of motivation (adapted from Lawler III, 1993) | 82 |
| Figure 3.3 | Self-determination model of motivation | 90 |
| Figure 3.4 | An integrated model of organisational motivation and reward as mediated by the theories and concepts discussed | 94 |
| Figure 4.1 | The total rewards framework as proposed by Nienaber et al. (2011). | 112 |
| Figure 5.1 | Biographical statistics for gender | 130 |
| Figure 5.2 | Biographical statistics for racial group | 131 |
| Figure 5.3 | Biographical statistics for year of birth (Generation) | 132 |
| Figure 5.4 | Biographical statistics for business unit | 133 |
| Figure 5.5 | Generational preferences for monthly salary and guaranteed remuneration as a reward category | 139 |
| Figure 5.6 | Generational preferences for variable pay as a reward category | 140 |
| Figure 5.7 | Generational preferences for performance and career management as a reward category | 140 |
| Figure 5.8 | Generational preferences for performance and career management as a reward category | 141 |
| Figure 5.9 | Generational preferences for work-home integration as a reward category | 141 |

| LIST OF TABLES | | Page |
|-----------------------|--|-------------|
| Table 1.1 | Delineation of generations in the literature | 5 |
| Table 2.1 | Generational differences and similarities | 57 |
| Table 2.2 | Generational time frame comparison (UK, USA and South Africa) | 64 |
| Table 4.1 | Internal consistency reliability of the Motivation Measure | 109 |
| Table 4.2 | Factor loadings for each factor and the corresponding scale items for the Motivation Measure | 110 |
| Table 4.3 | Factor loadings for each factor and corresponding scale items for the RPQ | 114 |
| Table 5.1 | KMO-Values | 122 |
| Table 5.2 | Factor Matrix, reliability analysis and correlations. | 123 |
| Table 5.3 | Biographical statistics for gender | 130 |
| Table 5.4 | Biographical statistics for race | 131 |
| Table 5.5 | Biographical statistics for generation | 132 |
| Table 5.6 | Biographical statistics for business unit | 133 |
| Table 5.7 | Mean scores per factor for specific reward types and structures | 135 |
| Table 5.8 | Mean scores per factor for the Motivation Measure | 137 |
| Table 5.9 | Generational perception of reward category preference in organisational attraction | 142 |
| Table 5.10 | Generational perception of reward category preference in organisational retention | 143 |
| Table 5.11 | Generational perception of reward category preference in organisational motivation | 144 |
| Table 5.12 | ANOVA post-hoc test for statistical significance in generational differences | 147 |
| Table 5.13 | Hypothesis table | 153 |

CHAPTER 1 - SCIENTIFIC ORIENTATION TO THE RESEARCH

This research addresses the issues related to the relationship between generational cohorts and the respective constructs of reward preferences and motivation in a South African facilities management organisation. The research will be approached from an industrial and organisational perspective.

1.1 BACKGROUND AND MOTIVATION

Meister and Willyerd, in their book, *The 2020 workplace* (2010) have recently contributed to a large international body of knowledge on the organisational relevance of generations in the workplace. They purport that in the year 2020 there will be five generations at work for the first time in history and that keeping each of them similarly motivated and satisfied will be a huge task for the companies that employ them. In other words, a one-size-fits-all approach will no longer be possible as each generation brings with it a new set of values and desires that are inherently different from its predecessors and those that join the workplace after it (Meister & Willyerd, 2010).

The research done by Meister and Willyerd (2010), although extensive and thorough, was conducted in the United States of America and it is difficult to imagine that the findings in their book would apply seamlessly to an African or South African context. South Africans are affected by such factors as our political history and the prevailing legislated redress, race relations and entrenched cultural diversity which would seem to affect preferences for reward, recognition and motivation more than generational differences. However, in research conducted locally by the organisation TomorrowToday, in partnership with local personnel and advertising firms, it was found that “the younger the person the less race and the more age became a predictor of attitudes and behaviour” (Codrington, 2008, p.12).

Recent research by Martins and Martins (2014) conducted in a South Africa context has shown that paying attention to generational sub-groups’ attitudes to organisational culture, employee commitment and satisfaction has benefits for the organisation in terms of talent retention. Their research revealed an intense focus by Millennials on

their own training and development. South African Baby boomers are more interested in working as a team than younger generations, and the technological savvy of Generations X and Y indicates a lower tolerance for staff meetings. Martins and Martins' (2014) research showed a disparity between the younger generations and the Baby Boomer generation in terms of their overall satisfaction. Baby Boomers are more negative than their younger counterparts, which poses a problem for the skills and knowledge transfer that needs to take place before the South African Baby Boomer generation retires. According to Martins and Martins (2014), keeping this generation motivated and engaged is crucial to facilitate this transfer in the coming years. The study concluded that the struggle for talent, skills shortages and employee mobility further compound the issue of talent retention in South Africa (Martins & Martins, 2014).

In assessing organisational culture at a large South African ICT firm, Moss and Martins (2014) reported significant differences between the generations for the perception of objectivity in the performance appraisal process. The study found that management processes, employee needs (including career expectations) and strategy and change management (Generation Y were alone in feeling that management has the vision, mission and organisational strategy in hand) were all perceived differently by the generational cohorts.

The purpose of the research being proposed would be to test whether generations are motivated differently and whether different generational groups prefer different forms of reward and recognition in the context of a South African workplace.

The context for this research would be the South African business of a global corporate firm with its headquarters in the USA. Globally the company employs 170,000 employees in 150 countries.

The company is structured globally across three product offerings namely – facilities management, car battery manufacturing and automotive interior installation. It provides facilities management services locally, to a number of clients.

Currently the organisation applies a blanket reward and recognition policy locally to all employees. Performance reward happens annually in the form a merit process which

determines a percentage increase to the cost to company package. This is based on earnings relative to the prevailing pay line per grade and the employee's performance rating. The company pays a non-guaranteed "13th cheque" annually in December for all employees and this payment is dependent on company performance. Employees, who receive a low performance rating denoting that they either failed to achieve the expected results or performed below expected results respectively, do not qualify for either an increase or a performance bonus. Staff members above a certain grade are not eligible for a performance bonus, but instead participate in a performance bonus scheme for their particular business unit. An ad hoc recognition process known as the Gold Star Awards programme aims to identify and reward staff members who go above and beyond their normal work duties in the areas of company culture, commitment and client service. An employee has to be nominated for this by a fellow employee and the award must be further approved by a second level manager.

The firm and other South African organisations could benefit from an understanding of the needs of different generations in the workplace, to best leverage their skills and commitment to the organisation and improve employee morale and performance.

Turnover is high among younger generations at the firm. Of the 281 terminations that took place between August 2013 and September 2014, 103 were members of Generation Y (36.6%) and 138 were from Generation X (49.1%). Collectively this is 85% of the total employee turnover for the financial year and 22% of the staff complement as at July 2014. The loss of technically skilled employees is costing the firm both financially and in terms of its ability to deliver the necessary services to its clients. Critical skills are thus often absent during the period of recruitment necessary to replace employees with technical skills. Generation Y, when not engaged, is at higher risk of turnover intention and job hopping (Schullery, 2013). Miscommunication as a result of a lack of understanding of the demands of younger generations can result in lower productivity, innovation and corporate citizenship (Westerman & Yamamura, 2007). Generations X and Y are not necessarily seeking long-term development opportunities within an organisation and should be viewed as high risk with accompanying efforts to engage and satisfy these younger workers (Lyons, Schweitzer, Ng & Kuron, 2012).

1.1.1 Generation theory

Owing to the stereotypes that have become pervasive in discussing generations, generational stereotyping can sometimes be viewed as pop psychology in the context of human resources literature. Defining a generation in itself is, as Taylor and Keeter (2010) note, both too easy and too difficult. “It’s too easy because most readers don’t need a team of researchers to tell them that the typical 20-year-old, 45-year-old and 70-year-old are likely to be different from one another. People already know that. It’s too difficult because, try as we might, we know we can never completely disentangle the multiple reasons that generations differ” (Taylor & Keeter, 2010, p.4).

The basic foundation for the theory of generations is that the people who are born between two dates form a generation who come of age within a certain time period and who share certain values and world views based on their experiences (Codrington, 2008). For each generation these values and views are different. The literature differs on the exact years of birth that define a generation. Table 1.1 shows the delineation of generations across the accessed research on this topic.

For the purposes of the research undertaken here the Reynolds, Bush, and Geist (2008, p. 20) generational timeframes were used:

- Veterans: born before 1946
- Baby Boomers: born 1946 – 1964
- Generation X: born 1965 – 1980
- Generation Y: born 1981 – 2000

Table 1.1 Delineation of generations in the literature

| # | Authors | Year Published | GI | Veterans | Baby Boomers | Generation X | Generation Y | Generation Z |
|----|---|----------------|------------|-----------|--------------|--------------|---------------|---------------|
| 1 | Bova & Kroth | 2001 | | | | 1965-1981 | | |
| 2 | McGuire, Todnem, By, & Hutchings | 2007 | | | 1946 - 1963 | 1964-1980 | 1981-1989 | |
| 3 | Terjesen, Vinnicombe, & Freeman | 2007 | | | | | 1977-1994 | |
| 4 | Broadbridge, Maxwell, & Ogden | 2007 | | | | | 1977-1994 | |
| 5 | Westerman & Yamamura | 2007 | | | 1946-1964 | 1965-1994 | 1965-1994 | |
| 6 | Dries, Pepermans, & De Kerpel | 2008 | | 1925-1945 | 1946-1964 | 1965-1980 | 1981-2001 | |
| 7 | Wong, Gardiner, Lang, & Coulon | 2008 | | 1925-1944 | 1945-1964 | 1965-1981 | 1982-2000 | |
| 8 | Twenge & Campbell | 2008 | | | 50's& 60's | 1961-1981 | 1982-1999 | |
| 9 | Chen & Choi | 2008 | | | 1946-1964 | 1965-1977 | 1978 onward | |
| 10 | D'Amato & Herzfeldt | 2008 | | | 1946-1959 | 1960-1980 | | |
| 11 | Cennamo & Gardner | 2008 | | 1925-1945 | 1946-1961 | 1962-1979 | 1980-2000 | |
| 12 | Codrington | 2008 | 1900-1920s | 1929-1945 | 1946-1960s | 1968-1989 | 1980s-present | |
| 13 | Reynolds et al. | 2008 | | <1946 | 1946-1964 | 1965-1980 | 1981 - 2000 | |
| 14 | Dwyer | 2009 | | 1922-1946 | 1946-1966 | 1967-1979 | 1980-1995 | |
| 15 | Taylor & Keeter | 2010 | | 1928-1945 | 1946-1964 | 1965-1980 | 1980 onward | |
| 16 | Meister & Willyerd | 2010 | | Pre 1946 | 1946-1964 | 1965-1976 | 1977–1997 | 1997 - onward |
| 17 | Puybaraud | 2010 | | | | | 1985 -1992 | |
| 18 | Lyons et al. | 2012 | | Pre 1945 | 1945-1964 | 1965-1979 | 1980 or later | |
| 19 | Lub, Bijvank, Mattjis-Bal, Blomme, & Schalk | 2012 | | | 1945-1964 | 1965-1980 | 1980 or later | |
| 20 | Lim | 2012 | | 1925-1945 | 1946-1964 | 1965-1979 | 1980-1999 | 2000 onward |

These timeframes encompass the most prevalent delineations of the generational cohorts that have been researched for this study, which is clear from table 1.1.

Research on generations has yielded two camps of thought on the topic: one being that generations are an important and relevant phenomenon in workplace dynamics: and the other being that “generation” as a theoretical concept has limitations in explaining employee differences in job satisfaction and motivation. In the latter, the view is that the literature can often extrapolate generation theory too widely and in an alarmist fashion as seen in Meister and Willyerd’s (2010) survey of 2200 working professionals. They bravely declare that the world of work in 2020 will require an entire overhaul of workplace values and practices because for the first time, five generations will be employed simultaneously.

In the research conducted by Dries et al. (2008) of 750 Belgian participants using a task to rate fictional people’s careers, calls for new definitions of career success, as old constructs such as functional level, salary, number of promotions, promotion speed, and satisfaction are limited in their attempts to distinguish between generations and perceived career success. The findings showed that the majority of respondents had linear careers (not only Baby Boomer’s) and that younger generations have a greater discrepancy between actual career and preferred career.

Taylor and Keeter (2010) admit that studying generations is not an easy task. Life cycle, period and cohort effects – in other words the world and personal events and life stages that affect an age group simultaneously can never be adequately studied as it would require longitudinal analysis which is not available.

Generations are also not uniform in nature, and therefore there are as many differences within a generation as between them (Taylor & Keeter, 2010, p. 4). Nevertheless they believe their study of Millennials in the United States of America has value and that different generations do carry forward similar attitudes toward life and work, albeit not in a completely delineated fashion.

Macky, Gardner, and Forsyth (2008) in their critical analysis of current generational theory have suggested that time would be better spent studying differences in age

groups, and therefore maturity, than generational heterogeneity. They also suggest that cross-cultural differences should be measured in generational theory, as different cultures experience and assimilate world and life events differently. In their analysis they highlight that Wong et al.(2008) found few meaningful differences in their research conducted on a large sample of Australian professionals using the OPQ32 (Occupational Personality Questionnaire 32) and MQ (Motivational Questionnaire). According to them, generational stereotyping as a result of management literature has become pervasive (Wong et al., 2008). Nevertheless they conclude their research by stating that younger generations are more cynical and negative and less optimistic and that managers will need to prepare themselves for this.

Cennamo and Gardner's (2008) research conducted in New Zealand highlighted significant generational differences in work values involving status and freedom but not for extrinsic, intrinsic, social and altruism-related values. They did not find generational differences in perceived organisational values.

Despite these views, there is compelling research that suggests that generational differences are a valid phenomenon in the workplace and that an examination of these differences can only serve to enhance managerial strategy interventions. Research especially focused on the youngest generation currently employed, the Millennials or Generation Y as they are known, purports that they will form the bulk of the workforce in the coming years and that their approach and expectations will be unlike any other yet seen (Twenge & Campbell, 2008).

A study conducted in the United Arab Emirates, a country known for its delineated population of expatriates, Emiratis and migrant labour, confirmed that across these specific populations Generation Y shares the same work preferences and values when compared to other generations within their societal populations (Lim, 2012).

The widely held view that younger generations are less likely to commit to an organisation for a long period of time, as opposed to the older generations, which favour a linear and stable career progression, is supported in the research done by D'Amato and Herzfeldt (2008) in Europe.

Canadian researchers Lyons et al. (2012), in a retrospective career account of 105 Canadian professionals, demonstrated that younger generations change jobs and employers at a greater rate than previous generations. The research confirmed that they are more willing to accept nonupward career moves and that recruiting and retaining young employees therefore requires a different approach than was used for previous generations.

In the Netherlands, Lub et al. (2012) confirm that Generation X and Y hospitality workers in a national hotel chain had different approaches to the psychological contract than Baby Boomers.

Research done in a South African context is fairly limited in comparison to the vast body of research conducted internationally. Research conducted in partnership with the University of Pretoria and commissioned by Johnson Controls International, as published in the Oxygenz Country Report (Puybaraud, 2010) highlights that due to the high HIV prevalence in South Africa and low life expectancy, a large generational gap is looming. The report uses the phrase the “born free” generation in reference to a generation of young black South Africans that have been born into a different era to their parents, an era without legislated prejudice and better educational and employment opportunities.

The report states that these employees make up a specific sub set of Generation Y, referred to in the report as “Generation next” with a different set of values and ideals, concluding that employers and business leaders will need to address their employment needs within the legislative framework that ensures that they are not “...forever more excluded from mainstream economy” (Puybaraud, 2010, p. 11).

Martins and Martins (2010) in their study of Millennials in a South African context highlight potential conflict between older and younger generations in areas such as teamwork, change management and communication. A questionnaire submitted to a sample of approximately 6700 participants yielded confirmation of differences among generations in a work context. According to their research Generation X and Millennials are more likely to be aware of companies’ vision and mission statements and respond to them. Martins and Martins (2010) found that Baby Boomers do not adapt as easily to

change, but that change management initiatives are valued by Millennials and Generation X as a way to assist them in adjusting to a new reality at work. Training and development opportunities are also highlighted by the study as being important to Millennials and Generation X. Baby Boomers are more positive about communication and team work and collaborating via team meetings, whereas Millennials and Generation X are more likely to use social networking and computers to communicate and collaborate. Martins and Martins (2010) conducted a further study of 455 employees at a supervisory level and higher and found that Millennials were not motivated by their leadership. The study reported that Millennials perceived their leadership as being uncaring and indifferent about their career development. This is very interesting when one considers that management or leadership in this case is most likely to be members of the Baby Boomer generation due to the fact that the survey only observed supervisory level and upwards. Millennials and Generation X are far more adept at using technology to inspire innovation or find new knowledge on a topic, and Martins and Martins' (2010) study found that Baby Boomers are more likely to discuss and "brain-storm" among themselves than use technology to find better ways of doing things. All three generations in the study had the same feelings toward performance management in the workplace.

In conclusion Martins and Martins (2010) note that the similarities between the generations should continue to be a focus of organisational strategy but retaining the talent and knowledge resident in the two youngest generations will be key to ensuring the future success of organisations

Research conducted by Terjesen et al. (2007) researched the preference for organisational attributes of Generation Y students when choosing a prospective employer. Their research showed that male students have a higher propensity to choose an employer who offers a higher starting salary and that female students have values that centre on flexibility and employee-organisation fit.

Lub et al. (2012) reported no difference in their research across generations for the effect of salary on commitment to the organisation within the hospitality industry in the Netherlands.

Lim (2012) in research conducted in the UAE, although not comparing generations, found that Generation Y Emiratis and expatriates are motivated by competitive salaries that allow them to fulfil their social and community obligations. This is interesting in that money is not a motivator on its own; it is a means to end not usually envisaged in industrial psychological literature.

It seems that although generation theory can be somewhat fragile in adequately explaining the phenomenon of workplace behaviour and preferences, there is a place for this school of thought and increasingly so, especially in understanding a workforce that is getting older and younger at the same time. As has been discussed, research conducted across the world in this area has shown that employees do display generational differences in work values, commitment to the psychological employment contract, career mobility and motivation across cultures, economies and countries.

1.1.2 Motivation theory

Motivation can refer to intrinsic motivation (an individual's personality characteristics that create a need to initiate, expend and persist with effort on a task) or extrinsic motivation (factors external to the individual that must be present for them to initiate, expend and persist with effort on a task) (Roos & Van Eeden, 2008). It is a combination of intellectual, physiological and psychological processes that determine, in a given situation, how much and in what direction our energy is channelled. The next sections discuss the concept of motivation as theorised in its earliest forms as well as recent developments in the conceptualisation of motivation in an organisational environment.

1.1.2.1 Abraham Maslow's hierarchy of needs

Maslow formulated a hierarchy of five needs, with higher-order needs below, and the lower-order needs at the top of a hypothetical pyramid. The foundation of this hierarchy consists of physiological needs, progressing upwards in the pyramid to a need for safety, need for a sense of belonging and love, need for esteem for self and others and at the top of his hierarchy the need for self-actualisation. For Maslow, needs are a state of deficit that create the need for action, that is, that motivate an individual to act (Sengupta, 2011). A sixth and final dimension proposed by Datta (2010) is the need for

transcendence which moves past the self-centredness of self-actualisation, and places the self within the society or culture in which it resides.

1.1.2.2 Frederick Herzberg's motivation-hygiene theory

Herzberg, drawing on Maslow's hierarchy of needs distinguished between factors that promote satisfaction and dissatisfaction at work. In his motivation theory are two types of factors: motivating factors, the presence of which increases motivation and therefore performance, and hygiene factors, the absence of which cause demotivation and lack of performance (Kermally, 2005). Hygiene factors, according to Herzberg could include a clean and safe working environment and working conditions, quality supervision and money.

If workers have physiological, sense of belonging and safety needs met in the workplace in terms of their work environment they are more likely to be motivated and perform (Kermally, 2005).

Motivators, according to Herzberg, are those which enhance performance by giving workers a sense of achievement, advancement, job interest, recognition and responsibility. However the presence of hygiene factors is a framework for introducing motivators, as discussed and must be present before workers can be truly motivated. For example if money is present as a hygiene factor due to a promotion and new title, but the employee does not experience advancement or increased responsibility, he or she may not be motivated to perform.

1.1.2.3 Systemic motivation

Haefner (2011) demonstrates the concept of systemic motivation using the example of a manufacturing plant which increased output by altering the way its workers participated in the decision making and manufacturing process. He simply states that there are 3 types of motivation theory: theory X, does not trust workers to manage their own output, theory Y, which trusts employees to manage their own output, and theory Z, which is a Japanese philosophy of holistic management. He suggests a fourth type of motivation, namely systemic motivation.

Systemic motivation is fostered by 3 supportive elements namely: Leadership, Environment and Individual Psychology. According to Haefner (2011), the presence of trust in itself does not foster motivation to perform in workers. A systemic approach uses leadership to clarify tasks, set goals and include workers in decision making. An environment must be based on a trust relationship between leadership and workers, but it must also facilitate the sharing of norms, encourage an absence of fear and create a social aspect to work. Systemic motivation is supported by individual psychological tenets such as self-efficacy, mastery and hence intrinsic motivation. This allows workers to regulate the setting and achieving of goals at work.

All three of these supporting pillars, according to Haefner, must be underpinned by positive core values and systems that include the absence of nonfact-based interaction with workers in relation to work output, and that foster the eradication of fear in the work environment. Haefner (2011) suggests that fear creates a level of productivity that cannot be solved by a one-dimensional intervention.

1.1.2.4 Locke and Latham's causal model of motivation

Locke and Latham (2004) suggest that although motivation theories, such as those of Maslow and Herzberg, all have their place in a historical psychological understanding of motivation, the time has come for a unified "mega theory" which incorporates the individual aspects of motivation theory and its applicability in a variety of organisational contexts. A significant point they raise, that was relevant to the firm in the current study, is that many companies have international subsidiaries which may have value differences which in turn affect goal setting, performance and incentive programmes. Differing values may be placed on these separate motivational strategies across cultures and international boundaries. Motivation theory would do a lot to address this in a modern globalised context. Locke (2004) has proposed a causal model for the understanding of motivation, commencing from an understanding of needs and progressing through the creation of values and individual personality characteristics, goal choice and execution and how these play out in an organisation environment through interaction with organisational mechanisms such as policy and procedure, commitment and job involvement.

1.1.2.5 *Self-determination theory of motivation*

Self-determination theory posits self-determination on a continuum ranging from amotivation: wholly lacking in self-determination; to intrinsic motivation: self-determined. External motivation is the most controlled by factors external to the individual (the least self-determined type of extrinsic motivation), and introjected, identified, and integrated motivation are each progressively more self-determined as one goes further along the continuum (Gagné & Deci, 2005).

Psychological well-being is conceptualised in this model as the absence of anxiety and a greater sense of self-worth (self-esteem). The theory suggests universal psychological needs (competence, autonomy and relatedness) and suggests that employees will be motivated and display well-being in organisations to the extent that they experience psychological need satisfaction within the organisational context. Work climates that allow satisfaction of these needs facilitate both work engagement and psychological well-being (Gagné & Deci, 2005).

1.1.3 Generations and motivation

Baby Boomers are theorised as being motivated by vision, mission and strategy (Codrington, 2008). Baby Boomer employees are more likely to be motivated by power and the ability to influence and exercise authority over others (Wong et al., 2008). They are motivated by status symbols (Cogin, 2012), respect for seniority and experience (Westerman & Yamamura, 2007), and opportunities to mentor others (Shaw & Fairhurst, 2008).

The commonly-held perception in the management literature is that the notion of “hard work pays dividends” does not apply to Generation X, and that Generation X’s resultant lack of organisational loyalty is because of its early exposure to its Baby Boomer parents’ redundancies after years of company loyalty (Adams, 2000; Huntley, 2006). Twenge and Campbell’s (2008) research has indicated birth cohort differences in locus of control, with the younger generation reporting a significantly more external locus of control, which is linked to greater cynicism and helpfulness. As a result, Generation X

may seek to retain “control” over other aspects of their lives, thereby being motivated more strongly by work-life balance.

Generation Y tend to be more motivated by career progression and advancement than Generation X (Wong et al., 2008). However, their on-the-job education needs to be relevant to their ongoing development (Cogin, 2012). Challenging and meaningful assignments, career mobility and greater degrees of personal flexibility are key motivators for this generation (Cogin, 2012). They are motivated by work that enables them to focus on other life priorities. This generation has less respect for rank and more respect for ability and accomplishment (Cogin, 2012).

However, other research has indicated that generation sub-groups experience and are motivated by similar organisational interventions at exactly the same point in their lives (Appelbaum, Serena & Shapiro, 2005). Hornblower (1997) suggests that a large percentage of Generation X believe that progress can be achieved through hard work anathema to common perceptions of their work ethic. He believes instead that differences in generational motivation are likely to lie in the reasons for working hard than the motivational drivers themselves. Wong et al. (2008) found that employees from different generations are motivated to a different degree by affiliation (the extent to which a person is motivated by opportunities for interaction with other people in their work), power (the extent to which a person is motivated by opportunities for exercising authority, taking responsibility, negotiating and being in a position to influence others) and progression (the extent to which a person is motivated by having good promotion prospects).

1.1.4 Reward and recognition

A key trend in the human resource literature on reward in recognition following the global recession is doing more with less (Van Dyke & Ryan, 2012). Increasingly non-cash rewards are sought by companies to motivate and reward their employees. Van Dyke and Ryan (2012), suggest that non-cash incentives such as gift cards, travel and merchandise foster a kinship with the organisation that relies on a more personal interaction with the employee than do cash rewards. They suggest a performance improvements by incentives model, that analyses the gaps in performance, selecting an appropriate reward programme and ensuring that it boosts the value that employees place on achieving work goals, supporting the programme by ensuring fairness and consistency in application, measuring motivational outcomes and ensuring and analysing that the programme achieves performance objectives via a positive feedback loop into future reward programmes.

Recognition is defined as “the tangible and intangible expression of acknowledgement for an individual’s contribution, achievement or observed behaviour” (Saunderson, 2011, p. 1). Recognition can be in the form of a thank you note or a word of appreciation. Reward on the other hand is transactional and given out for achievement of set goals or targets and most notably “recipients essentially contract to obtain the reward” (Saunderson, 2011, p. 1). Recognition and reward are categorised by intrinsic and extrinsic motivation respectively.

According to Saunderson (2011), in order to achieve the full benefit of the effect of reward and recognition of employee motivation and therefore performance, there needs to be a distinction between programs and practices. In his view, and from a modern viewpoint, programs are mostly online. At the firm to be included in this study, for example, there is an online reward program for long service awards, associated gifts and commemoration memorabilia. A practice, however, is most often intangible and is lead and delivered by supervisors and peers as a form of positive feedback and an expression of appreciation that does not need the use of technological intervention (Saunderson, 2011). He points out that reward programs without established and acknowledged reward practices will produce disappointing outcomes. In his article he

touches on research conducted in a number of environments but highlights one interesting point relevant to this research proposal which is that when employees are asked what reward they want they will most often choose cash. However if you ask the question “What will make you work harder?” they are more likely to describe tangible or intangible recognition. Examples of this are visually displayed charts of performance or positive feedback given within a team meeting that reinforces the motivation to perform at higher levels. Saunderson’s colleague, Todd Patkin, in the same article, enthuses about the use of non-financial reward in a time when monetary reward is not possible for many companies. His suggestion for recognition is one of love, respect and appreciation. Regularly identifying star performers and including family members in the celebration of achievements according to Patkin (In Saunderson, 2011), are crucial ways that leaders can foster a performance-based culture at work in a time when performance cannot always be rewarded in monetary terms.

1.1.5 Generations, reward and recognition

Specifically for younger generations, and according to research by Future Workplace, flexible hours and the ability to work remotely are even more important to younger workers than is salary (Meister & Willyerd, 2010).

The older the respondents, the lower the preference for both categories (Reward category 1: Conducive working environment; Reward category 2: Remuneration and benefits). Research indicates that the differences in reward preferences are not necessarily related to the different generations but instead to life stage and age rather than the specific period or time of birth (Rehm, 2006). The assumption can therefore be made that reward categories such as remuneration and benefits and a conducive working environment are much more important to younger employees, and reduce in need as employees age.

The results of research conducted by Twenge et al. (2010) show that Millennials are significantly more interested in extrinsic rewards than are Boomers, although Millennials are less interested than Generation X. Although salaries and the material possessions that money can buy, as well as the accompanying prestige, were still important to Millennials, these are significantly less important than these values are to Generation

Xers, who displayed “particularly pronounced” differences with the Boomers (Twenge et al., 2010). This value was the only one that did not change in a linear progression across the generations (Twenge et al., 2010). In contrast, each generation is increasingly less likely to value intrinsic rewards as highly as the previous generation. The Boomers rated having interesting and challenging work most highly, while each successive generation has had slightly less interest. However, intrinsic rewards are still rated highly by all three generations. The Millennials differed significantly from both of the other generations, although Generation X and Boomers did not differ significantly from each other.

1.2 RESEARCH QUESTIONS (PROBLEM STATEMENT)

1.2.1 General research questions

The principal research questions were formulated as follows:

- (1) Is there a statistically significant relationship between generational cohorts and preference for types of reward and recognition?
- (2) Is there a statistically significant relationship between generational cohorts and motivation?

1.2.2 Research questions for the literature review

- (1) How are generational cohorts conceptualised in the literature?
- (2) How is motivation conceptualised in the literature?
- (3) How are reward and recognition conceptualised in the literature?
- (4) What is the theoretically conceptualised relationship between generational motivation and generational preference for reward and recognition?

1.2.3 Empirical research questions

- (1) Are the Rewards Preferences Questionnaire and Motivation Measure valid and reliable instruments for determining the relationship between generations and motivation and generations and their preference for reward and recognition?
- (2) Is there a statistically significant empirical relationship between the dimension of motivation and generational cohort?
- (3) Is there a statistically significant empirical relationship between the dimension of reward preference and generational cohort?
- (4) Are there practical recommendations for industrial psychology practices with regard to the motivation of different age groups in the workplace and their preference for different types of reward and recognition?

1.3 AIMS OF THE RESEARCH

1.3.1 General aim

The general aim of this research is to investigate, analyse and evaluate whether there is a relationship between generational sub-groups (cohorts) and preferences for reward and reward categories, and the relationship between these sub-groups and motivation.

1.3.2 Specific aims

1.3.2.1 Specific aims of the literature review

They were as follows:

- (1) To conceptualise generational cohorts from the available literature.
- (2) To conceptualise motivation from the available literature.
- (3) To conceptualise reward and recognition from the available literature.
- (4) To present the theoretical relationship between the dimensions of generational cohorts and motivation and generational cohorts and reward and recognition respectively based on the available literature.

1.3.2.2 Specific aims of the empirical study

They were as follows:

- (1) To validate and test the reliability and validity of the Rewards Preferences Questionnaire and Motivation Measure to determine the relationship between generations and motivation and generational preferences for reward and recognition.
- (2) To determine whether there is a statistically significant empirical relationship between generational cohorts and the dimensions of motivation based on the available data.
- (3) To determine whether there is a statistically significant empirical relationship between the generational cohorts and their preference for reward and recognition based on the available data.
- (4) To suggest practical recommendations for industrial psychology practices with regards to the motivation of different age groups in the workplace and their preference for different types of reward and recognition.

1.4 THE PARADIGM PERSPECTIVE

The section commences with a brief paradigmatic, theoretical and empirical review and is followed by a description of the research design that was used to collect data, including the instrument, sample and population to be used in the research project.

1.4.1 Philosophical paradigm: Humanistic existential paradigm

The proposed research is embedded in the humanistic-existential psychological paradigm. The development of this paradigm was as a response to the behaviourist and psychoanalytical approach to psychology as evidenced in the USA prior to 1950. Abraham Maslow and Carl Rogers were the fathers of humanistic psychology, which placed the concept of an “actualising self” at the heart of the paradigm. This paradigm shift was a direct response to post-war society, and an approach to psychology which had previously emphasised pathology and illness. The humanistic paradigm has been

criticised for having a seemingly political agenda, in that it furthered the interests of a post-war American society; a society in which self-actualisation was the basis for the creation of a capital state driven by consumerism. “It mobilised human resources by calling for the uncovering of productive values, talents and skills” (McDonald & Wearing, 2013, p. 8).

Maslow’s concept of “self-actualisation” is the tendency of the self to grow to its full potential. This is in juxtaposition to the self-concept, which is people’s concept of what and who they are as informed by society and enforced by significant others (McDonald & Wearing, 2013). The self-concept is often constrained by its measurement to societal standards or expectations, whereas the actualised self is the “conscious realisation that one has the power to change, to move forward in life and to make choices that express one’s authentic values” (McDonald & Wearing, 2013, p. 6).

According to Carl Rogers, self-actualisation occurs most frequently in an environment that nurtures an individual’s psychological needs. Rogers observed that individuals are constrained by the roles imposed on them by society and that this does not allow them to explore elements of their personality that foster a sense of personal mastery and autonomy which are necessary to facilitate self-actualisation (McDonald & Wearing, 2013).

McDonald and Wearing (2013) have proposed that a call for a “socio-cultural turn” in recent literature on humanistic psychology has created the need for a unifying conceptual theoretical base if humanistic psychology is to remain relevant. This theoretical base is underpinned by a self that is not decentralised from the context in which it is created. They incorporate elements of Martin Heidegger’s existential-phenomenological theory as well as Michel Foucault’s historical concept of “the subject” as influenced by power, knowledge and societal institutions (McDonald & Wearing, 2013, p. 8). A socio-cultural turn would inform a self that, although autonomous in its need for self-actualisation, is informed by the social and cultural conditions in which it arises.

The concept of motivation, as discussed within a humanistic-existential paradigm, makes a distinction between extrinsic and intrinsic motivation as informed by an

individual's need for self-actualisation. Intrinsic motivations are those that satisfy basic and inherent psychological needs, and extrinsic goals are those that are imposed upon or internalised by individuals via a societal mechanism. Intrinsic motivational goals could be relatedness, a sense of community, personal growth and autonomy. Extrinsic motivational goals would be desire for wealth, a certain appearance or fame. Cooper (2012) confirms that a factor analysis of these dimensions across cultures has proven that those pursuant of intrinsic goals have a higher sense of wellbeing and those who pursue extrinsic goals are more likely to suffer from anxiety, depression and reduced vitality. This is because extrinsic goals are assimilated goals, in that they may not fit in with the ability of the actualising self to achieve them or the resources to achieve them may not be present.

In essence the research proposed here will use the humanistic-existential paradigm to identify whether self-actualisation is pursued and achieved differently among generations, most specifically in the work place and more specifically in terms of intrinsic and extrinsic motivational goals.

1.4.2 Theoretical paradigm: Systems and generation theory

1.4.2.1 Open systems theory

Systems theory, and more specifically open systems theory, provides a framework for understanding an organisation as a system composed of interrelated parts and subsystems that use feedback to maintain a steady state and which transforms input into output. A criticism of open systems theory is the analogy of the organisation as an organism, which fails to acknowledge the free will of the interdependent parts of the organisation, namely its members (Kast and Rosenzweig, 1972). Kast and Rosenzweig (1972) in response to this describe the organisation as a “relatively” open system in that, unlike an organism, certain aspects of the organisation are closed, for example the information technology subsystem. However many participants or members of the organisation have external relationships. They describe an open system's predictability as turbulent, uncertain and indeterminate. An open system organisation has, at its core, goals geared toward innovation, growth and problem solving (Kast & Rosenzweig, 1972). Corporate companies, such as the one proposed in this study, in response to

competition from other organisations, continually innovate in order to maintain a functioning system or organisation. A closed system theoretical perspective would fail to take into account a changing market or changing customer needs which is vital to the survival of an organisation in a modern economy.

According to Almaney (1974, p. 1): “The distinguishing feature of the system as a whole is not determined by the characteristics of each constituent component. Rather it is dependent on the manner in which the components are structured and that pattern of interaction and interdependence existing among them”.

This statement is useful in understanding that the success of the system relies on effective interaction of the component parts and what the researcher would describe as “teamwork”. The concept of generations, as a predictor of the motivation levels of the organisation’s interrelated parts, as well as the process of reward and recognition within the system, would create organisational feedback that is used to maintain levels of performance and teamwork that optimise the functioning of the system as a whole.

1.4.2.2 Generation theory

Generation theory is a particular interpretation of the fact of human social life and is embedded within sociological theory - the collective concepts of social coexistence. According to Jansen’s generation theory (1975), there are three prerequisites for the existence of a generation these being: a time dimension, a particular historical context and a vital style. This refers to the fact that a generation must live at the same time, share the collective ideas or “spirit” of the era and express the vital style of the time in its collective embodiment and expression of this spirit.

“A generation consists of coevals who interpret their circumstances by giving the same or similar meanings to their circumstances and by seeing the world in the same way. It is therefore justifiable to describe as: the concrete social form of perspectives” (Jansen, 1975, p. 13).

Jansen (1975, p. 35) delineates a generation as a period of 15 years from birth to age 75. According to her at any given time there are 5 coexisting generations:

- (1) 1 – 15 years: Childhood (all experiences and development is precipitated by significant others)
- (2) 16 – 30 years: Youth (awareness of present circumstances; formation of opinions and perspectives)
- (3) 31 – 45 years: Initiation (in conflict with the older generation in power)
- (4) 46 – 60 years: Domination (those in authority)
- (5) 60 -75 years: Old age (witnesses of a bygone era).

This theoretical paradigm is significant in explaining the theoretical phenomenon of generation. The empirical study will demonstrate how the generations are different in aspects of motivation and preference for reward.

1.5 RESEARCH DESIGN

1.5.1 Research approach

This research project was situated within the quantitative research paradigm. A quantitative approach is inherently a positivistic approach in that it observes data in the real world without interacting with it. This is in juxtaposition to a qualitative approach which is interpretivist in its interaction with the subject being studied, that is, the researcher must interact directly with the subject to be studied in order to come to any conclusions. The quantitative paradigm measures and quantifies data as opposed to a qualitative paradigm that interprets data through participation, interviews, conversations, focus groups and the like. A quantitative research paradigm will set out to test a hypothesis whereas a qualitative paradigm will generate a hypothesis from its observations (Glogowska, 2011). Using a quantitative research methodology the results can be generalised to another time, place or situation. A qualitative paradigm relies heavily on the timing of the research to make inferences about the data collected to other situations. The quantitative paradigm inherently acknowledges its own limitations, in that the study of subjects/data/phenomena can only be done in an imperfect fashion. Human intervention of any kind in data whether it be observation or interpretation will always leave a human imprint.

1.5.2 Survey Approach

Survey research seems to be the most pervasive research methodology, not least because of its ease of use and data collection (Babbie, 2010). Surveys are most notably used for studies where individuals are the unit of analysis as in the case of the study on generations to be undertaken here. According to Babbie (2010, p. 233), “survey research is probably the best method available to the social scientist in collecting data that describes a population too large to observe directly.” He goes on to confirm that surveys are an excellent method for measuring attitudes and orientations in large groups. This supports the choice of a survey for this particular study.

Surveys have been known to be misused historically to extrapolate public opinion, or support popular sentiment in their construction, and this is an inherent flaw in this research method. The researcher will always have placed a personal stamp on the types of questions being asked, and although they may be reliable questions, they may not always be valid. Babbie (2010, p. 232) notes an “obsession with research data” which makes baseless claims that appeal to the population because of the popularity of the topic as opposed to the soundness of the research being conducted. He cites the example of a survey conducted by a secular organisation in the USA that claimed 46.1% of the state of Alabama would go to hell. This kind of conclusion certainly gives the survey approach a negative slant.

However surveys when constructed with close attention to reliability and validity, and an understanding of the limitations of the research design, are a useful tool for social enquiry. The researcher hoped to demonstrate this through this research project and by stating the limitations of the study at hand.

1.5.3 Research participants

The population studied was the employees of three South African divisions of a facilities management company with a total of 711 employees.

1.5.4 Research method

1.5.4.1 Sampling

The sampling method employed in the current study was convenience sampling. Multon and Coleman (2010) define convenience sampling as the selection of a sample of participants from a population based on how convenient and readily available that group of participants is. It is a type of nonprobability sampling that focuses on a sample that is easy to access and readily available as is the case in the current study.

1.5.4.2 Measuring instrument

The research is designed to obtain information on how respondents' ages (generation group) may have a relationship to how they are motivated and their preference for reward and recognition. In order to assess these variables, the Motivation Measure was used to assess motivation, and the Rewards Preferences Questionnaire (RPQ) was used to assess preference for reward and recognition. Both instruments are explained in detail in Chapter 4.

1.5.5 Research procedure

1.5.5.1 Administration and data collection of the questionnaire

The human resource departments of each of the global firm's local businesses – facilities management, automotive interiors and systems and services were approached to provide a master employee list of email addresses. The survey link and details were emailed to this list.

A questionnaire was administered via an online survey tool, SurveyMonkey.com. This choice was deemed appropriate for the size of the sample researched, as well as the nature of the information gathered as the information was thus anonymous and gathered consistently across the population.

To ensure confidentiality the data was transmitted in a secure format. This required an upgrade to a professional account with SurveyMonkey.com which offers SSL encryption. SurveyMonkey.com (2013) reports on its security policy as follows:

“Application and User Security

SSL/TLS Encryption: Users can determine whether to collect survey responses over secured, encrypted SSL/TLS connections. All other communications with the surveymonkey.com website are sent over SSL/TLS connections. Secure Sockets Layer (SSL) and Transport Layer Security (TLS) technology (the successor technology to SSL) protect communications by using both server authentication and data encryption. This ensures that user data in transit is safe, secure, and available only to intended recipients.

User Authentication: User data on our database is logically segregated by account-based access rules. User accounts have unique usernames and passwords that must be entered each time a user logs on. Survey Monkey issues a session cookie only to record encrypted authentication information for the duration of a specific session. The session cookie does not include the password of the user.

User Passwords: User application passwords have minimum complexity requirements. Passwords are individually salted and hashed.

Data Encryption: Certain sensitive user data, such as credit card details and account passwords, is stored in encrypted format.

Data Portability: SurveyMonkey.com enables you to export your data from our system in a variety of formats so that you can back it up, or use it with other applications.

Privacy: We have a comprehensive privacy policy that provides a very transparent view of how we handle your data, including how we use your data, who we share it with, and how long we retain it”.

SurveyMonkey.com details its privacy policy toward survey respondents as follows:

“We collect and store the survey responses that you submit. The survey creator is responsible for this data and manages it. A survey may ask you to provide personal information or data. If you have any questions about a survey you are taking, please contact the survey creator directly as SurveyMonkey.com is not responsible for the

content of that survey. The survey creator is usually the same person that invited you to take the survey and sometimes they have their own privacy policy” (SurveyMonkey.com, 2013).

To ensure anonymity in the survey proposed here, the researcher only requested the biographical data required to make comparisons related to generational cohorts, race and gender. Unique identifiers such as ID numbers, names, email addresses or locations were not included as part of the biographical data collected. To ensure understanding of their consent to participation in the survey a check button was included. This stated that by completing the questionnaire the respondent implied their consent. An indication that the information remains confidential in the hands of the survey creator was also included.

1.5.5.2 Validity and reliability of the instrument

a) Validity of the research instrument

Validity is the extent to which a questionnaire adequately reflects the real meaning of the constructs to be measured, that is, “...how the measurement provides data that relates to commonly accepted meanings of a particular concept” (Babbie, 2010, p.125). The validity of this study was confirmed using a factor analysis.

External validity: “External validity is the degree to which research results generalise to other conditions, participants, times, and places. External validity is related to conclusions that can be drawn about the strength of the inferred causal relationship between the independent and dependent variables to circumstances beyond those experimentally studied ” (Marczyk, DeMatteo, & Festinger,2005, p.176).

Criterion-related validity relates to the external validity of the measure and is also known as predictive validity (Babbie, 2010). The predictive validity of the results of the questionnaire on generational preference for reward and motivating factors is its ability to predict differences in preference and motivation between generations.

A threat to the external validity of this measure is that the results apply only to the specific context in which they are being assessed. This in itself is a limitation. The

results are valid for that particular sample being assessed. In participating in the survey, and especially knowing that the researcher is a member of the human resource department, the participants might not have answered truthfully or honestly which may have compromised the external validity of the study. The timing of the assessment is also a threat to external validity especially in a time when the company had massive restructuring and continues to restructure. Motivation and morale were possibly lower than normal, and the responses may reflect this (Marczyk et al., 2005).

“Internal validity: The ability of a research design to rule out or make implausible alternative explanations of the results, thus demonstrating that the independent variable was directly responsible for the effect on the dependent variable and ultimately for the results found in the study” (Marczyk et al., 2005, p.159).

“There are two primary methods for improving the construct validity of a study. Firstly, strong construct validity is based on clearly stated and accurate operational definitions of a study’s variables. And secondly, the underlying theory of the study should have a strong conceptual basis and be based on well-validated constructs” (Marczyk et al., 2005, p.190).

The theoretical variables that were researched here were operationalised using the prevailing literature on the subject matter of generations, motivation, and reward and recognition. These operational definitions are discussed in chapters 2 and 3. The theory supporting the concepts of generations and motivation and reward and recognition are further researched and discussed in these chapters providing the conceptual basis for this research study and validating the constructs that were to be measured, namely generation, motivation, and reward and recognition.

The validity of the two measures i.e. the Motivation Measure and rewards Preferences Questionnaire was ensured by factor analysis. Exploratory factor analysis, using the SPSS statistical software, was used to determine the underlying structures of the measurements and to establish the validity of the questionnaires used in this research study.

b) Reliability of the research instrument

Reliability refers to the ability of the questionnaire to conclude the same results when administered repeatedly to the same subject (Babbie, 2010). To ensure this the Cronbach alpha coefficient was used in assessing the reliability of the measure via factor analysis. "Typically, a "high" reliability coefficient is considered to be .90 or above, "very good" is .80 to .89, and "good" or "adequate" is .70 to .79" (Salkind, 2010).

1.5.5.3 Statistical analyses

A combination of descriptive and inferential statistics was used in the analysis and interpretation of the data collected in this study. The SPSS version 22 software package was used.

a) Descriptive statistics

Descriptive statistics use numerical procedures or graphical techniques e.g. bar charts, tables, histograms and pie charts to organise, present and describe the characteristics of a sample (Marshall & Jonker, 2010). In descriptive statistics there are two main types of data namely: categorical and continuous data. Categorical data includes binary, nominal and ordinal variables which are discrete, that is, they classify the data and do not overlap. Continuous data is based on a continuum of potentially an infinite number of values. Descriptive statistics can be presented by the use and calculation of statistical measures for example averages, median, mode, mean, normal distribution of scores (bell curve) and standard deviation from the norm. The data gathered is ordinal in that it has a clear order or hierarchy such as that derived from a statement and measured on a Likert type scale (Marshall & Jonker, 2010), that is, strongly disagree, disagree, neutral, agree, and strongly agree.

b) Inferential statistics

Inferential statistics differ from descriptive statistics in that they demonstrate causality, that is, the relationship between variables (Marshall & Jonker, 2010).

“They are used to infer generalisations from the sample group that can be applied to a wider population so detecting large or even small but important differences in variables or correlations between variables that are relevant to a particular research question” (Marshall & Jonker, 2010, p. 1).

Inferential statistics measures the significance of a test result, that is, whether any difference between samples is due to chance or real effect this is represented using p-values” (Marshall & Jonker, 2010, p. 1). A test for statistical significance similar to Wong et al. (2008) in their study on generational differences in motivation was used in the current study. Statistical significance is measured at a level of $p \leq 0.05$ and simply states the probability of the data being due to chance. A probability score of 0.05 means that there is a less than five out of 100 chance that the strength of a relationship between two variables is attributable to sampling error alone. Wong et al. (2008), use statistical significance testing to compare between and within groups.

When there are more than two variables, or the variables are subjected to more than two treatments, as was the case in this study, then ANOVA (analysis of variance) is most appropriate (Marshall & Jonker, 2010). In the current study, a one-way ANOVA technique was used to evaluate the variance of preference for reward and recognition and the variance of motivation across the generations.

1.6 CHAPTER LAYOUT

The layout of the chapters in this study is as follows:

CHAPTER 1: SCIENTIFIC ORIENTATION TO THE RESEARCH

This chapter dealt with the background to the research being conducted here, the paradigm approach to the research and the research questions, aims, design and method.

CHAPTER 2: THE CONSTRUCT OF GENERATIONS

In this chapter the construct of generations will be conceptualised by consulting the research conducted on the subject.

CHAPTER 3: MOTIVATION, REWARD AND RECOGNITION

In this chapter the constructs of reward and of recognition and motivation are conceptualised by consulting the research conducted on the subject.

CHAPTER 4: RESEARCH DESIGN

In this chapter the research approach, the research participants and method of conducting the research are discussed including the sampling method and measuring instrument.

CHAPTER 5: RESEARCH RESULTS AND DISCUSSION

The findings of the research conducted and collected data are discussed in this chapter including inferential and statistical analyses of this data.

CHAPTER 6: CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS

Conclusions from the analysis of the data collected and the limitations of these analyses are discussed in this chapter, as well as recommendations for further research in this area.

1.7 DELINEATION AND LIMITATIONS

The study was delimited to the South African operation of a global corporate firm. Employees were based in all major cities: Cape Town, Durban, Bloemfontein, Johannesburg, Pretoria and Port Elizabeth.

1.8 DEFINITION OF TERMS

1.8.1 Generational cohort

A generation is defined as a period of time usually around 20 years in length from when a cohort or group are born to when they come of age roughly during their early twenties. They are typically bound and influenced by the local and international events and experiences that occur during this time in their lives (Codrington, 2008).

1.8.2 Motivation

Grote (2000, p.2) defined motivation as follows:

A good working definition of motivation is this: motivation represents a measurable increase in both job satisfaction and productivity. The motivated worker does his job better and likes it more than those folks who are not so motivated. What truly motivates people is the first set of factors mentioned: opportunities for achievement and accomplishment, recognition, learning and growth, discretion, and worthwhile work. Those are the items that generate strong feelings of loyalty, satisfaction, enthusiasm, and all those other things we want to see in those whose pay checks (sic) we sign.

1.8.3 Reward

Reward can be categorised into financial and non-financial rewards. Financial rewards could include base pay, contingency pay and benefits. Non-financial reward can include career progression, a quality work environment, flexible working arrangements, job rotation, generous leave entitlement and opportunities for learning and development (Nienaber, Bussin, & Henn, 2011).

1.8.4 Recognition

Recognition is defined as acknowledgment or special attention by the online Merriam-Webster dictionary (2013). For the purposes of this study recognition pertains to nonreward-based acknowledgment or special attention given for work performance over and above what is required by the job or role the incumbent occupies.

1.9 SIGNIFICANCE AND CONTRIBUTION

This study should fill a gap in that it contributes to the academic body of work on this topic in South Africa which, relative to international research, is still fairly limited. Business increasingly needs to have a competitive advantage in a world where technology means one's competitor can copy one's product in a matter of days. A survey on generational preferences could help create an environment that fosters effective collaboration between generations and discovers how best to attract, retain

and motivate talented staff. In a world of constant and often dizzying innovation, what a company sells is not as important as who sells it and how they sell it (Codrington, 2008).

1.10 LIMITATIONS OF THE STUDY

Potential weaknesses were identified in this study with regard to the following:

(1) *Methodology*: Motivation and preference are highly subjective human behaviours/feelings and a quantitative approach may not elicit as rich an understanding of employees' inherent desires for recognition and motivation as, say, an interview or focus group. The researcher would suggest this for future studies on a smaller scale. The conclusions that were drawn using this particular research methodology were quantitative in nature and a snapshot look at the particular differences between generations as opposed to an in-depth understanding of these differences.

(2) *Sampling*: The sample cannot be extrapolated to a wider population. The study made no allusions to this fact and is simply an investigation into the generational differences at one company in a South African context.

(3) *Analysis methods*: One of the key limitations in this study was the use of cross-sectional data, that is, data at one point in time. This limits the understanding of different generations across their career life cycle.

1.11 ETHICAL CLEARANCE

As per the Unisa policy on research ethics (2012), approval for the research was obtained from the Unisa Ethics Committee. Approval was obtained from all three business unit leaders to conduct the study. The ethics issues related to this research were a potential conflict of interest between the researcher and firm to be studied. As an employee of the human resource department, the researcher had easy access to all employee-related data. The anonymity of the survey and the confirmation of this to the participants mitigated this conflict of interest. Participation was optional and the identity of the researcher and the researcher's position at the firm were fully detailed with the distribution of the measurement instrument.

1.12 CHAPTER SUMMARY

This chapter discussed the background to and motivation for this research study, the various theories and models that supported the research conducted and the paradigm in which the research was located. The research questions and aims of the study were clarified and a research design and procedure proposed. The chapter concluded with possible limitations of the research and provisional recommendations for further studies.

CHAPTER 2: THE CONSTRUCT OF GENERATIONS

Chapter 2 conceptualises generations by first defining each, in terms of time and space and goes on to discuss each generation and its characteristics. These generations are Veterans, Baby Boomers, Generation X and Generation Y. Similarities and differences between the generations and their South African context are discussed.

2.1 DEFINING GENERATIONS

Genealogical definitions of generation refer specifically to the mean distance between parents and children with reference to their biological age. These definitions were mainly found in Hellenic and Egyptian literature and the Bible, for example. A generation was defined as a representation of the line of descent of a central progenitor and this could be applied to all living phenomena, including those beyond the boundaries of human life. A generation can be defined in terms of a time dimension (sharing similar ages) and a space dimension (sharing similar experiences and life events) (Jansen, 1975).

Cogin (2012, p. 2270) defines a generation as “a group that shares both a particular span of birth years and a set of worldviews grounded in defining social or historical events that have occurred during the generation’s formative development years.”

According to Deal, Stawiski, Graves, Gentry, Ruderman and Weber (2010), generations are distinct from one another because of their shared birth years and these shared social, economic, political and technological events (changes in technology, social shifts, economic recessions and booms, wars) that have influenced social patterns in life and work in their formative years, which result in a set of values that is fundamentally different from the values of other generations.

Rasch and Kowske (2010) believe that at the heart of any generational gap lies differing values, priorities and ideals. Their definition provides the example of the Baby Boomer counterculture opposing the socio-political norms established by the Veteran generation before them.

Another example is the Millennial generation who are civic-minded and demand more accountability and responsibility from the Baby Boomers who lead the organisations they work for. For them, generational tensions at work can be attributed to differences in what they value and find important (Rasch and Kowske, 2010).

For De Cooman and Dries (2010) generational cohorts are described as societal subcultures whose values reflect the influential cultural, political and economic developments that occurred during their pre-adult years. They further incorporate the ubiquitous influence of the social environment into their definition, most notably of parents, peers, media and popular culture, which they believe creates a common value system among people growing up in a specific historical context and hold that this distinguishes them from others who have grown up in a different era and therefore context.

In accordance with these differences each generation is likely to develop distinct preferences or traits that distinguish their feelings toward work and what they desire from work (Wong et al., 2008). The specific aspects of the definition of a generation, namely space and time dimensions will now be discussed.

2.1.1 The time dimension of the generation

Generations can be similar in their age range, that is, being a child, a youth, and adult or aged. Youth born on different dates within a collection of years can be similar, and youth is considered different to adulthood, when comparing age ranges. According to Jansen (1975) when defining the time dimension of a generation, one can state that a generation consists of coevals (people of the same age) and that there are several coevals living at the same time. In defining the nature and number of generations Jansen (1975) suggests there are four generations, namely child, youth, adult and aged, but that the child and aged generations do not contribute to or shape historical or social reality of a given time period and only two generations participate in social history at any given time, these being the youth and adult generations.

Westerman and Yamamura (2007, p. 151) define a generation as “an identifiable group that shares birth years and significant life events at critical developmental stages. They

share historical or social life experiences, the effects of which are relatively stable over their lives. These experiences influence a person's feelings toward authority and organizations, what a person values from work and how a person plans to satisfy those desires.”

2.1.2 The space dimension of the generation

In defining the space dimension of a generation, Jansen (1975) states that humans exist within the context of the ideas of the period in which they live also known as the spirit of the time. These beliefs and this spirit are held by society not individuals. The space dimension refers to the fact that coevals interpret their circumstances by giving the same or similar meanings to their circumstances (Jansen, 1975).

Generations overlap to some extent. Although they share similar absolute beliefs, according to Jansen (1975), there is no complete break or division in the perspectives of succeeding generations. Changes in thought and social belief systems take place through the innovation of a particular time (Jansen, 1975).

Jansen (1975, p.17) concludes that, “a generation is the concrete social body of perspectives developed by coevals sharing the same circumstances, or the social form in which perspectives, developed by coevals sharing the same circumstances, exist.”

The generational construct has been deemed to be a meaningful variable in organisational research (Ng et al., 2007) and has been used to predict a host of individual and work-related outcomes such as work values (Chen & Choi, 2008; Cugin, 2012; De Cooman & Dries, 2010), employee motivation (Inceoglu, Segers, & Bartram, 2010; Wong et al., 2008), career and organisational commitment (D'Amato & Herzfeldt, 2008; Lub et al., 2012; Lyons et al., 2012), work ethic (Howard & Wilson, 1982) and job satisfaction (Westerman & Yamamura, 2007).

Generations are not delineated according to time periods with a definite start and end date.

The nature of a generation to some extent often overlaps with that of the preceding generation. However, for the purposes of the current research, the following generational timeframes were used, as operationalised by Reynolds et al. (2008, p. 20):

- Veterans, born before 1946
- Baby Boomers, born between 1946 and 1964
- Generation X, born between 1965 and 1981
- Generation Y, born between 1981 and 2000

The rationale for choosing this categorisation of generations is that it encompasses the widest definitions of the years between which each of the generations are proposed to have been born, and the most widely used definitions in the research consulted on this topic.

2.2 CONCEPTUALISING GENERATIONAL COHORTS

The four different generational cohorts as proposed by Reynolds et al. (2008) and their generational values and characteristics will now be conceptualised.

2.2.1 Veterans

The Veteran Generation (born before 1946) are also referred to as the Silent or Traditional Generation, The Conservatives and The Matures (Dries et al., 2008). The “Silent” label refers to their conformist and civic instincts (Taylor & Keeter, 2010).

According to Giordano (1988) this generation was characterised by early marriage and a higher number of children. Women entered the labour force in large numbers during this generation. They achieved greater affluence and economic security than in previous generations. They have a positive attitude toward aging and raised expectations for their later life, particularly related to leisure activities, marriage and family relationships. Dries et al. (2008, p. 910) note some general values held by members of this generation as conformism, maturity, conscientiousness and thrift. Work-related values displayed by Veterans are obedience, loyalty, obligation, and stability. They summarise this generation with the following credo: “We must pay our dues and work hard.”

The Great depression and World War II and the atom bomb are critical events that shaped this generation (Dwyer, 2009).

Veterans, according to Meister and Willyerd (2010), have had the greatest amount of technological change in their lifetimes and are shaped by the events of the two world wars which have made them both dependable and selfless. Working towards group or common goals is in their nature as nation and community rebuilding took place extensively throughout the aftermath of the world wars.

Codrington (2008) describes Veterans as conservative, hard-working and structured, preferring rules, order and formal hierarchies. They have a “waste not, want not” mentality. They are debt averse. Their idea of progress is slow, incremental advancement, with an aversion to risk-taking behaviour. Hard work is the norm for Veterans as a means to achieving success. Their youth prepared them for a lifetime of pragmatic adaptation. They continue to work hard, even in retirement, and they save and are frugal regardless of their solvency.

Codrington (2008) outlines the defining and guiding values of Veterans as follows: They are dedicated rule abiders who have tremendous respect for authority and law and order and who conform to social norms. They believe in sacrifice, being cautious, modest, patient and not wasteful. Their motto is duty before pleasure and they delay reward as such. They are self-sufficient and reluctant to express emotion.

In defining Veterans in the workplace, Lyons et al. (2012) note that the Veteran generation entered the workforce in the post-war era and benefited from an era of prolonged economic growth. They were members of a relatively small birth cohort in a time of economic expansion and they had abundant opportunities for promotion within the organisations that they joined. Veterans typically worked to accrue tenure thereby building organisational legacy.

The Veteran generation produced most of their children in the 1950s. This period was called the “Baby Boom” (Codrington, 2008).

2.2.2 Baby boomers

Westerman and Yamamura (2007) define Baby Boomers as those born between 1946 and 1964, and typified by values such as optimism, team orientation and personal gratification. They also suggest that because this cohort was so large in numbers they had the impression they were “special” (Westerman & Yamamura, 2007). Baby Boomers are widely defined as having a dislike for authority (Hall & Richter, 1990; Meister & Willyerd, 2010; Thomas, 1987).

Baby Boomers are so named because of the rapid increase in birth rate in the USA as soldiers came home from World War II (Deal et al., 2010). This generation grew up in a time of dramatic social change. They were not affected by the events of World War II, but experienced the post-war prosperity that made things like central heating, running hot water, household appliances, televisions and automobiles affordable to most middle-class Americans. Although Baby Boomers were described as being anti-authority when they were younger, in their older age they are conceptualised as materialistic workaholics who are invested in the authority structure. According to Deal et al. (2010) they desire personal fulfilment and place high value on work and the acquisition of material belongings as well as status and authority.

Codrington (2008) defines Baby Boomers as a post-war generation that was subjected to the idealistic visions of post-war politicians. Their formative years, the 1960s and 1970s, were an unsettled time, going to university and into the workplace and rebelling against the Silent Generation leadership they encountered in these institutions. Their high-minded outlook prompted them to act against the establishment, with the aim of removing the corruption they saw there and appointing themselves as leaders. According to Codrington (2008) Boomers were and are conspicuous in spending money and have created more wealth (and accumulated more debt) than any other generation. He describes them as a workaholic generation: driven, goal oriented and bottom-line focused. Boomers are passionately concerned about participation in the workplace and are motivated by vision, mission and strategy. If one takes into consideration their tumultuous youth and active adulthood, Codrington (2008) notes that Baby Boomers are unlikely to retire in accordance with prescribed retirement policies.

Codrington (2008) notes the following defining Baby Boomer values:

- idealism and optimism.
- a team orientation and collaborative approach to work and organisational commitment in the workplace.
- a focus on excellence.
- friendships and relationships for Baby Boomers are founded upon their perceived similarity in beliefs.
- personal growth and gratification are prioritised by baby boomers.
- a shifted focus toward health and wellness in their adulthood and
- an affinity for nostalgia.

Lub et al. (2012) define Baby Boomer employees as valuing job security and a stable work environment, being loyal to the organisation, idealistic and ambitious, focused on consensus building and mentoring and highly sensitive to status.

Chen and Choi (2008) summarise the generational traits of Baby boomers commencing with their formative years which were characterised by a traditional family structure and educational and economic expansion. Baby Boomers are individualistic and independent. They have a psychology of entitlement and they have challenged, protested against and rejected social norms. Their view of money is characterised as “I deserved it – I spend it.” For Baby Boomers leisure is a means to self-fulfilment and work is a shortcut to leisure. Technology is viewed as a necessary convenience. Baby boomers’ view of work is defined as being directed toward self-fulfilment. Baby Boomers seek meaningful and purposeful work. They expect consensus through participation, and view the acquisition of reward and recognition as being directly correlated with deserving it.

Baby Boomers have been shaped most in their lives by the introduction and widespread use of the television in the 1950s (Meister & Willyerd, 2010). The use of television as a medium of communication changed the way young people saw the world at a time when major world events were taking centre stage. The landing of the man on the moon, apartheid, Watergate and the Kennedy assassination, for example were televised

throughout the world and according to these authors are what shaped the Baby Boomers' suspicion and respect for authority in their formative years (Meister & Willyerd, 2010).

Broadwell (1980) predicted that supervisors during the 1980's would have little patience with the generation entering the workforce in the mid to late 80's (Baby Boomer generation). He described the Baby Boomer generation as lacking the company image as established by the Veteran generation before it. He noted that they differed considerably in their approach to work, money, recreation and life in general. He described this emerging generation as displaying the values of the "counter culture" of the 1970s: A relaxed, informal approach to work that is not motivated by status and wealth. He accurately predicted that the motivation and interpersonal relations of this emerging generation would require different approaches from its Veteran supervisors.

Howard and Wilson (1982) conceptualised Baby Boomers as less motivated toward success and less committed to large institutions than their Veteran parents.

Hammond (1986) conceptualised Baby Boomers as having high educational levels and childhoods of prosperity and described them as so called "yuppies" or young upwardly mobile professionals. He summarised the general perception of yuppies at the time as rejecting government spending and regulation and valuing liberalism, sexual and gender freedom and women's rights. He proposed that they were materialistic not because they had never had money, but because they had and they were taking advantage of it (Hammond, 1986).

Thomas (1987) described the American Baby Boomer generation as a generation disillusioned with prevailing authority and government in the aftermath of the Korean, Vietnam and World Wars as well as political scandals such as Watergate and the Kennedy assassination. He noted that Baby Boomers added more lawyers to the legal community than any generation before them, and believed that in response to the disorder of their formative years they embraced the letter of the law as a way of restoring order and control (Thomas, 1987). He conceptualised Baby Boomers as realists with expectations of high salaries and rapid advancement.

Baby Boomers were better off financially than the Veteran generation due to an increase in dual income households and delaying having children for longer (Easterlin, Macdonald & Macunovich, 1990).

Hall and Richter (1990) define Baby Boomers as having a concern for basic values and rather than a focus on success in itself, they need to attach personal meaning to the pursuit of success. This according to Hall and Richter (1990) was in contrast to their Veteran parents who were more concerned with achieving success, status and power for the sake of it (Hall & Richter, 1990). Accordingly Baby Boomers need to behave in a way that is congruent with their values, especially in the workplace.

Baby Boomers have a low tolerance for formal authority or management and prefer supervisors who are broadminded, competent, fair and mature (Hall & Richter, 1990). Older Baby Boomers, especially, have less of an inclination toward climbing the corporate ladder than younger Baby Boomers and are less likely to actively pursue management careers or want to manage others.

Baby Boomers tend toward self-actualisation, that is, using their full potential in their jobs. Hall and Richter (1990) made suggestions for the adequate management and implementation of human resource practices that would create a perfect environment for Baby Boomers to thrive especially in light of reduced opportunities for promotions at the time. The focus of these suggestions was encouraging Baby Boomers to seek a protean career path, that is, a career conceptualised and managed by them and driven by a need for psychological success rather than traditional linear and promotional successes.

Easterlin et al. (1990), in assessing the earning potential of the Baby Boomers, noted that it is better off financially than any other generation before it. They attribute this to the changing approach to family life including having fewer children, having two-parent incomes, and by coupling child care with working. In 1990 labour market conditions meant fewer jobs and reduced financial stability; however, this altered approach to family and personal life meant they had better living conditions than their predecessors (Easterlin et al., 1990).

Baby Boomers have been defined as mainly sharing values of idealism, optimism, team-orientation and materialism. Baby boomers value self-actualisation in the workplace through jobs in which they can achieve self-fulfilment and status. They have been theorised as having a dislike for the prevailing authority of their youth but in their older years have become subscribers to the formal authoritative structure in organisations and are invested in the traditional hierarchies that enable their organisational tenure to establish their organisational status (Deal et al., 2010).

2.2.3 Generation X

The children of the Baby Boomers, Generation X, emerged as the next generation to enter the workforce and the impact of their Baby Boomer parents' careers shaped their attitudes to work in their formative years (Lloyd, 1996). For Generation X financial, family, and societal insecurity have led to a sense of individualism over collectivism (Westerman & Yamamura, 2007). Generation X values teamwork, collaboration, quality of life and the development of relationships. It is also known as the "me generation" and they are more likely to delay buying a house, getting married and having children (McGuire et al., 2007). The term Generation X as a descriptor of this generation born between 1965 and 1981 was first coined by photographer Robert Capa as the title of a photo essay about the as yet unknown generation of young men and women growing up after the Second World War. In this context 'X' was as a reference to a group of people facing an unknown and undefined future. The term was popularised by the author Douglas Coupland in his novel "*Generation X: Tales for an accelerated culture*", in which he depicts young adults coming of age and their lifestyles in the 1980s (Ulrich, 2003).

According to Dwyer (2009) there was a decrease in the annual number of births in the 1960s owing to the increasing involvement of women in the labour force and the commercial introduction of the birth control pill and this resulted in a smaller generational cohort, sometimes referred to as the "baby-bust generation". This generation came of age in the late 1980s and were often known as the 'latch-key' children due to the fact that they were the first generation more likely to have both parents working (Codrington, 2008; Howe & Strauss, 1993; McGuire et al., 2007;).

Latch-key refers to the fact that these children minded themselves at home from the time school finished until their parents returned from work. According to Meister and Willyerd (2010) and Dries et al. (2008), much like their parents they are independent, materialistic and idealistic by nature. However, they differ in their view on work-life balance as a counter to the excess and status-seeking nature of the generation before them (Codrington, 2008).

Generation X according to McGuire et al. (2007), were fundamentally different to any generation before them not least because of their exposure to technology during their formal education. This generation is also connected to technology but not at the level of Generation Y as will be discussed later.

Lloyd (1996) and Codrington (2008) note that Generation X had realised as children that job security was no longer a given, as they had watched their parents' long-term dedication to companies being slashed by restructuring. They were as a result solely committed to their learning curve and their profession, not their companies, and are cynical and suspicious of big business.

Bova and Kroth (2001, p. 58) describe Generation X as

- parallel thinkers
- independent and resourceful
- accepting of change
- needing instant gratification
- being comfortable with diversity
- having expectations for work-life balance
- technologically literate
- free agents in their approach to their careers
- lifelong learners

Generation X were children of divorce (Codrington, 2008). As such they courted and married cautiously, and later than previous generations. Their focus is on short-term rewards rather than long-term benefits and they are prepared to embrace risks and work hard to develop their own careers. This entrepreneurial, sometimes selfish and

individualistic attitude is often mistaken for rebelliousness by the Baby Boomers. However, Generation X are not rebelling against authority per se, as was the case with their parents, they are simply asserting their individuality and independence. At work they need options and flexibility: They dislike close supervision, preferring freedom and an output-driven workplace. They want rules but from credible and morally-driven leaders. They embrace change so much they crave it and need it to remain challenged.

At work they are globally aware, technologically literate, value lifelong learning, require instant gratification, value and understand diversity, are self-reliant, informal and not scared of failure (Codrington, 2008).

D'Amato and Herzfeldt (2008) note that because Generation X saw their parents, "job-for-life" philosophy being met with redundancy from the organisations they were so committed to, they became cynical of corporate institutions. These childhood experiences of sudden job loss have instilled in Generation X the need for continuous learning and expansion of their skills and capabilities in order to be prepared for sudden retrenchment or career change (Dries et al., 2008). As a result, the psychological contract between Generation X and their organisations does not stress the exchange of loyalty and hard work for job security and steady career progression as it did for Baby Boomers. For this generation the psychological contract comprises, on their part, the readiness to take personal responsibility for career development, a commitment to work not the organisation, and an expectation of flexibility and global mobility.

Dwyer (2009) states that life for Generation X was considered better than for the preceding Baby Boomer generation as attending university was affordable and finding a job was easy due to a lack of competitors in the marketplace. This may be why Generation X has not followed the traditional path toward self-fulfilment starting from education, through work, marriage and career advancement. Instead they achieve self-fulfilment through their jobs while simultaneously addressing their basic financial needs and personal goals (McGuire et al., 2007). They are more likely to take time out from studying to go travelling, or gain work experience: an example of the investment they make in themselves. Their independent spirit can be misunderstood as a lack of conformity to traditional work and social structures, however, although they require

flexibility and autonomy when executing tasks at work, they still require direction and support from competent managers who allow for innovative approaches to work output (McGuire et al., 2007).

Chen and Choi (2008) describe Generation Xs as the boomerang generation, that is, they leave home and return.

According to them, this is because Generation X experienced an extended adolescence as a result of their delaying marriage and children often to attend university, which sometimes brought them back home afterwards. This is in contrast to their parents who married and left home immediately after, and at a younger age. Their financial outlook according to Chen and Choi (2008), is “I demand it, I invest it” which is probably a nod to the financial insecurity experienced by their parents in their formative years as well as their need for higher salaries and rapid advancement in the workplace. Generation X views technology as a fact of life in comparison to Baby Boomers who view it as a necessary tool. Generation X is likely to expect the work environment to provide an opportunity for the development of friendships. Therefore, they expect work and the work environment to be fun as a facilitator of this social aspect to their working lives. Generation X requires constant and immediate communication, feedback and rewards, from their supervisors, regarding their work.

In summary Generation X emerged as fundamentally different from the Baby Boomer generation in aspects such as organisational commitment or loyalty (Lloyd, 1996) and the overall nature of family life during its formative years (Howe & Strauss, 1993; McGuire et al., 2007). Generation X also emerged as a generation disposing of the traditional linear career path dictated by the organisation, preferring a career path they had defined themselves and a career which is played out across many employers during career spans (Bova & Kroth, 2001; McGuire et al., 2007). This changed approach was accompanied by a shift in organisational values focused on innovation, flexibility, autonomy (McGuire et al., 2007) and diversity (Bova & Kroth, 2001). The literature suggests that as one moved in time from the Baby Boomer generation to Generation X, organisational loyalty decreased and a sense of individualism arose (Westerman & Yamamura, 2007).

2.2.4 Generation Y

Generation Y goes by various names: the Net generation, Millennials, Digital Natives and the Google generation. It has grown up using technology, that is, it is “wired from birth” and will expect employers to provide the same in the workplace. Generation Y is incredibly tech savvy, the majority of members having access to both the internet and mobile phones (Meister & Willyerd, 2010).

Generation Y is theorised as being noticeably different from preceding generations in terms of values such as personal ambitions and goals, increased self-confidence, a need to express their opinions and a low tolerance for boredom. When compared to earlier generations members expect higher salaries, more flexible working arrangements, prospects for and a steady rate of advancement as well as organisational and supervisor recognition (Inelmen, Zeytinoglu & Uygur, 2010).

Generation Y is most notably defined by its almost constant exposure to information and communication technology since birth and the resulting globalised world in which members have grown up (Meister & Willyerd, 2010). Members have been socialised in a digital world, continually wired, plugged in, and connected to digitally streamed information, entertainment and contacts (Cogin, 2012). This generation favours instant messaging, text messaging and e-mails and members are more comfortable and at ease sending a quick e-mail or other digital message, than having a face-to-face conversation or picking up the telephone. This over reliance on technology as a communication medium has, however, not helped the development of their social skills as a generation (Cogin, 2012). Cogin (2012) also notes that this constant stimulus has resulted in low boredom thresholds especially at work.

Generation Y was raised in a time of economic prosperity, however, they have entered the workforce in an economic downturn (Cogin, 2012; De Cooman & Dries, 2010). Similar to Generation X, members have seen their parents being made redundant and therefore distrusting institutions (Cogin, 2012). They are less focused on outdated ideas associated with race and gender bias (Twenge & Campbell, 2008).

This generation is more tolerant of diversity and cultural differences than previous generations (Twenge & Campbell, 2010). For generation Y diversity is a given and clear-cut ethnic and racial boundaries in this group are not delineated (Cogin, 2012).

Generation Y was born in an era of responsible parenting (Parry, Unite, Chudzikowksi, Briscoe & Shen, 2010) and the decade of the child as the centre of the family, which has resulted in a generation of self-confident youths (Chen & Choi, 2008). Cogin (2012) notes that Generation Y was conceived at a time when birth control and abortions had become widely available and thus members were likely to be planned children. Thus families had fewer children and greater resources to spend on them.

The term “helicopter parents” was coined due to the tendency of Generation Y parents to hover around their children, trying to oversee their education and social activities. This involvement continued through their tertiary education and employment. This has translated into a generation who can be emotionally needy, and which lacks focus and direction (Cogin, 2012; Deal et al., 2010).

For Generation Y a sense of achievement whether financial or promotional is an important work value, along with enjoying ones job and growing and learning from it (Parry et al., 2010). Challenging and meaningful assignments are more important to Generation Y than employment security (Cogin, 2012). This generation wants fast-track leadership programmes that will ensure rapid advancement and promotional prospects (Cogin, 2012; Parry et al., 2010). Generation Y will trade pay for work that is more meaningful at a company where it feels appreciated. This generation needs to see meaning and value in its workplace contributions as this is what keeps it motivated. That said, members still value and expect adequate compensation and reward for the work they contribute to their organisations (Inelmen et al., 2010).

Generation Y has less respect for rank and more respect for ability and accomplishment (Cogin, 2012). Members would prefer to be mentored by someone they respect than experience an authoritarian leadership style. Although they still display respect for authoritarian leadership they are not motivated by it. Owing to the instable nature of their parent’s employment, much like Generation X, they are antagonistic toward organisational authority (Deal et al., 2010)

Twenge and Campbell (2008) in their definition of Generation Y found that members demonstrate higher self-esteem, narcissism, anxiety, and depression; lower need for social approval; more external locus of control; and women with more entrepreneurial traits. According to Cugin (2012), Generation Y has been told by parents and teachers it can do anything and members believe this. As a result they are confident, voice their opinions and are socially active, believing they can make a difference.

Generation Y is socially conscious and value contributing to society as a means of fulfilment (Cugin, 2012).

For members social responsibility is a business imperative. "Millennials are interested in the social good and are attracted to organisations that function by a higher standard of ethical and socially-responsible conduct" (Rasch & Kowske, 2010, p. 222).

Generation Y is entrepreneurial by nature and according to Cugin (2012) members are starting up their own business in record numbers; some even while they are still in school.

Colakoglu and Caligiuri (2010) in discussing Millennials' work values found that Millennial MBA students' work values were affected simultaneously by both deeply held cultural values and a shared global millennial youth culture. They seem to have a shared value of social commitment regardless of their culture, and Colakoglu and Caligiuri (2010) suggest that this is due to the social networking which is a pervasive part of their existence. According to Colakoglu and Caliguri (2010), they are all simultaneously affected by global economic instability and as a result less job security. Across the world Millennials seek challenging work, international opportunities and work-life balance (Colakoglu & Caligiuri, 2010).

However Parry et al. (2010) highlight the influence of culture on Generation Y work values in their study across four countries: South Africa, the USA, Austria and China. For them achievement is a universal work value of Generation Y, however, when delving deeper into this value, layers and differences among countries emerge as to why it is valued. Developing and developed countries display differing values among Generation Y for aspects such as preference for learning and development and reward,

as does a culture of collectivism or individualism. Their research suggests Generation Y is not universally similar with reference to specific work values. Specific country and cultural groupings need to be assessed for a deeper understanding of the preferred work values of Generation Y.

The last decade has yielded a large amount of research on intergenerational relations in the workplace, and highlighted specifically the Generation Y expectations of organisations. The younger generations seem to be typified by the following statement from a member of Generation Y: “My attitude is that as long as I continue to be challenged and it's furthering my career goals, I'll stay with the company. If not, I'll move on. It's not an act of disloyalty; it's just the business of managing me and my career” (Bova & Kroth, 2001, p. 62).

As seen in the research, just as there was a shift from the expectations of the Baby Boomers to Generation X, so there has been a slow shift toward a new workplace geared toward technology and social media platforms and the accompanying young professionals raised and educated in this context (Meister & Willyerd, 2010).

Thus far, the focus has been on the specific characteristics of each generation. Similarities and dissimilarities between the generations in their approach to reward, recognition and how they are motivated will now be discussed.

2.3 GENERATIONS: A COMPARISON

Many studies on generational differences have been conducted to test the theory of generations. A few relevant studies will be discussed here both from international and South African literature.

Westerman and Yamamura (2007) suggest that Generation X and Generation Y are more similar than dissimilar and in their study they have not delineated between the two in terms of general cohort characteristics. According to Westerman and Yamamura (2007), Generations X and Y are characterised by individualism rather than collectivism as a result of insecurity experienced in all aspects of members' lives whilst coming of age. As a group they are practical and technically minded, comfortable with diversity, change, multi-tasking and competition. (Westerman & Yamamura, 2007).

Chen and Choi (2008) summarised the generational traits of Baby Boomers, Generation X and Generation Y in their research. They note that Baby Boomers seek meaningful and purposeful work, in contrast to Generation X, which sees work simply as a job and Generation Y which seeks challenges at work. Baby Boomers feel they deserve reward and recognition whereas Generation X demands these. Generation Y need constant feedback and recognition and want to make an instant impact rather than waiting for promotional opportunities to arise through formal corporate processes. Baby Boomers have a “psychology of entitlement”, are workaholics, and will work hard to achieve success in order to have leisure time, as this means self-fulfilment. According to Chen and Choi (2008), the sheer number of Baby Boomers may have created a need to distinguish them and gain access to opportunities that many were working for at the time.

According to Terjesen et al. (2007) Generation Y workers, when compared to their Generation X and Baby Boomer counterparts, are more adaptable, confident, able to multi-task and technologically savvy. Generation Y employees plan to move around and want to work faster and harder than their colleagues and want to be “climbing the corporate ladder by their sixth month on the job”.

Broadbridge et al. (2007) postulate that both men and women of Generation Y seek a more balanced lifestyle between their work and nonwork lives and have different expectations from their work role than Generation X and other older employees. More so than with any other generation, work for Generation Y is regarded as financing and complementing their lifestyle. They suggest that they want to enjoy their work but not let it rule their lives. They will put in extra time for a worthy and necessary cause as an exception rather than a rule. They make the most of their free time. Employment flexibility is a way of achieving the work-life balance therefore the management and culture of organisations must support such flexibility.

Twenge and Campbell (2008) found a linear increase in a propensity for individualism in younger generations compared with older generations. They measured this by comparing self-report data across time for American college students on their self-esteem: a high self-esteem being central to the concept of individualism (Twenge &

Campbell, 2008). Thus younger generations are more likely to think highly of themselves and their abilities and as a result have higher expectations of others and their employers. However, a positive aspect of this higher individualistic orientation is that Millennials are less likely to be focused on outdated ideas linked to race and gender bias, less concerned with social norms and more accepting of diversity in the modern workplace than their predecessors. Diversity sensitivity training may become obsolete for Generation Y according to Twenge and Campbell (2008). Their review of narcissistic personality traits over time showed that younger generations are more self-absorbed than previous generations. Although this can mean they are less likely to interact well in groups and more sensitive to criticism, narcissistic personality traits such as self-confidence, extroversion and vision lend themselves to leadership positions especially in times of change and crisis (Twenge & Campbell, 2008).

McGuire et al. (2007) operationalised a generation as having general characteristics that are similar but not mutually exclusive homogenous categories. Thus it is not the case that all Baby Boomers value lifetime employment and all of Generation Y are technologically predisposed. However, older generations are generally more experienced and oriented toward stable employment and younger employees are becoming more mobile therefore showing less commitment to organisations and more of an entrepreneurial spirit (McGuire et al., 2007). Younger workers are more likely to seek self-fulfilment to better themselves rather than having any loyalty to a particular organisation. Thus they capitalise on job opportunities where they arise be it inside or outside of the organisation.

Westerman and Yamamura (2007) studied 234 accountants in accounting firms in the USA. They hypothesised that work environment preferences are more relevant and meaningful to younger employees and that younger generations need rapid career advancement more than older employees to be satisfied and motivated at work. They suggested that as a result, younger employees are more likely to be retained by work environments providing suitable levels of job challenge, participation, and strong organisational expectations for accomplishment. They studied aspects of work such as how organised the work setting was, whether the environment encouraged or stifled growth and the social interaction and cohesion among workers and managers. The

primary finding of their study is that a goal-oriented organisational environment was more predictive of motivation and retention of younger generation employees and that a lack of attention to these critical areas of job fit will result in demotivation at work and increased employee turnover (Westerman & Yamamura, 2007). They suggest that because of the organised and orderly nature of social networking that Generations X and Y have been exposed to, they expect a similarly orderly and organised working environment. They also found that Baby Boomers were most concerned with social cohesion at work, which they suggest, may be a result of an increasingly competitive labour market and decreased job mobility as a result of their age. Baby boomers, in most cases, have more well-developed family and social networks than younger employees. Although their ability to leave an employer may be limited, Baby Boomers need social affiliation to remain engaged and motivated at work (Westerman & Yamamura, 2007).

2.4 GENERATIONAL DIFFERENCES AND SIMILARITIES

Generational differences and similarities will now be discussed with reference to the following: marriage and children, education, childhood and formative years and general personality characteristics. Generational differences that are relevant to the workplace as discussed in the media, popular literature and some academic articles and similarities are summarised in table 2.1. The generations are especially different in aspects of individualism versus collectivism, orientation toward technology and diversity sensitivity.

2.4.1 Marriage and children

Generational similarities with regard to marriage and children are most notable among Generations X and Y. They have similar views on delaying marriage and having children (McGuire et al., 2007). Generation Y are more likely than any previous generation to be comfortable with unmarried parenthood, but all generations are as likely to value having children (Twenge & Campbell, 2008).

Across the generations, commencing with the Veteran generation moving toward Generation Y, education has increased in priority and prevalence (Giordano, 1988; Hammond, 1986; Twenge & Campbell, 2010). A notable change in the cost and availability of education was experienced by Generation X (Hodgkinson, 1983).

2.4.2 Education

Although Veterans achieved higher levels of education than generations before them (Giordano, 1988), Baby Boomers were more educated than veterans and for them enrolling in tertiary education became the norm (Hammond, 1986).

For Generation X education was no longer a given due to the associated expense. However, as a generation they were still more likely to enrol in tertiary education than Baby Boomers (Hodgkinson, 1983). Generation Y is more likely than previous generations to view tertiary education as the next step in a progression of life stages, and for members to see themselves in a high status profession by their thirties (Twenge & Campbell, 2008).

2.4.3 Childhood and formative years

Notable differences can be observed across all of the generations in terms of their childhood or developmental years.

Veterans experienced childhoods of austerity and sacrifice where working mothers were the exception in the aftermath of two world wars (Giordano, 1988; Meister & Willyerd, 2010). Baby boomers experienced childhoods of prosperity where working mothers were the norm however, job security for older baby boomers was threatened by both the sheer number of people entering the workforce and organisational restructuring (Easterlin et al., 1990). Generation Y experienced their childhood as the centre of the home in an era where responsible parenting had taken centre stage (Parry et al., 2010). This resulted in an increase in praise and positive feedback during their childhood (Twenge & Campbell, 2010). This generation also experienced near constant exposure to information and communication technology from their formative years and has always had access to internet and mobile phones. They have grown up in a hyper-connected,

global world (Meister & Willyerd, 2010). Much like Baby-boomers they experienced childhoods of economic prosperity in the early 1980s with a decline in economic prosperity as they came of age and entered the workforce themselves (De Cooman & Dries, 2010).

2.4.4 Organisational values and work ethic

In terms of organisational values and work ethic, the generations share many similarities and differences.

Veterans are characterised as being collectivists with an orientation toward community as a result of the nation building they experienced after the World Wars (Meister & Willyerd, 2010). Generations X and Y are characterised as being individualistic (Westerman & Yamamura, 2007). Baby-boomers are different to Generations X and Y in their orientation to rule breaking and “towing the line.” While Baby-Boomers apply and follow the rules (Thomas, 1987), Generation X is more independent of spirit. Generation Y like Generation X and Baby Boomers is idealistic but has an accompanying low tolerance for boredom (Meister & Willyerd, 2010). With regard to self-actualisation and organisational feedback, Baby Boomers worked as a form of expression of personal meaning and fulfilment of personal potential: in other words they attached personal meaning to their jobs and felt fulfilled when their potential at work had been realised (Hall & Richter, 1990). By contrast Generations X and Y, experience their full potential by fulfilling career goals that are independent from, but enabled by, on-the-job learning and skills gained in the organisation (Parry et al., 2010). Generation Y is theorised as being confident and self-reliant and highly individualistic in their approach to organisational politics (Meister & Willyerd, 2010).

Table 2.1: Generational differences and similarities

| Generational Characteristics | Veterans (born before 1946) | Baby Boomers (Born 1946 – 1964) | Generation X (Born 1965 – 1981) | Generation Y (Born 1981 – 2000) |
|-------------------------------------|--|--|---|---|
| Marriage & children | Early marriage and a high number of children (Giordano, 1988) | Having fewer children, child care hand in hand with career, husband & wife at work (Easterlin et al., 1990) Increase in divorce (Hodgkinson, 1983) | Delay marriage & children, travel, gain experience, and pursue a global career rather than settle down (McGuire et al., 2007) | Delay marriage, unmarried parenthood, less interested in marriage, as likely as all previous generations to value having children (Twenge & Campbell, 2010) |
| Education | Achieved higher levels of education than previous generations (Giordano, 1988) | More educated than the Veteran generation - tertiary education becomes the norm (Hammond, 1986) | Increased cost of tertiary education means it's no longer a given (Hodgkinson, 1983) | More likely than previous generations to view tertiary education as the next step in a progression of life stages, and to see themselves in a high status profession by their thirties (Twenge & Campbell, 2010). |

| | | | | |
|---|---|--|---|--|
| <p>Characteristics of developmental stage (childhood/ formative years)</p> | <p>Women at work the exception rather than the norm (Giordano, 1988), Childhood of hardship and sacrifice (Meister & Willyerd, 2010)</p> | <p>Woman at work the norm rather than the exception (Mitchell, 1985), (Kearney & Sears, 1985; Hodgkinson, 1983), raised in traditional structured family (Chen & Choi, 2007), childhoods of prosperity (Hammond, 1986), advent of television, and broadcast of world events (Meister & Willyerd, 2010), experienced massive restructuring (Easterlin et al., 1990)</p> | <p>Increased single-parent households due to increased divorce rates (Howe & Strauss, 1991), two parents at work (McGuire et al., 2007; Meister & Willyerd, 2010), "latch-key kids" (Chen & Choi, 2007), childhood saw parents lose their jobs during uncertain economic times (Lloyd, 1996), insecure (Westerman & Yamamura, 2007), extended adolescence (Chen & Choi, 2007)</p> | <p>Era of responsible parenting and child as the centre of the home (Parry et al., 2010), increase in praise and positive feedback during their childhood (Twenge & Campbell, 2010), constant exposure to information and communication technology, have always had access to internet and mobile phones, living in a hyper-connected, global world (Meister & Willyerd, 2010), childhood of economic prosperity, entered workforce during economic downturn/recession (De Cooman & Dries, 2010)</p> |
| <p>Organisational values and work ethic</p> | <p>Conformism (Dries et al., 2008), obedience, obligation, security (stability), thrift, conscientiousness, maturity (Dries et al., 2008), selfless, (Meister & Willyerd, 2010)</p> | <p>Idealism (Dries et al., 2008) being challenged, materialistic (Dries et al., 2008) value personal Gratification (McGuire et al., 2007)</p> | <p>Individualism (Westerman & Yamamura, 2007), sceptical of authority (Dries et al., 2007), materialistic (Dries et al., 2008)</p> | <p>Collectivism, civic mindedness (Dries et al., 2008) lower need for social approval, external locus of control, more entrepreneurial traits, value a sense of achievement (Parry et al., 2010), increased confidence and self-esteem (Chen & Choi, 2008), need to express their opinions, low tolerance for boredom (Chen & Choi, 2008)</p> |

| | | | | |
|---------------------------------|--|---|---|--|
| Technology | Greatest amount of technological change in their lifetimes (Meister & Willyerd, 2010) | Technology is an expedient commodity (Chen & Choi, 2008) | Technically minded (Bova & Kroth, 2001) | Wired from birth, incredibly tech-savvy (Meister & Willyerd, 2010) |
| Diversity/change | Least accepting of diversity and change, prefer stability and "sameness" (Codrington, 2008) | Implemented change (Codrington, 2008) | Accepting of change, comfortable with diversity (Bova & Kroth, 2001) | More tolerant of cultural differences and adaptive to change than previous generations (Twenge & Campbell, 2008) |
| Teamwork/collaboration | Collaborate for the greater good, conform to team goals as directed by leadership (Codrington, 2008) | Team orientation (Westerman & Yamamura, 2007), expect participation and consensus (Chen & Choi, 2008) | Value collaboration, development of relationships and teamwork (McGuire et al., 2007) | Believe in the value of teamwork, but also want independence from the team to express themselves (Inelmen et al., 2010) |
| Work life Balance | Work hard not long hours (Codrington, 2008) | Workaholism (Dries et al., 2008), work is a shortcut to leisure (Chen & Choi, 2008) | Value work-life balance (Bova & Kroth, 2001) | Expect flexible working arrangement (Meister & Willyerd, 2010) |
| Loyalty to employer | Dependable (Meister & Willyerd, 2010), loyal (Dries et al., 2008) | Less committed to organisations (Howard & Wilson, 1982), | Cynical of big business, not committed to organisation (Lloyd, 1996), | Loyalty to career and progression not organisation (Bova & Kroth, 2001) |
| Training and development | Older workers struggle to learn and apply new technology/training (Inceoglu et al., 2011) | Tend toward self-actualisation, using their full potential in their job, acquiring as many skills as required for self-actualisation (Hall & Richter, 1990) | Committed to learning and furthering their career (Lloyd, 1996), lifelong learners (Bova & Kroth, 2001) | Value on the job learning and growth (Parry et al., 2010), have rejected traditional educational interventions in favour of active, kinesthetic learning environments (McGuire et al., 2007) |

| | | | | |
|---|---|--|---|--|
| Career path | Hard work determines progression (Codrington, 2008) | Traditional career path determined and actualised by the organisation (Hall & Richter, 1990) | Do not follow traditional career path (Bova & Kroth, 2001) | View career as independent of organisations, self-directed (Meister & Willyerd, 2010) |
| Preferred leadership style/view of authority | Respect for authority (Codrington, 2008) | Protested and rejected social norm (Chen & Choi, 2008) dislike for and disillusionment with authority (Westerman & Yamamura, 2007) | Require direction and support from competent managers, must be able to provide innovative feedback (McGuire et al., 2007) | Expect organisational and supervisor recognition (Inelmen et al., 2010; Wong et al., 2008) |

2.4.5 Technology

According to Elias, Smith and Barney (2012) Baby Boomers and veterans have not experienced technology as part of their formal education, and are more likely to be demotivated by the implementation of new technology in the workplace than Generations X and Y. Generation Y have had the most exposure to technology from childhood than any other generation and yet Veterans have had the most technological change experienced than any other generation (Meister & Willyerd, 2010). Generation X and Y are more technologically savvy than their predecessors as they were born into an era where technology was a way of life rather than a learning curve embarked upon during adulthood (Meister & Willyerd, 2010; Bova & Kroth, 2001). They bring with them knowledge of social media, and a so-called finger on the pulse that companies can and have been using to their advantage (Meister & Willyerd, 2010).

2.4.6 Diversity and change

Tolerance for diversity has increased with each generation (Twenge & Campbell, 2008). Veterans are the least accepting of diversity and change and prefer stability and “sameness” (Codrington, 2008). Baby Boomers agitated for and implemented change in their era (Codrington, 2008). Generation X is accepting of change and diversity, while Generation Y is more tolerant of cultural differences and adaptive to change than previous generations (Twenge & Campbell, 2008).

2.4.7 Teamwork and collaboration

Veterans collaborate toward group goals and conform to team goals as directed by their leadership (Codrington, 2008). Baby boomers and Generation X exhibit values of teamwork and collaboration at work (McGuire et al., 2007; Westerman & Yamamura, 2007) and Generation Y believe in the value of teamwork but also need independence from the team in order to express their individual identity (Inelmen et al., 2010).

2.4.8 Work-life balance

Veterans work hard rather than long hours in line with their credo “We must pay our dues and work hard” (Dries et al., 2008). Baby Boomers are workaholics (Dries et al.,

2008) and believe work is a shortcut to leisure (Chen & Choi, 2008). For Generations X and Y, work-life balance is crucial to an employer's value proposition as a normal aspect of their working life.

2.4.9 Loyalty to employer

Veterans are theorised as dependable (Meister & Willyerd, 2010) and loyal (Dries et al., 2008) to their employers. Baby Boomers are less committed to organisations than Veterans (Howard & Wilson, 1982). Generations X and Y share a dislike for authority and generation Y in particular view their careers as being independent from the organisations for which they work (Bova & Kroth, 2001).

2.4.10 Training and development

Older workers are theorised as grappling with learning and applying new technology in the workplace (Inceoglu et al., 2011). Baby Boomers acquire as many skills as they perceive to be self-fulfilled at work and for their status to rise commensurate with qualifications (Hall & Richter, 1990). Generation X and generation Y are committed to life-long learning and furthering their careers (Bova & Kroth, 2001; Lloyd, 1996). Generation Y has a specific preference for technologically driven training interventions that are interactive and allow for demonstrable skills acquisition (McGuire et al., 2007).

2.4.11 Career Path

Veterans believe hard work determines progression (Codrington, 2008). Baby Boomers, however, have followed a traditional organisation-led career path (Hall & Richter, 1990), while Generations X and Y have shifted away from this by focusing on career and learning as being independent of the organisation (Bova & Kroth, 2001; Lloyd, 1996). Hence the latter two generations value organisational investment in their learning curve and skills acquisition but are less committed to the organisation than the Baby Boomer generation was (Parry et al., 2010).

2.4.12 Preferred leadership style/ view of authority

Veterans respected authority and traditional hierarchical structures (Codrington, 2008). Baby Boomers protested and rejected social norms during their formative years and were disillusioned with these structures (Westerman & Yamamura, 2007; Chen & Choi, 2008). Generations X and Y value supervisory feedback, recognition and support and these are crucial to their self-actualisation at work.

They place incredible value on the ability to give innovative input at work (Inelmen et al., 2010; McGuire et al., 2007).

In conclusion, generational differences are evident across Veterans, Baby Boomers, Generation X and Generation Y not least because of the nature of their formative and developmental years and their exposure to technology.

The stark contrast between Generation X and Baby Boomers is more notable than between Generations X and Y who share many similarities especially in light of their exposure to and use of technology (Westerman & Yamamura, 2007). Organisational commitment and loyalty is redefined by each generation moving from a Baby Boomer's organisationally directed career path to that determined and shaped by the Generation Y employee (Hall & Richter, 1990; Bova & Kroth, 2001). Bova and Kroth (2001) suggest that although acting on the needs of the younger generation in an organisational setting involves time and money, the long-term dividends of retention and talent attraction are proportional. With the imminent retirement of baby boomers from the workforce it is imperative for employers to assimilate Generation Y into the workforce by appealing to their preferred job requirements and attitudes so that members can benefit from time spent in the work force with Baby Boomers and establish a skills transfer before it is too late for the organisation, and before it gets too expensive to attract this generation of talent.

2.5 GENERATIONS: A SOUTH AFRICAN PERSPECTIVE

Generational research is made complicated by the distinct social and political events that shaped the generations in different countries as noted by many authors on the topic (Colakoglu & Caligiuri, 2010; Parry et al., 2010; Rasch & Kowske, 2010). It was thus

deemed relevant to this research study to examine the generational characteristics and values of South Africans in particular, and these are discussed next.

According to Deal et al. (2010), South Africa is different from other countries with regard to generational descriptions because of the advent and implementation of apartheid between 1948 and 1994. During this time white and black individuals were affected differently by the same social and political events. Therefore, a white South African and a black South African may share a birth date, and yet have very different generational outlooks.

These authors define the South African generational cohorts alongside those of the UK and the USA in this context and this comparison is summarised in table 2.2.

Table 2.2: Generational time frame comparison (UK, USA and South Africa) adapted from Deal et al. (2010)

| Country | Generational time frames | | | |
|--------------|--------------------------------------|-------------------------------------|---------------------------------------|--|
| UK | Baby Boomers (1946–60) | Generation X (1960–79) | Millennial Generation (1980–2000) | |
| USA | Baby Boomers (1946–63) | Generation X (1964–79) | Millennial Generation (1980–2000) | |
| South Africa | Apartheid Generation (1938–60) | Struggle Generation (1961–80) | Transition Generation (1981–93) | The “Born- free” Generation (1994–2000) |

2.5.1 Apartheid

When considering the social and political events that shaped South Africans of all generations one cannot escape the impact of the apartheid regime which was instituted in 1948.

During the first part of the apartheid era, that is, the 1950s, 1960s and 1970s, South Africa experienced relative economic stability due to substantial economic growth and

an increase in industrialisation. At the same time there was an increase in both black and white South African incomes. Increasing resistance to the apartheid regime from blacks, including both nonviolent and violent protests increased with intensity over the decades. In the 1970s and 1980s, many countries imposed military and then economic sanctions against South Africa to protest against the continuation of apartheid policies. These sanctions resulted in reductions in borrowing by the South African government and South African corporations, and reduced economic growth, investment by corporations and exportation of goods (Deal et al., 2010).

While the dismantling of apartheid began with some small steps in the early 1980s (for example, mixed-race marriages were allowed), apartheid was only officially dismantled in 1992, and the first general elections with universal suffrage took place in 1994 (Deal et al., 2010).

2.5.2 South African generations

2.5.2.1 The Apartheid generation

The Apartheid Generation (born 1938–60) has no working memory of South Africa before apartheid was instituted (Mattes, 2011). Members' formative years were shaped by a legal matrix of laws imposing and enforcing racial separation. This generation would have had some experience with various forms of popular protest against apartheid (such as bus boycotts, pass protests, and the Kliptown congress and the creation of the freedom charter by the African National Congress [ANC]), and almost all of these protests were enacted by black South Africans to appeal to the consciences of more reasonable segments of white opinion to effect political reform (Mattes, 2011). According to Mattes (2011) the Sharpeville massacre of 1960 was a critical turning point in political policy, as the prevailing nationalist government ensured an almost complete ban on black political movements and imprisoned a whole generation of black leaders, most notably Nelson Mandela, Walter Sisulu and Oliver Tambo (Mattes, 2011). The government at this time implemented separate development through the Bantustan system with the ultimate aim of removing black South Africans from "white" cities and suburbs and creating a constellation of independent black republics within the borders of white South Africa (Mattes, 2011). During this period, black children were gradually

moved out of church-based mission schools and into government schools within the Bantustans. South Africa's rapid growth and industrialisation during this time saw a significant increase in black incomes and a consequent movement toward the urban townships created especially to meet the expanding need for industrial labour (Mattes, 2011).

2.5.2.2 The Struggle Generation

This generation was born between 1961 and 1980 (Deal et al., 2010). During this time black political inertia came to an abrupt end with the rise of the Black Consciousness movement and the Soweto uprisings (Mattes, 2011).

Important events affecting this generation include the first television broadcast (which also allowed people all over the world to see first-hand coverage of the struggle) and the increasing foreign threats to apartheid posed by the dismantling of colonial rule in neighbouring countries and an anti-apartheid approach by major global power the USA.

Deal et al. (2010) believe that the Struggle Generation would not be an accurate label for most whites born during this period as the majority were not a part of it. The ruling party considered the ANC terrorists. Those opposed to apartheid would classify the ANC differently (for example, freedom fighters). White males in this generation had two years of required army training, and may have been part of the "border war" against the (then banned) armed wing of the ANC called Umkhonto we Siswe. During this time, there were increasingly violent protests against apartheid, and increasingly brutal responses by the government, but there would have been substantial differences among members of this cohort (likely primarily along racial lines) as to whether they thought of the "struggle" as being about ending apartheid or supporting its further implementation (Deal et al., 2010).

Despite this political upheaval, both the Apartheid and Struggle Generations are perceived as being more accepting of authority than younger generations, and of having different beliefs about attributes of leaders than younger generations (Mattes, 2011).

2.5.2.3 The transition generation

According to Deal et al. (2010) those born between 1981 and 1993 are part of the Transition Generation. They likely knew about apartheid-related violence during their childhoods, but they entered adolescence in a reformed and democratic system. They had no official limits to where they could go, work or live, or on who they may date or marry (Mattes, 2011). They had already experienced a series of peaceful democratic elections that focused on new issues with diminishing links to a racially charged past. They had access to uncensored and widely available international news and TV shows. But they spent their childhoods within the apartheid regime, where their parents and older siblings would have been part of the struggle, one way or another (Deal et al., 2010).

The combination of a range of growth-oriented economic reforms in 1996 and a long period of growth in the early 21st century enabled the South African government to build over 2 million houses, and provide millions of citizens with access to water, sewerage and health clinics, and greatly expand a series of welfare subsidies to poor households (Mattes, 2011). This period also witnessed the rapid expansion of a new black middle class.

The transition generation has come through most of its schooling without politically inspired interruption. According to Deal et al. (2010) as adults, they live in a South Africa where race-based legally enforced segregation has been replaced by class segregation. This generation has experienced high levels of joblessness. It is believed that the Transition Generation is less accepting of (and willing to comply with) authority than are earlier generations, and has less positive opinions about leadership than do the older cohorts, perhaps because of their perceptions about the poor performance of government institutions in the last few years (Deal et al., 2010).

2.5.2.4 The Born-free generation

This generation (born 1994–2000) are those who have no recollection of living within the apartheid regime. Martins and Martins (2010) define this generation as largely black and believe that black and white South Africans have more in common with one another

now and increasingly less in common with their parents and grandparents. They would be considered the Millennials of South African society (Martins & Martins, 2010).

The South Africa they were born into and raised in has democratic political processes and is increasingly integrated with the larger world community via television and information technology (Deal et al., 2010). Like the Transition Generation, it is believed that they have different expectations of leaders than do the older generations, and are less willing to comply with authority (Mattes, 2011). They have received almost universal education in a reformed school system. Increasing numbers of black students attend heretofore racially exclusive schools and universities. Moreover, the style and content of primary and secondary education have substantially changed with the advent of “outcome-based” curricula designed, amongst other things, to produce a new generation of patriotic, participatory citizens.

Martins and Martins (2010) however, note that unemployment and a difficult job market are creating a generation of angry and disillusioned individuals. There are strong reasons to suspect that this new generation, who have had vastly different economic and political experiences and opportunities than their elders, and have been educated under a new school curriculum, may provide more fertile soil in which a strong democratic culture could take root and which will help to consolidate South Africa’s democracy (Mattes, 2011).

Further studies conducted on cultural and country-specific work values as experienced by the different generations in a South African context were done by Parry et al. (2010) and Martins and Martins (2010). Parry et al. (2010) discuss career success as perceived by members of the Generation Y cohort in South Africa. Their findings indicate that Generation Y South Africans value achievement, work-life balance and self-actualisation as the top three indicators of career success.

Although South Africans share achievement as a top indicator of success with countries such as China and America, their definition of achievement is different. Distinct from Millennials from other countries, Generation Y South Africans in this study defined achievement as owning and running one’s own business. South Africa is also the only country that does not value learning and development as a top priority for career

success which Parry et al. (2010) believe is associated with a higher need for security and balance borne from the years of instability and restriction experienced during apartheid.

Martins and Martins' (2010) study of South African generations on aspects of training and development and job satisfaction showed an intense focus by Millennials on their own training and development which supports the general trait of this generation as discussed above, that Millennials highly value training and skills acquisition as part of their ongoing career development. Their research also concluded that South African Baby Boomers value teamwork and participation considerably more than Generations X and Y. South African Millennials experience autocratic leadership negatively and are encouraged and motivated by supportive leaders who create structure but facilitate innovation and allow for the use of initiative in executing job tasks.

South African Millennials in this study displayed a positive attitude toward change and challenge much like their global counterparts. Martins and Martins (2010) found that South African Millennials, supportive of the generally accepted traits of this cohort, also display impatience with communication especially face-to-face meetings, and prefer using technology to communicate and achieve task outcomes.

It is evident from the literature discussed above that South Africans of all generations, although displaying the generally accepted characteristics of their generation, have also been profoundly affected by the social and political upheaval of the last century in this country. As such some of their generational characteristics are specific to and borne from these events and this cultural and racial impact on generational values cannot be overlooked.

2.6 CHAPTER SUMMARY

This chapter has defined and conceptualised the term generation in the context of the research to be conducted in this study. Generational cohort characteristics were discussed in detail. A comparison of similarities and dissimilarities between generations were discussed and summarised. South African specific social and political events were examined, especially in light of the specific generations that have been affected by these events and change. The terms “generation”, “generation sub-group” and “generation/al cohort” will be used interchangeably in this study. This chapter has also highlighted a number of differences and similarities in generational traits of motivation, reward and recognition and these concepts will be discussed in more detail in the next chapter.

CHAPTER 3: MOTIVATION, REWARD AND RECOGNITION

3.1 INTRODUCTION

This chapter examines various definitions and theories of motivation and discusses theories of motivation in the categories of content and process theory. The content theories that will be discussed here are Maslow's (1954) hierarchy of needs, Herzberg's (1966) motivation-hygiene theory and the goal theory of motivation as proposed by Locke (1978). Process theories that will be discussed here are the expectancy-value theory, equity theory, McGregor's (1960) extrinsic motivation theory, Haefner's (2011) systemic motivation and Deci and Ryan's (2000) self-determination theory. Following on from this discussion an integrated model of motivation will be proposed. The concepts of reward and recognition will then be discussed and the chapter will conclude with a discussion of generations and their orientation towards the three concepts.

3.2 MOTIVATION

3.2.1 Defining motivation

Motivation is the degree to which an individual wants and chooses to engage in certain behaviours. Mitchell (1982) defines motivation as the psychological processes that cause the arousal, direction and persistence of voluntary goal-directed behaviour. However according to Mitchell (1982) although there is some disagreement as to the importance of arousal or choice in eliciting behaviour, there are underlying aspects of this definition that are universal to all motivation theories. These aspects are that motivation is individual and intentional. Individual means that it is specific to and guided by the various aspects of an individual's personality, and intentional in that the individual will choose one action or behaviour over another.

There is a need in the current study to define motivation more specifically within an organisational context. Pinder (as cited in Tremblay, Blanchard, Taylor, Pelletier & Villeneuve, 2009, p.213) defines work motivation as "a set of energetic forces that originates both within as well as beyond an individual's being, to initiate work-related behaviour, and to determine its form, direction, intensity and duration."

Locke and Latham (2004, p. 388) define motivation as “internal factors that impel action and ... external factors that can act as inducements to action.” According to their definition there are three aspects of motivation: direction (choice), intensity (effort), and duration (persistence). Motivation can affect not only the acquisition of people’s skills and abilities but also how and to what extent they utilise their skills and abilities.

Sadri and Clarke-Bowen (2011) define motivation in an organisational context in terms of direction, intensity and persistence that is the choice of one activity over another, how hard an employee tries during the activity and how long the employee will try in the face of obstacles or resistance. Motivated employees work harder, produce higher quality work, are more likely to display the values and behaviours expected by the organisation and are less likely to leave.

Wong et al. (2008) describe motivators as factors which energise, direct and sustain behaviour in an individual. Mitchell (1982) describes motivational factors as being intrinsic and extrinsic. Intrinsic factors are those that satisfy basic and inherent psychological needs, and extrinsic factors are those that are imposed upon or internalised by individuals via a societal mechanism. Intrinsic factors can include relatedness, a sense of community, personal growth and autonomy. Extrinsic factors could be a desire for wealth or material belongings, a certain appearance or fame.

Need theory defines human action as intrinsically motivated. Needs are defined as an individual’s conscious wants, motives and desires and are different for everyone. (Baard, Deci & Ryan, 2004). Baard et al. (2004) view needs as nutriments (physiological and psychological) that are essential to the survival, growth and integrity of an individual. They believe that the satisfaction of a need if not empirically associated with an individual’s growth, health and integrity is simply a desire. Desires can be harmful or counterproductive in some cases and would thus not be considered needs.

In formulating a cohesive definition of intrinsic and extrinsic work motivation, Brief and Aldag (1977) state that intrinsic motivation is a cognitive state that reflects the extent to which a worker attributes his or her efforts to achieving outcomes derived from the task itself. Such a state of motivation can be characterised as a self-fulfilling experience.

In this context an intrinsic work outcome is an object or event received or experienced by a worker during or following the completion of a set of task behaviours which is self- or task mediated in that the involvement of a source external to the task-person situation is not required for delivery to take place (Brief and Aldag, 1977).

Extrinsic work motivation is a cognitive state which reflects the extent to which workers attribute their behavioural efforts to having or experiencing extrinsic outcomes (Brief and Aldag, 1977).

An extrinsic work outcome is an object or event received or experienced by a worker following the completion of a set of task behaviours which is dependent on a source external to the person for delivery to take place (Brief and Aldag, 1977).

Within the context of self-determination theory, motivation is also defined intrinsically and extrinsically. Furthermore extrinsic motivation is further classified into types. According to this definition of motivation, intrinsic motivation is present when individuals do something for pleasure or enjoyment, whereas extrinsic motivation occurs when individuals do something because of external forces. Extrinsic motivation is further defined as varying in the degree to which motivation has been internalised on a continuum from most externally motivated to least externally motivated (Moran, Diefendorff, Kim & Liu, 2012).

Of interest to the study conducted here is the operationalisation of motivation in the context of age differences. Inceoglu et al. (2011, p.301) note that “research from the life-span development and occupational/organizational psychology literature suggests that certain psychological processes and attributes undergo changes at different stages of the life cycle, which are likely to affect the extent to which individuals are motivated by different job features and work outcomes.” Their study found that as workers grew older there was a general shift from extrinsic to intrinsic motivation and that motivation was specifically linked to different stages in the life cycle as well as the prominence of crystallised versus fluid intelligence. Crystallised intelligence is characterised by experience and educational knowledge. Fluid intelligence consists of working memory and the processing of new information.

“Work demands that require a high level of fluid ability involve more effort with older age, and are likely to be demotivating, especially in maximum performance work conditions, where this demand cannot be compensated by growth in expertise (crystallized intelligence) and effort” (Inceoglu et al., 2011, p. 302).

For the purpose of this research study motivation will be defined in terms of the psychological processes that cause the arousal, direction and persistence of voluntary goal-directed behaviour taking into consideration the effect of life stages on individual motivation.

The operational definition is taken from Mitchell (1982, p. 81) “The psychological processes that cause the arousal, direction and persistence of voluntary goal directed behaviour.” The rationale behind this definition is that the empirical study investigated specific goal-directed organisational behaviour as displayed by individuals of different ages.

Various motivational theories will be discussed next with a specific focus on self-determination theory which is most applicable to this research.

3.2.2 Motivation theories

3.2.2.1 Abraham Maslow’s hierarchy of needs

Maslow formulated a hierarchy of 5 needs, with the higher-order needs below, and the lower-order needs at the top of a hypothetical pyramid. The foundation of this hierarchy consists of physiological needs, progressing upwards in the pyramid to a need for safety, need for a sense of belonging and love, need for esteem for self and others and at the top of his hierarchy the need for self-actualisation. For Maslow, needs are a state of deficit that create the need for action, that is, that motivate an individual to act (Sengupta, 2011). A sixth and final dimension proposed by Datta (2010) is the need for transcendence which moves past the self-centeredness of self-actualisation, and places the self within the society or culture in which it resides.

Each need has to be satisfied substantially in order for an individual to progress to the next level.

Managers are able to motivate their employees by providing rewards that help satisfy the need that is operational and prevalent at any point in time (Sadri & Clarke-Bowen, 2011).

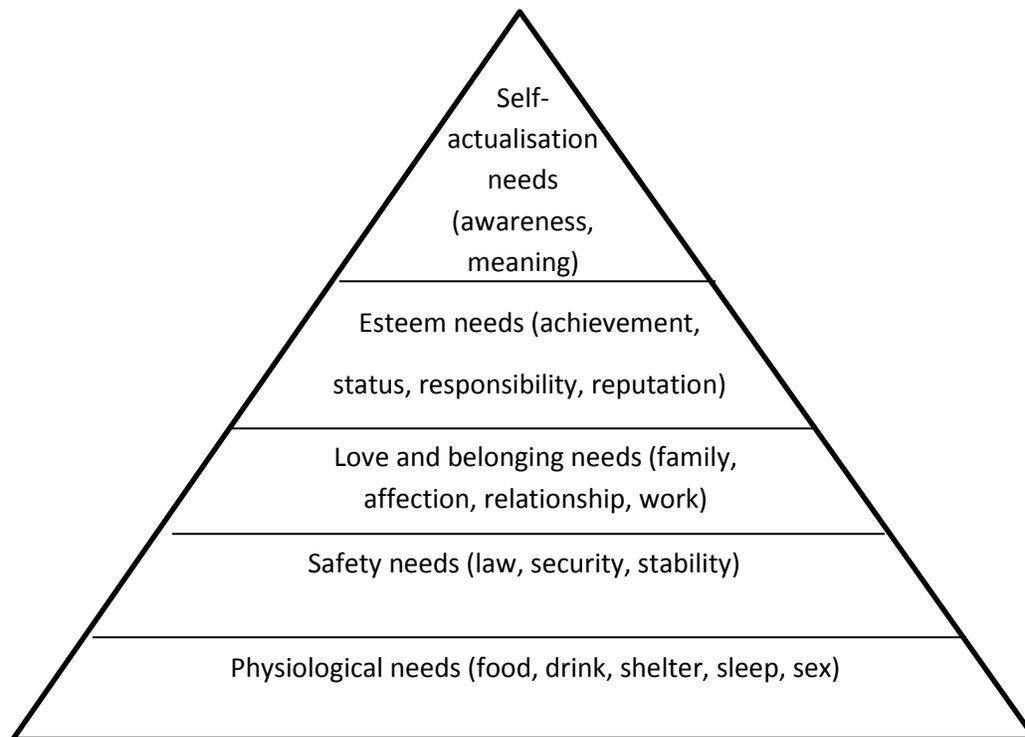


Figure 3.1: Maslow's hierarchy of needs (Zalenski & Raspa, 2006, p.1121)

(a) Physiological needs

Maslow's theory of motivation proposes that the basic physiological needs of humans are food, air, water and shelter and if these are not fulfilled the next level of needs or motivation to achieve them does not occur. Interpreted at an organisation level this would include monetary reward: employee salaries provide for these basic needs, rent, clothing, groceries and transportation (Sadri & Clarke-Bowen, 2011). In further providing for these basic needs a workplace with clean, fresh air and an ergonomic workspace also constitutes a physiological need. This keeps employees focused on work and motivated to perform at higher levels (Sadri & Clarke-Bowen, 2011). Sadri and

Clarke-Bowen (2011) believe that work-life balance is a physiological employee need as it provides for the leisure time needed to live a healthy lifestyle.

(b) Need for safety

The next tier on the pyramid of needs is the need for safety – from physical and psychological harm.

This can be achieved through providing employees with a safe work environment, but also providing them with immediate and long-term job security and retirement planning or benefits (Sadri & Clarke-Bowen, 2011). Another way in which this need can be met by the organisation is through employee assistance programmes, which assist employees in times of distress via a helpline or counselling programme (Sadri & Clarke-Bowen, 2011).

(c) Love and belonging needs

This is the need to love and be loved and to feel a sense of belonging. For an employee this need is satisfied by social networks in the workplace and supportive and understanding supervisors. This is also achieved in an organisation by including employees in company social events, and allowing family members to join in. An open plan working environment and communal pause areas also foster a sense of belonging and social cohesion in the office environment itself (Sadri & Clarke-Bowen, 2011)

(d) Self Esteem needs

This includes the need for responsibility, reputation, prestige, recognition and respect from others (Sadri & Clarke-Bowen, 2011).

If these needs are fulfilled the individual is confident, motivated and productive. Receiving recognition and praise from ones supervisor is fundamental to continued motivation and productivity. Self-esteem is also fostered through a sense of accomplishment in ones work. This means that for organisations recognition needs to happen formally and noticeably for employees to feel appreciated and accomplished. If employees perceive that they are not deriving a sense of accomplishment from their work, their motivation is likely to decrease, and organisations need to be flexible enough to allow employees to take on additional tasks or rotate jobs to be further challenged.

Both formal and informal recognition is crucial in motivating employees to attain further levels of achievement (Sadri & Clarke-Bowen, 2011).

(e) Self actualisation needs

Employees who have all of their other needs satisfied by the organisation will often begin looking for ways to self-actualise, that is, to become the best version of themselves, or to perform at better levels.

This often means expanding skills or enrolling in courses that could further them in their professions or careers. An organisation that offers tuition reimbursements or opportunities for studies that will facilitate this, will satisfy this need in its high-performing employees, retain their skills, and benefit from these newly acquired skills (Sadri & Clarke-Bowen, 2011).

Datta (2010) suggests that there is a final level of need fulfilment not discussed by Maslow which is required for complete fulfilment, and this is transcendence, that is, transcending the individual in favour of the collective. This includes uplifting the world's poor, protecting and saving lives, regulating global financial markets, and protecting the natural environment. Organisations that incorporate aspects of transcendence into their company philosophy or values are inadvertently creating an environment that allows its employees to achieve this need. A company focused on health and safety, charitable and corporate social responsibility initiatives, and environmentalism will satisfy its employee's needs for achieving transcendence in the workplace, especially if they cannot achieve this in their personal capacity, or would not know where to start (Datta, 2010).

Maslow's hierarchy of needs provides a framework for organisations to motivate their staff at each successive level of need fulfilment and reap the benefits of an increasingly motivated workforce.

Studies regarding this theory show that it correctly supports the premise that elements of motivation can be associated with both satisfaction and dissatisfaction, that is, all of the hierarchical needs can either be met or not met and both states will engender some

kind of motivation to act, whether it be to meet the need or whether it be to reach higher levels of need (Wolf, 1970).

However, Maslow's theory does not take into consideration exceeding the base state of each hierarchical level of motivation to enact higher levels of performance. Motivation is based purely on instinct and in this sense does not account for human nature exceeding normal levels of need gratification for higher reward before the self-actualised state at the pinnacle of the need pyramid (Wolf, 1970). Maslow's theory associates the lower level needs with blue collar workers, and higher levels needs with those of white collar and managerial workers.

This view of workers is narrow in focus and does not account for individual need gratification regardless of their organisationally perceived status.

According to Denning (2012) Maslow's theory although orderly, simple and cognitively appealing is no longer applicable to a modern organisational context. For Maslow, without collaboration and connection in a social context, human beings would not survive. This collaboration occurs in an interactive and dynamic system and human needs are thus not hierarchical in nature as proposed by Maslow.

3.2.2.2 Frederick Herzberg's motivation-hygiene theory

Herzberg, drawing on Maslow's hierarchy of needs, distinguished between factors that promote satisfaction and dissatisfaction at work. In his motivation theory, there are two types of factors: motivating factors, the presence of which increases motivation and therefore performance, and hygiene factors, the absence of which causes demotivation and lack of performance (Kermally, 2005).

Hygiene factors, according to Herzberg could include a clean and safe working environment and working conditions, quality supervision and money. If workers have physiological, sense of belonging and safety needs met in the workplace in terms of their work environment they are more likely to be motivated and perform (Kermally, 2005).

Motivators in Herzberg's theory are those which enhance performance by giving workers a sense of achievement, advancement, job interest, recognition and

responsibility. However the presence of hygiene factors is a framework for introducing motivators as discussed and must be present before workers can be truly motivated. For example if money is present as a hygiene factor due to a promotion and new title, but the employee does not experience advancement or increased responsibility, he or she may not be motivated to perform (Kermally, 2005).

The hygiene factors in Herzberg's theory are:

- company policy and administration
- salary and other forms of remuneration
- level and quality of supervision
- quality of interpersonal relations
- working conditions
- job security

According to Herzberg, motivating factors would include:

- status
- personal growth and advancement
- recognition
- responsibility
- challenges and stimulation at work
- personal development and
- self-actualisation

This theory's strength is in demonstrating that intrinsic motivation is more powerful in creating action than extrinsic motivation (Wolf, 1970).

Herzberg shows what Maslow's theory lacks, in that, employees can exceed levels of performance which would, in Maslow's theory, only maintain the status quo.

Herzberg's two factor theory has been criticised for confusing satisfaction with motivation, and is thus not a true motivation theory. It has been stated that Herzberg's theory is premised upon the gratification or lack thereof of the five hierarchical need

levels proposed by Maslow, that is, a satisfied or dissatisfied end state, as opposed to factors external and internal to individuals, which motivate them to act (Wolf, 1970). Herzberg's theory is focused on the absence of hygiene or motivating factors as a precursor to employee motivation. However, the presence of these factors internal to workers also has implications for motivating employees and the theory does not explore these sufficiently.

Bassett-Jones and Lloyd (2005) found that although Herzberg's theory of motivation was heavily criticised when it was proposed in 1959, and many of his critics have not been able to prove why his method showed similar results with such consistency.

According to Bassett-Jones and Lloyd (2005) at the time Herzberg's theory was proposed management literature struggled to accommodate a perspective that employees were not motivated by reward alone. Intrinsic motivation was not considered viable in exploring employee motivation at this time. In their survey of 32 British organisations they found that although recognition has declined as a motivator for employees in a modern context, intrinsic drivers still outweigh drivers linked to financial inducement, recognition and extrinsic rewards.

3.2.2.3 Goal theory of motivation

Goal-setting theory states, as the name suggests, that employees respond to and are motivated more toward goals than not. Goals should be specific and challenging enough and should have a feedback mechanism relating to their achievement so that they are effective in motivating employees (Mitchell, 1982).

“Goal theory postulates that harder goals lead to higher performance than do easier goals” (Matsui, Okada & Mizuguchi, 1981, p. 54). Studies of goal theory have found that performance on a task or toward a goal is higher when the goal is difficult than when it is easy. This is because, according to the theory, the pay-off for succeeding at the harder task/goal is sufficiently greater than for the other goals because it is more difficult by nature (Matsui et al., 1981). According to this theory, a goal in itself is not what creates a state of being motivated or explains human action. The needs for individuals and their values as well as their knowledge and context are what determine both the setting of goals and employee reaction to those goals being set (Locke, 1978).

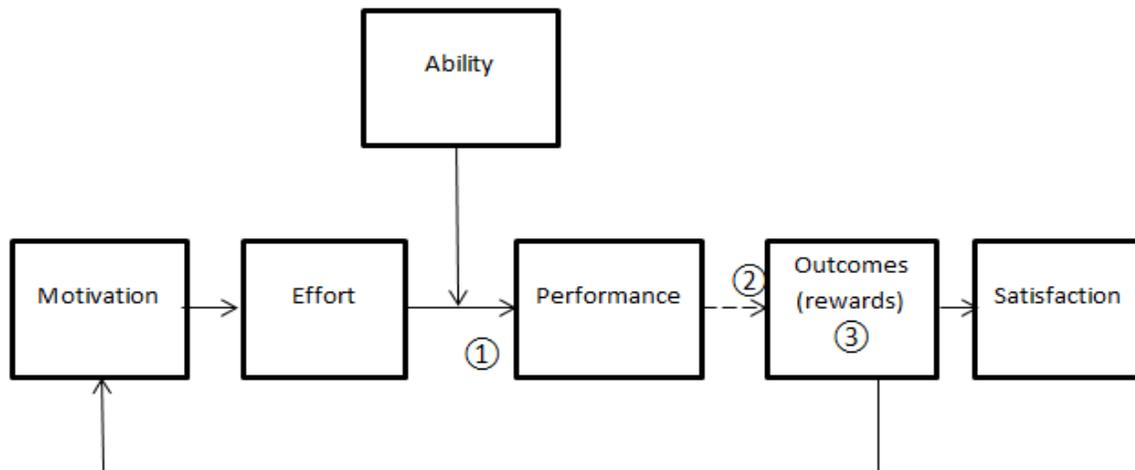
This theory is supported by a large number of studies at the employee, team and organisational level regarding task durations ranging from 1 minute to 3 years (Locke & Latham, 1990). These studies have found that goal setting is a powerful determinant of employee motivation and that organisational goals are more immediately translatable than values in motivating employees to act in accordance with the objectives of an organisation (Locke, 1978).

However organisations often change incentive based motivational schemes as the “goal posts” for what is perceived as “pay off” or the perceived difficulty of a task change. Thus it is not a sustainable or enduring method for motivating employees. According to Locke (2004) a large percentage of organisations at the time of publishing this article were not seeing sufficient improvements in performance linked to organisational goals. Goal setting is only one small aspect dealing with how employees are motivated and has been criticised for its narrow and expensive focus on extrinsic reward (Ordonez, Schweitzer, Galinsky & Bazerman, 2009).

3.2.2.4 Expectancy-value theory of motivation

Expectancy theory was first popularised by Victor Vroom and further by Edward Lawler III (1973). According to expectancy theory, individuals have two expectancies that must be satisfied before they are motivated to perform. The first is the expectancy that their performance will lead to the desired outcomes. The second is the probability that the effort that they exert whilst executing a task will lead to the desired performance. These two expectancies interact with each other and with the attractiveness of the outcomes of performance to determine their overall level of motivation (Harder, 1991).

The expectancy aspect of this theory refers to individuals’ beliefs about their own competence and self-efficacy. The value aspect refers to the reasons for engaging in a specific task with reference to: attainment value, intrinsic value, utility value and cost (Plante, O’Keefe & Théoret, 2012, p. 67).



An individual's motivation is a function of:

- (1) Effort to performance expectancies
- (2) Performance to outcome expectancies
- (3) Perceived attractiveness of outcomes

Figure 3.2: The expectancy theory model of motivation adapted from Lawler III (1993)

Moving from left to right in the model Lawler III (1993) describes the motivation process within expectancy theory as follows:

- Motivation is seen as the force on an individual to expend effort.
- Motivation leads to an observed level of effort by the individual.
- Effort alone, however, is not enough. Performance results from a combination of the effort that individuals expend and their level of ability. Abilities are the individuals' skills, training, information and talents.
- As a result of performance, individuals attain certain outcomes. The model indicates this relationship in a dotted line reflecting the fact that sometimes people perform but do not obtain outcomes.
- As this process of performance-reward occurs, this serves to provide information that influences individuals' perceptions with regard to the process. This is shown in the model by the connection between individuals' performance, and the outcomes of this performance, that is, their line of sight to the associated rewards. This influences motivation in the future as is shown in the model by the

connection between outcomes and the start of the process, thereby reinforcing motivation.

The specific motivational expectancies are further discussed below.

(a) Effort-performance expectancy

Employees also have a certain expectancy that their behaviour will result in success. This expectancy represents the individual's perception of how hard it will be to achieve such behaviour and the probability of his or her successful achievement of the behaviour. For example, employees may have a strong expectancy that if they put forth the effort, they can produce a set amount of output, but that the probability of producing more than this reduces when the target is increased.

(b) Performance-outcome expectancy

Employees expect that every task they engage in is associated with certain outcomes (rewards or punishments), that is, they believe or expect that if they behave in a certain way, that they will receive certain things. For example individuals may expect that if they produce ten units, they will receive their normal hourly rate, while if they produce 15 units, they will receive their hourly pay rate and a bonus.

(c) Attractiveness

The outcomes of effort or performance are perceived differently by each employee in terms of their attractiveness as an end goal or achievement. This is the case because outcome values result from an individual's needs and personality, and differ from person to person because they reflect other factors in an individual's life. For example, some individuals may value an opportunity for promotion or advancement because of their need for achievement or power, while others may not want to be promoted and leave their current team or department because of their need for affiliation with others.

In the same sense, recognition, such as a mention in the company newsletter, may have great value to some and therefore motivate them, but little impact on others in terms of their work motivation (Lawler III, 1993).

Plante et al. (2012) further theorise the specific values that individuals place on these expectancies. Attainment value is the importance the individual attaches to doing well on the task. The intrinsic value of doing the task is in the enjoyment the individual experiences while executing it.

Utility value refers to whether the task relates to career or academic goals (immediate and future). The perceived cost of executing a task is its negative aspects, for example, performance anxiety, fear of failure or success, the amount of effort required to succeed at the task and any lost opportunities that result from choosing a task from alternatives.

The theory breaks down the perception and orientation of the employee to the task at hand, making it easier for organisations to understand why tasks or goals are negatively or positively perceived by employees.

However expectancy theory downplays the individual's perceptions of self-efficacy and mastery, in relation to the task, in favour of the perceived value of engaging in the task. This is a theory of motivation at the task level, which does not take into consideration the myriad aspects of the organisational setting that affect an employee's motivation to perform. The focus of the theory is on task and not the outcomes or reward for executing the task which are important motivators for employees in an organisational setting (Harder, 1991).

3.2.2.5 Equity theory

According to equity theory outcomes will be perceived as fair when the amount of effort proportional to outcomes is equal across individuals.

According to Morand and Merriman (2010, p.133), equity theory is “rooted in the sense of proportion—the sense that the outcomes individuals receive (remuneration, a corner office, or any other valued outcome) should be awarded in proportion to their inputs (how hard they work, how productive they are, etc.)”.The concept of equity in organisations is defined as distributive justice or the fair distribution of organisational resources. Employees will perceive that inequity exists when the outcome-input ratio between themselves and others is unequal.

This creates a need for individuals to restore equity and therefore motivates them to act. This can be accomplished by altering the input and outcomes either objectively or psychologically, changing those who they are comparing themselves to, either psychologically or physically or employees can psychologically withdraw from the situation which in itself means they have become demotivated (Harder, 1991).

Traditional equity theory motivation strategies would involve performance-based remuneration, hierarchical perks and formal and informal status distinctions such as parking spaces, titles and executive “spaces” (Morand & Merriman, 2012).

Morand and Merriman (2012) believe that in addition to equity, equality is also a fundamental base of perceived distributive justice in organisations. In fact they go so far as to say that the concept of equity theory in the motivation of employees should be replaced with equality theory altogether. Equality theory focuses instead on a differentiation of employee output, and posits that employee output is and should be viewed as equal in an organisational context. This is not because the output is necessarily equal, but because in an existential sense, all employees are the same and have the same worth. Distinctions relating to status and traditional hierarchies should be eliminated altogether to engender “motivation through social cohesion rather than competition” (Morand & Merriman, 2012, p. 139). Although these authors believe that their indications of equality theory in practice (no distinction in benefits or vacation time, generic and non-hierarchical job titles, reduction in pay differentials between executive and lower level employees and nondelimitation of executive spaces in the organisation) are relevant and have been implemented in a number of multinational organisations in the last decade, they do point out that in many instances of these practices, after implementation the organisation would naturally revert back to hierarchical structures and their associated tenets. However, for them, this does not reduce the need for equality theory driven practices as a counter to the materialism of equity theory. Equality theory should be an ongoing dialogue between employers and employees about what makes them feel like they work in and are motivated by an equal workplace: equity for work rendered, and equality in work practices and structures.

According to Bolino and Turnley (2008), perceptions of equity must be viewed within the context of the culture from which it emanates to gain a better understanding of the cultural perception of inputs and outcomes specifically.

“Culture is likely to influence the ways in which individuals conceptualize inputs and outcomes, select referent others, and perceive and react to inequity” (Bolino & Turnley, 2008, p. 42).

Equity theory is a common and widely used approach to understanding employee motivation and can be easily adapted and applied to a variety of organisational settings. The theory is simple and linear in nature, making it easy to understand, apply and investigate. The theory is generally well supported and has generated a fair amount of research (Bolino & Turnley, 2008).

However there has been some criticism of equity theory, most notably that it focuses only on rules of equity in an individualistic culture such as the United States of America and lacks any focus on perceptions of equality and equity across cultural contexts, hierarchies and individuals. The theory also does not allow for the myriad ways in which employees respond to inequity, or predict perceptions of being over-rewarded and the effect of this on employee motivation. Finally the theory has been criticised for its focus on distributive justice and fails to consider procedural or interactional justice (Bolino & Turnley, 2008).

Equity theory in conjunction with equality theory as a counter to the material reward aspect of the former, are relevant and applicable theories in understanding employee motivation in a modern organisational setting. (Morand & Merriman, 2012). According to Bolino and Turnley (2008) equity theory is attractive relative to other theories because its key components are fairly well specified, it has generated a significant amount of research, its basic propositions are generally well supported, and its principles are applicable to a wide range of situations both within and outside organisational settings.

3.2.2.6 McGregor's extrinsic motivation theory

McGregor's motivation theory posits that employees are essentially motivated by managers who encourage and facilitate a culture of dignity, self-esteem and self-actualisation through their management technique.

The theory is really about manager X versus manager Y, where manager X is autocratic, prescriptive and unsympathetic in reaction to a general assumption that the workforce is lazy, unaccountable and change averse. According to this theory employees are not motivated and do not perform under such managers.

Aspects of supervision and organisation design that facilitate decentralisation of tasks and decision making, delegation of authority, job enlargement and enrichment, participative management styles (Manager Y) and performance appraisals linked to management by objectives will motivate employees to perform at higher levels than managerial mistrust and punitive measures (Strauss, 2002).

McGregor's theory places responsibility in the hands of managers and leadership for encouraging and implementing programmes or processes aimed at encouraging employee motivation and participation. This theory fosters a culture of enduring relationships in an organisational context which serves to establish quality organisational output (Lammermeyr, 1991).

This theory focuses on leadership as a sole motivator neglecting employee intrinsic motivation as a separate determinant of motivation.

However, the theory is still applicable to organisations in that a participative management style encourages innovation and therefore internal and external customer satisfaction (Lammermeyr, 1991).

3.2.2.7 Haefner's systemic motivation theory

Haefner's systemic approach to motivation uses leadership to clarify tasks, set goals and include workers in decision making. Systemic motivation is fostered by three supportive elements, namely leadership, environment and individual psychology. According to Haefner (2011), the presence of trust in itself does not foster motivation to

perform in workers. An environment must be based in a trust relationship between leadership and workers, but it must also facilitate the sharing of norms, encourage an absence of fear and create a social aspect to work. Systemic motivation is supported by individual psychological tenets such as self-efficacy, mastery and as a result intrinsic motivation. This allows workers to regulate the setting and achieving of goals at work.

Leadership is the foundation of systemic motivation. Leaders who display Theory Y characteristics such as participative management (including staff in the decision making for the team or department), clarification of tasks and the goals of the team in a way that is accessible at every skill level thereby foster trust in their leadership abilities. Allowing staff to design their own goals in line with business objectives and participate in the monitoring of progress toward those goals motivates staff far more than prescriptive, predefined and individually meaningless goals (Haefner, 2011).

Employees trust in the organisation and their leader or supervisor fosters an environment where employees feel they can discuss reasons for demotivation and reduced performance without fear of punitive intervention. Individual alignment with organisational and department goals yield the most optimum of performance and alignment between the personal goals of the employee and the organisation is important in creating a sense that family commitments are not secondary to the goals of the organisation (Haefner, 2011).

Although uncontrollable, motivation is increased by employees' individual personality traits. According to Haefner (2011), this includes a positive attitude to work, a sense of self determination and an internal locus of control. Managerial and organisational processes aimed at fostering these personality traits or behaviours will increase motivation to perform.

All three of these supporting pillars, according to Haefner (2011), must be underpinned by positive core values and systems that include the absence of nonfact-based interaction with workers in relation to work output, and that foster the eradication of fear in the work environment. Haefner (2011) suggests that fear creates a level of productivity that cannot be solved by a one-dimensional intervention. Positive motivation is more effective in increasing performance than negative motivation.

Haefner's (2011) theory considers aspects of leadership, employee intrinsic values and the environment in developing a holistic theory of organisational motivation. However, he underspecifies the nature of and requirements for individual personality traits as a supporting element of systemic motivation. This aspect of systemic motivation is as crucial to the ongoing motivation of employees as leadership and environment.

The model does not account for the effect to the overall system of employees possessing individual personality traits that imply they are extrinsically as opposed to intrinsically motivated.

3.2.2.8 Self-determination theory (SDT) of motivation

SDT was originally conceptualised by Deci and Ryan (2000) as a response to prevailing motivation theories which focused on the cognitive nature of goal setting and achievement, and neglected the aspect of the content of the goals as a determinant of performance (Deci & Ryan, 2000). These cognitive theories did not account for individual needs and the desire to satisfy these needs as a determinant for achieving goals. This form of motivation was theorised as being derived solely from the act of setting goals. According to Moran et al. (2012, p.355), "SDT is unique in that it divides extrinsic motivation into four types (external, introjected, identified and integrated) that vary in the degree to which motivation has been internalized".

The theory posits universal psychological needs (competence, autonomy and relatedness) and suggests that employees will be motivated and display well-being in organisations to the extent that they experience psychological need satisfaction in the organisational context. Work climates that allow satisfaction of these needs facilitate both work engagement and psychological well-being.

These psychological needs are conceptualised as follows:

- competence: requires succeeding at optimally challenging tasks and attaining desired outcomes
- autonomy: requires experiencing choice and feeling like the initiator of one's own actions

- relatedness: requires a sense of mutual respect for, caring for and reliance on others.

Deci, Ryan, Gagné, Leone, Usunov and Kornazheva (2001) found support for the theory in various contexts and showed that work attendance, positive job attitudes, higher self-esteem, and fewer symptoms of illness were direct correlates of these needs being met in the workplace.

Within SDT these needs are known as nutriments which are essential to the survival, growth and integrity of employees and assume that these nutriments are innate and not learned.

SDT posits that a desire or goal (e.g. wanting more money or a primary relationship) represents a true need only if its level of satisfaction relates directly to people's level of well-being.

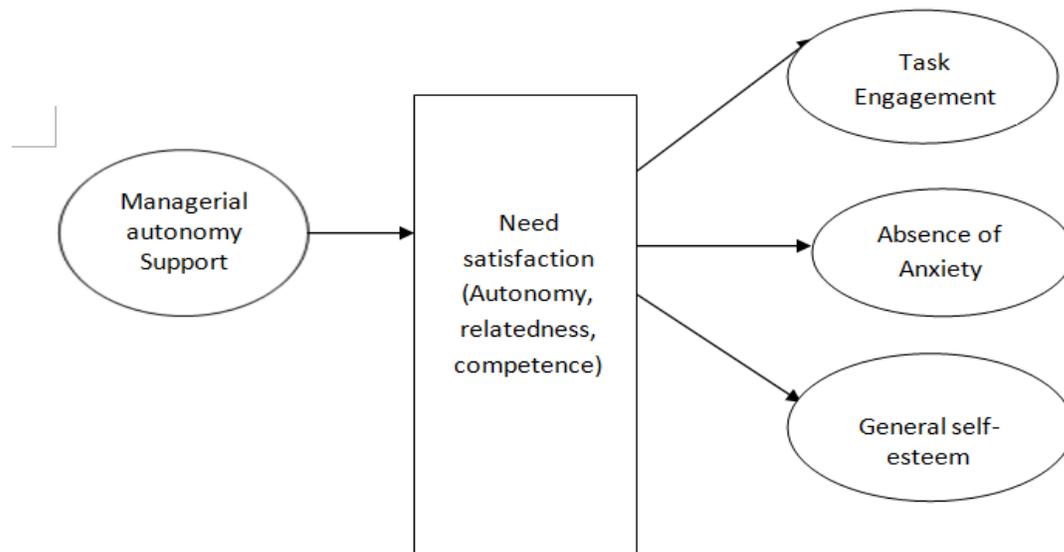


Figure 3.3: Self-determination model of motivation (Deci et al., 2001)

Psychological well-being is conceptualised in this model as the absence of anxiety and a greater sense of self-worth (self-esteem).

SDT posits self-determination on a continuum ranging from amotivation: wholly lacking in self-determination, to intrinsic motivation: self-determined. In between on this continuum, external motivation is the most controlled by factors external to the individual (the least self-determined type of extrinsic motivation), and introjected, identified, and

integrated motivation are each progressively more self-determined as one goes further along the continuum (Gagné & Deci, 2005).

When motivation is externally influenced it is initiated and maintained by contingencies external to the person. When individuals are externally regulated, they act with the intention of obtaining a desired consequence or avoiding an undesired consequence. Thus they will only act or be motivated to act when the act is instrumental to this consequence (e.g. I work because the boss is watching) (Gagné & Deci, 2005).

Motivating factors which have been internalised by individuals but have not been accepted as their own reasons for motivation are said to be introjected.

Examples of introjected regulation include contingent self-esteem: a self-worth dependent on the perceptions or opinions of others, and ego involvement: motivating factors which allow the individual to shelter their insecurities. Introjected regulation is a controlled form of internalised extrinsic motivation (e.g. I work because it makes me feel worthy) (Gagné & Deci, 2005).

Identified motivation is seen by the individual as being more consistent with their goals and identity. Individuals see the actions as personally important and act on the basis of an identified motive, that is, they act because they “want” to as opposed to feeling that they “should”, as with introjected motivation (Gagné & Deci, 2005).

Integrated motivation means that individuals have a full sense that their behaviour is an integral part of who they are, and that it emanates from their sense of self. It is thus self-determined. Gagné and Deci (2005, p. 334) state the following in this regard: “Integrated regulation represents the most advanced form of extrinsic motivation, and it shares some qualities with the other type of autonomous motivation, namely, intrinsic motivation. Integrated regulation does not, however, become intrinsic motivation but is still considered extrinsic motivation (albeit an autonomous form of it) because the motivation is characterized not by the person being interested in the activity but rather by the activity being instrumentally important for personal goals. In short, intrinsic motivation and integrated extrinsic motivation are the two different types of autonomous motivation (with identified extrinsic motivation being relatively autonomous)”.

Self-determination theory in organisational contexts has generally found that autonomous motivational factors (e.g., intrinsic, integrated, identified) and factors known to enhance autonomous motivation (e.g., autonomy-supportive environments) lead to better well-being and effectiveness than controlled motivations (e.g. external and introjected motivation) (Moran et al., 2012). Stated differently autonomy-support is the extent to which ones manager or immediate supervisor understands and acknowledges the subordinates perspective, providing direction on the job without being manipulative and allowing subordinates to choose from alternatives and use initiative and innovation in executing the tasks required of them in their job (Baard et al., 2004).

However, there is some debate about the prevalence and effects of intrinsic and extrinsic motivations at work. The theory has been criticised for its focus on intrinsic motivation in the work context. Intrinsic motivation is seen to be more prevalent in the personal realms of individuals such as hobbies and sport and less likely at work owing to an inherent focus on compensation and recognition. Other studies of extrinsic rewards issued independent of task engagement, as in the case of salaried positions, show that they do not necessarily undermine intrinsic motivation (Moran et al., 2012). The theory has also received negative criticism for its implications that needs are static across cultures and cultural contexts and that studies supporting the theory have been conducted exclusively in countries with democratic governments and a relatively strong emphasis on individualism (Deci et al., 2001).

3.2.3 Typical aspects of motivation that can be measured using this SDT

In line with the study conducted by Moran et al. (2012) the following typical items can be measured using SDT:

External Motivation Measured by assessing individual's motivation by

- (1) supervisor pressure
- (2) timeline or situation driven
- (3) financial reward

Introjected Motivation Measured by assessing motivation influenced by

- (1) guilt
- (2) shame
- (3) self-esteem

Identified Motivation Measured by employees' perceptions of the value of their work/tasks:

- (1) value of work for organisation
- (2) importance of work
- (3) value of work for individual

3.1.3.4 Integrated Motivation Measured by employee affiliation with work output/tasks, namely

- (1) personal and work goal integration
- (2) work as part of personal identity
- (3) work as a definition of self

Intrinsic Motivation Measured by employee perception of work as

- (1) interesting
- (2) fun
- (3) engaging

The theory of self-determination and the Motivation Measure created by Moran et al. (2012) was the premise of this study of employee motivation. The theory underpins the various aspects of motivation in a work context along a continuum of motivation and isolates motivation as a product of external and internal factors which are well aligned with the extrinsic and intrinsic nature of reward which will be discussed in the next section.

3.2.4 An integrated model of motivation

Various motivational theories have now been discussed. An integrated model of motivation can now be proposed based on the motivation process and the theories which focus on the different aspects of this process. Figure 3.4 depicts these theories and their relationship to the motivation process. Motivation is depicted as a linear process that begins with inherent needs and culminates in a state of satisfaction. The model shows the relevant motivational theories that impact each stage in this motivation process and incorporates the concepts of reward, incentive and recognition as elements that reinforce or direct motivational behaviour such as motives and affect the perception of performance outcomes.

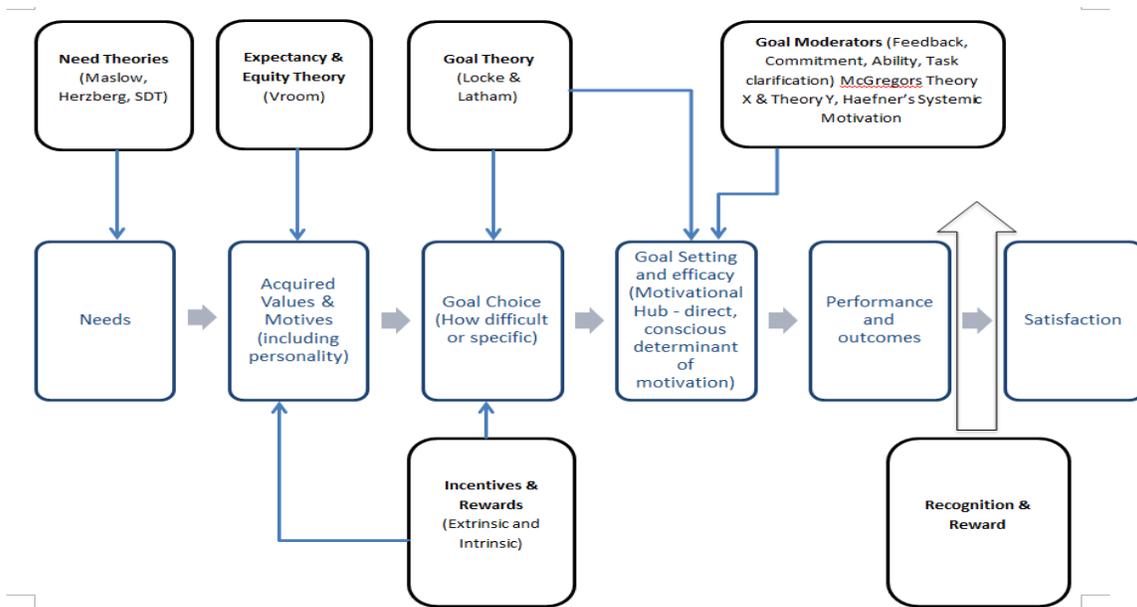


Figure 3.4: An integrated model of organisational motivation and reward as mediated by the theories and concepts discussed (Adapted from Locke & Latham, 2004, p. 390)

3.3 REWARD AND RECOGNITION

According to Lawler III (1993) organisations should have consensus between the various operating systems that make up the organisation as a whole. One such aspect of the organisation is the reward system. Creating a reward system that is effective relies on its ability to translate strategic organisational goals into achievable goals at an employee level with appropriate reward and recognition practices associated with this achievement. Referring back to expectancy theory, individual employee expectancies are theorised as being different due to individual factors which affect employee perceptions of reward and recognition as well as the attractiveness thereof. These differing expectancies are of interest to this research study in that the employee differences to be investigated here are hypothesised to be a result of their belonging to different age groups.

Rewards and recognition are often divided into extrinsic and intrinsic categories in the literature. Guzzo (1979) disagrees with this approach.

Guzzo (1979) describes the following aspects of work rewards which show that they are multi-dimensional in nature. He states that rewards can differ according to the following characteristics:

- social or non-social in origin
- immediate or delayed
- symbolic or tangible
- satisfiers of physical deprivations or satisfiers without the presence of deprivation
- self-generated or nonself-generated
- long or short in duration
- encountered frequently or infrequently

In his research paper, Guzzo (1979) recommends that further research be conducted on specific aspects of work reward and their associated employee cognitions. He contends that, a focus on rewards as intrinsic and extrinsic alone is too narrow in showing how cognition mediates the relationship between motivation and reward. This

means that employees view not only reward differently, but also all of the aspects of reward discussed above, and in turn value these different aspects differently.

Various reward and recognition practices and components will now be discussed.

3.3.1 Reward

Reward is transactional and given out for achievement of set goals or targets and most notably “recipients essentially contract to obtain the reward” (Saunderson, 2011, p. 1).

According to Saunderson (2011, p. 14) rewards:

- are something given or done in return for meeting pre-determined goals, merit, service or achievement
- may be monetary
- happen after the behaviour or results have been achieved
- mostly happen frequently (monthly/quarterly)
- follow a more transactional approach (if you do “x” then you will receive “y”)
- are more impersonal in delivery, and
- tend to be tangible in nature
- address extrinsic motivation

A debate in the reward literature centres around flexible reward systems that offer buffet-style rewards tailored to individual needs. Lawler III (1993, p. 19) describes these as “Flexible or cafeteria style benefit programs.”

These allow individuals to make up their own reward package to fit their needs and desires. They have become increasingly popular in part because organisations get the best value for their money by giving people only those things they desire. These flexible reward approaches have the advantage of placing responsibility with the employees themselves for choosing their preferred reward and recognition and thereby replaces the traditionally prescriptive organisational reward practices (Lawler III, 1993).

Of interest to this study is the increasing pressure that organisations find themselves under to provide rewards that do not add significant additional costs to an already crippling salary and bonus budget, while at the same time winning the war on attracting

and retaining talent, most notably Generation Y (Van Dyke & Ryan, 2013). This has created a need for non-cash reward schemes and incentives aimed at intrinsic motivation as a sustainable alternative to cash reward. According to Van Dyke and Ryan (2013), a balance of noncash award elements (travel, merchandise and debit and prepaid gift cards) should play a prominent role within modern compensation and benefits policies.

Gift cards according to Van Dyke and Ryan (2013) are “flexible” in how they are applied and utilised for reward. They state that merchandise that can be redeemed through a catalogue is viewed as the most effective choice in creating a tangible reminder of the employee’s accomplishment, and merchandise is preferred as a noncash reward because recipients can discuss receiving it with colleagues, family and friends. Travel is still seen by most organisations as the reward of choice for building loyalty and connection to the organisation because it provides a unique experience and enduring memories set apart from other reward types.

According to Nienaber et al. (2011) a total rewards framework includes financial and non-financial rewards. Financial rewards include base pay, contingency pay (bonus and incentives) and benefits (medical aid, pension or provident fund, funeral plan etc.). Non-financial rewards can include performance and career management, a quality work environment, and work life balance or integration.

3.3.2 Recognition

Recognition is defined as “the tangible and intangible expression of acknowledgement for an individual’s contribution, achievement or observed behaviour” (Saunderson, 2011, p. 14). According to Biro (2013), recognition and reward are often shown to be interchangeable. For him, financial reward in itself is a great motivator of employees, but is not the same as recognition. Reward has a monetary value associated with it, and when administered, shows employees that their effort is worth x to their employer when quantified, whether it is a party or a cheque. “Recognition is a key tool in employee retention programs for a reason: people need more than constructive feedback and positive affirmation. They need recognition of extra effort. They need to feel it. This will never go away as a basic human need” (Biro, 2013, para. 4).

According to a survey conducted by the World at Work organisation (2013) on recognition at work, long-service recognition is the most prevalent of all recognition programmes adopted by the 471 corporates they surveyed. The survey showed that the top five recognition awards types are

- certificates and/or plaques
- cash
- gift certificates
- company logo merchandise
- food

The top five recognition goals of the programmes adopted by these companies are

- recognising years of service
- creating a positive work environment
- creating a culture of recognition
- motivating high performance
- reinforcing desired behaviours

The survey showed that most organisations believe their employee recognition programmes are valued by employees and positively affect employee engagement, motivation and satisfaction.

However they did not believe as firmly that these programmes had as positive an effect on retention of these same employees. Similarly they did not include recognition programmes in their employee value proposition when recruiting new employees.

3.3.2.1 Forms of recognition

Recognition can be in the form of a thank you note or a word of appreciation. According to Saunderson (2011, p. 14), recognition

- is usually an unexpected, unplanned after-the-fact occurrence
- can be verbal in nature
- is an electronic or written acknowledgment of performance

- can be a token of appreciation
- happens daily/weekly
- can impact 80 to 100 percent of employees
- has low to no cost
- is personable in delivery
- is mostly intangible
- addresses intrinsic motivation

Patkin (2011) suggests many ways in which informal recognition can manifest itself in the organisation. He suggests sending a handwritten note conveying appreciation and admiration when a person has done an excellent job or achieved a goal. This makes more of an impression than even an email would, as it implies time was taken to express this appreciation. It also increases respect for the manager and organisation and in turn encourages the employee to say thank you, in a pay it forward style transaction.

Sharing inspiring stories or quotes creates an environment where work is not just about getting the job done and going home, it encourages an environment where greatness is achieved and shared whether internal or external to the work environment (Patkin, 2011).

Since an employee's hours in the workplace far exceed those spent at home, there is no better place for employees to be inspired and educated, especially towards self-actualisation whether it is in the latest trends in their professional field or new areas of interest and growth in the organisation (Patkin, 2011).

Telling success stories means recognising and complimenting the workforce on a job well done. When someone does something great, tell them and tell the rest of the team. Employees are motivated by individual acknowledgement and even more so by public acknowledgement. This is also has the dual purpose of motivating others in the team. According to Patkin (2011) on the reverse side, criticism should be done in private.

Identifying star performers and teams regularly via a company newsletter or announcements platform is an informal way of recognising a job well done, as well as

motivating others in the organisation to achieve this recognition. It also creates a benchmark or learning opportunity for other employees to work towards (Patkin, 2011).

When recognising employees, try to include family members, whether it be at a year-end function that partners are invited to, or an informal team lunch, allowing family members to have an understanding of what the employee does and how they are doing well at it. Removing explicit boundaries between home and work is an informal way of recognising an employee's contribution while at the same time reinforcing work-life balance (Patkin, 2011).

Reward and recognition programmes can be based online, or via a paper catalogue, or administered by a third-party company that offers outsourced reward programmes. However, if recognition practices are not incorporated into the organisational policies and structures, a reward programme loses its meaning. If managers are not committed to the ongoing intangible recognition of their employees, the effect is purely transactional, and does not alter employee behaviour toward increased motivation and therefore performance (Patkin, 2011).

Nienaber et al. (2011) suggest that employees are motivated differently by reward depending on their age, gender, race or educational level but that reward programmes cannot be tailored to each and every employee.

According to them, however, a blanket reward and recognition policy can demotivate staff for whom the rewards are not meaningful. Individuals have different reward preferences and financial and non-financial rewards have different value for different people. Additionally they point out that many global companies have employees based in different regional and national offices, and may have cultural and country-specific reward preferences. An understanding of employee reward preferences by an organisation can improve organisational commitment, employee engagement and retention.

In the next section preferences for rewards, based on generations, will be discussed in more detail.

3.4 GENERATIONS: REWARD, RECOGNITION AND MOTIVATION

The current research study was supported by numerous studies that have found correlations between age and reward and recognition preferences as well as differences in motivation. These will be discussed next.

Nienaber et al. (2011) in their research on personality preference for reward, found that the older the respondent, the lower their preference will be for a specific working environment and the lower the impact of remuneration on their motivation. Their research indicates that these differences in reward preferences are not necessarily related to their differing generations or period of birth, but instead to their life stage and age. They concluded that reward categories such as remuneration and benefits and a stimulating working environment are much more important to younger employees, and reduce in impact as employees get older.

Schullery (2013) found that American Baby Boomers are more intrinsically motivated than Generation X or Millennials and that Generation X were the most motivated by extrinsic rewards such as money, material possessions and prestige across Baby Boomers, Generation X and Millennials. Baby Boomers rated having interesting and challenging work most highly, while each successive generation has had slightly less interest in intrinsic work values. Intrinsic rewards were rated highly by all three generations. Millennials were less motivated than other generations by opportunities for volunteer work and community involvement during working hours.

The study found that each generation is less motivated by money than their predecessors, which Schullery (2013) says highlights a flaw in adopting a blanket reward and recognition policy.

Instead of delineating each generational cohort in terms of birth years, Twenge and Campbell (2008) identified increases or decreases in the prevalence of traits or attitudes with each successive generation. They reported on an increase in preference for material reward and status historically. They found that the need for material wealth and status increased from Baby boomers to Generation X but has decreased for Generation Y. They suggested that this could have be linked to the fact that younger generations

have a weaker work ethic and value leisure time and work-life balance more than the rewards that long hours have been perceived to provide.

Quoting a study conducted in 2011 of American adults on this subject, Twenge and Campbell (2008) highlighted the fact that adults aged 18 to 34 in America would give up 10% of their salary for more flexible work arrangements. Another interesting point they made is that employees want time off to pursue other interests than the conventional approach to work life balance which would assume a balance between family commitments and work demands. Millennials, according to Twenge and Campbell (2008) need more regular feedback on their performance and more consistent delivery on the psychological contract established upon their initial exposure to the company, such as communications about working hours, work outputs and work environment.

In their study of generational motivation differences Wong et al. (2008) found generations to be motivated to a different degree by the following factors: affiliation, power and progression. For motivational drivers such as immersion, job security and personal growth, no significant differences across generations were found. The most notable difference was observed on the motivational driver related to power, with Generation X and Baby Boomer employees more likely to be motivated by power and the ability to influence and exercise authority over others, as compared to Generation Y. Having been in the workforce for a significantly longer period of time than Generation Y, Generation X and Baby Boomers are likely to be at a stage in their careers where they are seeking management and reporting responsibilities.

This is likely to be a much lower priority for Generation Y, whose members are likely to be relatively new to the workforce. Along the same lines, Generation Y also tends to be more motivated by career progression and advancement than the other generational cohorts. As previously argued, Baby Boomers are likely to be coming towards the end of their careers and therefore opportunities for advancement no longer act as a motivator for them. In this study no differences were found between the generations in the degree to which job security acted as a motivation driver. It was also expected that there would be differences between the generations in the degree to which working long hours acted as a de-motivator. In fact the authors found that there were no significant

differences between the generations in the degree to which longer working hours affected motivation, suggesting that these factors motivate employees to a similar degree across generations (Wong et al., 2008).

Generations are theorised to be different in their reward preferences in an organisational context and these differences are supported by the studies discussed here.

3.5 CHAPTER SUMMARY

This chapter has conceptualised motivation through various motivation theories and established the theory on which this research was based namely the self-determination theory of motivation. The constructs of reward and recognition relevant to an organisational setting were discussed, and generational differences in orientation to motivation, reward and recognition have been summarised. The research design of this study will be discussed in the next chapter.

CHAPTER 4: RESEARCH DESIGN

4.1 INTRODUCTION

The aim of this chapter is to discuss the empirical study and includes the methodology of the study in terms of sample selection, justification for assessment tools used, data gathering and processing.

4.2 EMPIRICAL STUDY AIMS

The specific aims relating to the empirical study are:

- (1) To validate and test the reliability and validity of the Rewards Preferences Questionnaire and Motivation Measure to determine the relationship between generations and motivation and generations' preferences for reward and recognition.
- (2) To determine whether there is a statistically significant empirical relationship between the generational cohorts and the dimensions of motivation based on the available data.
- (3) To determine whether there is a statistically significant empirical relationship between the generational cohorts and their preferences for reward and recognition based on the available data.
- (4) To make practical recommendations for industrial psychology practices with regard to the motivation of different age groups in the workplace and their preference for different types of reward and recognition.

4.3 POPULATION AND SAMPLE

Babbie (2010) defines sampling as the process of selecting observations from a larger population and asserts that sometimes it is appropriate for researchers to select samples on the basis of their own knowledge of the population, its elements and the nature of the research aims.

In the current study, the population was defined as a South African subsidiary of a global corporate organisation and included all staff at all levels and within all subdivisions of the company who have a company issued email address and are able to

access the internet to participate in the online survey. The sample type was a convenience sample.

Because the online survey guaranteed anonymity, paper-based or email attachments of the questionnaire were not feasible in the study.

According to Brett-Davies (2007) a research project must define the sample to be used in a research study in order to accurately apply the conclusions to the total population from which the sample is drawn. A sample may not always be representative of the larger population. However the importance of stating a sampling method and defining the population from which it is drawn is found in its ability to show the extent to which the nature of the sample enables one to generalise from the research findings.

A sample population is defined as an aggregation of individuals from which the sample is actually selected (Babbie, 2010). In the case of this study the population can be described as a captive population which is defined by Vandebosch (2008) as the use of participants who find themselves in a particular context (often an institution). Researchers may choose to work with these persons because of their physical and organisational proximity. In this case, the respondents form a convenience sample. Multon and Coleman (2010) define convenience sampling as the selection of a sample of participants from a population based on how convenient and readily available that group of participants is. It is a type of nonprobability sampling that focuses on a sample that is easy to access and readily available as is the case in the current study.

The convenience sample in this study is a South African subsidiary of a global corporate organisation. The staff compliment of this organisation totals 711 people. This includes employees at all levels and in different departments, ranging from operations to leadership across three separate divisions of the company. The sample of respondents was 333 staff members.

4.4 MEASURING INSTRUMENTS

4.4.1 Motivation Measure

The Motivation Measure was created by Moran et al. (2012) based on the self-determination theory of motivation theorised by Deci and Ryan (2000).

The measure contains specific items measuring each aspect of the self-determination theory of motivation namely external, introjected, identified, integrated and intrinsic motivation (Moran et al., 2012). According to Moran et al. (2012) many theories of motivation focus on motivation in terms of quantity not quality or type. Self-determination theory is different in that it suggests that there are two primary types of motivation: extrinsic (to attain a reward or consequence as a result of engaging in activity) and intrinsic motivation (to engage in activity because of its inherent value or an individual inclination toward the activity). Self-determination theory further defines external motivation as a spectrum from most externally motivated to least externally motivated (Moran et al., 2012).

4.4.1.1 Rationale for inclusion

The Motivation Measure was selected because it distinguishes between extrinsic and intrinsic motivation. As has been discussed intrinsic and extrinsic motivation correspond to intrinsic and extrinsic reward preferences and this relationship was of interest to this study. Although this measure is relatively new, because it was created in 2012, it shows positive research on its reliability and validity (Moran et al., 2012).

4.4.1.2 Nature and composition

The Motivation Measure measures five motivations (three items were created for each motivation). The five types of motivation that are measured by this questionnaire are:

- intrinsic motivation involves individuals doing something for enjoyment or pleasure.

- external regulation is the most extrinsic form of motivation because it represents motivation due to explicit external stimuli.
- introjected motivation is the second most extrinsic form of motivation and reflects compulsion, avoidance, guilt or anxiety surrounding the engagement in an activity. This is defined by a sense of “should” or “ought” to engage in the activity (Gagné & Deci, 2005).
- identified motivation is defined as regulating behaviour to do perceived positive outcomes that are in line with individuals’ personal goals or identities. Individuals who display identified motivated engage in activity because they want to (Gagné & Deci, 2005).
- Integrated-motivated individuals value and accept the reasons for engaging in activities, but they may not consider them interesting or personally worthwhile (Moran et al., 2012).

Participants are asked to respond to the question “Why are you motivated to do your work?” and indicate the extent to which they agree with each of the 15 items using a 5-point scaled from “strongly disagree” to “strongly agree”. The items are as follows (see annexure A for an example of the questionnaire):

Question: Why are you motivated to do your work?

External motivation

- Because my boss wants me to do it.
- Because the situation demands it.
- Because I get paid to do it.

Introjected motivation

- Because I would feel guilty if I did not do well.
- Because I would feel ashamed if I did poorly.

- Because I would feel bad about myself if I did not do a good job.

Identified motivation

- Because I believe my work is valuable.
- Because my work is important.
- Because I value the work.

Integrated motivation

- Because my work goals and personal goals are integrated.
- Because my work is a big part of who I am.
- Because my work helps to define me.

Intrinsic motivation

- Because I find the work interesting.
- Because the work is fun.
- Because I find the work engaging.

4.4.1.3 Reliability and validity

The most widely used method of estimating reliability is Cronbach's coefficient alpha, which is an estimate of internal consistency reliability (Multon & Coleman, 2010). According to Multon and Coleman (2010) rules of thumb exist for interpreting the size of coefficient alphas. Typically, a "high" reliability coefficient is considered to be 0.90 or above, "very good" is 0.80 to 0.89, and "good" or "adequate" is 0.70 to 0.79. Cronbach's alpha is considered to be one of the most accurate types of reliability estimates. The interpretation of coefficient alpha and other types of reliability depends to some extent on just what is being measured. When tests are used to make important decisions about people, it is essential to have a high reliability coefficient (e.g., 0.90 or above).

This might include individualised intelligence tests as these are often used to make important final decisions regarding individuals.

In contrast, lower reliability (e.g., 0.60 to 0.80) may be acceptable for looking at group differences in personality characteristics as used in this study (Multon & Coleman, 2010).

The internal consistency reliability of the Motivation Measure is reported in the work of Moran et al. in their study on work motivation and their incumbent administration of the Motivation Measure to 225 participants (Moran et al., 2012). They report the reliability of all five of the motivation constructs have a co-efficient of 0.70 or above with only one exception of external motivation which had a coefficient of 0.63 (Moran et al., 2012).

Table 4.1: Internal consistency reliability of the Motivation Measure (Moran et al., 2012).

| Dimensions | α |
|------------------------|----------------------------|
| External motivation | 0.63 |
| Introjected motivation | 0.86 |
| Identified motivation | 0.72 |
| Integrated motivation | 0.86 |
| Intrinsic motivation | 0.79 |

According to Moran et al. (2012) the construct validity of the study was established using confirmatory factor analysis. Factor loadings are reported as ranging in value from -1 to 1 in strength, with higher values indication higher correlation between the factor and item measuring it. Factor loadings for the Motivation Measure are reported by Moran et al. (2012) as being 0.6 or higher (Table.4.2). The factor structure was again determined to ensure the questionnaire's validity for this study. The reliability of the Motivation Measure was confirmed using Cronbach's coefficient alpha.

Table 4.2: Factor loadings for each factor and the corresponding scale items for the Motivation Measure (Moran et al., 2012)

| Factors and items | Factor loading |
|---|-----------------------|
| Why are you motivated to do your work? | |
| External motivation | |
| Because my boss wants me to do it. | 0.77 |
| Because the situation demands it. | 0.60 |
| Because I get paid to do it. | 0.47 |
| Introjected motivation | |
| Because I would feel guilty if I did not do well. | 0.89 |
| Because I would feel ashamed if I did poorly. | 0.79 |
| Because I would feel bad about myself if I did not do a good job. | 0.78 |
| Identified motivation | |
| Because I believe my work is valuable. | 0.81 |
| Because my work is important. | 0.64 |
| Because I value the work. | 0.60 |
| Integrated motivation | |
| Because my work goals and personal goals are integrated. | 0.82 |
| Because my work is a big part of who I am. | 0.84 |
| Because my work helps to define me. | 0.81 |
| Intrinsic motivation | |
| Because I find the work interesting | 0.85 |
| Because the work is fun. | 0.88 |
| Because I find the work engaging. | 0.80 |

4.4.2 Rewards Preferences Questionnaire (RPQ)

The RPQ was informed by the theoretical total rewards framework and its underlying reward components as created by Nienaber et al. (2011).

The questionnaire uses this framework as the basis for the items reflected therein. The questionnaire is a combination of a seven-point Likert scale and a forced ranking scale. These questions measure the extent to which individuals prefer one type of reward over another in each of the categories under financial and non-financial reward (see figure 4.1).

4.4.2.1 Rationale for inclusion

The purpose of selecting the RPQ was partly because it was created by and administered in a South African organisational context, which made it attractive for use in the current study. For example a term often used when referring to South African employment benefits is medical aid and this is incorporated into the questionnaire. Another reason for the inclusion was that the questionnaire covers all aspects of reward and recognition conceptualised in the literature review.

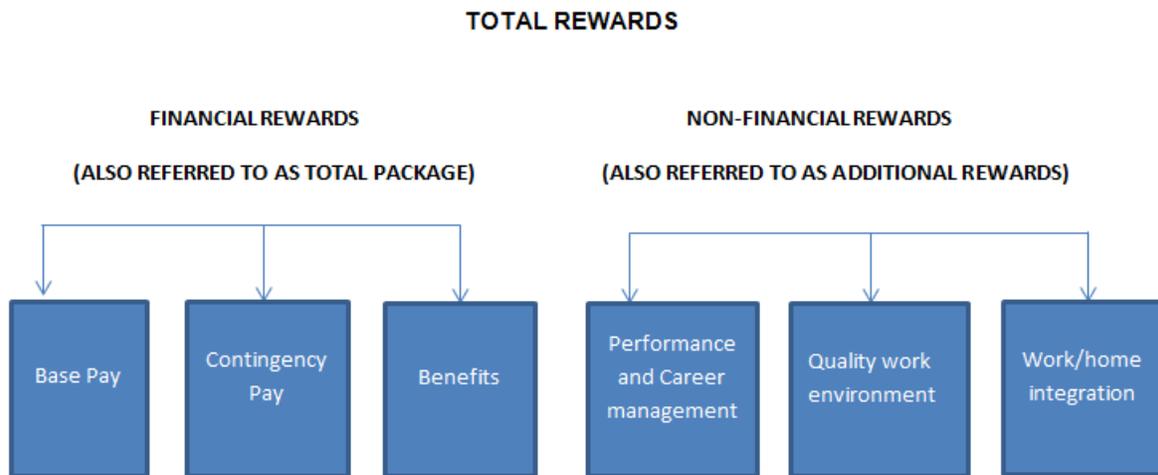


Figure 4.1: Total rewards framework as proposed by Nienaber et al. (2011)

4.4.2.2 Nature and composition

The RPQ measures ten categories of reward as follows:

- Performance and career management: A well-defined performance contract, regular discussions with management on progress and constructive feedback on performance and informal recognition. Learning and development opportunities (formal and informal) and access to coaching and mentoring programmes.
- Quality work environment: A comfortable work environment that could include on-site convenience store, medical centre, fitness centre and childcare facilities and a parking bay. Flexible work practices contribute to a quality working environment.
- Family care: Care for children, family and financially dependent parents.
- Empowerment: A challenging job where I am held accountable for my outputs and have control over my work methods. My preferences are considered in career and remuneration structuring.
- Flexible work practices: Facilities to enable flexible work practices such as laptops, 3G cards and access to the company network from home.

- Medical aid and retirement funds: Resources to live healthy and retire well through access to medical aid and retirement disability schemes.
- Reward performance: Base salary, bonus, long term incentives and formal recognition.
- Work relationships and teamwork: Quality colleagues that value teamwork and sound working relationships.
- Development opportunities: Opportunities for international secondments, rotation and sabbatical leave.
- Control over my pay, that is, the total rewards package including performance-linked merit increases, bonus allocations and a market-related salary.

Participants are asked to respond to 45 Likert scaled items relating specifically to reward preferences, with 29 of these using a Likert scale ranging from “not at all important” to “extremely important”, and 16 of these using a Likert scale ranging from “totally disagree” to “fully agree”. Furthermore one rank-order type question relating to reward category importance and three forced-choice questions relating to attraction, retention and motivation as affected by reward categories are also included. These make up the full RPQ (Nienaber et al., 2011).

4.4.2.3 Reliability and validity

The reliability of the RPQ was reported by Nienaber et al. (2011) as being good. They reported an overall Cronbach’s alpha coefficient of 0.84. The construct validity of the measure was confirmed using factor analysis (table 4.3).

Table 4.3: Factor loadings for each factor and corresponding scale items for the RPQ

| Factors and items | Factor loading |
|---|-----------------------|
| Performance and career management | |
| Growth opportunities, learning and development are ... | 0.654 |
| Constructive and honest feedback on my performance is ... | 0.625 |
| Having a balanced scorecard or performance agreement / contract with agreed objectives is ... | 0.606 |
| Monthly communication sessions about business progress with my manager are ... | 0.598 |
| I think coaching and mentoring are ... | 0.551 |
| The opportunity to take study leave for further studies is ... | 0.523 |
| Informal recognition for a job well done (for example a thank you note) is ... | 0.511 |
| Bursaries/funding for tertiary qualifications is ... | 0.509 |
| Personal safety and security in the workplace is ... | 0.383 |
| | |
| Quality work environment | |
| An on-site medical centre is ... | 0.754 |
| An on-site convenience store is ... | 0.741 |
| An on-site staff restaurant is ... | 0.672 |
| An on-site fitness centre is ... | 0.666 |
| A comfortable work environment (décor, equipment) is ... | 0.445 |
| A dedicated parking bay in the building where I work is ... | 0.334 |
| The ability to work flexible working hours is ... | 0.329 |
| | |
| Family care | |
| My employer should provide holiday programmes for my children | 0.738 |
| My employer should provide me with an allowance or subsidy to care for my financially dependent parents | 0.654 |

| | |
|---|-------|
| Subsidised tuition for my children is ... | 0.611 |
| My employer should provide me with financial assistance to buy a house | 0.520 |
| I think employers should provide phased in return to work after maternity / paternity leave | 0.501 |
| Increases should be linked to inflation and not to personal performance | 0.283 |
| Empowerment | |
| My job should be challenging and test my abilities | 0.695 |
| I should be held accountable for my personal job outputs | 0.686 |
| I enjoy having total control over my work methods without my manager's interference | 0.546 |
| My career path planning should align with my personal interests and goals | 0.529 |
| I would like to structure my remuneration according to my own needs | 0.295 |
| Flexible work practices | |
| I need a laptop and 3G card to perform optimally | 0.891 |
| I need to log into the employer's network from home | 0.839 |
| Medical aid and retirement funds | |
| Retirement and disability benefits are ... | 0.794 |
| Medical aid benefits through a medical aid scheme are ... | 0.710 |
| Reward performance | |
| My annual performance bonus / incentive is ... | 0.605 |
| My salary / guaranteed remuneration is ... | 0.487 |
| Formal recognition for a job well done (for example a fully paid overseas trip) is ... | 0.401 |
| Annual allocations of shares and or share options are ... | 0.354 |
| Control over my pay | |
| Merit increases should be linked to personal performance | 0.622 |
| Bonus allocations should be linked to my personal performance | 0.542 |
| My salary must be market related | 0.311 |

| Work relationships and teamwork | |
|---|-------|
| Having a good working relationship with colleagues is ... | 0.583 |
| The quality of co-workers in my team is ... | 0.496 |
| Management should encourage team performance | 0.307 |
| Development opportunities | |
| The opportunity to rotate and experience different types of jobs is ... | 0.406 |
| I would like to go on an international secondment | 0.518 |
| The opportunity to take sabbatical leave is ... | 0.354 |

Despite the poor factor loadings seen in some of the items (i.e. control over my pay, work relationships and teamwork and development opportunities which displayed factor loadings of less than 0.6 for most of the component questions in each factor) in the measure the creators of the RPQ decided to include all ten factors in the total rewards model as the purpose of the research was not to evaluate the instrument for psychometric purposes, but to design a total rewards model on the basis of reward preferences (Nienaber et al., 2011).

The creators of the RPQ conducted a first and second order factor analysis and reported on the reliability of the two factors underpinning the questionnaire namely conducive working environment and remuneration and benefits.

The two factors had a Cronbach Alpha of 0.878 and 0.862 respectively which is considered acceptable. The reliability of the RPQ in the current research will be confirmed using Cronbach's Alpha Coefficient.

4.4.2.4 Administration

The RPQ along with the Motivation Measure were administered via online survey software. The survey was sent to the e-mail addresses of all of the staff who had email addresses in the survey population. The individuals completed a short biographical questionnaire as part of the survey. The email contained a cover letter as to the nature and intentions of the research being conducted and a link to the online survey. The

responses to the questionnaire were stored online and exported to the SPSS version 22 statistical package for statistical analysis.

4.5 DATA COLLECTION

The participants were notified on the front page of the questionnaire that the survey was anonymous. SurveyMonkey.com details its privacy policy toward survey respondents as follows:

“We collect and store the survey responses that you submit. The survey creator is responsible for this data and manages it. A survey may ask you to provide personal information or data. If you have any questions about a survey you are taking, please contact the survey creator directly as SurveyMonkey.com is not responsible for the content of that survey. The survey creator is usually the same person that invited you to take the survey and sometimes they have their own privacy policy” (SurveyMonkey.com, 2013).

To ensure anonymity, the survey requested the biographical data required to make comparisons related to generational cohorts, race and gender. Unique identifiers such as ID numbers, names, email addresses or locations were not included as part of the biographical data collected. To ensure understanding of participants’ consent to participation in the survey a check button was included. This stated that by completing the questionnaire respondents implied their consent. An indication that the information remains confidential in the hands of the survey creator was also included.

4.6 DATA ANALYSIS

In this study both descriptive and inferential statistics were used to analyse the data collected. The descriptive statistics used were maximum and minimum scores, percentiles, means, standard deviations and frequency distributions (Marshall & Jonker, 2010). The statistical software package used for this data analysis was SPSS version 22.

The suggested data analysis techniques were chosen because the data in the current study is ordinal in that it had a clear order or hierarchy such as that derived from a statement and measured on a Likert scale (Marshall & Jonker, 2010), that is, strongly disagree, disagree, neutral, agree, strongly agree. While the individual questions are measured on an ordinal scale, once subscale scores have been calculated for example by adding a few questions together, one can argue that it is actually an interval scale, in which case descriptive statistics such as the means, frequency distributions and standard deviations come into play (Pallant, 2007). The data collected from section 2(a) and 2(b) of the RPQ and the Motivation Measure were described using the mean scores per factor, per generation. The responses from section 3 of the RPQ were described using percentage responses per generation using bar graphs.

4.6.1 Descriptive Statistics

4.6.1.1 Frequency distributions

Frequency distribution shows the number of observations falling into each of the categories or ranges of values of a variable. Frequency distributions are often portrayed by way of a frequency table. A frequency table summarises the number of times each different score (or range of scores) occurs. A frequency distribution allows the researcher to see the general characteristics of a particular variable for the participants in the research. The frequency distribution may reveal important characteristics such as asymmetry, normality and spread in the case of quantitative data (Liao, 2004).

Frequency distributions were used for the demographic data as well as section 4 of the RPQ. These tables were used to enable the researcher to describe the sample population in terms of race, gender and age and the distribution of reward category preferences.

The external reliability of the two measuring instruments were determined by means of the Cronbach alpha coefficient (Babbie, 2010).

4.6.2 Inferential Statistics

Inferential statistics differ from descriptive statistics in that they demonstrate the relationship between variables and are used to infer generalisations from the sample group that can be applied to a wider population (Marshall & Jonker, 2010).

4.6.2.1 One-way ANOVA

A one-way analysis of variance (ANOVA) technique was used to analyse the data. ANOVA in particular was chosen because of the number of sub groups in the dimension generation, and the cross comparisons that were made between the generations on the various factors established by the factor analysis.

When there are more than two categories of an independent variable such as the generation timeframes investigated here or the variables are subjected to more than two treatments, as was the case in this study then a one-way ANOVA is most appropriate (Marshall & Jonker, 2010). A one-way ANOVA technique was used to evaluate the variance of preference for reward and recognition and the variance of motivation across the generations.

4.7 FORMULATION OF HYPOTHESES

The following research hypotheses were formulated in order to address the objectives of the study:

H0: There is no statistically significant relationship between intrinsic motivation and generational cohorts.

H1: There is a statistically significant relationship between intrinsic motivation and generational cohorts.

H0: There is no statistically significant relationship between extrinsic motivation and generational timeframes.

H2: There is a statistically significant relationship between extrinsic motivation and generational timeframes.

H0: There is no statistically significant relationship between reward preferences and generational timeframes.

H3: There is a statistically significant relationship between reward preferences and generational timeframes.

4.8 CHAPTER SUMMARY

In chapter 4 the research methodology of the empirical study, namely the population, sample and an understanding of and background to the measures used were discussed. The rationale for selection of the measures as well as the validity, reliability and administration thereof were also discussed. Finally, data collection and analysis were examined and the formulation of the research hypotheses concluded the chapter. The research findings are discussed in chapter 5.

CHAPTER 5: RESULTS AND DISCUSSION

In this chapter, the research results are presented and discussed. The research sample is discussed in terms of gender, race and age. The analyses of the results are discussed and the chapter concludes with a summary.

5.1 DEALING WITH MISSING DATA

Analysis of the data collected showed that there was no response for some of the questions in the survey, and in some instances, there were up to 46 missing responses. The implications of this and how it was dealt with in this study are discussed here.

When exploring missing data, it is important to come to a conclusion about the reason why data is missing. This can range from arbitrary or random influences to purposeful patterns of nonresponse (Osborne, 2013). If we can infer the data are missing at random, then the nonresponse is deemed ignorable. In other words, random missing data can be problematic in that it often reduces sample size or degrees of freedom for an analysis, but it would not potentially bias the results.

According to Pallant (2007) listwise deletion is the preferable method for handling missing data. In listwise deletion a case is dropped from an analysis because it has a missing value in at least one of the specified variables. The analysis is only run on cases which have a complete set of data.

The nonresponse in the survey undertaken here was deemed ignorable as there was no consistent pattern in the non-responses that may relate to biographical variables, that is, certain racial groups not responding to questions regarding salaries. Each response was taken on its own merit within the context of the question being asked for the purpose of the statistical analysis. The response scores were analysed for all valid individual responses to show patterns/trends for specific categories regardless of the number of captured responses.

5.2 VALIDITY

A factor analysis was conducted to investigate the grouping of items and their correspondence to the original theoretical scales of the RPQ and Motivation Measure.

The Kaiser-Meyer-Olkin measure of sampling adequacy was as follows: section 2 (a): 0.883; section 2 (b): 0.743; Motivation Measure: 0.833. Bartlett's test of sphericity was significant ($p < 0.01$). For section 2(a), rewards and benefits preferences, the Kaiser criterion suggested that seven factors could be extracted and the scree plot suggested that six were more practical. For section 2(b), reward structures, the Kaiser criterion suggested a five factor solution. A three factor solution was used. For the final section the Kaiser criterion suggested five factors and the original dimension names were retained. A principal axis factor analysis with a direct oblimin rotation was used. The factor matrix with loadings is reported in table 5.2.

As a general rule, the KMO value should be 0.60 or higher in order to proceed with a factor analysis. Kaiser (1970) suggests 0.50 as a cut-off value, and a desirable value of 0.8 or higher. All KMO values were acceptable.

The interpretation of the KMO, as characterised by Kaiser, Meyer, and Olkin is shown in table 5.1 below (Kaiser, 1970).

Table 5.1 KMO-Values

| KMO value | Interpretation |
|--------------|----------------|
| 0.00 to 0.49 | Unacceptable |
| 0.50 to 0.59 | Miserable |
| 0.60 to 0.69 | Mediocre |
| 0.70 to 0.79 | Middling |
| 0.80 to 0.89 | Meritorious |
| 0.90 to 1.00 | Marvellous |

Table 5.2: Factor matrix, reliability analysis and correlations

| | | Factor loadings | | | | | | | Factor name | Alpha | Average inter-item r |
|---|----------------------------------|-----------------|-------|---|-------|-------|--------|-------|------------------------|-------|----------------------|
| Question | Original scale | 1 | 2 | 3 | 4 | 5 | 6 | 7 | | | |
| Constructive and honest feedback on my performance is ... | Rewards and benefits preferences | 0.719 | | | | | | | Performance management | 0.829 | 0.456 |
| Monthly communication sessions about business progress with my manager are ... | | 0.644 | | | | | | | | | |
| Having a balanced scorecard or performance agreement / contract with agreed objectives is ... | | 0.585 | | | 0.400 | | | | | | |
| Informal recognition for a job well done (e.g. a thank you note) is... | | 0.523 | | | | | | | | | |
| I think coaching and mentoring are ... | | 0.499 | | | | | | | | | |
| The quality of co-workers in my team is ... | | 0.360 | | | | | | | | | |
| An on-site staff restaurant is ... | | | 0.806 | | | | | | Work amenities | 0.813 | 0.427 |
| An on-site staff convenience store is ... | | | 0.768 | | | | | | | | |
| On-site or subsidised childcare facilities are ... | | | 0.654 | | | | | | | | |
| An on-site medical centre is ... | | | 0.487 | | | | -0.214 | 0.251 | | | |
| An on-site fitness centre is ... | | | 0.436 | | | 0.297 | | | | | |
| Retirement and disability benefits are ... | | | | | 0.704 | | | | Benefits | 0.694 | 0.480 |
| Medical Aid benefits through medical aid scheme are ... | | | | | 0.654 | | | | | | |

| | | Factor Loadings | | | | | | | Factor name | Alpha | Average inter-item r | |
|--|----------------------------------|-----------------|-------|---|--------|-------|---|--------|---|--------------------------|----------------------|-------|
| Rewards Preferences Questionnaire, section 2 (a) | | | | | | | | | | | | |
| Question | Original scale | 1 | 2 | 3 | 4 | 5 | 6 | 7 | | | | |
| The opportunity to take study leave for further studies is ... | Rewards and benefits preferences | | | | | 0.699 | | | Career management and work-home integration | 0.793 | 0.347 | |
| The opportunity to rotate and experience different types of jobs is... | | | | | | 0.583 | | | | | | |
| Growth opportunities, learning and development are ... | | 0.339 | | | -0.241 | 0.580 | | | | | | |
| Bursaries / funding for tertiary qualifications is ... | | 0.243 | | | | 0.552 | | | | | | |
| The opportunity to take sabbatical leave is ... | | | | | | 0.414 | | | | | | |
| Subsidised tuition for my children is ... | | | 0.314 | | | 0.411 | | | | | | |
| The ability to work flexible working hours is... | | | | | | 0.332 | | | | | | |
| Annual allocations of shares and/or share options are ... | | | | | | 0.309 | | -0.262 | | | | |
| Having a good working relationship with colleagues is ... | | | | | | | | -0.715 | -0.209 | Quality work environment | 0.676 | 0.550 |
| A comfortable work environment (décor, equipment) is ... | | | | | | | | -0.702 | | | | |
| My annual performance bonus / incentive is ... | | | | | | | | | -0.586 | Base and contingency pay | 0.702 | 0.556 |
| My salary/guaranteed remuneration is ... | | | | | | | | -0.486 | | | | |

| | | | | | | | | | |
|--|-----------------------------|-------|-------|-------|-------|--------|-------------------------------|-------|-------|
| My job should be challenging and test my abilities | Types of rewards structures | 0.875 | | | | | Career orientation | 0.789 | 0.502 |
| I should be held accountable for my personal job outputs | | 0.820 | | | | | | | |
| My career path planning should align with my personal interests and goals | | 0.729 | | | | | | | |
| Management should encourage team performance | | 0.704 | | | | | | | |
| I would like to go on an international secondment | | 0.355 | 0.403 | | | | | | |
| My employer should provide me with an allowance or subsidy to care for my financially dependent parents | | | 0.858 | | | | Work-home integration | 0.748 | 0.429 |
| My employer should provide holiday programs for my children | | | 0.767 | | | | | | |
| My employer should provide me with financial assistance to buy a house | | | 0.694 | | | | | | |
| I think employers should provide phased in return to work after maternity / paternity leave, that is, employers should allow employees to return to work gradually with reduced hours initially and increasing to full time working hours over time. | | | 0.623 | | | | | | |
| I enjoy having total control over my work methods without my manager's | | | 0.302 | | | | | | |
| I need to log into the employer's network from home | | | | 0.885 | | | Digital work-home integration | 0.818 | 0.692 |
| I need a laptop and 3G card to perform optimally | | | | 0.866 | | | | | |
| Bonus allocations should be linked to my personal performance | | | | | 0.840 | | Contingency pay | 0.448 | 0.184 |
| Merit increases should be linked to personal performance | | | | | 0.676 | -0.424 | | | |
| Bonus allocations should be linked to my teams performance | | | | | 0.455 | 0.317 | | | |
| I would like to structure my remuneration according to my own needs | | | | | 0.375 | | | | |
| My salary must be market related | | | | | | 0.756 | Base pay | 0.275 | 0.175 |
| Increases should be linked to inflation and not to personal performance. | | | | | | 0.638 | | | |

| Motivation Measure | Original scale | Factor loadings | | | | | Factor name | Alpha | Inter-item r |
|---|------------------------|-----------------|-------|--------|-------|-------|------------------------|-------|--------------|
| | | 1 | 2 | 3 | 4 | 5 | | | |
| <i>Question: Why are you motivated to do your work?</i> | | | | | | | | | |
| Because I find the work interesting. | Intrinsic motivation | 0.698 | | | | | Intrinsic motivation | 0.829 | 0.634 |
| Because the work is fun. | | 0.754 | | | | | | | |
| Because I find the work engaging. | | 0.807 | | | | | | | |
| Because I would feel guilty if I did not do well. | Introjected motivation | | 0.806 | | | | Introjected motivation | 0.892 | 0.738 |
| Because I would feel ashamed if I did poorly. | | | 0.929 | | | | | | |
| Because I would feel bad about myself if I did not do a good job. | | | 0.822 | | | | | | |
| Because I believe my work is valuable. | Identified motivation | | | -0.800 | | | Identified motivation | 0.883 | 0.728 |
| Because my work is important. | | | | -0.952 | | | | | |
| Because I value the work. | | | | -0.663 | | | | | |
| Because my boss wants me to do it. | External motivation | | | | 0.566 | | External motivation | 0.621 | 0.352 |
| Because the situation demands it. | | | | | 0.735 | | | | |
| Because I get paid to do it. | | | | | 0.406 | | | | |
| Because my work goals and personal goals are integrated. | Integrated motivation | | | | | 0.447 | Integrated motivation | 0.772 | 0.530 |
| Because my work is a big part of who I am. | | | | | | 0.818 | | | |
| Because my work helps to define me. | | | | | | 0.796 | | | |

5.3 RELIABILITY

Cronbach's alpha is a measure of internal reliability or consistency of the items in an instrument (Vogt, 2005). Cronbach's alpha ranges between 0 and 1. The greater the value of alpha, the more the scale is coherent and thus reliable (Trobia, 2008). Typically, a "high" reliability coefficient is considered to be 0.90 or above, "very good" is 0.80 to 0.89, and "good" or "adequate" is 0.70 to 0.79 (Multon & Coleman, 2010). The Cronbach alpha is a lower bound estimate of the proportion of variance in a composite measure that is accounted for by a common factor underlying all components (Chen & Krauss, 2004).

The interpretation of coefficient alpha and other types of reliability depends to some extent on what is being measured. When tests are used to make important decisions about people, it is essential to have high reliability (e.g. 0.90 or above), that is, individualised intelligence tests are often used to make important final decisions about people. In contrast, lower reliability (e.g. 0.60 to 0.80) may be acceptable for looking at group differences in personality characteristics for example (Multon & Coleman, 2010). Clarke and Watson (1995) state that the interitem correlations should ideally be between 0.1 and 0.5 (More than 0.5 points to item redundancy).

The reliability of the RPQ and the Motivation Measure and the inter item r correlations are reported in table 5.2.

Section 2(a) of the RPQ (Rewards and benefits preferences) showed a coefficient alpha of between 0.67 and 0.82. The lowest of these reliability coefficients were for the factors "Quality work environment" (0.676) and "Benefits" (0.694). These were acceptable and in line with the suggestion by Multon and Coleman (2010) that a lower reliability score may be acceptable when looking at group differences in personality characteristics. For section 2(b) of the RPQ the reliability coefficients ranged from 0.275 to 0.818.

The lowest of these reliabilities were for the factors contingency pay (0.448) and base pay (0.275), and although the factors made theoretical sense, their low reliabilities

excluded them from further statistical analysis. Only three factors were therefore used in subsequent analyses. The Motivation Measure showed reliabilities of between 0.621 and 0.892.

The interitem correlations for both the RPQ and the Motivation Measure exceeded 0.3 for every factor except in the case of the abovementioned factors which were excluded due to their low reliability scores. Some were however, rather high (>0.5) and may suggest item redundancy in these scales.

Based on the factor analysis the two sections of the RPQ scale were revised into six and three factors respectively. The original scale consisted only of rewards and benefits preference as one scale, and rewards structure preference as the other. The first section was revised into the following scales:

- performance Management
- Work Amenities
- Benefits
- career Management and work-home integration
- quality work environment
- base and contingency pay

The second section was revised into the following scales:

- career orientation
- work-home integration
- digital work-home integration

The factor analysis confirmed the scales in the Motivation Measure as follows and as such the scale was not revised:

- external motivation
- introjected motivation
- identified motivation
- intrinsic motivation

- integrated motivation

5.4 DESCRIPTIVE STATISTICS

5.4.1 Demographic variables

The aim of descriptive statistics is not to draw conclusions about the data, but simply to describe it. Frequency tables are used to illustrate the findings of the data collection. A frequency table displays the number of respondents and the percentage of those respondents in each category of the variable being presented (Smith, Todd & Waldman, 2009).

In order to describe the sample in detail ($n = 333$), analyses in the form of demographic frequencies and corresponding percentages were performed for the following demographic variables: population, gender, race, generation (year of birth) and business unit.

5.4.1.1 Population

The total population of the three business divisions of the organisation is 711. All of the staff members in the population were contacted to participate anonymously in the survey. Of the total sample, 333 staff members responded.

5.4.1.2 Gender

Table 5.3 illustrates that although the majority of respondents were male, the gender split in the organisation is fairly even, and males only exceed females by 3.92%. This could be attributed to the fact that the nature of the services provided by the company is evenly split between both soft (reception, helpdesk, upholstery, administrative, concierge services) and hard (technical, assembly line and maintenance services) and these services are traditionally viewed as male and female dominated professions respectively.

Table 5.3: Biographical statistics for gender

| Gender | | | | |
|----------|-----------|---------|---------------|--------------------|
| Variable | Frequency | Percent | Valid percent | Cumulative percent |
| Female | 159 | 47.7 | 48.04 | 48.04 |
| Male | 172 | 51.7 | 51.96 | 100.0 |
| Total | 331 | 99.4 | 100.0 | |

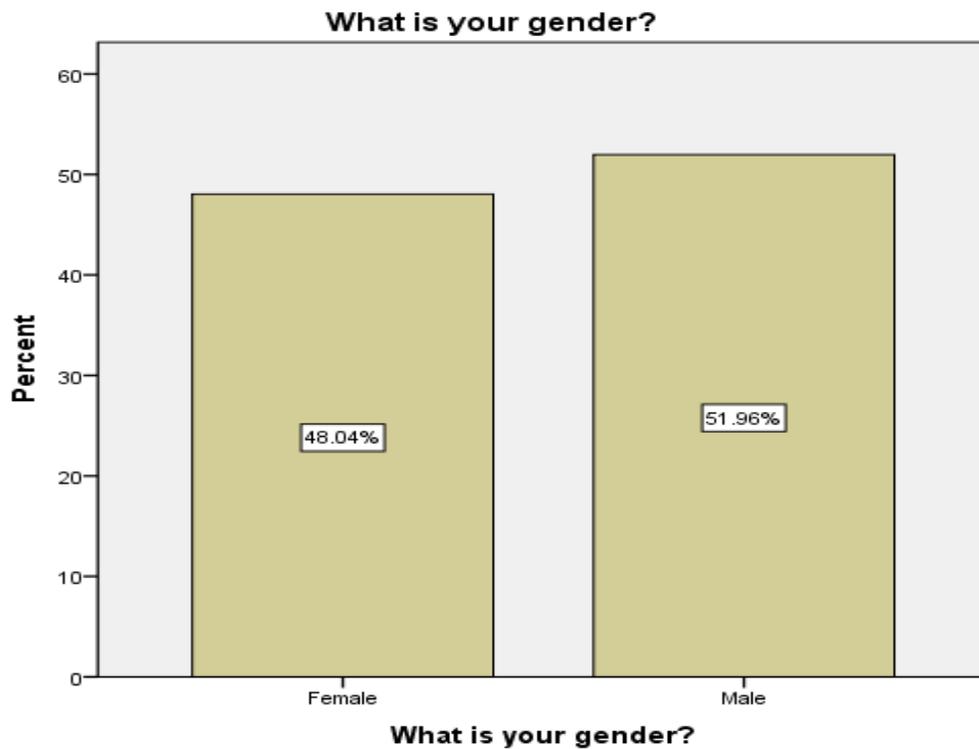


Figure 5.1: Biographical statistics for gender

5.4.1.3 Race

Table 5.4 confirms that the majority of respondents at the organisation are white (43.07%) followed by Black (34.3%), Coloured (18.37%) and Indian (4.22%).

Table 5.4 Biographical statistics for race

| Variable | Frequency | Racial group | | |
|----------|-----------|--------------|---------------|--------------------|
| | | Percent | Valid percent | Cumulative percent |
| Black | 115 | 34.5 | 34.34 | 34.34 |
| Coloured | 61 | 18.3 | 18.37 | 52.71 |
| Indian | 14 | 4.2 | 4.22 | 56.93 |
| White | 143 | 42.9 | 43.07 | 100.0 |
| Total | 333 | 99.9 | 100.0 | |

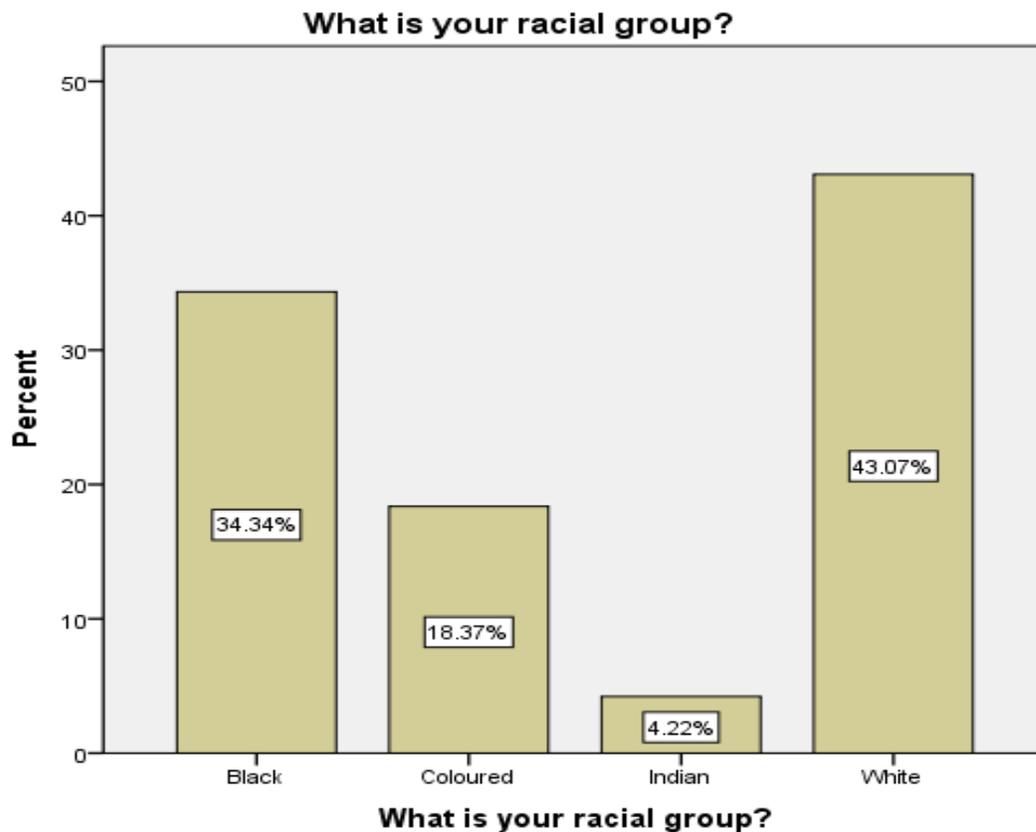


Figure 5.2: Biographical statistics for racial group

5.4.1.4 Generation

Table 5.5 illustrates that the majority of respondents were part of Generation X born between 1965 and 1981 (53.92%). The next largest generation group was Generation Y, born between 1982 and 2000 (26.81%). Baby Boomers (born 1946 – 1964) make up the next largest group (18.98%) and Veterans (born before 1946) formed the smallest group in the population (0.3%).

Table 5.5: Biographical statistics for generation (year of birth)

| Variable | Generation (year of birth) | | | |
|------------------------------------|----------------------------|---------|---------------|--------------------|
| | Frequency | Percent | Valid percent | Cumulative percent |
| Before 1946 (Veteran) | 1 | 0.3 | 0.3 | 0.3 |
| Between 1946 – 1964 (Baby Boomer) | 63 | 18.9 | 18.98 | 19.28 |
| Between 1965 – 1981 (Generation X) | 179 | 53.8 | 53.92 | 73.2 |
| Between 1982 – 2000 (Generation Y) | 89 | 26.7 | 26.81 | 100.0 |
| Total | 332 | 99.7 | 100.0 | |
| Missing | 1 | 0.3 | | |
| Total | 333 | 100.0 | | |

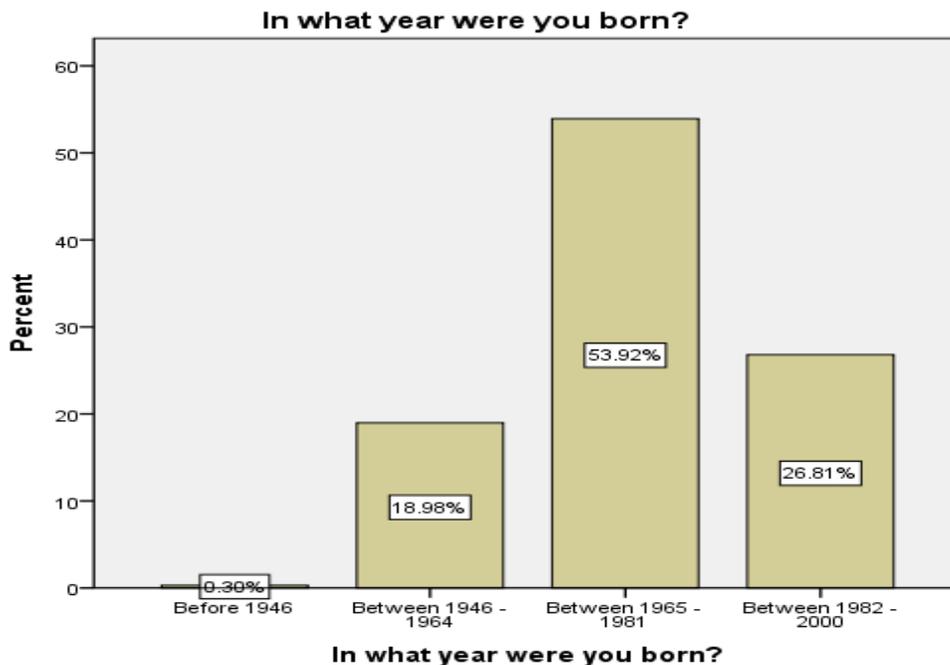


Figure 5.3: Biographical statistics for generation (year of birth)

5.4.1.5 Business unit

Table 5.6 indicates that the majority of respondents in the survey work in the global workplace solutions (GWS) business unit (41.74%), followed by the automotive business unit (32.37%) and lastly systems and service (25.53%). This is indicative of the relative staff compliment for each Business Unit , that is, the total sample population.

Table 5.6: Biographical statistics for business unit

| Variable | Business unit | | | |
|----------------------------------|---------------|---------|---------------|--------------------|
| | Frequency | Percent | Valid percent | Cumulative percent |
| Automotive | 109 | 32.7 | 32.73 | 32.73 |
| GWS (Global Workplace Solutions) | 139 | 41.7 | 41.74 | 74.47 |
| Systems and service | 85 | 25.5 | 25.53 | 100.0 |
| Total | 333 | 100.0 | 100.0 | |

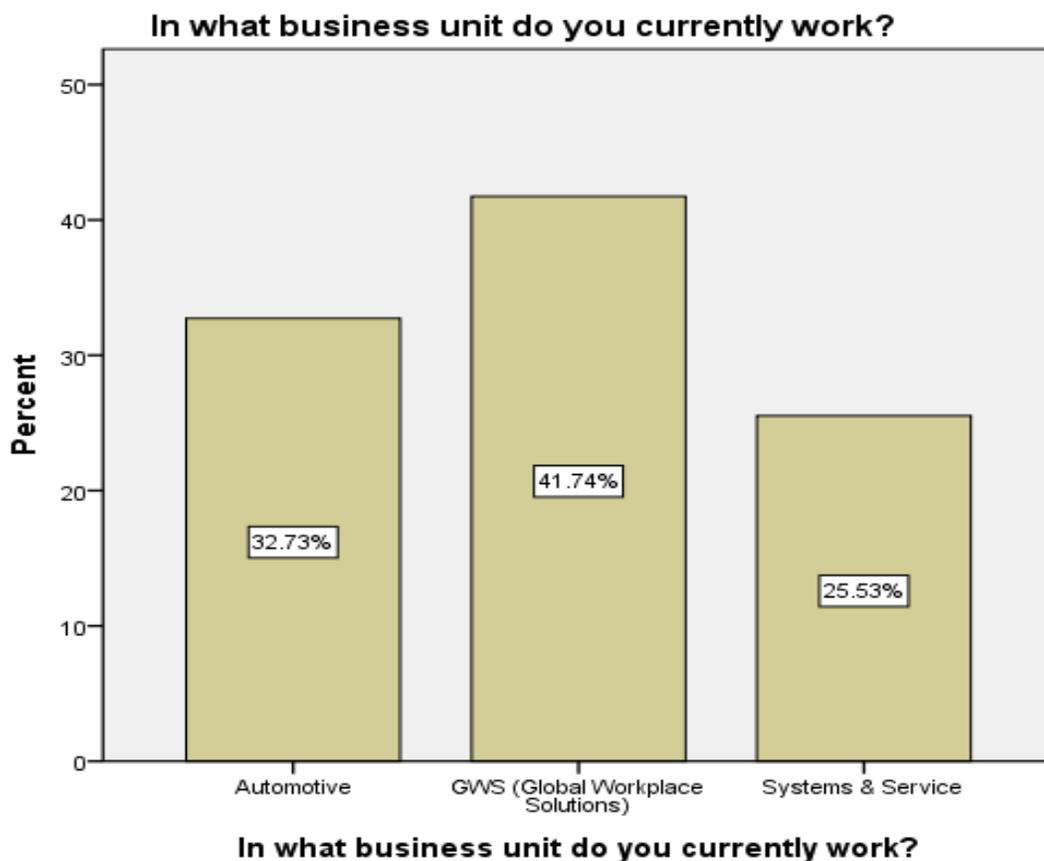


Figure 5.4: Biographical statistics for business unit

5.4.2 Mean scores

Section 2 of the RPQ is aimed at determining how important different benefits and types of reward structures are to the generational sub-groups.

While the individual questions were measured on an ordinal scale, once the subscale scores were calculated by adding a few questions together, the scale became interval in nature, in which case descriptive statistics such as the mean scores could be used as an appropriate measure of response frequencies for each of the generation groups (Pallant, 2007). These are depicted in table 5.7. The response format for section 2(a) and (b) was a Likert scale ranging from 1 – not at all important to 7 – extremely important.

The mean scores show that benefits are perceived as more important for Baby Boomers and Generation X than for Generation Y. This is the only factor for which the Baby Boomers ($\mu = 6.51$) scored a higher a mean score than Generation Y ($\mu = 6.39$). All other benefit types and reward structures were valued more with each successive generation, with the exception of work amenities which was valued higher by Baby Boomers ($\mu = 4.26$) and Generation Y ($\mu=4.34$) than Generation X ($\mu=4.12$). Baby Boomer responses to the items regarding digital work-home integration, point to a marked difference in perception of the value of this reward structure type, when comparing the response means across all other dimensions. Digital work-home integration was the only dimension for which there was a whole number difference in mean scores between the generations, with the Baby Boomers ($\mu=4.41$) scoring lower than Generation X and Generation Y ($\mu = 5.12$; $\mu = 5.23$).

Table 5.7: Mean scores per factor for specific reward types and structures

| Rewards and benefits preferences | Generation | n | Mean | Std. deviation | Std. error | 95% Confidence interval for mean | | Minimum | Maximum |
|---|--------------|-----|------|----------------|------------|----------------------------------|-------------|---------|---------|
| | | | | | | Lower Bound | Upper Bound | | |
| Performance management | Baby Boomers | 60 | 6.09 | 0.98 | 0.13 | 5.84 | 6.34 | 1 | 7 |
| | Generation X | 166 | 6.10 | 0.86 | 0.07 | 5.97 | 6.23 | 1 | 7 |
| | Generation Y | 82 | 6.24 | 0.83 | 0.09 | 6.05 | 6.42 | 1 | 7 |
| | Total | 308 | 6.13 | 0.87 | 0.05 | 6.04 | 6.23 | 1 | 7 |
| Work amenities | Baby Boomers | 60 | 4.26 | 1.54 | 0.20 | 3.86 | 4.66 | 1 | 7 |
| | Generation X | 166 | 4.12 | 1.38 | 0.11 | 3.91 | 4.33 | 1 | 7 |
| | Generation Y | 82 | 4.34 | 1.36 | 0.15 | 4.04 | 4.64 | 1 | 7 |
| | Total | 308 | 4.20 | 1.40 | 0.08 | 4.05 | 4.36 | 1 | 7 |
| Benefits | Baby Boomers | 60 | 6.51 | 0.86 | 0.11 | 6.29 | 6.74 | 1 | 7 |
| | Generation X | 166 | 6.51 | 0.81 | 0.06 | 6.38 | 6.63 | 1 | 7 |
| | Generation Y | 82 | 6.39 | 1.05 | 0.12 | 6.16 | 6.62 | 1 | 7 |
| | Total | 308 | 6.48 | 0.89 | 0.05 | 6.38 | 6.58 | 1 | 7 |
| Career management and work-home integration | Baby Boomers | 60 | 5.07 | 1.48 | 0.19 | 4.68 | 5.45 | 1 | 7 |
| | Generation X | 166 | 5.40 | 0.99 | 0.08 | 5.25 | 5.56 | 1 | 7 |
| | Generation Y | 82 | 5.71 | 0.89 | 0.10 | 5.52 | 5.91 | 1 | 7 |
| | Total | 308 | 5.42 | 1.10 | 0.06 | 5.30 | 5.54 | 1 | 7 |
| Quality work environment | Baby Boomers | 60 | 6.14 | 1.05 | 0.14 | 5.87 | 6.41 | 1 | 7 |
| | Generation X | 166 | 6.16 | 0.96 | 0.07 | 6.01 | 6.31 | 1 | 7 |
| | Generation Y | 82 | 6.24 | 0.88 | 0.10 | 6.04 | 6.43 | 1 | 7 |
| | Total | 308 | 6.18 | 0.96 | 0.05 | 6.07 | 6.28 | 1 | 7 |

| Rewards and benefits preferences | Generation | n | Mean | Std. deviation | Std. error | 95% Confidence interval for mean | | Minimum | Maximum |
|-------------------------------------|--------------|-----|------|----------------|------------|-------------------------------------|--------------|---------|---------|
| | | | | | | Lower Bound | Upper Bound | | |
| | | | | | | Base and contingency pay | Baby Boomers | | |
| | Generation X | 166 | 6.50 | 0.85 | 0.07 | 6.37 | 6.63 | 1 | 7 |
| | Generation Y | 82 | 6.57 | 0.84 | 0.09 | 6.38 | 6.75 | 1 | 7 |
| | Total | 308 | 6.49 | 0.94 | 0.05 | 6.39 | 6.60 | 1 | 7 |

| Rewards Structure Preferences | Generation | n | Mean | Std. deviation | Std. error | 95% Confidence interval for mean | | Minimum | Maximum |
|----------------------------------|--------------|-----|------|----------------|------------|----------------------------------|-------------|---------|---------|
| | | | | | | Lower Bound | Upper Bound | | |
| Career orientation | Baby Boomers | 59 | 6.09 | 0.98 | 0.13 | 5.83 | 6.34 | 1 | 7 |
| | Generation X | 160 | 6.25 | 0.84 | 0.07 | 6.11 | 6.38 | 1 | 7 |
| | Generation Y | 79 | 6.28 | 0.73 | 0.08 | 6.12 | 6.45 | 1 | 7 |
| | Total | 298 | 6.22 | 0.84 | 0.05 | 6.13 | 6.32 | 1 | 7 |
| Work-home integration | Baby Boomers | 59 | 3.36 | 1.56 | 0.20 | 2.96 | 3.77 | 1 | 7 |
| | Generation X | 160 | 3.66 | 1.60 | 0.13 | 3.41 | 3.91 | 1 | 7 |
| | Generation Y | 79 | 3.98 | 1.52 | 0.17 | 3.64 | 4.32 | 1 | 7 |
| | Total | 298 | 3.69 | 1.58 | 0.09 | 3.51 | 3.87 | 1 | 7 |
| Digital work-home integration | Baby Boomers | 59 | 4.41 | 2.28 | 0.30 | 3.81 | 5.00 | 1 | 7 |
| | Generation X | 160 | 5.12 | 1.95 | 0.15 | 4.81 | 5.42 | 1 | 7 |
| | Generation Y | 79 | 5.23 | 1.74 | 0.20 | 4.84 | 5.63 | 1 | 7 |
| | Total | 298 | 5.01 | 1.99 | 0.12 | 4.78 | 5.23 | 1 | 7 |

Table 5.8: Mean scores per factor for the Motivation Measure

| Motivation Measure | Generation | n | Mean | Std. deviation | Std. error | 95% Confidence interval for mean | | Minimum | Maximum |
|------------------------|--------------|-----|-------|----------------|------------|----------------------------------|-------|---------|---------|
| Intrinsic motivation | Baby | | | | | | | | |
| | Boomers | 57 | 12.42 | 2.49 | 0.33 | 11.76 | 13.08 | 3 | 15 |
| | Generation X | 151 | 12.18 | 2.69 | 0.22 | 11.75 | 12.61 | 3 | 15 |
| | Generation Y | 76 | 11.12 | 2.97 | 0.34 | 10.44 | 11.80 | 3 | 15 |
| | Total | 284 | 11.94 | 2.76 | 0.16 | 11.62 | 12.27 | 3 | 15 |
| Introjected motivation | Baby | | | | | | | | |
| | Boomers | 56 | 11.36 | 3.69 | 0.49 | 10.37 | 12.34 | 3 | 15 |
| | Generation X | 150 | 11.90 | 3.54 | 0.29 | 11.33 | 12.47 | 3 | 15 |
| | Generation Y | 75 | 11.80 | 3.30 | 0.38 | 11.04 | 12.56 | 3 | 15 |
| | Total | 281 | 11.77 | 3.50 | 0.21 | 11.35 | 12.18 | 3 | 15 |
| Identified motivation | Baby | | | | | | | | |
| | Boomers | 55 | 14.38 | 1.19 | 0.16 | 14.06 | 14.70 | 3 | 15 |
| | Generation X | 152 | 14.06 | 1.84 | 0.15 | 13.77 | 14.35 | 3 | 15 |
| | Generation Y | 76 | 13.92 | 1.94 | 0.22 | 13.48 | 14.37 | 3 | 15 |
| | Total | 283 | 14.08 | 1.76 | 0.10 | 13.88 | 14.29 | 3 | 15 |
| External motivation | Baby | | | | | | | | |
| | Boomers | 57 | 9.23 | 3.45 | 0.46 | 8.31 | 10.14 | 3 | 15 |
| | Generation X | 152 | 9.29 | 3.14 | 0.25 | 8.79 | 9.79 | 3 | 15 |
| | Generation Y | 77 | 9.40 | 3.25 | 0.37 | 8.67 | 10.14 | 3 | 15 |
| | Total | 286 | 9.31 | 3.22 | 0.19 | 8.93 | 9.68 | 3 | 15 |
| Integrated motivation | Baby | | | | | | | | |
| | Boomers | 56 | 13.21 | 2.33 | 0.31 | 12.59 | 13.84 | 3 | 15 |
| | Generation X | 148 | 12.41 | 2.43 | 0.20 | 12.01 | 12.80 | 3 | 15 |
| | Generation Y | 76 | 11.51 | 3.34 | 0.38 | 10.75 | 12.28 | 3 | 15 |
| | Total | 280 | 12.33 | 2.74 | 0.16 | 12.00 | 12.65 | 3 | 15 |

The Motivation Measure has a response format of a five-point scale ranging from "strongly disagree" to "strongly agree". The mean scores are shown in Table 5.8. The Baby Boomers that were assessed displayed more intrinsic, identified and integrated motivation than their younger counterparts. Generation Y in this sample showed themselves to be more externally motivated ($\mu = 9.40$) than either Generation X ($\mu = 9.29$) or the Baby Boomers ($\mu = 9.23$). For introjected motivation and external motivation (the least self-determined of the motivation types) the generations were similar in their response patterns, with only small differences in their mean scores.

5.4.3 Frequencies for reward category preferences

Bar graphs have been used to illustrate the frequency of responses for section 3 of the RPQ. This section assessed the importance of five different reward categories in structuring one's own reward package, namely monthly salary and remuneration, variable pay, performance and career management, quality work environment and work-home integration. The section asked the respondents to rate the importance of each reward category out of a total of 6, 1 being most important and 6 being least important. The frequency percentages are shown for the generation sub-groups in the bar graphs depicted in figures 5.5 to 5.9.

- Monthly salary and remuneration: The majority of all three generation groups believed this reward category was the most important in structuring a reward package
- Variable pay: The generations had varying views and frequencies for whether variable pay was an important part of a reward structure with no obvious preference.
- Performance and career management were most important for 30.80% of Generation Y, more than for Generation X (26.10%) and almost double that of Baby Boomers (17.9%).
- Quality work environment: The greatest proportion of Generation X (32.90%) and Generation Y (28.1%) viewed this reward category as least important. Baby Boomers were evenly split in their responses to whether this was least or most important, showing no obvious preference.

- Work-home integration: The response frequencies did not show any obvious preference among the generations for this reward category.

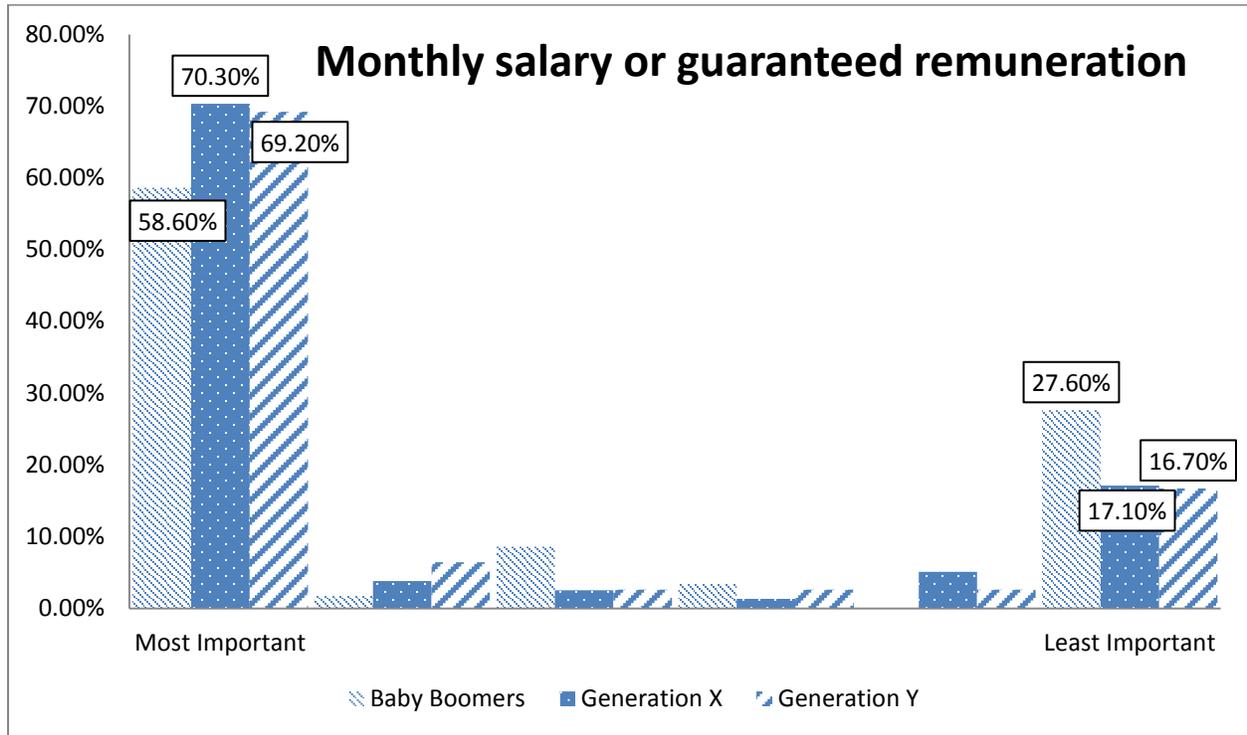


Figure 5.5: Generational preferences for monthly salary and guaranteed remuneration as a reward category

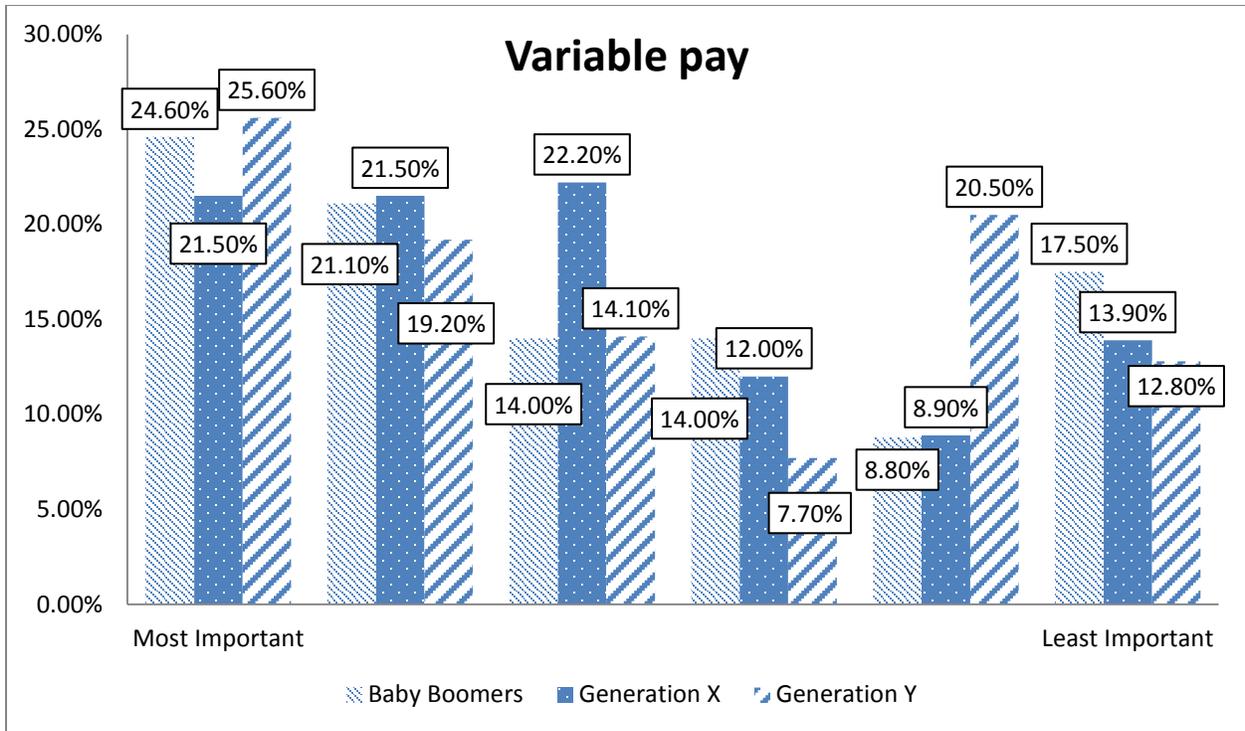


Figure 5.6: Generational preferences for variable pay as a reward category

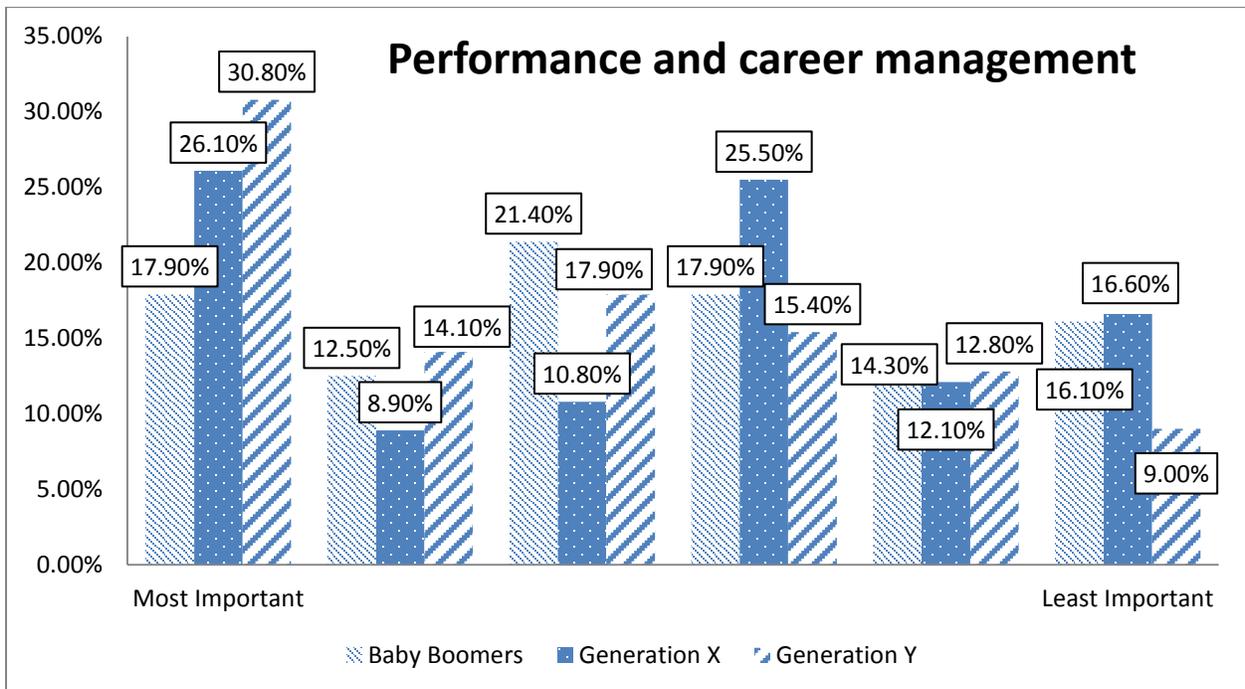


Figure 5.7: Generational preferences for performance and career management as a reward category

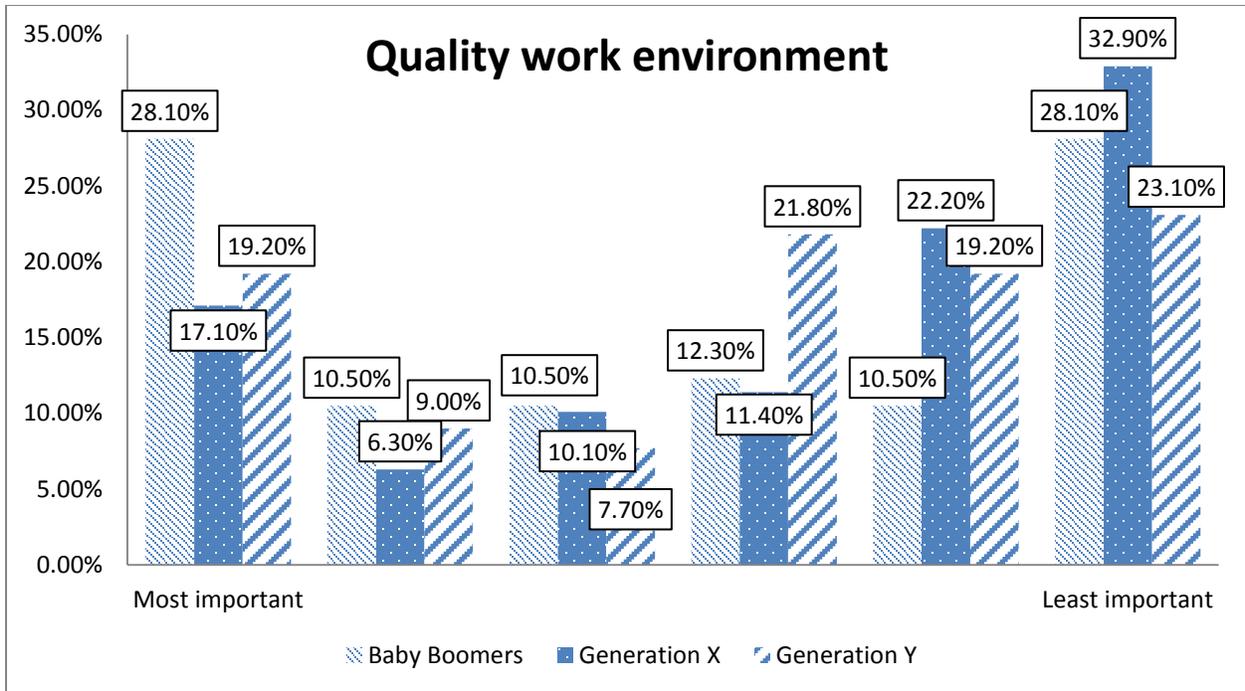


Figure 5.8: Generational preferences for performance and career management as a reward category

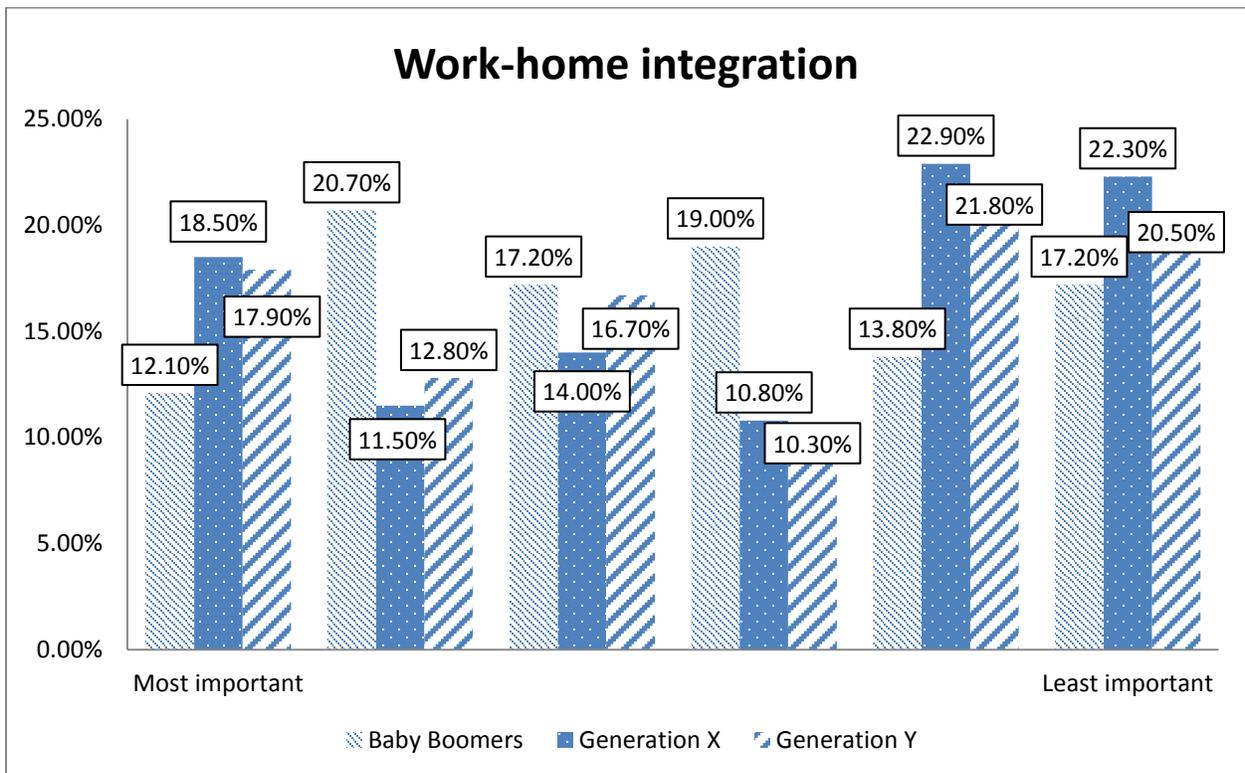


Figure 5.9: Generational preferences for work-home integration as a reward category

The data collected shows that the generation sub-groups have different preferences for quality work environment and performance and career management. However, all three sub-groups perceive monthly salary and remuneration is most important within a reward structure, with no obvious preferences for variable pay and work-home integration.

5.4.4 Frequencies for the generation sub-groups' perceptions of the importance of reward categories in attracting, motivating and retaining staff

Section 4 of the RPQ assessed the perception of the importance of reward categories in attracting employees to, retaining employees in and motivating employees at an organisation. These were reported by the respondents by ticking one option for each of these dimensions: attraction, motivation and retention. These response frequencies are reported in tables 5.9, 5.10 and 5.11.

The generational sub-groups did not show differences in their perception of what attracts people to an organisation. Each sub-group perceived monthly salary/remuneration as having the greatest impact on an organisations ability to attract staff as shown in table 5.9.

Table 5.9: Generational perception of reward category preference in organisational attraction

| Attract | | Baby Boomers | Generation X | Generation Y | Total |
|--|---|--------------|--------------|--------------|--------|
| Benefits (medical aid / retirement funding) | n | 13 | 23 | 10 | 46 |
| | % | 20.31% | 12.85% | 11.24% | 13.86% |
| Monthly Salary / Remuneration | n | 21 | 54 | 31 | 106 |
| | % | 32.81% | 30.17% | 34.83% | 31.93% |
| Performance, recognition & career management | n | 12 | 27 | 14 | 53 |
| | % | 18.75% | 15.08% | 15.73% | 15.96% |
| Quality work environment (fitness centre on site, medical centre on site; latest technology computers) | n | 1 | 4 | 5 | 10 |
| | % | 1.56% | 2.23% | 5.62% | 3.01% |

| | | | | | |
|---|---|---------|---------|---------|---------|
| Variable pay (bonus / long term incentive) | n | 9 | 31 | 14 | 54 |
| | % | 14.06% | 17.32% | 15.73% | 16.27% |
| Work/home integration (your ability to balance your work and home commitments e.g. flexible work schedules, half day leave) | n | 2 | 14 | 2 | 18 |
| | % | 3.13% | 7.82% | 2.25% | 5.42% |
| Missing | n | 6 | 26 | 13 | 45 |
| | % | 9.38% | 14.53% | 14.61% | 13.55% |
| Total | n | 64 | 179 | 89 | 332 |
| | % | 100.00% | 100.00% | 100.00% | 100.00% |

*N – Frequency of respondents

Baby Boomers perceived that benefits (21.88%) and performance, and recognition and career management (23.43%) had the greatest impact on employee retention, with the two largest groups of respondents selecting these categories. For Generation X (31.84%) and Generation Y (29.21%) the largest percentages perceived performance, recognition and career management as having the greatest impact on employee retention. These percentages are reflected in table 5.10.

Table 5.10: Generational perception of reward category preference in organisational retention

| Retain | | Baby Boomers | Generation X | Generation Y | Total |
|---|---|--------------|--------------|--------------|--------|
| Benefits (medical aid / retirement funding / leave) | n | 14 | 27 | 16 | 57 |
| | % | 21.88% | 15.08% | 17.98% | 17.20% |
| Monthly Salary / Remuneration | n | 9 | 19 | 16 | 44 |
| | % | 14.06% | 10.61% | 17.98% | 13.30% |
| Performance, recognition & career management (development opportunities, quality discussions with your manager) | n | 15 | 57 | 26 | 98 |
| | % | 23.43% | 31.84% | 29.21% | 29.50% |
| Quality work environment (fitness centre on site, medical centre on site; latest technology computers) | n | 4 | 7 | 2 | 13 |
| | % | 6.25% | 3.91% | 2.25% | 3.90% |

| | | | | | |
|---|---|---------|---------|---------|---------|
| Variable pay (bonus / long term incentive) | n | 10 | 24 | 15 | 49 |
| | % | 15.62% | 13.41% | 16.85% | 14.80% |
| Work/home integration (your ability to balance your work and home commitments e.g. flexible work schedules, half day leave) | n | 6 | 18 | 1 | 25 |
| | % | 9.38% | 10.06% | 1.12% | 7.50% |
| Missing | n | 6 | 27 | 13 | 46 |
| | % | 9.38% | 15.08% | 14.61% | 13.86% |
| Total | n | 64 | 179 | 89 | 332 |
| | % | 100.00% | 100.00% | 100.00% | 100.00% |

*N – Frequency of respondents

When responding to what motivates employees, the largest percentage of Generation X (29.61%) and Generation Y (35.96%) perceived performance, and recognition and career management as having the greatest impact. Baby Boomers on the other hand perceived variable pay as most impactful for staff motivation with 34.38% of respondents choosing this category. The generational response frequencies are indicated in table 5.11.

Table 5.11 Generational perception of reward category preference in organisational motivation

| Motivate | | Baby Boomers | Generation X | Generation Y | Total |
|---|---|--------------|--------------|--------------|--------|
| Missing | N | 6 | 29 | 13 | 48 |
| | % | 9.38% | 16.20% | 14.61% | 14.46% |
| Benefits (medical aid / retirement funding / leave) | N | 4 | 10 | 4 | 18 |
| | % | 6.25% | 5.59% | 4.49% | 5.42% |
| Monthly Salary / Remuneration | N | 6 | 13 | 9 | 28 |
| | % | 9.38% | 7.26% | 10.11% | 8.43% |
| Performance, recognition & career management (development opportunities, quality discussions with your manager) | N | 16 | 53 | 32 | 101 |
| | % | 25.00% | 29.61% | 35.96% | 30.42% |

| | | | | | |
|---|---|---------|---------|---------|---------|
| Quality work environment (fitness centre on site, medical centre on site; latest technology computers) | n | 4 | 9 | 5 | 18 |
| | % | 6.25% | 5.03% | 5.62% | 5.42% |
| Variable pay (bonus / long term incentive) | n | 22 | 43 | 22 | 87 |
| | % | 34.38% | 24.02% | 24.72% | 26.20% |
| Work/home integration (your ability to balance your work and home commitments e.g. flexible work schedules, half day leave) | n | 6 | 22 | 4 | 32 |
| | % | 9.38% | 12.29% | 4.49% | 9.64% |
| Total | n | 64 | 179 | 89 | 332 |
| | % | 100.00% | 100.00% | 100.00% | 100.00% |

*n – frequency of respondents

5.5 INFERENCE STATISTICS

A one-way ANOVA was conducted with Scheffe post-hoc tests to establish which factors display statistically significant differences between groups (Generations).

Statistical significance is measured in terms of a p-value (probability value), that is, the probability that a statistic could occur by sampling error (Vogt, 2005). In other words the p-value can be interpreted as the likelihood that the statistical result was obtained by chance alone (Buskirk, 2008). If a result is found to be less than 0.05, then it is considered statistically significant and the null hypothesis is rejected. The smaller the p-value, the more the evidence provided against the null hypothesis. Generally, if the p-value is less than the level of significance for the test (α), then the null hypothesis is rejected in favour of the alternative and the result is said to be "statistically significant" (Buskirk, 2008).

The level of 0.05 as a value of statistical significance is commonly chosen for various reasons including that the amount is set before the test is conducted as a clear benchmark and that the value is easily and readily communicable in scholarly articles and circles. However a p-value can range from 0.05 to 0.1 and still show a statistically significant relationship with a value closer to 0.1 showing reduced statistical significance (Lewis-Beck, 1995).

The results of the post-hoc ANOVA test is reported in table 5.12. In the post-hoc ANOVA testing statistically significant differences were found among the generations for the following factors:

- Integrated motivation (seeing work activity as instrumentally important to the achievement of personal goals) (Gagné & Deci, 2005):
 - Baby Boomers show significantly more integrated motivation than Generation Y ($p = 0.002$).
 - Generation X, in turn shows more integrated motivation than Generation Y ($p = 0.065$).
 - The statistically significant differences between Baby Boomers and Generation Y were higher than between Generation X and Generation Y.
- Intrinsic motivation (self-determined , that is, internally regulated, having a personal interest in the work activity and not being regulated by external factors) (Gagné & Deci, 2005):
 - Baby Boomers are more intrinsically motivated than Generation Y ($p = 0.026$).
 - Generation X is more intrinsically motivated than Generation Y ($p = 0.023$).
- Career management and work-home integration – Generation Y prefers career management and work-home integration as a benefit significantly more than Baby Boomers ($p = 0.002$).
- Work-home integration: Generation Y values work-home integration, significantly more than Baby Boomers, as part of a reward structure ($p = 0.075$).
- Digital work-home integration: There is a statistically significant difference in the preference for this reward type between Generation Y and Baby Boomers ($p = 0.052$). Generation Y values this type of reward structure significantly more than Baby Boomers. There is also a statistically significant difference between Generation X and Baby Boomers for preference for digital work-home integration, with Generation X preferring digital work-home integration as a reward type more than Baby Boomers ($p = 0.063$).

Table 5.12: ANOVA Scheffe post-hoc test for statistical significance in generational differences

| Dependent variable | Generation (I) | In what year were you born? (J) | Mean difference | | | 95% confidence interval | |
|------------------------|----------------|---------------------------------|-----------------|------------|------|-------------------------|-------------|
| | | | (I-J) | Std. error | Sig. | Lower bound | Upper bound |
| External motivation | Baby Boomers | Generation X | -.06140 | .50195 | .993 | -1.2966 | 1.1738 |
| | | Generation Y | -.17453 | .56470 | .953 | -1.5641 | 1.2151 |
| | Generation X | Baby Boomers | .06140 | .50195 | .993 | -1.1738 | 1.2966 |
| | | Generation Y | -.11312 | .45206 | .969 | -1.2255 | .9993 |
| | Generation Y | Baby Boomers | .17453 | .56470 | .953 | -1.2151 | 1.5641 |
| | | Generation X | .11312 | .45206 | .969 | -.9993 | 1.2255 |
| Introjected motivation | Baby Boomers | Generation X | -.54286 | .54914 | .614 | -1.8943 | .8086 |
| | | Generation Y | -.44286 | .61929 | .775 | -1.9669 | 1.0812 |
| | Generation X | Baby Boomers | .54286 | .54914 | .614 | -.8086 | 1.8943 |
| | | Generation Y | .10000 | .49591 | .980 | -1.1204 | 1.3204 |
| | Generation Y | Baby Boomers | .44286 | .61929 | .775 | -1.0812 | 1.9669 |
| | | Generation X | -.10000 | .49591 | .980 | -1.3204 | 1.1204 |
| Identified motivation | Baby Boomers | Generation X | .32261 | .27721 | .509 | -.3596 | 1.0048 |
| | | Generation Y | .46077 | .31187 | .337 | -.3067 | 1.2282 |
| | Generation X | Baby Boomers | -.32261 | .27721 | .509 | -1.0048 | .3596 |
| | | Generation Y | .13816 | .24749 | .856 | -.4709 | .7472 |
| | Generation Y | Baby Boomers | -.46077 | .31187 | .337 | -1.2282 | .3067 |
| | | Generation X | -.13816 | .24749 | .856 | -.7472 | .4709 |

| Dependent variable | Generation (I) | In what year were you born? (J) | Mean difference | | | 95% confidence interval | |
|------------------------|----------------|---------------------------------|-----------------|------------|------|-------------------------|-------------|
| | | | (I-J) | Std. error | Sig. | Lower bound | Upper bound |
| Integrated motivation | Baby Boomers | Generation X | .80888 | .42179 | .161 | -.2292 | 1.8469 |
| | | Generation Y | 1.70113 | .47347 | .002 | .5359 | 2.8663 |
| | Generation X | Baby Boomers | -.80888 | .42179 | .161 | -1.8469 | .2292 |
| | | Generation Y | .89225 | .37939 | .065 | -.0415 | 1.8259 |
| | Generation Y | Baby Boomers | -1.70113 | .47347 | .002 | -2.8663 | -.5359 |
| | | Generation X | -.89225 | .37939 | .065 | -1.8259 | .0415 |
| Intrinsic motivation | Baby Boomers | Generation X | .24224 | .42396 | .849 | -.8011 | 1.2856 |
| | | Generation Y | 1.30263 | .47786 | .026 | .1267 | 2.4786 |
| | Generation X | Baby Boomers | -.24224 | .42396 | .849 | -1.2856 | .8011 |
| | | Generation Y | 1.06039 | .38356 | .023 | .1165 | 2.0043 |
| | Generation Y | Baby Boomers | -1.30263 | .47786 | .026 | -2.4786 | -.1267 |
| | | Generation X | -1.06039 | .38356 | .023 | -2.0043 | -.1165 |
| Performance management | Baby Boomers | Generation X | -.01041 | .13189 | .997 | -.3348 | .3140 |
| | | Generation Y | -.14688 | .14875 | .615 | -.5128 | .2190 |
| | Generation X | Baby Boomers | .01041 | .13189 | .997 | -.3140 | .3348 |
| | | Generation Y | -.13648 | .11818 | .514 | -.4272 | .1542 |
| | Generation Y | Baby Boomers | .14688 | .14875 | .615 | -.2190 | .5128 |
| | | Generation X | .13648 | .11818 | .514 | -.1542 | .4272 |
| Work amenities | Baby Boomers | Generation X | .14298 | .21162 | .796 | -.3776 | .6635 |
| | | Generation Y | -.08202 | .23867 | .943 | -.6691 | .5051 |
| | Generation X | Baby Boomers | -.14298 | .21162 | .796 | -.6635 | .3776 |
| | | Generation Y | -.22500 | .18963 | .495 | -.6914 | .2415 |
| | Generation Y | Baby Boomers | .08202 | .23867 | .943 | -.5051 | .6691 |
| | | Generation X | .22500 | .18963 | .495 | -.2415 | .6914 |

| Dependent variable | Generation (I) | In what year were you born? (J) | Mean difference | | | 95% confidence interval | |
|---|----------------|---------------------------------|-----------------|------------|------|-------------------------|-------------|
| | | | (I-J) | Std. error | Sig. | Lower bound | Upper bound |
| Career management and work-home integration | Baby Boomers | Generation X | -.33913 | .16255 | .115 | -.7390 | .0607 |
| | | Generation Y | -.64906 | .18332 | .002 | -1.1000 | -.1981 |
| | Generation X | Baby Boomers | .33913 | .16255 | .115 | -.0607 | .7390 |
| | | Generation Y | -.30993 | .14565 | .106 | -.6682 | .0483 |
| | Generation Y | Baby Boomers | .64906 | .18332 | .002 | .1981 | 1.1000 |
| | | Generation X | .30993 | .14565 | .106 | -.0483 | .6682 |
| Quality work environment | Baby Boomers | Generation X | -.01797 | .14437 | .992 | -.3731 | .3372 |
| | | Generation Y | -.09614 | .16283 | .840 | -.4967 | .3044 |
| | Generation X | Baby Boomers | .01797 | .14437 | .992 | -.3372 | .3731 |
| | | Generation Y | -.07817 | .12937 | .833 | -.3964 | .2401 |
| | Generation Y | Baby Boomers | .09614 | .16283 | .840 | -.3044 | .4967 |
| | | Generation X | .07817 | .12937 | .833 | -.2401 | .3964 |
| Base and contingency pay | Baby Boomers | Generation X | -.11365 | .14246 | .728 | -.4641 | .2368 |
| | | Generation Y | -.18374 | .16067 | .521 | -.5790 | .2115 |
| | Generation X | Baby Boomers | .11365 | .14246 | .728 | -.2368 | .4641 |
| | | Generation Y | -.07009 | .12766 | .860 | -.3841 | .2439 |
| | Generation Y | Baby Boomers | .18374 | .16067 | .521 | -.2115 | .5790 |
| | | Generation X | .07009 | .12766 | .860 | -.2439 | .3841 |
| Benefits | Baby Boomers | Generation X | .00586 | .13392 | .999 | -.3236 | .3353 |
| | | Generation Y | .12364 | .15104 | .716 | -.2479 | .4952 |
| | Generation X | Baby Boomers | -.00586 | .13392 | .999 | -.3353 | .3236 |
| | | Generation Y | .11779 | .12000 | .618 | -.1774 | .4130 |
| | Generation Y | Baby Boomers | -.12364 | .15104 | .716 | -.4952 | .2479 |
| | | Generation X | -.11779 | .12000 | .618 | -.4130 | .1774 |

| Dependent variable | Generation (I) | In what year were you born? (J) | Mean difference | | | 95% confidence interval | |
|--------------------------------|----------------|---------------------------------|-----------------|------------|------|-------------------------|-------------|
| | | | (I-J) | Std. error | Sig. | Lower bound | Upper bound |
| Career orientation | Baby Boomers | Generation X | -.15915 | .12832 | .464 | -.4748 | .1565 |
| | | Generation Y | -.19654 | .14496 | .400 | -.5532 | .1601 |
| | Generation X | Baby Boomers | .15915 | .12832 | .464 | -.1565 | .4748 |
| | | Generation Y | -.03739 | .11584 | .949 | -.3224 | .2476 |
| | Generation Y | Baby Boomers | .19654 | .14496 | .400 | -.1601 | .5532 |
| | | Generation X | .03739 | .11584 | .949 | -.2476 | .3224 |
| Work-home integration | Baby Boomers | Generation X | -.29690 | .23909 | .463 | -.8851 | .2913 |
| | | Generation Y | -.61802 | .27010 | .075 | -1.2825 | .0465 |
| | Generation X | Baby Boomers | .29690 | .23909 | .463 | -.2913 | .8851 |
| | | Generation Y | -.32112 | .21585 | .332 | -.8522 | .2099 |
| | Generation Y | Baby Boomers | .61802 | .27010 | .075 | -.0465 | 1.2825 |
| | | Generation X | .32112 | .21585 | .332 | -.2099 | .8522 |
| Digital work- home integration | Baby Boomers | Generation X | -.70885 | .29985 | .063 | -1.4465 | .0288 |
| | | Generation Y | -.82740 | .33874 | .052 | -1.6608 | .0060 |
| | Generation X | Baby Boomers | .70885 | .29985 | .063 | -.0288 | 1.4465 |
| | | Generation Y | -.11855 | .27070 | .909 | -.7845 | .5474 |
| | Generation Y | Baby Boomers | .82740 | .33874 | .052 | -.0060 | 1.6608 |
| | | Generation X | .11855 | .27070 | .909 | -.5474 | .7845 |

5.6 INTERPRETATION OF RESULTS

The results presented from the empirical study have produced results which point to certain motivation and reward dimensions for which there is a statistically significant relationship between generational cohorts and their preference for reward and recognition as well as how they are motivated. For other dimensions there was no statistically significant relationship. Both are discussed next.

5.6.1 Rewards preferences

The results of the post-hoc ANOVA test shows that Generation Y prefers flexible working arrangements and an investment in their ongoing learning and development significantly more than Baby Boomers. This preference decreases for each preceding generation.

When designing a reward structure Generations X and Y would prefer and value work-home integration including being able to access technology based work tools from home significantly more than Baby Boomers.

Although there were generational differences in reward type preferences, Baby Boomers and Generation X showed no statistically significant differences in their preference for performance management, a quality work environment or benefits.

There were no statistically significant differences between the younger generations X and Y for career orientation and digital work-home integration, pointing to generational similarities in preference for technology-based reward and a focus on personal accountability and active career management on the part of their employer.

The response frequencies on reward category preferences for the generational sub-groups show that they have different preferences for quality work environment and performance and career management. However all three sub-groups perceive monthly salary and remuneration is most important within a reward structure with no obvious preferences for variable pay and work-home integration.

The generational subgroups did not show significant differences in their perception of what attracts people to an organisation. Generation X, Generation Y and Baby Boomers perceived performance, and recognition and career management as having the greatest

impact on employee retention. Additionally a fairly even split in the Baby Boomers group of respondents believed , that along with performance management, benefits were as important in retaining employees, which was not the same for the Generation X and generation Y respondents. When responding to what motivates employees, Generation X and Generation Y perceived performance, recognition and career management as having the greatest impact. Baby Boomers on the other hand perceived variable pay as most impactful for staff motivation.

5.6.2 Motivation

Integrated and identified motivation was shown to decrease with proceeding generations. Baby Boomers are most motivated by work activity which is instrumentally important to the achievement of personal goals (intrinsic motivation) and Generation Y is least likely to view work as important to personal achievements.

There were no significant differences between the generations on the dimension of external motivation. They are all less likely to be motivated by externally regulated factors such as being paid to do a job or instructed to do so by someone else.

There were no statistically significant differences between the younger generations X and Y, for the dimensions of introjected motivation.

5.7 HYPOTHESES

Based on the research results the following research hypotheses can be supported, partially supported or not supported by the research results. These are summarised in table 5.13.

H0: There is no statistically significant relationship between motivation and generational cohorts.

H1: There is a statistically significant relationship between motivation and generational cohorts.

H0: There is no statistically significant relationship between reward preferences and generational cohort.

H2: There is a statistically significant relationship between reward preferences and generational cohort.

H0: Generational cohort is not a statistically significant predictor of motivation.

H3: Generational cohort is a statistically significant predictor of motivation.

Table 5.13 Hypothesis table

| Statistical test | Hypothesis |
|---|---------------------|
| H1: There is a statistically significant relationship between motivation and generational cohort. | Partially supported |
| H2: There is a statistically significant relationship between reward preferences and generational cohort. | Partially supported |
| H3: Generational cohort is a statistically significant predictor of motivation. | Partially supported |

5.8 CHAPTER SUMMARY

In chapter 5 the results from the research project were documented and reported. The biographical information of the sample and the descriptive statistics were presented. The results from the correlation statistical analysis were explained. The results from the study indicate that a significant relationship exists between a number of reward preferences and motivation constructs, and generation groups. In the next chapter the conclusions, limitations and recommendations will be discussed next.

CHAPTER 6: CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS

The purpose of this chapter is to present conclusions with regards to the research study as well as the implications thereof. Possible limitations of the study are discussed and recommendations for future research will be provided. This research study was formulated in terms of theoretical and empirical aims and these are discussed. This chapter integrates the research and draws conclusions in terms of these identified aims.

6.1 CONCLUSIONS RELATING TO DEFINED AIMS

The general aim of this study was to investigate, analyse and evaluate whether there is a relationship between generational sub-groups (cohorts) and preferences for reward and reward categories, and the relationship between these sub-groups and motivation. The next section expands on and integrates the literature review as it relates to both the theoretical and empirical study aims.

6.1.1 Conclusions relating to theoretical aims

With reference to the literature review for this research the following conclusions can be drawn.

6.1.1.1 Specific aim 1: Conceptualising generational cohorts

The first aim of the literature review was to conceptualise generational cohorts from the available literature. A comprehensive literature review was conducted which included a review of a number of different views on the timeframes demarcating the various generational cohorts. The concept of generation was defined in terms of the dimensions of space and time, as well as the unique aspects of each generation was theorised in the literature. As can be seen from the literature review the term generation is defined similarly across various sources. Although some sources view the concept of generations as “pop psychology” and dismiss the notion of generations as limited in its ability to describe age-related differences, the generally held consensus across the literature review is that differences do exist (Taylor & Keeter, 2010).

A generation is defined as the concrete social body of perspectives developed by individuals sharing the same circumstances, or the social form in which perspectives, developed by these individuals exist (Jansen, 1975). Various sources were consulted and discussed in the literature review with regard to the conceptualised timeframes of the generational cohorts. The following timeframes encompass the widest definitions of the years between which each of the generations are proposed to have been born, and the most widely used of the definitions in the research consulted on this topic. The following timeframes as operationalised by Reynolds et al. (2008) were used in this research study:

- Veterans: born – born before 1946
- Baby Boomers: born between 1946 and 1964
- Generation X: born between 1965 and 1981
- Generation Y: born between 1981 and 2000

Generation research is made complicated by the distinct social and political events that shape the generations living in different countries and this is noted in the literature review (Rasch & Kowske, 2010; Parry et al., 2010; Colakoglu & Caligiuri, 2010). As such it was relevant to this research study to examine the generational characteristics and values of South Africans. In particular, as a white South African and a black South African may have a shared birth date, they may have different generational outlooks as affected by the years before and after Apartheid. It is evident from the literature review conducted that South Africans of all generations, although displaying the generally accepted characteristics of their generation, have also been profoundly affected by the social and political upheaval of the last century. South African generational characteristics are specific to and borne from these events which have had a cultural, social and racial impact on generational values.

6.1.1.2 Specific aim 2: Conceptualising motivation

The second aim of the literature review was to conceptualise motivation. Motivation was defined and the literature review incorporated various motivation theories and approaches to the study of motivation.

The self-determination theory of motivation as first proposed by Deci and Ryan (2000) was the focus of and foundation for the Motivation Measure which was used as one section of the assessment tool.

The literature study defined motivation generally and more specifically within an organisational context. Pinder (as cited in Tremblay et al., 2009, p.213) defined work motivation as “a set of energetic forces that originates both within as well as beyond an individual’s being, to initiate work-related behaviour, and to determine its form, direction, intensity and duration.”

Need, expectancy and goal theories were discussed in order to provide a holistic review of motivation. The humanistic-existential paradigm perspective was used as the foundation for this literature review. Motivation and the explanation and definition thereof were discussed in each of the theories. An integrated framework was presented from a review of the literature. The motivation process as mediated by theory, organisational motivation drivers, goal moderators and organisational recognition and reward were discussed. Although many studies of and perspectives on motivation have been conducted the focus of this research study and literature review is self-determination theory. This theory posits universal psychological needs (competence, autonomy and relatedness) and suggests that employees will be motivated and display well-being in organisations to the extent that they experience psychological need satisfaction within the organisational context. This need satisfaction can often be as a result of reward and recognition for work output (Deci et al., 2001).

6.1.1.3 Specific aim 3: conceptualising reward and recognition

The third aim of the literature review was to conceptualise reward and recognition. Reward and recognition were defined within an expectancy theory framework as a key organisational strategy which translates organisational goals into employee level goals. Reward was conceptualised as transactional in nature and recognition as intangible. The total rewards framework as proposed by Nienaber et al. (2011) was discussed as a holistic summary of available reward and recognition initiatives within an organisational context and

as the foundation for the RPQ which was used as part of the assessment tool in the empirical study.

6.1.1.4 Specific aim 4: The theoretical relationship between the dimensions of generational cohorts and motivation and generational cohorts and reward and recognition.

The fourth and final aspect of the literature review was to determine from the literature if a relationship exists between generational cohorts and motivation, reward and recognition. Numerous studies that have been conducted on these relationships were discussed and presented. These studies support a view of generational differences in various organisational and personal values such as perception of status and valuing freedom (Cennamo & Gardner, 2008), general work preferences and work motivation (Lim, 2012), career progression and mobility (D'Amato & Herzfeldt, 2008; Lyons et al., 2012), the psychological contract (Lub et al., 2012), attitudes toward teamwork, and change management and communication (Martins & Martins, 2010). These studies supported the premise for the empirical study conducted here.

From the above research aims and accompanying literature review it can be concluded that the literature review contributed to the quantitative study through providing a theoretical foundation for the analysis and interpretation of the empirical study.

6.1.2 Conclusion relating to empirical aims

With reference to the empirical aims for this research study, the findings for each of the research aims and hypotheses are presented and the following conclusions can be drawn:

6.1.2.1 Specific aim 1: To validate and test the reliability and validity of the Rewards Preferences Questionnaire and Motivation Measure to determine the relationship between generations' and motivation and generations preference for reward and recognition.

The first aim of the empirical study was to ascertain the validity of the instrument used to determine the relationship between generational motivation and preferences for reward and recognition

The construct validity and reliability of the Rewards and Preferences Questionnaire and Motivation Measure was confirmed via a factor analysis which was reported in the empirical research results.

The RPQ showed acceptable reliability for each of the established factors ($\alpha > 0.6$). The reliabilities for the factors contingency pay (0.448) and base pay (0.275) made theoretical sense, however, their low reliabilities excluded them from further statistical analysis. The Motivation Measure showed acceptable reliabilities for each of the motivation factors with values between 0.621 and 0.892.

6.1.2.2 Specific aim 2: To determine whether there is a statistically significant empirical relationship between the generational cohorts and the dimensions of motivation based on the available data.

The second aim of the empirical research was to determine the empirical relationship between generational cohorts and motivation. In order to determine if a relationship exists, a one-way ANOVA test was conducted to establish the statistical significance of this relationship. The findings were as follows:

- External motivation revealed no statistically significant finding
- Introjected motivation revealed no statistically significant finding
- Identified motivation revealed no statistically significant finding
- Integrated motivation revealed a statistically significant finding
- Intrinsic motivation revealed a statistically significant finding

This shows that of the five types of motivation posited by self-determination theory (external motivation, introjected motivation, identified motivation, integrated motivation and intrinsic motivation), there are no statistically significant differences in the motivation of generations for external motivation, introjected motivation and identified motivation. Generational cohorts are motivated differently by the integration of work and personal goals (Integrated motivation), and by their perception that work is fun, interesting and engaging (Intrinsic motivation). More specifically Baby Boomers are more motivated by work and personal goals than Generation X and in turn Generation X are more motivated by integrated work

goals than Generation Y. Baby Boomers are also more intrinsically motivated than Generations X and Y.

6.1.2.3 Specific aim 3: To determine whether there is a statistically significant empirical relationship between the generational cohorts and their preference for reward and recognition based on the available data

The third aim of the empirical study was to establish if there was a relationship between the dimensions of generations and preference for reward and recognition types and structures. Post-hoc ANOVA testing showed statistical significance for the group differences as follows:

- Career management and work-home integration: Generation Y prefers career management and work-home integration as a benefit significantly more than Baby Boomers.
- Work-home integration: Generation Y values work-home integration, significantly more than Baby Boomers, as part of a reward structure.
- Digital work-home integration: There is a statistically significant difference in the preference for this reward type between Generation Y and Baby Boomers. Generation Y values this type of reward structure significantly more than Baby Boomers. There is also a statistically significant difference between Generation X and Baby Boomers in preference for digital work-home integration, with Generation X preferring digital work-home integration as a reward type more than Baby Boomers.

According to Meister and Willyerd (2010) the statistical significance of these factors speak directly to a preference on the part of younger generations for flexible working arrangements and their need for technology to support this flexibility. The absence of a statistically significant difference on the other dimensions of reward and recognition preferences shows that although differences do exist, generations may be more similar in this sample than has been theorised in the current literature.

6.1.2.4 *Specific aim 4: To suggest practical recommendations for industrial psychology practices with regard to the motivation of different age groups in the workplace and their preference for different types of reward and recognition.*

The final aim of the empirical study was to formulate recommendations for future studies on generational theory in a South African context in the discipline of organisational psychology. As can be seen in the above discussion, the empirical aims of the study regarding the relationship between generations, motivation and reward and recognition were achieved.

The implications of the findings of this research for the workplace are that generations value different reward mechanisms and are motivated differently at work. A recommendation to the facilities management company might be that the reward policy be revisited to allow greater flexibility in choosing reward structures that are suited to the different life stages of the generations that are currently employed there. The results also show that work-home integration, most notably remote technological access that allows working from home arrangements is valued by younger employees to a greater extent. If digital work-home integration was to become a pervasive mechanism of motivating employees at the organisation, change management may need to take place for older workers who are used to formal working arrangements. Time management and performance goals may also need to be defined more clearly as to enable clear guidelines for both organisation and employee within this arrangement.

The following recommendations are made for South African companies in managing generations.

According to Sauer (2014, para.6) “If younger [South African] workers are motivated by the desire to work at times and places that suit them, managers should let them do it, giving them the option to work at convenient drop-in workspaces, business centres and lounges – as long as they produce the required output and results.”

In his address to a number of South African executives, Venter (2013) stated that the clocking in and out mentality at work is no longer feasible. The focus is less on how long a worker stays in the office and more on what he or she produce. Venter (2013) noted that connected younger generations do not understand why they have to be at work to work.

South African Baby Boomers were shaped by the apartheid era as noted in chapter 2, and their leadership style and perception of power structures tend to be somewhat autocratic (Martins & Martins, 2010). The younger South African generations have a low tolerance for autocratic leadership and flourish more under participative leadership that encourages and fosters an innovative and flexible work climate. Generation Y, and Generation X to an extent, have grown up in a much more global context influenced by global climate in both their work and personal lives. As noted by Martins and Martins (2010) the younger generations now have more in common with each other than with their parents and supervisors (Baby Boomers) and as such South African Baby Boomers still at middle and senior management level will need change management initiatives to facilitate a culture that is different to what they value and are motivated by, in the interests of keeping their younger subordinates motivated and adequately rewarded. This includes overlooking outdated notions of time keeping and attendance and moving toward output-based metrics as a means of monitoring and rewarding performance at work.

6.1.3 Conclusion Relating to Hypotheses

The null hypothesis is rejected based on the findings that there is a partially supported relationship between the constructs of motivation and generational cohorts. The findings show that there is a partially supported relationship between reward preferences and generational cohorts. It can therefore be concluded that there is in fact a relationship between motivation as measured by the Motivation Measure and generational cohorts and between reward and recognition measured by the RPQ.

6.2 LIMITATIONS

This study had a number of limitations that influenced the success of the research and research outcomes. Future researchers may wish to consider some improvements in their research on the topic as discussed below.

6.2.1 Limitations of the literature review

The amount of research conducted on generation theory in a South African context is extremely limited. A large portion of the literature on generation theory has been conducted in countries such as the USA and the UK, and this has resulted in a somewhat narrow view of generational cohorts as shaped by events specific to those countries. The generation theory posited by Deal et al. (2010), which essentially creates a South African generation theory, could be further explored and researched in a variety of organisational contexts here in South Africa.

6.2.2 Limitations of the empirical study

With regard to the empirical study the following limitations were identified for the sample, measuring instruments and the generalisability of the findings reported here.

6.2.2.1 The sample

An important limitation of the empirical study is the small sample and the under-representation of the generation types. The Veteran Generation was not represented in the sample, and these generational differences were thus unexplored. Although the final sample size was adequate for the research study to be conducted, many respondents skipped questions and this resulted in missing data. The issue of missing data was touched on in this study, and the researcher explained that these omissions had no pattern of non-response. However, a full set of responses from each respondent would no doubt have yielded richer data than the absence thereof.

6.2.2.2 The measuring instruments

This study employed two quantitative assessment instruments. Separate measures were used to measure reward preferences and motivation, respectively. During factor analysis the RPQ showed low reliability for the factors of base and contingency pay in assessing the preference for these reward categories in creating one's own reward structure. This limited the scope of further statistical analysis on these dimensions in this particular study.

Likert scaling was used extensively in both measuring instruments. The limitations of Likert-scale response formats are widely debated and limitations include the following: the reading

level of respondents; item reactivity; the length or number of items; the mode of delivery; the number of responses; using an odd or even number of responses; labelling of a middle response; the direction of the response categories; missing data; acquiescence bias; central tendency bias; social desirability bias; the use of central tendency (median or mean); and the use of negatively worded items (Barnette, 2010). However, despite these limitations, Likert-scale response formats are widely and extensively used for research and evaluation purposes.

It is possible that a more widely accepted measure of motivation could have been more useful in this study, as the Motivation Measure used here focused solely on the self-determination theory of motivation. Motivation Measures such as the Motivation Questionnaire (MQ) as developed by the SHL group may provide a more generalised view of the motivation of different generations. Another issue in the research process was the initial design of the survey mechanism which allowed respondents to skip questions resulting in missing data which further impacted the results of the survey.

6.2.2.3 Generalisability

The findings of this study were constrained to some extent by the empirical limitations discussed above. The interpretation of the findings here are limited to the organisation in which this study was conducted, that is, the sample population, which means that inferences about generations in a South African context cannot be made here. However, the study has reinforced similar findings in other organisational contexts with regard to generation theory and how generations differ and are similar in their preference for reward and workplace motivation.

6.3 RECOMMENDATIONS FOR GENERATIONAL RESEARCH

In light of the conclusions and limitations of the research study, the following issues merit further investigation:

- Future research in the field should be supported by larger sample sizes.
- Future research should be supported by a more representative sample, most importantly including a sufficient number of respondents from each generational

cohort. This would make it possible to make statistical calculations for the differences between all of the generation groups currently in the workplace.

- Similar studies could be conducted in a variety of industries and organisational contexts which would promote greater generalisability.
- Additional or alternative measures of motivation could be considered to assess a wider view of motivation at work.
- Further quantitative methods or tools could be developed to assess rewards preferences and policies specific to an industry or organisation.

6.4 CHAPTER SUMMARY

This chapter has discussed the conclusions pertaining to the study in line with the outlined theoretical and empirical aims. The limitations of the literature review and empirical study were discussed. The chapter concluded with recommendations for future research in evaluating and exploring the differences between generations in an organisational context.

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ANNEXURE A: QUESTIONNAIRE

Introduction

I am conducting research on the motivation and reward preferences of employees of different generations (age groups) at our company in South Africa.

I would appreciate your response and feedback about what types of reward you prefer and what motivates you at work.

This information will be used in my Master's Degree thesis which will be shared with local business leaders upon completion.

The survey should take 10 minutes, and your responses are completely anonymous.

You can only take the survey once, but you can edit your responses until you have completed the entire survey. All questions require a response.

If you have any questions about the survey, please email me.

I really appreciate your input!

Section 1: Biographical information

1. What is your gender?

- Male Female

2. What is your racial group?

- White
 Black
 Coloured
 Indian
 Other (please specify)

3. In what year were you born?

- Before 1946
 Between 1946 - 1964
 Between 1965 - 1981
 Between 1982 - 2000
 From 2000 onwards

4. In what business unit do you currently work?

- Systems & Service
 Automotive
 GWS (Global Workplace Solutions)

Section 2A: Reward preferences

The following questions are aimed at determining how important different benefits and types of reward structures are to you. Please indicate your choice on the scale 1 - 7 provided, where 1 = not at all important and 7 = extremely important by clicking the appropriate button.

1. My salary/guaranteed remuneration is ...

1. Not at all important 2 3 4 5 6 7. Extremely important



A horizontal scale from 1 to 7. Each number has a radio button to its left. All radio buttons are selected (filled with a black dot).

2. My annual performance bonus / incentive is ...

1. Not at all important 2 3 4 5 6 7. Extremely important



A horizontal scale from 1 to 7. Each number has a radio button to its left. All radio buttons are selected (filled with a black dot).

3. Annual allocations of shares and/or share options are ...

1. Not at all important 2 3 4 5 6 7. Extremely important



A horizontal scale from 1 to 7. Each number has a radio button to its left. All radio buttons are selected (filled with a black dot).

4. Medical Aid benefits through medical aid scheme are ...

1. Not at all important 2 3 4 5 6 7. Extremely important



A horizontal scale from 1 to 7. Each number has a radio button to its left. All radio buttons are selected (filled with a black dot).

5. Retirement and disability benefits are ...

1. Not at all important 2 3 4 5 6 7. Extremely important

A horizontal scale from 1 to 7. Each number is centered above a white square containing a black dot. The scale is set against a light gray background. The dot is positioned at the first position (1).

6. The opportunity to take study leave for further studies is ...

1. Not at all important 2 3 4 5 6 7. Extremely important

A horizontal scale from 1 to 7. Each number is centered above a white square containing a black dot. The scale is set against a light gray background. The dot is positioned at the first position (1).

7. The opportunity to take sabbatical leave is ...

1. Not at all important 2 3 4 5 6 7. Extremely important

A horizontal scale from 1 to 7. Each number is centered above a white square containing a black dot. The scale is set against a light gray background. The dot is positioned at the first position (1).

8. A dedicated parking bay in the building where I work is ...

1. Not at all important 2 3 4 5 6 7. Extremely important

A horizontal scale from 1 to 7. Each number is centered above a white square containing a black dot. The scale is set against a light gray background. The dot is positioned at the first position (1).

9. Monthly communication sessions about business progress with my manager are ...

1. Not at all important 2 3 4 5 6 7. Extremely important

A horizontal scale from 1 to 7. Each number is centered above a white square containing a black dot. The scale is set against a light gray background. The dot is positioned at the first position (1).

10. Constructive and honest feedback on my performance is ...

1. Not at all important 2 3 4 5 6 7. Extremely important

A horizontal scale with seven boxes, each containing a black dot. The boxes are evenly spaced and aligned with the numbers 1 through 7 above them. The dot is positioned in the fifth box from the left, corresponding to the number 5.

11. The opportunity to rotate and experience different types of jobs is ...

1. Not at all important 2 3 4 5 6 7. Extremely important

A horizontal scale with seven boxes, each containing a black dot. The boxes are evenly spaced and aligned with the numbers 1 through 7 above them. The dot is positioned in the fifth box from the left, corresponding to the number 5.

12. Growth opportunities, learning and development are ...

1. Not at all important 2 3 4 5 6 7. Extremely important

A horizontal scale with seven boxes, each containing a black dot. The boxes are evenly spaced and aligned with the numbers 1 through 7 above them. The dot is positioned in the fifth box from the left, corresponding to the number 5.

13. I think coaching and mentoring are ...

1. Not at all important 2 3 4 5 6 7. Extremely important

A horizontal scale with seven boxes, each containing a black dot. The boxes are evenly spaced and aligned with the numbers 1 through 7 above them. The dot is positioned in the fifth box from the left, corresponding to the number 5.

14. Informal recognition for a job well done (e.g. a thank you note) is ...

1. Not at all important 2 3 4 5 6 7. Extremely important

A horizontal scale with seven boxes, each containing a black dot. The boxes are evenly spaced and aligned with the numbers 1 through 7 above them. The dot is positioned in the fifth box from the left, corresponding to the number 5.

15. Formal recognition for a job well done (e.g. a fully paid overseas trip) is ...

1. Not at all important 2 3 4 5 6 7. Extremely important

16. Having a balances scorecard or performance agreement / contract with agreed objectives is ...

1. Not at all important 2 3 4 5 6 7. Extremely important

17. Bursaries / funding for tertiary qualifications is ...

1. Not at all important 2 3 4 5 6 7. Extremely important

18. Having a good working relationship with colleagues is ...

1. Not at all important 2 3 4 5 6 7. Extremely important

19. A comfortable work environment (décor, equipment) is ...

1. Not at all important 2 3 4 5 6 7. Extremely important



20. An on-site fitness centre is ...

1. Not at all important 2 3 4 5 6 7. Extremely important



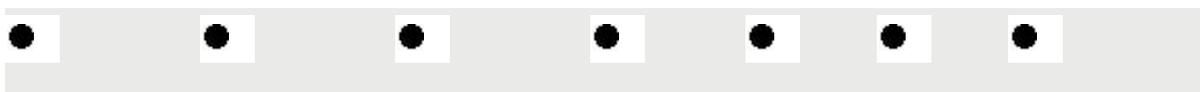
21. An on-site medical centre is...

1. Not at all important 2 3 4 5 6 7. Extremely important



22. On-site or subsidised childcare facilities are ...

1. Not at all important 2 3 4 5 6 7. Extremely important



23. An on-site staff restaurant is ...

1. Not at all important 2 3 4 5 6 7. Extremely important



24. An on-site staff convenience store is ...

1. Not at all important 2 3 4 5 6 7. Extremely important

25. Personal safety and security in the workplace is ...

1. Not at all important 2 3 4 5 6 7. Extremely important

26. The quality of co-workers in my team is ...

1. Not at all important 2 3 4 5 6 7. Extremely important

27. Subsidised tuition for my children is ...

1. Not at all important 2 3 4 5 6 7. Extremely important

28. The ability to work flexible working hours is ...

1. Not at all important 2 3 4 5 6 7. Extremely important

Section 2(b): Preferences for reward categories

The following questions are aimed at determining the extent to which you agree (or not) with the following statements. Please indicate your choice on the scale 1 - 7 provided, where 1 = totally disagree with and 7 being fully agree with, by clicking on the appropriate button.

1. Merit increases should be linked to personal performance.

1. Totally disagree 2 3 4 5 6 7. Fully agree

2. My salary must be market related.

1. Totally disagree 2 3 4 5 6 7. Fully agree

3. I would like to structure my remuneration according to my own needs.

1. Totally disagree 2 3 4 5 6 7. Fully agree

4. Increases should be linked to inflation and not to personal performance..

1. Totally disagree 2 3 4 5 6 7. Fully agree

5. Bonus allocations should be linked to my personal performance.

1. Totally disagree 2 3 4 5 6 7. Fully agree

6. Bonus allocations should be linked to my teams performance.

1. Totally disagree 2 3 4 5 6 7. Fully agree

7. My employer should provide me with financial assistance to buy a house.

1. Totally disagree 2 3 4 5 6 7. Fully agree

8. I enjoy having total control over my work methods without my manager's interference.

1. Totally disagree 2 3 4 5 6 7. Fully agree

9. My career path planning should align with my personal interests and goals.

1. Totally disagree 2 3 4 5 6 7. Fully agree



10. My job should be challenging and test my abilities.

1. Totally disagree 2 3 4 5 6 7. Fully agree



11. I should be held accountable for my personal job outputs.

1. Totally disagree 2 3 4 5 6 7. Fully agree



12. I would like to go on an international secondment.

1. Totally disagree 2 3 4 5 6 7. Fully agree



13. Management should encourage team performance.

1. Totally disagree 2 3 4 5 6 7. Fully agree



14. My employer should provide holiday programmes for my children.

1. Totally disagree 2 3 4 5 6 7. Fully agree

15. My employer should provide me with an allowance or subsidy to care for my financially dependent parents.

1. Totally disagree 2 3 4 5 6 7. Fully agree

16. I need to log into the employer's network from home.

1. Totally disagree 2 3 4 5 6 7. Fully agree

17. I need a laptop and 3G card to perform optimally.

1. Totally disagree 2 3 4 5 6 7. Fully agree

18. I think employers should provide phased-in return to work after maternity / paternity leave, that is, employers should allow employees to return to work gradually with reduced hours initially and increasing to full time working hours over time.

1. Totally disagree 2 3 4 5 6 7. Fully agree



Section 4: Attraction, retention and motivation of employees

Please indicate which one of the following six reward categories (monthly salary or guaranteed remuneration; variable pay; benefits etc.) has the greatest impact on an organisation's ability to attract, retain and motivate you. Please tick one option for each category.

1. Please tick one of the options for each category

| | Monthly Salary / Remuneration | Variable pay (bonus / long term incentive) | Benefits (medical aid / retirement funding / leave) | Performance, recognition & career management: development opportunities, quality discussions with your manager | Quality work environment (fitness centre on site, medical centre on site; latest technology computers) | Work/home integration (your ability to balance your work and home commitments e.g. flexible work schedules, half day leave) |
|--|----------------------------------|--|---|--|--|---|
| Organisations ability to attract (i.e. to join an organisation) | <input checked="" type="radio"/> | <input checked="" type="radio"/> | <input checked="" type="radio"/> | <input checked="" type="radio"/> | <input checked="" type="radio"/> | <input checked="" type="radio"/> |
| Organisations ability to retain (i.e. stay with an organisation) | <input checked="" type="radio"/> | <input checked="" type="radio"/> | <input checked="" type="radio"/> | <input checked="" type="radio"/> | <input checked="" type="radio"/> | <input checked="" type="radio"/> |
| Organisations ability to motivate (i.e. has a positive impact on your performance) | <input checked="" type="radio"/> | <input checked="" type="radio"/> | <input checked="" type="radio"/> | <input checked="" type="radio"/> | <input checked="" type="radio"/> | <input checked="" type="radio"/> |

Section 5: Motivation

Why are you motivated to do your work? Please indicate your response on a scale from 1 = "Strongly Disagree" to 5 = "Strongly Agree"

1. Because my boss wants me to do it.

1. Strongly Disagree 2 3 4 5. Strongly Agree

2. Because the situation demands it.

1. Strongly Disagree 2 3 4 5. Strongly Agree

3. Because I get paid to do it.

1. Strongly Disagree 2 3 4 5. Strongly Agree

4. Because I would feel guilty if I did not do well.

1. Strongly Disagree 2 3 4 5. Strongly Agree

5. Because I would feel ashamed if I did poorly.

1. Strongly Disagree 2 3 4 5. Strongly Agree

6. Because I would feel bad about myself if I did not do a good job.

1. Strongly Disagree 2 3 4 5. Strongly Agree

7. Because I believe my work is valuable.

1. Strongly Disagree 2 3 4 5. Strongly Agree

8. Because I believe my work is important.

1. Strongly Disagree 2 3 4 5. Strongly Agree

9. Because I value the work.

1. Strongly Disagree 2 3 4 5. Strongly Agree

10. Because my work goals and personal goals are integrated.

1. Strongly Disagree 2 3 4 5. Strongly Agree

11. Because my work is a big part of who I am.

1. Strongly Disagree 2 3 4 5. Strongly Agree

12. Because my work helps to define me.

1. Strongly Disagree 2 3 4 5. Strongly Agree

13. Because I find the work interesting.

1. Strongly Disagree 2 3 4 5. Strongly Agree

14. Because the work is fun.

1. Strongly Disagree 2 3 4 5. Strongly Agree

15. Because I find the work engaging.

1. Strongly Disagree 2 3 4 5. Strongly Agree

ANNEXURE B: SPSS FACTOR ANALYSIS OUTPUTS

| Section 2 (a) Pattern Matrix ^a | | | | | | | | Dimension | Factor Name |
|--|--------|------|------------|-------|------|-------|--------------|-------------|---|
| | Factor | | | | | | | | |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | | |
| Constructive and honest feedback on my performance is... | .719 | | | | | | | Dimension 1 | Performance Management |
| Monthly communication sessions about business progress with my manager are... | .644 | | | | | | | | |
| Having a balanced scorecard or performance agreement / contract with agreed objectives is... | .585 | | | .400 | | | | | |
| Informal recognition for a job well done (e.g. a thank you note) is... | .523 | | | | | | | | |
| I think coaching and mentoring are... | .499 | | | | | | | | |
| The quality of co-workers in my team is... | .360 | | | | | | | | |
| An on-site staff restaurant is... | | .806 | | | | | | Dimension 2 | Work amenities |
| An on-site staff convenience store is... | | .768 | | | | | | | |
| On-site or subsidised childcare facilities is... | | .654 | | | | | | | |
| An on-site medical centre is... | | .487 | | | | -.214 | .251 | | |
| An on-site fitness centre is... | | .436 | | | .297 | | | | |
| A dedicated parking bay in the building where I work is... | | .229 | | | | | | | |
| Retirement and disability benefits are... | | | .704 | | | | | Dimension 3 | Benefits |
| Medical Aid benefits through medical aid scheme are... | | | .654 | | | | | | |
| Personal safety and security in the workplace is... | .218 | | .387 | | | -.264 | | | |
| Formal recognition for a job well done (e.g. a fully paid overseas trip) is... | | | | .523 | | | | Dimension 4 | Career Management & work home integration |
| The opportunity to take study leave for further studies is... | | | | | .699 | | | | |
| The opportunity to rotate and experience different types of jobs is... | | | | | .583 | | | | |
| Growth opportunities, learning and development are... | .339 | | | -.241 | .580 | | | | |
| Bursaries / funding for tertiary qualifications is... | .243 | | | | .552 | | | | |
| The opportunity to take sabbatical leave is... | | | | | .414 | | | | |
| Subsidised tuition for my children is... | | .314 | | | .411 | | | | |
| The ability to work flexible working hours is... | | | | | .332 | | | | |
| Annual allocations of shares and/or share option are... | | | | | .309 | | -.262 | | |
| Having a good working relationship with colleagues is... | | | | | | -.715 | -.209 | | |
| A comfortable work environment (dÃ©cor, equipment) is... | | | | | | -.702 | | Dimension 5 | Quality Work Environment |
| My annual performance bonus / incentive is.... | | | | | | | -0.586932215 | Dimension 6 | Base & Contingency Pay |
| My salary/guaranteed remuneration is..... | | | 0.24618946 | | | | -0.486557518 | | |

Extraction Method: Principal Axis Factoring.
 Rotation Method: Oblimin with Kaiser Normalization.
 a. Rotation converged in 23 iterations.

| Section 2 (b) - Pattern Matrix | | | | | | Dimension | Factor Name |
|---|-----------|------|------|------|-------|-------------|------------------------|
| | Component | | | | | | |
| | 1 | 2 | 3 | 4 | 5 | | |
| My job should be challenging and test my abilities... | .875 | | | | | Dimension 1 | Performance management |
| I should be held accountable for my personal job outputs | .820 | | | | | | |
| My career path planning should align with my personal interests and goals | .729 | | | | | Dimension 2 | Work home integration |
| Management should encourage team performance | .704 | | | | | | |
| I would like to go on an international secondment | .355 | | .403 | | | | |
| My employer should provide me with an allowance or subsidy to care for my financially dependant parents | | .858 | | | | | |
| My employer should provide holiday programs for my children | | .767 | | | | | |
| My employer should provide me with financial assistance to buy a house | | .694 | | | | | |
| I think employers should provide phased in return to work after maternity / paternity leave i.e. employers should allow employees to return to work gradually with reduced hours initially and increasing to full time working hours over time. | | .623 | | | | | |
| I enjoy having total control over my work methods without my manager's interference | | .302 | | | | | |
| I need to log into the employer's network from home | | | .885 | | | | |
| I need a laptop and 3G card to perform optimally | | | .866 | | | | |
| Bonus allocations should be linked to my personal performance | | | | .840 | | Dimension 4 | Contingency Pay |
| Merit increases should be linked to personal performance | | | | .676 | -.424 | | |
| Bonus allocations should be linked to my teams performance | | | | .455 | .317 | Dimension 5 | Base Pay |
| I would like to structure my remuneration according to my own needs | | | | .375 | | | |
| My salary must be market related | | | | .756 | | | |
| Increases should be linked to inflation and not to personal performance | | | | .638 | | | |

Extraction Method: Principal Component Analysis.
 a. Rotation converged in 12 iterations.