An Investigation into Rewards as a Workplace Motivational Tool for Millennials and Generation Z.

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Title

An investigation into Rewards as a Workplace Motivational Tool for Millennials and Generation Z.

Abstract

Using a mixed method approach, by implementing a survey and a semi-structured interview method, this study explores the motivation of Millennials and Generation Z within the workplace. Workplace rewards is an ongoing research area across a wide range of organisations, due to its positive correlation between motivation and increased job performance and success. Moreover, this study identifies both intrinsic and extrinsic rewards and the effect this has on both cohorts. Drawing on data from a web-based survey (n=165) along with semi-structured interviews (n=3) findings showed that both Millennials and Generation Z value extrinsic rewards more but are still shown to be intrinsically motivated. With over 60% of participants ranking “pay” as their biggest extrinsic motivator. Results from the web-based survey and semi structured interview also identifies “flexible working” along with “benefits” as other key extrinsic motivators for both cohorts. In contrast, intrinsic rewards such as “job recognition” was noted as one of the main intrinsic motivators of both

cohorts. This study highlights the need for organisations to recognize what both cohorts desire and need in order to motivate them, to in turn increase job performance and organisational success. Future research is needed to determine exactly why these cohorts are extrinsically and intrinsically motivated.

Key words: Extrinsic, Intrinsic, Rewards, Total Rewards, Motivation, Motivational Theories, Millennials, Generation Z, Cohorts, Generational Characteristics.

1. Introduction

The aim of this research study is to investigate the effectiveness of rewards as a workplace motivational tool for the two generational cohorts; Millennials and Generation Z. Within this dissertation the researcher focused on Millennial and Generation Z employees working in head offices and stores across the retail industry. This study used a mix method approach, by implementing a quantitative web-based survey and a qualitative semi-structured interview. The study reached a sample size of 165 participants between both age cohorts. Of the sample reached, 49.09% of those were within the Generation Z age cohort and 50.91% of those were within the Millennial age cohort. The research study will be based on the literature review, focusing on the most recent academic journals. The literature review helped form and frame the survey questionnaire and semi-structured interview, while also putting the overall research project into context. The findings from the survey and interview are discussed in accordance with the research objectives and are supported by literature found in chapter two. The research hypothesis is outlined within the study. Surprising statistics came out of this study whereby the researcher was pleasantly surprised. Lastly, the study provides a conclusion and further recommendations.

The chapter will begin by providing a brief background of the study, specifically to do with the topic of rewards, motivation and the two generational cohorts. It will underline the statement problem of this study. It will also outline the aims, objectives and the research question that the research study will answer. Lastly, the researcher has outlined the research studies purpose, significance and research gap.

Background of the Study

According to (ManpowerGroup, 2016) this year in 2020 Millennials make up for 35% of the global workforce, while Generation Z make up for 24%. Therefore, given the current statistics, it can be inferred that more than half of the entire workforce population across the globe consists of Millennials and Generation Z. Due to the ever-changing trends within the global market a motivated workforce is at the core of an organisation's success (Bertelsen, 2012). However, across a wide range of organisations, HR practitioners are faced with the difficulty of keeping their youngest workforce happy and motivated at work (Hafiza, Shah and Jamsheed, 2011). According to (Hansen et al., 2012) the motivation of Millennials and Generation Z has become a major concern for a number of organisations. A number of studies within the literature show that there is a significant relationship between reward and employee motivation (Sims and Sauser, 2011). However, HR seem to deal with the difficult job of determining which kind of motivational rewards their employees desire (Sims and Sauser, 2012). Numerous theorists have developed motivational theories in attempt to assist organisations on how to best motivate their employees. Behavioural theorists such as Herzberg has criticised the importance of intrinsic rewards as a motivator. Further claiming that in fact extrinsic rewards act as a demotivator (Harunavamwe and Kanengoni, 2013). Herzberg stresses the importance of intrinsic rewards such as recognition and feedback for employee motivation (Berl and Williamson, 2009).

Millennials and Generation Z have been known in research to give their maximum efforts when they believe these efforts will be rewarded by their employers (Hafiza et al., 2011). Rewards can be extrinsic or intrinsic, extrinsic rewards are tangible rewards which include pay/salary, promotions and bonuses. Intrinsic rewards are intangible rewards which include recognition, performance and development and job autonomy (Armstrong, 2010). As HR are an essential asset to an organisation, it is important that they understand the needs and desires of their youngest employees (Panait, 2020). Literature claims that a motivated workplace will increase job performance and organizational success (Shultz, 2014). According to (Sims and Sauser, 2012) Millennials and Generation Z have experienced a number of technological, economic, cultural and historic changes. All of these changes have shaped their attitudes, values and personal preferences. Both generational cohorts are bringing their distinct perspectives into the workplace, where at times can challenge organisations. (Sims and Sauser, 2012) further explain that the only way organisations can bring out the best in their employees and keep them motivated is by understanding their generational characteristics and reward preferences.

Research Gap

A wide range of literature has been carried out on the impact of reward on employee motivation, however there is very little research carried out on the impact of reward on the motivation of Millennials and Generation Z. This research study aims to fill this gap.

Purpose of the Research Study

The primary purpose of this research study is to gain a clearer understanding into the effectiveness of rewards as a workplace motivational tool for Millennials and Generation Z. This research study aims to assists organisations in understanding what rewards best motivate

their youngest workforce. Furthermore, it aims to promote more study and discussion within this area.

Significance of the Study

This study plays a significant role in research, as firstly it provides information for employers whose workforce is made up of mainly young employees. This study allows employers to understand the importance of motivation and identify what motivates their employees. Secondly, this study provides future researchers with data, and discussion about the two generational cohorts, Millennials and Generation Z. This study will be made available to future researchers in understanding the significant role rewards play in motivating the two cohorts. Furthermore, this study will inform any individual who wishes to achieve an additional understanding of the topic or to an individual who is considering writing on this topic in the future.

Research Question

Do rewards motivate Millennials and Generation Z?

Research Aim and Objectives

The primary aim of this research study is to investigate the effectiveness of rewards as a workplace motivational tool for Millennials and Generation Z.

The primary objectives of this research study are to:

1. To investigate whether Millennials and Generation Z understand the concept of Total Rewards.

2.To determine which kind of motivational rewards Millennials and Generation Z desire.

3.To investigate the effectiveness of extrinsic and intrinsic rewards on the motivation of Millennials and Generation Z.

4. To determine if Millennials and Generation Z are motivated by intrinsic rewards.

2. Literature Review

Introduction

This literature focuses on the effectiveness of rewards as a workplace motivational tool for Millennials and Generation Z. According to (Saunders, Lewis and Thonhill, 2010) a literature review explores the research that has already been carried out on a specific topic. It aims to provide a foundational base for the research study, in order to add context to the overall study. Firstly, the relevant literature will provide a review of the different types of intrinsic and extrinsic rewards, along with exploring the impact of such on-employee motivation. Following this, it will look closer into the aspect of Motivation, exploring both Maslow's and Herzberg's content theories of motivation. Lastly it will aim to provide a classification and characterization of the two generational cohorts while also exploring their desirable motivational rewards.

Rewards

Defining Rewards

Rewards can be defined as various strategies, policies and processes that are needed in every company to ensure that their employees' values and efforts are recognised and rewarded (Armstrong, 2010). Similar definitions of rewards are seen in later research whereby (Fanggidae, Nursiani and Bengngu, 2019) describes an reward as a reciprocity given to an employee by its employer when they have completed their assigned work tasks. Furthermore, (Jiang, 2009) has stated that rewards are set out to motivate and compensate employees for their performance and service. Similarly, (Rose, 2014) highlights how rewards can be financially valuable related elements that employees receive in a company. This suggests such rewards are an extrinsic incentive given to employees in a company (Taylor, 2015).

However, (Graham and Manus, 2002) cited in (Fanggidae, Nursiani and Bengngu, 2019) notes how although rewards can provide extrinsic benefits, rewards can also provide an intrinsic motivation such as the learning and development within the work itself. Furthermore, (Armstrong, 2010) supports this view by stating that rewards are not only financial elements such as pay and bonuses but it also consists of non-financial rewards such as performance and recognition. To conclude, each employee is rewarded in the workplace, however it is not solely extrinsically based. Employees can be rewarded intrinsically too, for example a sense of achievement one feels after completing a work task can be also be considered as a reward (Fanggidae, Nursiani and Bengngu, 2019).

Intrinsic and Extrinsic Rewards and their impact on Motivation

There are a variety of reward classifications used in literature to date. Such as, financial and non- financial, monetary and non-monetary and intrinsic and extrinsic rewards (Armstrong, 2010). Based on this, classifications of both intrinsic and extrinsic rewards outlined by (Safilluah,2014) are used for the purpose of this study. Extrinsic rewards are tangible rewards which an employee receives from their employer, which includes pay, bonuses, benefits and flexible working hours (Mahaney and Lederer, 2006). However, intrinsic rewards are intangible rewards, which stem from the job itself. These can include performance and recognition, training and development, performance appraisals and relationships with co-workers (Hur, 2018). (Robbins et al., 2003) highlights how pay which is an extrinsic reward is crucial motivators for employees as they are given the opportunity to buy items that they both need and desire. However, behavioural theorists such as Herzberg tend to reject the importance of money as a motivator (Harunavamwe and Kanengoni, 2013). (Armstrong, 2007) further explains that employees do work so that they can be rewarded extrinsically, however they work even more to feel valued and gain a sense of meaning in their lives.

(Kovach, 2000) carried out a study and found that when an employee's salary increases, money becomes more of a demotivator. (Robbins and Decenzo, 2002) goes further on this point by stating that what an employee considers interesting and meaningful becomes more of a motivator when an employee grows older. (McGovern,2020) finally notes that most employers tend to focus on motivating their employees by implementing extrinsic rewards, although literature suggests, intrinsic rewards are considered just as important. Based on the research, there are mixed reviews on whether extrinsic rewards have a positive or negative motivational impact on employees. Therefore this research aims to address such questions whereby an empirical study is utilised. Figure 1 displays the different elements of intrinsic and extrinsic rewards that exist in the workplace.

Elements of Extrinsic and Intrinsic Rewards

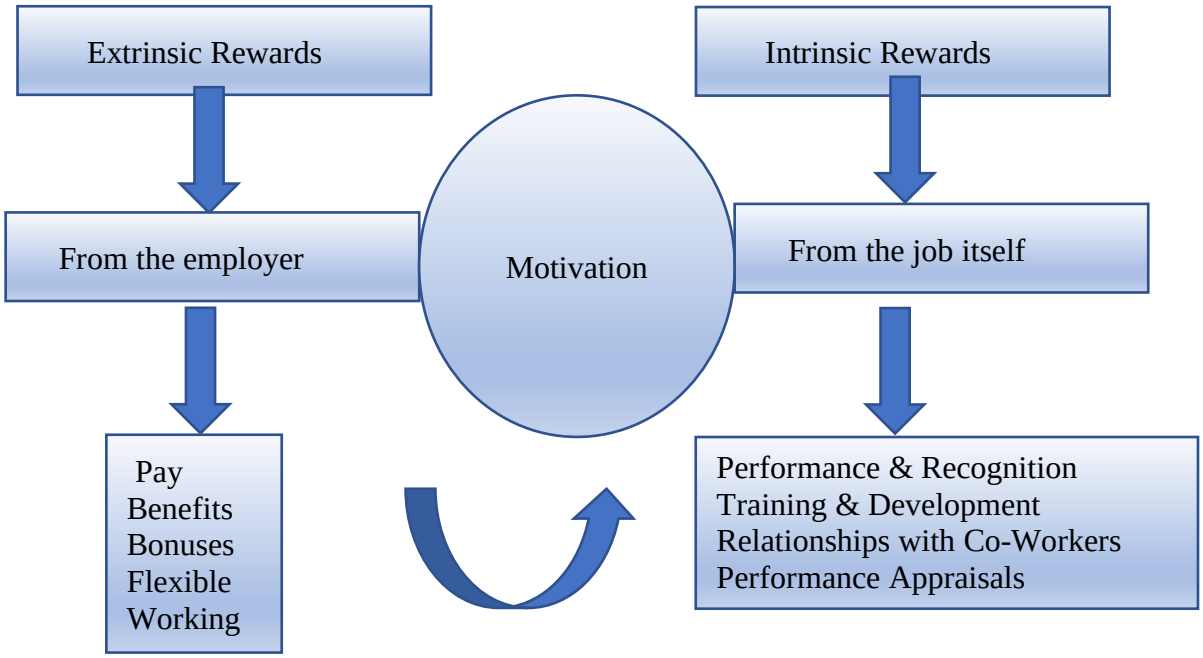


Figure 1: Adapted from (McGovern, 2020)

Employee Motivation

Defining Motivation

According to (Shields, 2007) the phrase motivation comes from the Latin term *movere* which means to move. It can be described as a spring of task behavior and work effort, which comes down to an individual's eagerness to undertake these efforts. Furthermore, (Nabi et al., 2017) refers to motivation as the eagerness to accomplish goals, which comes from goal directed attitudes and behaviors. Whereas, (Ganta, 2014) states that motivation originates from the interaction of a set of two influences, conscious and unconscious. These influences comprise of the desire of need, reward value of the goal, expectations of the individual and expectations of his or her peers. Moreover, (Broussard and Garrison 2004) defines motivation as a push that gets us to do or not to do something. Similarly, this can be also known as two forces of motivation, 'push' and 'pull'. These forces are controlled to energize, direct and sustain behavior. 'Push' forces are internal, and they originate from the individual, while 'pull' forces are external, which stem from an individual's environmental background (Hitt, Black and Porter, 2009).

To conclude, there are a number of different definitions for motivation as highlighted above. A reason for no such shared meaning of the term, can be due to the fact that motivational factors caused by individual changes are constantly shifting. For example, as an individual grows older, their motivations may change (Podmoroff, 2005).

Motivational Theories

A number of theorists have formed various motivational theories in attempt to assist organisations on how to best motivate their employees. Two theorists discussed in the body of the research include Herzberg’s Two-Factor Theory (1959) and Maslow’s Hierarchy of

Needs Theory (1987) content theories. Content theories explore how behaviors begin (Berl and Williamson, 2000). The purpose of these theories is to support employers in achieving cost effective behaviors from their employees, which will therefore align with organisational goals (Shultz, 2014). Furthermore, (Baah and Amoako, 2011) state that motivational theories try to justify and explain why individuals behave in a certain way. According to (Shields, 2007) Herzberg's Two Factor theory illustrates how rewards and recognition can place an impact on an employee's motivation. This model expresses the importance of intrinsic rewards. Herzberg's theory highlights that although pay may be an important motivational factor, intrinsic factors can also be great motivators for employees (Shields, 2007) Whereas, in Maslow's theory, individuals are motivated when their most fundamental basic needs are satisfied first at the bottom. He further claims that after satisfying their most basic needs, they then move upward to satisfy their other needs (Pierre, 2015).

Maslow's Hierarchy of Needs Theory

Maslow theorized that individuals have five classifications of needs which act as motivators. These include psychological needs, safety and security needs, social and belongingness needs, self-esteem needs and self-actualization needs (Ghatak and Singh, 2019). Maslow based these classifications in a hierarchal form. The hierarchy begins with psychological needs and moves upward to more complex needs of self-actualization (Sadri and Bowen, 2011). Psychological needs include food, water, sleep and other needs in the workplace such as pay. After these needs are satisfied an individual then moves up to satisfy their safety needs. These include stability, job security and benefits. Social needs are third within the hierarchy, which include love, belonginess and relationships with co-workers. This is then followed by esteem needs, whereby individuals seek achievement, recognition and promotion in the workplace. Self-actualization needs are located at the top of the hierarchy, this is where individuals desire to use their skills and ability to their full potential (Podmoroff, 2005).

(Ehiobuche, 2013) critiques Maslow's theory by stating that it is easy to comprehend and straightforward. Motivation stems from a number of different needs, starting from the bottom up. Maslow's theory goes by the idea that individuals will not feel motivated until they satisfy a lower need before moving up to higher-level needs (Sadri and Bowen, 2011). Contrastingly (Haque et al., 2014) disagrees and states that needs do not need to be arranged in such a hierarchal form, needs tend to change in order of importance depending on the individual's stage of life. Once one need is satisfied, the next one up is not essentially the most important (Haque et al., 2014). (Salanova & Kirmanen, 2010) cited in (Haque et al., 2014) further critiques Maslow's theory by explaining that an individual can be relatively satisfied with one level of need and still wish to pursue satisfaction at the next level up.

Based on the above, Maslow's theory is sufficient in the sense that it is clear an employee is motivated to satisfy their most basic psychological needs first such as getting paid so that they can buy food and pay their bills (Pierre,2015). (Mathe, Pavie and O'Keeffe, 2012) further highlights that the determination employees have to satisfy a need is what creates motivation, however once that need is satisfied then it no longer acts as a motivator. This explains why employees are then motivated to move upward and satisfy other needs such as recognition and opportunities for growth & advancement. Figure 2. Below illustrates Maslow's Hierarchy of Needs Model starting from psychological needs up to self-actualization needs.

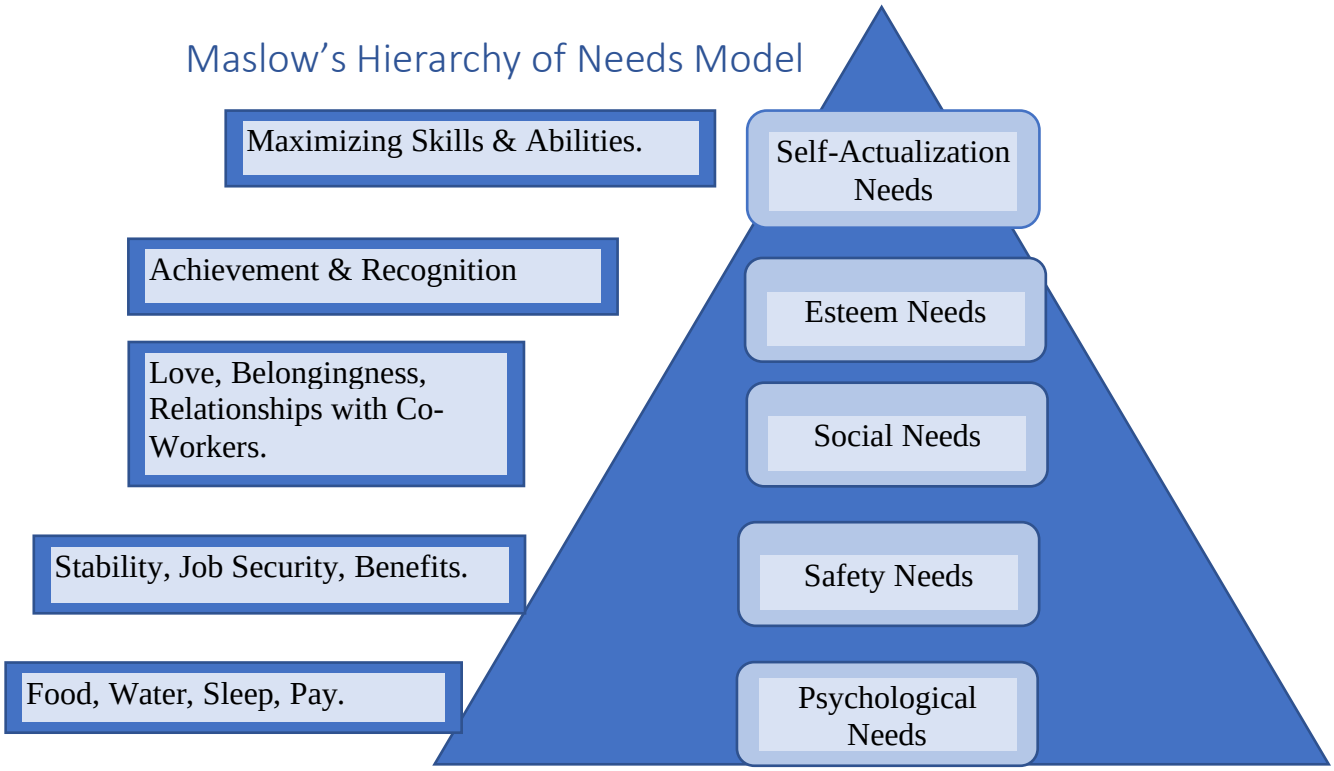


Figure 2: Adapted from (Kotler and Keller, 2006)

Herzberg's Two-Factor Theory

Herzberg's theory is based on the idea that a work environment consists of hygiene and motivational factors (Hur, 2018). Hygiene factors are extrinsic, which are not directly linked to the job itself, but involves the things that surround the job. This can include pay, workplace conditions, job security, employment status and benefits (Berl and Williamson, 2009). These factors correlate with Maslow's physiological and safety needs. Herzberg's theory states that hygiene factors act as demotivators. If these factors are inexistence in the workplace, it produces employee dissatisfaction (Baah, 2011). Furthermore, (Udechukwu, 2009) argues that this dissatisfaction results in the employees feeling negative emotions which in turn hinders an employee's motivation. In accordance with this (Gibson et al., 2000) suggest that if these factors are existent in the workplace then it still does not primarily lead to employee motivation. A study by (Huling, 2003**)** showed that hygiene factors are not

directly linked to motivation but are still needed to prevent dissatisfaction and nevertheless support in building a starting point for motivation.

Intrinsic motivational factors include the job itself, whereby employees gain a sense of achievement, recognition and responsibility from the work. If these factors are not satisfied it does not produce any dissatisfaction (Berl and Williamson, 2009). When employees are practicing intrinsic factors in the workplace, it produces positive emotions and employees are motivated (Udechukwu, 2009). Herzberg's motivational factors correlate with Maslow's esteem and self-actualization needs. An important aspect of Herzberg theory is that both hygiene and motivational factors are placed at the opposite ends of two separate dimensions (Jaworski et al., 2018) cited in (Ann and Blum, 2020). The opposite of job satisfaction is not job dissatisfaction but rather no job satisfaction. Moreover, the opposite of job dissatisfaction is not job satisfaction but rather no job dissatisfaction (Ann and Blum, 2020). Based on such, this research study is going to use Herzberg's-Two Factor theory to test if Millennials and Generation Z are motivated by intrinsic factors in the workforce. Herzberg's theory is best explained below in figure 3.

Herzberg's Two Factor Theory Model

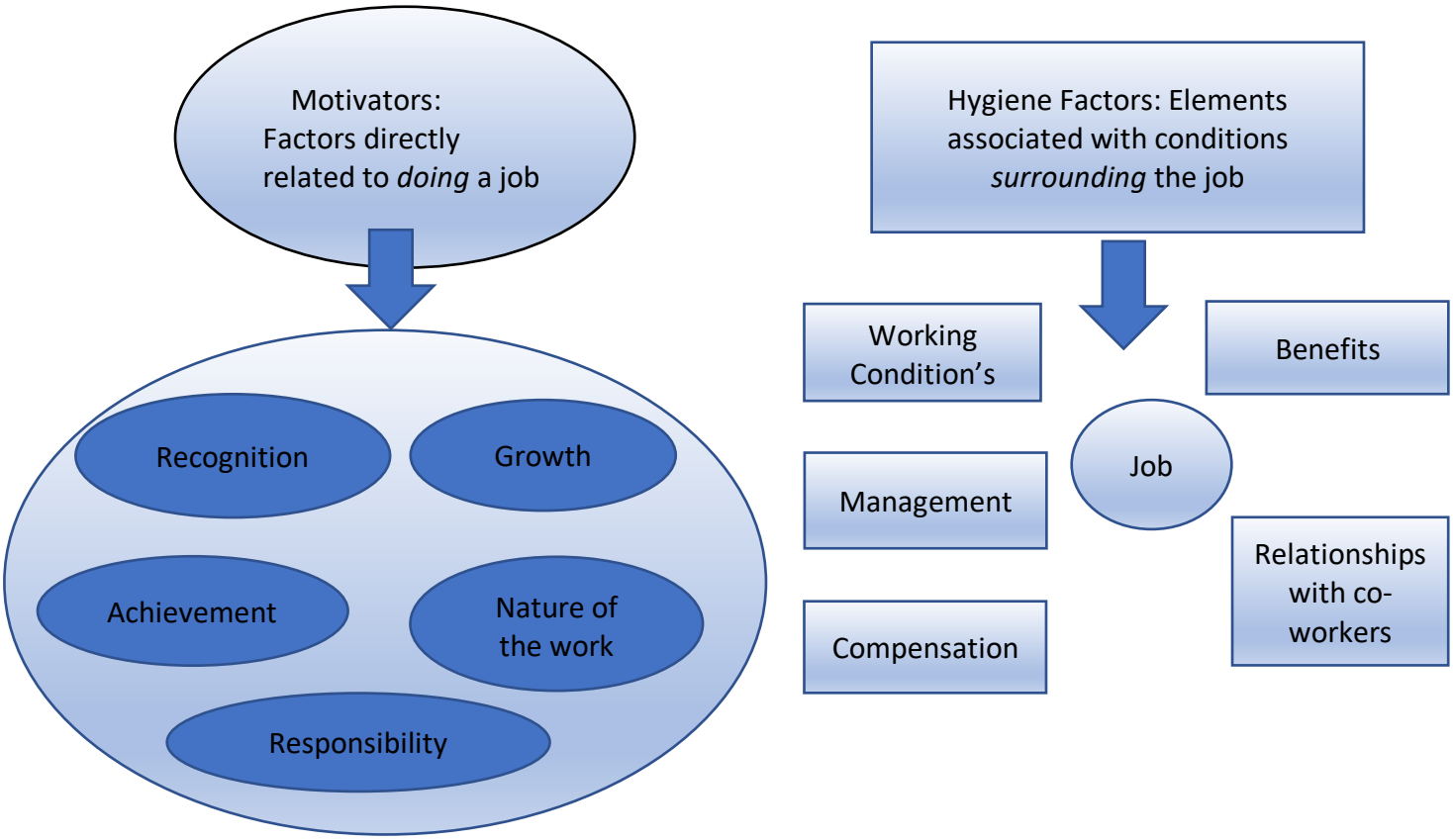


Figure 3: Adapted from (McGovern, 2020)

Total Rewards

Defining Total Rewards

(Manus and Graham, 2003) define the concept of total reward as all of the different types of rewards that exist in the workplace. These include extrinsic as well intrinsic rewards. Moreover, (Kantor and Kao, 2004) state that total rewards are all the rewards an employee receives from working in a company. Furthermore, (Worldatwork, 2000) describes total rewards are all of the necessary tools that employers can use to attract, retain, and motivate employees. (Vartianinen et al,. 2008) cited in (Rose, 2014) defines rewards as all the intrinsic, extrinsic and psychological payments that an employer gives to its employees in

return for the work they do. Total reward is an effective reward system that offers a mix of extrinsic and intrinsic rewards to employees which tends to be the most effective way of motivating employees (BPP Learning, 2013). (Armstrong and Cummins, 2011) state that total rewards is a reward management approach that acknowledges the need to think about all the elements of workplace rewards. From the above literature, rewards include all of the incentives offered to an employee in the workplace. Figure 4 displays the different elements that make up a total rewards model.

A Total Reward Model

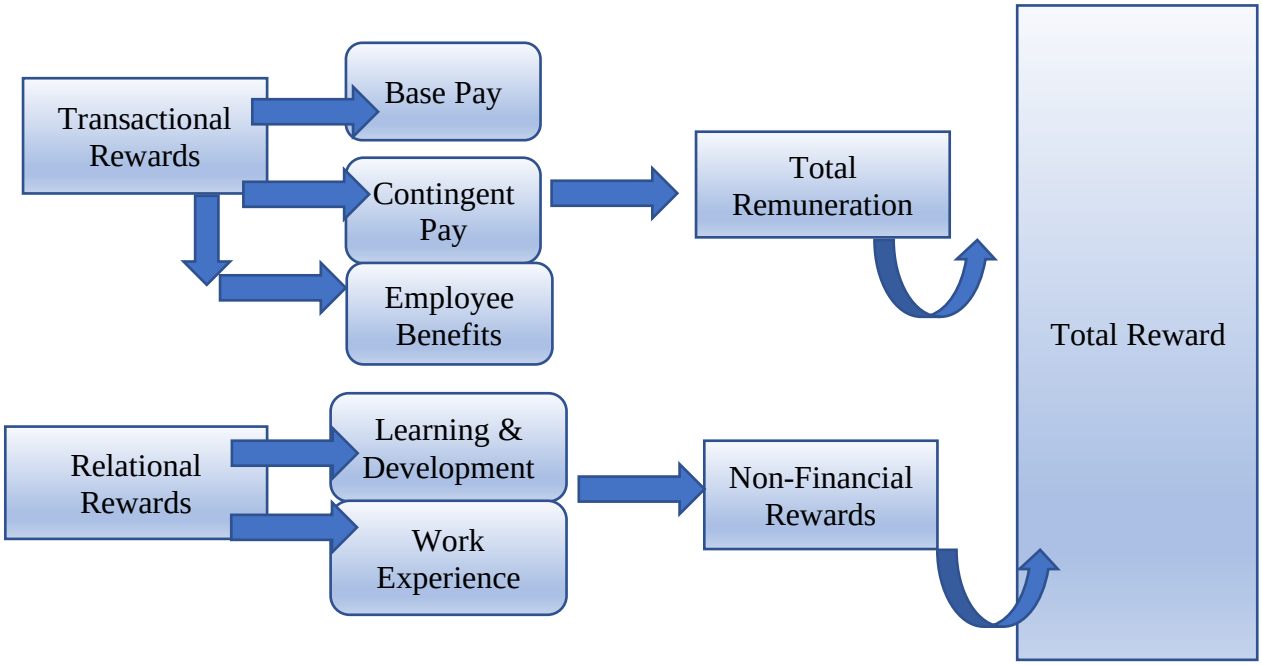


Figure 4: Adapted from (Armstrong and Brown, 2010)

Elements of Total Rewards

As illustrated in (Armstrong & Brown, 2006) the combination of transactional (extrinsic) and relational (intrinsic) rewards together to form a total reward model. Their model is similar to (Worlatwork, 2007) model however instead of including "performance and recognition" in their model they used the term "the work experience" as an element of total rewards. As seen in figure 1 transactional rewards are extrinsic rewards which include base pay, contingent pay and benefits. Base pay includes the salary that an employee receives regularly (Sen,2019). Whereas contingent pay includes a form of bonus. In comparison to a salary, which includes a fixed cost, contingent pay may or may not be paid (Rose, 2014). Employee benefits include tangible incentives such as health insurance, company cars, paid holidays and so on. Relational rewards are intrinsic rewards which include learning and development, performance & recognition, and the work experience.

Benefits of Total Rewards

According to (Sen, 2019) by combining the different types of rewards in totality, it leaves a greater and longer lasting impact on the motivation of Millennials and Generation Z. A total rewards approach creates a positive employment relationship between Millennials, Generation Z and the company. As the combination of relational and transactional rewards will attract and engage them both (Worlatwork, 2007). This in turn will lead them to perceive the company in a positive way (Kastrati, 2014). Relational, in other words intrinsic rewards assist in providing a positive psychological contract (Gross, Bundy and Johnston, 2011). The organisation can build their employer brand and become and a wonderful place to work by attracting, retaining and motivating Millennials and Generation Z (Sen, 2019). (Pregnolato, Bussin and Schlechter, 2017) suggest that relational rewards can also attract Millennials and

Generation Z employees more strongly to the company because they can satisfy their individual needs.

Understanding the concept of Total Rewards

Every year employers spend a substantial amount of money on their total rewards. Yet, many employees today do not understand the concept of total rewards and what the program consists of (Rogers and Marcotte, 2010). What's more, many companies are losing out on great talent of their youngest workforce to other better paying companies because employees purely do not understand the total rewards they are receiving (Lettink, 2019). According to (Puck, 2019) irrespective of the current rewards the company has in place, it will not effectively motivate Millennial and Generation Z employees unless the employer ongoingly communicate and explain what their total rewards package is about and what it consists of. (Perkins, 2011) stresses the need of a greater understanding of total reward for better relationships between employees and management. In addition, it is also important for management to think about the dynamic exchange process with the involvement of employers and employees, rather than implementing and designing a total reward package alone (Perkins, 2011).

Total rewards consist of a number of elements which is discussed within the literature. However, if not communicated effectively, it can lead to some confusion amongst Millennial and Generation Z employees (Bussin, Mohamed-Padayachee and Serumaga-Zake, 2019). To ensure that employees understand the concept of total rewards employers must first and foremost set a clear definition for itself (Bussin, Mohamed-Padayachee and Serumaga-Zake, 2019). A study by Sanlam UK 2008 found that amongst their employees there was a lack of understanding around total reward, due to managements' difficulty with quantifying and explaining the concept (Gross, Bundy and Johnston, 2011). This lack of understanding is

further expressed in an employee benefits communication survey, whereby it found that 65% of UK employees had a low or very low understanding of total rewards (Calnan, 2015). Similar to this, Charlton Consulting Group conducted a survey amongst 128 companies and found that only 5% of employees fully understood their total reward packages. Further research found that, more than one third of the companies expressed that their employees do not understand the value of their total reward packages (Black, 2007).

Millennials and Generation Z

Generation

A generation can be specified as a group of people who were born and came of age together throughout generally a twenty-year history period (Sims and Sauser, 2012). A generation, which can also be classified as a cohort, shares a common identity which was formed by collective life stages (Hoole and Bonnema, 2015) cited in (Heyns and Kerr, 2018). Furthermore, (Arslan and Polat, 2016) cited in (Akar, 2020) describes the term generation as a group of people of similar age groups who share mutual experiences. Previous research state there are no specific birth years for each of the different generational cohorts. However, they are a set of four generational groups which are classified as Baby Boomers, Millennials or Generation Y, Generation Z and Generation X (Wong et al., 2008) cited in (Heyns and Kerr, 2018). For this research study, the two generational cohorts explored are; Millennials and Generation Z.

Classification of Millennials

There are a number of differences in the classification of Millennials and Generation Z age cohorts. According to (Lila, 2020) Millennials are born between the years 1980-1995. Although (Sponaugle, 2019) suggests that Millennials are born between the years 1981-

1996. This research study will classify Millennials as those born between the years 1980-1994, which makes them between the ages of 25-40 (Bencsik et al., 2016).

Classification of Generation Z

Similar to Millennials, there are also a number of differences in the classification of Generation Z age cohort. According to (Dwivedula et al., 2019) Generation Z are born between the mid 1990's to mid 2000's. By contrast (Schroth, 2019) classify Generation Z as those born between the years 1994 -2010. Moreover, (Bernier, 2015) state that they are born between the years 1996 -2010. However, this research study will classify Generation Z as those born between the years 1995-2010, making them between the ages of 9 -24 in 2020 (Bencsik, et al., 2016).

Generational Characteristics

Characteristics of Millennials

Millennials grew up during a time where there were significant economic, cultural, technological and historical changes. These changes have shaped their work preferences, attitudes, values, social interaction styles and their personal desires (Sauser and Sims, 2012). Moreover, Millennials are different to any other younger generation to date, they are more affluent, educated and multi-ethnic (Howe and Strauss, 2000). Similarly, (Eisner, 2005) characterizes Millennials as knowledgeable, experienced beyond their time, sociable, technologically innovative, skillful multitaskers and hardworking. With (Burges, 2011) further stating that Millennials are technologically savvy and hyper-connected through social media, texting and other mobile devices. Technology is a huge part of their lives, they desire to communicate by text through their mobile phones (Ballone, 2007) instead of having phone or face to face chats (Glass, 2017) cited in (Heyns and Kerr, 2018).

Millennials focus heavily on teamwork and achievement (Howe and Strauss, 2000), this viewpoint is supported by (Williams, Beard and Tanner, 2011) highlighting their cooperative efforts of working in teams and achieving their goals. However, Millennials acquire a lot of trust and independence which can sometimes portray them as arrogant and too entitled by wanting to accomplish too much too soon (Williams, Beard and Tanner, 2011). (Ng et al., 2010) further characterizes them as snobby and narcissistic. (Scroth, 2019) supports this claim that all generational cohorts are narcissistic, however has noted that narcissism is more associated with the younger generations, but it does lessen as they gain more life experiences.

Characteristics of Generation Z

(Friedrich et al., 2010) cited in (Fratričová and Kirchmayer, 2018) characterises Generation Z as the "digital natives" even more so than Millennials (Jones, Chauhan and Torabian, 2019). Highlighting that technology has been built into their lives since their early years. According to (Robert Half, 2015) Generation Z are different to any other generation to date, they are truly the first "global generation". In contrast, (Wood, 2013) state that Generation Z share similar characteristics with Millennials, specifically to do with how well they can adapt to the latest technologies. Generation Z are great multi-taskers, they are capable of working on a number of tasks at the same time (Jones, Chauhan and Torabian, 2019), however they are easily distracted (Addor, 2011).

(Lyon, 2010) cited in (Addor, 2011) state that Generation Z are able to process large amounts of information. They have a lot of self-confidence and hold a very optimistic outlook on their future careers. They incline to have a sense of entrepreneurial ship. Contrastingly, according to (Christensen, Wilson and Edelman, 2018) Generation Z express low levels of optimism. (Stuckey, 2016) supports (Addor, 2011) view by further explaining that Generation Z have an

entrepreneurial spirt and are strongminded about making their own way up in the world. This research also highlights how they are a unique and diverse cohort.

Generation Z grew up during a recessionary period and an era of increased globalization, which leaves them a lot more economically and financially cautious (Stuckey, 2016). In comparison to Millennials, as per (Adecco, 2015) Generation Z prefer to work independently, they incline to act reluctantly when it comes to working in teams. (Myers and Evert, 2019) explain that Generation Z are more conscious about money than Millennials, he also states that they are less educated and less focused. (Tulgan, 2013) further explains that this is led by growing up working in a virtual environment, where they are used to communicating and working by themselves behind a computer screen. To conclude, it is important to note that Generation Z are still going through the course of education, therefore it is likely that some new generational characteristic will develop as they begin to move into the workforce.

Motivational Rewards for Millennials in the Workplace

(Twenge, Campbell & Freeman, 2012) found that Millennials value extrinsic rewards such as (pay, benefits and bonuses) over intrinsic rewards (decision-making, work-autonomy, recognition). Similarly, (Sauser and Sims, 2012) discovered that Millennials desire extrinsic rewards at work and perhaps seek intrinsic rewards outside of work, in their personal lives. (Deal et al., 2012) state that extrinsic rewards are confounded with age, length of employment and career success. Further explaining that Millennials are more motivated by extrinsic rewards, however as they climb up the career ladder, they become more motivated by intrinsic rewards. (De Lange et al., 2011) cited in (Heyns and Kerr, 2018) supports this viewpoint, stating that intrinsic motivation increases with age.

(Ng et al., 2010) cited in (Bussin et al., 2019) found that Millennials and Generation Z want it all and want it now in terms of pay and benefits. A study by (Bussin et al., 2019) expressed that these two generations are not unrealistic about how much they can earn, but they are very much so aware that their educational qualifications and experience can impact their earning potential. In contrast, (Alexander and Sysko, 2013) and (Rajput et al., 2013) cited in (Dick, 2019) found that the motivational rewards Millennials seek are not always monetary based, they desire intrinsic rewards too such as knowing their employer sees their work as important and meaningful.

Millennials prioritize success, career and money the most because in the current consumer society, they have been brought up thinking that it is their only advancement (Tari, 2010) cited in (Andrea et al., 2016). Money and success are their top workplace motivational tools (Andrea et al., 2016). Whereas, (Henderson, 2012) cited in (Calk and Patrick, 2017) found that Millennials tend to prioritize intrinsic rewards such as recognition and job satisfaction and rate a positive workplace setting over money. (Adams, 2012) cited in (Akar, 2020) further explains that millennials need intrinsic rewards just as much as they need extrinsic rewards.

To conclude, Millennials may desire extrinsic rewards because they grew up in a prestigious society, therefore they are conscious about their social status and money may act as a motivational tool for them to fit into a specific status (Tari, 2010). (Mitchell, 2016**)** further explains that money acts as a motivational tool for Millennials because they are in a high cost-stage of life where they are looking to buy homes and start families. Whereas growth, development and advancement will be more motivating to those who are in a career building stage (Deal et al., 2012). It is also suggested that factors such as age, employment status and

length of employment may play a part in determining whether millennials are intrinsically motivated.

Motivational Rewards for Generation Z in the Workplace

According to (Berge and berge, 2018) Generation Z are motivated by intrinsic rewards such as career advancement and flexible working. (Iorgulescu, 2016) supports this view highlighting their motivations for growth & development and job security. In contrast, (Stuckey, 2016) found that extrinsic rewards such as pay is top of their priority list, followed by flexible working. (Schwabel, 2014) found that the three top motivators for Generation Z was a mix of both intrinsic and extrinsic rewards such as advancement, more pay and meaningful work. (Gurchiek, 2016) carried out a research study and found that Generation Z desire social rewards mentorship and feedback programs over financial rewards. Similarly, as per (Mitchell, 2016) Generation Z seek career advancements more so than being highly paid. Furthermore, (Lanier, 2017) found that learning & development and advancements were more desirable to Generation Z than financial perks. On another note, it may a case that Generation Z value extrinsic rewards and job security more so after witnessing the long-term negative impact of the recession (Stuckey, 2016).

Millennials and Generation Z want to be employed in their dream position straight away rather than working their way up from entry level (Akkucuk and Turan, 2016) and (Kong, Wang, and Fu, 2015) cited in (Dick, 2019). Therefore, they seek constant feedback, support and recognition from management while also sustaining their job autonomy (Latkovikj, Popovska and Popovski, 2016) and (Vanmeter et al., 2013) cited in (Dick, 2019). (Dick, 2019) further explains that both generational groups value workplace empowerment & autonomy and despise being micro-managed by their employers. Finally, to conclude, both generational groups may value extrinsic rewards more so because given their entrepreneurial

characterization they desire to be financially independent, which corresponds with the findings of (Garnitz, 2019). It may also attribute to the likelihood that both generations might face some financial challenges such as student loan debt and high rental costs (Garnitz, 2019).

Research Hypothesis

H1: Millennials and Generation Z value extrinsic rewards over intrinsic rewards.

H2: Millennials and Generation Z understand the concept of Total Rewards

H3: Pay is ranked the most desirable motivational reward for Millennials and Generation Z.

H4: Millennials and Generation Z are motivated by intrinsic rewards.

Conclusion

Through the literature review, the research study was put into overall context by defining rewards, total rewards, motivation and the two generational cohorts; Millennial and Generation Z. Despite the high volume of research surrounding the topic of rewards and motivation, there is still little research carried out on what motivates Generation Z. However, Generation Z is still an emerging group therefore literature is limited in scope. The literature highlighted the importance of Maslow's and Herzberg's motivational theories in attempt to assist organisations on how to best motivate both their employees (Berl and Williamson, 2000). Furthermore, motivational theories try to justify and explain why individuals behave in a certain way (Baah and Amoako, 2011). Insights into how to best motivate Millennials and Generation Z was provided by discussing their various workplace characteristics. From the above, it is clear that both generational groups have similar characteristics, which implies that both generations may possibly be driven by the same motivational rewards (Durkin, 2011). It is evident within the literature, that many companies are losing out on great talent of their youngest generational workforce to other better paying companies because employees

purely do not understand the total rewards they are receiving (Lettink, 2019). The following chapter will discuss the research objectives and the methodology used in this study, in order to achieve the above research hypothesis.

3. Methodology

Introduction

This chapter will look at the methodologies that the researcher will use in order to investigate the effectiveness of rewards as a workplace motivational tool for Millennials and Generation Z. Methodology in research methods is the design used to carry out the study (Quinlan, 2011). It acts as the science and philosophy behind all research and it enables us to comprehend the different ways in which knowledge can be formed (Adams, Khan, Raeside, 2014). This study used a mixed-method approach. Whereby, the researcher implemented a quantitative web-based survey and a qualitative semi-structured interview. The questions in the survey and interview were relevant to the research studies overall aims and objectives, which were generated from the literature review. A revision of the literature assists with the choice, form and wording of questions. Similarly, this is particularly important when conducting a research study within the area of Human Resource Management (Adams et al, 2007).

The chapter will begin by introducing the research philosophies chosen for this study, it will then discuss the different methodologies used, the sampling process and the data analysis used. Moreover, it will outline the different research objectives and its hypothesis, along with discussing the rationale behind the chosen research methodology. Lastly, this chapter aims to discuss NCI's Ethical principles that were implemented by the researcher throughout the study. Research ethics ensures that we formulate and clarify our research process from the beginning to the end in a moral and responsible way (Saunders, Lewis and Adrian, 2006).

Philosophical Frameworks

A philosophical framework is a fundamental part of every research study (Quinlan,2011). Philosophical frameworks also referred to, research philosophies or paradigms guide and influence researchers on how to effectively carry out and manage research studies (Collis and Hussey, 2014). Positivism and interpretivism are two research philosophical frameworks highlighted in this study. The positivist framework is mainly linked to quantitative research methods while the interpretivist is generally associated with qualitive research methods (Adams, Khan, Raeside, 2014).

Positivism and Interpretivism

Research suggests that positivists view the world as having one reality in which we all belong to. It is singular and objective (Quinlan,2011). In a positivist framework, the phenomena that the researcher wishes to examine will produce credible data. The researcher chooses to work with an observable social reality and the end result of such observations produce generalizations' (Saunders, Lewis, Adrian 2006). Whereas, the interpretivist paradigm would argue that generalizability is not significantly important. They would argue that rich insights within this complex world are lost if they are to be just condensed into a chain of generalizations (Saunders, Lewis, Adrian 2006). The study is placed within a framework of positivism. It will follow a positivist philosophical approach in order to investigate the effectiveness of rewards as a workplace motivational tool for Millennials and Gen Z and to determine whether they are motivated by intrinsic rewards.

Epistemology

Epistemology looks at the study of knowledge and what we regard as knowledge (Collis and Hussey, 2014). Based on both the research aims and objectives set out by the researcher along with the association with the positivism framework, this study follows an epistemological assumption of valid knowledge.

Reliability and Validity

Reliability and Validity are two key aspects of quality control objects in research studies (Quinlan, 2011).

Reliability

Reliability consists of an instrument that is used to explain the overall consistency of a measure. A measure that creates comparable results under consistent conditions is known to have a high reliability (Neill, 2009). Realism is linked to positivism in that it adopts a scientific approach to the development of knowledge (Saunders, Lewis and Thornhill,2006). Based on the above, this study ensured reliability throughout the sampling process, by following a realist research approach. This involved producing generalizations rather than predictions (Fisher, 2004).

Validity

Validity refers to the accuracy of your measurement. In other words, it ensures that the researcher is measuring what they are supposed to measure (Adams, 2007). Validity was implemented by undertaking a pilot study to pre- test the research tool and methods being carried out a larger sample. Moreover, validity was further ensured, whereby the survey and semi-structured interview questions were generated based on the research objectives of the study.

Research Strategy

Due to this study following the positivist framework, which is generally associated with the quantitative methods approach, the chosen research tools for this study was a survey and a semi-structured interview. A survey allows for quantitative data to be collected and analysed within Microsoft Excel. A semi-structured interview allows for more rich insights which can be transcribed via Microsoft word.

Research Instruments

The research instrument used in this study was a questionnaire and a semi-structured interview. Questionnaires are structured data gathering methods (Quinlan, 2011). Data collected from questionnaires allow for an investigation into the different research objectives outlined in this study. Whereas, semi-structured interviews allow for more rich insights and consist of open-ended questions (Saunders et al., 2009).

Questionnaires

As per the literature review, a lot of other researchers who carried out similar studies also commonly used questionnaires (Sauser and Sims, 2011). Questionnaires produce quantitative data which allow for both short and clear-cut answers. In contrast, qualitive data inclined to be a lot more complex, dense and provide open ended answers (Quinlan,2011). Furthermore, questionnaires can allow for anonymity and can therefore produce more of an honest response from participants. Further from this, they are able to reach a larger sample size. In addition, questionnaires have opportunities to be completely voluntary (Collis and Hussey, 2014). However, questionnaires can produce uncertainty over the validity of data and similarly, issues to do with sampling may arise. This can also lead to a number of concerns surrounding the design, implementation and evaluation of an online questionnaire (Wright, 2017).

Questionnaire Distribution

The questionnaires in this study will be distributed using a web-based survey. Web-based surveys allow access to a larger number of possible respondents. This can provide opportunities to produce more consistent and reliable results (Couper, 2000). Web-based surveys also allow for the data to be automatically transferred to an excel format without any further human intervention (Braunsberger, Wybenga and Gates 2007). However, (Fricker and Schonlau, 2002) have noted concerns surrounding the validity of web-based surveys and the way they are conducted.

Rationale for using Questionnaires

A web-based survey will be used due to both the ease of use along with the effectiveness of such method. Furthermore, the ease of clicking buttons as opposed to the completion of a physical survey may also allow for more respondents. Additionally, participants have the opportunity to access the web-based survey out of office hours (Thyer, 2010). This web-based technique also allows the researcher to reach their specific target group, due to the advancements of today's technologies. This also acts as a low-cost mode of survey delivery (Braunsberger, Wybenga and Gates, 2007). The responses from a web-based survey are proven to be more reliable than responses from phone surveys (Roster et al 2004). For example (Kiernan et al, 2005) found that participants from web-based surveys did not display any evidence of bias. Moreover, (Braunsberger, Wybenga and Gates, 2007) found that the privacy involved in filling out surveys without having to respond face-to-face reduces social desirability bias. Due to web-based surveys being self-administrated, this allows for very little possibility that the researcher shows bias. However, even though there is a growing number of people using the internet, there is still a sector of people who do not have access to such, or who may feel uncomfortable using the software (Thyer, 2010).

Semi-Structured Interview

In order to gain a deeper understanding into the motivations of Millennials and Generation Z the researcher conducted a set of three semi-structured, one to one interviews. A semi structured interview allows for the participants to elaborate on their views from the survey. It produces more rich insights (Saunders et al.,2009). Which in turn, allows the researcher to gain a valuable insight into their reasoning behind their desirable motivational rewards. Semi-structured interviews add more depth to the research study. They also add flexibility whereby further questions can be explored. The interview comprised of 8 questions, which emerged from the survey. It consisted of open- ended questions such as why do you think pay is an effective motivator? Due to Covid-19 and the current social distancing measures in place, the researcher will carry out the interviews on Zoom. Interviews conducted over video call are known to remove interview bias as the interviewer's physicality can be hidden and therefore it may increase the interviewees participation in the research study (Bryman et al., 2011).

Pilot Study

A pilot study is a sample study implemented prior to the main study. This is carried out in order to ensure that the data collection methods designed for the study works effectively (Quinlan, 2011). Pilot studies allow for opportunities to test both the wording of questions and the sequence and layout of surveys (Adams, Khan, Raeside, 2014). Prior to administrating the survey to both cohorts, the researcher implemented a pilot study. The pilot study involved two separate participants within the two cohorts. The purpose of the pilot study is to ensure the questionnaire is easy to comprehend for both age groups. After conducting the pilot study, both respondents stated that 6/7 of the questions were straightforward. However, they highlighted certain misspellings along with commenting on

the overall structure of survey. The pilot study allowed adjustments to be made prior to conducting the research study.

Questionnaire Design and Measures

This study will use a formal standardised survey, which will consist of seven different elements. Based on a review of the literature, the questions will be based around intrinsic and extrinsic rewards, total reward and motivation. The first four questions in the survey will involve collecting information about the respondent. Such classification questions will include age, gender, employment status and length of employment. According to (Short, 2014) classification questions in surveys assist in validating the sample. The main body of questions will consist of a standard five-point Likert scale whereby respondents will be asked to rate their level of agreement with each statement. A Likert scale is commonly used when measuring attitudes. These scales can be very practical as it not only measures the direction of attitudes, but it also measures its force of attitudes (Quinlan, 2011). The final question will consist of a rating scale in order to investigate which rewards Millennials and Generation Z find most motivational. Rating scales enables the researcher to ask participants to rate the phenomenon under investigation in order to get a gauge of their opinions (Adams, Khan, Raeside, 2014). It is a very quick and effective way to gather as much data required in order to achieve the studies aims and objectives (Collis and Hussey,2014). Within this rating scale, the respondents will be asked to rate from one to five, with one being the most important and five being the least important. A letter of consent will be attached to the survey and interview in order to outline the purpose of the study while it will also emphasize the anonymity of each respondent.

Overview of Research Objectives

A standard five-point Likert-Scale and a rating scale will be used in the survey to carry out the research objectives. In accordance with the research objectives and survey, the questions will be further explored in a semi-structured interview in order to gain more rich insights.

Research Objectives

The first objective is to investigate whether Millennials and Generation Z understand the concept of Total Reward in the workplace. Respondents will be asked to rate their level of agreement with the statement "I understand the concept of Total Reward". The second objective is to determine which kind of motivational rewards do Millennials and Generation Z desire. Respondents will be asked to rate, with regard to motivation a number of rewards in order of importance. For example, one equaled to most important and five equaled to least important. The third objective is to investigate the effectiveness of extrinsic and intrinsic rewards on the motivation of Millennials and Generation Z. Respondents will be asked to rate their level agreement with the statements "Extrinsic rewards alone would motivate me to work harder" and "I would pick extrinsic rewards over intrinsic rewards". To investigate the effectiveness of intrinsic rewards, respondents will be asked to rate their level of agreement with the statements. "Job security is more important to me than a good salary", "Flexible working hours are more important to me than salary" and lastly "Enjoyable work is more important to me than a good salary". The fourth objective is to determine if Millennials and Gen Z are motivated by intrinsic rewards. Respondents were asked to rate their level of agreement with the following statements "I find my job enjoyable" "I find my job meaningful and interesting" "Recognition from management would motivate me to work harder" and "Job autonomy and decision-making roles are rewarding to me".

Research Hypothesis

H1: Millennials and Generation Z understand the concept of Total Reward.

H2: Pay is ranked the most important motivational reward for Millennials and Generation Z.

H3: Millennials and Generation Z value extrinsic rewards over intrinsic rewards.

H4: Millennials and Generation Z are motivated by intrinsic rewards.

Sampling Process

The sampling process consists of five steps, these include the following (Malhorta, 2010).

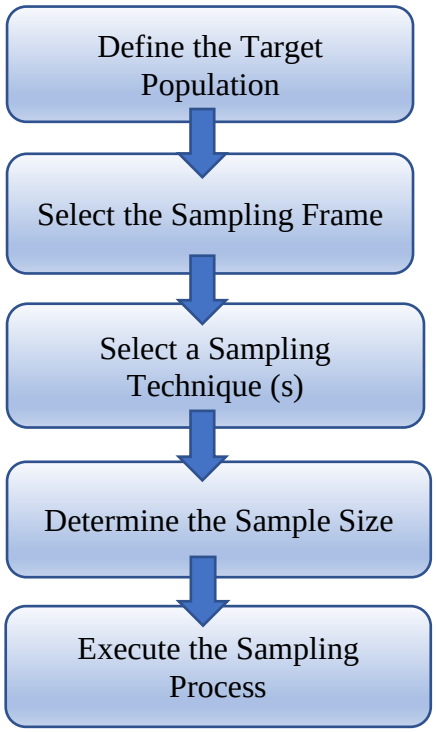


Figure 5: Adapted from (Malhorta, 2010)

Clearly Define the Target Population

The first step in the sampling process is clearly outlining the target population (Malhorta, 2010). In this study the target population includes all the working individuals who reside in the Millennial and Generation Z cohort. As per the literature review, Millennials are those born between the years 1980-1994 and Generation Z are those born between the years 1995-

2010 (Bencsik, et al., 2016). Therefore, in the year 2020, Generation Z are those aged between 9 and 24 and Millennials are those aged between 25 and 40.

Select the Sample Frame

The sample frame is a number of cases from where the sample is drawn. The sample frame must be representing the target population (Taherdoost, 2016). The sample frame in this study is a survey and a semi-structured interview. The survey will be administrated online from a well-known and very effective website called 'Survey Monkey'. The researcher will post the survey to those who reside in the Millennial and Generation Z age group via email and WhatsApp. As regards to the interview, the researcher will carry out all three interviews by Zoom. The sample frame of the survey and interview includes those respondents who have access to smart phones, laptops and internet access.

Choose a Sampling Technique

Sampling in research studies is generally used to make an interpretation about a population or to make a generalization on current existing theory. It can be split into two categories: probability sampling or non- random sampling (Taherdoost, 2016). Snowball sampling is part of the non-random sampling and it is a process where the researcher asks a few participants to encourage other participants to take part in the study, thus increasing the sample size (Quinlan, 2011). However, snowball sampling can lead to huge biases where participants are likely to find other participants who are similar to them (Saunders, Lewis and Thornhill, 2006). In this study, the researcher will use a non-random snowball sampling technique by asking its family and friends to make referrals to other potential participants in the Millennial and Generation Z age group who also work in the company.

Determine the Sample Size

Quantitative methodology approaches such as questionnaires, normally require a large sample size. According to (Collis and Hussey, 2014) a larger sample size produces more reliable, representative and accurate results. Given the timeframe, the researcher in this study hoped to reach a sample size of 90. Thanks to the snowball sampling technique and having access to family and friends of the Millennials and Generation Z age groups, the study reached a sample size of 165 respondents with a relatively even balance between Millennials and Generation Z. As regards to the semi-structured interview, due to time constraints and the current Covid-19 restrictions, the researcher can only carry out three interviews.

Executing the Sampling Process

This step involves collecting the raw data from the survey and transferring it onto an excel file format, in order to analyse the data. After conducting the semi-structured interview, the researcher will transcribe each interview into separate documents and carry out a thematic analysis.

Data Analysis

As mentioned above there are two types of data: quantitative and qualitive data. Quantitative data consists of numerical data, which comes in the form of numbers and can be converted into numerical form. Whereas, qualitative data is non-numerical. Data collection methods are used to focus on, observe and take note of observations of a specific phenomenon (Quinlan, 2011). In this study the data will be collected using the internet website 'Survey Monkey'. This then allows for the data to be automatically exported onto a Microsoft excel sheet. Using Microsoft excel, the data will be then then analyzed into pivot tables and then later constructed into pivot graphs. Pivot tables enables the researcher to group large quantities of data, the results are instantaneous and are very easy to find (John, 2010). A thematic analysis

was conducted after retrieving the interview and survey results. According to (Braun and Clarke, 2006) a thematic analysis is a very practical tool used in research, as it provides very rich, detailed and complex sets of data. Furthermore, as per (Marshall and Rossman, 2006) familiarisation is also a key part in research. Therefore, the researcher transcribed each of the interviews in separate documents in order to familiarise herself with the various themes that emerged.

Ethical Considerations

Ethics can be defined as a set of moral codes and principles that governs how an individual, group or organization behaves (Quinlan, 2011). When conducting a research project, it is vital that the researcher performs ethically. In this study, throughout the data collection process, the researcher will follow NCI's code of ethics. A code of ethics will specify an account of principles and procedures for the conduct of your research underlining what is and what is not thought to be ethical (Saunders, Lewis and Thornhill,2006). After completing the research proposal, the NCI Human Participants Ethical Review Application Form was filled out, signed and dated and submitted back to the college via a Turn-it-in link. This form outlined the methodology the researcher intended to carry out and how they were implementing such.

After distributing the questionnaire via 'Survey Monkey' and the interview questions via Zoom, each of the responses collected will be completely anonymous, voluntary and a consent letter and information sheet will be attached to the survey and interview. This will outline the purpose of the research including what their participation involves. Each individual participant will give their consent before taking part in both methods and there will be a clear opportunity to withdraw at any time (Adams, Khan and Raeside,2014). This allows for the interviews to be then recorded. In order to guarantee confidentiality, each of the

interviews will be saved to a device which will contain a password, whereby only the researcher has access to it, and it will be solely used for analytic and academic purposes only. Each of the recordings will be later destroyed. In order to ensure confidentiality, throughout the discussion of findings chapter, each participant will be given a different name.

Conclusion

To conclude this study used a positivist mix method research approach. By implementing a web-based survey and semi-structured interview. It provided realist and valid research. (Malhorta, 2010) sample process and the rationale for this study was discussed above in great detail. The NCI Ethical principals were followed at all times throughout this study.

4.Findings and Discussion

Findings

Introduction

The following chapter shows the results, based on the responses from both the Millennial and Generation Z cohort. Participants from the survey and interview were asked questions based on the topic of rewards, total rewards and motivation. The findings displayed below, are discussed in accordance with the research objectives outlined in the study and supported by literature found in chapter two. After collecting the raw data from the interviews, the researcher carried out a thematic analysis in order to identify similarities and differences in the motivations of Millennials and Generation Z. Numerous themes that emerged included the following; cost of living, social status, lifestyle, education, family commitments, commission-based environments and confidence. Other themes included, responsibility, progression, career-minded and work-life balance

Demographics

As previously stated in the methodology chapter, questionnaires allow for a larger sample size. Findings showed that 165 participants between Millennials and Generation Z age cohort took part in the study. As per the literature, Millennials are those born between the years of 1980-1994 and Generation Z are those born between the years of 1995-2010 (Bencsik et al., 2016). To ensure validity, the web-based questionnaire survey consisted of four different age groupings that participants could choose from. The age groups were as follows, 16-24, 25-40, 41-55 and 56 plus. The participants demographic information is displayed in more detail in figures 1,2, 3 and 4.

Figure 1. Age and Gender

Count **Age and Gender**

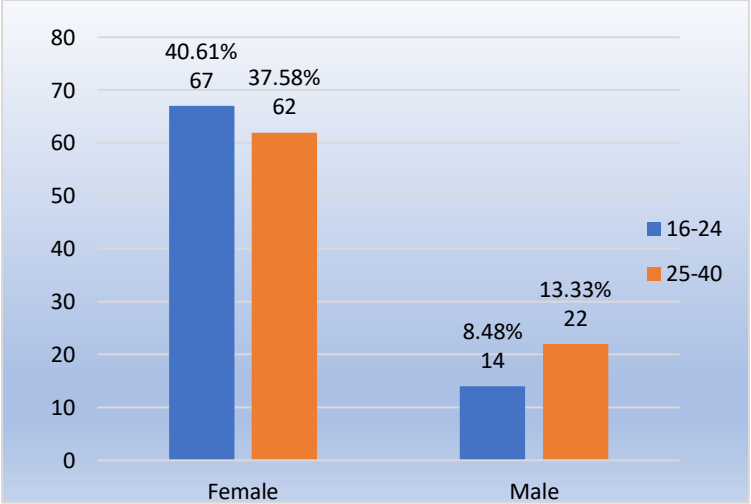


Figure 1 illustrates the age and gender range of participants. There is a relatively equal balance between both age cohorts. However, a slightly larger proportion of participants were females. The findings are similar to previous research in this area, suggesting that those working within the fashion retail industry tend to be employed by a lot more females (Chang and Travaglione, 2011).

Figure 2. Department

Count **Department**

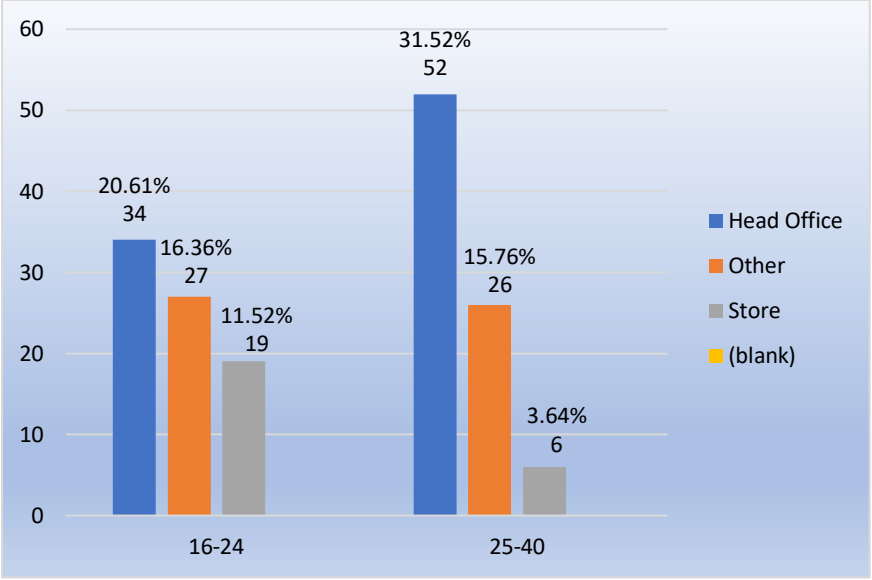
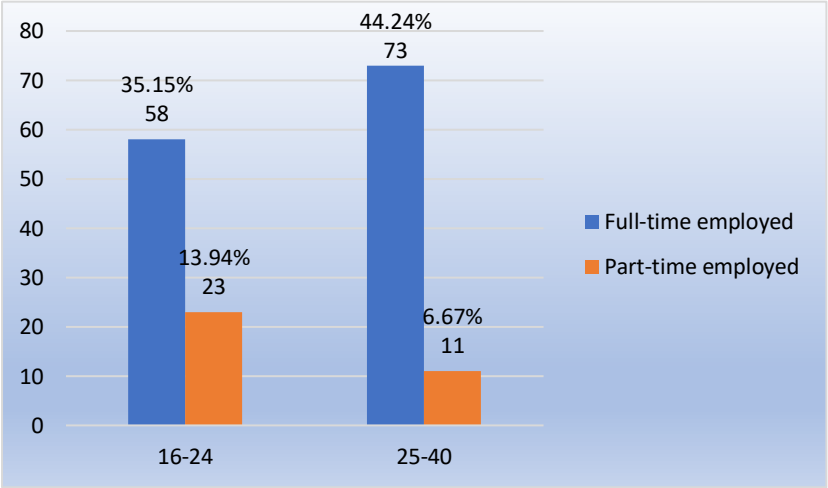


Figure 3. Employment Status

Count **Employment Status**

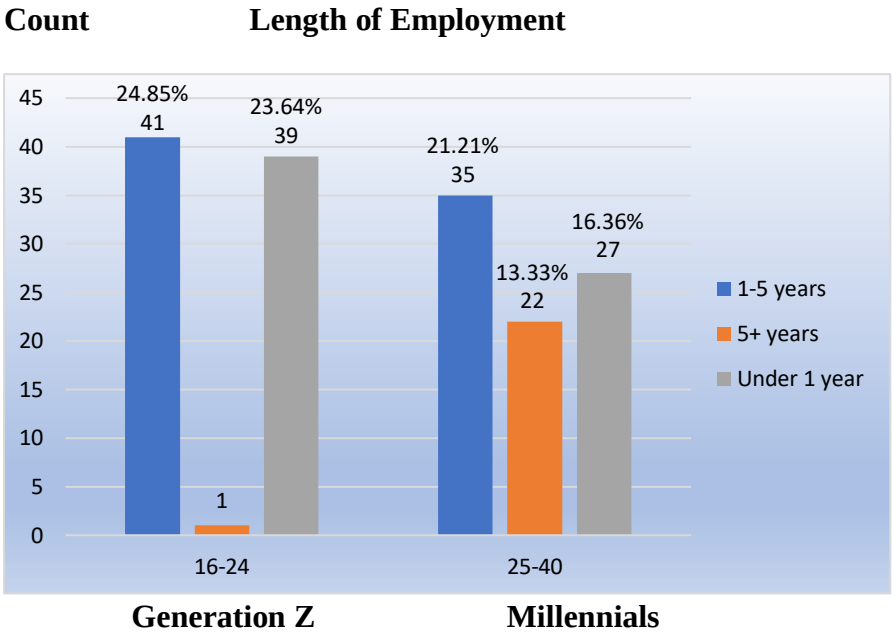


Generation Z **Millennials**

Figures 2 and 3 highlights the participants employment status along with their department. The majority of participants are full-time employed and work in head office. Maeve noted within the interview that part time roles within the retail industry are *"next to impossible to*

get" She personally would love to *"work a 4 day week, because on commission it would not affect her salary greatly, but she does not have the option"*.

Figure 4. Length of Employment



Findings from figure 4 show that many of the participants are relatively new to the company. This finding corresponds with (Addor, 2011) who found that the majority of Millennials and Generation Z employees are newly qualified graduates who are at the early stages of their careers. Moreover, it could be suggested that majority of participants are only beginning to enter into the workforce.

Overview of Research Objectives

The first three research objectives of this study were implemented using a standard five-point Likert scale where participants were asked to rate their level of agreement from strongly agree to strongly disagree. The following shows the statements within the survey: "I understand the concept of Total Reward", "Extrinsic rewards alone would motivate me to work harder" and "I would pick extrinsic rewards over intrinsic rewards". Other statements included "I find my job meaningful and interesting" "Recognition from management would

motivate me to work harder" and "Job autonomy and decision-making roles are rewarding to me". The fourth research objective was completed by asking participants in the questionnaire to rate, with regard to motivation the following rewards in order of importance, Pay, Benefits, Flexible Working, Performance & Recognition and lastly Growth and Development. Rating "One" indicated the respondent felt it was most important, in contrast rating "five" indicated the respondent felt it was least important. The findings from the questionnaire was transported onto a Microsoft excel sheet. This allowed for a frequency distribution to be created. Creation of such, involved constructing a pivot table which was then later concerted into a pivot chart. Microsoft excel enables the researcher to process large amounts of data in order to analyze and discover numerous trends (Cook,2016). The following research hypothesis was found for each of the objectives.

Research Hypothesis

H1: Millennials and Generation Z understand the concept of Total Rewards.

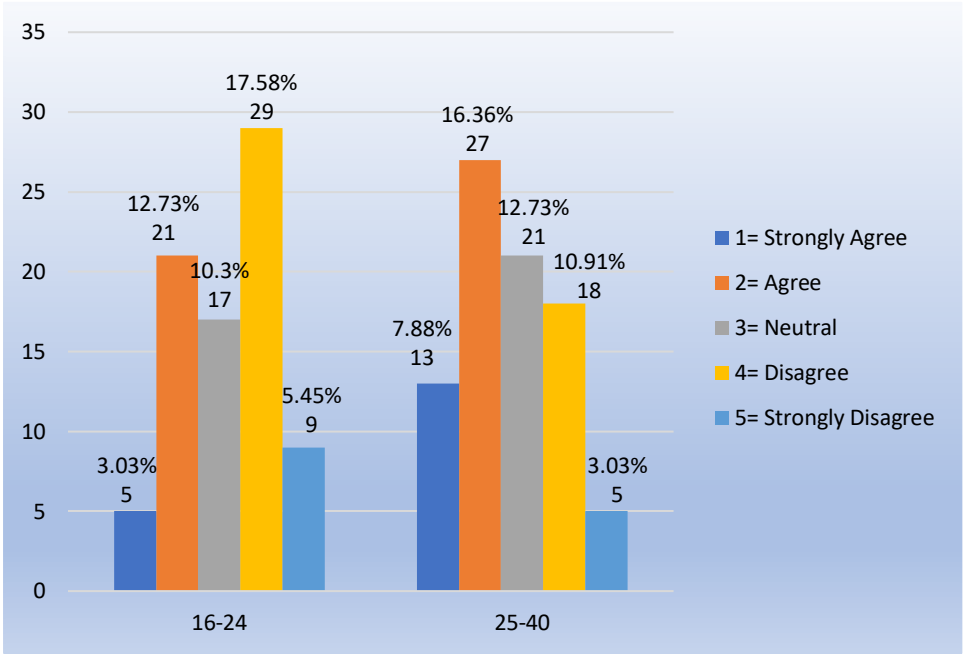
H2: Millennials and Generation Z value extrinsic rewards over intrinsic rewards.

H3: Pay is ranked the most important motivational reward for Millennials and Generation Z.

H4: Millennials and Generation Z are motivated by intrinsic rewards.

Figure 5. Research Objective One

Count I understand the concept of Total Reward

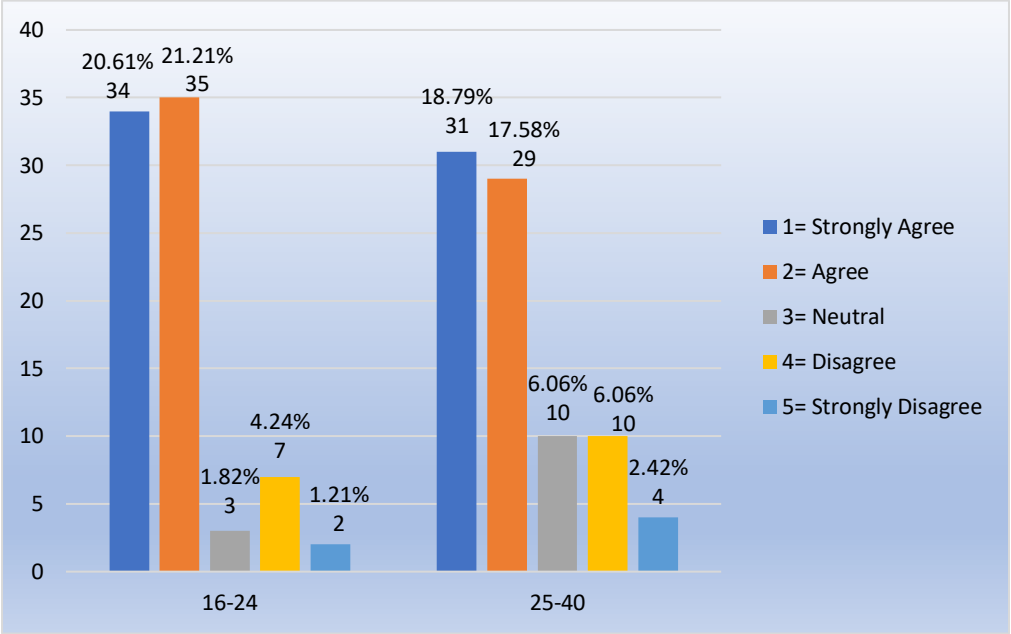


Generation Z **Millennials**

Results from figure 5 are slightly mixed in relation to whether Millennial and Generation Z participants understand the concept of Total Reward. Within the Generation Z age cohort, a greater amount disagreed with the statement. However, within the Millennial age cohort a greater amount agreed with the statement. Nevertheless, these results stress the need for a greater understanding of total reward amongst Millennial and Generation Z employees. The findings are similar to work by (Calnan, 2015) whereby, Sanlam UK found that amongst their employees there was also a lack of understanding around total reward. This study highlighted the reason for such being due management having difficulty quantifying and explaining the concept.

Figure 6. Research Objective Two

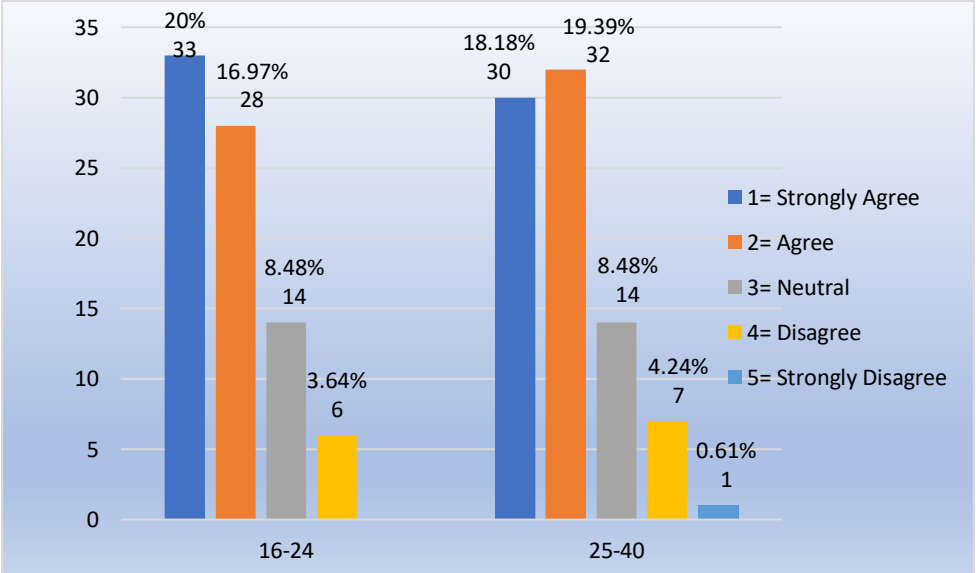
Count **Extrinsic rewards alone would motivate me to work harder**



Generation Z **Millennials**

Figure 7. Research Objective Two

Count **I would pick extrinsic rewards over intrinsic rewards**

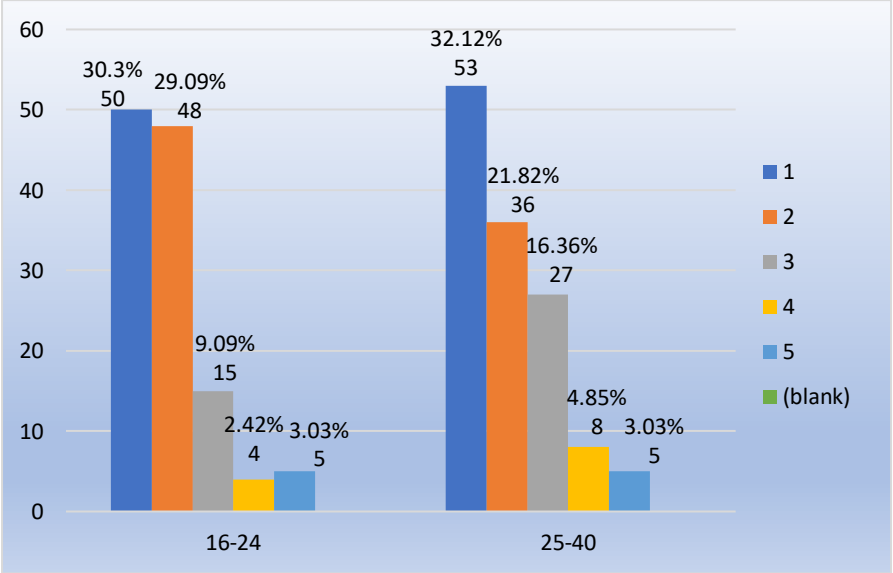


Generation Z **Millennials**

Data from Figure 6 and 7 show that there are very similar findings between both age cohorts on their value of extrinsic rewards. There is only a 2% significant difference in both figures 6 and 7 whereby Millennials and Generation Z strongly agree with the above statements. This finding suggests that both Millennial and Generation Z are in similar stages of life whereby they share the same preferences and desire the same motivational rewards. In addition, this group may value extrinsic rewards over intrinsic rewards given their entrepreneurial characterization (Stuckey, 2019). Based on this, this cohort may desire to be financially independent, which corresponds with the findings of (Garnitz, 2019). It may also attribute to the likelihood that both generations might face some financial challenges such as student loan debt and high rental costs (Garnitz, 2019). In support of (Garnitz, 2019) point, similarly, Jenny shared in the interview, that pay is one of her biggest motivators because she has a lot of *"expenses such as paying off her student loan, rental costs, childcare costs along with trying to afford the daily necessities"*.

Figure 8. Research Objective Three

Count **Pay** **1=most important** **2=second most important**



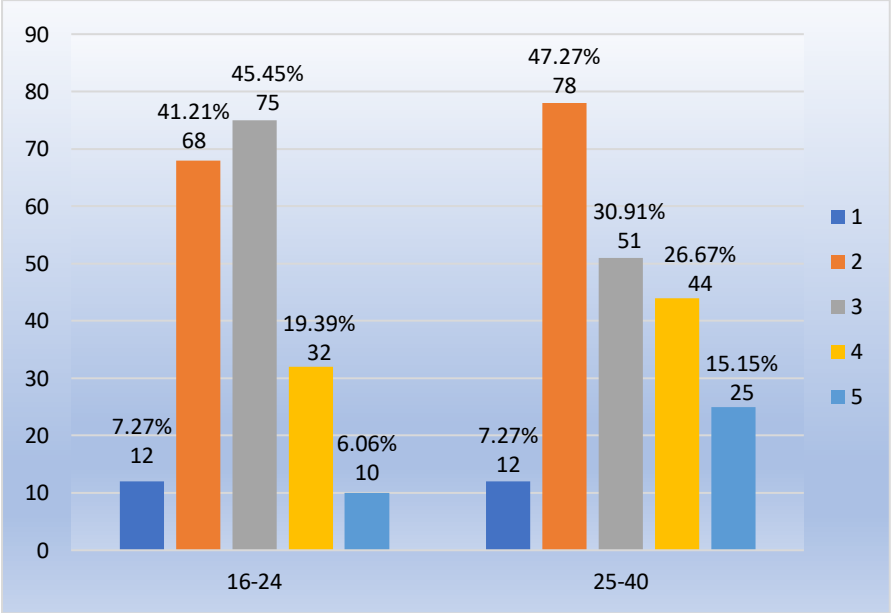
Generation Z **Millennials**

Figure 8 illustrates that pay is ranked the most desirable motivational reward for both age cohorts. These findings show a high degree of similarity between both age cohorts, whereby only a 2% significant difference was found on the ranking scale. Pay and other financial incentives are a significant consideration for both generations. These findings are consistent with a wide range of research. For example, the finding supports those of (Ng et al., 2010) cited in (Bussin et al., 2019) that Millennials and Generation Z want it all and want it now in terms of pay and benefits. A study by (Bussin et al., 2019) expressed that these two generations are not unrealistic about how much they can earn, but they are very much so aware that their educational qualifications and experience can impact their earning potential.

Figure 9. Research Objective Three

1=most important

Count **Benefits** **2=second most important**



Generation Z **Millennials**

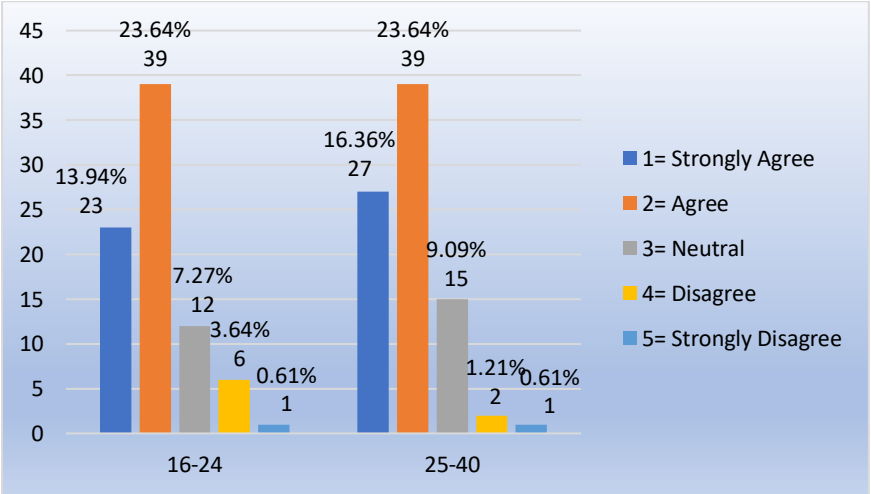
Benefits was ranked as the second most desirable motivational reward for both age cohorts in figure 9. The "benefits" outlined to participants in this research study steered away from the traditional healthcare and retirement packages and involved more innovative benefits such as

gym memberships, company cars, maternity and paternity leave along with flexible hours. These findings suggest that Millennials and Generation Z desire more from their employers than the basic medical coverage. It can be argued that both cohorts appear to be demanding and entitled, with a high sense of self-confidence apparent (Webster, 2019).

In conjunction with (Webster, 2019) research and findings from the survey, all four participants in the interview shared a commonality in that they each find benefits an effective motivational reward. Maeve stated that one of their benefits in work is that they pay for her gym sessions which really *"promotes a healthy lifestyle for her"* she stated that *"personal appearance"* is really important to her. David stated that benefits are really important to him as it "*increases his standard of living"* which motivates him to work more *"efficiently".* Lastly, Jenny stated that food and drink vouchers really motivate her to *"stay in the company"* and that it *"it acts as a great incentive"* and it *"saves her a lot".* Based on this, it seems relevant that employers should include more wellness and lifestyle benefits to their company in order to retain and keep such cohorts motivated.

Figure 10. Research Objective Four

Count **I find my job meaningful and interesting**

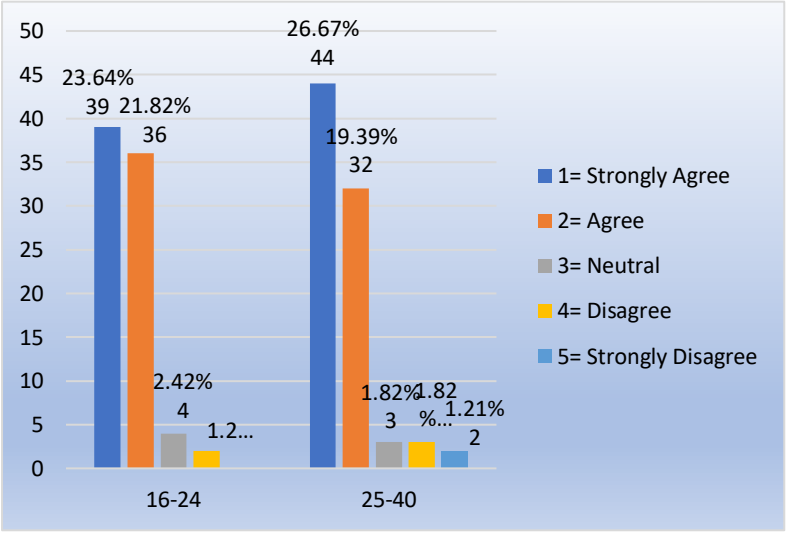


Generation Z Millennials

Based on Herzberg idea of intrinsic factors. Figure 10 shows the degree of which both age cohorts were motivated by intrinsic rewards. Such illustration shows that Millennial and Generation Z individuals find their jobs meaningful and interesting. This finding is similar to that of (Princeton one & Hobart, 2013) cited in (Nor et al., 2019) who found that Millennial and Generation Z individuals like their work to be meaningful and interesting. Moreover, in correlation with Herzberg's motivational factors, David stated in the interview that *"intrinsic rewards are his most valuable reward"* he wants to *"develop his skills in order to be promoted and establish his career".* This indicates that as a millennial employee, he is very career driven, which supports the finding of (Stuckey, 2019).

Figure 11. Research Objective Four

Count Recognition from management would motivate me to work harder

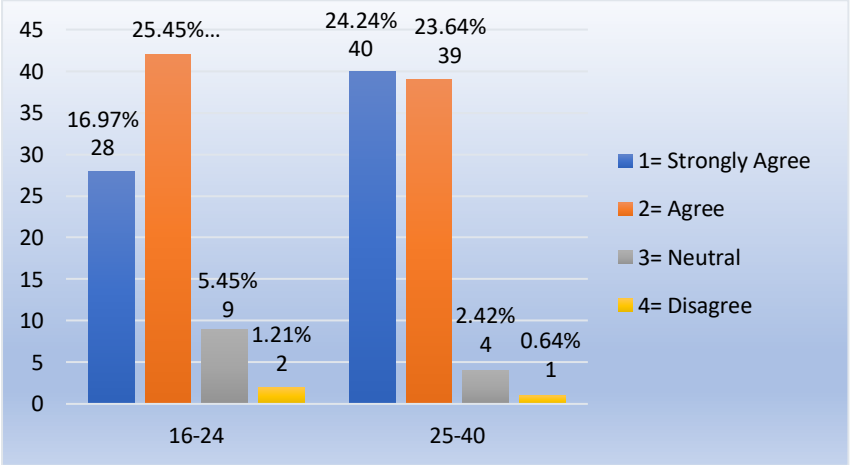


Generation Z **Millennials**

Figure 11 shows that both generational groups strongly agree and agree that recognition from management would motivate them to work harder. This supports (Akkucuk and Turan, 2016) and (Kong, Wang, and Fu, 2015) cited in (Dick, 2019) study, that Millennials and Generation Z want to be employed in their dream position straight away rather than working their way up from entry level. Therefore, they seek constant feedback, support and recognition from management while also sustaining their job autonomy (Latkovikj, Popovska and Popovski, 2016) and (Vanmeter et al., 2013) cited in (Dick, 2019). Furthermore, a previous research study by (Muthuveloo et al., 2013) cited in (Dick, 2019) found that recognition plays a huge part in motivating Millennials in the workplace.

Figure 12. Research Objective Four

Count Job Autonomy and Decision-Making roles are rewarding to me



Generation Z **Millennials**

As per figure 12, both Millennials and Generation Z strongly agree and agree that job autonomy and decision-making roles are rewarding to them. This finding is similar to that of (Dick, 2019) who states that both generational groups value workplace empowerment & autonomy and despise being micro-managed by their employers. This finding does not

correspond with (Shrivastava, Ikonen and Savolainen, 2017) study which found that both generational groups require continuous supervision and direction.

Discussion

Introduction

In accordance with the research studies objectives, the purpose of this chapter is to discuss in more detail the results from the previous chapter and back it up by current existing literature in chapter two. In this chapter the researcher will discuss the four research objectives individually beginning with research objective one, followed by research objective two. Each of the themes derived from the survey and interview are discussed under each of the research objectives. Lastly, the chapter will outline a discussion for future research.

Overview of Research Findings

Research Objective One

The purpose of this objective was to investigate the effectiveness of extrinsic and intrinsic rewards on the motivation of Millennials and Generation Z. Of the 165 participants within the survey, 20% of Millennials and 18.18% of Generation Z individuals strongly agreed with the statement that "they would pick extrinsic rewards over intrinsic rewards". Moreover, 16.97% of Millennials and 19.39% of Generation Z further agreed with the statement. Within the review of literature, the author seen that there were mixed reviews on whether Millennials and Generation Z value extrinsic or intrinsic rewards more. After conducting research through the survey and interview, the author was pleasantly surprised to see that both generational groups desired extrinsic rewards more so. As similarly pointed out by (Twenge, Campbell & Freeman, 2012) Millennials and Generation Z value extrinsic rewards over intrinsic rewards. Furthermore, a study by (Tari, 2010) expressed that Millennials may desire extrinsic rewards because they grew up in a prestigious society, therefore they are conscious

about their social status and money may act as a motivational tool for them to fit into a specific status. In agreement with (Tari, 2010) point, interestingly, David and Maeve shared similar opinions in that pay is one of their biggest motivators because for David it *"increases his standard of living".* As for Maeve, pay motivates her *"to earn enough money to enjoy things outside of work".* She further explains that *"extrinsic rewards are really important for her"* in her work they do a *"high-performers club"* where if they *"reach a specific target they get brought out for dinner".*

It is also noteworthy that between the two age cohorts a large number of participants in the survey are only new to the company. For example, 24.85% of Generation Z participants and 21.21% of Millennial participants are in the company with 1-5 years. As opposed to 23.64% of Generation Z participants and 16.36% of Millennial participants being in the company less than one year. This supports (Deal et al., 2012) findings that extrinsic rewards can be associated with factors such as age, length of employment and career success. Findings by (Deal et al., 2012) also explain why Millennial and Generation Z individuals are more motivated by extrinsic rewards. As (Deal et al., 2012) notes, both cohorts are only new into the workforce, they have not had the time to progress within their career, therefore they are very money motivated. However, he further explains that once they have more time for progression, they are more likely to become more intrinsically motivated. To conclude, extrinsic rewards in the survey and interview show to be the most valuable motivational reward. It could be inferred that factors such as age, length of employment and social status may have played a part in the findings of this research hypothesis.

Research Objective Two

In order to determine which kind of motivational rewards Millennials and Generation Z desire, both age cohorts were asked in the survey to rank their most important motivational

reward. The research hypothesis found for this objective is that of the 165 participants, 30.3% of Generation Z and 32.12% of Millennials ranked "pay" as their most important motivational reward. Interestingly, 41.21% of Generation Z and 47.27% of Millennial individuals ranked benefits as their second most important motivational reward. As per the literature reviewed, this is identical to (Pierre, 2015) finding, that within Maslow's Hierarchy of Needs Theory, an employee is motivated to satisfy their most basic psychological needs first, in this case, pay. Furthermore, it is said that once these basic needs are satisfied, priorities adjust and the need to satisfy the next need in Maslow's hierarchy is prioritized. In addition to this, David mentions that pay is an effective motivator because *"employees need to earn an income in order to live".* This corresponds with Maslow's hierarchy of needs theory which states that pay is needed for survival (Pierre, 2015). Such findings contradict Herzberg's Two Factor Theory whereby (Baah, 2011) noted that hygiene factors such as pay act as demotivators.

The outcome of this research objective also corresponds with (Andrea et al., 2016) findings whereby, money and success act as Millennials top workplace motivational tools. This is also similar to that of (Stuckey, 2016). (Stuckey, 2016) found that extrinsic rewards such as pay are top of Generation Z priority list. Again, referring back to the literature reviewed, the high response rate towards the ranking of pay for Millennials and Generation Z is similar to (Tari, 2010) cited in (Andrea et al., 2016) findings that Millennials prioritize success, career and money the most due to the current consumer society. As they have been brought up thinking that it is their only advancement. In support of (Tari, 2010) cited in (Andrea et al., 2016) point, David mentioned that if *"he was to earn more money, he would be motivated to work more efficiently in order to increase his standard of living"*. Moreover, Maeve expressed that from working in a commission-based environment, pay is an extremely effective motivator

because *"the harder she works directly correlates with the amount with the amount of money she makes".* Further stating that when she sees a *"direct correlation between hard work and more money, it is a huge motivator for her".* It may also be implied that, within the survey and interview, the high ranking towards pay amongst both cohorts may be due to a number of them working in commission-based environments, whereby they are heavily money motivated.

In addition, a study by (Mitchell, 2016) expresses that money acts as a motivational tool for Millennials as they are in a high cost-stage of life where they are looking to buy homes and start families. Whereas, growth and development will be more motivating to those who are in a career building stage (De Lange et al., 2011) cited in (Heyns and Kerr, 2018). In accordance with (Mitchell, 2016) point, Jenny argues that she is motivated earn more money so that she is *"given the opportunity to save and live comfortably rather than living from pay-check to pay-check".* Maeve further noted that *"her job isn't her entire life, so if she is earning enough to enjoy things outside of work, then that is a big motivator for her"*. As for Generation Z the high response rate towards pay being the most important motivational reward may be as a result of witnessing the long-term negative impact of the recession (Black, Asadorian and Dunnet, 2017). Within the characterization of this age cohort, it was denoted that they are a lot more economically and financially cautious (Stuckey, 2016).

What's more, within the survey, 67.27% of Generation Z participants and 61.81% of Millennial participants ranked flexible working as their third most important motivational reward. The academic literature provided in chapter two supports these results. Research conducted by (Sims and Sauser, 2012) found that flexibility was an extremely popular reward, specifically amongst the Millennial cohort. Given today's continuous advancements

in technology and its increase in globalization, flexible working is slowly emerging and becoming a popular motivational reward (Dick, 2019). This is true especially amongst the younger generations, considering they are described within the literature as technologically innovative, technologically savvy and most of all "digital natives" (Friedrich et al., 2010) cited in (Fratričová and Kirchmayer, 2018). (Tulgan, 2013) further explains that Generation Z grew up working in a virtual environment, where they are used to communicating and working by themselves behind a computer screen. Therefore, they would experience no issue in adapting to the latest technologies of working from home.

When asked the question in the interview, whether each participant found flexible working an effective motivation reward, Jenny stressed that flexible working was extremely effective. Flexitime has given her *"the opportunity to drop her daughter to creche in the mornings, which she is extremely thankful of"*. However, in contrast David states it is not *"crucial for him"* as a young working professional with no family commitments he thinks it would be good to *"offer it to families who need the flexibility more".*

Maeve explained that up until Covid-19 they have had *"no flexible-work policy in work".* She further explained that they have *"introduced a really ineffective working from home model"* and that if they had *"better flexible working policies she would feel more motivated".* Therefore, such findings are consistent with research by (Sims and Sauser, 2012). However, based on such finding within the interview, it may be inferred that flexible working may be more desirable to those Millennials with family commitments compared to those without family commitments. A further recommendation may also be given to employers in ensuring that they have no outdated flexible work policies, as it will act as a demotivator for their youngest employees.

Research Objective Three

The third research objective sought to investigate whether Millennials and Generation Z understand the concept of Total Rewards, Millennial and Generation Z participants were asked to rate their level of agreement with the statement "I understand the concept of Total Rewards". Results are slightly mixed in relation to this response. 12.73% of Generation Z and 16.63% of Millennial participants agreed with this statement. Moreover, 17.58% of Generation Z and 10.9% disagree with this statement. This result is consistent with (Rogers and Marcotte, 2010) findings, whereby they found that many employees do not understand that concept of total rewards and what it consists of. Similar findings can be seen as mentioned previously, whereby Charlton Consulting Group conducted a survey amongst 128 companies and found that only 5% of employees fully understand their total reward packages. Similar to this, in another study, more than one third of the companies stated that their employees do not understand the value of their total reward packages at all (Black, 2007). Furthermore, an employee benefits communication survey found that 65% of its employees understanding of total reward was low or very low (Calnan, 2015). Interestingly, in contrast to existing literature, within the interview all three participants understood the term total reward. Maeve explained that her understanding of the term total reward was the *"entire package and not just money".* David described the term as a "*a package that an employer offers to its employees which include salary, bonuses, flexible working and so on, that entices someone to work for them". "It is used to attract prospective workers".* Moreover, jenny stated that *"it is a package that offers both intrinsic and extrinsic benefits".*

Research Objective Four

To determine whether Millennials and Generation Z are motivated by intrinsic rewards in the workplace, Herzberg's intrinsic motivational factors were utilized within the survey and

interview. This was to test whether both age cohorts are motivated by the following factors: the work itself, recognition and responsibility. The research hypothesis found for this objective is that even though the younger generation value extrinsic rewards more so, they are still intrinsically motivated. (Berl and Williamson, 2009) noted that if these factors are not satisfied it does not produce any dissatisfaction. A study by (Udechukwu, 2009) illustrated that when employees are practicing intrinsic factors in the workplace, it produces positive emotions and increases employee motivation. Of the 165 participants who took part in the survey, 13.94% of Generation Z participants and 16.36% of Millennial participants strongly agreed with the statement "I find my job meaningful and interesting". (Armstrong, 2007) found similar findings whereby employees do work so that they can be rewarded extrinsically, however they work even more to feel valued and gain a sense of meaning in their lives. Furthermore, (Rajput et al., 2013) cited in (Dick, 2019) found that the motivational rewards Millennial individuals desire are not always monetary based, they seek intrinsic rewards too such as such as recognition and meaningful work.

When both age cohorts were asked in the survey whether recognition from management would motivate them to work harder, 23.64% of Generation Z and 26.67% of Millennial participants strongly agreed with the statement. This outcome is similar to that of (Henderson, 2012) cited in (Calk and Patrick, 2017) whereby, findings showed that Millennials tend to prioritise intrinsic rewards such as recognition and job satisfaction and rate a positive workplace setting over money. In support of (Henderson, 2012) cited in (Calk and Patrick, 2017) finding, Jenny explained that when she is rewarded intrinsically, she feels she is making a *"positive contribution to the company"*. It also creates a *"positive working atmosphere"* and good *employee-employer relationships*" which further motivates her to

work. She further clarified that *"the reward does not even need to be anything of value, it's just nice to be shown appreciation when a lot of effort has been put into a task"*

The last intrinsic factor under analysis included responsibility, 16.97% of the Generation Z and 24.24% of the Millennial participants strongly agreed with the statement "Job autonomy and decision-making roles are rewarding to me". Additionally, 25.45% of Generation Z and 23.64% of Millennial participants agreed with the statement. This supports that of (Lee, 2018) whereby he expressed that both age cohorts acquire a lot of trust and independence. Similar to this, they have an entrepreneurial spirit and are strongminded about making their own way up in the world (Stuckey, 2016). In addition, Jenny stated in the interview that recognition gives her a *"boost of confidence".* Job autonomy and decision-making roles give her that extra bit of *"responsibility"* which is really important for *"progression"*. Literature by (Lyon, 2010) cited in (Addor, 2011) supports this view further explaining that both cohorts have a lot of self-confidence.

Furthermore, Maeve noted that as a Millennial employee she is somebody who needs to be given *"gold stars"* all the time and *"being told that she is doing well".* She further explains that being rewarded makes her *"feel accomplished"*. If she is told she is *"doing a good job, she will want to work harder".* This supports that of researcher (Adams, 2012) cited in (Akar, 2020) who explained that millennials need intrinsic rewards just as much as they need extrinsic rewards.

As regards to job autonomy, Maeve mentioned that she *"runs her own desk"* and are not *"micromanaged",* she is completely *"autonomous in her own role which she really loves".* It makes her feel really *"motivated and independent".* In contrast, Jenny found that there is still

some *"evidence of micro-management within her company"* which really acts as a *"de-motivator".* A finding similar to that of (Dick, 2019). Based on these findings, it may be inferred that micro-management is more existent in a head office-based environment more so than in a store environment.

Furthermore, researcher (Stuckey, 2019) highlighted within the literature that Millennials and Generation Z are highly educated. (Black, 2018) further stated that many of them are in third level education completing courses in areas they enjoy. Therefore, this may be another indication as to why participants within the survey and interview are intrinsically motivated. Moreover, as per (Reynolds, 2005) it can be argued that their parents within the baby boomer age cohort have raised them to think highly of themselves in order to achieve great things.

In summary, this chapter provided an analysation and discussion of the data obtained from the survey and interview. This included an analysis of the different types of rewards Millennials and Generation Z desire. Therefore, a conclusion to the research process will be now be drawn along with a discussion for future research. The researcher will also discuss the studies limitations along with providing recommendations for organisations.

Future Research

For future research, it could be recommended that the researcher provides a larger sample size of interviewee respondents. Unfortunately, due to time constraints and covid-19 this did not prove possible in this study. A larger sample size could have provided a more in-depth rich insight into the reasons why employees are motivated by certain rewards. It would have allowed for a variety of perspectives on the topic. Future research could also compare the intrinsic and extrinsic motivation of Generation Z compared to their older age cohort; Generation X. This would aim to explore whether Generation Z are driven by the same

motivational rewards as Generation X. There is also a limited amount of literature available on what exactly motivates Generation Z in the workplace, future research on the motivation of Generation Z may be beneficial for employers in determining their motivational rewards. Moreover, future research could examine whether there is a significant relationship between extrinsic motivation and social status for the two generational cohorts. Lastly, it could carry out an investigation on whether factors such as age, employment status and length of employment play a part in determining the intrinsic motivation of Millennials and Generation Z.

5. Recommendations

The following recommendations are made by the researcher in order to assist organisations in determining which motivational rewards Millennials and Generation Z desire. As discussed within the literature, HR are faced with the difficult challenge of keeping their youngest workforce motivated (Hafiza, Shah and Jamsheed, 2011). An unmotivated workplace can lead to damaging effects on an organisation (Sims and Sauser, 2011). Research by (Udechukwu, 2009) and (Berl and Williamson, 2009) demonstrate that both Maslow's and Herzberg's content theories have an impact on the motivation of both cohorts. Results from the survey and interview further supported these findings. For example, results from the survey show that both cohorts are determined to satisfy their most basic psychological needs i.e. pay firstly before satisfying their other needs. For example, over 60% of them ranked pay as their most important motivational reward. Moreover, David mentioned in the interview that pay is an effective motivator because *"employees need to earn an income in order to live".* This directly corresponds with Maslow's hierarchy of needs theory. However, these findings do no correspond with that of (Baah, 2011) who stated that hygiene factors act as demotivators. Nonetheless, results show that they are still motivated by Herzberg's motivational factors (Berl and Williamson, 2009). Money is an important platform for them

but they are also very career driven. As a result of this, organisations should utilize both motivational theories within their workplace to further motivate their youngest employees.

Results from survey and interview show that both age cohorts are motivated by extrinsic rewards with the top three being pay, benefits and flexible working. Research suggests something similar, as shown by (Stuckey, 2016) that "money" is top of their priority list. Therefore, it is recommended that organisations should look at monthly bonuses if feasible and whether it fits in with their organisational strategy. By offering this incentive, employees will be motivated to maximise their efforts and reach their highest potential. Through the literature review, (Webster, 2019) highlighted that the younger generation prefer more innovative benefits rather than just the traditional retirement packages. This was further expressed in more detail by the interview participants and backed up by the survey results. For example, between both cohorts over 80% of them ranked benefits as their second most desirable reward. Maeve mentioned that benefits *"promote a healthy lifestyle for"* and that *"personal appearance"* is very important to her. Thereby, it can be recommended that organisations if possible, introduce new innovative benefits such as gym memberships, food vouchers and company cars in order to keep their employees motivated.

Millennials and Generation Z are seen within the literature as the most "techno-savvy" group ever to enter the workforce (Friedrich et al., 2010) cited in (Fratričová and Kirchmayer, 2018). This generation in particular use mobile and laptop devices in every aspect of their lives (Tulgan, 2013). On that account, it is recommended that organisations, if feasible, embrace their use of technology in the workplace. They could invest in the latest technological equipment to motivate its employees. Technology has now brought standard to the workplace. It could be suggested that this is another motivating factor amongst

employees. It could be considered that organisations introduce new applications on smart devices for team meetings as such. What's more, if achievable, they could further introduce an application whereby it's employees can pre order there breakfast and lunches quickly and efficiently rather than having to wait and que in the canteen.

(Sauser and Sims, 2012) highlighted within the literature that both generational cohorts desire flexible working. Results from the survey and interview further established this. Whereby between both cohorts ranked flexibility as their third most desirable motivational reward. They seek a work-life balance. For example, Jenny stated that "Flexi-time has given her the opportunity "*to drop her daughter to creche which she is extremely thankful of".* With this in mind, if not applied already, organisations may introduce "flexi-time", due to various personal and family commitments, which has been highlighted in the qualitive study.

Research by (Udechukwu, 2009) and results from the survey and interview show that Millennials and Generation Z are intrinsically motivated. Both cohorts are motivated by Herzberg's intrinsic motivational factors. Such as recognition, job-autonomy and decision making roles (Berl and Williamson, 2009). For example, Jenny stated that when rewarded intrinsically, she feels she is "*making a positive contribution to the company".* It also creates a *"positive working atmosphere" and good employee-employer relationships"* which further motivates her to work. In this case, organisations may be encouraged to build a work culture of trust, along with providing on going communication**.** Feedback, meetings and performance appraisals would also allow to monitor and review their progress. Similarly, performance appraisals will also give an opportunity for employers to praise an employee who has completed a work task by themselves and succeeded. In order to promote job recognition,

organisations may consider introducing employee of the month schemes, this will not only boost employee morale it will also increase employee motivation.

(Calnan, 2015) discussed within the literature that there is still a number of employees who do not understand the concept of total reward. This is further backed up by survey results which indicate similar patterns. For example, between both cohorts over 27% of them stated that they did not understand the term. For that reason, it may be recommended that organisations not only explain and define the concept to new employees but provide effective communication. It may be advised that they ongoingly communicate their total reward packages to all of its employees regularly. It seems that organisations cannot expect to just explain their total reward packages to its employees at their induction, with little to no reference made from it thereafter. Another way in which this can be done, may be to outline and explain their total rewards on their company website and in each of the employee handbooks. This will act as a place where its employees can go to in order to get information regarding their benefits, or to purely refresh their memory.

Financial Implications

As regards to the recommendations considered above, although there are no financial costs involved in creating a work culture of trust, communicating, recognising and providing feedback to employees within an organisation. There is a considerable amount of costs required for providing cash incentives such as bonuses and benefits such as company cars and the latest technologies. However, it can be argued that such is justified, as it would not only increase employee motivation but also overall organisational success.

Limitations of the Study

One of the limitations of this research study included the sample size of interview participants within the qualitive study. Within this study, the researcher conducted three semi-structured interviews. This would be regarded as a small sample size. A study conducted with a larger sample size of participants would allow for more rich insights. It would allow for a variety of different perspectives on the topic. Another limitation include time, if time wasn't a limit the researcher could have carried out more interviews. Another limitation included a drawback of utilising quantitative methods. For example, there is the presumption that all participants are answering the questions in the survey with honesty and thought. However, there is still a concern that the participants may not have been engaged in the survey. Moreover, there is the worry that may not have understood the survey questions. In addition, a richer analysis of the findings could be conducted through SPSS.

6. Conclusion

The main objective of this study was to investigate the effectiveness of rewards as a workplace motivational tool for Millennials and Generation Z. The researcher focused on Millennial and Generation employees working across various head offices within the retail industry. As previously stated by (Sims and Sauser, 2012) HR face the difficult challenge in identifying which rewards best motivate their youngest workforce. In this regard, the researcher has been determined to attempt to investigate their most desirable motivational rewards. The literature review revealed that motivational theories such as Herzberg's and Maslow's have an impact on employee motivation (Berl and Williamson, 2000). This was further supported in the quantitative and qualitive study whereby Millennials and Generation Z satisfy their most basic psychological needs firstly, however they are still intrinsically motivated. Literature also revealed that both generations share similar characteristics and

therefore are driven by the same motivational rewards (Wood, 2013). Results from the quantitative study further established this. Whereby, both cohorts are driven by the same top three rewards, such as pay, benefits and flexible working. Within the literature, there is mixed views on whether Millennials and Generation Z are motivated by extrinsic or intrinsic rewards more (Robbins et al., 2003). However, after conducting the quantitative study, the researcher was pleasantly surprised to see that both cohorts are more extrinsically motivated. Survey results show that 30.3% of Generation Z employees and 32.12% of Millennials employees ranked pay as their top motivational reward. The researcher then conducted a qualitative semi-structured interview in order to gain more of a rich insight into why these cohorts were extrinsically and intrinsically motivated. Numerous themes that derived from the interview included cost of living, social status, lifestyle, education, family commitments, commission-based environments and confidence. Other themes included, responsibility, progression, career-minded and work-life balance. Lastly, literature revealed that there is a high percentage of employees who do not understand the concept of total reward (Calnan, 2015). This was further supported by survey results whereby 10.9% of Millennials and 17.58% of Generation Z agreed with the statement. However, contrastingly within the qualitative study all three participants understood the term.

To conclude, this research study showed that Millennial and Generation Z employees within the retail industry are motivated by extrinsic rewards more so but are still intrinsically motivated. Whether or not this result would stay the same across other industries, the researcher is unsure, but it does provide a gap for future research.

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7. Reflection (CIPD)

This year completing my MSc in Human Resource Management has definitely been my biggest educational achievement to date. It has enabled me to learn and develop new skills which I can carry forward as I progress into my career in HR. Throughout the dissertation process, I have learned that sheer -determination and hard work pays off in the end. Throughout my journey, I was faced with numerous stumbling blocks. However, from a self-learning point of view I have learned that patience and persistence is key.

The starting point of the dissertation was definitely the most difficult part for me. Although, I knew I wanted to focus on rewards amongst employees within the retail industry. I still ran into great difficulty in trying to come up with my research objectives, and most of all sticking to them. To overcome this, I found breaking down the literature into smaller sections was beneficial in order to refine my research objectives. Another issue was with regards to the utilisation of Microsoft excel. I have never used excel before, so I had spent a lot of time teaching myself how to make spread sheets, how to pivot each of the responses and create pivot tables and graphs.

Further to this, because of Covid-19 I was not able to access certain resources such as the college library, therefore I was coupled with different issues such as trying to adjust to studying and researching from home. To overcome this, I found breaking down each of the chapters into smaller parts was useful. This way it allowed me to achieve smaller goals and kept me motivated throughout. Apart from some of the issues, two of the main skills I have developed throughout the dissertation process was firstly, my research in academic and writing skills and secondly, confidence in my own capabilities. I learned to overcome self-doubt. Another skill I learned throughout my dissertation journey was self-discipline. At the start of my dissertation journey I found it hard to fully engage myself in it, following a year of continuous assessments and exams and of course the unprecedented circumstances of Covid-19.

All in all, I am really happy with how my dissertation went. The challenges I faced throughout has made it all the more rewarding. Furthermore, the dissertation has allowed me to grow a deep knowledge on the topic of rewards. Which I know will benefit me in my future career as a HR professional.

8. Appendices

Appendix 1: Participant's Survey and Interview Consent Form

Title of study:

To investigate the effectiveness of reward as a workplace motivational for Millennials and Generation Z.

My name is Sally Poynton, I am currently a MAHRM student at the National College of Ireland (NCI). As part of my dissertation, I wish to invite you to take part in this study if you are currently working in head offices or stores within the retail industry.

Your participation in this survey is completely voluntary and anonymous. It is within your right to refuse to take part in both if you wish. You may withdraw at any time throughout this survey or if you do not feel comfortable in answering specific questions.

The survey is a list of multiple-choice questions. It should only take approximately 5-7 minutes to complete. There are 7 questions in total, the first 5 questions are based on your demographic information. The remaining 2 questions is to gain an insight into your desirable motivational rewards, whether you understand the concept of total reward and to lastly to determine whether you are intrinsically and extrinsically motivated.
The findings from this survey will be solely used for academic purposes.

The interview consists of 8 questions and are emerged from the survey to gain more of a rich insight into your desirable motivational rewards. Each interview will be conducted via Zoom and will be audio recorded. Each recording will be stored on a locked password device, whereby only the researcher has access to it. Each recording will be later destroyed. This research project is for dissertation submission only and will be not used for any other purposes.
If you have any additional questions about this research study, please, do not hesitate to email me at sallypoynton@gmail.com.
Thank you.
By clicking "I agree" you have:

- Read through the important information outlined above by the researcher.
- Voluntarily agreed to taking part in this survey and interview

Appendix 4: Interview Transcripts

Participant 1

Interviewer

What is your understanding of the term total reward?

Participant

My understanding of the term reward would be where an individual does their job to a high standard and therefore are granted an award for such hard work. In the head office that I currently work in, we are rewarded with employee of the month schemes when reach our sales target.

Interviewer

Do you think rewards are important, why so?

Participant

I do think their important yes. When I have been rewarded in the head office, it really boosts my motivation levels. It has a positive effect on the way I get things done. The reward doesn't even need to be anything of value, it is just nice to be shown the appreciation when a lot of effort has been put into a specific task.

Interviewer

Why do you think pay is one of the biggest motivators?

Participant

I think pay is one of the biggest motivators because the cost of living in Ireland is very expensive, even more so as I live in the city center of Dublin. I am a recent graduate; therefore, I am still paying off my student loan. I also have rental costs, childcare costs along with trying to afford the daily necessities.

Interviewer

Do you think pay is an effective motivator?

Participant

Yes, I think pay is an effective motivator. It motivates employees to continuously upskill for the role there in so that they can receive a pay rise. I am motivated every day to work hard and get promoted from a trainee buyer to an assistant buyer, so that I can receive more pay.

This would give me the opportunity to save, and to live comfortably rather than just living from pay-check to pay-check.

Interviewer

Do you find flexible working an effective motivational reward? Why?

Participant

Yes, I find flexible working extremely effective. At the start of this year, our head office introduced flexi-time where we can start and finish work as we please, on the basis that we work our fixed number of hours within the week. This has motivated me to stay in later in work so that instead I do not have to come in first thing in the morning. It gives me the opportunity to drop my daughter to creche which I am extremely thankful of.

Interviewer

Do you find benefits an effective motivational reward? Why?

Participant

Yes, I enjoy the benefits at work. At the head office we are given food and drink vouchers, therefore our lunches only cost us 2.50 to 3.00 along with a cup of coffee for only 1.50. Such reasonable prices motivate us to stay with the company, it acts as a great incentive.

Interviewer

Are you motivated by intrinsic rewards such as job recognition, job autonomy and decision-making roles?

Participant

Yes, I am motivated by the above intrinsic rewards. As a trainee buyer, I wish to gain as much experience so that I can prove myself and progress within the company. Recognition from my buyer motivates me to continue to do better at my job, it gives me a boost of confidence. Job autonomy and decision-making roles gives me that extra bit of responsibility, which is really important for progression. When rewarded intrinsically, I feel that I am making a positive contribution to the company. It also creates a positive working atmosphere and good employee-employer relationships which further motivates me to work.

Interviewer

Do you think management knows what motivates you?

Participant

So far in my career, I do think management have done a good job in determining my desirable motivational rewards. However, I do think management need to improve their implementation of intrinsic rewards within the company. There is still some evidence of

micro-management within the organization, and this really acts as a demotivator for trainee buyers within the Millennial age cohort.

Participant 2

Interviewer

What is your understanding of the term total reward?

Participant

My understanding of total rewards is that it is a package that an employer offers to its employees which include salary, bonuses, flexible working and so on, that entices someone to work for them. It is used to attract prospective workers.

Interviewer

Do you think rewards are important, why so?

Yes, I think rewards are really important. In my job I depend on a commission structure to earn money, so therefore it is crucial in my role.

Interviewer

Why do you think pay is the biggest motivators?

Participant

Pay is a very important motivator because everyone needs to earn a salary in order to live and pay their bills. It is normal for people to want to earn more money and therefore if I was to earn more money, I would be motivated to work harder or more efficiently to increase my standard of living.

Interviewer

Do you think pay is an effective motivator?

Participant

In my case pay is an effective motivator because employees need to earn an income. Although in some cases it might not be enough. For example, as a recent graduate, I would look for intrinsic rewards that would allow me to learn new skills to develop my future career. Also, the more experience I get in the future, the more I will expect from my employer. For example, I may want benefits such as company car or lunch allowances. Rewards such as these would make me want to change employer.

Interviewer

Do you think flexible working is an effective motivational reward, why?

Participant

In terms of flexible working, I would see it as a benefit, but it wouldn't be crucial for me, as I am a young working professional. I think it is a good to offer for families who need more flexibility when it comes to their work life.

Interviewer

Do you think benefits are an effective motivational reward, why?

Participant

Benefits are definitely important for me as they allow me to increase my standards of living and therefore, I will be motivated to work more efficiently.

Interviewer

Are you motivated by intrinsic rewards such as job recognition, job autonomy and decision-making roles?

Participant

I would be very motivated by intrinsic rewards because I am a recent graduate, Therefore, I need to develop my skills in order to be promoted and establish my career. This would be my second most valued reward.

Interviewer

Do you think management know what motivates you?

Participant

I think in many cases management know what motivates employees, especially in larger multi-national companies as they definitely invest more into their employee's development and future. In my case, I work in a smaller company in which they do not have the infrastructure to invest time and money into their employees.

Participant 3

Interviewer

What is your understanding of the term total reward?

Participant

My understanding of the term total reward is the entire package, it is not just money.

Interviewer

Do you think rewards are important, why so?

Participant

For me they are extremely important, I work in a commission-based environment, so reward is one of the biggest motivators. In my work, we do high performers club, so if you reach a specific target we get brought out for dinner. I don't know if this is because I am a

Millennial, but I am really somebody that needs to be given gold stars all the time and being told I am doing well. Being rewarded makes me feel accomplished.

Interviewer

Why do you think pay is one of the biggest motivators?

Participant

Well for me, being a young person in Dublin wanting to enjoy my life, I don't think my job is my entire life. So, if I am earning enough money to enjoy things outside my work, is a big motivator for me. I'm also at the age where I want to live my life but also put money away too.

Interviewer

Do you think pay is an effective motivator? Why?

Participant

For me yes, it is, as I said I work in a commission-based environment so the harder I work directly correlates with the amount of money I make. So, when I have a bad week in work, I think to myself I have just lost out on money. So, for me in that regards, when I see a direct correlation between hard work and more money it is a huge motivator for me.

Interviewer

Do you find flexible working an effective motivational reward? Why?

Participant

We have no flexible work policy in work, since Covid-19 they have introduced a really ineffective working from home model, where you have to be achieving your targets for three months in a row in order to be eligible for flexible work, so that for me makes me feel unmotivated. So yes, if we had better flexible working policies, I would defiantly feel more motivated.

Interviewer

Do you find benefits an effective motivational reward and why?

Participant

Yes, I Definitely do. One of our benefits in work is that they pay for our healthcare which I find really useful. It makes me feel really independent, as I am young and new to the workforce, I was able to come off my parent's healthcare. They also pay for our gym, which really promotes a healthy lifestyle for us. Our personal appearance to us is really important to us.

Interviewer

Are you motivated by intrinsic rewards, such as job autonomy, decision-making roles and recognition?

Participant

Absolutely, this is going back to the gold stars again, if I am being told I am doing a good job, I will want to work harder. With regard to job autonomy, in my role we basically run our own desk, we are not micromanaged, we are completely autonomous in our own role which I really love. It makes me feel really motivated and independent. We are allowed make our own decisions, even if management says I think you should do this, we are actively encouraged to speak up and disagree if we don't feel it is going to benefit us right now or if I am going to take other advice.

Interviewer

Do you think management knows what motivates you?

Participant

Yes, I do think so, we are all salespeople, we are all very money motivated. We have a really good commission structure, we get vouchers and good benefits, so I think they do know that money is a big motivator for us. They know that us millennials love the social aspect of work too; they really motivate us by introducing the nights out and dinner vouchers.

Appendix 6: Survey Questionnaire

The purpose of this survey is to investigate the effectiveness of reward as a workplace motivational tool for Millennials and Generation Z.
Please tick the box:

What age group do you fall under?
16-24 years
25-40 years
41-55 years
Other

What is your gender?
Male
Female
Other

Are you

Full-time employed
Part-time employed

How many years have you been working for your employer?
Under 1 year
1-5 years
5+ years

Do you work in

Head office
Store
Other

Please indicate your level of agreement with the following statements;

1=Strongly Agree
2=Agree
3=Neutral
4=Disagree
5=Strongly Disagree

	Strongly Agree=1	Agree=2	Neutral=3	Disagree=4	Strongly Disagree=5
I understand the concept of total reward					
I find my job enjoyable					
I find my job meaningful and interesting					
Recognition from management would motivate me to work harder					
Work autonomy and decision-making roles are important to me					
I would pick extrinsic rewards over					

intrinsic rewards					
Extrinsic rewards alone would motivate me to work harder					

	Strongly Agree=1	Agree=2	Neutral=3	Disagree=4	Strongly Disagree=5
Job security is more valuable to me than salary					
Flexible working hours are more important to me than salary					

With regard to motivation, please rank the following rewards in order of importance 1= most important 5=least important

- Pay (basic pay, bonuses, promotion, standardised hours)
- Benefits (health, dental, vision, pre-tax benefits, life insurance benefits)
- Work-life Flexibility (compressed workweeks, modified schedules, remote working)
- Performance and Recognition (regular one-one meetings with management, employee of the month/year awards)
- Growth & Development (mentoring programs, training, paid courses, job shadowing)