

National College of Ireland

Project Submission Sheet

Student Name: Eoghan Hinds
Student ID: 22133101
Programme: MSc in Management **Year:** 2
Module: Dissertation
Lecturer:
Submission Due Date: 10/08/2024
Project Title: DIFFERENCES IN OPTIMAL MANAGEMENT PRACTICES BETWEEN PUBLIC AND PRIVATE SECTOR ORGANISATIONS: FOCUSING ON PERFORMANCE MANAGEMENT AND MOTIVATION
Word Count: 19,441

I hereby certify that the information contained in this (my submission) is information pertaining to research I conducted for this project. All information other than my own contribution will be fully referenced and listed in the relevant bibliography section at the rear of the project.

ALL internet material must be referenced in the references section. Students are encouraged to use the Harvard Referencing Standard supplied by the Library. To use other author's written or electronic work is illegal (plagiarism) and may result in disciplinary action. Students may be required to undergo a viva (oral examination) if there is suspicion about the validity of their submitted work.

Signature: 
Date: 07/08/2024

PLEASE READ THE FOLLOWING INSTRUCTIONS:

1. Please attach a completed copy of this sheet to each project (including multiple copies).
2. Projects should be submitted to your Programme Coordinator.
3. **You must ensure that you retain a HARD COPY of ALL projects**, both for your own reference and in case a project is lost or mislaid. It is not sufficient to keep a copy on computer. Please do not bind projects or place in covers unless specifically requested.
4. You must ensure that all projects are submitted to your Programme Coordinator on or before the required submission date. **Late submissions will incur penalties.**
5. All projects must be submitted and passed in order to successfully complete the year. **Any project/assignment not submitted will be marked as a fail.**

Office Use Only

Signature:	
Date:	
Penalty Applied (if applicable):	

AI Acknowledgement Supplement

[Dissertation]

[DIFFERENCES IN OPTIMAL MANAGEMENT PRACTICES BETWEEN PUBLIC AND PRIVATE SECTOR ORGANISATIONS: FOCUSING ON PERFORMANCE MANAGEMENT AND MOTIVATION]

Your Name/Student Number	Course	Date
22133101	MSc in Management	10/08/2024

This section is a supplement to the main assignment, to be used if AI was used in any capacity in the creation of your assignment; if you have queries about how to do this, please contact your lecturer. For an example of how to fill these sections out, please click [here](#).

AI Acknowledgment

This section acknowledges the AI tools that were utilized in the process of completing this assignment.

Tool Name	Brief Description	Link to tool
N/A	N/A	N/A

Description of AI Usage

This section provides a more detailed description of how the AI tools were used in the assignment. It includes information about the prompts given to the AI tool, the responses received, and how these responses were utilized or modified in the assignment. **One table should be used for each tool used.**

[Insert Tool Name]	
N/A	
N/A	N/A

Evidence of AI Usage

This section includes evidence of significant prompts and responses used or generated through the AI tool. It should provide a clear understanding of the extent to which the AI tool was used in the assignment. Evidence may be attached via screenshots or text.

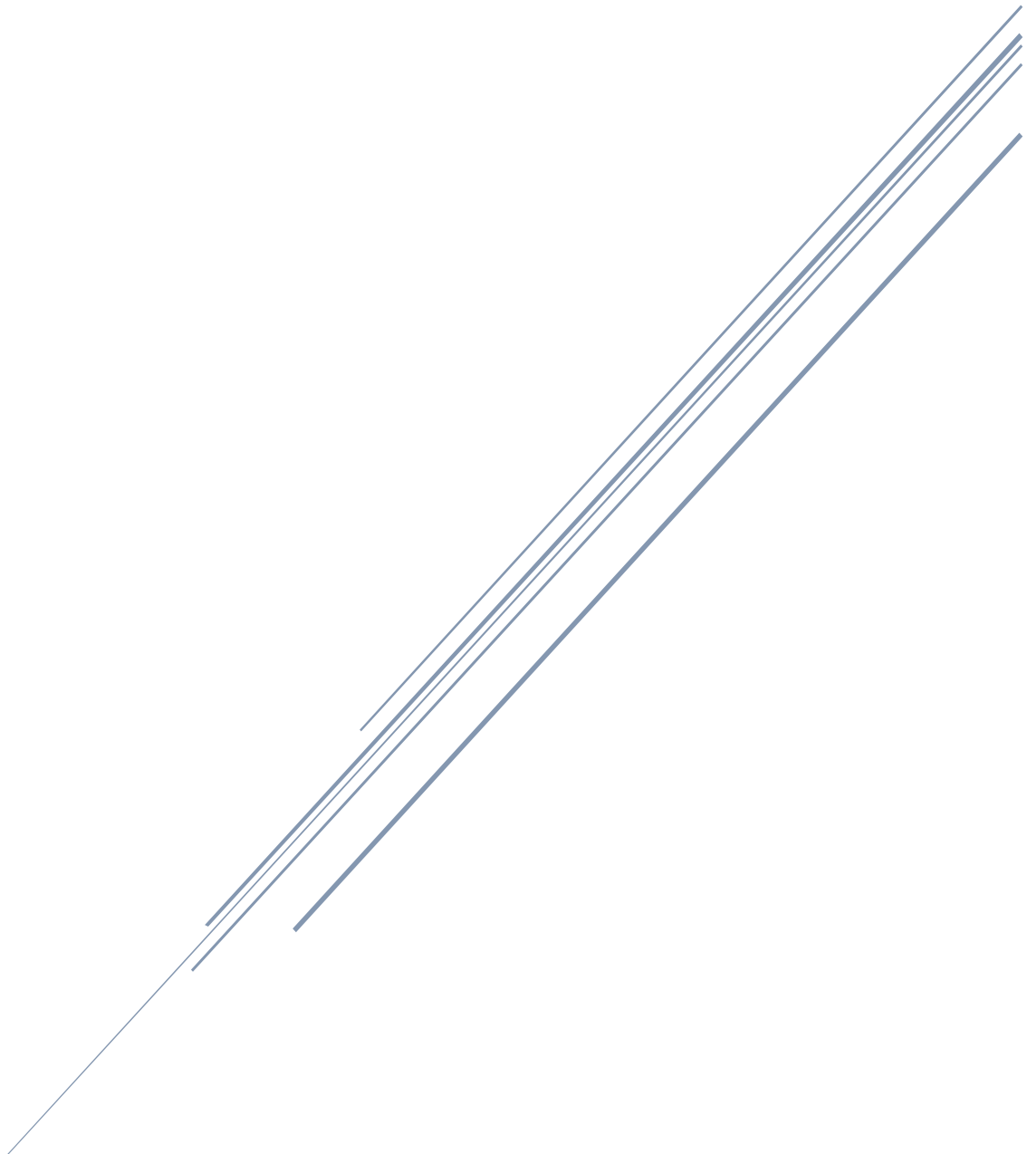
Additional Evidence:

[Place evidence here]

Additional Evidence:

[Place evidence here]

DIFFERENCES IN OPTIMAL MANAGEMENT PRACTICES BETWEEN PUBLIC AND PRIVATE SECTOR ORGANISATIONS: FOCUSSED ON PERFORMANCE MANAGEMENT AND MOTIVATION



Eoghan Hinds
MSc in Management

Abstract

Public and Private sector organisations exist for differing reasons and carry out different functions. For the most part, private, and by extension all for-profit organisations, exist for the sole purpose of providing financial gain for those who own and run them. Shareholder value and profitability are paramount, and this drives every interaction that organisation has with its stakeholders and with the society it operates in. Public sector, or not-for-profit organisations, generally exist to provide a service of some kind for society or a particular portion of society. This means that the missions of these organisational types are fundamentally different. The current study investigated these differences, with particular focus on; Motivation – motivation is a key component in management and the current study seeks to explore aspects of motivation with reference to both the public/not-for-profit and private/for-profit sectors. Performance Management - performance management forms a vital part of any management role. Appraising performance drives accountability, allows for a defined goal setting process and helps to train staff in their roles and develop their careers. Assessing any differences in this process between sectors can help managers and leaders understand how best to approach it with their workforce. Organisational culture – culture is a broad topic and encompasses a multitude of factors that can be assessed in a working environment. The current study investigated 23 variables focussing on the working environment across both sectors. Data from these variables was analysed to assess whether there are significant differences in employee engagement, happiness in the workplace, feelings of being valued and assistance with career progression, all with respect to the differences presented between public/not-for-profit and private/for-profit organisations.

The current study found that finance-based goals are much more prevalent in the private sector than in the public sector. Staff across both sectors are equally motivated by money, but the biggest motivators across both sectors are, how challenging the work is, the clarity of the goals that are set, the perceived fairness of the reward systems and the pathways provided for career development. No statistically significant detrimental impact was found from the financial pressures of a profit motive and the overall performance of the organisation. The implications of these findings are that managers in the public sector must find ways to motivate staff without financial rewards. They must ensure that the motivators outlined above are emphasised and

that adequate support is provided. Public sector managers are also required to evaluate performance using a wider variety of metrics due to the unavailability of financial targets. It is imperative that from the findings that managers across both sectors ensure that the performance management process is fair as any perceived unfairness of this process will have an impact on its usefulness.

Contents

Introduction	1
Literature Review	4
Research Question	14
Sub Questions	14
Research Methodology.....	16
Introduction	16
Research Philosophy.....	17
Research Design.....	17
Participants	18
Materials.....	19
Procedure.....	20
Data Management.....	21
Summary & Conclusions	21
Findings and Analysis	23
Discussion.....	32
Conclusions	47
Bibliography.....	50
Appendix.....	55

Introduction

The main question posed in the current study was, does profit motive have a detrimental effect on organisational culture? Focussing on Public vs Private sector, in an Irish context. Detrimental effect in the current study can be defined as causing a drop in motivation, productivity and employee engagement. The most obvious difference between the sectors being assessed is the profit motive. The pursuance of profit is the key driver of productivity in private sector organisations. The pursuance of that profit encourages a bonus culture in which a share of the profit can become the key motivating factor. The current study sought to assess whether this has an impact on the ownership and agency employees feel over their work.

The sub questions are, do external demands such as profitability or public service delivery determine how performance is managed? Is it possible that setting financial related goals undermines the feelings of ownership and pride generated by the work being done? The current study asked respondents if finance plays a part in goals set for them and sought to ascertain if this affects the impact and success of these goals. Do motivational factors differ between public and private sector organisations as a result of differing goals and reward schemes? Motivational factors are important for managers to understand across sectors and the current study sought to explore how different motivational factors interact with the different externalities that are encountered in each sector. The hypothesis is that the absence of a profit emphasis in the public sector can lead to a greater focus on societal benefit and a greater connection between employees and the goals of an organisation. The belief the current study began with and sought to prove is that the emphasis on profit above all else can have a debilitating effect on employee morale and subsequently on performance.

As management theory has evolved business schools and organisations have aligned their approaches and adopted some broadly accepted best practice approaches to management. These best practice approaches are designed to be applied across multiple organisational types and to provide a framework that can be utilised in a wide range of situations. It is important for managers to understand the differences that can be faced in different types of organisational structures. The Public sector accounts for

nearly 15% of the Irish workforce, so it is important to analyse what issues are encountered within this sector that may be distinct from what can be generally understood in the private sector. The absence of a profit motive in the public sector fundamentally alters the mission of the organisation, it is vital to understand if this fundamental difference has any knock-on effects which may impact the functioning of the organisation. There is an abundance of research on best practice approaches to performance management and motivation, but little is available on their impacts on different sectors, particularly for-profit or not-for-profit settings in an Irish context. There is an opportunity to assess data from the workforce to provide some clarity on any differences that exist between the sectors and that may need to be approached differently.

While it can be accepted that a concise framework can act as a guide in many differing situations and organisations, it is also worth investigating if there are some differences that are simply too incompatible to be handled using the same methodology. In his book *Images of Organization* (2006), Gareth Morgan presents a picture of culture, and organisational culture in particular, as a phenomenon that can be very difficult to attribute to one specific factor. He uses Japanese corporate culture as an example of something that is highly successful but is also not easily transferable. The success of the Japanese system can be analysed through a western lens and applied to western organisations but may not be as successful. The culture works in Japan because of multiple factors such as societal norms and customs. These external environmental factors are not easy to define and are impossible to replicate in another environment. This is backed up by Morden (1995) who states that people of any nationality are conditioned by the patterns of socialization and life experience within that country. Morden references Hofstede (1980) and his four variables of national culture and values. One of the variables listed is individualism vs collectivism. This is proposed by Hofstede as a variable across nationalities, but it may also be a variable across sectors. The fundamental point is that organisational culture can vary across organisations for multiple reasons and so it can be a challenge to attribute differences to one specific issue. The basic question posed in the current study is: Does profit motive have a detrimental effect on organisational culture, specifically departments within the Irish civil service and private/for-profit organisations, from within multiple sectors in Ireland? Lux (2003) argues that profit motive has a detrimental effect on

society. He argues that as profit motive is working towards perpetual wealth growth it is inherently rooted in self-interest. He posits the yield equation: Self-Interest → Profit Motive → Growth. The issue here is that self-interest as the dominant motivation is not conducive to a healthy and productive society. The same can be inferred for organisations. This effect will be analysed mainly through the prism of the presence or absence of a profit motive in an organisation. Samples are taken from corresponding job types across each sector to ensure that the external environmental factors mentioned above are shared as much as possible. Particular focus is placed on the effects on employee engagement, performance evaluation, motivation, and reward schemes. Public/not-for-profit organisations present very different goals and challenges to those presented in the private sector. It is worth investigating if these differences currently cause a divergence in organisational performance, whether different management approaches are applied, and if not, should they be.

Literature Review

When analysing the differences in managerial practices and organisational culture between private (for-profit) organisations and public (not-for-profit) organisations the obvious variable is profit motive. Private organisations, for the most part, are run solely for the purpose of creating as much profit as possible. Milton Friedman's assertion that creating profit was the social responsibility of corporations has helped to create a culture of shareholder primacy and the attainment of profit above all else. It has been argued that this cultural focus means that corporations cannot be expected to solve society's problems, Ramanna (2020). The author argues that there will always be a tendency on the part of corporations to manipulate the system to suit their own narrow objectives. In fact, studies have suggested that when presented with matters of public interest, the interests of corporations and of the citizen are often incompatible. The question that arises in this context is whether or not this cynicism and self-interest impacts the managerial practices and employee engagement within those corporations. Witesman et al (2023) point out that the expectation of a modern business is that they acknowledge their role in society and contribute positively towards a shared future. They assert that American business schools are now moving away from profit maximisation as a best practice approach and moving towards a social welfare maximisation model in which future business leaders are taught to implement strategies that are beneficial to society, rather than just their own shareholders. The current study has sought to assess this by asking respondents if they believe their work has a positive impact on society. Research has shown that the more engaged the workforce, the greater the levels of innovation and productivity, and in turn the more successful the company is (Cheese and Cantrell, 2005). Kirkhaug (2010) found that group belonging is a much more effective motivating factor than charismatic leadership. This is relevant in the context of this study because it may strengthen the argument that creating a buy-in, ownership and camaraderie among a workforce can greatly improve an organisation's success. Hollister et al (2021) point out that people display greater commitment when they feel ownership over something. People own what they create. It is reasonable to assume that this type of culture is harder to engender if there is a very obvious focus on profit above all else and a subsequent lack of attention to the tasks and benefits to society. If work is being done without the presence of a profit motive it may be easier to achieve a genuine buy-in and group belonging through staff wanting to be part of something. This links into the

influence tactics discussed by Yukl and Falbe (1990). They define 8 distinct tactics that are used to assert influence over subordinates, peers and superiors in organisations. They are pressure tactics, upward appeals, exchange tactics, coalition tactics, ingratiating tactics, rational persuasion, inspirational appeals and consultation tactics. If the current study focuses on tactics for asserting influence over subordinates, it is reasonable to question whether there are differences in the tactics used in different organisational settings. For example, exchange tactics focus on the implementation of tangible rewards for complying with instructions and achieving success. In a public or non-profit setting any benefits or rewards offered are likely to be less tangible than a straight, financial reward that may be on offer in a for-profit setting. Conversely, some aspects of pressure tactics may not be as effective in a not-for-profit setting. The added job security that often accompanies a position in the public sector may make it more difficult to intimidate a subordinate. Yukl and Falbe found that pressure tactics were most often used in situations where influence is being asserted on a subordinate. This research was expanded upon by Lam et al (2017) who found that national cultural differences act as a predictor of the effectiveness of certain influence tactics. What works in a supervisor to subordinate dynamic in the United States may not work as well in Mexico. This is an interesting dynamic to consider in the current study as there are likely to be cultural differences between for-profit and not-for-profit organisations that will impact the effectiveness of influence tactics used by managers. Cheung (2024) hypothesised that job insecurity is associated with organisational dehumanisation. That is that if people feel insecure in their job they feel less valued by their organisation and less human as a result. The author also hypothesised that employee resilience would act as a moderator to this effect, that as employee resilience increases the feeling of dehumanisation through job insecurity decreases. The research carried out in Cheung's study supported these hypotheses. The research found that job insecurity can trigger a dehumanising experience for employees and also that employee resilience can act as a moderator for this experience. This suggests that the job security provided in the public sector should lessen any feelings of dehumanisation and conversely that more resilience is required in the private sector in regard to the effects of job insecurity. Employee resilience is also an important moderator in terms of how employees deal with stress. Cojocaru (2022) concludes that although certain human typologies are more suited to dealing with stressful situations, an organisation will be made up of a wide variety of typologies

and so it is difficult to predict the overall resilience of an organisation to pressures and workloads. Cojocararu asserts that it is vital for managers to be able to understand the exact level of pressure and stress employees can endure in order to operate effectively. In analysing the literature Cojocararu finds that employees will increase in resilience if they are faced with moderate proportions of problems but that this can decrease if the problems become overwhelming. This is relevant to the current study as it provides context for analysing employee's perceptions of the expectations placed on them. Are expectations more overwhelming in one sector over another and could this have an impact on employee resilience?

With public organisations the assumption would be that the absence of a profit motive may lead to a greater focus on goals that have a greater benefit to the customer and society as a whole. Dibb, Pinho and Rodrigues (2013) explored the role of organisational culture in non-profit organisations. They found that organisational culture had a significant impact on organisational performance, but that organisational commitment was neither impacted by culture nor had any significant impact on performance. This presents an interesting conundrum. Knowing that organisational culture has a significant impact on performance would suggest that the culture itself is driving commitment to the organisation and in turn positively impacting performance. However, this literature suggests that commitment is almost irrelevant. The suggestion is that market orientation, a singular focus on the final goal, creates a feeling of alignment and purpose that positively impacts performance, regardless of whether or not there is a strong emotional feeling towards the organisation itself. The question that arises in this case is, if the final goal is simply financial, can an organisation create the same feeling of purpose and agency as if the final goal was more deep or altruistic. Recent opinion in the Harvard Business Review suggests that financial targets don't motivate employees. The reasoning is that staff need to be engaged and have ownership of their tasks and goals. This may be difficult to achieve when the only target they are being set is a financial one. Hitting financial targets requires employees to care, can staff be motivated solely by making money for someone else?

Chen, Jiao and Harrison (2018) state that not-for-profit organisations need to demonstrate an ability to achieve goals and objectives that are consistent with the values of the stakeholders in order to secure stakeholder support. In their analysis the focus was on charitable organisations that required outside funding, but the logic also

applies to government or state organisations. To secure government funding and political support departments and state bodies need to demonstrate that they can deliver on promises and achieve change for the benefit of society. Chen, Jiao and Harrison also state that return on investment for non-profit organisations is measured through the effect of the organisation on its beneficiaries. In the case of public sector organisations, the beneficiaries are the public and society as a whole. It may be interesting to explore whether this has an effect on the motivations of managers and workers within public sector organisations.

This question brings to mind research by Berger, Guo and Presslee (2023) in which the impact of prosocial rewards vs financial rewards was assessed. If the question we are seeking to assess is the impact of profit motive on an organisational culture, in both a public and private sector context, then naturally the use of cash reward as a principal motivating factor is an important variable. Expectancy Theory tells us that employee motivation is fundamentally linked to the belief that the effort exerted will generate successful performance and in turn expected rewards, and, if that is not the case, the effort will decline. Expectancy theory relies on three main components; that individuals have unique needs and value those needs accordingly, that individuals make conscious choices about their actions, and, that individuals choose the action they feel is most likely to give them the valued outcome. This theory has been criticised because it relies on people being entirely rational and calculating, and that is unrealistic. The basic premise however is that the reward must be worth the effort to ensure engagement and motivation. This is affirmed by Baumann and Bonner (2016). They found that participants in their study often focussed on higher expectancy and higher instrumentality tasks, in other words, tasks that they felt they would be able to do and that had the best rewards. A task must be worth the effort and must be achievable. The key point in the context of the current study is whether that reward has to be a tangible and immediate financial one, such as a bonus or raise in the private sector, or simply an improvement for the beneficiaries or greater recognition for a job well done. Berger, Guo and Presslee found that workers experience greater affective reaction to prosocial rewards than cash rewards, which suggests that staff tend to be more motivated by the more deep or altruistic goals mentioned above. However, it was also discovered that goal difficulty is a more important motivating factor than cash reward, and that effort is highest when workers are assigned difficult

but attainable goals. This is reiterated in a study by Kim, Gerhart and Fang (2022). This research found that in general financial rewards do act as a motivator and can be associated with higher performance regardless of whether the tasks are interesting or not. However, they also noted that performance was still dependent on appropriate goals being set. The interesting discovery is that prosocial rewards have their greatest impact when tasks are either too easy or too hard. The implication here is that workers may tend to lose interest or motivation in situations where the work is either not challenging or too difficult, but that a prosocial or altruistic goal to aim for acts as a motivator to sharpen focus in those situations. It may be difficult for an organisation with a heavy focus on profit to create a similar motivation. One way may be through support for innovation. Sarros, Cooper and Santora (2011) propose that “the underlying cultures of private enterprises are sufficiently different to those in not-for-profit organisations to warrant different paths of association between leadership and innovation in those organisations”. They hypothesised that that in not-for-profit organisations, a socially responsible cultural orientation influences leadership vision and support for innovation, whereas in for-profit organisations, the presence of a competitive culture has an impact on this. They also predicted that leadership vision would be more strongly positively related to a socially responsible cultural orientation in not-for-profit organisations, whereas in for-profit organisations, vision will be more strongly positively linked to competitive culture. They found that while not-for-profit organisations were generally more socially responsible, this had minimal impact on long-term leadership vision and innovation. In this case it may be that support for innovation can be constant even if the motive for instigating the innovation differs. It has also been found that that financial rewards do have a positive impact on employee motivation. Manenzhe and Ngirande (2021) found that there is a very strong correlation between compensation and “organisational citizenship behaviour”. Organisational citizenship behaviour is an employee’s willingness to go above and beyond what is expected in order to perform their job well. Manenzhe and Ngirande found that if compensation is deemed to be high or even just fair, this will increase organisational citizenship behaviour.

Khan, Mukaram and Zubair (2021) contend that motivational factors differ between public and private sector organisations. They assert that public service employees are heavily motivated by a desire to contribute to society. The perception of having a social

impact makes workers in the public sector more resilient and in turn improves performance. It stands to reason that public sector employees would gain motivation from some factors that would differ from the private sector as there is less scope for financial gain. The absence of bonuses or commission in the public sector means that immediate financial reward for improved performance is minimal. However, Cluff (2022) points out that non-monetary motivators are very important to how a community, or in the case of the current study, an organisation, fosters a sense of belonging and togetherness. She mentions perks such as paid leave, childcare, maternity leave and parental leave as initiatives that can engender a greater work/life balance. This work/life balance should help a workforce feel valued and create a sense of loyalty to the organisation. These motivators or perks can be seen in the public sector in Ireland, which offers far better conditions in this regard than most private sector companies. This is illustrated in figure 1 below from the CSO which shows that as of 2021 only 10.7% of people on maternity leave in all sectors in Ireland received over 90% of their pre-maternity pay. Civil servants in Ireland receive full pay for 26 weeks of maternity leave as standard.

Figure 3.1 Employer Pay During Maternity All Sectors

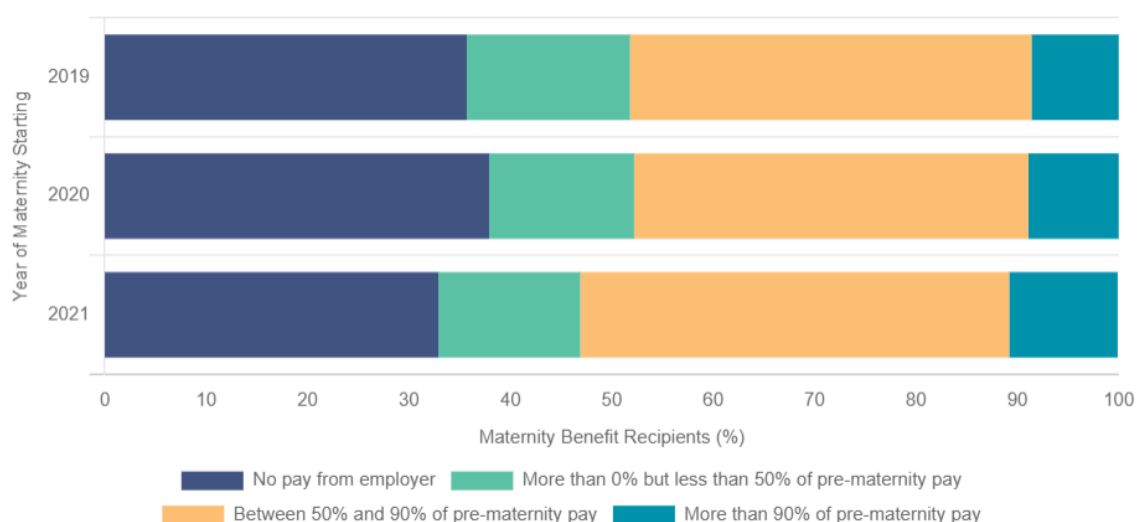
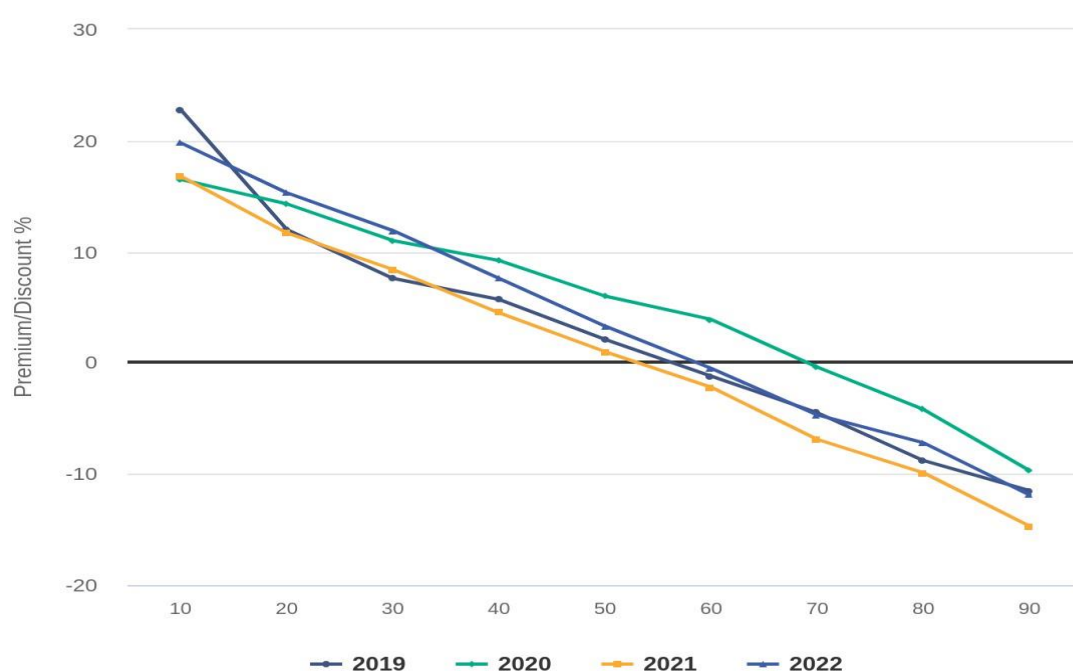


Figure 1: 2021 CSO data on the % of maternity benefit received by employees in Ireland

The financial gain in the public sector comes in the form of promotions as a longer-term reward for strong performance. Although the data in figure 2 below from the Central Statistics Office shows that public sector employees on higher incomes are worse off than their private sector counterparts, whereas the lower incomes in the

public sector are on average higher. This means that the financial reward gained from promotions and increased responsibility may not be sufficient to motivate some employees. This is relevant in the context of expectancy theory as discussed previously. If the reward available is not perceived to be worth the effort exerted, could this have a detrimental effect on motivation?

Figure 4.1 Public Sector wage gap (%) distribution – weekly earnings for permanent full-time employees aged 25-59 years excluding size as explanatory variable (weighted), 2019-2022



Source: CSO Ireland
Highcharts.com

Figure 2: 2019-2022 CSO data on public sector earnings in comparison to the averages in the private sector

This suggests that methods of motivation may differ in a public sector organisation compared to a private sector organisation. Studies have suggested that adopting private sector practices in a public sector setting may not necessarily yield the same results. To add to this, Sun, Chen and Yang (2021) contend that civil servants pay more attention to intrinsic motivation than extrinsic motivators such as salary. Their study finds that “service leaders”, as found in the public sector, prioritise the welfare of staff and cultivate an atmosphere of service orientation. They find that this has a positive impact on employees’ attitude towards the service provided and the work

being performed. This does not necessarily mean that the same attitude can't be cultivated in the private sector, but the differences in rewards and performance evaluation may make the motivation in the private sector inherently more individualistic. Hartnell et al (2023) explored the principle of intrinsic motivation and its links to servant leadership. Intrinsic motivation is the motivation to engage in something because of the inherent satisfaction that is derived from the activity itself rather than the rewards associated with it. Servant leadership is leadership that prioritises the well-being of others. It is worth exploring if this type of leadership is more prevalent in the less individualistic culture presented in the public/not-for-profit sector. Intrinsically motivated employees are more engaged and emotionally involved in their work. Hartnell et al found a positive correlation between servant leadership and intrinsic motivation. This suggests that if servant leadership is more prevalent in the public sector, then public sector employees should have higher levels of intrinsic motivation.

Ensslim, Welter and Pedresini (2020) found that previous studies have suggested that public organisations provide challenges regarding performance evaluation because of a difficulty in identifying the main goals to be measured. They found that while it can be a useful practice to import some best practice ideas on performance evaluation from the private sector the organisations present such different fundamental characteristics that any replication should be undertaken with caution. Their analysis also revealed that private sector organisations can have issues around performance evaluation that are caused directly by financial issues as this is the main determining factor of organisational performance. This is compounded by Ion and Alic (2023). Their study of human resource management in the public sector found that public sector managers can be limited by legal frameworks in how they evaluate and drive performance. This resonates with a developing theme around the stifling effect of bureaucracy on the operation and efficiency of the public sector. Ion and Alic also point out that the absence of profit maximisation as a clearly defined goal makes the goals within the public sector more difficult to define and measure. They assert that the service provided tends to be the focus and public money is used to provide value for the society. This can be an abstract value to measure. This suggests that while goals may be harder to define in the public sector, they may also provide a more rounded measure of performance. Gabarro and Hill (2002) outline the suggested methods of

managing employee performance. They assert that for performance to be managed correctly and feedback to be constructive there needs to be a belief on the part of the subordinate that the manager understands the challenges of the job and is willing to take responsibility for the developmental needs of the subordinate. If the approach is too dictatorial and feedback is too general and subjective then it is unlikely that it will be constructive. It is very difficult to action feedback that isn't properly explained. This may be interesting to analyse in relation to any differences presented regarding the clarity and achievability of goals and the overall feeling of engagement and belonging presented between respondents in each sector.

Nutt (2000) undertook a study of decision-making processes in public and private organisations. He found a number of interesting trends. Firstly, he found that private organisations tend to make decisions based on speed rather than enduring use, which can lead to poor long-term decision making and some instability. Public sector organisations on the other hand have a separate issue that can lead to the same instability. The need to satisfy multiple stakeholders and interests can lead to a drawn-out decision-making process and often multiple objections and blockages even after the decision has been taken. These findings present an interesting conundrum. Both public and private organisations can suffer instability due to their decision-making process, but the findings suggest that the problems faced by private organisations can be attributed to the culture and motivation of the organisation, whereas in the case of public sector organisations the issue is more procedural. In other words, private sector organisations have their priorities wrong, but the bureaucracy involved in the public sector is inherently inefficient.

Another factor to consider when analysing public organisations is the organisational structure. Traditionally the structure within public sector organisations has been very hierarchical. This would lead to a culture of deference and autonomy and power being funnelled up along hierarchical lines. In a study on the Indonesian public sector, Ibrahim et al (2023) found that the public sector in that country were moving away from this hierarchical model and towards a model in which more autonomy was given to the individual agencies and a culture focussing on customer experience and relationships is encouraged. This allows workers to feel more emotionally attached to their work and less dictated to. The more autonomy and ownership they feel, the more they engage with their tasks, which in turn improves performance.

Overall, while there is a wide range of literature available on the topic of organisational culture, performance and on various aspects of managerial practice, there is scope for research into the differences in these factors between public and private sector organisations. The literature analysed so far provides valuable detail regarding differences in performance management and motivation. The current study attempted to build on that in an Irish context and tie this in with further research on differences in employee engagement and reward schemes, and the overall impact on the culture and performance of an organisation. There is value in assessing these factors in the context of the presence or absence of a profit motive, and determining, where possible, if different approaches to performance management and motivation are appropriate.

Research Question: Does profit motive have a detrimental effect on organisational culture? Focussing on Public vs Private sector in an Irish context.

Sub Questions:

1. Do external demands such as profitability or public service delivery determine how performance is managed?
2. Do motivational factors differ between public and private sector organisations as a result of differing goals and reward schemes?

The hypothesis is that the absence of a profit emphasis in the public sector can lead to a greater focus on societal benefit and a greater connection between employees and the goals of an organisation. This is illustrated in Figure 3 below. The null hypothesis in this case is that these factors have no influence.



Figure 3: Model Explaining Hypothesis – The presence of a profit motive, leads to individualistic motivations, which in turn reduces the engagement with the organisational goals and has a negative impact on performance.

The current study analysed the relationship between organisational goals and organisational culture, with the focus on the differences in these factors between public and private sector organisations. The rationale is that best practice management approaches will differ in the public sector due to the absence of a profit motive and that this will have an impact on organisational culture, particularly through performance

management practices and employee motivation. Acknowledging the presence or absence of a profit motive as a key difference between the sectors being assessed, does the data point to an obvious difference in the motivational variables being analysed? The current study also sought to analyse if the same applies to the reward schemes in each sector. Is there an obvious difference in goal setting? Is there an obvious difference in performance management? These findings are used to infer a direct causation between the profit motive present in the private sector and the factors being assessed.

Research Methodology

Introduction

Quantitative research was chosen for this project as the current study believes it provides a clearer picture of the differences between public and private sector attitudes, practices, and culture. This methodology is in line with previous research, with most studies of this kind carried out using surveys of respondents working in the relevant sector. In the case of the current study respondents are taken from both private and public sectors. Available literature is analysed, and a survey of both public and private sector employees is carried out to ascertain whether the hypothesis carries. The population in this case is the workforce in Ireland and this is broken down into two subsets for the purposes of the current study, namely people working in private/for-profit organisations and people working in public/not-for-profit organisations. Figures 4 and 5 in the appendix illustrate Irish workforce data from the CSO and the Department of Public Expenditure and Reform. The responses to the survey for the current study are analysed in line with the overall trends shown in this data to ensure that the samples are representative. The data in figure 5 shows that the public sector makes up roughly 15% of the workforce in Ireland currently.

The current study proposes that there is a negative relationship between employment in a private/for-profit organisation and some employee engagement variables such as job security, expectations and happiness. Motivational variables and employee engagement variables are used to assess the question posed in sub question 2. Performance Management variables are assessed to ascertain any differences relating to sub question 1. The answers collated from these questions form the conclusion to the overall research question. A correlation analysis has been carried out to ascertain if the public vs private sector dichotomy has an impact on motivation, engagement and performance management practices within the same job type and hierarchical position. This is done using Pearsons r and its associated p value.

Research Philosophy

For research such as this there is likely to be a wide variety of answers due to everyone experiencing their working environment differently. While every effort has been made to ensure that respondents have come from as homogenised a grouping as possible, even this cannot guarantee absolute clarity. Each workplace contains a myriad of variables and externalities that can impact someone's experience and perception of their working environment. By devising a broad survey asking a variety of questions the current study sought to elicit a broad spectrum of subjective opinions of the culture of their organisation, motivating factors, performance management and overall experience of the working environment. These subjective opinions can be analysed to identify patterns and arrive at a position of greater, if not total, clarity on the issues assessed.

Research Design

The aim of this research is to analyse responses from people working in either public or private organisations to ascertain whether there are factors that affect their working environments differently. Survey respondents working in similar job types at similar levels were selected to homogenise the sample as much as possible. The research is quantitative in nature. It consists of 23 questions on an agree to disagree scale, which allows for the quantification of the responses to assign weight and significance to each response. This process further formalises the data collected. The current study uses a correlational research design. The research observes the natural relationships between independent variables, public vs private, management role, job type and the dependent variables presented in questions 4-26. This is a real-world test, so a correlational design is most appropriate.

The population assessed in the current study is the workforce in Ireland who are working in office-based roles in IT, Customer Service, Finance, HR, Admin and Project Management. The sample is a small but evenly distributed sample of staff filling those roles in either public/not-for-profit or private/for-profit settings. Data is collected through a 26-question survey devised using Microsoft Forms. Questions 1-3 are used to categorise respondents into subgroups. Questions 4-26 are used to gather a wide variety of information on the variables being assessed. The survey was sent individually to each respondent and consent forms and information sheets were attached. Responses were anonymous and were collated in an Excel spreadsheet.

Pivot tables and charts were created from that to gain some initial findings before the data was transferred to SPSS for more detailed analysis.

When investigating the first research sub question, do external demands such as profitability or public service delivery determine how performance is managed? The following statistical tests were performed. A means plot was created showing the difference in the prevalence of financial goals being set between the public and private sectors. The variables that were assessed were, is your organisation public/not-for-profit or private/for-profit? Does Finance play a part in the goals that are set for you? Performance is evaluated adequately in your organisation. Performance is assessed using a variety of measures and being held accountable for performance. A correlations table was produced showing the correlations between each of these variables.

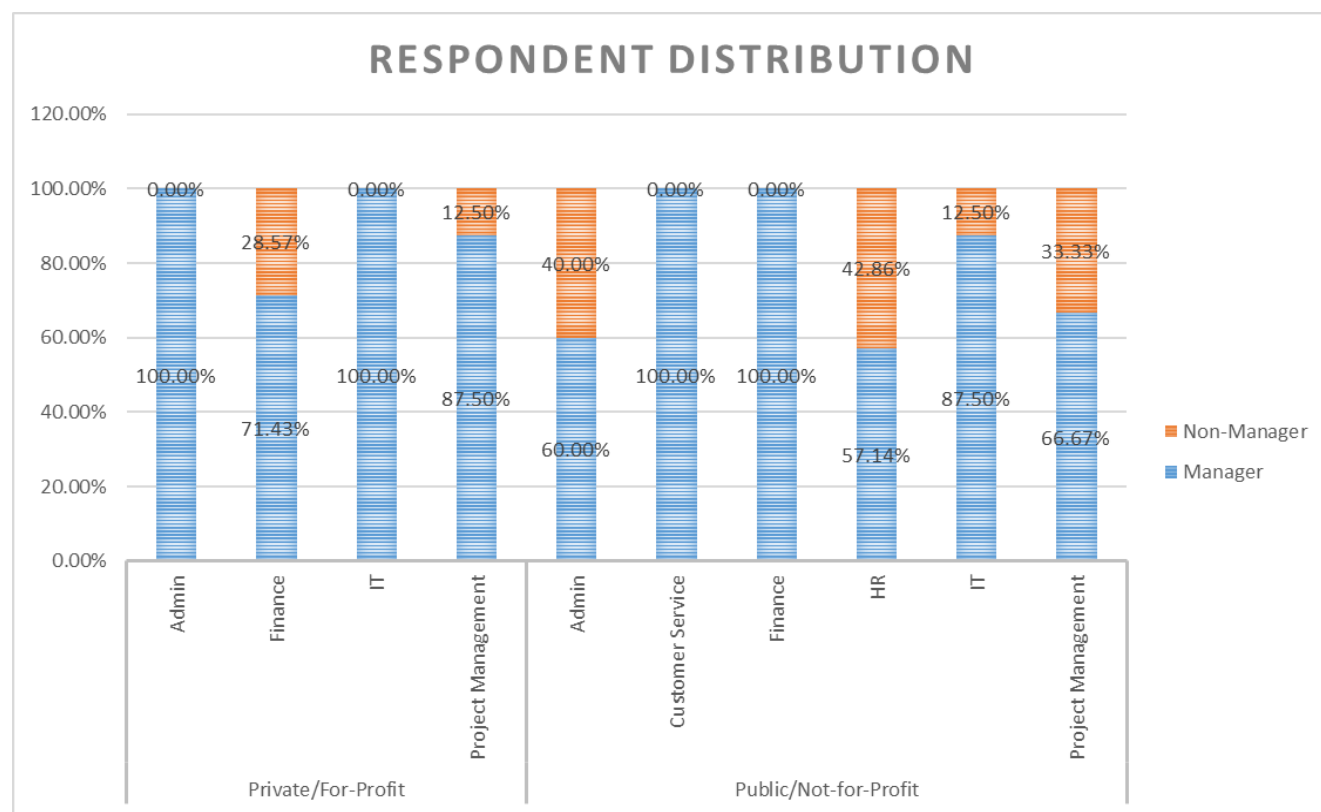
When investigating the second research sub question, do motivational factors differ between public and private sector organisations as a result of differing goals and reward schemes? Several correlation tests were run. A correlation was run between the prevalence of finance-based goals and the feeling that the reward scheme in the organisation is fair. A correlation was run to add in feeling valued by the organisation. A third correlation was run between financial goals, work being challenging and work being interesting. A fourth correlation was run between financial goals and feeling that the job allows people to reach their potential. Finally, financial goals were also correlated with workplace happiness and the feeling of being rewarded fairly.

Supplementary data was also assessed by running the following correlations; between staff working in a management role, the feeling of being adequately paid and the feeling that the reward scheme in the organisation is fair, and between public/private sector organisations, the feeling of being adequately paid and the feeling that the reward scheme in the organisation is fair. All of the correlations are detailed in the findings and analysis section and appendix.

Participants

The public sector respondents are taken from employees of the Irish civil service. The private sector cohort consists of people working in multiple sectors in Ireland. All respondents work in office-based roles and are divided into categories Admin, IT, HR, Finance, Project Management and Customer Service. 41% of respondents work in the

private sector, 59% in the public sector. 80% of respondents work in a management role. The distribution is illustrated in the chart below.



Materials

A 26-question survey was designed using Microsoft Forms. The first 3 questions were used to divide respondents into subgroups by public sector/ private sector, whether they worked in a management role and the job type they work in. This survey was distributed individually to selected staff in the Irish civil service, financial sector, a manufacturing company and a marketing firm. Responses were collated, along with consent forms and the data was transferred to Microsoft Excel for analysis.

Motivation is the main category of variables that have been analysed. Differences in these dependent variables were analysed in relation to the independent variables of the sector, job type and management role the respondent is employed in. The current study proposes that there is a positive relationship between employment in a public/not-for-profit organisation and the motivation variables assessed. Differences in employee engagement and performance management were also analysed as supplementary information.

Procedure

The public sector respondents are taken from employees of the Irish civil service. The private sector cohort consists of people working in multiple sectors in Ireland. The survey provided 23 statements to be answered in a multiple-choice format on a “agree to disagree” rating scale to determine the strength of the responses to each question analysing the culture of their organisation, their primary motivations, how their performance is evaluated, how engaged they feel in their job and how they are rewarded. The ordinal data generated from this was then collated in Excel and analysed, using SPSS, to determine if there are any links or trends that point towards differences in the main factors assessed. Respondents were asked to indicate whether they are employed in a public or private organisation, their job type and whether or not they are in a management position. These make up stratified random samples of the population for the purpose of the current study. The responses have been assessed based on that to indicate any noticeable differences. One possible limitation is access to private sector employees. Access has been gained to a broad sample of respondents from the public sector, but the private sector has proven more challenging. A close to even split has been attained between public and private sector responses and the statistical analysis has factored in the minor difference.

This survey was distributed to selected staff in the Irish civil service, financial sector, a manufacturing company and a marketing firm. It was distributed via email along with an information sheet and a consent form which highlighted the purpose of the research, planned use of the data collected and specified that participation was purely voluntary. The collection of the data was anonymous, and questions were designed to cover issues generic to every workplace so as not to reveal anything specific about particular organisations.

The data was analysed in Microsoft Excel and converted to SPSS for more detailed statistical analysis. Correlation tests were run on all variables to ascertain which variables most interacted with each other. This data was then further explored with reference to the research questions and the findings were analysed as detailed below.

Data Management

The data was collected in Microsoft Forms, converted to Microsoft Excel and SPSS and stored locally. This data was only used for the purpose of the current study and no further use is planned. The only personal data collected was in the form of the signed consent forms, which were emailed individually and also stored locally. The consent forms will be stored until such time as they are no longer required for verification purposes.

Summary & Conclusions

This research project aims to investigate the differences in management practices and aspects of organisational culture between public sector and private sector organisations in Ireland, focusing on employees in office-based jobs. To achieve this, a quantitative research methodology has been employed. A survey consisting of 23 multiple-choice statements on aspects of organisational culture, performance management, and motivation was created using Microsoft Forms and distributed via email individually to each respondent. The survey was sent to a sample of employees from both the public and private sectors. All answers were anonymous, and the information sought was generic in nature to ensure no organisations could be identified. The sample was made up of 41% from private/for-profit organisations and 59% from public/not-for-profit organisations. All participants provided informed consent, and consent forms have been securely stored.

The quantitative approach pursued in the current study allowed for a comparison of aspects of organisational culture between public/not-for-profit and private/for-profit organisations in Ireland. The survey design featured multiple-choice statements that ensured that various aspects of organisational culture, performance management, and motivation were assessed. The analysis in SPSS using means tests and correlations provided valuable insights into the differences and similarities between the two sectors. Key findings from these statistical tests highlighted significant differences in certain aspects of organisational culture and performance management practices, while other areas showed notable similarities and highlighted areas that may require further research.

The completion of the survey and analysis of the data received shows that this methodology is effective in capturing and contrasting the factors affecting organisational culture between public and private sector employees. The results

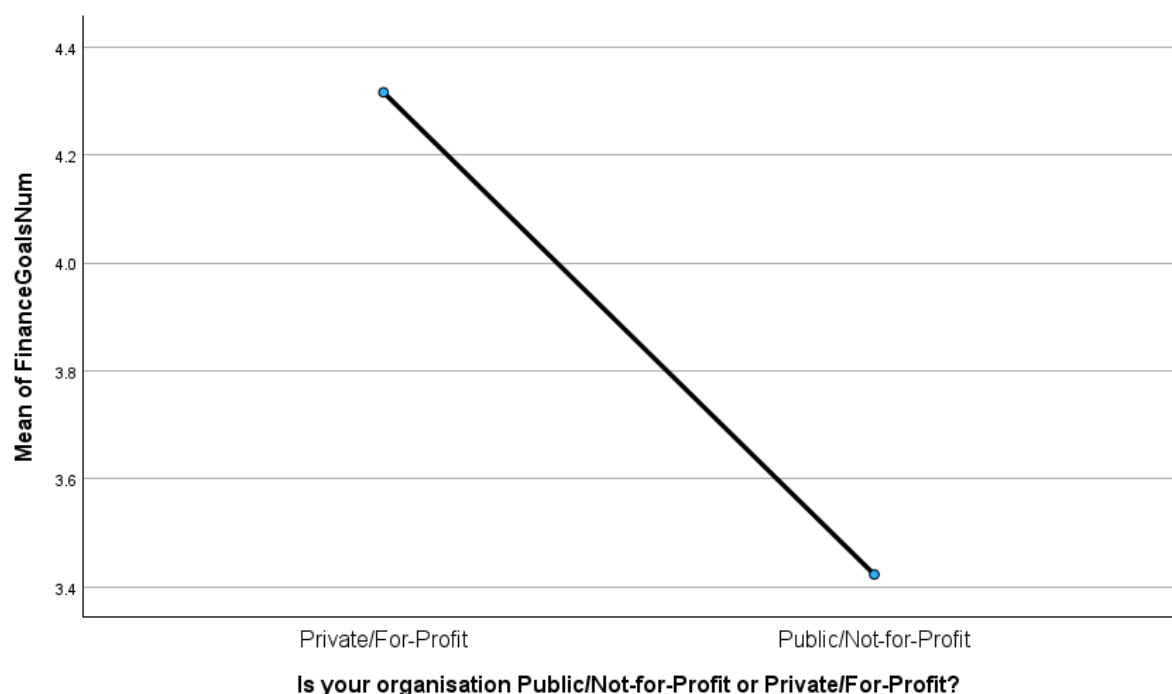
contribute valuable knowledge to the field of organisational studies and provide a foundation for further research on this topic. Future research could build on these findings by exploring aspects of resilience and further delving into personality types and how each interact with the specific characteristics presented in each sector. It would also be interesting to see how this analysis would look when applied to a larger and broader sample of respondents. This will be discussed in more detail in the discussion section.

Findings and Analysis

When assessing the findings, the current study first analysed the data based specifically on the two sub questions listed.

1. Do external demands such as profitability or public service delivery determine how performance is managed?

This was assessed by testing the relationships between the sector the respondents work in, i.e. Public/Not-for-Profit or Private/For-Profit and a number of dependent variables. Respondents were asked whether the goals set for them are finance related, whether performance is managed using a variety of measures, whether performance is evaluated adequately and whether they were held accountable for their performance.



The above means plot shows that respondents from the Private/For-Profit sector are more likely to be set financial goals by their organisation.

Correlations						
		Is your organisation Public/Not-for-Profit or Private/For-Profit?	Finance-GoalsNum	PerfMgmtFairNum	PerfMgmtVarietyNum	AccountabilityNum
Is your organisation Public/Not-for-Profit or Private/For-Profit?	Pearson Correlation	1	-.406**	0.141	0.151	-0.207
	Sig. (2-tailed)		0.006	0.355	0.321	0.173
FinanceGoalsNum	Pearson Correlation	-.406**	1	0.226	0.113	0.278
	Sig. (2-tailed)	0.006		0.136	0.458	0.064
PerfMgmtFairNum	Pearson Correlation	0.141	0.226	1	.459**	0.289
	Sig. (2-tailed)	0.355	0.136		0.002	0.054
PerfMgmtVarietyNum	Pearson Correlation	0.151	0.113	.459**	1	.370*
	Sig. (2-tailed)	0.321	0.458	0.002		0.012
AccountabilityNum	Pearson Correlation	-0.207	0.278	0.289	.370*	1
	Sig. (2-tailed)	0.173	0.064	0.054	0.012	
**. Correlation is significant at the 0.01 level (2-tailed).						
*. Correlation is significant at the 0.05 level (2-tailed).						

The correlations table above illustrates the relationships between each of the variables assessed. Small correlations are represented by $r = .10$ to $.29$ medium correlations by $r = .30$ to $.49$ and large correlations are $r = .50$ to 1.0 . Private/For-Profit organisations are represented by 1 and public/not-for-profit by 2 so the inverse correlation shown by $r = -.406$ represents a medium correlation between private/for-profit organisations and finance-based goals. The $\text{Sig} = .006$ indicates that the medium correlation between respondents from private/for-profit organisations and being set finance-based goals is of statistical significance. In this case it is significant at the 0.01 level as it is below that number. There are small correlations between the sector the respondents work in, and their perceptions of the performance management practices in their organisations. This shows us that while we can see from the means plots that staff in the public sector are more likely to find the performance management practices in their organisation fair and that they are assessed using a variety of measures, and staff in the private sector are more likely to believe that they are held accountable, the correlations are not significant enough to place importance on them. There is however a significant difference in financial goals being set in each sector, with them being more likely in the private sector.

2. Do motivational factors differ between public and private sector organisations as a result of differing goals and reward schemes?

This was assessed using the correlation between financial goals and the public or private sectors. The current study shows that there is a significantly higher likelihood of being set financially based goals in a private/for-profit organisation than there is in

a public/not-for-profit organisation. As a result, correlations were assessed between financial goals and the other variables to ascertain any links.

Correlations			
		FinanceGoals Num	RewardFair Num
FinanceGoalsNum	Pearson Correlation	1	.436**
	Sig. (2- tailed)		0.003
RewardFairNum	Pearson Correlation	.436**	1
	Sig. (2- tailed)	0.003	
**. Correlation is significant at the 0.01 level (2-tailed).			

The above table shows that there is a significant medium correlation between staff who are set financial goals and staff who believe the rewards in their organisation are fair. This may be due to the reward schemes in question being linked to the goals set, in the form of bonuses or raises. This can create a feeling that work is paying off and that hard work is being rewarded. In this situation there is ownership of the tasks to be completed to achieve that goal and the reward received afterwards is viewed as a fair reflection of the work put in. This brings us back to expectancy theory, as discussed in the literature review. Expectancy Theory tells us that employee motivation relies on the reward for the work being carried out being worth the effort that is exerted. The correlation found between respondents being set financial goals and also feeling adequately rewarded by their organisation is expectancy theory in action. In this case the expectation of the reward being fair leads employees to feel motivated by the goal presented. If there is a bonus attached to the financial goal, then they can feel that that bonus is fair because they have played their part in increasing the financial health of the organisation. This makes the goal tangible and the effort worthwhile in the eyes of the employee.

Correlations				
		FinanceGoalsNum	RewardFairNum	ValuedByOrgNum
FinanceGoalsNum	Pearson Correlation	1	.436**	.345*
	Sig. (2-tailed)		0.003	0.020
RewardFairNum	Pearson Correlation	.436**	1	.704**
	Sig. (2-tailed)	0.003		0.000
ValuedByOrgNum	Pearson Correlation	.345*	.704**	1
	Sig. (2-tailed)	0.020	0.000	
**. Correlation is significant at the 0.01 level (2-tailed).				
*. Correlation is significant at the 0.05 level (2-tailed).				

The above correlation table shows a significant medium correlation between financial goals and feeling valued by the organisation. While this link does not seem immediately logical, we can also see that there is a very strong correlation between the feeling of being rewarded for work fairly and being valued by the organisation. If respondents that are set financial goals feel that they are also rewarded fairly, it is therefore logical that staff that are set financial goals also feel more valued by their organisation.

Correlations				
		FinanceGoalsNum	WrkChallengeNum	WorkInterestingNum
FinanceGoalsNum	Pearson Correlation	1	.359*	.377*
	Sig. (2-tailed)		0.015	0.011
WrkChallengeNum	Pearson Correlation	.359*	1	.568**
	Sig. (2-tailed)	0.015		0.000
WorkInterestingNum	Pearson Correlation	.377*	.568**	1
	Sig. (2-tailed)	0.011	0.000	
*. Correlation is significant at the 0.05 level (2-tailed).				
**. Correlation is significant at the 0.01 level (2-tailed).				

The above correlation table shows a correlation between financial goals and work being both interesting and challenging. Financial goals are correlated with interesting and challenging work at a medium level. Interesting and challenging work are strongly correlated with each other. This challenges the assumption made in the current study that employees feel less engaged by financially based goals. We can also see that there is a strong correlation between work being interesting and work being challenging. This backs up the assertion that work is more interesting when the person finds it challenging.

Correlations			
		FinanceGoalsNum	ReachPotentialNum
FinanceGoalsNum	Pearson Correlation	1	.353*
	Sig. (2-tailed)		0.017
ReachPotentialNum	Pearson Correlation	.353*	1
	Sig. (2-tailed)	0.017	
*. Correlation is significant at the 0.05 level (2-tailed).			

The above correlation table shows that there is a medium correlation between respondents who were set financial goals and the feeling that the organisation allows them to reach their potential. This is further evidence to suggest that financial goals do not have the demoralising effect the current study would have hypothesized. If staff that are set financial goals are more likely to feel that their organisation allows them to

reach their potential, then it suggests that they feel engaged and challenged by the goals and the work that they are involved in.

Correlations				
		Finance GoalsNum m	Workplace Happiness Num	Reward FairNum
FinanceGoals Num	Pearson Correlation	1	.393**	.436**
	Sig. (2- tailed)		0.008	0.003
WorkplaceHa ppinessNum	Pearson Correlation	.393**	1	.505**
	Sig. (2- tailed)	0.008		0.000
RewardFairN um	Pearson Correlation	.436**	.505**	1
	Sig. (2- tailed)	0.003	0.000	
**. Correlation is significant at the 0.01 level (2-tailed).				

The above correlation table shows a medium correlation between respondents who indicated that they were set financial goals and positive responses of workplace happiness. This again may be linked to the feeling of being rewarded fairly by the organisation. As with the correlation between financial goals and the feeling of being valued by the organisation we can see that there is a very strong correlation between the feeling of being rewarded fairly by the organisation and the feeling of being happy in the working environment.

The data from the current study suggests that motivational factors do differ between public and private sector organisations as a result of differing goals and reward schemes, but possibly not in the way that the current study would have assumed. The data suggests that financial goals can provide significant motivation for employees, and it is possible to infer from the data that if these goals are linked to the reward schemes, possibly through bonus structures or raises, and that this can generate a strong level of engagement. Responses indicate that this can lead to work being more interesting and challenging and can also engender feeling of being valued by the organisation.

Aside from the two main research questions, the study conducted highlighted several other points of note.

1. The data in the current study shows us that respondents from the public sector are more likely to feel that their work has a positive impact on society. The data shows a medium correlation.
2. While logic dictates that increased job security would lead to employees feeling more valued by their organisation the data in the current study does not find any statistically significant correlation between those variables.
3. The data in the current study shows a link between respondents feeling overwhelmed by the expectations placed on them and the feeling of a lack of support from management.
4. Strong inverse correlations are found between feeling overwhelmed by the expectations placed on the respondent and being provided with clear and achievable goals, being set motivating goals and as mentioned previously, receiving adequate support from management.
5. We can see a strong inverse relationship between people feeling overwhelmed by the expectations placed on them and being happy with their working environment.
6. The data also shows a correlation between work being challenging and the goals that are set being motivating.
7. The data also shows us that respondents who indicated that their organisation encouraged innovation and were open to change were also more likely to indicate that they were happy in their working environment.
8. The data in the current study shows no statistically significant difference in feeling overwhelmed between the public and private sectors. However, the data does show significant inverse relationships between feeling overwhelmed and having clear and achievable goals as well as feeling supported by management as mentioned above.
9. The current study also assessed the correlation between people working in a management role and their happiness with their pay and reward schemes. The below correlations detail the results.

Correlations				
		Do you work in a management role?	AdequatePayNum	RewardFairNum
Do you work in a management role?	Pearson Correlation	1	-.359*	-0.156
	Sig. (2-tailed)		0.015	0.307
AdequatePayNum	Pearson Correlation	-.359*	1	.459**
	Sig. (2-tailed)	0.015		0.002
RewardFairNum	Pearson Correlation	-0.156	.459**	1
	Sig. (2-tailed)	0.307	0.002	
*. Correlation is significant at the 0.05 level (2-tailed).				
**. Correlation is significant at the 0.01 level (2-tailed).				

This table shows an inverse medium correlation between the management role variable and the adequate pay variables assessed. As a management role is represented by 1 and a non-management role is represented by 2 in this study, the inverse relationship shown represents respondents in a management role being more likely to indicate that they are paid adequately.

Correlations				
		Is your organisation Public/Not-for-Profit or Private/For- Profit?	AdequatePayNum	RewardFairNum
Is your organisation Public/Not-for-Profit or Private/For- Profit?	Pearson Correlation	1	-0.080	-0.263
	Sig. (2- tailed)		0.646	0.126
AdequatePayNum	Pearson Correlation	-0.080	1	.448**
	Sig. (2- tailed)	0.646		0.007
RewardFairNum	Pearson Correlation	-0.263	.448**	1
	Sig. (2- tailed)	0.126	0.007	
**. Correlation is significant at the 0.01 level (2-tailed).				

This correlation shows that when we analyse managers only and factor in the public/not-for-profit and private/for-profit split, there is no significant difference between public and private sector responses. This was interesting to explore in light of the assertion of Van de Walle et al below that people from higher income brackets tend to seek employment in the private sector rather than the public sector. These findings are discussed in detail below.

Discussion

The current study has analysed multiple variables affecting the working environment experienced by the workforce in Ireland. It has sought to identify trends and issues that differentiate the working environments in the public and private sectors in Ireland. The study placed specific focus on performance management and motivation, but also looked at factors such as happiness in the workplace, employee engagement, goal setting and management support. The variables were investigated with the underlying focus on finding any differences or correlations between experiences in the public vs the private sector. One significant finding was that the private sector is more focused on finance as a motivator and a driver of productivity. This is logical as public sector work is not generally done with a financial target in mind. While budgets need to be adhered to, there is no necessity for a return for shareholders and so there is no focus placed on profit maximisation. This is relevant in light of the current study, which hypothesises that profit motive may have a detrimental effect on organisational culture. Knowing that finance plays a significantly larger role as a motivator in the private sector than in the public sector is crucial to assessing how the presence of a profit motive affects the aspects of performance management and motivation that are set out in the study.

The current study found that the presence of financial goals in an organisation has no direct statistically significant effect on performance management but there is a small correlation between being set financial goals, working in the private sector and being held accountable for performance. In other words, staff who are set finance-based goals are slightly more likely to feel that they are held accountable for their performance. Given that we know finance-based goals are more prevalent in the private sector, this suggests that private sector respondents are more likely to feel that they are held accountable for their performance. This is borne out by the data in that there is a small correlation between working in the private sector and being held accountable for performance. This correlation is interesting because while one would assume that there is less accountability in the public sector due to the job security on offer, no significant correlation was found between job security and accountability.

Van de Walle et al (2015) explores the characteristics that play a part in people choosing employment in the public sector over the private sector. Some of the findings

in the report support some generally held assumptions in an Irish context. The research found that people with a lower income and lower education level are more likely to seek employment in the public sector. This is due to the general perception that a job in the public sector is the safe option. This ties in with the correlation between public sector employment and job security that is highlighted in the current study. Van de Walle et al's research also highlights that individual personality characteristics have more of an impact on choosing to work in the public sector than any structural or societal traits. In particular, it is pointed out that both dedicated and lazy workers are especially attracted to a career in the public sector. This may be due to the nature of the employment. For dedicated people the highly structured and formal way in which public organisations operate allows them to apply themselves to tasks and a job without feeling that their job may be at risk. This stability also allows for a more long-term approach rather than simply the realisation of short-term financial targets. Conversely, the same structured and formal approach can suit more lazy individuals too. The job security offered can be conducive to doing the bare minimum on a daily basis and while performance is evaluated the current study shows that staff in public sector employment don't feel that they are held accountable as much as private sector employees do on average. It should be stressed that this correlation is small, but it adds some weight to the findings in the Van de Walle et al research.

This small correlation in the current study shows that public sector respondents are less likely to feel that they are held accountable for their performance. Although a minor correlation it indicates a logical correlation between job security and accountability. The data in the current study shows a medium correlation between being held accountable and being happy in the working environment. People being held accountable for their performance increases the feeling of fairness in the workplace, provided everyone is held to the same standard. The data in the current study shows very little correlation between job security and accountability but it does show that public sector respondents feel more secure in their jobs and are also less likely to feel that they are being held accountable. These correlations would require further research, but they raise a question as to how public sector managers can drive a culture of accountability when people feel so secure in their roles. Using the Irish civil service as an example, this is often done through the PMDS performance management system, which allows managers to provide a satisfactory or

unsatisfactory rating on the employee's work at 6-month intervals. This rating is used in the shortlisting process to assess whether someone is suitable for a promotion and also by HR units in ascertaining whether someone should be awarded their incremental pay increase or not. An unsatisfactory rating may result in the increment being delayed. There is also a probationary period of 1 year to be served by every employee that has been promoted. Performance is closely monitored, and a person can be deemed to have failed their probation, which subsequently results in a reversion to their old role. All of this is used to generate a feeling of accountability and to make sure that employees do not take advantage of the job security on offer by failing to perform their job to a satisfactory standard.

One very significant finding is that there is a significant correlation between being set financial goals and the feeling that the reward scheme in your organisation is fair, feeling valued by your organisation, your work being sufficiently challenging, your work being sufficiently interesting, your organisation allowing you to reach your potential and your happiness in the workplace. All of this strongly suggests that the detrimental effect of profit motive hypothesised in the current study is not realised. Financial goals are correlated with profit seeking organisations, the presence of these goals is associated with positive experiences of the workplace, so there appears to be no detrimental effect on the working environment in an organisation associated with a profit seeking element.

Kuzniarska et al (2023) found in a survey of managers that they highly valued receiving payment regularly, which is also related to maintaining job security. This would suggest that job security should have a strong correlation with workplace happiness. This is not borne out in the data in the current study. No significant correlation was found between job security and workplace happiness. Instead, the data shows significant correlations between workplace happiness and feelings of being valued, fair reward schemes and an environment that allows people to reach their potential. One of the important findings in Kuzniarska et al's research is that respondents pointed out that rewards should reflect their own contribution to the team's work. This is in line with the above findings in the current study which suggest that people find financial goals and rewards motivating. This seems to engender a feeling of ownership of tasks and means that people feel that they have a stake in the work being performed. This

ownership can drive commitment in the knowledge that the commitment will receive a commensurate reward.

The current study also found that staff in the public sector are more likely to believe that their work has a positive impact on society. This affirms what would be a logical assumption. As set out in the current study, the nature of public sector work is fundamentally different to that experienced in the private sector. The work of the public sector is generally done for the benefit of the citizens and is crucial to a functioning society. Popa (2017) describes the public sector as providing services to the population that cannot be provided by the private sector. In other words, the public sector meets the needs of society, whereas the private sector meets the needs of certain individuals. Work in the private sector, in profit seeking organisations specifically, is largely undertaken with the expressed purpose of attaining financial gain for the owners and shareholders of that organisation. Interestingly, while the current study proposed that this aspect would have a detrimental effect on employee performance, the data attained from the survey suggests that it can act as a motivating factor once employees are engaged and feel that they have a stake. The correlation found between financial goals and feeling valued by your organisation suggest that the disconnect between the goals of the organisation and the goals and aspirations of the employee is not necessarily experienced. Once the work is interesting, challenging and the reward system is fair, staff will feel motivated. This aligns with expectancy theory as discussed earlier in the study. People will feel motivated by a task once they feel that the reward is commensurate to the effort exerted.

Interestingly, no correlation was found between job security and feeling valued by the organisation. Again, this is contrary to what the current study would have assumed. It was assumed that employees would feel less valued by the organisation if they felt that their jobs were at risk, and conversely more valued if they were offered full job security. The results of the survey suggest that job security has very little impact. The greater correlations with feeling valued by the organisation occur with being set motivating goals, being supported by management and being allowed to reach your potential. Further to this the current study finds that there is a correlation between feeling overwhelmed by expectations and a lack of support from management. There is an inverse relationship between feeling overwhelmed by the expectations placed on

you and being set clear and achievable and motivating goals. What all of these factors suggest is that people can live with a certain amount of insecurity and working under high expectations as long as they have clarity on their role and feel that they are supported by management. No significant difference was found in these factors between public and private sector respondents.

The data in the current study also reveals that people are motivated by challenging work. The key mix in this appears to be for tasks to be difficult, but also attainable. This builds on the research done by Baumann and Bonner, Berger, Guo and Presslee and Kim, Gerhart and Fang that were discussed in the literature review. The current study also found that respondents working in a management role are more likely to feel that they are paid adequately. This is logical as managers would be paid more than staff not in a management role, but interestingly there is no significant difference in this when factoring in the public vs private sector split. This is interesting in light of the data from the CSO presented in figure 2, which shows that staff on higher incomes in the public sector are on average worse off than their private sector counterparts.

What we can see from these findings is that when assessing performance management there are slight differences between public sector and private sector respondents, mainly on the issues of financial goals and accountability. Private sector respondents indicated that they are much more likely to be set goals that have a financial element and also that they are slightly more likely to feel that they are being held accountable for their performance. The presence of financial goals in the private sector is not surprising and it is logical that this would have an impact on a feeling of accountability. A study conducted by Su, Baird and Nuhu (2021) investigated the fairness of financial measures of performance across several organisations in Australia. They found that while financial measures of performance can be successful in organisations it is vitally important that there is a feeling of fairness among the recipients of the goals. They found that the perceived fairness of the performance evaluation system in place was linked to better performance. The fairer people felt the system was, the more likely they were to perform well. A very small correlation was found in the current study between public sector respondents and feeling that their performance management system was fair. However, there was a stronger correlation between financial goals and the feeling that the performance management system was fair, so there doesn't appear to be any significant difference in the fairness of

performance management systems between the public and private sectors. This is contrary to the assumption that the current study began with. The assumption was that the presence of financial goals, brought about by a profit motive, would lead to a more arbitrary and inherently unfair system of performance management and that this in turn would hinder performance within the organisation. The data collected suggests that as long as there is a feeling of accountability, the presence of financial goals does not necessarily have a detrimental effect on the perceived fairness of the performance management system in an organisation.

The current study also assessed the impact on motivation of the differing goals and reward schemes found between the two sectors. While there was no significant difference found between the public and private sectors on being motivated primarily by pay or other factors, there is a significant difference in the application of financial goals as a motivator. The presence of financial goals, in turn, have a positive impact on feeling valued by the organisation and doing interesting and challenging work. These aspects have a significant correlation with motivation. This suggests that motivational factors do differ between public and private sector organisations as a result of differing goals and reward schemes. However, the way in which this impact occurs is different to what the current study would have assumed. The data suggests that financial goals can act as a motivator for employees, and it can be inferred from the data that if these goals are linked to reward schemes such as raises or bonuses that this can generate a strong level of engagement among employees. A study by Wood, Atkins and Bright (1999) investigated the impact of bonus schemes on organisational performance. They found that bonuses that offer a reward at the end of a particular period can produce a more consistent level of performance, but project related bonuses that are linked to the attainment of specific goals may produce higher peaks in performance. Neither of these structures are in place in the public sector, specifically in the Irish civil service, which was assessed in the current study. They also found that while monetary reward can act as a motivator, it is not clear how much is enough to motivate most. The current study has already explored expectancy theory and how it is vital that the reward on offer is perceived to be worth the effort exerted to complete the related task. This, along with task difficulty and the perceived fairness of the reward system are greater motivating factors than money alone. If people feel that they are being challenged and supported, they are more likely to feel engaged with

the goals of the organisation. The current study began with the assumption that this feeling of engagement would be very difficult to engender in a profit seeking organisation and that the public sector would find it easier due to the visible benefit their work has on society. The data collected in the survey however suggests that this feeling of engagement can be generated as long as the tasks are challenging, people feel valued by their organisation and feel that they can reach their potential.

The Institute of Public Administration published a report on public service motivation in 2013. The report explored what motivated public servants in the course of their work and in the process of choosing to work in the public sector. The report points out that extrinsic motivators such as job security and career progression have traditionally been highly valued by public sector employees. The current study shows a strong correlation between working in the public sector and feeling secure in the job. This is logical due to the nature of public sector employment. Jobs are generally safe and can be relied on for the duration of someone's working life. No significant correlation was found in the current study between public sector employment and being motivated by career progression or feeling that the organisation presents the opportunity to progress your career.

There is however a correlation between working in the public sector and feeling that your work has a positive impact on society. Again, this may be logical due to the nature of the work. Public sector organisations are engaged in work for society. Private companies are for the most part engaged in work designed to maximise their own profits. While some societal benefit may be realised through the creation of employment, generation of tax revenues or possibly the product or service generated, these benefits may not be immediately obvious and thus may be more difficult to cite when responding to a survey. The IPA report uses the following definition for public service motivation, "an individual's predisposition to respond to motives grounded primarily or uniquely in public institutions and organisations". This definition highlights the belief that the motivations that drive public sector employees are often distinct from those experienced by employees in the private sector. While the report goes on to clarify that 'public service motivation' can transcend just the public sector and can also be experienced in the private sector, this is very much dependent on the values and mission of the specific organisation, rather than something that could be applied sector wide.

Another aspect discussed in the Van de Walle et al research is that on average people from higher income brackets tend to seek employment in the private sector rather than the public sector. This appears logical as it would seem to be associated with the possibility of gaining a higher wage and the greater flexibility and variety of opportunities on offer. The current study however found that respondents from the private sector were no more likely to cite pay as their primary motivation than respondents from the public sector.

In light of the data collected in the current study showing that financial goals do have a motivating effect it is pertinent to ask how public sector managers may best influence their staff without the aid of finance-based goals. The data shows that staff are happiest and most motivated when they are set challenging work. While this is true for both public and private sectors, its importance is particularly relevant in the public sector due to the absence of a direct financial motivation. Respondents across both sectors indicated that they are motivated by career progression. Based on this it is important for public sector managers to provide a pathway for staff to challenge themselves, develop their skills and progress their careers. The performance management system in place in the civil service includes a section for staff to identify training needs. This is very valuable in this context as it provides staff with a say and an agency in their own development. The public sector also does not operate in the same competitive marketplace as the private sector, so the education and training of staff is far more likely to be of benefit to the organisation in question and to the public sector in general over the course of the person's career. The fear in the private sector may be that investment in training may not yield the desired return for the organisation. This is in line with the Nutt (2000) study which found that decisions in the private sector can often be made based on immediate results at the expense of long-term planning. Financing the education of staff is an example of a decision that may not benefit the organisation immediately, but these decisions can be made comfortably in the public sector due to the differences in the labour markets they are operating in. Interestingly, the data from the current study shows that a slightly higher percentage of private sector respondents indicated that they are motivated by career progression, but a slightly higher percentage of public sector respondents indicated that their organisation provides them with opportunities to further their careers. It should be cautioned that

these correlations are small, but they are interesting when analysed in the context of each other. While further research would be needed to further develop the point, it does suggest that there may be a gap in the private sector approach to the training and educating of staff. Pending further research, it could be speculated that this gap may be influenced by the short-term, finance-based targets necessitated by the pursuance of a profit motive.

The implications of the current study are that it has highlighted the prevalence of finance as a motivating factor in the private sector. This may not seem surprising, but it is relevant when we consider the portion of the Irish workforce to which financial goals cannot apply. As previously mentioned, the public sector accounts for nearly 15% of the Irish workforce, so if financial goals cannot be used as a motivator for them, what can? This highlights a key difference in management best practice to be applied across each sector. What the data suggests is that financial goals themselves may not be the key. A recurring theme is that people respond to being given interesting and challenging tasks. These results affirm the research done by Kim, Gerhart and Fang (2022) which found that non-financial motivators work best when applied to work that is either too easy or too hard. In other words, when the work is challenging but achievable extra motivation is not necessary. This is important for public sector managers to understand. Respondents from the public sector are no less motivated by money than their private sector counterparts, but financial motivators are not as easily accessible to them. This means that public sector managers need to find other ways to reach the same levels of motivation. Based on the current study, the best way of doing this would be to ensure that the work that is being assigned is as interesting and as challenging as possible, while also providing support where appropriate and allowing paths for career progression and development. This is affirmed by the correlations found between feeling overwhelmed and having a lack of support from management and a lack of clear and achievable goals. In fact, the strongest correlations found in the data are not negative correlations surrounding the presence of financial motivators, but positive correlations between variables such as workplace happiness, being allowed to reach your potential, being set motivating goals and being set clear and achievable goals. The presence of a profit motive and its influence on the goals of an organisation may not have the detrimental impact that had been

assumed, but if the factors highlighted here are ignored at the expense of a financial motive, then that will have a negative impact.

The data shows that, for the most part, performance can be managed in much the same way across both the public and private sectors, with some subtle differences. Staff respond to the perceived fairness of the process and have no problem with being held accountable for their performance as long as the goals set are seen as being achievable, the process is fair, and the correct support is received. Regardless of which sector the organisation is in it is vital for management to understand that fairness is a key driver of success of a performance management system. The Su, Baird and Nuhu (2021) study highlighted that the perceived fairness of the process was the biggest factor in its success. One of the questions asked in the current study was, do external demands such as profitability or public service delivery determine how performance is managed? The answer in this case is, not on the evidence presented here. Fundamentally, performance can be managed in largely the same way across both sectors even accounting for the differences in the goals that are set. Managers across both sectors are still required to provide clear and achievable goals and to assess performance in a fair and transparent way. In the private sector performance management may be slightly easier to apply due to the binary nature of a financial goal. If the target was met the performance was satisfactory, if not, the performance was unsatisfactory. The data collected in the survey shows a very small correlation between working in the public sector and performance being managed using a variety of measures. Although the correlation is small, it is logical. If financial goals are much more prevalent in the private sector, as the current study shows, then performance is more likely to be measured using those targets in the private sector. Managers in the public sector must adapt and measure performance through other methods. Earlier in this project the civil service performance management system, PMDS, was discussed. This is an example of a varied performance management system. Goals focussed on work related targets, self-improvement and training needs are set at the beginning of the year and are reviewed on a 6month basis. Feedback is given through this process and the employee has an opportunity to provide feedback of their own. This process can be seen as an attempt to address the issue of performance management while not having a binary financial target to use as a measure.

The supplementary findings highlighted in the findings and analysis section provide some interesting avenues for discussion. Firstly, regarding the correlation between working in the public sector and believing your work has a positive impact on society, this correlation can be assessed with reference to Witesman et al (2023). Witesman et al point out that many business schools have been moving away from teaching profit maximisation towards a social welfare maximisation model. The link found in the current study between working in the public sector and feeling that your work has a positive impact on society indicates that public sector employees are responsive to the social welfare maximisation model mentioned above. This raises the question of how private sector managers could tap into this motivation. As discussed earlier in the current study, it may be difficult for managers in the private sector to generate a feeling that the work they are performing is of societal benefit. Leaders of organisations may seek to engage in sponsorship of clubs, events or societies to create a link between the organisation and something that can provide that societal benefit. There are less options available to managers, however. In this case managers can encourage staff to engage with the mission of the organisation and attempt to synthesise the goals employees are set with the overarching mission and reason for carrying out the work. The data has already shown us that people are heavily motivated by a challenge and by clear goals, so providing challenging work, clear objectives and aligning them with the goals of the organisation can create a unified approach and help employees to feel that they are part of something positive.

Secondly, the finding that there is no link between job security and feeling valued by the organisation leads us to review available literature on the topic. The current study referenced Cheung (2024) who hypothesised that employees who felt less secure in their job would often feel dehumanised and less valued by their organisation. The data collected in the current study does not affirm this view. Job security is heavily correlated with public sector respondents due to the nature of public sector employment but there is no link found between that and feeling valued by the organisation in question. There is a very small inverse correlation between working in the public sector and feeling valued by the organisation. So, private sector respondents on average were more likely to respond that they felt valued by their organisation. This suggests that the hypothesis put forward by Cheung does not carry, at least in an Irish context.

Thirdly, the link between feeling overwhelmed by expectations and not being given adequate support from management is a logical correlation and ties in with the findings of Audenaert et al (2017). They found that an overdemanding approach leaves employees less committed than a mutual investment in which managers are also invested in an outcome and make an effort to influence that outcome. Fourthly, strong inverse correlations were found between feeling overwhelmed by the expectations placed on the respondent and being provided with clear and achievable goals, being set motivating goals and receiving adequate support from management. We can also see a strong inverse relationship between people feeling overwhelmed by the expectations placed on them and being happy with their working environment. This suggests that the goals being set by management can be difficult and expectations can be high, as long as there is clarity, and the message is delivered clearly. If management can achieve buy-in from employees, the employees will feel more motivated and are less likely to feel overwhelmed. Cojocaru (2022) argued that managers needed to understand the exact level of pressure employees could endure because resilience decreases as expectations become overwhelming. In other words, if people are pushed too hard their work will suffer. The data from the current study backs this up as we can see a strong inverse relationship between people feeling overwhelmed by the expectations placed on them and being happy with their working environment.

Fifthly, the data also shows a correlation between work being challenging and the goals that are set being motivating. Berger, Guo and Presslee (2023) found that goal difficulty was a more important motivating factor than cash rewards. The highest effort in their study was found when workers were assigned difficult but attainable goals. The data in the current study shows that this is also the case in the sample assessed here. This correlation can be found regardless of the sector the respondents work in. These findings extend a theme in the current study that suggests that while financial rewards are a strong motivating factor, it is just as important that staff are challenged and that the work is interesting. The highly structured and bureaucratic nature of work in a public sector organisation provides some challenges in this regard, but as programmes for government change, new initiatives filter down through the public sector and can provide variety in the goals being aimed for and the work being carried out. The public sector is also at the mercy of technological and regulatory changes, in

the same way as the private sector. It is important that managers and leaders of organisations react to changing trends and encourage innovation and change to keep the work relevant, efficient and challenging.

Sixthly, we can see from the data that respondents who indicated that their organisation encouraged innovation and were open to change were also more likely to indicate that they were happy in their working environment. There was no statistically significant difference in feeling overwhelmed between the public and private sectors. However, the data does show significant inverse relationships between feeling overwhelmed and having clear and achievable goals as well as feeling supported by management as mentioned above. The study by Audenaert et al discusses an “underinvestment” relationship that can exist in both public and private organisations. The premise is that organisations often expect employees to do more with less. They expect a high level of output relative to the rewards offered. This has been particularly prevalent since the global financial crisis. Organisations have downsized and reduced rewards across the board. The data from the current study show that staff that feel they are adequately paid are much more likely to feel valued by their organisation. Interestingly the data shows an even stronger correlation between being set motivating goals and feeling valued by the organisation. This suggests that regardless of the sector, the key to keeping employees happy is to provide them with an environment that motivates them. While no significant correlation was found between the goals being financially based and being motivating there was a significant correlation found between goals being motivating and being clear and achievable. People feel more motivated when they are clear about what the task is. The reward at the end may be less relevant.

The current study sought to investigate the impact of profit motive on the performance of an organisation. The assumption the study began with was that the presence of a profit motive, as seen in the private sector, would lead to a disengagement on the part of the employee and have a detrimental effect on motivation and performance. The study has been subject to several limitations. Firstly, the sample assessed is too small to draw concrete conclusions on some of the variables. The sample is balanced, and all respondents are in similar job types but it would have been beneficial if a larger sample of a similar make-up was available. Secondly, the survey applied may have been too broad. 23 statements were presented in an attempt to elicit as much relevant

detail as possible. However, it may be the case that a clearer dataset would have been derived from a survey of 10-15 more pointed questions. The data generated is very instructive and does provide valuable insight into the questions asked. The study shows the prevalence of finance-based goals in the private sector and how they are used as a prominent motivating factor. This highlights the contrasting factors that influence the operation of public and private sector organisations. This issue is particularly relevant when assessed in relation to performance management and how that must be approached differently when financial targets are not present. However, despite this, the study would benefit from the availability of both a larger sample and possibly a more focussed survey.

The practical implications of the above findings are that public sector managers should take certain factors into account when approaching the issues of performance management and motivation. They must stress non-financial incentives because of the constraints on using financial goals. This may prove to be a perfectly effective method of motivating staff and managing performance. Catania (2014) conducted a study of performance management practices in a bank and found that in some cases offering financial rewards for hitting specific targets can lead to staff aiming solely for that target and possibly neglecting other aspects of their work. Managers can enhance employee performance and motivation by focusing on; providing clear and achievable goals; setting clear, specific, and achievable goals is fundamental to performance management. In the public sector, where financial incentives for specific tasks are limited, clear goals can serve as powerful motivators. The current study has shown that people respond to clarity and while public sector managers cannot provide that clarity by linking the job to organisational financial targets, they can align the goals set with the broader objectives of the organisation. This helps employees understand how their work benefits society and drives a feeling of engagement and ownership. Keeping work as interesting as possible; maintaining employee engagement by making work interesting is crucial. This can be difficult due to the often-monotonous nature of some public sector work but, as the current study has highlighted, people are heavily motivated by interesting and challenging work. If the work is allowed to become too repetitive performance will suffer. This is relevant across both the public and private sectors. The literature analysed for the current study has also shown that how difficult and interesting the work is is a more powerful motivator than money.

Managers must also provide adequate support. The current study has shown that a lack of support from management is a significant demotivating factor for staff. Across both sectors it is vitally important to provide adequate support. However, the method of support used may vary. In the private sector, management can influence the levels of support by increasing funding or by offering financial benefits. These methods are not available to public sector managers, but they can offer learning opportunities such as formal training programs, workshops, or online courses to help employees develop new skills and advance their careers. They can ensure that employees have the necessary resources to perform their jobs effectively, such as the requisite technology and time. Provide a clear pathway for development and career progression; career development is a significant motivator across both sectors, but it is an especially useful tool in the public sector where financial incentives are limited. This can be done by providing performance reviews which can help employees set and work towards long-term goals. This can be seen in the civil service with the PMDS system that allows managers to set goals each year and review the progress towards these goals every 6 months. The PMDS system also allows staff to identify learning needs and provide any feedback required towards management. This helps to engender a feeling of ownership and alignment with the goals of the team and organisation.

By focusing on clear and achievable goals, keeping work interesting, providing adequate support, and outlining clear pathways for career development, public sector managers can effectively motivate their employees without relying on financial incentives. These strategies are applicable across both the public and private sectors and not only enhance individual performance but also contribute to a more engaged and productive workforce, ultimately leading to better outcomes.

Future research projects on this topic may benefit from further analysing personality types. This research has highlighted that there may be few organisational differences between public/not-for-profit organisations and private/for-profit organisation that have a significant influence on culture and on management best practices. However, some of the literature has shown that personality types may have a greater influence on the best management approaches to utilise. Further research could analyse personality types to ascertain if some personalities are more likely to seek employment in either sector and if there are any personality types that respond better to any of the distinct characteristics each sector offers.

Conclusions

This research was undertaken to assess the differences in management practices that may be most optimal in public/not-for-profit organisations vs private/for-profit organisations. The assumption was that organisations in these sectors are faced with such differing challenges and are operating in such differing environments that simply applying a unified approach to some aspects of management would be too broad. A more focussed approach would be required to deal with the specific circumstances each sector encounters. The overarching research question was, does profit motive have a detrimental effect on organisational culture? Focussing on Public vs Private sector in an Irish context. Culture in this context refers to the overall performance of the organisation, employee engagement, happiness and motivation. Particular focus was placed on the issues of performance management and motivation. The sub questions were, do external demands such as profitability or public service delivery determine how performance is managed? and, do motivational factors differ between public and private sector organisations as a result of differing goals and reward schemes? This study hypothesised that the presence of a profit motive in the private sector would lead to a more individualistic culture among staff and management, a more binary and less fair performance management system, less engagement with the mission and goals of the organisation and ultimately a demotivated workforce.

The survey found that there was no statistically significant direct detrimental impact on the performance of an organisation by the presence of a profit motive. When the public vs private sector split was factored in, the survey found no significant difference in motivation, workplace happiness or engagement with the goals that are set. The standout difference was the presence of finance-based goals. Unsurprisingly, finance-based goals were found to be much more common in the private sector. Importantly, contrary to the assumption this research began with, these finance-based goals were not found to be demotivating. The data suggested that they can be equally as motivating as non-financial targets. Other factors such as the clarity of goals, how challenging the work is and adequate support from management were cited as stronger motivators than financial goals. This was the case across both sectors that were assessed.

Some implications associated with this research are that some subtle differences in approach may benefit public sector managers. This research investigated whether

optimal management practices may differ between the two sectors due to some distinct characteristics in place. While it was found that, in a broad sense, staff are motivated by the same factors and so can be managed in largely the same fundamental way, some important differences were highlighted. When considering performance management, this research found that staff responded to the same factors. People want their performance to be measured fairly. They are happy to be held accountable for their performance, but they want clarity as to how their performance is measured and what is expected of them to be deemed to have performed well. The difference arises in the measures that can be utilised in this pursuit. For private sector managers it is possible to set goals based on financial targets and to use those targets as the baseline for a satisfactory performance. This is a perfectly reasonable method of managing performance and this research suggests that staff are quite happy to be assessed in this way. However, this method is not available to public sector managers. As a result, it is important for public sector managers to emphasise some of the other factors that have been highlighted in this research. It is the belief of this study that public sector managers need to make a specific effort to provide clear and achievable goals, to provide adequate support to staff in pursuit of those goals and to be clear and transparent as to how those goals will be achieved and performance assessed. This clarity may be more difficult to achieve in the absence of a binary financial target, but the current study has highlighted how vital it is to the success of a performance management system.

When considering factors affecting motivation this research found that staff in the public sector are as motivated by money as staff in the private sector. This means that, due to the absence of financial goals or direct financial rewards such as bonuses, public sector managers must place greater emphasis on the other motivational factors that have been highlighted in the current study. This research highlights that, regardless of the sector they work in, staff overwhelmingly respond favourably to being set clear and achievable goals, being given challenging and interesting work and being provided with a clear pathway for career development. These factors are particularly important for public sector managers to consider due to the absence of direct financial incentives. Staff in the public sector are more likely to believe that their work has a positive impact on society, so it is reasonable to suggest that public sector managers could use this to their advantage. Rather than linking the goals and motivators to

financial targets and individual financial incentives public sector managers could emphasise the societal benefit their work produces and use that to provide clarity on the purpose of the goals being set. This could assist in keeping the work interesting and challenging. A clear pathway for career development is also crucial and, while this is the case across both sectors, public sector managers can use tools such as the learning and development section of their PMDS system to outline a clear plan for the development of skills and experience. This all falls under the general area of management support that is also desired across both sectors.

The current study highlights that, overall, staff are generally motivated by the same factors. The differences between the sectors come into consideration when managers are deciding how best to harness these factors for the benefit of the organisation. The presence of a profit motive appears to be relevant only in the context of the goals that are set for employees. Of more importance is how those goals are managed. Are they clear and achievable? Will their attainment be assessed fairly? Will they assist in career progression? And, will staff be adequately supported by management during the course of their work? There are multiple factors that may influence organisational culture, organisational performance, employee engagement and motivation, regardless of which sector the organisation operates in. The distinct characteristics present in each sector are of importance to the way in which staff are managed but there are many other factors that are also significant in this area and so the characteristics of each sector are not the only defining factors at play.

Bibliography

Audenaert, M., George, B. and Decramer, A. (2017) 'How a demanding employment relationship relates to affective commitment in public organizations: A multilevel analysis,' *Public Administration*, 97(1), pp. 11–27. <https://doi.org/10.1111/padm.12378>.

Baumann, M.R. and Bonner, B.L. (2016) 'An expectancy theory approach to group coordination: Expertise, task features, and member behavior', *Journal of Behavioral Decision Making*, 30(2), pp. 407–419. doi:10.1002/bdm.1954.

BERGER, L., GUO, L. and PRESSLEE, A., 2023. 'Motivating Employees with Goal-Based Prosocial Rewards', *Contemporary Accounting Research*, vol. 40, no. 1, pp. 231–256.

Boddy, D. (2020) *Management: Using practice and theory to develop skill*. 8th edn. Harlow, United Kingdom: Pearson Education Limited.

Carlos Pinho, J., Paula Rodrigues, A. and Dibb, S., 2014. 'The role of corporate culture, market orientation and organisational commitment in organisational performance The case of non-profit organisations', *Journal of Management Development*, vol. 33, no. 4, pp. 374-398.

Catania, G. (2014) 'The Unintended Consequences of motivational Techniques: goal setting and unethical behavior in the Maltese financial services industry,' *Procedia - Social and Behavioral Sciences*, 109, pp. 1375–1385. <https://doi.org/10.1016/j.sbspro.2013.12.640>.

Cheese, P. and Cantrell, S. (2005) 'Integrate corporate culture and employee engagement', *Strategic HR Review*, 4(6), pp. 5–5. doi:10.1108/14754390580000824.

Chen J, Jiao L, Harrison G. Organisational culture and enterprise risk management: The Australian not-for-profit context. *Aust J Publ Admin*. 2019;78:432–448.

Cheung, F. (2024) 'Role of organizational dehumanization and employee resilience between job insecurity and emotional exhaustion: A moderated-mediation analysis.', *Canadian Journal of Behavioural Science / Revue canadienne des sciences du comportement* [Preprint]. doi:10.1037/cbs0000402.

Cluff, C. (2022) 'Community and belonging in the workplace: Examining nonmonetary motivators in talent management', *The Journal of Individual Psychology*, 78(2), pp. 278–284. doi:10.1353/jip.2022.0029.

Cojocaru, M. (2022) 'How resilience influences the organisational success. Theoretical Perspectives on employee and Managerial Resilience', *Revista Romaneasca pentru Educatie Multidimensionala*, 14(4 Sup.1), pp. 201–216. doi:10.18662/rrem/14.4sup1/667.

Department of Public Expenditure and Reform - Databank - Public Service numbers (2023) Databank. Available at: https://databank.per.gov.ie/Public_Service_Numbers.aspx?rep=SectorTrend (Accessed: 08 May 2024).

Employment analysis of maternity and paternity benefits 2019 - 2022 (2023) *During Leave Employment Analysis of Maternity and Paternity Benefits 2019 - 2022 - Central Statistics Office*. Available at: <https://www.cso.ie/en/releasesandpublications/ep/p-eampb/employmentanalysisofmaternityandpaternitybenefits2019-2022/duringleave/> (Accessed: 14 June 2024).

(2024) *Employment labour force survey quarter 2 2023 - central statistics office*. Available at: <https://www.cso.ie/en/releasesandpublications/ep/p-lfs/labourforcesurveyquarter22023/employment/> (Accessed: 08 May 2024).

Ensslin, S., Welter, L. and Pedersini, D., 2022. 'Performance evaluation: a comparative study between public and private sectors', *International Journal of Productivity and Performance Management*, vol. 71, no. 5, pp. 1761-1785.

Gabarro, J. J. and Hill, L. A. (1995), '*Managing Performance*', *Harvard Business School Background Note* 496-022.

Hartnell, C.A. et al. (2023) 'Manufacturing motivation in the mundane: Servant leadership's influence on employees' intrinsic motivation and performance', *Journal of Business Ethics*, 188(3), pp. 533–552. doi:10.1007/s10551-023-05330-2.

Harvard Business Review. (2021). *Financial Targets Don't Motivate Employees*. [online] Available at: <https://hbr.org/2021/02/financial-targets-dont-motivate-employees>.

Hoffman-Miller, P. (2022) 'Expectancy theory.', *Salem Press Encyclopedia*, p. 2.

Hofstede, G. (1980), *Culture's Consequences*, Sage, London.

IBRAHIM, A.H. *et al.* (2023) 'New Public Management Rhetoric in developing country: Will agencification and management control lead to Organisational Culture Transformation?', *Administratie si Management Public*, 41, pp. 73–90. doi:10.24818/amp/2023.41-04.

Ion, C. and Alic, B. (2023) 'THE PARTICULARITIES OF HUMAN RESOURCES MANAGEMENT IN THE PUBLIC SECTOR', *Annals of the „Constantin Brâncuși” University of Târgu Jiu, Economy Series*, (3), pp. 148–156.

Kim, J.H., Gerhart, B. and Fang, M. (2021). Do financial incentives help or harm performance in interesting tasks? *Journal of Applied Psychology*, 107(1). doi:<https://doi.org/10.1037/apl0000851>.

Kirkhaug, R. (2010) 'Charisma or group belonging as antecedents of employee work effort?', *Journal of Business Ethics*, 96(4), pp. 647–656. doi:10.1007/s10551-010-0490-5.

Kuźniarska, N. (2023) 'Financial and non-financial motivation of managers,' *Zeszyty Naukowe - Politechnika Śląska. Organizacja i Zarządzanie*, 2023(172). <https://doi.org/10.29119/1641-3466.2023.172.24>.

Lam, M. *et al.* (2017) 'Getting things done: Proactive influence tactics in Mexico and the United States', *Global Journal of Management and Marketing*, 1(2), pp. 46–62. doi:10.47177/gjmm.01.02.2017.046.

Lux, K. (2003) 'The failure of the profit motive', *Ecological Economics*, 44(1), pp. 1–9. doi:10.1016/s0921-8009(02)00270-7.

Manenzhe, P.M. and Ngirande, H. (2021) 'The influence of compensation, training and development on organisational citizenship behaviour', *SA Journal of Industrial Psychology*, 47. doi:10.4102/sajip.v47i0.1845.

(2024a) *Main results econometric analysis of the public-private sector pay differential 2022* - central statistics office. Available at: <https://www.cso.ie/en/releasesandpublications/rp/rp->

eappp/econometricanalysisofthepublic-privatesectorpaydifferential2022/mainresults/
(Accessed: 13 May 2024).

Morden, T. (1995) 'National culture and the culture of the organization', *Cross Cultural Management: An International Journal*, 2(2), pp. 3–12. doi:10.1108/eb008386.

Morgan, G. (2006) *Images of organization*. Thousand Oaks: Sage Publications.

Nutt, P.C. (2000) 'Decision-making success in public, private and third sector organisations: Finding Sector Dependent Best Practice', *Journal of Management Studies*, 37(1). doi:10.1111/1467-6486.00173.

Popa, F. (2017) 'PUBLIC SECTOR - CONCEPTUAL ELEMENTS, IMPLICATIONS IN ECONOMIC AND SOCIAL LIFE,' STUDIES AND SCIENTIFIC RESEARCHES ECONOMICS EDITION [Preprint], (25). <https://doi.org/10.29358/sceco.v0i25.380>.

PUBLIC SERVICE MOTIVATION (2013). Institute of Public Administration. https://www.ipa.ie/_fileUpload/Documents/PublicServiceMotivation.pdf (Accessed: July 14, 2024).

Ramanna, K., 2020. 'Friedman at 50: Is It Still the Social Responsibility of Business to Increase Profits?', *California Management Review*, vol. 62, no. 3, pp. 28-41.

Randez, A. and Hélie, S. (2024) 'The roles of intrinsic motivation and capability-related factors in cognitive effort-based decision-making,' *Frontiers in Psychology*, 15. <https://doi.org/10.3389/fpsyg.2024.1303262>.

Rose Hollister, K.T. (2021) *Why every executive should be focusing on culture change now*, MIT Sloan Management Review. Available at: <https://sloanreview.mit.edu/article/why-every-executive-should-be-focusing-on-culture-change-now/> (Accessed: 03 April 2024).

Sarros, J., Cooper, B. and Santora, J., 2011. 'Leadership vision, organizational culture, and support for innovation in not-for-profit and for-profit organizations', *Leadership & Organization Development Journal*, vol. 32, no. 3, pp. 291-309.

Sharda, R., Delen, D. and Turban, E. (2022) *Business Intelligence, analytics, and Data Science: A Managerial Perspective*. New York: Pearson.

Steen, T. and Schott, C. (2019) 'Public sector employees in a challenging work environment,' *Public Administration*, 97(1), pp. 3–10. <https://doi.org/10.1111/padm.12572>.

Su, S.X., Baird, K. and Nuhu, N. (2021) 'Controllability of performance measures and managerial performance: the mediating role of fairness,' *Meditari Accountancy Research*, 30(2), pp. 313–341. <https://doi.org/10.1108/medar-07-2020-0957>.

Sun, M., Chen, Z. and Yang, Q., 2021. 'Servant leadership and civil servants' service attitude: The role of basic needs satisfaction', *Social Behavior and Personality*, vol. 49, no. 9, pp. 1-10.

Van De Walle, S., Steijn, B. and Jilke, S. (2015) 'Extrinsic motivation, PSM and labour market characteristics: a multilevel model of public sector employment preference in 26 countries,' *International Review of Administrative Sciences*, 81(4), pp. 833–855. <https://doi.org/10.1177/0020852314563899>.

Witesman, E. et al, 2023. 'From profit maximization to social welfare maximization: Reclaiming the purpose of American business education', *Futures*, vol. 150, no. 103152, pp. 1-12.

Wood, R.E., Atkins, P.W.B. and Bright, J.E.H. (1999) 'Bonuses, goals, and instrumentality effects.,' *Journal of Applied Psychology*, 84(5), pp. 703–720. <https://doi.org/10.1037/0021-9010.84.5.703>.

Yukl, G. and Falbe, C.M. (1990) 'Influence Tactics and objectives in upward, downward, and lateral influence attempts.', *Journal of Applied Psychology*, 75(2), pp. 132–140. doi:10.1037/0021-9010.75.2.132.

Zubair, S., Khan, M. and Mukaram, A., 2021. 'Public service motivation and organizational performance: Catalyzing effects of altruism, perceived social impact and political support', *Public service motivation*, vol. 16, no. 12, pp. 1-20.

Appendix

Survey Questions

Organisational Culture and Motivation

An investigation into organisational culture, motivation, and performance management practices in Ireland's public and private sectors.

Questions 1-3 are intended to classify respondents into subgroups.

Questions 4-26 are statements to be answered from the respondents perspective, on an agree to disagree scale.

1. Is your organisation Public/Not-for-Profit or Private/For-Profit? Required to answer. Single choice.

Public/Not-for-Profit

Private/For-Profit

2. Which of the following best describes your role? Required to answer. Single choice.

Admin

Finance

HR

IT

Customer Service

Project Management

3. Do you work in a management role? Required to answer. Single choice.

Yes

No

4. My working environment is enjoyable Required to answer. Single choice.

Strongly Agree

Agree

Neither agree nor disagree

Disagree

Strongly disagree

5.I am provided with clear and achievable goals. Required to answer. Single choice.

Strongly Agree

Agree

Neither agree nor disagree

Disagree

Strongly Disagree

6.The goals set for me are motivating. Required to answer. Single choice.

Strongly Agree

Agree

Neither agree nor disagree

Disagree

Strongly Disagree

7.The work we do has a positive impact on society. Required to answer. Single choice.

Strongly Agree

Agree

Neither agree nor disagree

Disagree

Strongly Disagree

8.Finance is a factor in the goals set for me. Required to answer Single choice.

Strongly Agree

Agree

Neither agree nor disagree

Disagree

Strongly Disagree

9.Pay is my primary motivation. Required to answer. Single choice.

Strongly Agree

Agree

Neither agree nor disagree

Disagree

Strongly Disagree

10.I am adequately paid for my work. Required to answer. Single choice.

Strongly Agree

Agree

Neither agree nor disagree

Disagree

Strongly Disagree

11.The reward system in my organisation is fair. Required to answer. Single choice.

Strongly Agree

Agree

Neither agree nor disagree

Disagree

Strongly Disagree

12.I am heavily motivated by factors other than pay. Required to answer. Single choice.

Strongly Agree

Agree

Neither agree nor disagree

Disagree

Strongly Disagree

13.I am motivated by career progression. Required to answer. Single choice.

Strongly Agree

Agree

Neither agree nor disagree

Disagree

Strongly Disagree

14.My organisation provides opportunities to progress my career. Required to answer. Single choice.

Strongly Agree

Agree

Neither agree nor disagree

Disagree

Strongly Disagree

15.I feel overwhelmed by the expectations placed on me. Required to answer. Single choice.

Strongly Agree

Agree

Neither agree nor disagree

Disagree

Strongly Disagree

16.I feel adequately supported by management. Required to answer. Single choice.

Strongly Agree

Agree

Neither agree nor disagree

Disagree

Strongly Disagree

17.I feel valued by my organisation. Required to answer. Single choice.

Strongly Agree

Agree

Neither agree nor disagree

Disagree

Strongly Disagree

18.My work is challenging. Required to answer. Single choice.

Strongly Agree

Agree

Neither agree nor disagree

Disagree

Strongly Disagree

19.My work is interesting. Required to answer. Single choice.

Strongly Agree

Agree

Neither agree nor disagree

Disagree

Strongly Disagree

20.My organisation encourages innovation and is open to change. Required to answer. Single choice.

Strongly Agree

Agree

Neither agree nor disagree

Disagree

Strongly Disagree

21.The performance management process in my organisation is sufficient.

Required to answer. Single choice.

Strongly Agree

Agree

Neither agree nor disagree

Disagree

Strongly Disagree

22.Performance is assessed using a variety of criteria. Required to answer.

Single choice.

Strongly Agree

Agree

Neither agree nor disagree

Disagree

Strongly Disagree

23.I am held accountable for my performance. Required to answer. Single choice.

Strongly Agree

Agree

Neither agree nor disagree

Disagree

Strongly Disagree

24.I feel secure in my job. Required to answer. Single choice.

Strongly Agree

Agree

Neither agree nor disagree

Disagree

Strongly Disagree

25.My job allows me to reach my potential. Required to answer. Single choice.

Strongly Agree

Agree

Neither agree nor disagree

Disagree

Strongly Disagree

26. I am happy with my working environment. Required to answer. Single choice.

Strongly Agree

Agree

Neither agree nor disagree

Disagree

Strongly Disagree

Variables Table

Organisational Culture and Motivation	Variable	Type
1. Is your organisation Public/Not-for-Profit or Private/For-Profit	Independent	Binary
2. Which of the following best describes your role	Independent	Nominal
3. Do you work in a management role	Independent	Binary
4. My working environment is enjoyable	Dependent	Ordinal
5. I am provided with clear and achievable goals	Dependent	Ordinal
6. The goals set for me are engaging	Dependent	Ordinal
7. The work we do has a positive impact on society	Dependent	Ordinal
8. Finance is a factor in the goals set for me	Dependent	Ordinal
9. Pay is my primary motivation	Dependent	Ordinal
10. I am adequately paid for my work	Dependent	Ordinal
11. The reward system in my organisation is fair	Dependent	Ordinal
12. I am heavily motivated by factors other than pay	Dependent	Ordinal
13. I am motivated by career progression	Dependent	Ordinal
14. My organisation provides opportunities to progress my career	Dependent	Ordinal
15. I feel overwhelmed by the expectations placed on me	Dependent	Ordinal
16. I feel adequately supported by management	Dependent	Ordinal
17. I feel valued by my organisation	Dependent	Ordinal
18. My work is challenging	Dependent	Ordinal
19. My work is interesting	Dependent	Ordinal
20. My organisation encourages innovation and is open to change	Dependent	Ordinal
21. Performance is evaluated adequately in my organisation	Dependent	Ordinal
22. Performance is assessed using a variety of measures	Dependent	Ordinal
23. I am held accountable for my performance	Dependent	Ordinal
24. I feel secure in my job	Dependent	Ordinal
25. My job allows me to reach my potential	Dependent	Ordinal
26. I am happy with my working environment	Dependent	Ordinal

Variables Key

Red = Motivation
Blue=Employee Engagement
Green=Performance Management
Independent Variables

SPSS Conversion Keys

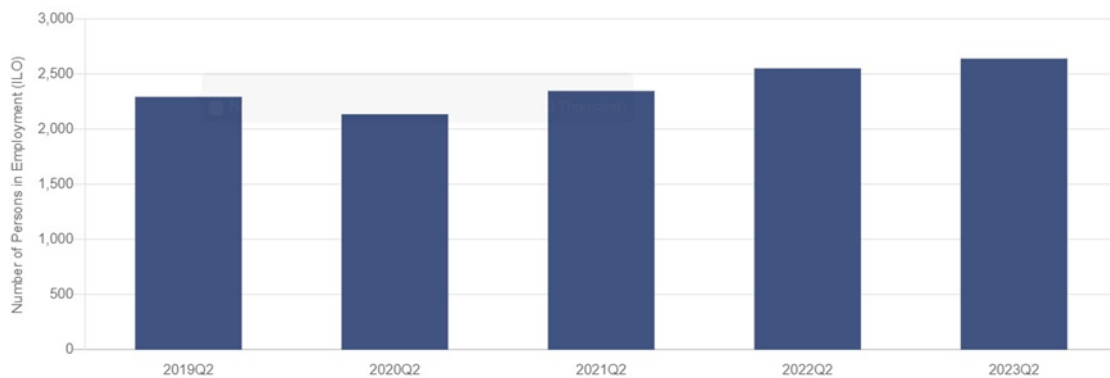
Variable	Number
Strongly Disagree	1
Disagree	2
Neither agree nor disagree	3
Agree	4
Strongly Agree	5

Variable	Number
Private/For-Profit	1
Public/Not-for-Profit	2

Variable	Number
Management Role - Yes	1
Management Role - No	2

Variable	Number
Admin	1
Customer Service	2
Finance	3
HR	4
IT	5
Project Management	6

Figure 2.1 Number of persons aged 15 - 89 years in employment, Quarter 2 2019 to Quarter 2 2023



© Central Statistics Office, Ireland
<https://data.cso.ie/table/QLF01>

Figure 4: Irish workforce numbers from the CSO

Public Sector Numbers		2023
		Qtr 4
Civil Service		49,897.16
Defence Sector		7,917.19
Education Sector		126,319.86
Health Sector		149,721.82
Justice Sector		13,946.95
Local Authorities		31,791.88
Ncsa		17,526.95
Total		397,121.81

Figure 5: Public Sector Employment Numbers, Q4 2023, Department of Public Expenditure, NDP Delivery and Reform.

Survey Statements – SPSS Names Key

Survey Question/Statement	SPSS Names
1. Is your organisation Public/Not-for-Profit or Private/For-Profit	IsyourorganisationPublicNotforProfitorPrivateForProfit
2. Which of the following best describes your role	Whichofthefollowingbestdescribesyourrole
3. Do you work in a management role	Doyouworkinamanagementrole
4. My working environment is enjoyable	WorkingEnvNum
5. I am provided with clear and achievable goals	ClearAchvGoalsNum
6. The goals set for me are engaging	GoalsMotivateNum
7. The work we do has a positive impact on society	PositiveSocImpNum
8. Finance is a factor in the goals set for me	FinanceGoalsNum
9. Pay is my primary motivation	PayMotivateNum
10. I am adequately paid for my work	AdequatePayNum
11. The reward system in my organisation is fair	RewardFairNum
12. I am heavily motivated by factors other than pay	OtherMotivationsNum
13. I am motivated by career progression	CareerProgressNum
14. My organisation provides opportunities to progress my career	CareerOpportNum
15. I feel overwhelmed by the expectations placed on me	OverwhelmingExpNum
16. I feel adequately supported by management	MgmtSupportNum
17. I feel valued by my organisation	ValuedByOrgNum
18. My work is challenging	WrkChallengeNum
19. My work is interesting	WorkInterestingNum
20. My organisation encourages innovation and is open to change	InnovationEncourageNum
21. Performance is evaluated adequately in my organisation	PerfMgmtFairNum
22. Performance is assessed using a variety of measures	PerfMgmtVarietyNum
23. I am held accountable for my performance	AccountabilityNum
24. I feel secure in my job	JobSecureNum
25. My job allows me to reach my potential	ReachPotentialNum
26. I am happy with my working environment	WorkplaceHappinessNum

Public sector	Private sector
Financed by the state	Financed by private capital
Public goods and services	Private goods and services
Decisions are made by state employees	Decisions are made by private employees
Work done based on the needs of society	Work done based on the benefit that can be accrued by owners of private enterprise

Figure 6: Illustration of some key differences between the public and private sectors.

