Employee motivation in low income earning jobs: subway

Psychology, Motivation

Chapter 1 Introduction Background to the study A motivated employee works hard and effectively because of the satisfactory feeling of fulfillment. In business management, motivationis an important research field. Over the years, there have been many motivation theories developed. One of the most famous theories is on the basis of Abraham Maslow's hierarchy of needs. Maslow (1954) argued that individuals have a hierarchy of needs, and true motivation is achieved by fulfilling higher level of needs. Emphasized by various motivation theories, income (money) has been an essential factor which can affect motivation.

Someone who has low income jobs tends to have low motivation. Consequently, low motivation will result in low effectiveness and high rate of staff turnover, which has a negative influence on company's performances. As a multi-national company, Subway has achieved international success over the years. In the UK and Ireland, since the first store opened in 1996, Subway is continuing to expand at a substantial rate, with an average of five stores opening every week (www. subway. co. uk). During the past two years, Subway has provided more than 7000 jobs in UK and Ireland (www. ubway. co. uk). Therefore, the research based thecase studyof Subway will have a wide range of indications in terms of employee motivation. Statement of the problem Self motivation only exists when people agree that there is a beneficial relationship between their behavior and their desired results. If an employee is only working in a low income working place because of money, it will be difficult to motivate them because it is very hard to convince them that they are staying in the best place for themselves.

As a result, the rate of employee turnover is comparatively high. Motivation therefore has become a big issue to both employees and managers. From employees' perspective, they have to find the factors which can keep them motivated. From managers' perspective, they have to find the solutions which can help motivate their employees. Aims and objectives To identify the main factors that affect motivation in Subway employees To investigate the methods used by Subway managers in motivating employees To find out the problems of motivation in Subway

Significance of the study Motivation is a powerful tool in the work places because it can compel employees to work at their most efficient levels of performances (Steinmetz, 1983). In order to achieve organizational objectives, managers have to motivate the right people to join in the organization and stay. The more motivated the employees are, the more empowered the team is. From this regard, this research can help to identify elements which affect employee motivations and the effective motivational ways. Methodology

This project will be based on questionnaires among Subway employees, who receive the nationalminimum wage. The questionnaires will be designed to highlight all the factors regarding motivation and distributed to various Subway stores in Birmingham. The data collected from the questionnaires will thereafter be analyzed. Plan of the Study The project encompasses five chapters. The first chapter is the introduction of this research, which briefly presents the background, importance, plan, scope and limitation of this project.

The second chapter reviews the relevant literature and journals. In this chapter, the meaning of motivation, major motivation theories, the application of motivation, contemporary issues on motivation and usefulness and limitations of motivation will be discussed. Chapter three focuses on the methodology utilized by this project. Chapter four presents the research analysis on the basis of the data collected. The last chapter is the conclusion of the whole project, as well as the recommendation. Scope and Limitation The scope of this project is based on the Subways in Birmingham area.

However, due to time constraints, the questionnaires are only distributed in 20 Subways stores. Chapter 2 Literature Review Meaning of motivation The term ' motivation' is originated from the Latin word for ' movement' (movere). In 1964, Vroom explained that motivation is ' a process governing choice made by persons . . . among alternative forms of voluntary activity' (Vroom, 1964). Similarly, Atkinson (1964) defined motivation as ' the contemporary (immediate) influence on direction, vigor, and persistence of action'.

Furthermore, Campbell and Pritchard also proposed that motivation is related with a set of independent/ dependent variables that explain the direction, amplitude, and persistence of an individual's behavior, holding constant the effects of aptitude, skill, and understanding of the task, and the constraints operating in theenvironment. All these explanations have three common elements; that is, they are all concerned with factors or events that energize, channel, and sustain human behavior. According to various

theories, motivation may be rooted in the basic need to minimize physical pain and maximize pleasure.

It may include specific needs such as eating and resting, or a desired object, hobby, goal, state of being, ideal. It may be attributed to less-apparent reasons such as altruism, selfishness, morality, or avoiding mortality. There are two kinds of motivation: intrinsic and extrinsic. Intrinsic motivation is internal. It happens when people are compelled to do something out of pleasure, importance, or desire. Extrinsic motivation occurs when external factors lead the person to do something. A common place that applies motivation is work place. In the work place, motivation plays a key role in the success ofleadership.

A person who can't understand the meaning and the importance of motivation will not become a leader. Also, to stay as a leader, he/she also needs to utilize motivation in the work place. Employee motivation is the psychological feature that arouses an employee to work in an effective level, to accomplish organizationalgoals. It is necessary for organization to enhance motivation level of the employees to bring out the best performances from them. Major Motivation Theories Abraham Maslow's Hierarchy of Needs One of the most influential authors in the area of motivation is Abraham Maslow (1954).

Abraham Maslow (1954) integrated various research related to human motivation. Prior to Maslow, researchers just focused on motivational factors separately, such as biology, achievement, or power to explain what energizes, directs, and sustains human behavior. Maslow proposed a

hierarchy of human needs on the basis of two groupings: deficiency needs and growth needs (Maslow, 1954). Within the deficiency needs, every lower need must be met before moving to the next higher level (Maslow, 1954). The first four levels are: 1) Physiological: hunger, thirst, bodily comforts, etc. 2) Safety/Security: out of danger; 3) Belongingness and Love: affiliate with others, be accepted; and 4) Esteem: to achieve, be competent, gain approval and recognition (Maslow, 1954). According to Maslow (1954), an individual is ready to act upon the growth needs if and only if the deficiency needs are met. Maslow's initial conceptualization included only one growth need: self-actualization (Maslow, 1954). Self-actualized people are characterized by: 1) being problem-focused; 2) incorporating an ongoing freshness of appreciation of life; 3) a concern about personal growth; and 4) the ability to have peak experiences (Maslow, 1954).

Maslow later differentiated the growth need of self-actualization, specifically naming two lower-level growth needs prior to general level of self-actualization and one beyond that level (Maslow, 1971). They are: 5) Cognitive: to know, to understand, and explore; 6) Aesthetic: symmetry, order, and beauty; 7) Self-actualization: to find self-fulfillment and realize one's potential; and 8) Self-transcendence: to connect to something beyond the ego or to help others find self-fulfillment and realize their potential (Maslow, 1971).

Maslow's basic idea is that as one becomes more self-actualized and self-transcendent, one becomes wiser and knows what to do in a wide variety of situations (Maslow, 1971). He also recognized that not all personalities

followed his proposed hierarchy (Maslow, 1954). Maslow published his theory over 50 years ago and it has since become one of the most popular and often cited theories in the field of human motivation. Frederick Herzberg's two-factor theory Another significant motivational theory was developed by Frederick Herzberg, who had close links with Maslow.

Frederick Herzberg believed in a two-factor theory of motivation. He argued that there were certain factors that a business could introduce that would directly motivate employees to work harder (Motivators) (Herzberg, 1959). However, there were also factors that would de-motivate an employee if not present but would not in themselves actually motivate employees to work harder (Hygiene factors) (Herzberg, 1959). Motivators are more associated with the job itself (Herzberg, 1959). For instance, how interesting the work is and how much opportunity it gives for extraresponsibility, recognition and promotion (Herzberg, 1959).

Hygiene factors are factors which surround the job rather than the job itself (Herzberg, 1959). For example, a worker will only go to work if a business has provided a reasonable wage and safe working condition (Herzberg, 1959). However, these factors will not make him work harder at his job once he is there (Herzberg, 1959). Herzberg (1959) believed that businesses should motivate employees by adopting a democratic approach to management and by improving the nature and content of the actual job through certain methods.

Some of the methods managers could use to achieve this objective are: job enlargement (workers are given a greater variety of tasks to perform which

can make the work more interesting; job enrichment (workers are given a wider range of more complexes, interesting and challenging tasks surrounding a complete unit of work, which can bring out a greater sense of achievement; empowerment (employees are delegated more power to make their own decisions over areas of their working life) (Herzberg, 1959). Douglas McGregor's theory X and theory Y

Theory X and Theory Y are theories of human motivation created by Douglas McGregor in 1960s. Theory X and Theory Y are two distinct attitudes toward workforce motivation. According to McGregor, companies followed either one or the other approach, and the key to connecting self-actualization with work is determined by the managerial trust of subordinates (McGregor, 1960). In theory X, management assumes employees are inherently lazy and will avoid work if they can and they also inherently dislike work (McGregor, 1960).

As a result, management believes that workers need to be closely supervised and comprehensive systems of controls developed (McGregor, 1960). (McGregor, 1960). According to this theory, employees will avoid responsibility whenever they can and so a hierarchical structure is needed with narrow p of control at each and every level (McGregor, 1960). A Theory X manager believes that his or her employees do not really want to work; therefore, it is the manager's job to structure the work and energize the employee (McGregor, 1960).

In theory Y, management assumes employees may be ambitious and self-motivated and exercise self-control (McGregor, 1960). It is believed that

employees enjoy their mental and physical work duties (McGregor, 1960). They possess the ability for creative problem solving, but their talents are underused in most organizations (McGregor, 1960). Theory Y managers believe that employees will learn to seek out and accept responsibility and to exercise self-control and self-direction in accomplishing objectives to which they are committed (McGregor, 1960).

A Theory Y manager believes that, given the proper conditions, most people will want to do well at work (McGregor, 1960). They believe that the satisfaction of doing a good job is a strong motivation for employees (McGregor, 1960). For McGregor, Theory X and Y are not different ends of the same continuum (McGregor, 1960). If a manager needs to apply Theory Y principles, that does not prevent him from being a part of Theory X & Y (McGregor, 1960). David McClelland's motivational needs theory David McClelland is famous for describing three sorts of motivational need, hich were proposed in his book The Achieving Society (1967). These needs are found to different degrees in all workers and managers, and this mix of motivational needs characterizes a person's or manager's style and behavior, both in terms of being motivated and in the management and motivation others (McClelland, 1967). The need for achievement (n-ach): The n-ach person is achievement motivated and therefore seeks achievement, attainment of realistic but challenging goals, and advancement in the job (McClelland, 1967).

The n-ach person has a strong need for feedback as to achievement and progress, and a need for a sense of accomplishment (McClelland, 1967). The

need for authority and power (n-pow): The n-pow person is authority motivated (McClelland, 1967). This driver produces a need to be influential, effective and to make an impact (McClelland, 1967). The n-pow perso has a strong need to lead and for their ideas to prevail (McClelland, 1967). The n-pow person also has motivation and need towards increasing personal status and prestige (McClelland, 1967).

The need for affiliation (n-affil): The n-affil person is affiliation motivated, and has a need for friendly relationships and is motivated towards interaction with other people (McClelland, 1967). The affiliation driver produces motivation and need to be liked and held in popular regard. The n-affil person is team player (McClelland, 1967). McClelland (1967) suggested that most people possess and exhibit a combination of these characteristics. Some people exhibit a strong bias to a particular motivational need and this motivational mix consequently affects their behavior and working/managing style (McClelland, 1967).

McClelland (1967) proposed that a strong n-affil motivation undermines a manager's objectivity, because they want their need to be liked, which affects a manager's decision-making capability (McClelland, 1967). A strong n-pow motivation will produce a determined work ethic and commitment to the organization, while n-pow people are more focused on the leadership role, which means they may not possess the required flexibility and people-centered skills (McClelland, 1967). Other motivation theory related to business management

Workers in any organization need something to keep them motivated. If no motivation exists, employee's quality of work in general will deteriorate. According to the system of scientific management developed by Frederick Winslow Taylor (1911), a worker's motivation is only determined by payment, and therefore management doesn't need to consider the psychological or social aspects of work. Essentially, in scientific management, human motivation is solely based on extrinsic rewards and it dismisses the idea of intrinsic reward.

Elton Mayo (1933) found out that the social contacts a worker has at the workplace are very important and that boredom and repetitiveness of tasks will reduce their motivation. Mayo thought that workers can be motivated by acknowledging their social needs and making them feel important. Consequently, employees were given freedom to make decisions on the job and greater attention was paid to informal work groups. This model as named the Hawthorne effect by Mayo.

At lower levels of Maslow's hierarchy of needs (1954), such as physiological needs, money is a motivator; however it tends to have a motivating effect on staff only for a short period, in line with Herzberg(1959)'s two-factor model of motivation. At higher levels of the hierarchy, praise, respect, recognition, empowerment and a sense of belonging are far more powerful motivators than money, as both Abraham Maslow(1954) and Douglas McGregor (1960)indicated. The assumptions of Maslow and Herzberg were challenged by a classic study at Vauxhall Motors' UK manufacturing plant (Goldthorpe, Lockwood, Bechhofer and Platt, 1968).

This study introduced the concept of orientation to work and identified three main orientations: instrumental (where work is a means to an end), bureaucratic (where work is a source of status, security and immediate reward) and solidaristic (which prioritizes grouployalty) (Goldthorpe, Lockwood, Bechhofer and Platt, 1968). Other theories which expanded and extended those of Maslow and Herzberg included Kurt Lewin's Force Field Theory (1938), Edwin Locke's Goal Theory (1996) and Victor Vroom's Expectancy theory (1964).

These theories tend to emphasize cultural differences and the fact that individuals tend to be motivated by different factors at different times In Essentials of Organizational Behavior, Robbins and Judge examined recognition programs as motivators, and identified five principles that contribute to the success of an employee incentive program (2007): recognition of employees' individual differences, and clear identification of behavior deemed worthy of recognition ; allowing employees to participate; linking rewards to performance ; rewarding of nominators; visibility of the recognition process

Chapter 3 Research Method This project is based on questionnaires among Subway employees, who receive the national minimum wage. The questionnaires is designed to highlight all the factors regarding motivation and distributed to various Subway stores in Birmingham. The data collected from the questionnaires is thereafter analyzed. 3. 1 The advantages and disadvantages of Questionnaire Questionnaires are one of the most popular

research methods because they provide a simple way of collecting information from a targeted population.

It is easy to analyze questionnaires, by the help of most statistical analysis software. In the terms of cost, they are very effective as well, comparing to face-to-face interviews (Seitz, 1944). Most people are familiar with questionnaires. Many people have had some experience of completing questionnaires.). Unlike other research methods as telephone or face-to-face surveys,, the respondent is not interrupted by the research instrument. When a respondent receive a questionnaire, he/she is free to complete it whenever he /she want to (Jahoda, et al. , 1962).

However, questionnaires may not be suited for everyone. For example, to a group of poorly educated people, a written survey might not work because they don't have enough reading skills. More often, some suitable group of people are simply neglected by written questionnaires because of misuse (Deutcher, 1956) Thanks to the uniform presentation of question, questionnaires can also reduce the bias of respondents (Jahoda, et al. , 1962). Many researchers have found that voice inflections and mannerisms of the interviewers can have a bias on responses (Barath and Cannell, 1976).

Unlike face-to-faceinterview, there is no particular way of any verbal or visual clue to affect the reaction of a respondent. Since there is no interviewer, the questionnaire is not subject to this sort of bias. On the other hand, however, the researcher's ability to probe responses is limited by the lack of an interviewer. The " flavor of the response is often lost in structured questionnaires as respondents always try to keep their answers standard

and easy to analyze(Walonick, 1993). This advantages can be partially overcome by allowing space for other comments,.

Another drawback of questionnaires is that they often results in low response rates (Robinson, 1952). Low rate of response is biggest problem to statistical analysis because it can dramatically lower the confidence of results and the credits of the research itself. However, response rates change widely among different questionnaires. A well-designed study can probably produce high response rates. Another problem is attributed to the credibility of the answer itself. When questionnaires are returned, it's assumed that the respondent is the same person you sent the questionnaire to.

However, a number of researches have found that this may not actually be the case (Scott, 1961). It happen frequently those business questionnaires are passed to someone else for completion. For a variety of reasons, the respondent may not be who you think it is. For instance, housewives sometimes respond for their husbands. In a summary of five studies sponsored by the British Government, Scott (1961) reports that up to ten percent of the returned questionnaires had been completed by someone else other than the attempted person.

To increase the response rate, the questionnaire of this research for this research have been designed to be simple and formatted. When distributing questionnaire, managers or employees are told about the purpose of this questionnaire and the way to post them back, in order to increase the response rate. 3. 2 Anonymity and Confidentiality Some studies have shown that response rate is affected by the anonymity/confidentiality policy of a

study (Jones, 1979). Klein, Maher, and Dunnington (1967) reported that responses became more distorted when subjects felt threatened that their identities would become known.

In this research, the name of the responses will be anonymous and confidential. Chapter 4 Research analysis 100 questionnaires have been distributed to 20 Subway stores throughout Birmingham. Within one month, 66 questionnaires have been returned. Within 66 respondents, 10 respondents are mangers, while 56 are crew members. 4. 1. The working lengths of employees in Subway Within 66 questionnaires, nearly half of the respondents have been working in Subway between 1 and 3 years. Others are either working less than one year or more than 3 years.

Just a few people are working for more than 5 years Table 5. 1 Working lengths of employees in Subway 4. 2 Motivators of employees With all the motivational factors, money is still the determinable factor. The security of job and acknowledgement from managerial level are also influential to employee motivation. Aside the choices provided by questionnaires, there are some other elements mentioned. Relationship with colleagues and professional development are among those most popular. Table 5. 2 Motivators of Subway employees 4. 3 Motivation strategies used by Subway manager

Within seven common motivation strategies, positive reinforcement and effective discipline and punishment are used by all the managers. Treating people fairly, satisfying employees needs and setting work related goals are used by some of the managers. Restructuring job is used by few, while no

one use base rewards on job performances as motivation strategy. Table 5. 3 Motivation strategies used by Subway manager 4. 4 Problems of motivation in Subway 35 respondents have indicated that they have considered leaving Subway. Hard workand low wage are main reasons.

No professional development, bad relationship with colleagues and lack of job security are also influential. Table 5. 4 Problems of motivation in Subway Chapter 5 Conclusion and Recommendation 5. 1 Reemphasis on the importance of motivation From the questionnaire, we can see most of the employees in Subway have been working for less than 5 years. This has shown that the rate of turnover in Subway is really high and the stability of Subway team is challenged throughout the time. Therefore, the performance of company will be affected by this. This research reemphasizes the importance of motivation in low income workplaces.

Money as a main motivator Many motivation theories have indicated that money is not the main motivator in workplaces, as employees may find the security of job or the self-realization are more appealing. However, this research has found in low income working places as Subway, money (wage) is still the most essential motivator. In low income workplaces, more working time (shifts) mean more money. Therefore, to motivate employees, managers have to understand the needs of employees and properly distribute shifts to different employees. Other motivational factors

As emphasized by many motivation theories, the security of job still remains one of the most important elements of employ motivation. Another motivator is the acknowledgement from managerial level. Professional development

and promotion are also focused by employees, which indicate that company should set different professional development plan for different employees, in order to enhance the levels of their motivation. Lack of various motivation ways from managerial level This research has shown that there is a lack of motivation methods from the managerial level of Subway.

Apart from the seven motivation strategies provided by questionnaire, there is no any other answer mentioned by Subway managers. Positive reinforcement and effective discipline and punishment are chosen by all the managers. Some managers select treating people fairly, satisfying employees' needs and setting work related goals. Just 2 managers choose restructuring jobs as a way of motivating employees, which shows that most of the Subway employees are doing the same job throughout the time. Manager may need to find more ways to restructure the jobs among employees to arouse their motivation.

All in all, to motivate different employees, managers have to use different motivation strategies. Some psychological test may help managers to understand the different needs and instinct motivation of distinct employees. Main problems of motivation in Subway Half of the employees are thinking of leaving Subway, which means that there are still serious problems of motivation in Subway. Low wage is the most significant reason. Since most the crew member receive national minimum payment in Subway, the strategies of increase wages for employees who have been working for long time could help improve the situation.

Apart from that, job difficulty is another reason for employees to leave. From this perspective, managers should talk to employees who have problems with their job. They could also change their job responsibilities to motivate them handle the problems met in workplaces. The worry of professional future is also another reason. As mentioned before, the professional development plan will help. Job security is mention here again. And relationship with colleagues could also affect employee motivation. Therefore, managers should pay attention to team coordination to avoid any negative effect on employee otivation. Summary This research has shown that in different workplaces, employees have different motivational factors. Upon different employee, his/her motivation will be different. Though in low income work places as Subway, money is still the main motivator, other factors can not be neglected as well. Meanwhile, there is a lack of various motivation strategies from managerial level; in another word, there is no enough attention on employees motivation in Subway, which could make the situation worse.

The awareness of the importance of motivation has to come from the upper level, and then the strategies can be implemented to make things really work out. Bibliography Atkinson, J. W. 1964. Introduction to Motivation. Princeton, NJ: Van Nostrand. Barath, A. , and C. Cannell. 1976. " Effect of Interviewer's Voice Intonation. " Public Opinion Quarterly 40: 370-373. Campbell, J. P. , & Pritchard, R. D. 1976. Motivation Theory in Industrial and OrganizationalPsychology. In M. D. Dunnette (Ed.), Handbook of Industrial and Organizational Psychology: 63–130.

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