# Individual Motivation in Work Team Context – An Empirical Research on Romanian Consulting SMEs

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# Abstract

Nowadays different variables considered to be of extreme importance for team performance and effectiveness are intensively studied. Among them, motivation has a special role. But in many papers, it is analysed the team motivation as a whole, and not individual motivation. In this situation, in the present paper we analyse individual motivation of members who have to undertake and accomplish complex tasks which are specific to work team. We distinguished between intrinsic and extrinsic motivation, both theoretically and using statistical analyses in order to find out which categories are on highest order for employees, members of teams that works on business and management projects in Romanian consulting SMEs. As a result, we found a hierarchisation of individual needs in work team context that is different from classic models, as well an unexpected place and importance for extrinsic motivation in overall motivation of team members.

**Key words:** team work, work team, individual motivation, intrinsic and extrinsic motivation **J.E.L. classification:** C38, D23, D83, J59, L29, L84, M12

#### 1. Introduction

In today's organizations, where work has become extremely complex, teams are increasingly being used, both as permanent organizational structures and as temporary forms of organizing the work. We mentioned in some previous papers the differences between work group and work team (Zoltan, Vancea, 2015a), group work and team work (Zoltan, Vancea, 2015b), all placed in organizations. In short, work team is an organizational subdivision and team work is a particular style of work collectively in organization. In the sense given to the terms, employees of business and management consulting firms work with necessity in work teams and practice team work to carry out the complex projects that constitute their main activity.

In the literature, little attention has been paid to business and management consulting SMEs in the European Union, and less to teams working on consulting projects, and even less to the motivation of members of these teams. Often, these companies carry out important projects with European funding, in other words, they organize their work in teams to deal with complexity. In this context, team work is no longer an option, but a must.

As in any organisation, be it SME or MNC, special attention should be paid to the motivation of employees. Realistically speaking, the premise from which it must be started is this: employees do not work for the employer, but for themselves. In other words, they are guided by interior mobiles to meet certain needs within the organizational framework and, as well, they aim to earn money and other material rewards.

But many reward and recognition systems encourage members not to participate in teams. Members who perceive inadequate recognition will direct their efforts to those areas that are recognized and rewarded. Participation can pose too much personal risk and create conflict as long as members realize that the support provided to the team consumes time that could be used for those activities that are recognized and rewarded. (Trent, 2003) Mattsson (1990) argues that in a

team where the level of engagement and motivation is low among some members, other members involved and motivated within the same team tend to dominate in meetings. He argues that this can create a state of imbalance in terms of motivation among members and, as a result, some members get more involved in work team than others. This can lead to significant losses for team effectiveness as long as, by definition, work team involves interdependent activities, therefore each member's effort will be reflected in the final result.

In order to avoid as much as possible these problems, managers should know what mostly motivates their subordinates. Of course, each employee may be motivated differently to carry out the same activity. However, at the sector level we can observe certain trends towards satisfying some needs and less towards satisfying others. This is what we want to investigate because inadequate motivation of team members could have serious managerial implications.

## 2. Literature review

#### 2.1. Individual (competitive) and collective (collaborative) reward for team members

The methods of motivating teams in business still tend to work best when the reward recognizes individual contributions. While team work is often valued within an organization, some employers found it difficult to implement reward systems at team level as it is difficult to measure team performance. (Newton McClurg, 2001) But offering individual recognition and rewards increases tension between members as the team matures. Although members manage to overcome work problems as a collective unit, internal competition for individual rewards often affects both their morale and performance. (Trent, 2003)

In general, behaviours that help motivate team members relate to: statements indicating encouragement, active consideration, and positive comments on members' specific competencies, and these motivational behaviours exclude influence based on coerciveness. (Burke et al., 2006)

Rewarding the team, however, is not just about incentives and encouragement, but reward systems should be considered, either at team level (collaborative or cooperative systems) or at the individual level (competitive systems). For example, when agents (members) are homogeneous, team production is evenly divided and there are economies of scale from team work. (Tohidi, 2011) And yet, this approach raises many issues as the members of a team are not so homogeneous as not to perceive the inherent differences between them and, first of all, the extent to which the team task involves cooperation and / or competition between team members.

Ideally, an evaluation system will also take into account objective information on individual contribution. This helps to prevent process losses (Zoltan, 2012) in the form of the manifestation of "free-riding" or "social loafing" phenomena (Zoltan, 2014) by ensuring that each member is responsible for his or her actions.

#### 2.2. Intrinsic and extrinsic motivation in teams

Work groups have gained in importance through the work of researchers in the field of human relations, prestigious authors such as Elton Mayo and Douglas McGregor, who emphasized the complexity of group behaviour. Despite the immense literature dedicated to studying group behaviour, there are no generally accepted frameworks for predicting group behaviour or assessing the importance of group characteristics. (Ingram, Desombre, 1999)

In short, motivational theories about needs argue that people need certain results or outcomes and tend to behave in such a way as to satisfy these needs. Maslow has developed his famous hierarchy of human needs or necessities in which certain needs are basic, and people are motivated to satisfy them (e.g. physiological and security needs) before seeking to meet their higher needs (needs of belonging, esteem and self-actualization). Then further, Alderfer built on this model, suggesting that there may be only three categories of needs (existential needs, relational needs and growth needs) in a concrete hierarchy, and people "move" up and down on this hierarchy, and may be motivated by multiple needs at the same time. (Horner, 1997)

Therefore, in our research, we call extrinsic motivation all those material elements, whether they are of a financial nature or not, granted by the management to the members, either individually or at group or team level. Intrinsic motivation in the context of work team refers to elements deriving from the complex nature of the task and the team-specific work relationships, in particular, refers to

meeting individual needs in the psychosocial context of the small work group. In the literature, the authors usually make only the distinction between individual and group reward as means of motivating team members. For example, Trent believes that most authors divide the different types of rewards potentially available to teams and team members into four categories. These categories include financial bonuses, merit salaries for members, recognition from the organization and its managers, and non-financial rewards such as dinners, event tickets, and gift vouchers. (Trent, 2004) In our opinion, if we consider the specificity of team work as a particular, special style of work (Zoltan, Vancea, 2015b) required to carry out a complex task, all the above elements fall under the umbrella of extrinsic motivation as they do not derive from the "intimate life" of the team, from the multitude of relationships that the members build in the process of collective work, but come from outside of it.

# 3. Empirical research

## 3.1. Research methodology

Based on the literature, we have distinguished between intrinsic and extrinsic motivation. We set out to explore the extent to which the two types of motivations are appreciated by the individuals themselves, members of the teams from a particular economic sector. We were concerned, first of all, to formulate the questionnaire items so that the context was exclusively work team, whether we were referring to the satisfaction of individual needs (intrinsic motivation) or material rewards (extrinsic motivation). Further, the factorial analysis allowed the ranking of the considered variables. Finally, we were able to compare both types of motivation, intrinsic and extrinsic, and conclude what are the needs of team members largely seeking to be met in the context of work team.

## 3.2. Research design, sample and variables

The sample consisted of 205 employees of small and medium-sized companies in Romania, including micro-enterprises, whose main activity is business and / or management consulting services and / or financing programs or projects, in particular, financing from European funds.

Respondents were asked to fill out an online questionnaire easy to access from a link and formatted in Google Docs. Respondents were asked to indicate the frequency of manifestation in their work group of the items presented, i.e. how often they met with or acted as in the situation described. Responses were assessed using a Likert scale from 1 to 6. We used a Likert scale from 1 (never) to 6 (always) in order to avoid the centrality tendency.

The intrinsic motivation was evaluated through 4 items in which the level of satisfaction of four needs was pursued according to Maslow's hierarchy (safety, belonging, esteem, self-actualization), their formulation aiming at the work team environment. The items were worded as follows:

- for safety: "Encouraging and positive comments from colleagues / collaborators stimulates me to work with them."

- for belonging: "The emotional comfort I have within the group / team compensates for some shortcomings such as lack of resources or unsatisfactory remuneration."

- for esteem: "Collegial connections with very competent people who appreciate me motivate me to work in team."

- for self-actualization: "Team work is an opportunity to use my skills and knowledge to perform complex group tasks.".

Extrinsic motivation was expressed by two items through which we wanted to evaluate the level of motivation through material reward both at individual and team level. The items were worded as follows:

- "The material reward (salary or other material benefits) granted individually stimulates me to contribute to the accomplishment of the common task."

- "The material reward (salary or other material benefits) granted at group / team level stimulates me to contribute to the accomplishment of the common task."

# 4. Results

In table no 1. are presented the main descriptive statistics for our motivation variables.

		safety need satisfaction	belonging need satisfaction	esteem need satisfaction	self- actualization need satisfaction	competitive reward	collaborative reward
Ν	Valid	205	205	205	205	205	205
	Missing	0	0	0	0	0	0
Mean		5.0878	4.3366	5.1854	5.0585	4.7659	4.6878
Median		5.0000	4.0000	5.0000	5.0000	5.0000	5.0000
Mo	de	6.00	4.00	6.00	6.00	5.00	5.00
Std		1.02043	1.22029	.96242	.93226	1.13923	1.15049
Dev	viation						

Table no 1. Descriptive statistics for motivation variables

*Source:* own contribution

At a glance, it can be noted that competitive reward has a higher mean comparative with collaborative reward, and both competitive and collaborative reward have a lower mean comparative with intrinsic variables, with the exception of belonging need satisfaction.

Initial variables	<ul> <li>safety need satisfaction</li> <li>belonging need satisfaction</li> <li>esteem need satisfaction</li> <li>self-actualization need</li> <li>satisfaction</li> </ul>	- competitive reward - collaborative reward
Composite variables	Intrinsic motivation	Extrinsic motivation
Variance explained	42.506 %	23.353 %
Kaiser-Meyer-Olkin coefficient	0.69	6
Cronbach alfa coefficient	0.71	0
Sig.	0.00	0

Table no 2. Main components of individual motivation in team work context

Source: own contribution

Before drawing some early conclusions, we choose factor analysis to observe which type of motivation are the most important for our respondents. (Table no 3.)

Rotated Component Matrix <sup>a</sup>					
	Component				
	1	2			
esteem need satisfaction	.793	.179			
safety need satisfaction	.765	.143			
belonging need satisfaction	.701	133			
self-actualization need satisfaction	.692	.243			
competitive reward	.061	.899			
collaborative reward	.159	.895			

Table no 3. Arrangement of motivation variables in factor analysis

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. a. Rotation converged in 3 iterations.

Source: own contribution using SPSS 18

Theoretically, in an extensive research factor analysis is used to name the factor variable after the variable with the main load in compounding the factor variable. But in our case, we cannot presume that the other variables do not count, yet they are of a less interest for the employees. The porpoise is to order the factors and thus to note what mostly motivates the members of Romanian consulting teams.

The composition of the initial variables was made taking into account the percentage of variance explained in the factorial analysis using the principal components extraction method (Varimax rotation method with Kaiser normalization), significance threshold sig. < 0.05, the adequacy of the factorial grouping (Kaiser-Meyer-Olkin coefficient  $\geq 0.60$ ) and the internal consistency of the composite variables (Cronbach alpha  $\geq 0.65$ ). (Table no. 2) All these show that our approach is valid and in accordance with the statistical significance levels agreed in the literature.

The variables related to intrinsic and extrinsic motivation were grouped in the factorial analysis on main components as can be seen in table no. 3

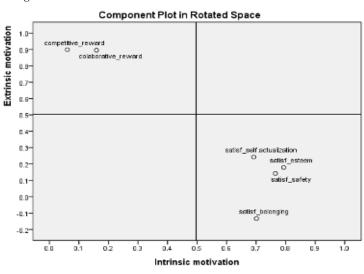


Figure no 1. Individual motivation in team work

Source: own contribution using SPSS 18

Further, for a clearer picture of the results of our factor analysis, we processed the SPSS Component Plot as can be seen in figure no 1.

#### 5. Discussion

Either intrinsic or extrinsic motivation, although different in content and manifestation, can lead to increased work effort. Certainly, as we mention already, each person is motivated differently by a combination of internal and external motivational factors. But motivation, although it undergoes changes at the group level, i.e. in the social context, it is always individual. (Zoltan, 2015, p.104) So, what we wanted to find is the general trend in terms of employee motivation in this sector of activity.

Overall, it can be noticed in figure no. 1 the clear discrimination between the two categories of motivation, extrinsic and intrinsic, even so we put into factor analysis all our variables. Also, as can be seen from the table no 2., for our respondents, extrinsic motivation is far less important comparative to intrinsic motivation, in other words, its contribution for hole motivation (23,3%) is lower than the contribution of intrinsic motivation (42,5%).

If the intrinsic motivation had exceeded 50% in the composition of the total motivation, we could have concluded that it predominates, that is, extrinsic motivation can be neglected. This is not the case, however, although it contributes to a small extent to the motivation of the employees of the consulting SMEs that constitute our sample. In any case, we can intuit two extreme situations in which the material, financial reward matters too little:

- employees earn enough money, respectively, they have exceeded the level to which money was a very important motivator, and from now on other things motivate them;

- employees are rewarded so unsatisfactory that they do not even consider that the motivating factors would be made up of material reward; in other words, if there were no other considerations at stake, just for that money they probably wouldn't work at all.

With regard to the first situation, when people are no longer motivated by material reward (high incomes, bonuses, etc.), it is expected that they will set higher goals, such as: broadening their skills, achieving new / special objectives, promoting a higher position in the organization so that they can make a difference in the company's history by implementing new ways of working. In other words, they would be motivated by new challenges to face. All this is called self-actualization in Maslow's hierarchy, fulfilment, in Alderfer's classification, and achievement, according to McClelland. (Vancea, 2008, pp.100-103)

In the second situation, the material component being unsatisfactory, an explanation could be, for example, the possibility to gain knowledge in the workplace in order to get a better job in the future, an explanation generally valid for younger categories of employees. At the same time, it seems reasonable to accept as an explanation that simply holding the job is the main motivator: although the employee is not satisfied with his income, he has job security. It is what Maslow includes in the category of stability, security needs.

As far as Romanian employees from management and business consultancy SMEs are concerned, we can only note that extrinsic motivation plays a minor role for them, but we cannot advance any of the above explanations as a conclusion. It remains to be investigated in the future whether some, others or a combination of them explain why extrinsic motivation seems so unimportant to these employees.

However, it is obvious that intrinsic motivation predominates in the total motivation of our respondents. After all, most tasks have at least some potential to be intrinsically motivating, so that for most activities or tasks, intrinsic reward strategies will be more effective and generally preferable. (Neck, Houghton, 2006)

On the other hand, if we consider the contribution of the initial variables to the formation of the latent variable "intrinsic motivation" (table no. 3), we can observe that the satisfaction of the need for esteem from colleagues with outstanding professional skills holds first place, followed by the satisfaction of the need for belonging and need for safety, satisfaction of the need for self-actualization taking the last place. Thus, Maslow's pyramid is no longer respected in terms of the needs of employees in the SME sector whose activity is management and business consulting. The needs of these employees, whose work is necessarily carried out in collaboration, reveal a different hierarchy: the pyramid is reversed and, in addition, the need for esteem and appreciation has come first, an idea graphically suggested in Figure 2.



Figure no 2. Hierarchy of the needs met in team work context by employees in consultancy SMEs

Source: own contribution

A possible explanation for this result can be identified in the nature of the activities that employees of consulting firms carry out, namely, the processing of knowledge; these employees are, in fact, what in the literature is known as knowledge workers. This means a working environment that involves intense cognitive efforts and continuous learning, and employees need, first of foremost, feedback from more experienced collaborators, respectively, their appreciation, in order to feel safe (through the encouragement and positive comments from these colleagues) and to satisfy their need for group belonging, even in the absence of fair remuneration (through the emotional comfort felt within the work team).

Self-actualization occupies the last place, which apparently denotes a lower importance given to personal achievement, which would be an argument in support of the assertion that for the employees questioned in this research personal achievement is not essential, but the common result is the one that matters. In fact, team work is less an opportunity for respondents to use their skills and knowledge, and rather they make further efforts to satisfy, first of all, the need for appreciation on the part of colleagues with outstanding achievements.

Thus, it seems that what motivates the most the employees in Romanian consultancy SMEs is learning from the most experienced collaborators and receiving positive feedback from these colleagues seen as experts. This is in accordance with some authors; for example, Huusko (2006) stated clearly that team members are more motivated to improve their skills when they have demanding tasks to solve and the climate is one that promotes learning which is as well the case of complex tasks that team members from Romanian consultancy SMEs have to accomplish.

## 6. Conclusions

Beersma et al. (2003) argue that collaborative reward allocations promote mutual trust, cohesion, and supportive behaviour among team members, which in turn promotes performance. On the contrary, Honeywell, Dickinson and Poling (1997) show that when the group incentive system is used, the best performing employees reduce their effort when their earnings are reduced by those with poor performance, while the latter continue to achieve below-average results as they benefit from the performance of other members. (Honeywell, Dickinson, Poling, 1997)

As far as our study is concerned, if we simultaneously look at the individual motivation for team work, both intrinsic and extrinsic, this dilemma between collaborative and competitive reward structures disappears. Yes, extrinsic motivation can be very important, but not when we are dealing with complex activities that require combined and specialized actions and knowledge from different members. Besides, the consensus in the literature on competitive and collaborative compensation structures is quite clear in its support for competitive allocations when people work independently and for collaborative allocations when people are interdependent. (Beersma et al., 2003) In this context, and in light of our research results, we can say with some certainty that, from the organisation point of view, the more complex the work will be, the greater the chances that extrinsic motivation will matter less and vice versa, the simpler and more repetitive the work, the more important the extrinsic motivation. Therefore, this conclusion can be extended to other types of organizations providing complex, highly specialized services, whose members requisitely work in teams.

As a practical implication, we suggest that the managers of Romanian consulting SMEs should ensure that they have in theirs teams at least a few experienced members with special social competencies. These high skilled persons will act as mentors and coaches for their less experienced colleagues and the result will be a greater motivation for effort in work team context, and further, for better performance and loyalty.

Likewise, managers should note that a group of employees, however competent and experienced they may be, do not constitute a team in the true sense of the word from the moment they are given the name "team". It takes a whole host of behaviours and conditions for the group set up to achieve a complex project to become a functional and efficient team. (Zoltan, Vancea, 2016) In this process, the mechanisms by which members are motivated may undergo changes that result from frequent interactions between members. These interactions will come first of all from the quality and effectiveness of network communication within organization which, in turn, will affect the level of work team productivity and the satisfaction of team members. (Zoltan, Vancea, 2018)

Finally, treating the team as a unitary body supports extremely important nuances: team members are not clones of the same type, of the "universal teammate" of an "average character", but they are motivated by internal mobiles that can vary greatly from person to person: team work is only an element among many others that influence the complex motivation, and can be seen more or less as an opportunity for personal affirmation. (Zaiţ, 2012, p.339) Therefore, organizations management should be aware of which type of motivation is required for their employees and act accordingly as long as at the SME level the main focus is the motivation of the individual as a member of the team. Obviously, we can talk about motivation at team level, but only when the team is competing with other teams; the benchmark being outside the team, individuals identify themselves with their team in order to compare and compete with members of other teams. But further investigation is needed to identify complex links and relationships between teams, as well as the motivational mechanisms that determine their actions and strategies.

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