Personnel motivation in multinational companies: standardization and adaptation

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Abstract

With the increasing emergence of multinational companies and the increased popularity of these companies, the question of the organization of their activities becomes interesting for the HR community worldwide. These companies are renowned for deliberate management structure of human resources and their effective use. For effective use of employees’ skills and knowledge the company has to constantly motivate them by intrinsic and extrinsic motivational tools.

Motivational tools which use a company may be different depending on specific features of the country that the office is located. The purpose of this research is the study of how multinational companies organize the motivational system in different countries taking into account cultural characteristics and needs of the personnel in the offices of a particular country.

On the basis of data derived from interviews with 12 representatives of 6 companies (4 of them Swedish companies, Oriflame, SCA, Volvo, IKEA, and two American companies, IBM and Deloitte, that have representative offices in Sweden and in Russia) it was revealed that modern multinational companies use similar motivational tools that partly standardized to keep the specifics of the company, and partly adapted to the local requirements.

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1. Introduction

1.1 Background

Nowadays, a lot of companies are expanding their activities geographically and starting to operate as a big multinational organization. When stating multinational companies, it refers to a company that operates on the markets of different countries. One that has representative offices in several countries and in this case it will be a company that exists in both Russian and Swedish markets.

As organizations become multinational, the influence of culture becomes vitally crucial for research. The main challenge that these companies face is the cultural differences between the domestic employees and the foreign employees of worldwide branches. The entire management system is fully or partially adapted to the peculiarities of the particular country. A large amount of literature devoted to the functioning of representative offices of multinational companies in different countries and all authors highlight that multinationals in the process of human resources management should pay an attention to the national features of the company’s personnel. (Elenkov, 1998; Engelhard, Nagele, 2003; Koveshnikov, Barner-Rasmussen, Ehnrooth, Makela, 2012; Maberg, Leasher, 2011; Shekshnia, 1998 and e.g.). It means that all multinational companies usually adapt a management system and adjusting it to a specific country, but in order to preserve the specificity of a company, it has to standardize certain processes and values of the organization. Even if the company is operating internationally, it is still working as a whole mechanism and it has common standardized rules, documentations, management system and in some cases motivational tools.

Also, it is important to mention that standardization and adaptation of management system in the organization in this thesis can be defined as processes when multinational company saves specific standards of management structure for every single representative office or adapt the system partially or fully for different countries. Motivational tools are the integral part of management system. Multinational companies deal with a huge number of employees and they have to create motivational system for them or at least to integrate some motivational tools in the human resources management process. In this research there will be analyzed standardization and adaptation strategies of motivational systems or/and tools (if the company will not have certain system) that multinational companies use.

People are the key element of companies’ functioning. Organizational success is directly connected with the effectiveness of personnel implementation of their responsibilities. The main driving force of productive and efficient work is employee’s motivation. There are many different definitions of the terms "motive", "motivation", "stimulation", “incentive” reflecting in its content the understanding of the authors and representatives of various schools of scientific management is the essence of the process. In psychology, motivation is a process in which people choose between alternative forms of behavior, the behavior that will allow them to reach personal goals (Cole, 2002). Motivation is an “internal psychological state that stimulates a person to engage in a particular behavior” (Moberg, Leasher, 2011: 145). In management, motivation is defined as the process of self-stimulating and others stimulating in activities aimed at achieving individual and common goals of the organization (Mescon, Albert, Hedouri, 1997). In general, in an organization the role of motivation is to stimulate a person to implement his/her job responsibilities in an efficiently and a timely manner.
“High motivational levels in employees are the result of a good job, done by the right person, working for a competent supervisor, under the banner of a positive company philosophy” (Cavanagh, 1984: 82). For high motivational level, it is necessary to explore employees’ needs, values, views, and abilities. The combination of these characteristics leads to a company that excels in efficiency and productivity. Of course, the company may hire employees that have the best work ethics but working hard is not the only factor. As Robbins and Judge mentioned, motivation is not only about working hard, it also reflects employee view of his/her own abilities (2013). In other words, motivation impacts more than a single area of an employee’s work characteristics. Depending on how it is used could be the key factor towards further enhancement of the person’s abilities. As will be discussed below, employee’s motivation could be one of the main differences of a company succeeding in any field and a company that is not doing so well in those fields. Therefore, putting an emphasis on motivation is of great importance.

1.2 Problem

The dynamic development of market relations requires a new way to solve economic problems. One of the most important ways to do this is to increase productivity and efficiency of using employees’ potential and skills. In the current economic situation, the main challenge for human resources is that managers in different industries encourage subordinates to work more effectively with greater dedication. Of course, motivational tools are not only for employees’ effectiveness but are also for being initiative, being able to make strategic decisions, and succeeding at ideation performance. Leaders are interested in attracting highly skilled and educated workers to perform tasks aimed at achieving strategic goals and tactical objectives for the organization. In this regard, the managers must organize the working process of subordinates to coordinate their work, to provide the necessary material, and financial resources for building an adequate system of motivation. In multinational companies, there are uniform standards that apply to all representatives. This leads to insufficient flexibility of the functioning of HR technology in the process of personnel motivation. HR managers pay a lot of attention to employee motivation, as it is one of the main tools for achieving the strategic goals of the company (Cavanagh, 1984)

1.3 Purpose

The purpose of this thesis is to identify ways of organizing motivational system for employees in multinational companies in different countries.

1.3.1 Research questions

1. What kind of motivational tools multinational companies use?
2. How do multinational companies organize motivational system for representative offices in different countries?
   - What are the differences between motivational systems in Swedish offices and Russian offices?
   - How does national culture influence on implementation of motivation system?
   - Which strategy (standardization or adaptation) do multinationals use in the process of personnel motivating?
1.4 Delimitations

The empirical study will be performed in Sweden and Russia. The companies that were chosen for this research are big multinational companies that have representative offices in Russia and Sweden. Most of them are Swedish companies, which operate in Russia, such as IKEA, SCA, Oriflame, Volvo and two American companies, which have representative offices in Sweden and Russia – IBM and Deloitte.

As the object of this research, I will study the motivational system for mid-ranking officers. Mid-ranking officers are the people in the organization, that implement the instructions of the manager and have a certain range of statutory duties (the majority of employees in the organization)
2. Frame of References

In the current research, there will be used the literature that could be divided into three main parts. The first part regards to the theory of motivation that includes early and contemporary theories. The second part is about cross-cultural differences and its influence on company management in particular on the motivational tools of the organization. And the part describes standardization and adaptation processes that multinational companies use in their practice.

2.1 Early Theories of Motivation

Work motivation existed long before the advent of the enterprises. Any human work has been rewarded with the onset of the first economic relations. The first theories of motivation started to develop with the emergence of firms and theories of human resource management in the middle of 20th century. Few of the most popular early theories of motivation are described in the “Organizational Behavior” of Robbins and Judge (2013). All of these theories regards to the content theory of motivation. It includes four main theories described below:

One of the first motivation theories is Maslow’s Hierarchy of Needs Theory. According to this theory, all individuals’ needs can be placed in the pyramid as follows: at the base of the “pyramid” are the most important human needs, without which the satisfaction of a man's biological existence becomes impossible, at the higher levels of the pyramid placed the needs that characterize a man as a social being and as a person (Koltko-Rivera, 2006).

Maslow’s Hierarchy of needs is one of the most famous theories of motivational content. Needs are considered as a conscious lack of something that causes the impulse to action. These needs are divided into lower-order needs, characterizing man as a biological organism, and higher-order needs, which characterize man as a social being and identity (Robbins and Judge, 2013).

According to Maslow (1954), the needs of the first level – physiological needs (for food, rest, warmth etc.) are innate and inherent in all people. And the needs of the higher levels of the “pyramid” can only appear if there has been some level of satisfaction on the previous levels.

From the personnel management point of view and the implementation of the system of motivation, it is essential to reach the required level of satisfaction of physiological, social needs and safety needs so that the employee feels the necessity of self-esteem, and creates conditions for his or her self-realization in the company.

A lot of modern companies pay significant attention to employees’ self-esteem and self-actualization. Managers are trying to create in the company suitable atmosphere for that as if these needs of employees are satisfied they start to work more effectively, which is a consequence of proper motivation process in the organization.

It means that despite the fact that Maslow’s theory is quite old it is still actual for modern organizations and it helps managers to understand basic needs of employees and to prepare the foundation for the construction of a motivation system in a company.
Another motivation theory is Herzberg’s Two Factor Theory that has a great importance for management practice. In 1959 Herzberg introduced two factor motivational theory that could be also called motivation-hygiene theory (Sachau, 2007).

According to this theory all the basic motives should be subdivided into two main and fundamentally different from each other groups. The first is "hygiene factors" and the second is "factors-motivators" (Herzberg, Mausner and Snyderman, 1959). The essence of the first is that these factors remove or reduce employees’ dissatisfaction with their work, but it cannot improve the degree of satisfaction with it. Among such factors Herzberg highlighted: the conditions of work, the general policy of the company, the degree of direct supervision, salary, relationship with colleagues and management, no frequent production of stress and so on. The second group of factors include: the possibility of achieving success in the work, the possibility and reality of promotion, recognition of performance and public approval, high degree of responsibility, the possibility of increasing the level of professional competence, complexity and interesting work, variety and flexible pace of work, participation in work planning etc. In general, the hygiene factors relate to work environment, factors-motivators relate to the nature, essence and content of the work (Robbins and Judge, 2013).

The main point that could be concluded from this theory is that work enrichment assumes such an organization of work, in which it gives the contractor the complexity and importance of the case entrusted to him/her, in particular: independence in decision making, the lack of monotony and routine operations at work, responsibilities, the feeling that a person performs individual and independent work (Sachau, 2007).

A little bit later Alderfer based on Maslow’s motivation theory noticed the fact that all people's needs can be organized into separate groups like in Maslow’s pyramid (Arnolds and Boshoff, 2002). But in contrast to Maslow’s needs theory C. P. Alderfer highlighted only three groups of needs: existence, relatedness and growth (Alderfer, 1969).


Existence needs include the physiological needs and safety needs; Relatedness consists of the communication necessity, reflecting the social nature of a person. It includes the human desire to occupy any place in the surrounding world, the need for self-affirmation, recognition, presence of subordinates or superiors, colleagues, enemies, friends, family, and the being a part of it; Growth includes human needs related to his or her desire to develop and grow personally (Alderfer, 1967).

Unlike Maslow, Alderfer denied the hierarchical structure and the necessity of their strictly consistent satisfaction (Arnolds and Boshoff, 2002). So, people may, for example, strive to develop even if its existential or social needs are not met. Moreover, an individual can simultaneously have several dominant needs (Schneider and Alderfer, 1973).

In general, ERG-theory increasingly recognizes the diversity of individual characteristics of
workers. Differences in education, upbringing, and cultural roots — all of that can influence the priority of a particular group of needs (Alderfer, 1967).

Moreover, Maslow’s theory also puts forward the concept of "self-actualized personality" — personality that is seeking to go beyond the limits of achieved level of development; seeking to develop, self-improvement, to realize their personal potential (Maslow, 1954). This person has the following traits: orientation to reality, tolerance, spontaneity, business focus, independence, optimism, wealth, inner peace, democratic principles, mature values, humor, creativity, energy, independence from the others opinions and pressure (Maslow, 1954). The motivation of self-actualization is one of the main incentives that is obscuring orientation of the individual. It is closely related to achievement motivation, the concept that was introduced in another well-known concept of motivation by McClelland (Robbins and Judge, 2013).

Without denying the existence of lower-order needs, McClelland focused on higher — specific personal needs ("secondary"). In his opinion, it has a decisive influence on the peculiarity of human behavior, in its complexity and inconsistency (McClelland, 1961).

McClelland in his theory highlighted three main types of needs. The first is the “need for achievement”, the second is the “need for power” and the final is the “need for affiliation” (Robbins and Judge, 2013).

This concept, essentially, was the first that introduced the system of factors of human activity through the need for power. It is considered as synthetic and derivative needs for respect and self-expression. People with a developed need for power are characterized by personal trait dominance. Usually they are active, energetic, are not afraid of confrontation and seek to defend their positions (McClelland, 1985). McClelland stresses that the need for power does not mean the ability to dominate. If the ability to dominate and the need for power are combined, that is the type of motivated and effective leader; if not, it is rather the type of careerist-oriented leader (McClelland, 1961).

The need for success (or achievement) is the second basic need of the individual. The degree of its development crucially depends on what eventually reaches the people, including professional activities (McClelland, 1961, 1985).

Needs for affiliation, also called participative needs, can be expressed in the aspirations for cultural, intellectual, and friendly relationships with others. But the people with the prevailing needs of belonging often seek not only to establish a good relationship with others but also to find support and encouragement of significant and reputable person (McClelland, 1961).

Another famous theory is McGregor’s theory X and Y and it could be defined more as a process theory rather than content theory (Robbins and Judge, 2013). McGregor proposed theory X and theory Y, which considers the motivation of the person with two opposite sides. Theory X assumes that most people are not interested in justice and that they work either for money or out of fear. However, creating a theory X, McGregor came to the conclusion that this understanding of human nature is not true, and management, built on this approach does not meet modern requirements. Thus was created the theory of "Y", the main postulate of which is that people are not lazy and irresponsible. This theory proves that people can be self-directed and creative at work if they are motivated properly. It should be emphasized that theory "X" and theory "Y" are not mutually exclusive opposites (Kopelman, Protto, Davis, 2008). On the contrary, McGregor believes, that the majority of people have the potential to
be mature and conscious, thus, there is a difference between the positions and behavior (McGregor D. M. 1957). Theory "X" and "Y" describe the positions and inclinations of people. Managers should follow the theory "Y", but they should also remember about the theory "X" because some people need some time to fulfill themselves and to move from category “X” into category “Y” (Robbins and Judge, 2013).

2.2 Contemporary Theories of Motivation

Contemporary theories of motivation can also be called process theories. A number of concepts that belong to contemporary studies are based on early theories but adapted for today’s business environment and modern management system (Robbins and Judge, 2013). These studies are deeper and more practical oriented.

2.2.1 Self-determination Theory

Self-determination theory is the result of scientific collaboration of two psychologists, professors of the faculty of psychology of the Rochester University (USA) Edward Deci (E. Deci) and Richard Ryan (R. Ryan), and their numerous students and colleagues. Deci and R. Ryan for more than 30 years were working on a productive dialogue, developing the approach, originally developed from experiments on the effect of monetary rewards on intrinsic motivation and gradually became a large-scale macrotheory of human motivation and personality, answering not only the question of why people do what they do, but also showing what are the consequences of various forms of social regulation and stimulation of human behavior (Sheldon, Schüler, 2011, Deci, 1971).

This theory consists of three main ideas: (1) the idea of the three basic needs underlying intrinsic motivation and providing psychological well-being of the individual (need for autonomy, need for competence and need for connectedness with other people/relationships), (2) the idea of the qualitative uniqueness of different types of extrinsic motivation that are regulating behavior of the individual and (3) the importance of social context in the theory through the manifestation of different forms of motivation and effective functioning of the individual (Deci, Ryan, 1985, 2008, Conway, Clinton, Sturges, Budjanovcanin, 2015).

Today the theory of self-determination consists of five mini-theories (Robbins and Judge, 2013):

- Cognitive Evaluation Theory
- Organismic Integration Theory
- Causality Orientations Theory
- Basic Psychological Needs Theory
- Goal Contents Theory

2.2.2 Job Engagement Theory

Robbins and Judge (2013) highlighted job engagement as one of the main tools for motivating employees. And they found out that than higher a job engagement level than motivated is employee. Authors determined job engagement as an “investment of an employee’s physical, cognitive and emotional energies into job performance” (Robbins and Judge, 2013: 211).
Some other academic studies also describe the positive interdependence between the high level of engagement and employee’s work effectiveness (Harter, Schmidt and Hayes, 2002).

2.2.3 Goal-setting Theory

In 1968 Locke in his study described the goal-setting process as a source of work motivation (Locke, 1968). The most important factor of motivation formation is the presence of specific conscious goals in employees’ mind that they try to achieve (Latham, Locke, 1979).

Campbell and Ilgen explain the mechanism of goal-setting in a way that an individual who faced the challenging goal, experiencing the desire to enhance his/her abilities to deal with more complex situations and tasks that become a challenge for him (Campbell, Ilgen, 1976).

This theory was experimentally supported by an unprecedented study, conducted among representatives of various socio-professional groups. For example, a broad resonance was given to the study regarding mining workers (Latham, Locke, 1979). In that experiment when workers were simply asked to "do all they can" they worked only 60% of their true capabilities. When they were asked to "work for 94% of their capabilities", the desired result was achieved within just a few weeks and, more surprisingly, kept at this level for at least seven years. Similar results were obtained in another study (Latham, Locke, 1979).

Locke in addition to general statements also pointed out several characteristics of goals that must be met in the process of goal setting. He believed that goals that are formed for workers firstly should be specific and well defined for focusing the employee on their achievement (Locke, 1968). But it doesn’t mean that employees should not have an idea about their long-term prospects. For example, according to Statt long-term goals by themselves do not influence behavior as short-term objectives do (Statt, 1994). It only serves as a guideline for the employee, helping him to rate received results for a specific time period. W. House confirms that when an individual put any long-term goal, it must formulate more specific immediate goals as it has a greater influence on the work efficiency (House, 1973, 1976).

2.2.4 Albert Bandura’s Self-efficacy Theory

The concept of self-efficacy was first proposed by Bandura in the late 1970-ies and actively developed in the last twenty years (Bandura, 1977, 1995, 1997). Bandura believes that the attractiveness of the result and the belief in a positive result is not enough for motivation. There is also a necessity in confidence in their ability to cope with specific types of activities. Self-efficacy is about how competent a person feels when he/she is performing something. Bandura believes that self-efficacy is a central and important determinant of human behavior. According to the data provided by Bandura and his colleagues, people with high self-efficacy are more persistent, learn better and have greater self-esteem, less anxious and less prone to depression.

According to the Bandura’s theory, there are four sources of self-efficacy: enactive mastery, vicarious modeling, verbal persuasion and arousal (Robbins and Judge, 2013). The biggest influence on self-efficacy has its own experience of the successes and failures in an attempt to achieve the desired results. This success serves as the best means of treatment of insufficient efficacy. Moreover, self-efficacy grows when people see how others successfully cope with various tasks (Bandura, 1977).
2.2.5 Reinforcement Theory

Reinforcement theory in contrast with, for example, goal-setting theory (that is more about cognitive view), belongs to behavioristic approach.

Thorndike proposed the theory about the mechanism of influence of pleasure and pain on subsequent human behavior. According to this theory, behavioral responses that follow directly after some positive experience will be fixed and the possibility of repeating the same results in the similar situation will increase. If the following result will be unpleasant experience or punishment, the repeating of the similar situations become less likely (Thorndike, 1905).

Continuing this idea, Skinner demonstrated the behavior that can be effectively changed through the reinforcement of desired responses and ignoring the undesirable. If people rarely or never demonstrate desired behavior there can be used a method known as "shaping" (Skinner, 1938). The method consists in the fact that, initially, the individual receives reinforcement for any response, something similar to desirable or rewarded for those reactions, which can be regarded as initial in a sequence of reactions ultimately ending in the desired behavior. And only after that narrows to reinforcement to promote desired reactions, down to its sustainable development of the individual (Skinner, 1948, 1953)

Skinner and his followers found that the reinforcement effect depends largely on the intensity and temporal characteristics of reinforcement (Robbins and Judge, 2013). In other words, the behavior depends on both sequence and frequency of reinforcement and the intensity and temporal proximity of the reinforcement with the desired reaction.

2.2.6 John Stacey Adam’s Equity Theory and Organizational Justice Theory

Another popular process theory of motivation is the equity theory. It was proposed in 1963 by American psychologist John Stacey Adams. Adams claims that people always subjectively evaluate the correlation between received rewards and efforts that were spent on specific tasks for achieving certain results, and compare it with the ratio of other workers who do similar work (Greenberg, 1989). It means that people often tend to assume that they work a lot and receive little, while their colleagues work less and get more. If the employee thinks so, he/she feels the injustice that could demotivate him/her.

John Adams had identified six possible employee reactions to injustice (Robbins and Judge, 2013):
Perceptions of equity may vary among workers and the perceived ratio between efforts and returns is not always true. Therefore, managers should monitor the occurrence of such contradictions and try to fix it on time.

2.2.7 Victor H. Vroom’s Expectancy Theory

A great contribution to the development of motivational theory of expectancy was made by Vroom, which becomes one of the most well known process theories of motivation. According to expectancy theory, motivational effects are not caused by people's needs, but by process, in which the individuals assess the feasibility of achieving certain goals and desired reward. Expectancy theory asserts the dependence of individual’s efforts from their awareness of the achievement reality and desirability of its achievement (Wendelien, Henk, 1996).

Vroom highlighted three main key factors influencing motivation (Reinharth, Wahba, 1975):
1. The expectation that effort will lead to the desired result;
2. The expectation that achievement will be rewarded;
3. The expectation that the rewards will be more valuable (valence).

The stronger each factor, the higher the motivation. If at least one of the factors is missing, then motivation will be unachievable.

Also, Vroom underscores three types of relationships between individual efforts and individual performance, between individual performance and organizational rewards and between organizational rewards and personal goals (Robbins and Judge, 2013). It means that motivation level is also affected by individual’s personal goals. Valuable results for the individual provide strong motivation.

2.3 Cross-cultural features of motivational system in Europe and Russia

All motivational theories described earlier include extrinsic and intrinsic tools of motivation. In this part there will be outlined main cross-cultural features and examples of these motivational tools that use Swedish, Russia and American companies.

2.3.1 Personnel motivation in Sweden

Market economy leads to a constant struggle not only for the workplace by potential employees, but competition between firms for skilled labor force. Western companies (especially multinationals) maintain their own policy of attraction and retention employees in the field.

The Swedish model of personnel management and motivation has always attracted the attention of domestic and foreign experts (Vaitkuviene, Balvociute, Stoskus, & Sisteminiai, 2010, Conen, Henkens, Schippers, 2012). Along with the recognition of the supremacy of private property and market regulation in the manufacturing sector, the basis of the Swedish model based on principles of high social security of the population, full employment and equalization of income (Väänänen, Pahkin, Huuhtanen, Kivimäki, Vahtera, Theorell, Kalimo, 2005).

However, it is important to note another side of long-term impact of the Swedish development
model on work motivation. In recent years, the social democrats that have spearheaded the formation of the Swedish model and ensuring its practical implementation, is concerned that Swedish socialism began to falter precisely because of the achieved high level of social guarantees (Simonova & Strovskiy, 2003).

As shown by studies in recent years, high social security of the person in Sweden began to have a negative impact on labor activity of the population and was one of the reasons of decline of people work motivation and contributed to the development of psychology of social parasitism, preventing the effective use of labor potential and discourage entrepreneurship. In these circumstances, social democrats are faced with the need of revision of some of the postulates of its socio-economic policies taking into account the principle that the welfare of every Swedes should be earned and not just paid for from public funds (Vaitkuviene, Balvociute, Stoskus, & Sisteminiai, 2010; Conen, Henkens, Schippers, 2012).

2.3.2 Features of extrinsic and intrinsic motivation in Sweden

The main method of motivation in the Swedish companies is the reward system. It is known that, only by satisfying the lower level needs, there could be paid attention to the needs of the higher levels (esteem, actualization, knowledge, beauty, etc.), so to keep the employees at the company and to motivate them to great performance, managers should give them the opportunity of obtaining a good income for what they do (Alpander and Carter, 1991).

This method is called “pay for performance” method. Swedish companies use several pay systems that are effective (Eisenberger, Rhoades & Cameron, 1999; Fang, & Gerhart, 2012).

1. **Commission.** Their essence lies in the fact that the employee received a cent from the transactions with customers. Sometimes this form is combined with a constant salary. If we turn to the Russian experience and Russian systems of remuneration, a Commission can be compared with piece-rate wages: the more produced, the more received.

2. **Cash rewards for the achievement of objectives.** Employees receive remuneration (reward) for compliance with the requirements that they imposed on the firm (Kuvaas, 2006). Requirements are defined responsibilities of the employee and degree of responsibility. For example, the reward of the HR Manager in some firms depends on the level of staff’s job satisfaction, the level of which will be determined through surveys, questionnaires, etc. The level of pay for a teacher is determined by academic performance, the interest of students.

3. **Individual remuneration** provided to employees in recognition of their indispensability and value for the company. Such premiums may be paid for loyalty to the company (recognition and compensation for years of service), experience, possession of special skills and abilities. Such payments frequently aim at the retention of valuable employees, the maintenance of which is undesirable for the company (Conen, Henkens, Schippers, 2012).

4. **The principle of profit sharing.** There are several variants of such remuneration. The first option is that the qualitative performance of a certain task the employee receives part of the profits that the firm wins at the expense of his work. In this case, the amount of interest is negotiated, and this leads to an interest in the proper performance of the work causes the worker to solve the problem creatively and to be active in solving the problem. Another option is that the company's profits distributed among the employees, i.e. their income is directly proportional to the income of the firm (Ramsay, Leopold & Hyman, 1986). This
motivates not only to work, activity, and creativity, also it leads to team building, teamwork and gives necessary psychological effect.

The system of “Pay for performance” works very effectively in Swedish companies and increases the productivity of employees in 1.5 times, and their incomes up to a third. In this case, the employee gets the opportunity to realize their potential and earn a high income and the company receives the motivated employees whose professionalism is constantly growing. This system promotes consistency and stability, which positively affects the psychology of the workers and the psychological climate of the organization (Fang, & Gerhart, 2012).

Ways to reward employees often are crucial when people choose the place of work and for drawing up the opinion about the company. A large number of companies can pay much now. The other question is whether this high payment is accompanied by other — intangible (non-financial) — categories of rewards. And often this question becomes crucial. Under intangible, or rather, non-financial rewards mean all the methods that did not deal specifically with remuneration, which companies use to reward their employees for good work and to increase their motivation and commitment to the firm.

There are numerous intangible rewards. The generally accepted classification of non-financial compensation does not exist here is the main tools of non-financial motivation.

First of all it is the benefits associated with the work schedule. It measures related to payment of non-working time (holidays and vacations, the period of temporary incapacity to work, lunch breaks and rest). An extreme example of the benefits of this kind is the payment of a maternity leave. In addition, this employee is granted flexible working hours. And finally, a very popular in recent years is the system of “Bank holidays” (Conen, Henkens, Schippers, 2012). The employee is provided a certain quantity of days per year that he/she may not work (usually this amount is the sum of the rates and reasonable amount of compensatory time off), and he/she gets the opportunity to avail holidays at their discretion.

The introduction of flexible working hours allows staff to work at a convenient time, saves staff time and resources of the firm, provides the opportunity to work part-time good professionals, increased levels of gratitude, the commitment of staff of organization for the convenience. Part of the work (about a quarter) it is recommended to do at home. Such work is called teleworking and contributes to the empowerment of workers and firms (Conen, Henkens, Schippers, 2012).

Secondly, material non-financial rewards. This segment includes all financial incentives used by the company. First of all, this variety of gifts, which the company makes to its employees. These can be small gifts, bigger gifts as a symbol of the importance of employee for the company, gifts for birthday, theatre tickets, gifts on the occasion of the birth of the child. In addition, there are various financial “relief” for employees. This is primarily a health insurance and loans at preferential program and discounts on the purchase of the company's products (Whitaker, 2010).

Thirdly, various firm wide events, not related directly to the work. These internal events dedicated to significant events (company anniversary, release of new product models, etc.). In addition, a variety of activities when workers have the right to invite their families (New year, independence Day, International children day), countryside and sightseeing trips arranged by
the company (Simonova & Strovskiy, 2003). To this category could be included paid lunches centralized and exercised by some firms parties, receptions after the end of the day.

**The rewards and recognition.** This category is not material rewards is the most significant one. First of all, it is some basic compliments to the staff for their work. It is naturally that many companies (especially multinationals) are not limited only by verbal praises.

**The remuneration** associated with the change of employees’ status. This block includes not only promotion, but also training of the employee by the company (often followed by a promotion); the invitation of an employee as a speaker or lecturer (this type of remuneration testifies to the high estimate of his professional qualities and give them the opportunity to try their hand in a new capacity), the offer to participate in more interesting or financially beneficial project (for project type organizations), as well as the possibility of using the company's equipment for their own projects (Conen, Henkens, Schippers, 2012).

**The rewards of workplace change.** This segment includes all those measures that lead to changes in the technical equipment of the workplace and its ergonomics (the transfer of a workplace, separation of the office, hiring a Secretary, the provision of additional office equipment) and the provision to the employee of the official car.

Recently clearly outlined tendency to a systematic use of non-financial rewards. In many respects (especially in multinationals) it takes place under the pressure of trade unions, and also due to the objective necessity to retain skilled employees and attract new ones. This trend has led to the emergence of a system of “packages” (Simonova & Strovskiy, 2003). When the employee use this package he/she have an opportunity to choose from a number of different rewards of what he/she's most interested at the moment.

**2.3.3 Personnel motivation in Russia**

Russia is located between the West and the East, and its population has absorbed in itself features of European culture and Eastern culture. Russians combine the internal riches of the Eastern Nations, but not typical of the rationality and diligence of the Japanese. At the same time, the instability and lack of economic development do not totally reject the incentive of financial reward.

In compare with the American style of management employees’ motivation in Russia is drastically different. These differences are determined by the peculiarities of the Russian and American people, as well as the history of the development of Russia. For a long time Russia was on the path of communism development, this ideology was motivated to work at the level of ideas, domestic needs, belief in a bright future, but now everything has changed. The ideology was defeated; there is no spirituality, ideas, hopes and vague prospects. The people still cannot fully shift to market relations, whole generations have been "broken" out of the rut people were vulnerable and confused. A new generation grows up that experience, learns new laws of life and activity. But this takes time (Elenkov, 1998).

An important Russian feature is the employee behavior in the workplace. In Western organizations, based on social regulators of Western culture, employee behavior is more individualistic and the East is more collectivistic, and the specific of the Russian collectivism is its hierarchy (Koveshnikov, Barner-Rasmussen, Ehrnrooth, & Mäkelä, 2012). Individual stimulation is based on the principle of personal responsibility of the employee. Russian
individualistic employee incentive does not motivate to justice and outcomes, but rather encourages one to shy away from norms of performance (Engelhard & Nägele, 2003).

The Manager can set such control parameters of the result that could be expected. The problem may become more complicated if individualistic incentive is not aimed at the individual but at the group of people. In this case, there is the principle of mutual responsibility and the ability to control results by managers is minimized. So, an incentive aimed at a rational assessment and responsible behavior towards oneself (individualism), awakens in the consciousness of Russian workers neither one nor the other and as a result leads to lower quality of work, increasing the tension, the conflicts and the personnel outflow (Elenkov, 1998; Kovesnikov, Barner-Rasmussen, Ehrnrooth, & Mäkelä, 2012).

2.3.4 Features of extrinsic and intrinsic motivation in Russia

In Russia managers traditionally overestimate the significance of the salary as the main motivating factor. There is also a special, purely Russian attitude of employees who believe that they have to pay for the mere presence in the workplace. Obviously, this setting is inherited from Soviet times (Fey, Morgulis-Yakushev, Hyeon & Björkman, 2008). It creates the main contradiction between the goals of the management and expectations of staff: the staff wants to be paid, and the managers want the staff earned (conflict of interests).

Along with insufficient financial incentives excessive financial incentives also causes declines in the level of personnel motivation. It means that staff should receive adequate salaries that can prevent the transfer to another job, and not lower than the competition. The increase in salary is not the only thing that can increase the motivation of employees. After a short time increases in salary (generally 2-3 months) there has been a sharp decline in the interest of employees in results of their work (Simonova & Strovskiy, 2003). It brings to the necessity of using such incentives as benefits and privileges.

Research center of Superjob.ru portal published a survey of 3000 economically active Russians older than 18 years and found out that the majority (36%) appreciate such way of promotion as an extra day off or a slight reduction of the working day (for example, leaving early from work). This method of motivation appeal especially to women (43% versus 29% among men), and respondents under 25 years (43%). Second place (29%) share — flexible schedule and good living conditions in the office. The comfortable and flexible work conditions were noted as the best method of motivation mostly by employees over 55 years (34%). Every fifth of them (19%) would be happy to public gratitude for the good work from managers’ side. For 16% of Russian employees is very important to have assistance in personal matters (review of a diploma, assistance in placement of a child in kindergarten, etc.). 14% of respondents would not refuse the opportunity to work at home. But the contests and competitions cause the respondents much less enthusiastic (7%).

The results of the HR-Journal.ru (2013) research showed a direct correlation between the availability of benefits and their amounts and a sense of pride and positive attitude of employees to their company. It is more about the benefits than the wages that affect the attitude of the employee to the organization and making them overall more loyal. Key benefits that can be the foundation of the motivation system are: departmental housing transferred to employee ownership, paid health resort treatment, medical insurance, training through the organization, the ability to use the company’s products at a discounted prices, etc., as well as a number of specific benefits in the form of various acceptable concessions by the management depending on the social status of the employee.
Many workers are convinced that for the comfortable life it is important to have good position (status), power, communication with the right people and to work in the market sector of the economy. The individual employment internalized norms and values are needed for the formation of work motivation. The ways of achieving effective work motivation are diverse and depend primarily on human needs, norms and values (Fey, Morgulis-Yakushev, Hyeon & Björkman, 2008). Therefore, it is necessary to clearly present the structure of motivational needs.

The Superjob.ru study also investigated the motivation of workers belonging to different social groups of workers. The survey results indicate that for men 25-39 years of age motivation reflecting the values of the market economy: strengthening of relations of earnings from the work results. Young people attached great importance to the creative part of work. For women aged 40-49 years the valuable motive of labor activity is no threat of dismissal, hence, the basic motivational needs of this group is safety and security. More than 40% of the interviewed workers responded that they work more efficiently they have the confidence in the stability of the workplace and absence of threat of reduction. It is not a coincidence as the market creates a flexible system of motivational mechanisms of intensive and high productivity, however, it does not guarantee the right to work, income and social protection.

As Koveshnikov, Barner-Rasmussen, Ehrnrooth, & Mäkelä (2012) noticed the real effectiveness of any economic activities is determined by their impact on people’s attitude to work. Unfortunately, managers rarely consider the social consequences of their decisions, which, as a rule, are not comprehensive, but purely have an economic or technical nature. Any Manager is aware that people need to be encouraged to work for an organization, but believes that they are satisfied by rather simple material rewards.

2.3.5 Personnel motivation in The USA

As further research will be connected also with two American companies, it is important to figure out the main characteristics of personnel motivation in the USA.

Some American companies have paid attention to the East and something borrowed from Japanese colleagues. For example, at IBM the main methods of motivation are: respect of personality, guaranteed employment for life and equal status of workers (IBM Roadmap, 2015).

Respect for the individual includes development of talents and abilities of each employee, individual approach to each person, providing the opportunity for creative growth, generation of new ideas and the status improvement. This approach ensures an increased level of motivation as respect for the individual is the pledge of love of employees to the organization, and hence their commitment to quality performance of their work, the desire to improve the welfare of the company (Elenkov, 1998).

The relationship between superiors and subordinates are based on a system of appraisals and interviews. Every year, interviews are held, in which the employee is notified of the assessment of its work for the year, receive any instructions for the future, identifies goals and objectives for the next year. The system of grades and standards is very precise; it allows the worker to accept the results in writing form in advance. It will determine the level of his/her salary for the next year. Each employee is characterized by some “rating” that is not defined
remit and not subject to public disclosure. The evaluation is not public in nature, and the method of assessment and certification designed for human psychology aspiring to self-improvement. An employee with the highest rating should be immediately upgraded. Most of the employees of the company usually show middle results and the company appreciates it also. An employee with the lowest rating must undergo two appraisals, and if it passes them with the same rating, he/she faces dismissal. If the employee receives high mark he/she receives short-term goals and objectives. If he/she performs them successfully, his rating increases, it gives a chance to the employee to keep the job. The guarantee for fair assessment is the commitment between the Managers who creates the assessment and the employee; therefore, the method of interviews and certifications is quite progressive and objective. This system eliminates the discontent of the workers “injustice” of the authorities, because it allows each employee to know their level and direction in which to work on and develop. (Fey, Morgulis-Yakushev, Hyeon, & Björkman, 2008)

The method of so called “lifetime” employment makes to conduct a personnel policy aimed at constant improvement of staff, upgrade their skills, the formation of the existing staff into highly professionals. It paves the way in order to change activities inside the firm, to increase the knowledge of workers about the production and contributes to the cohesion of the team. The HR department acts as the guardian of workers and should seek to fully realize their potential (Westover & Taylor, 2010).

The principle of the uniform status of workers implies equal opportunities for everyone within the company, opportunities to realize its full potential (Simonova & Strovskiy, 2003). But this applies only to permanent employees. For employees who work under the contract, the attitude is somewhat different. The HR Department has a policy of free access of workers to the boss, which reduces the level of conflict; erases internal stratification of solving problems quickly, without delays (Elenkov, 1998).

Twice a year companies conduct anonymous surveys, then the survey results will be analyzed and on their basis will be built the future strategy of the leaders, identifies management deficiencies and improving personnel policies (Westover & Taylor, 2010).

The companies usually have a system of levels. The salary rate and the status of the worker at the firm are determined by its level, which consists of two digits. The first digit specifies the position of the employee, and the second is its status that does not depend on position. Thus avoiding a tough fight for power; the borders between superiors and subordinates (as sometimes a subordinate has a higher level of status than the head, which suggests that the subordinate is more valuable to the firm than its head); decreases the possibility of arbitrariness on the ground; increases the flexibility of the personnel system which allows a worker to find within the place of work, which would meet on the status and income (Fey, Morgulis-Yakushev, Hyeon, & Björkman, 2008). This system is very progressive, it allows to increase their income regardless of their position and promotes the rational use of working time. At the same time, the company identifies the most skilled, talented and promising employees and allows them to improve on those areas that will reveal their talents and abilities (Westover & Taylor, 2010).

The main priority of multinational companies is the creating an atmosphere of passion. And financial reward becomes an indirect stimulus that is given as a side effect from working and is not a defining character (Eisenberger, Rhoades & Cameron, 1999).
The HR Department actively working towards a permanent motivation of the staff horizontally and vertically. The mobility plan is drawn up for 3-4 years, so failures in the work of the staff is practically not observed any stagnation in the work, only full dedication and full implementation of the abilities (Westover & Taylor, 2010).

2.3.6 Features of extrinsic and intrinsic motivation in the USA

In the US employees receive remuneration that is determined not by the results of work, but the amount of work hours. This, incidentally, is typical for Russian organizations (Elenkov, 1998; Westover & Taylor, 2010).

In the USA the remuneration of an employee depends primarily on the impact of its activities. The incentive mechanism in the framework of the basic wage (which acquired the functions of the premium promotion and can be variable) provides two important elements: differentiation of salaries taking into account qualitative differences in work and differentiation of individual payments within category or position depending on achievements, personal and professional qualities on the basis of periodic certifications (at the enterprises of the USA certification are carried out systematically, salaries are reviewed annually, almost 90% of employees) (Green and Butkus, 1999).

The focus of incentives for employees of companies is shifting from the orientation on the current results of activities for long-term efficiency. It is manifested, in particular, in the system of options, providing as the promotion of the right to purchase in the future a certain number of shares of the company with the price at the time of the reward. Such system is appropriate to encourage senior and middle level managers who are responsible for long-term results (Eisenberger, Rhoades & Cameron, 1999).

Bonuses play significant role for rationalization and inventive activity, which leads to an increase in profits of firms. Stimulation of prospective employees is carried out through not only monetary incentives, but also incentives and free services from the funds of social consumption. Major companies pay their employees bonuses for the holidays in the amount of 25-50% of the monthly salaries; make payments for the next holiday; provide for personal use vehicles pay gasoline; fully or partially offset the cost of housing; cover the cost of the holiday with family; establish flexible work schedule (Green and Butkus, 1999).

Flexible wage system in the U.S. is constructed in such a way that the fixed salary is, as a rule, can only increase and almost never decrease; however, part of the earnings is put in direct dependence on results of the overall work (Fey, Morgulis-Yokushev, Hyeon, & Björkman, 2008. The main types of the additional remuneration in the United States include: premium management personnel; compensation payments upon retirement; special prize managers that are not related to their success; bonuses, which depend on the size of the profit at a fixed value of base salary; additional payments for training and work experience; selling to employees of stock companies (Green and Butkus, 1999).
2.4 Employee motivation in multinational companies

This chapter will cover the description of the tendency in standardization or/and adaptation processes in multinational companies (MNCs) regarding HR management and motivational system in particular.

A lot of modern researches in the field of management are dedicated to the topic of employee motivation. The company’s development and growth lead to the necessity of entering new markets. Therefore, a number of authors focus on the organization of the motivational process in the companies operating in the international arena.

A number of authors examine the influence of cultural features on employee’s motivation. Koveshnikov, Barner-Rasmussen, Ehrnrooth and Mäkelä (2012) in their research describe western company’s practices in Russia and challenges that they face in Russian context. The main things that they highlight are Russian business features which is strongly correlated with cultural aspect (Koveshnikov, Barner-Rasmussen, Ehrnrooth and Mäkelä, 2012). In confirmation for this theory May, Puffer and McCarthy (2005) mention that there are a number of characteristics that should be accepted by western companies in Russia, such as the existence of strong leader in organization for example.

The number of authors analyzes the differences of business cultures in Russia and in the West based on Hofstede’s cultural dimensions. Fey, Morgulis-Yakushev, Hyeon & Björkman (2008) found a big difference in power distance between Russia, the USA and Finland and it can explain some differences in management style between this countries.

All extent differences between countries bring authors to the aim to investigate the activities of multinational companies, in particular how MNCs govern the processes of standardization by migrating its HR systems to other countries and how MNCs adapt their systems of personnel management to foreign conditions, considering the objective existence of national differences in human resources of organizations.

It is obvious that standardization in the field of personnel management is the tendency to use similar personnel management practices of many MNCs, regardless of their organizational structure, and used technologies, as well as the scope and geography of operations (Katz & Darbshire, 2000).

Leading researchers of the theory and practice of personnel management have put forward many arguments in support of this approach and the main factors of standardization processes of modern systems of personnel management in MNCs (De Wit & Meyer, 1998; Dikcen, 1998; Levitt, 1983).

At the same time, the scientific literature has repeatedly emphasized the need for adaptation (Lubatkin, Ndiaye & Vengnoff, 1997; Katz & Darbshire, 2000). It is necessary to make modification of MNCs practices of personnel management when it is implementing in other countries (Adler, 1996). As a result, this has led to the emergence of a new popular term “glocalization”. Glocalization is a universally common variant of globalization, manifested in the ability of the main trends in the sphere of production and consumption of generic products to transform into regional forms, that is, to adapt to the specifics of the local market.
(Crawford, Humphries & Geddy, 2015; Carr & Garcia, 2003). The same process now is actual for personnel management processes and especially for motivational systems in MNCs (Katz & Darbshire, 2000; Lubatkin, Ndiaye & Vengnoff, 1997).

Currently, the most important role in shaping the MNC, its owners and external partners plays a radical transformation in the spheres of technology, economy and legislation, as well as observed demographic changes (Dikcen, 1998). All these trends occur in the context of globalization of the world economy. Effective system of personnel management of MNCs should not only reflect but also influence these external business realities outside the company (Lubatkin, Ndiaye & Vengnoff, 1997).

Study of modern trends in the development of the world economy, understanding their impact on the operation of MNCs in general and HR in particular allows the management staff to develop and apply such techniques of personnel management, which, first, respond as a real business, and secondly, contribute to the improvement of competitive advantages, and thirdly, meet the actual needs of the management of MNCs (Crawford, Humphries & Geddy, 2015; Carr & Garcia, 2003; Katz & Darbshire, 2000).

The number of MNCs companies preset mixed style of integrating management system in different countries. It means that these companies partially adapt their management system for local needs and at the same time they save the main principals of the company. Especially it regards to employee motivation because of the existence of strong correlation between employee motivation and his/her own needs and values, which could be different for people from different countries (Bergendahl, Magnusson & Björk, 2015; Väänänen, Pahkin, Huuhtanen, Kivimäki, Vahtera, Theorell & Kalimo, 2005).
3. Methodology

3.1 Research approach

There could be two main types of research – positivist approach and interpretivist approach (Williamson, 2002). As Williamson (2002) mentioned in his study the main difference between these methods is that the positivists use the natural science research method and interpretivists base their research on the meaning that is built by an individual or by the group of people. Saunders, Lewis and Thornhill, (2009) also highlight pragmatism as one other approach for the research. They assume that practically it is unrealistic to use positivism or interpretivism, researchers need something between two this views. So the pragmatism could combine two research methods including qualitative and quantitative analysis (Saunders, Lewis and Thornhill, 2009). Despite the existence of this approach it always must be remembered that there is no absolutely correct approach to find out the truth. People have a different perspective on reality we cannot reliably determine which of them is correct (Guba and Lincoln, 1981).

To achieve the objectives of the study it is necessary to analyze the motivational systems in multinational companies, which have representative offices in Russia and in Sweden. Quantitative analysis and different research methods of natural science are not applicable for my research purpose, so here will be used the interpretivist research approach. It will allow to understand the nature of differences that exist in the representative offices of multinational companies because of the cultural differences. This method will help to conduct research among people rather than objects (Saunders, Lewis and Thornhill, 2009). Also, Williamson (2002) notice that interpretivism allows us to consider the defendant as a creative, thinking individual who is able to choose the behavior and allows to obtain a results, which can not be quantified assessed.

3.2 Qualitative and quantitative method

As Saunders, Lewis and Thornhill notice qualitative analysis is one of the most often used by interpretivists’ data collection techniques. Positivists use mainly quantitative ways of analysis, while pragmatists use both of them (2009). Williamson also supports this view noting that interpretivist often use a qualitative method of analysis (2002). According to Creswell (2007) interpretive qualitative research approach become more prevalent in the qualitative discourse and has been integrated into the core of qualitative study. Qualitative research focuses on obtaining deep and comprehensive information about the subject of research. Unlike quantitative methods, they are focused not on statistic measurements, but rely on the understanding, explanation and interpretation of empirical data, which become the source to form hypotheses and productive ideas. In other words, it answers the questions "what?" "how?" and "why?" and not to the question "how much?" (Wertz, Charman, McMullen, Josselson, Anderson and McSpadden, 2011) The results of qualitative research contain opinions, evaluations, reasoning, descriptions, associations, assumptions, rationale, ideas, suggestions, arguments, etc.

For the research purpose in this paper, the most suitable method will be qualitative analysis. Due to the small size of the group of respondents the results of qualitative research cannot be generalized to all countries and companies. However, it can be extremely useful for the study of existing motivational systems in particular multinational organizations and will allow us to
make a comparative analysis between two countries. It gives an opportunity to highlight the connection between certain immeasurable behaviors with exhaustive reasoning (Huff, 2009). In addition, qualitative methods due to the personal contact allows, in contrast to the quantitative analysis, to reveal the internal motives and intentions of people. In the matter of personnel motivation it is important to assess the personal attitude of managers to the motivational system, which is built with their participation.

### 3.3 Inductive and Deductive research approaches

It is important to identify the research design of the study from the beginning. According to Saunders, Lewis and Thornhill (2009) in the research could be used inductive or deductive approaches. In the deductive approach the conceptual or theoretical structure is developed and then tested by the empirical observation. It means that after developing the theory and/or hypothesis there will be designed the research strategy for testing these hypotheses. Therefore, deductive method is considered as a movement from the general to the particular. Deduction usually associates with positivism. Inductive research is a study in which the theory is based on the observation of practical reality. It means that the general inferences are deduced from particular cases. This approach is more applicable to interpretivism. However, according to authors this ratio deduction to positivism and induction to interpretivism is a controversial phenomenon and has no practical values (Saunders, Lewis and Thornhill, 2009).

In this research are used both approaches. The first part of the study investigates the theoretical background and frame of references which help to generalize existing motivational theories, cross-cultural differences and its influence on multinational companies. That kind of deductive approach will help me to build analytical base for empirical data collection. The second part of the study includes the number of interviews with multinational companies’ representatives from Russia and Sweden and the inductive method will provide the opportunity to make received data processing and to draw necessary conclusions. As Saunders, Lewis and Thornhill (2009) mention the mixture of these two approaches provides a lot of advantages in the research process. For the purpose of this paper the combination of deductive and inductive methods is more appropriate.

### 3.4 Case study

Robson (2002) highlight the case study as a method for research process that uses empirical analysis of specific contemporary real life experience with different sources of evidences. Case study is one of the best ways to present the information. It allows to explore the ways of organizing motivational system in different multinational companies in depth. Moreover, it helps to make an analysis and to find out the causes of current processes and their implementation (Yin, 2009). It directly correlated with research questions of this thesis. Saunders, Lewis and Thornhill (2009) notice also that the case study method as a good tool for expanding the theory that has already exist, by using new contemporary sources of information.

On the bases of Yin’s study (2009) COSMOS Corporation presents four basic types of designs for case study (Appendix 3), which includes two types of single-case designs and two types of multiple-case designs. In this research was chosen the multiple case-design, as all companies (12 offices) will be analyzed in the prospective of one goal and with same research questions, for establishing “whether the findings of the first case occur in other cases and, as a
consequences, it becomes necessary to generalize from these findings” (Saunders, Lewis and Thornhill, 2009: 147). Moreover, after generalizing all information the cases will be analyzed with two embedded units of analysis (COSMOS Corporation): comparative analysis between chosen companies and comparative analysis between chosen countries.

### 3.5 Data collection

For data collection in the research were used such sources as interviews, internal company documents, and electronic resources (companies’ websites and various codes are available online on the company website). Creswell (2007) call it multiple sources of data.

In the study, interviews are the main source of obtaining information directly from the companies’ representatives who participate in the process of building the motivational systems in the company. Polkinghorne (1989) gives the recommendation to interview at least from 5 to 25 well-experienced knowledgeable persons. So here will be interviewed 6 representatives from each country.

According to Yin (2003) the observation of companies’ internal documents is one of the six ways of data collection. Here will be use documents, which contained information directly or indirectly reflecting the company's existing motivational tools. These documents are mainly presented electronically on companies’ websites, published studies containing information on the motivational system of chosen specific company, annual companies’ reports (IBM Roadmap, 2015; Deloitte Global Report, 2015; Volvo Group Report, 2014; Oriflame Year-end report, 2015; IKEA Group Yearly Summary, 2014; SCA Annual Report, 2014) and AMADEUS database as a source of information about representative offices of these companies in Russia and Sweden.

#### 3.5.1 Interviews

Williamson (2002) mentions interviewing as the main tool for data collection in the interpretivism. Interviewing process in that research includes informal personal conversation conducted according to a premeditated plan and questions and was aimed at receiving from the respondent detailed answers to questions and discussion. The number of authors highlight the importance of the relationship between the interviewer and interviewee (Nunkoosing, 2005; Kvale, 2006, Creswell, 2007). So one of the objectives here was to understand the respondent's attitude to the subject under discussion. 4 interviews were conducted by phone, 3 interviews by Skype and 5 interviews were conducted during personal meetings with companies’ representatives. Interviews were last from 25 minutes to 1 hour depending on the peculiarities of the respondent. Interviewing involves a survey of one person from each company in Sweden and Russia. As respondents were selected mainly HR managers or employees from the HR Department who is directly involved in the organization of motivational systems. The list of the respondents and companies’ names is presented in the table below (table 2). Also all conversations were recorded in order not to miss any details.

The interview questions are in the appendix 1 and appendix 2. The first list of questions prepared for multinational companies located in Russia and the second one is for companies in Sweden. The questions were composed by sampling from the theory (frame of references) of basic motivational tools, which were divided into three categories: corporate culture (self-determination theory, Bandura’s self-efficacy theory, reinforcement theory); growth and development (goal-setting theory, job engagement theory); rewarding system (Adams’s
equity theory, Vroom’s expectancy theory) and the last part with questions regarding international aspect of motivation in organization.

The list of the chosen companies is presented in the Table 1 and the short description of the offices in Sweden and Russia below the table. It is important to mention that most of the companies are Swedish multinational companies and two companies are American companies, which has representative offices in Russia and Sweden. It will help me to understand not only the Swedish model of adaptation of motivational system in Russia but also the American way of motivational systems’ adaptation process in both countries.

Table 1. Chosen companies

<table>
<thead>
<tr>
<th>Industry</th>
<th>Headquarter</th>
<th>Founded</th>
<th>Number of Employees</th>
<th>Revenue (Euro)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oriflame Cosmetics</td>
<td>Founded: Stockholm, Sweden</td>
<td>49 years ago</td>
<td>6 500</td>
<td>1,3 mln</td>
</tr>
<tr>
<td></td>
<td>Headquarters: Switzerland</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SCA Personal care</td>
<td>Stockholm, Sweden</td>
<td>87 years ago</td>
<td>44 000</td>
<td>11,4 bln</td>
</tr>
<tr>
<td>Volvo Heavy equipment (car)</td>
<td>Gothenburg, Sweden</td>
<td>89 years ago</td>
<td>110 000</td>
<td>30,9 bln</td>
</tr>
<tr>
<td>IKEA Retail</td>
<td>Founded: Gothenburg, Sweden</td>
<td>73 years ago</td>
<td>140 000</td>
<td>29,3 bln</td>
</tr>
<tr>
<td></td>
<td>Headquarters: Delft, Netherlands</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deloitte Professional services</td>
<td>Founded: London, UK</td>
<td>171 years ago</td>
<td>225 400</td>
<td>31,2 bln</td>
</tr>
<tr>
<td></td>
<td>Headquarters: New York, USA</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IBM IT consulting, services, computer soft/hardware</td>
<td>New York, USA</td>
<td>104 years ago</td>
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<td>IKEA</td>
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<td><strong>Respondent</strong></td>
<td>Ekaterina Popova</td>
<td>Anna Kim</td>
<td>Nina Yarosh</td>
<td>Tatiana Andreeva</td>
</tr>
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<td><strong>Position</strong></td>
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<td>Training and development manager. ZAO Deloitte &amp; Touche CIS (Moscow)</td>
<td>HR Coordinator IKEA Group (Moscow)</td>
<td>HR Director Volvo Russia (Moscow)</td>
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<td>13 years (2 years current position)</td>
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<td><strong>Respondent</strong></td>
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<td>Pernilla Rehnberg</td>
<td>Karin Bergman</td>
<td>Stefan Hatamian</td>
</tr>
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<td><strong>Position</strong></td>
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<td>Partner, Audit Deloitte AB (Jönköping)</td>
<td>HR Manager IKEA Group (Stockholm)</td>
<td>HR Manager Volvo Car group (Gothenburg)</td>
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<td><strong>Experience</strong></td>
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<td>23 years (7 years current position)</td>
<td>12 years (3 years current position)</td>
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**Oriflame**

Oriflame was founded in 1967 in Sweden. The company specialized in the development, manufacture and sale of skin care products, personal care products, perfumery, cosmetics and accessories. The product design centers are located in Stockholm and Dublin. The company is present in 63 countries around the world (Oriflame.com). The company operates through direct sales (selling products through the website or via individual partners).

The number of employees (AMADEUS database):
- in Stockholm office is 482 people
- in Moscow Office is 1’662 people

The number of countries that company has representative offices: 63 (Oriflame.com)

**SCA**

Svenska Cellulosa Aktiebolaget (SCA) was founded in 1929 by the merger of the number of Swedish companies involved in the timber. It is a Swedish company, one of the leading European manufacturers of paper products, hygiene products for adults and children, as well as products and packaging materials from timber.

The number of employees (AMADEUS database):
- in Stockholm office is 4’247
- in Moscow office is 1’300 (220 Veniov)

The number of countries in which the company has representative offices: 25 (SCA.com)

**Volvo**

Aktiebolaget Volvo (Volvo Group) is a Swedish concern founded in 1927 that produces commercial vehicles, trucks, buses, engines and various equipment. Earlier concern Volvo also produced cars, but in 1999 sold its office of passenger cars under the name Volvo Personvagnar (Volvo Cars) to the Ford group, which in 2010 sold it to Geely group. In this research only Volvo Cars group will be taken for analysis.

The number of employees (Volvocars.com):
- in Gothenburg office is 15’153
- in Moscow office is 70

The number of countries that company has representative offices: more than 100 (Volvocars.com)

**IKEA**

IKEA was founded in 1943 in Sweden. It is the Dutch production and trade company, the owner of one of the world's largest retail chains selling furniture and home goods. The full name is IKEA International Group. The company is headquartered in the city Delft, province of South Holland.

The number of employees (AMADEUS database):
The number of countries that company has representative offices: more than 40 (IKEA.com)

**Deloitte**

Deloitte Touche Tohmatsu Limited was founded in 1849. It is an international network of companies providing services in the field of consulting and auditing. Deloitte is among the “big four” audit firms and is the largest professional network on the number of employees (Deloitte.com).

- in Stockholm office is 1’100
- in Moscow office is 2’000

The number of employees: more than 100 (Deloitte.com)

**IBM**

IBM (International Business Machines) was founded in 1911. It is an American company with headquarters in Armonk (New York), one of the world's largest manufacturers and suppliers of hardware and software, as well as it services and consulting services.

The number of employees (AMADEUS database):

- in Stockholm office is 1’992
- in Moscow office is 1’700

The number of countries that company has representative offices: more than 20 (IBM.com)

**3.6 Data analysis**

The data analysis process needs some preparation of the ground for this analysis. The theory of motivation, cultural differences in managing personnel in different countries and standardization and adaptation processes in MNCs helped to prepare the ground for the interview, pick up the necessary companies and determine research questions. The process of gathering information, in particular the interviews, allowed me to get the information that will help to analyze the features of motivation in certain companies and to make a comparative analysis of organizing motivational systems in Russia and in Sweden.

Miles, Huberman and Saldana (2014) determine the next level after data collection as simplifying and abstracting data. Thus in the process of analysis there will be described the main motivational tools used by multinational companies, and will be highlighted the main differences between the Russian and the Swedish branches of the company and also the differences between the chosen companies.

The first step of data analysis in this research is to structure the obtained data from representatives of the company on three selected points, which were compiled on the basis of the theory, and include corporate culture, growth and development and the reward system. And also, will be highlighted the personal relationship of the interviewee to the question of motivation and experience in this field. For each company in each country (12 offices) will be outlined all the above points in order to see the existing difference in the approach of each
office. Then in the next two chapters, will be conducted two kinds of comparative analysis, two embedded units (COSMOS Corporation), between companies in general (1) and between countries (2) to highlight the main differences. Based on this, the tests are composed of tables, which include the main motivational tools and degree of their use and importance in each company (1) and in each of the countries (2). The last Chapter allows to draw General conclusions about how multinational companies build a system of motivation in different countries, and how adapted and/or standardized this system to the culture and requirements of the country. This method will allow me to reach the established purpose of the research.

Data analysis structure

1. Main findings from the interviews by offices (12 offices)
2. Comparative analysis between companies + generalized table (Embedded unit of analysis 1)
3. Comparative analysis between countries + generalized table (Embedded unit of analysis 2)
4. General conclusions regarding standardization and/or adaptation processes

3.7 Trustworthiness

For exploring the motivation systems in the multinational companies there were chosen the qualitative method of analysis. The main advantage of this method is that it provides the opportunity to identify the attitude of the manager or person who actively participates in the building of the motivational system to the existing in the company standards and to determine their personal level of motivation.

Another advantage is that all interviewees are directly involved in the process of personnel motivation and most of them have direct subordinates and rich experience in employee motivation. The experience and the personal attitude to the motivation system of interviewees are described in the beginning of each company’s experience description in the further chapter. Besides, the number of internal companies’ documents allows to enrich and to establish received qualitative data. It helps to develop the reliability of the obtained information and to reduce the probability of inaccuracies (Huff, 2009).

Moreover, it is important to mention that the research is depended on the respondent’s experience, so all of them were selected based on their working experience in HR Department and direct participation in the process of employee motivation.

The part of the interviews had face-to-face format which provide the opportunity to identify the personality of the respondent and to find out his/her own attitude to the companies’ standards.
4. Empirical Findings and Analysis

4.1. Experience of multinational companies

In this chapter will be presented the main findings from the interviews with companies’ representatives by three main points, which include corporate culture, growth and development, rewards and punishment and its influence on personnel motivation. Two first paragraphs include Swedish multinational companies such as Oriflame, SCA, Volvo and IKEA. Further two paragraphs will present findings regarding two American multinational organizations such as IBM and Deloitte.

4.1.1 Swedish multinationals in Sweden

Oriflame

Interviewee 1

The Stockholm’s office company representative interviewee was Cecilia Lindgren. She has been working in the company since 2007. All her working experience was connected with HR processes and in particular with employee motivation. During her career growth she was engaged in the process of global salary and bonus review, KPI’s planning and developing process, developing the compensation and benefits package for employees in Sweden and abroad, participation in salary setting process, recruiting talents in the company and cooperating with HR managers from different countries.

During 8 years at the company she is always personally motivated by the opportunity for career growth, by the internal atmosphere in the company and freedom of expression of any bold ideas. “It is very easy to promote some new ideas in the company and to be noticed there” (Lindgren, Interview, 2016-04-07).

Corporate culture

The company has its Code of Conduct, which also includes Code of Ethics and core values of the company, on different languages and it’s the same for all offices in different countries. The main thing that Lindgren highlighted from the Code of Conduct is core values that, in her opinion, has an appreciable effect on employees motivation especially if it is new employees that just come to the organization and read the code (all new employees from the first working day have to read Code of Conduct of the company and have to be familiar with that). Core values include togetherness, spirit and passion (Oriflame Code of Conduct). The understanding of togetherness consists of team spirit, sharing new ideas, skills and knowledge with colleagues, supporting and helping each other in the company regardless of the position. It helps to create suitable internal atmosphere in the organization and to help employees feel more comfortable and relaxed. “In this conditions our employees are more motivated for being creative and initiative” (Lindgren, Interview, 2016-04-07). Company’s “Spirit” seeks to convince employees that they are leaders, professionals and entrepreneurs who can cope with any challenge and everyone should believe in himself/herself. It provides the opportunity for personnel to feel more self-confident in working process and do not be afraid of difficulties.
And the last core value – “passion” is aimed to love the company and encouragement to participate in the overall mission of the organization.

These three core values are the bases for creating the right internal environment in the company in which all employees have an opportunity for self-expression, “they can actively participate in company’s activities that makes them feel their belonging to our big Oriflame team” (Lindgren, Interview, 2016-04-07). In general the leadership style in the company could be defined as very democratic, as all level’s employees have enough freedom and self-realization opportunities.

Growth and development

As was mentioned above, according to Lindgren, all employees in the company have a good opportunity for career growth. Time to time there were organized meetings for employees from different levels (department members meeting, team members or meetings for people from higher positions) or general yearly meetings for all employees in order to present some achieved results, to share new thoughts and ideas and to express any kind of opinion. “It is a good chance to get a promotion during this meetings or at least being noticed my managers” (Lindgren, Interview, 2016-04-07). Also, company has the Global Talent Recruitment team and the part of their responsibilities is to identify talents in the company (all over the world) and to help them to be self-realized inside the organization.

For people development in the company exists special team that organizes different trainings including management and leadership trainings and a number of other professional skills trainings. Some training are organized on international level so that employees can visit offices in different countries but it relates more to top management or people who stand out for some achievements.

For maintaining team spirit in the company organizes collective events and activities such as celebrating Christmas or some collective sport activities. Which influence on company’s employees very favorably “as it gives them a chance to relax and to know better people with whom they work every day. As for me after such events our employees are more encouraged to make something good for the company as they feel themselves the part of the company” (Lindgren, Interview, 2016-04-07).

Rewards system

Company doesn’t have any punishment system of course except obvious reasons for dismissal. But Oriflame pays a lot of attention to rewards system. For that aim in the company exists The Global Reward Team that creates, develops and integrates rewards systems, programs, and rules for making the company more attractive for employees and to motivate them. This team is responsible for bonus system, salary structure and review, also for benefits, career paths and employees’ initiatives.

Also in the company presents goal-setting process for each employee that is strongly correlated with KPI. KPI and process performance measurement reviews provide the information about employees’ achievement and it helps him/her can to an award or promotion. It is important to mention that the benefit’s package is different for employees on different levels. “I think it is a good tool for motivating people from lower positions to develop and to get a promotion” (Lindgren, Interview, 2016-04-07).
Interviewee 2

Kristina Lind works for a company 7 years with a short break from 2012 to 2015 when she worked as a HR consultant in other company but later returned to the position of HR Manager at SCA in Stockholm. Her first working experience in SCA was 10 years ago when she was appointed to the position of HR manager. The number of responsibilities that company provides to Kristina motivates her to do her best for the company. “When the company trusts you with a responsible job and believes in their successful implementation it becomes the main driving force for you and makes you feel your contribution in company’s success” (Lind, Interview, 2016-04-06).

Corporate Culture

In the company dominates innovative work environment as SCA try to develop in all employees the innovative way of thinking. The organization’s corporate culture encourages employees for new way of thinking, initiatives and new ideas. The internal organizational environment, regarding to Kristina, is very friendly and trusty. Managers believe in their subordinates’ success and provide them with a responsible job.

In Swedish SCA the company has Social Fond, which promotes social purposes for employees’ benefits. It is one of the ways to show them that the company cares about its workers. Another thing with the same purpose is the work-life balance. SCA creates the healthy and fun work environment in the company regardless of the position.

Through the involvement and empowerment of employees, as well as giving and taking continuous feedback, the company keeps their motivation on the high level. Moreover, the company develops and search for the best leaders who can attract and empower SCA’s personnel in their work.

Growth and development

Regarding career growth in the company and employees’ development Kristina mentioned: “Our success in the company depends only on us, as SCA provides enough opportunities for that” (Lind, Interview, 2016-04-06). Time to time each employee has an open and close meeting with his/her manager, during which they together set goals and make an agreement about the development plan.

It is important for the company to have high-motivated professionals with constantly developing knowledge and skills. Therefore SCA conducts trainings related to professional development opportunities for staff, as well as various activities, for example, dedicated to environmental pollution, health, and the history of the company with the purpose of overall development and enlightenment of the personnel.

Besides the individual development plan the company has standardized system of performance review (Global Performance System – GPS). It helps to outline skills and
knowledge that the employee needs for achieving the stated goals and to identify what he/she needs in a specific area for developing in the company. The main purpose of using GPS twice a year is to increase the level of every employee performance in SCA and for SCA. “In 2015, 96% (89) of white-collar employees participated in performance management reviews. The corresponding number for blue-collar employees is 86% (75)” (SCA Employee Relations, 2015).

Rewards system

The company provides competitive salary rate and compensation and benefits package. All rewards, their contents and value, depend on the personal achievements of each employee in the professional field. “We use simple motivation scheme: the higher the efficiency the more the annual bonus and wider benefits package you have” (Lind, Interview, 2016-04-06).

Volvo

Interviewee 3

Stefan Hatamian has a six-year working experience in Volvo Car Group. In 2013 he was transferred from Volvo Car Group Belgium, where he was HR business partner, to Gothenburg on Corporate travel manager position. The last two years Hatamian is on HR manager position in Volvo car group. The main responsibilities are implementation of HR projects (including motivational system), manpower issues, creating compensation package for employees.

The main thing that motivates Hatamian personally is the possibility to work globally all over the world and to meet new people of Volvo Car group from different countries. “I was an intern in Belgium Volvo car group 8 years ago after that I change few working places and came back to Volvo because I see here more opportunities for development and career growth” (Hatamian, Interview, 2016-03-31).

Corporate Culture

The company has its Code of Conduct (Volvo Code of Conduct) where described general principles of the company, company’s vision, mission, culture and ethical aspects. It helps employees to feel the internal atmosphere of the company. Internal environment provides employees opportunity to share their thoughts, views and ideas. It motivates them to be more open mind. The leadership style in the company is democratic and the company is always caring about its employees. For developing in the personnel the sense of belonging to the company Volvo organize a number of meetings during the year where employees sharing with their achievements, ideas and where they have different discussions regarding company’s activities.

Growth and development

The company provides enough possibilities for growth and development. “We have very big company where exists different levels and positions, it is a little bit difficult to get a promotion, but if you have potential someone will notice you anyway” (Hatamian, Interview, 2016-03-31).
For developing employees’ skills and knowledge, company organizes knowledge sharing meetings and different internal and external trainings. It has a strong influence on people motivation for working in the company. Also, the company has international exchange programs when specialist could be send to the office in other company and to work there for one or few years. It is a good chance to travel, to study other culture and to gain new knowledge. It is very good motivation especially for young specialists.

**Rewards system**

The salary rate makes the company very attractive and the staff is trying to implement its responsibilities in the best way for saving the place in the company. “We actively use material motivational tools for our employees. We have high salary rate, good compensation and benefits packages” (Hatamian, Interview, 2016-03-31). Also, the company pays financial bonuses fin the end of year the percentage of this bonus depends on employees’ achievements and efficiency rate. The company time to time use different tools for assessing employees’ efficiency. On the end of year everyone obtain the mark for efficiency and new list of goals for the next year.

All employees have the same compensation and benefits package (except some extra benefits for top management). That is why it is not one of the main tools to motivate employees but is a good way to show them that the company cares about them. It is very important for people who just come to the organization.

**IKEA**

**Interviewee 4**

Since 2002 Karin Bergman has been working in IKEA with a short break in 2011. Last three years Karin is on HR manager position in IKEA group Stockholm. Karin actively participates in employee motivation process, in particular she develop and control bonus programs, rewarding system and variable pay programs.

The personal incentives for Karin are the nature of her work, the range of responsibilities that she has and good relationships with colleagues.

**Corporate Culture**

The IKEA is trying to create good conditions for employees by using variable paying programs. Also, the company creates clear structure and divides clearly all departments for making simpler to identify the goals of this or that department.

This is the main tool that the company uses for developing the spirit and the desire of each individual worker for being more effective. The creating of unique corporate culture helps employees to feel themselves as a part of something great. Karin highlighted the interpersonal relationships inside the company: “we respect each other in the company, share with our knowledge and ideas, we appreciate innovative way of thinking and leadership, we don’t have strict barriers between employees on different positions, we work as a team” (Bergman, Interview, 2016-03-24). Moreover, all employees in the company are equal and they have the same uniform for people from different positions with the aim of clarifying this point.
It is important to mention that the company pays a lot of attention to IKEA environmental plan. All employees participate in this program and it becomes some kind of common value and goal that makes them more cohesive and at the same time it helps to save the earth from pollution.

Everyone should try to become better, improving the work of the entire company. On the wall of one of IKEA's headquarters in Helsingborg hangs a giant poster, which reflects the weekly rate and sales volume, the best market indicators across countries. The company promotes the principle of self-improvement and rigor.

**Growth and development**

The company provides a lot of unique opportunities for growth and development. “It is important in our company to grow not only as a professional but also as an individual” (*Bergman, Interview, 2016-03-24*). For example, qualified employees based on their skills and knowledge can choose the responsibilities that they are interested in.

The company provides different trainings in the company for knowledge sharing and development it encourage employees to work more efficient and professionally. International trainings are available for people on high positions or for key people in the organization.

**Rewards system**

Rewarding system is one of the main tools of personnel motivation in the IKEA. The first thing is profit sharing system. For example, all company’s employees could get a share of the company’s daily profit. All employees receive extra money for that at the same time the IKEA double up company’s sales. It is one the best ways to motivate regular employees in the stores.

It is important to mention that all employees are equal in terms of compensations and benefits. Company is trying to create an atmosphere of equality even in rewards system.

**4.1.2 Swedish multinationals in Russia**

**Oriflame**

*Interviewee 5*

Olga Aristova is the HR manager Russia and Belarus Oriflame Cosmetics. She came to the company on that position one year ago. It is important to mention that Aristova has a huge working experience in IKEA Russia (10 years) in particular she was on HR Department position during 4 years of her working period in IKEA. Moscow HR department of Oriflame consists of 6 people three of them are Aristova’s direct subordinates. All HR processes are coordinated by Aristova including the development and control of personnel motivation system.

The main thing that motivates Aristova in the Oriflame is the nature of the work, interpersonal friendly relations in the company and the fact she that can help 1200 employees in Russia and 60 in Belarus to be more productive by motivating them.

**Corporate culture**
From the first working day every employee receive “Employee Handbook” with company’s values and Code of Ethics (Employee Handbook in Russia is the same Code of Conduct that Oriflame use for all countries). It is important and obligatory for all employees to be familiar with the Code of Conduct it helps them to understand the company’s main values and policy but it can motivate only for short-term period when the employee is newcomer. “It is more important for motivating employees here to provide friendly and even informal atmosphere so that everyone could share his/her thoughts with colleagues and managers on different levels” (Aristova, Interview, 2016-03-22).

The leadership style in the company was defined as absolutely democratic. This helps to build trusty atmosphere inside the company. And the whole internal environment is aimed to provide all necessary conditions for employees’ self-expression, involvement in company’s activities and socialization. Such kind of corporate culture and internal environment of the company motivates people to be bold in expressing and implementing their ideas.

Also for team building process, company organizes collective events such as New Year celebration, company’s anniversary celebration, or some sporting events. As well as democratic leadership style in the company such events also encourage employees to be more open with colleagues and to feel their belonging to the company. “Therefore, every year we conduct certain activities – leading consultants are invited in a beautiful cities to participate in conferences”. The program of the event presents concerts of celebrities, interesting excursions, meeting with top managers, with subsequent rewarding for their success. Usually these events are held in Stockholm or other big cities and it gathered more than 10 thousand consultants from different parts of the world (Aristova, Interview, 2016-03-22).

**Growth and development**

HR manager and Top management of the company is always trying to develop in employees the entrepreneurial spirit, to make them to be initiative and creative. The main tool for this is company’s monthly meetings where “key people” of the organization is trying to encourage colleagues with their own example and experience. The company welcomes all ways of knowledge and skills sharing. Moreover, this kind of meeting is good possibility for self-expression. “It is very easy to catch the attention of managers by expressing new ideas during the meeting” (Aristova, Interview, 2016-03-22). It is one of the best ways for promotion.

For employees development company has a number of training for example studying programs for sales man, trainings for managers and leaders development programs. After the gaining new skills and knowledge and after the meeting on these trainings their colleagues with the same interests employees usually become more motivated for effective work and creating innovations. For checking employees’ level of involving in company’s activities HR manager assess their “level of passion” by special survey. “It helps me to understand how motivated are our employees and their readiness to work hard for the company” (Aristova, Interview, 2016-03-22).

**Rewards system**

The company has very diversified benefits package. It strongly depends on the position in the company. For example, not all employees have VHI medical polices or the discount to the
gym. But the premium system (financial rewards) is the same for everyone. Each employee has the list of goals and depending on how successfully that goals were achieved he/she gain financial reward and promotion. The amount of that reward is setting individually.

**SCA**

**Interviewee 6**

Maria Shelamova is the Country HR Director Russia and CIS. Maria works in SCA 2 years and has 6 directs subordinates and the whole HR department includes 8 employees. She reviews the level of the personnel motivation, finds out the causes of demotivation and its effects. She has good background in organization of HR processes. Her previous working experience is also connected with the position of HR director in PepsiCo. She worked there as a Regional HR Director of East Europe during 2,5 years and as a Senior HR director in sales during 2,5 years.

Inna Anisimova is the plant’s HR manager in SCA Hygiene Products Russia. The plant is located in Veniov and counts 220 employees. Since 2009 Inna is the HR manager in SCA Veniov. Before working in the SCA she had been in the position of HR manager in two other companies during 8 years. She has good background in organization of HR processes.

Her responsibilities in the SCA are very broad: she organizes different training and development programs, recruit employees, conducts annual talent and salary review, implement the capability development system, review employees’ satisfaction survey and lead other HR processes.

The main driving forces for Inna and Maria, as well as for her colleague from Sweden – Kristina, is the responsible work that they have and the trust and loyalty that the company shows to them.

**Corporate Culture**

The corporate culture for SCA is the element that attracts people to the company and makes them to stay with SCA for a long time. The key to its understanding is the company’s values expressed in three words – the respect, the perfection (or the pursuit of excellence) and the responsibility. “We believe that happy people are more successful on their activities, so we do everything for creating suitable atmosphere in the company for that” (Shelamova, Interview, 2016-03-23).

SCA treats its employees as the foundation of success in business, cares about each one of them and shows that appreciates the participation of every employee in company’s activities. Although SCA places relatively high demands on the staff, the company has a fairly democratic style of management, and officers themselves noted respect leadership that creates a positive atmosphere of mutual understanding.

**Growth and development**

SCA is a growing company, and as business development staff can build a successful career. Some employees in their career growth occupy key positions in different areas. For example, one of the employees started working at SCA as an assistant sales Manager and now he is a
marketing Manager. Coming to the starting positions, such as secretaries or assistants, employees grow into real professionals. “One of our employees about a year ago came to the company as a manager’s assistant and now she works as a coordinator of the sales department and she is not going to stop there” (Anisimova, Interview, 2016-03-23). If the employee wants to develop in a specific area the company provides all necessary trainings for him/her. It is important to be just initiative for being promoted in the company.

Each year for every employee the company sets professional goals, assesses the competencies, discussing with employee all possible career options and provides a plan of individual development. Moreover, the participation in projects (including cross-functional), internal rotation, and learning experiences of colleagues play a key role in development and promotion. The formal trainings are the secondary thing in that, although employees from different levels have trainings. Top managers have the opportunity to receive training in SCA Leadership Academy. One of the advantages of this program is the chance to gain an exchange experience with colleagues from other countries.

For young specialists the company has competitive program of education and training (SCA Trainee Program for undergraduates and graduates). At the moment the program is being implemented in Veniov plant and 2 more factories in Russia. “Young people can try themselves in different spheres of activity, to undergo overseas training and workshops, meet interesting people, try themselves in solving tasks requiring non-standard approach” (Shelamova, Interview, 2016-03-23).

Rewards system

Globally, SCA adheres to common principles of remuneration of employees of all categories. They are closely monitoring the situation in the labor market, to support the competitiveness of company’s salaries. “It is important that employees understand our compensation policy and had access to information about the principles of remuneration” (Anisimova, Interview, 2016-03-23). The level of salary depends on the efficiency of the work, and the employee who showed the best result, always can count on a higher percentage salary increase than his/her colleague who exerted less effort.

In the structure of the benefits and compensation package SCA try to take into account not only what is on the market today, but also what is important for employees. In the last year the company conducted an employee survey about their satisfaction with benefits, and all the basic requirements were taken into account. “There has been made some improvements in services for health insurance, life insurance program, and have been added subsidy for food in the factories. Moreover, “the survey showed that SCA employees believe compensation is quite adequate to their assigned duties and workload in general” (Shelamova and Anisimova, Interview, 2016-03-23).

Volvo

Interviewee 7

Tatiana Andreeva is the HR director of Volvo car group Russia. She was HR manager in consulting firms and last ten years she is on current position in Volvo. An integral part of her responsibilities is the designing and managing of motivational programs and assessing and controlling employees involving in company’s activities on different levels. Also, Andreeva is
responsible for recruitment processes, training programs, compensation and benefits; she is managing and leading organizational changes and development.

The main driving force for Andreeva is the brand of the company, the opportunity to develop employees, acknowledgement as an expert and broad responsibilities in the sphere of her professional activities and interests.

Corporate Culture

The company has Code of Conduct and all employees have to be familiar with it. Andreeva mentioned: “We have a number of corporate documents regarding our corporate culture, values, principles, but this should not be just written or posted on the stand, each employee should accept, understand and live with that. The corporate culture should exist in their actions and behavior” (Andreeva, Interview, 2016-03-25).

The company creates good conditions for employees’ material motivation including salaries, bonuses and benefits.

The leadership style in the company is more democratic. Employees always have the opportunity to express their point of view and be heard. Any employee can freely communicate with the Director of the Department and Top management. However, Andreeva mentioned that it is necessary to competently apply leadership styles depending on the situation: young employees require more control. In complex business situations when it is difficult to make a decision or there is no consensus, the leader may use authoritarian style of leadership; when experienced staff put in a new task, which he/she had never experienced before, it also require more control points than in routine work.

The sense of belonging to company is developing by some common activities. “The Volvo brand is a very emotional brand” (Andreeva, Interview, 2016-03-25). When Volvo Car group produce new models, all employees participate in product trainings and test-drives, all new employees also participate in that event and there are specially prepared trainings for new employees. Also, Volvo provides company cars for the half of the staff that need it. In the company almost every month are organized seminars on knowledge sharing (expert in a particular area shares his knowledge at an affordable level with not experts).

Once in a year the company organize big event for all employees, New Year celebration, and all employees are looking forward to that event. “It has a good positive effect on employees. This event helps us to feel the breath and friendly atmosphere of the company” (Andreeva, Interview, 2016-03-25).

Growth and development

Volvo provides a lot of opportunities for employees’ self-realization and recognize their achievements and contribution. However, it is important to mention that due to the low staff turnover and the slow development of automobile business in the current economic situation in Russia, career management growth is unlikely. “When a vacancy arises, we first look for candidates within the company, and only then go to the external market” (Andreeva, Interview, 2016-03-25). Regarding the recognition by the management, the company also has a variety of programs. Employees have the opportunity to talk about their achievements at
staff meetings, which are held quarterly. Best performers according to the evaluation results are also presented to all the staff at the final annual meeting.

For employees development company uses primarily internal knowledge sharing programs, all other training programs are provided by the headquarter and it is under their control.

**Rewards system**

Employees have a base salary and financial bonus in the end of the year. The bonus is paid only after confirmation by the head office and in conditions of providing key performance indicators by Russian office. The company has special Performance evaluation program. The system works based on local ERP system (1C). Goals are setting from the leader to subordinate at the beginning of the year, mid-year and year-end. At the meeting of the heads all employees receive the final performance evaluation. The most effective employees get higher percentage salary increase (or bigger bonus).

Also, all the staff has the same compensation and benefits package, including medical VHI polices, lunch compensation, life insurance and additional vacation.

**IKEA**

**Interviewee 8**

Nina Yarosh has great working experience in IKEA Russia. During 13 years of working in company Nina was on different positions such as administrator, the leader of deputy group, marketing manager, visa support administrator and now she is HR Coordinator in Moscow Region. All her responsibilities were connected with human recourses. During the last year Nina is participating in employee motivation program development.

The best motivation for Nina is good team and the appreciation from the management.

**Corporate Culture**

HR policy of the company is based on historical corporate traditions and values. Employees expected to be honesty, openness, to have active life position, optimism and friendliness. An important role is played by the willingness of people to professional development, comprehensive development, and the desire to learn from experience and to share that knowledge with colleagues.

It is important to mention that in the company a lot of people are working there for a long time. “It is very hard to leave IKEA, we call it IKEA family” (Yarosh, Interview, 2016-03-24).

In the Moscow office there is no dress code: employees can come to the office in jeans, shorts, and sneakers. Those who have been seeing by clients dress in business style and the employees of the stores (from the warehouse worker to the Director) have the same form.

In the Moscow office there is no strict working hours, although formally it runs from 09:00 to 18:00. The stores schedule is tightly planned, there is clearly indicated, how many employees should be in the workplace depending on time and day of the week. “Sometimes office employees help those who work in the stores. It happened before the last New Year, when
everyone rushed to buy furniture and appliances. Someone laid out the goods, someone worked in a warehouse” (Yarosh, Interview, 2016-03-24).

Growth and development

An important role in the company is played by the willingness of people to professional development, comprehensive development, and the desire to learn from experience and to share that knowledge with colleagues. The management is doing everything possible to ensure that the personal and professional qualities have been used in the company, promoting professional growth of employees and improve their satisfaction with their career. To achieve such an effect would be difficult without well-established, structured system of internal corporate training.

The main goals for corporate trainings are:
- adaptation to the norms and standards of corporate culture of the company;
- high quality performance of official duties;
- advanced professional knowledge and skills of employees;
- the introduction of new technologies and expansion of areas of responsibility;
- optimization of division activities and business processes.

Twice a year every department Manager has a “Development Talk” with each employee about his/her results, during which assesses their professional and personal competence. In addition, for each person is made "Individual Development Plan", which includes new duties and a series of recommended training programs and workshops. All requests for training are recorded by the HR Department in a special database. Then on its basis are determined the trainings and a list of programs that must be included in the training plan by the needs of all employees.

Line managers and heads of departments control and assess the process of using new acquired knowledge and skills by employees on practice. On meeting regarding the results of each employee they share with opinion about the effectiveness of subordinates’ new knowledge and how this affects the business performance of the department or entire store.

In order to increase the motivation of employees after the trainings the company offers them jobs on a new project (for example, when opening stores in other cities and countries) or in a new position (career "horizontally" or "vertically"). Thus, the training system in the IKEA is closely related to the personnel development system.

Rewards system

In IKEA it is possible to learn English for free if the employee need it for work. Classes are held in groups twice a week. Each employee has compensation in amount of 9 thousand rubles on fitness. “Also our employees has a single discount is for furniture — 15 %. But the size of purchases in a year is limited. But if someone makes repairs or completely revamping the furniture in the apartment, you can ask to increase the limit” (Yarosh, Interview, 2016-03-24).

The main motivational tools for employees are the annual bonus, private pension plan and program that they call “Tack!” It encourages those who have been with the company for more than five years.
The company organizes corporate events twice a year: the New Year party and “Midsummer” celebration which is correlated with some Swedish traditions. “Midsummer celebration is a very interesting and exciting holiday for Russian employees” (Yarosh, Interview, 2016-03-24).

4.1.3 American multinationals in Sweden

Deloitte

Interviewee 9

Pernilla Rehnberg is the auditor and partner of the Deloitte. She is the owner of Jönköping office of Deloitte in Sweden. Pernilla has 20 direct employees. She is working for the Deloitte 23 years and the last seven years she is the director and owner of Jönköping office. Pernilla also has a working experience in the Deloitte’s other offices in Sweden including Stockholm office.

She is motivated by the freedom that she has, flexibility (in working hours especially) and by the good salary (Rehnberg, Interview, 2016-04-11).

Corporate Culture

The Deloitte has a number of documents regarding company’s values, ethics, goals and corporate culture at all. It is not directly connected with motivational system but it has an influence on internal environment of the company, which has an influence on personnel motivation level.

In the company there are very friendly atmosphere and the management pays a lot of attention for providing worth salary rate. The high wages also show employees that the company appreciates what they do for the Deloitte, as well as some awards for success.

The company has controlling system: “We have control under the using of confidential information and we control the quality of the employees’ work and we check the results. But we don’t have any punishment we are very democratic organization” (Rehnberg, Interview, 2016-04-11).

The celebration of Christmas, Birthdays and after work sittings is the integral part of organizational life in the Deloitte. It helps to know better each other and to increase team spirit in the company (Rehnberg, Interview, 2016-04-11).

Growth and development

For the career growth it’s not difficult to be noticed in the company. Firstly, it depends on the goals that the employee achieves and secondly on job trainings everyone has a possibility to talk about their new ideas, to share their thoughts and to show an initiative. The company provides some training programs for developing employees’ professional skills and moreover it helps them to express themselves and to get a promotion.

The company has exchange programs for employees and sends them to other countries. “The
selection of the employee for this program depends on the position, skills and demand on his/her skills in other representative office” (Rehnberg, Interview, 2016-04-11).

Rewards system

The company has goal setting program: each employee has approximately about 10 goals depending on the position and if they achieve these goals they will be promoted or they will have higher salary depending on the results they achieve.

In the Deloitte for personnel motivating managers use only financial bonuses with different percentage. For example for young employees the bonus could be from 5 to 10% from the setting salary rate, for middle level employees or regular employees it’s about 30-50% and for owners like Pernilla (there are 17 other owners in the Deloitte) they have 100% upgrade.

The company also provides medical services. “I don’t think that it has some influence on employee motivation because nowadays a lot of companies provide such service and it is not an competitive advantage in modern business environment” (Rehnberg, Interview, 2016-04-11).

IBM

Interviewee 10

Jack Makoszewski is the employer-branding leader in IBM Sweden. He works in Stockholm office two years. The main aim of his activities in the company is to make IBM attractive for its current employees and for future employees. Jack creates all necessary opportunities in the organization for comfortable, interesting and encouraging atmosphere of working in the company. He is directly engaged in personnel motivation process as a leader of employer branding. First of all he motivates his team as a team leader and then together in command they review the salary rate, compare it with the average rate of salary in the current market for keeping it on high level. Their reviewing process also includes benefits and compensation package, bonus system and other rewards for company’s employees on different positions.

As Jack mentioned the main motivation for work and to effective in IBM is his position in the company. He has enough freedom and the most of his new ideas are welcomed.

Corporate Culture

The company has a number of documents regarding ethics, the using of clients’ and employees’ confidential information, IBM’s values and goals. All this documents indirectly connected with staff motivation “but it is not the main tool of motivating people in our organization” (Makoszewski, Interview, 2016-03-29).

IBM provides enough opportunities for growth and development, enough flexibility in using of working hours and working days, for example, the most of employees have “home-office” day, which means that the person can work once (or in some cases twice depending on position and achievements) in a week from home by using his corporate lap top and phone.

The leadership style in the company, according to Makoszewski, is very democratic. They don’t have everyday strict control. “We have a huge number of rules in the company, but no
one enforces that” (Makoszewski, Interview, 2016-03-29). But at the same time he mentioned that every team manager/leader is responsible for his/her subordinates’ compliance with the rules. If the Manager accidentally notices violation he/she is obliged to act according to the regulations. Depending on the seriousness of the offense, he/she can fire someone or to reprimand and hold a conversation with that employee.

Each department in the company has its team or teams, which includes employees with the same professional interests and connected responsibilities. “We believe that team members encourage each other and becomes easier to overcome all challenges” (Makoszewski, Interview, 2016-03-29).

Growth and development

If the employee have new ideas, initiative and passion it become very easy for him/her to get a promotion. All managers and team leaders motivates their employees to create new ideas and be enterprising. They always can come to their leaders and talk about new ideas that they have.

Moreover, the company provides a lot of trainings for all employees. The always develop their professional skills and gain new knowledge. The trainings can be organized inside the teams, the departments or for each employee individually if it is needed.

Managers on high positions time to time have an opportunity to travel abroad and to participate in trainings in other countries’ representative offices of IBM.

Rewards system

One of the main motivational tools in the company is the high salary rate. It depends not only on position but also on goals that you achieve during the specific period. The company use KPI system and assess employees’ effectiveness in the beginning of each year and reward them for good results by providing financial bonus.

Moreover, a lot of employees for their achievements can get the “home-office” day.

All employees have the same compensation and benefits package in includes medical insurance and services and a number of discounts to different institutions as a corporate client.

4.1.4 American multinational in Russia

Deloitte

Interviewee 11

Anna Kim is the training and developing manager in the Deloitte Russia. In Russia are working approximately 2000 employees. Anna is creating, controlling and developing all training programs for all Russian employees. She is working on her current position last three years but her working experience in the Deloitte started 6 years ago and she was always working in HR department and participates in personnel motivation programs.

The good team and the opportunity to develop skills and gain knowledge motivate Anna to effectively work in the Deloitte (Kim, Interview, 2016-04-18).
Corporate Culture

The company has the handbook of ethics, different instructions how to deal with client’s information and how to follow Deloitte’s corporate culture. Apart from this, all employees have to pass regularly different trainings related to Code of Ethics.

Integrity in career growth is the main tool of motivation system. “We have good opportunities for development and growth, however, the salary rate is not high enough (in comparison with competitors)” (Kim, Interview, 2016-04-18), HR department’s main goal now is the developing the interpersonal skills of employees because sometimes there is some misunderstands between employees. This happens due to the fact that the team for every project is always different and some personalities are not always good together.

Anna defined management style as more authoritarian because every employee has the strict set of responsibilities and effectiveness of their implementation monitored by managers. But at the same time the Deloitte provides opportunity for all employees to run trainings or other social projects within the company (if he or she had enough competence). It has a positive impact on the employees’ sense of belonging to the company.

For developing team spirit each business line (each partner has his own sphere of business and a team) organize their events, and all Deloitte's employees have a big New Year party each year.

Growth and development

For the personnel development company creates personal plans and sets goals for every employee and the personal mentor who is usually higher in rank reviews those plans and after the expiring of this development program period discuss with the employee achieved or not achieved goals from this plan. If the results are good he/she can create the recommendation for promotion for that employee, or if the results show that the worker is not effective he/she can be fired.

The company has a lot of training programs, which contribute a lot to the employees’ development, and they cover almost all spheres of business and personal development. Employees who show high motivations and results have a chance to move to any country where Deloitte operates. Those people usually get internal trainings.

Rewards system

The company rewards employees, who meet targets with higher salary or promotion. But the bonus programs are available only for managers and other company’s employees on high positions. At the same time all Deloitte’s workers has discounts at the gym, lunch compensation and some free medical services regardless of the position in the company.

IBM

Interviewee 12
Ekaterina Popova is the recruitment department manager and manager of personnel adaptation. When Ekaterina came to the company 4 years ago there were no recruitment department. She was the only recruitment specialist in the company and then she invited to the company other recruitment specialists, created the department and to became the manager of this department.

Ekaterina plays the key role in employees’ motivation. “Each team manager is responsible to motivate his/her subordinates but there is a necessity to build the common system of motivation” (Popova, Interview, 2016-03-03). The financial motivation is under the control of top management but non-financial part is not well developed. Ekaterina organizes different meetings and trainings for motivating employees, creates stands and posters with encouraging words and company’s values.

The opportunity of fast career growth and good team is the main driving force for Ekaterina.

**Corporate Culture**

The company has strong corporate culture. Employees can see it everywhere in the company. Different stands and posters on the walls dedicated to it, as well as company intranet pages and quarterly meetings.

The most important thing in internal environment is the fact of working in teams. All employees are divided on teams and each team has its leader who assesses their effectiveness and keeping all team motivated during each working day.

The other side of working in teams is that sometimes when there is any correlation between responsibilities of two teams they are not always ready to cooperate with each other for achieving the main goal.

The working days and hours are under the control of team leader. But it’s quite flexible. Each employee can suggest the schedule that he/she prefers and if the team leader accepts it he/she will use this individual schedule.

HR department organizes a lot of lectures that could be useful for employees. The most often it lectures about stress on a workplace, healthy life style, how to recognize different diseases, etc. “It shows to our employees that the company cares about them and appreciate what they do for us” (Popova, Interview, 2016-03-03).

**Growth and development**

As was mentioned before Ekaterina came to the company and during four years created new department with 8 team members and to become the manager of this department. In the interview she mentioned that it is very easy to grow in the company and even to create something new. “If you have new ideas how to make the company better you always can set the meeting with manager and to discuss all your thoughts and if it’s worthy the manager will do his/her best to help you with implementation of your ideas” (Popova, Interview, 2016-03-03).
The other way to get a promotion is the department annual meetings where each employee presents his/her achievements (not personal but professional) and if it is impressive he/she has all chances for being promoted.

For employees’ development the company organizes a number of trainings including online trainings with special programs that the IT department creates for IBM employees.

Each employee has his/her own yearly goals that he/she has to achieve and individual KPI assessing program.

**Rewards system**

The company tries to keep the salary rate on an attractive level. But besides the salary employees can be rewarded in the end of year for their achievements. The percentage of reward depends on the position and the contribution to the company’s development. For sales men in depend on the amount and quality of sales, for example.

Moreover, the company provides a vide range of benefits and compensations. All company’s employees have medical and life insurance, discounts to gym, cafes and parking. Also, in the end of year the top management of the company thanked all employees for work in the company and for contribution of each employee to the overall development and treats sweets to everyone in the office.

### 4.2 Comparative analysis

*All findings on how multinational companies motivate their employees described in the previous paragraph. In this paragraph will be highlighted and united the main findings form previous part and will be carried out a synthesis and comparative analysis in two directions: between companies and between countries.*

Previous paragraph described the main findings from the interviews with company’s representatives. Personnel motivation in multinational companies is the fundamental case for analysis that has been discussed during the interviews. For making a complete comparative analysis it is necessary to analyze the two sides of the case. In particular to highlight the main differences between the approaches of employee motivation between the chosen companies and also between two selected countries. Yin (2009) outlined this method as a multiple-case design with multiple units of analysis.

#### 4.2.1 Differences in personnel motivation between the companies

As was mentioned before all chosen multinational companies are from different industries. From the table 1 it becomes clear that all organizations have different number of employees, revenues and history. The youngest company from the list is the Oriflame (Oriflame.com), it also has the lowest number of employees and revenue. The company with the longest history is the Deloitte (171 years) (Deloitte.com) but the biggest number of employees and revenue has the IBM (IBM.com).
Moreover, all these companies have differences between their representative offices. For American companies such as IBM and Deloitte the difference between the number of employees is not significant, but in Swedish multinationals the number of employees are more than in the same companies’ Russian offices, except Oriflame: it has more employees in Russia than in Sweden but it also could depend on the fact that the company’s actual headquarter is in Switzerland (Amadeus.com).

Despite the fact that these companies are considered to be the Swedish it is necessary to point out that many of them were sold in other countries. So the main office of IKEA is actually located in the Netherlands (ikea.com), the head office of the company Oriflame is in Switzerland (Amadeus.com), and the Chinese company overbought the business unit for the production of Volvo cars (Amadeus.com), although the main concern for the production of parts and components is still in Sweden with its head office in Gothenburg (volvocars.com).

All these facts are reflected in the company's corporate culture, management approach and in particular in the motivational system. In addition, despite the fact that all representatives of the companies indicated that the motivational tools used in the company adapt to the environment of the country in which the office is operating, there are standards which characterize the particular company and have to be observed by all subsidiaries.

Most of the companies pay great attention to corporate culture and to creation a friendly internal atmosphere in the offices. Typically, representatives of such companies more focused on the non-financial component of the motivational system. In particular, representatives of the company Oriflame nor again emphasized the development of entrepreneurial spirit, which allows employees to move forward and develop inside the company ((Lindgren, Interview, 2016-04-07; Aristova, Interview, 2016-03-22).

SCA’s representatives repeatedly highlighted the caring attitude towards its employees and the granting of responsible work to them. “This allows the company to develop in employees a sense of belonging to the company and involvement in the achievement of common goals” (Shelamova, Interview, 2016-03-23). Also, a broad responsible work makes employees feel their engagement. According to job engagement theory, than higher a job engagement level than motivated is employee (Robbins and Judge, 2013).

Volvo attaches great importance to corporate culture of the company (Volvo Code of Conduct) and representatives of the company believe that the company's brand plays a big role for employees and motivates them to be active in the company. Although the motivational tools that the representatives allocated more linked to the bonus system of the company ((Hatamian, Interview, 2016-03-31; Andreeva, Interview, 2016-03-25).

In IKEA the main driving force is equality in the company, the freedom to communicate with colleagues at different levels and the “family” atmosphere in the company (IKEA Group FY14 Yearly Summary). IKEA could be highlighted also because of the high level of equity and organizational justice. The number of assessments and result’s control points allows company to be as fair as possible. According to Adams’s equity theory it is very important for organizations to avoid injustice (Greenberg, 1989).

Deloitte and IBM highlight competitive high salary and bonus programs as main tools for motivating employees, but along with that these companies have strong corporate culture and distinctive features. IBM organizes teams in each department and makes people work together
Deloitte is different by its decentralized control and management system (Rehnberg, Interview, 2016-04-11).

The main common characteristics of companies with Swedish roots in personnel motivation are flexibility and freedom that employees have, high social status of workers in the company, respect and good relationships of leadership to its subordinates and the minimization of communication barriers.

In contrast, American companies focus more on financial instruments of employee motivation, the development of competition inside the company and achievement of settled individual goals.

But it is important to mention that despite the fact that all companies are different they all have points of contact. All listed companies appreciate the corporate culture of the organization. For people in the company it is nice to work for a well-known brand and for a large company, as well as the employers offer attractive salaries to them. The main duty of managers is not only retaining talented employees in the company through the creation of comfortable conditions for work, but also to development and to encourage employees by making them worthy for organization.

Motivation theories, which were described in the frame of references can explain the phenomenon of these companies’ personnel motivation. Even early theories reflect on motivational system. All chosen companies partially use Maslow’s pyramid. For example, SCA concerned about the safety of the workers in the factories and conducts regular exercises regarding safety in the workplace. All other multinationals also follow Maslow’s hierarchy of needs theory (1997). Regarding the physiological needs companies create comfortable working environment. To meet social needs, as was noted in the previous chapter, all companies try to create all conditions for free communication between employees at different levels, to give the opportunity to share knowledge and develop team spirit. By providing employees with the opportunities to feel their involvement in the activities of the company and by giving rewards for achievements and by recognitions, the company meets the needs of self-actualization and self-esteem.

Comfortable working internal environment helps to reduce employees’ dissatisfaction with their work, including relations with colleagues and salary rate which, according to Herzberg’s two factor theory, satisfies employees’ “hygiene” needs and the opportunities to achieve something, to develop, to get an acknowledgements and interesting work motivates them (Herzberg, Mausner and Snyderman, 1959).

One more theory that fits all companies is McGregor ‘s X and Y theory (1957). By supporting responsible job companies implies that their employees can be self-directed and creative at work if they are motivated properly.

Adam’s equity theory is also respected by all companies. Managers try to adequately and fairly evaluate each employee’s contribution and reward him or her equally. Evaluation of the contribution of each employee allows to conduct a variety of tests and programs to assess the effectiveness. So that the correlation between received rewards and efforts that were spent on specific tasks for achieving certain results will be equal (Greenberg, 1989). It also correlated with Vroom’s expectancy theory; it asserts the dependence of individual’s efforts from their
awareness of the achievement reality and desirability of its achievement (Wendelien, Henk, 1996).

For building equal rewarding system companies need goal setting process. All representatives noticed that the company yearly or quarterly sets goals for employees and for achieving these goals they get rewards. As Latham and Locke (1979) mentioned that the most important factor of motivation formation is the presence of specific conscious goals in employees’ mind that they try to achieve that’s is why all chosen companies use this tool for making the motivation process more effective and transparent for employee.

In general it is important to note that all companies use the same motivational tools but the difference lies in the fact that some offices put more emphasis on extrinsic motivation and others on the intrinsic. Table 3 shows the short description of differences that exist between chosen companies. All findings are presented based on received interviews, company’s documents and official websites. Highlighted columns indicate the total similarities that exist between all these multinationals. Moreover, all the instruments used by these multinationals can be reflected in early and contemporary theories of motivation.
<table>
<thead>
<tr>
<th>Career growth</th>
<th>Goal-setting</th>
<th>Job engagement</th>
<th>Punishment</th>
<th>Rewards</th>
<th>Recognition</th>
<th>Leadership style</th>
<th>Sense of involvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneurial spirit helps to get a promotion easily</td>
<td>Presents</td>
<td>The changeable range of responsibilities</td>
<td>No punishment</td>
<td>Bonus or/and promotion</td>
<td>Acknowledgement</td>
<td>Absolutely democratic</td>
<td>Developed</td>
</tr>
<tr>
<td>Initiative helps to get a promotion easily</td>
<td>Presents</td>
<td>The changeable range of responsible job</td>
<td>No punishment</td>
<td>Bonus or/and promotion</td>
<td>Acknowledgement</td>
<td>Absolutely democratic</td>
<td>Well-developed</td>
</tr>
<tr>
<td>Successful achievements of goals and experience helps to get a promotion</td>
<td>Presents</td>
<td>Strict range of responsibilities</td>
<td>In exceptional cases</td>
<td>Bonus or/and promotion</td>
<td>Acknowledgement</td>
<td>Democratic with slight control for young specialists</td>
<td>Well-developed</td>
</tr>
<tr>
<td>Successful achievements of goals, but it is not easy because of low staff turnover</td>
<td>Presents</td>
<td>Strict range of responsibilities</td>
<td>No punishment</td>
<td>Bonus or/and promotion</td>
<td>Acknowledgement</td>
<td>Absolutely democratic</td>
<td>Well-developed</td>
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<tr>
<td>Successful achievements of goals, but it is not easy</td>
<td>Presents</td>
<td>Strict range of responsibilities</td>
<td>In some cases</td>
<td>Bonus or/and promotion</td>
<td>Acknowledgement</td>
<td>More authoritarian because of control and strict range of responsibilities</td>
<td>Well-developed</td>
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<tr>
<td>Initiative helps to get a promotion easily</td>
<td>Presents</td>
<td>Strict range of responsibilities</td>
<td>In some cases</td>
<td>Bonus or/and promotion</td>
<td>Acknowledgement</td>
<td>More authoritarian because of control and strict range of responsibilities</td>
<td>Developed</td>
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<td>Salary</td>
<td>Compensation package</td>
<td>Collective events</td>
<td>Interpersonal relationships</td>
<td>Internal environment</td>
<td>Development</td>
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<tr>
<td>Salary+financial rewards for achievements</td>
<td>Is diversified for employees depending on position</td>
<td>Few events in a year including international conferences</td>
<td>Friendly and trusty</td>
<td>Friendly, relaxed, trusty</td>
<td>Internal trainings by professional interests and common interests</td>
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<tr>
<td>Salary+financial rewards for achievements</td>
<td>Is the same for all employees</td>
<td>Few events in a year inside the company</td>
<td>Friendly and trusty</td>
<td>Friendly, relaxed, trusty</td>
<td>Internal trainings by professional interests, common interests and for overall development</td>
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<tr>
<td>Salary+financial rewards for achievements</td>
<td>Is the same for all employees except company cars for some employees</td>
<td>Collective test-drives of new models and New Year/ Christmas celebrations</td>
<td>A little bit competitive, but with no communication barriers between levels</td>
<td>Friendly, trusty, but a little bit competitive</td>
<td>Different trainings depending on position and personal needs</td>
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<tr>
<td>Salary+financial rewards for achievements</td>
<td>Is the same for all employees including discounts on company’s products</td>
<td>Few events in a year inside the company</td>
<td>Friendly and trusty</td>
<td>Friendly, relaxed, trusty, “family” atmosphere and equality between all employees</td>
<td>Development talk with managers and a wide range of trainings</td>
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</tr>
<tr>
<td>Salary+financial rewards for achievements, nor for young specialists</td>
<td>Is the same for all employees</td>
<td>Few events in a year inside the company</td>
<td>More friendly than competitive</td>
<td>Flexible, with slight control</td>
<td>Internal trainings by professional interests and common interests</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary+financial rewards for achievements, nor for young specialists</td>
<td>Is the same for all employees</td>
<td>Few events in a year inside the company</td>
<td>A little bit competitive between the teams</td>
<td>Flexible, with slight control. Working in teams</td>
<td>Internal trainings by professional interests and common interests</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
4.2.2 Differences in personnel motivation in Russian offices and Swedish offices

There are not so much significant differences in personnel motivation between the multinational companies in Sweden and Russia. All motivational tools are the same first of all due to the fact that all the selected companies have a common basis of human resources management and general provisions about corporate culture, company’s values and goals.

Some tool could be adapted to local culture. Thus the developing of sense of involvement determined as an important incentive for employees but in Sweden there is paid more attention to creation suitable conditions for involving employee in company’s activities and to develop the sense of involvement than in Russia, where it is not common on practice.

The leadership style in Russia needed to be more authoritarian because “employees demand more control for being effective” (Andreeva, Interview, 2016-03-25). In Sweden the friendly atmosphere is very important and the democratic style helps to make it relaxed and comfortable for swedes employee to work (Rehnberg, Interview, 2016-04-1; Makoszewski, Interview, 2016-03-29). It means, that Russian managers take into account not only “Y” theory of McGregor, but also remember about the theory “X”, because some people need more time to fulfill themselves and to move from category “X” into category “Y” (McGregor, 1957), especially young employees.

In Russia the working conditions are more competitive for maintaining interest and tone in the company (Popova, Interview, 2016-03-03). It regards also to interpersonal relations. Swedish offices maintain good business relations with colleagues for long-term cooperation in contrast Russian employees maintains business and personal relationships with colleagues for short-term cooperation. Despite those fact managers in Russia is trying to keep team spirit in the company by organizing corporate events (Kim, Interview, 2016-04-18). It is very common practice in Russian offices to create a big event for all company’s employees. It also helps to show them that the company appreciates what they do for the organization.

The compensation package is a widespread addition to the salary especially in big multinational companies. In Sweden it plays important role for employees because some services are expensive and the benefits and compensation package could be good help for employees (Vaitkuviene, Balvociute, Stokus, and Sisteminiai, 2010). In Russia it doesn’t play an important role, even if it’s different for employees on different positions (Popova,
Most of Russian representatives mentioned that the main difference between compensation and benefits package is the lunch compensation that presents in Russian package. “It is typically Russian tool for showing employee that the company cares about him/her” (Aristova, Interview, 2016-03-22). Also, it is important to mention that the compensation and benefits package content could be absolutely different in Sweden and Russian it is fully adapted to local needs. In contrast the salary and bonus system is more standardized, first of all because it connected with the financial spending of the company.

The goal setting process in these companies, in Sweden as well as in Russia, confirm the efficiency of using Goal-setting theory as a motivational tool (Locke, 1968). Moreover, career growth and development opportunities, rewards system and recognition methods are very similar and equally important in Russia and Sweden, it helps managers to meet the expectations of workers. Offices in Russia and Sweden try to conduct all three key factors influencing motivation, which were highlighted in Vroom’s expectancy theory (Reinhart, Wahba, 1975).

Table 4 shows the short description of differences that exist between Russian and Swedish representative offices of the same companies. All findings are presented based on received interviews, company’s documents and official websites. Highlighted columns indicate the existence of differences.

**Table 4. Differences in using of motivational tools in Russian and Swedish offices**

<table>
<thead>
<tr>
<th>Motivational tools</th>
<th>Sweden</th>
<th>Russia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sense of involvement</td>
<td>It is important to create suitable conditions for involving employee in company’s activities and to develop the sense of involvement</td>
<td>The development of sense involvement is important but not common on practice</td>
</tr>
<tr>
<td>Leadership style</td>
<td>Very democratic</td>
<td>More authoritarian than democratic</td>
</tr>
<tr>
<td>Recognition</td>
<td>Acknowledgement on conferences</td>
<td>Acknowledgement on conferences</td>
</tr>
<tr>
<td>Rewards</td>
<td>The increase in salary or/and promotion</td>
<td>The increase in salary or/and promotion</td>
</tr>
<tr>
<td>Punishment</td>
<td>No punishment</td>
<td>Reprimand but not often</td>
</tr>
<tr>
<td>Job engagement</td>
<td>Trust responsible job</td>
<td>Trust responsible job with slight control</td>
</tr>
<tr>
<td>Goal-setting</td>
<td>Actively used</td>
<td>Actively used</td>
</tr>
<tr>
<td>Career growth</td>
<td>If to be initiative and entrepreneurial it becomes easy</td>
<td>If to be initiative and entrepreneurial it becomes easy</td>
</tr>
<tr>
<td>Development</td>
<td>A number of trainings and knowledge sharing programs</td>
<td>A number of trainings and knowledge sharing programs</td>
</tr>
<tr>
<td>Internal environment in the company</td>
<td>Friendly</td>
<td>More competitive</td>
</tr>
<tr>
<td>Interpersonal relationships</td>
<td>Maintaining good business relations with colleagues for long-term cooperation</td>
<td>Maintaining business and personal relationships with colleagues for short term cooperation</td>
</tr>
<tr>
<td>Collective events</td>
<td>Less common</td>
<td>More common for creating team spirit</td>
</tr>
<tr>
<td>-------------------</td>
<td>-------------</td>
<td>-------------------------------------</td>
</tr>
<tr>
<td>Compensation package</td>
<td>Is necessarily and plays role in motivation only if it is different depends on position</td>
<td>Is not so necessarily and plays not so strong role in motivation even if it is different depends on position</td>
</tr>
<tr>
<td>Salary</td>
<td>High salary rate is good motivation especially if it depends on the results</td>
<td>High salary rate is good motivation especially if it depends on the results</td>
</tr>
<tr>
<td>Financial bonuses</td>
<td>Yearly bonuses depends on achievements are good motivation to be more effective and initiative</td>
<td>Yearly bonuses depends on achievements are good motivation to be more effective and initiative</td>
</tr>
</tbody>
</table>

### 4.2.3. General description of standardization and adaptation process in multinational companies and findings

HR-strategy of the multinational corporations repeats its basic business principles in general. There are exist two main approaches for companies — globalization: use of common, global principles of business units in all countries; and localization: each office determines it’s path, reporting only the financial result (De Wit & Meyer, 1998; Dikcn, 1998; Levitt, 1983). In the past few years, the third approach is gaining popularity, which called glocalizations: think globally, act locally (Crawford, Humphries & Geddy, 2015; Carr & Garcia, 2003). It includes a combination of a global approach to key strategic issues with the local method of execution. Companies highlighted big benefits of this approach.

The main objective in the formation of globalization HR strategy is to correctly identify what needs to be unified and controlled by the head office and what is farmed out to local HR departments. Financial mechanisms, including budget, compensation system, and track key HR factors (primarily the rotation percentage and the level of employee satisfaction), clearly standardized in all local offices, as was found out during the interviews. The head offices also ensures that corporate values were broadcast in all regional offices (Andreeva, Interview, 2016-03-25; Rehnberg, Interview, 2016-04-11; Makoszewski, Interview, 2016-03-29 ). The task of the headquarters is the existence and implementation in all regional offices of certain HR initiatives for staff development. At the same time, in our cases, the local HR team is free to choose specific tools, provided that it does not contradict the basic HR principles. The companies established a unified system of grades and production functions that allows them to implement quickly move of people between the various offices, clearly understanding, what set of knowledge, skills and competences the employee possesses. This standardization allows to use effectively the native resources and do not attract others in case of shortage of specialists in one office and an excess in another, and also enables the employees to gain international experience.

At the same time local offices can tailor a uniform system of grades and production functions to its organizational structure, sometimes in establishing a very unique position and role.

Each office of these corporations shall annually assess personnel and formulate for each employee a development plan, but local offices do not restrict the choice of methods (Lubatkin, Ndiaye & Vengnoff, 1997). However, there are key competencies that must
comply with any staff member in any capacity, such as innovative thinking, result orientation, building effective relationships and communication system without barriers.

The companies annually develops and offers its offices a large number of internal trainings, prepare recommendations on training for production functions, however, the definition of the training plan of a specific employee is the task of the local office. Regional HR-departments are free to attract local suppliers of training services.

The combination of uniform corporate standards and local approach in HR policy and especially in motivation system is a very good solution for multinationals (Katz & Darbishire, 2000), which is confirmed by chosen companies’ financial success and high rate of employee satisfaction. Moreover, it gives a certain freedom of action and scope for creativity to local HR managers (Carr & Garcia, 2003).
5. Conclusions and Discussions

Modern multinational companies are complex organizations – business in many countries, a large number of functional units and business units. Motivation management and building organizational systems that support common goals and values of business in these companies becomes a nontrivial task, beyond the scope of classic theory and practices of national companies. At the same time the system must be capable of localization and certain universality, allowing to maintain the reproduction of managerial and professional personnel throughout the company, to provide the necessary mobility of human resources. Another important requirement is that the system of motivation in multinational companies need to build technologically advanced and transparent procedures for the motivation, including rewards, appraisals, trainings, promotions and career building.

The existing diversity of national business cultures necessitates research and considering the peculiarities of personnel motivation in different countries. These features, in turn, depend on historical, religious, climatic and other factors that develop under the influence of specific social environment of a specific country. The social environment at the family level, education and work leads to the formation of different value systems and preferences, behavioral patterns and stereotypes.

The knowledge of these value systems, the understanding of cross-cultural behaviors of people in different countries greatly increase management efficiency, not only in the global economy, but in the course of multinational company’s activities.

The development of globalization inevitably leads to the fact that the leaders of the future will have to operate in conditions of cultural diversity, involving a variety of approaches to management and production, personal behavior and values, relations between races and genders. They should be aware of not only economic and legal differences, but also differences of social and motivational nature.

At the present time there is no doubt that human resources play a more important role in the development of the economy than material resources that working with staff is one of the main functions of management and entrepreneurial policy of the company. In order to efficiently use the company’s human resources, it is necessary to create for people the conditions in which they would like to work for the benefit of themselves and the organization. For this companies need to create in the organization a system of motivation that will allow to have an influence on the behavior and motives of the staff in the organization, guiding the behavior of employees in organizations need to track. If the responsibilities will meet the needs of employees, there could be expected that they will strive to complete this work more efficiently, introducing its contribution to the successful functioning of the organization.

The strategy in the sphere of motivation that is effective in one cultural setting may be offensive to another. Leaders, who can understand, appreciate and effectively motivate colleagues belonging to different cultures, will be the most valuable resource in the future.

Current research showed that foreign operations of MNCs have to solve the dual problem, aimed, on the one hand, on compliance with internal corporate standards of conduct, and on the other on the implementation of the rules of the institutional environment of the host country. Therefore, any multinational company at some stage tends to resort to integration
practices of personnel management implemented in the home country and the host country of the division. The process of this integration multi-stage and should include three phases: control of HR operations in the branch; a gradual effective transfer of HR practices from the parent company in the foreign unit; adaptation of transferred practices with the requirements of the parent company and local conditions. As a result of analysis of strategies of personnel motivation in the multinational companies it was found that in practice multinational companies operating very similar in different countries and there were more differences between companies than between countries. In this case all chosen MNCs use the same motivational tools, as they have relatively similar characteristics, including organizational structure, number of employees and the modern approach to human resource management. But each company has its own brand features and tries to preserve what distinguishes them from others in their representative offices in all countries. HR managers of these companies unanimously highlighted that some of the processes of employee motivation need to be adapted to local culture and needs. In most of the cases the financial part of motivation, including rewards and changeable salary rate, was standardized and was under the control of headquarter. In contrast, intrinsic motivational tools were more flexible for adaptation. It means that MNCs choose the middle strategy between total standardization and total adaptation, which could be called glocalization.

5.1 Practical Implications

Empirical findings from this research can be useful for companies, which are going to enter the international market, and are forced to adjust the existing motivation system in the organization under the future changes. A set of tools, which are highlighted in the practical part, will help to understand what kind of inceptives well known multinational corporations use in the modern business environment. Another important question is how to implement these tools in other countries without loosing peculiarities, which make the company different from others. Managers are interested in attracting highly skilled and educated workers to perform tasks aimed at achieving strategic goals and tactical objectives of the organization. In this regard, the Manager must organize the work of subordinates, coordinate their work, to provide the necessary material and financial resources to build an adequate system of motivation management using basic principles and implementing best practices. For companies, which don’t have enough international experience on the first stages of internalization it is important to understand that the common modern trend in the use of motivational tools companies is a shift from material incentives to a holistic approach and not globalization strategy, but glocalization.

5.2 Recommendations for future research

Despite the fact that the purpose of this thesis is achieved and some of the findings can be used in practice, it is necessary to mention that the study still leaves many unsolved aspects.

One of these aspects could be the deeper analysis of cultural differences between two countries by using Hofstede’s cultural dimensions and the analysis of reflection of these dimensions on the adapting specific motivational tools to them.

In addition there were chosen for analysis mainly Swedish MNCs that operates in Russia as well. For fully understanding of the process of using motivational tools in multinational
companies it could be useful to analyze other countries with rich experience in HR practices, such as UK and German, as an example.

Another, interesting addition could be done for future research in term of leadership. Most of the chosen companies’ managers notice that the leadership style plays an important role in personnel motivation. In some cases it needs to be more authoritarian in other cases the leader should be more democratic. So, it would be interesting to find the correlation between the personnel motivation and the leadership style and its adaptation to the specific country.
References


Kvale, S. (2006). Dominance through interviews and dialogues. Qualitative Inquiry, 12, 480-500


Appendix 1

Personnel motivation in multinational companies: standardization and adaptation

The aim of this work is to identify ways of organizing a motivation system for employees in transnational companies and conducting a comparative analysis of motivational instruments used by companies in different countries (in particular, in Sweden and in Russia).

All provided information will be used only for research purposes and all your wishes in terms of confidentiality will be respected.

Questions for the interview

I. Introduction/Personal information

- Position in the company
- Main duties
- Number of employees in the company
- Number of your subordinates (if any)
- Please briefly describe your experience in this company.
- Please briefly describe your previous experience.
- Have you worked in the company’s representatives in other countries?
- What is your role in motivating personnel?
- What motivates you personally?

II. Motivation of personnel in the company

1. What are the main instruments used by the company for motivating employees?

Corporate culture

2. Are there in the company codes, manuals, books, journals and other materials that directly or indirectly relate to motivation? (code of ethics – influence ethical aspect on motivation, manual on organizational culture, boards or documents with mission and purpose of the organization and so on)

3. To what extent the internal environment of the company is directed at motivating employees (administrative policy of the company, working conditions,
величина заработной платы, межличностные отношения с руководством, коллегами, подчинёнными)?

4. Как вы можете охарактеризовать сложившийся в компании стиль управления (более авторитарный - предполагающий строгий контроль и наказание или демократический - предполагающий самостоятельность сотрудников, высокую степень ответственности и поощрения)?

5. Как компания развивает в сотрудниках чувство причастности (принадлежности) к деятельности компании?

Рост и развитие

6. Как вы думаете, имеют ли сотрудники компании достаточно возможностей для самореализации и чувствуют ли признание со стороны руководства? Каковы ваши личные ощущения?

7. Предоставляет ли компания сотрудникам возможности карьерного роста и как?

8. Проводит ли компания тренинги для сотрудников (обучающие по специальности, внутрифирменные обучения, ротации, развития талантов и пр.)? Как это влияет на мотивацию сотрудников?

9. Практикуются ли в компании внутрифирменные перемещения из страны в страну (International assignments, exchange programs, etc.)?

10. Проводит ли компания полезные для сотрудников лекции (об оказании первой медицинской помощи, стрессе, гимнастике на рабочем месте, выявлении болезней)? Как это влияет на мотивацию сотрудников?

11. Проводит ли компания коллективные мероприятия? (новогодние праздники, день спорта и др.). Как это влияет на мотивацию сотрудников?

Система вознаграждения

12. Существует ли в компании система вознаграждений и/или «наказаний»? Опишите ее, пожалуйста

13. Ставит ли компания перед сотрудниками определенные цели и вознаграждает ли за достижение поставленных целей? (goal-setting theory) Как работает эта система?

14. Какие бонусные программы компания предоставляет сотрудникам?

15. Зависит ли уровень заработной платы от личных профессиональных достижений сотрудника? Каким образом?

16. Предоставляет ли компания компенсационный пакет сотрудникам? И что в него входит (полисы ДМС, скидки в тренажерный зал, родовспоможение, оплата за транспорт и обед и др.)

III. Мотивация персонала на международном уровне.

1. Одинаковая ли система управления персоналом в главном офисе и представительстве в России? Устанавливает ли главный офис для всех представительств стандарты управления и мотивирования персоналом?

2. Или же вы адаптируете подход к мотивации сотрудников в компании, что отличает вас от представительств в других странах и от главного офиса?
3. Насколько и как инструменты используемы для мотивации сотрудников адаптирована
   • к российской культуре, менталитету
   • к требованиям законодательства
   • к особенностям локального рынка труда
   • к локальной бизнес-культуре и принятой HR-практике
   • к социально-экономической ситуации в стране
4. Знаете ли Вы в чем заключаются различия мотивирования персонала в других странах в сравнении с российским представительством?

IV. Свободный диалог

Возможно, в компании существуют другие интересные факты о мотивации сотрудников? Не могли бы Вы о них рассказать?
Appendix 2

Personnel motivation in multinational companies: standardization and adaptation

The purpose of this thesis is to identify ways of organizing motivational system for employees in multinational companies in different cultural environments and to make a comparative analysis of motivational tools that companies use in different countries (in particular Sweden and Russia).

All information will be used only in research purpose and all your wishes regarding confidentiality will be observed.

Interview questions

V. Familiarity/personal information

- Position in the company
- Key responsibilities
- Number of employees in the company
- Number of your subordinates
- Could you please briefly describe your experience in this company?
- Could you please briefly describe your previous experience(s)?
- Have you ever had to work in representative offices in other countries? Could you please describe this practice?
- What is your role in personnel motivation?
- What motivates you?

VI. Personnel motivation in the company

1. What are the main tools used in the company to motivate employees?

   Corporate Culture

2. In this company, are there any codes, manuals, books, magazines, etc. directly or indirectly related to motivation? (Code of ethics, the Handbook of organizational culture, stands or documents with the mission and the goals of the organization, etc.)
3. Could you please describe the internal environment of the company? Does it provide the right conditions for employee’s motivation (the policy of the company, working conditions, salary, interpersonal relations with the managers, colleagues, subordinates)?

4. How would you describe the management style in your company? (More authoritarian style with strict control and punishment or democratic - with the autonomy of employees, a high degree of responsibility and promotion opportunities)?

5. Does the company provide employees a sense of involvement (belonging) to the company and self-expression opportunities and how?

**Growth and Development**

6. Do you think the employees have opportunities for self-realization and do they feel recognition from the management? What are your personal feelings/experience[s]?

7. Does the company provide employees with opportunities for career growth and how?

8. Does the company have training programs for employees? What is its influence on the level[s] of motivation?

9. Does your organization participate in any employees’ international exchange programs? How do you prepare employees for these programs?

10. Does the company provide any types of lectures for the employees (on first aid, stress, gymnastics in the workplace, identifying diseases, etc.)? What is its influence on the level[s] of motivation?

11. Does the company have collective events? (New Year celebrations, sports day, etc.) What kind of events do you have?

**The system of rewards**

12. Does the company have a system for rewards and "punishments"? How does it work?

13. Does the company set goals for employees and reward them for achieving those goals? Could you please describe the goal setting process?

14. What bonus programs do you have in the company? Could you please describe them?

15. Does the level of salary depend on employees’ professional achievements? How does it work?

16. Does the company provide compensation package[s] to the employees? And what is included (VHI, discounts at a gym, obstetrics, payment[s] for transport and lunch, etc.)

**VII. Personnel motivation on international level**

1. Could you please describe the influence of countries' specific features on employee motivation system in your company? (Swedish cultural features, Requirement[s] of the local legislation, Local business culture and business needs, Social-economic situation in the country)

2. Do you know what the differences are in employee motivation in other countries in comparison with your office? How would you characterize these differences?

**VIII. Free communication**

Could you please provide any other available information about motivation in your company that could be interesting to me that I didn't mention?
Appendix 3

Source: COSMOS Corporation. Four Types of Designs for Case Studies