Reinforcing Work Motivation

- a perception study of ten of Sweden’s most successful and acknowledged leaders

Master thesis within business administration
Authors ©: Alexander Hall
            Niklas Nyman
Tutor: Tomas Müllern
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Abstract

Problem
In pace with a noticeably fiercer global competition and an increased customer awareness, today’s organizations are faced with vast requirements for higher productivity and stronger customer-orientation. This transformation has denoted that human resources have become more and more accentuated, and a consensus has grown for the true power embraced within them. In Sweden, some few prominent leaders have distinguished themselves by being highly successful in reinforcing employee motivation, and their knowledge and experiences are priceless in the pursuit of utilizing the full potential of the workforce.

Purpose
The purpose with this thesis is to study how ten of Sweden’s most successful and acknowledged leaders view and work with employee motivation and critically examine their standpoints. The purpose is furthermore to exemplify how other leaders can strengthen employee motivation through adapting these motivational suggestions.

Method
Qualitative cross-sectional interviews were conducted for the empirical research, holding a hermeneutic and inductive research approach.

Respondents
The respondent pool is comprised by both commercial leaders, as well as leaders from the world of sports. They range from being managers over purely service-focused organizations, to being founders of innovative product-producing organizations.

Theories
The major areas, which are touched upon are; general work motivation, intrinsic/extrinsic motivation, communication, and lastly empowerment, responsibility and participation.

Conclusions
Four major areas influence employee motivation (The Society and Social Surroundings, The Organization and Business Environment, The Manager and The Employee). This is visualized in the “Four-Factor Model”.
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Former President and CEO of SAS, former President of Linjeflyg and Ving, Founder and Executive Chairman of Ledstiernan

Marika Domanski-Lyfors
Coach of the Swedish national ladies’ team in soccer

Sven-Göran Eriksson
Coach of the English national team in football, former coach in premier league teams in Portugal, Italy and Sweden

Bert-Inge Hogsved
Founder, owner and CEO of the Hogia Group

Johan Staël von Holstein
Founder and former President of IconMedialab

Lars-Johan Jarnheimer
President and CEO of Tele2 and former President of ZTV, Comviq and Saab Opel Sweden

Bengt Johansson
Coach of the Swedish national team in handball

Ingvar Kamprad
Founder, owner and Executive Chairman of IKEA

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1 Introduction

This chapter presents the background upon which the thesis theme is based. It also gives an entrance to the specific problem definition, and culminates in the purpose of the thesis. The chapter will furthermore address the delimitations of the thesis, suggests feasible interested parties and finally provide an outline, which illustrates the course of action.

1.1 Background

Since the emerge of the commercial world, as we today know it, companies have always tended to implement strategies and organize their inner structure in accordance with the time suiting recommendations and trends of what has been regarded as optimal and most effective. Research within the area has since then, along side with implemented strategies in practice, varied greatly depending on both values, beliefs and development in the internal and external surroundings (French & Bell, 1999).

In pace with the industrial revolution in the beginning of the last century, the pursuit for higher productivity and profits intensified, and an aspiration for sustainable competitiveness started to emerge. Theorists and field researchers, such as Max Weber, Henri Fayol and Frederick Winslow Taylor, initially stressed the importance of structurized hierarchic organizations, where supervision and centralization were main elements. This view changed during the decades though, partly due to environmental changes and conditions, and partly since newer and more modern forms of managing organizations emerged (Hatch, 2002).

The later period, the post-industrial\(^1\) era, was instead symbolized by an increasing emphasis on flexibility, decentralization and vertical communication, all in line to meet the new circumstances on the market (Styhre, 2002). These theories, which in addition suggested constructions such as flatter and more informal organizations, continued to develop during the 1980’s and 1990’s. In this later period a radical shift could moreover be observed, where human resources – employees – were no longer seen as disempowered production assets, but rather as individuals, which the company heavily depended upon (Lussier & Achua, 2001). Although the stronger emphasis on employees capabilities, what still had remained intact in the way of reasoning, was the concentration on price and product as the main competitive forces (Styhre, 2002).

In today’s economy, in the twenty-first century, the circumstances for organizations have changed dramatically and created a totally new marketplace. Competition constantly has become intensified and more obvious, as the business climate has become fiercer for every day. This trend is characterized by, for instance, smaller companies with limited or inadequate resources being knocked out by big chains and larger actors on the market. What is more, the widespread internationalisation gives Asian and East European countries’ economies the possibility to develop tremendously, both with regard to pace and extent. These low-cost countries are hence gaining increased market shares with means of lower

1 This organizational era is considered to make its appearance approximately in the end of 1960’s
production costs and effective production. Simultaneously, once high-productive countries in Europe and in the USA have had to yield to these faster growing countries, such as China, Korea and Poland (Engqvist, 2004).

Due to this broader supply on the market, combined with an increased customer awareness and flow of information – through mass media and newer technologies such as the Internet – customers’ knowledge and demands for products and services have amplified. As a result of this movement, where well-informed customers demand and expect higher quality and better products and services, organizations must be able to provide these requirements to retain and attain customers on the market (Ferrell, Hartline & Lucas, 2002). Observant companies have, in order to remain competitive and meet the higher customer demands, increasingly started to adjust their business towards the market and the customer (Rogers, Clow & Kash, 1994). This customer-orientation initiates that more stress nowadays is being put on how to increase the benefits perceived by customers as valuable, and how to go about to facilitate the deliverance of a higher total customer value. Ekstedt (2002) means that this transformation process and change in customer pattern, which is observable on the market, is the product of a mutual dependency between supplier and customer. It is therefore crucial for organizations to cooperate and invite customers into the corporate context, not only to attract new customer, but also in order to build up sustainable customer relationships (Anderson & Narus, 2004).

The changes in market conditions, also manifested by more rapidly changing purchase preferences, have created a intricate market where product life cycles ultimately also have been modified. According to Pfeffer (1998) recent years’ development with rapidly shifting fashion trends and preferences of purchase, have tended to shorten product life cycles radically. Given that these circumstances are appearing, companies not only are required to continuously develop innovations but, perhaps even more, they need a workforce which is able to produce and deliver these new products and services fast (Pfeffer, 1998). Another statement, which strengthens the importance of fast production, is Stalk’s and Hout’s (1990) findings proving that profits, costs and market shares are all concerned with the speed, which the organization is possible to deliver a product or service to the market. This implies that large advantages can be derived from higher efficiency and productivity, not only in order to reduce costs and stay competitive in a global context, but also to give the market products in time.

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2 Total customer value involves “The total of the entire product, services, personnel and image values that a buyer receives from a marketing offer” (Kotler & Armstrong, 2004)
1.2 Problem definition

In the light of several aspects such as those discussed above, i.e. higher customer expectations and demands and a strong agreement for the need of higher productivity, company’s employees have converted into a crucial success factor. Pfeffer (1998) argues that this can be seen as a result of other sources of competitive success having become less, or even insignificantly, important. Traditional success factors, such as product and process technologies, economies of scale, and access to financial resources are still important. However, these resources can relatively easily be acquired on varying terms by a wide range of competitors (Storey & Sisson, 1993). The complexity involved in duplicating organizational human resources, corporate culture and capabilities though, imply that management of people now have become comparatively vital on today’s market. It is no longer a question of what resources are used, but rather how these resources are used and delivered.

“... it is people that make the difference”

(Storey & Sisson, 1993:1)

In concurrency with the increasing market dynamics, global rivalry and the stronger attention to employees, a higher given priority to employees’ condition to work assiduous and customer-orientated is required (Pfeffer, 1995). Managing human resources and utilizing the potential benefits embraced within them therefore has become one of the most accentuated tasks for managers around the world. Consequently, this implies that managerial engagements to motivation and motivational determinants now show strong current interest and organizations have to focus on creating a strong employee motivation (Nelson, 1994). Researchers have however long been engaged in finding answers to human behaviour and drive, and the topic has been subject for many profound discussions in managerial and psychological literature throughout the years (Leonard, Beauvais & Scholl, 1999).

Some of Sweden’s foremost successful and well-known leaders have shown outstanding performance in handling this psychological phenomenon, and stood out among the many leaders trying to encourage employee motivation. The fundamental topic in this unique thesis, concerned with work motivation on top level, is what drives employees to work more industriously, and how successful managers actually go about in motivate their workforce. In order to investigate this, the authors have conducted exclusive interviews with ten of Sweden’s most distinguished leaders, solely found at the top stratum of the commercial and sport world.

It is assumable to believe that a great part of these prominent leaders’ success can be found in their way of managing and motivating co-workers, and therefore their views and ideas of how to reinforce motivation are highly fascinating. There are moreover reasons to believe that the amalgamation of leaders from the world of sports – their views and techniques – and “traditional” commercial leaders, potentially can generate many valuable parallels and

3 No separation will be made in this thesis between leaders and managers in sense of formal appointment
drawn conclusions applicable in the commercial arena. Many scholars have indicated that the instruments and leadership characteristics in today’s commercial world actually derive from both the military and the world of sports (e.g. Raalte & Brewer, 2002; Weinberg & Gould, 1999).

Intriguing, and of society interest, is how these leaders manage to inculcate motivation into employees and co-workers and what recommendations they have to share. All consulted respondents in this thesis are well known for their exceptional leadership skills and achievements in creating superior businesses, and activating employees. The ten respondents included range from leaders from the service market; Lars-Johan Jarnheimer (Tele2), Jan Wallander (Handelsbanken), Jan Carlzon (SAS), Johan Staël von Holstein (IconMedialab), and the product market; Ingvar Kamprad (IKEA), Stefan Persson (H&M), Bert-Inge Hogsved (Hogia AB), to Swedish national and international leaders within sports; Sven-Göran Eriksson (football), Bengt Johansson (handball) and Marika Domanski-Lyfors (football). The multiplicity and frontier-crossing selection not only strengthens the principle of the thesis, which is to investigate successful leader’s general views regarding employee work motivation, but furthermore makes it applicable in a greater perspective. With this eminent and multifarious compilation of respondents, the authors now aim to take upon the task of forwarding and interpreting these leader’s thoughts and counsels of how to strengthen employee work motivation.

1.3 Purpose

The purpose with this thesis is to study how ten of Sweden’s most successful and acknowledged leaders view and work with employee motivation and critically examine their standpoints. The purpose is furthermore to exemplify how other leaders can strengthen employee motivation through adopting these motivational suggestions.

1.4 Delimitations

Due to the diversity and width of the motivation concept, the thesis will only study work motivation and possible means to stimulate the same. This implies that conceptualisations such as job satisfaction and goal establishment, which can be seen as a prerequisite for achieving motivation, will not be elaborated to the same extent as work motivation. Moreover, this also entails that neither employee loyalty nor the distinction between female and male views on and reception of motivation, will be included in this study.

The thesis in addition aims at examine motivation on a general employee level. Many factors can influence on employees’ behaviour depending on; where in the organization they work, in what branch, in what country they are active etcetera, but this will however not be subject of discussion.

The purpose can be described by stressing the concentration on business managerial perspectives and undertakings, where sport leadership mainly create support and possible notions that can be applied in the commercial world. This however, does not denote that sport leadership is not applicable to the thesis, it rather reflects the authors’ academic focus on economy and business administration. Finally, due to limited time no attempts to include military leadership will be made in the thesis what so ever.
Introduction

1.5 Authors’ backgrounds

Both Alexander Hall and Niklas Nyman are full-time students at Jönköping International Business School in Sweden and will receive their diploma in Master of Science in Business Administration during 2004. The students’ major subjects touch upon international corporate management and strategy and international marketing.

A contemporary period of study at Singapore Management University and a mutual academic interest for human behaviour and organizational motivation, are two reasons why the authors have been brought together. Both have furthermore professional experience within positions such as, front line reception, marketing assistance, sales and management consultancy in common.

1.6 Targeted interested parties

This thesis provides views, knowledge and indirect experiences gathered from the lifetime of ten highly successful managers and leaders. It would be bashful and next to foolish to withhold the fact that the empirical material provides substantial information, otherwise not easily gatherable and accessible to the great majority of people. Due to the magnitude of the respondents, their positions in society and well-recognised success, we believe a great number of parties can be interested in this thesis’s results. Moreover, by reason of the public interest and general application of motivation within organizations, the thesis applies to several possible interested parties. It is however still of great significance to identify and account for potential knowledge users (Goldkuhl, 1998).

With our respondents kept in mind we are able to locate one main group, which could benefit greatly for the information and conclusions drawn from our findings. This group is made up mainly by high-positioned executives and HR\(^4\) managers in multinational companies\(^5\), who are experiencing problems with reaching productivity and motivation among the workforce. A second application area can be found within micro, small and middle-sized organizations\(^6\), which many times do not have time to work actively with motivational raising measures (Donkin, 1998). The authors believe these leaders moreover can benefit from the interchange with leaders operating in larger companies.

Finally, a last interested party could be, as initially discussed in the introduction, leaders within sports organizations or within the military. As we hope to see, many parallels and similarities can be observed between the commercial world and world of sports. This will certify our suggestion that also this group potentially can acquire high-valued information from our thesis.

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\(^4\) Human resource

\(^5\) With multinational companies, companies active within several countries and having thousands of employees are implied

\(^6\) This includes companies with a workforce ranging from 1-249 employees (Powerinfo, 2004)
1.7 Disposition

To facilitate an accurate comprehension of the thesis structure and give the reader a synopsis of the succession, a thesis outline is provided alongside with an illustration (see figure 1.1). The central sections in each chapter is mentioned, and the main thread visualized.

Chapter one commences the thesis by presenting the problem background and definition, which have the aspiration to initiate the reader into the thesis’s purpose. After presenting the purpose, the chapter culminates in a briefing about the thesis’s delimitations and targeted interested parties.

Chapter two describes the authors’ methodological choices, upon which the theoretical framework and empirical research is based. This chapter is an illumination of the scientific approach, conduction of empirical research, and finally data collection and analysis.

Chapter three can be seen as a ramification of chapter two and presents the theoretical framework. In this chapter relevant theories, such as concepts and models within motivation, rewards, communication, information sharing and delegation, will be accounted for.

Chapter four gives a presentation of each respondent included in this study. It includes both events before becoming recognised, and also feats in capacity as well-known leaders.

Chapter five submits the empirical findings originating from the interviews. A subject disposition has been chosen, where the interview results has been integrated in order to provide optimal clarity and understanding for the findings.

Chapter six compares and analyses the empirical findings presented in chapter five with earlier discussed theories and models in chapter three.

Chapter seven completes the thesis with a discussion and drawn conclusions. Here a final feedback coupling will be made to the initiating chapter on studied problem and purpose.
Method

2 Method

This chapter presents the methods used for the literature study and empirical research. Initially, the scientific and research approach is discussed, and is followed by a description of the data collection and data analysis. The chapter ends with an evaluation of the thesis’ trustworthiness and further includes a critical view of the method procedures used throughout the study.

2.1 Theoretical approach

The first methodological aspect to clarify is which theoretical approach was used in the research. There are several approaches explained by the scientific literature, but the positivistic and hermeneutic approaches are the two that dominates the discussion in the science theory. According to Eriksson and Wiedersheim-Paul (1997) the positivists regard knowledge to be absolute, whereas the hermeneutics mean that all knowledge is relative.

In the positivistic view, knowledge is created based on relations between cause and reason and the analysis should be tested in a logically manner. Patel and Davidsson (1994) claim that the goal with the positivistic approach is to gain such a high degree of objectivity that as high level of reliability is obtained. This thesis does not aim to find those cause and reason relationships nor to test the findings logically, and as objectivity is not in focus in this study the positivistic view fails to leverage as an appropriate approach.

In contrast to the positivism the hermeneutic view aims to explain the social context, interpreting the knowledge found in order to bring clarity to a problem, to explain feelings and impressions, and to get deeper understanding of the problem investigated (Eriksson & Wiedersheim-Paul, 1997). Leadership and motivation is very much a social phenomenon, and with this in mind, together with the discussion above failing the positivistic view, a hermeneutic approach is best suited to fulfill the purpose of this thesis. The knowledge found in the research is highly subjective and relative to the respondent’s experiences in his/her individual environment. A hermeneutic approach makes it possible to exclusively take advantage of the respondents subjective and experienced views on motivation.

2.2 Research approach

Continuing the discussion above and the choice of theoretical approach, the research approach has to be determined. In accordance to the purpose of the thesis and the choice of the hermeneutic approach a qualitative research approach was chosen. Using a qualitative research with in-depth and open-ended interviews makes it possible to dig deeper into the respondents’ thoughts and experiences regarding motivation, and to get even deeper understanding of underlying thoughts, reasoning and behavior. This is exactly what Blaxter, Hughes, and Tight (1997) claim to be the most advantageous reason of doing a qualitative research – to understand how people feel about or lives their experiences. Leadership and motivation is highly subjective to respective leader and his/her environment, and this thesis aims to find and analyze those subjective and personal views of the ten leaders. To maintain the subjectivity and to be able to catch the uniqueness of each respondent, the re-
search has to be qualitative. Holme and Solvang (1997) explain that using a qualitative approach to a study is the best if the researcher wants to see the problem in a variety of ways, to get deeper understanding, and to identify causal connections. Holme and Solvang (1997) further claim that a qualitative approach gives a more comprehensive picture as it generates more profound information. Having a qualitative research approach with open discussions where the respondent is able (and expected) to freely discuss and reflect upon motivation based on his/her personal experiences, makes it possible to, exclusively, access the respondents personal views of motivation.

On the other hand, a quantitative method makes it possible to statistically draw conclusions and generalizations and, as Saunders et al. (2003) claim, to study relations between variables. This method makes it possible to make interpretations of data, which can indicate certain patterns and behaviors that are statistically secured. Indeed, such interpretations might be interesting in a study about motivation, if the purpose is to draw statistical conclusions about the population’s motivational behavior. However, the quantitative data obtained by such research would only scratch the surface of a phenomenon like motivation, which in this case demands a deeper understanding. Thus, a quantitative approach would not fulfill the purpose of this study and a qualitative research was therefore chosen.

2.3 Data collection and analysis

The qualitative research was made as a cross-sectional study using in-depth interviews with ten respondents. The respondents have carefully been selected to fit the study and to make sure that each of them contributes to fulfill the purpose of the study. A cross-sectional study was mainly chosen due to time constraints, and a longitudinal study is recommended for future research on this topic.

As a qualitative research approach was chosen a number of qualitative research methods were available, focus groups, experiments, observations, interviews et cetera (Silverman, 2001). Interviews were chosen since it best suits this type of study; as mentioned above motivation is subjective to the certain leader and his/her leadership environment, which makes it natural to use personal interviews instead of focus groups, and it is difficult to arrange for experiments. Observations would have been possible if a longitudinal study was chosen where the leader would have been followed during a longer period. However, due to time constraints it was not feasible in this study. Thus, personal interviews was the natural choice of data collection method.

Qualitative research methods generally adopts inductive processes, and quantitative generally deductive (Hyde, 2000). The deductive process is characterized by a research that descends from a body of theory that is tested by the empirically research, whereas in the inductive process the data is not colored by theories – the researcher commences his/her study with an open mind not influenced by pre-studied theories (Strauss & Corbin, 1994). In this study the research process (reviewing literature, collecting primary and secondary data, conducting the analysis et cetera) has not followed a clear inductive or a clear deductive approach, rather a combination. If the inductive and deductive views are seen as two ends of a continuum, this study is leaning more towards the inductive process, but not to the extreme. The aim was to make the respondents talk free and openly about their thoughts and experiences regarding motivation, without intervention of theories and other
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influential sources. However, the enquiry started with a brief outlook of relevant literature with the purpose to find a very broad series of topics to be discussed during the interviews. The question asked by the authors in this stage was: “Which areas related to motivation are frequently discussed in the literature?” Without any deeper analysis of the present literature the most significant topics were selected to form the interview guide (appendix A). Using an interview guide based on a brief pre-study of the literature steers the research towards the deductive end of the scale, and critics might see this as a great influential source. However, the respondents were talking freely from their own thoughts and experiences without being influenced by the theory. The interview guide was just used by the interviewers (the authors) to keep the discussion on the right track and to avoid digressions. This turns the steering wheel back towards the inductive view, and the fact that theories were added after the data collection just to be able to analyze the empirical findings actually makes the study more inductive than deductive.

2.3.1 Selecting the respondents

The empirical study was conducted in forms of depth interviews with ten successful Swedish leaders. The aim was to gain deep understanding of their views on motivation and how they work with it. The respondents were carefully selected from the following criteria:

1. The respondent is a well-known Swedish leader
2. The respondent is known for his/her inclination for motivation
3. The respondent is working / has been working in a successful company/team
4. The respondent pool should provide a multiplicity and frontier-crossing selection, and accordingly represent different sectors in Swedish commercial life.
5. At least three of the respondents are famous sport leaders

A first condition, which much is a result of the later fulfilled criteria, is that the respondents should be well-known leaders in the commercial sphere, respectively the sport world in order for the reader to have a hint of their personage. A second criterion for selecting the respondents is, naturally, the inclination for motivation the staff/team members. The respondent should have a proven track record in motivation, whatever it is within the sports world motivating team members or whether it is about motivating the staff in the business context. The third criterion that the respondent is, or has been, working in a successful company or team is to ensure that their motivation has given results of the organization/team. To determine this general market data or company history data has been used. The fourth condition implies that successful leaders from a broad selection of sectors could facilitate for many interest parties to identify with the respondents. This is however no attempt to generalize the results, but rather a way of including the most acknowledged names in commercial life, regardless of sector. The fifth and last criterion, to include a few sport leaders, was to see if the motivational factors solely were applicable to the business environment, or whether the findings also could comprise other social contexts, such as the
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sport world. Moreover, having a few charismatic sport leaders widens the scope of the study, which extends the empirical findings to also include factors not found in the business context. The reason of choosing just three sport leaders was because the focus still is on the business environment and the sport leaders’ role in this thesis was to increase the possibility to generalize the findings, and to pinpoint the usefulness in different contexts. The three sport leaders included in the study are three well-known and successful leaders in team sports, who are known for their good motivation of team members.

The respondents selected for this study are (in alphabetical order): Jan Carlzon (SAS), Marika Domanski-Lyfors (The Swedish national women football team), Sven-Göran Eriksson (The English national football team), Bert-Inge Hogsved (Hogia Group), Johan Staël von Holstein (IconMedialab), Lars-Johan Jarnheimer (Tele2), Bengt Johansson (The Swedish national handball team), Ingvar Kamprad (IKEA), Stefan Persson (Hennes & Mauritz), and Jan Wallander (Svenska Handelsbanken).

All respondents are thoroughly introduced in the biography chapter (chapter 4), presenting their backgrounds and how they contribute to this thesis. It is crucial to understand their backgrounds to understand their contribution to the thesis.

2.3.2 Secondary data

Several respondents have published books or other publications within the leadership and motivation subjects. These have been used as secondary sources, mainly for their biographies in chapter four, but also for clarifications and some complementary information.

2.3.3 Conducting the interviews

As discussed above, the interviews were made as open-ended discussions rather than structured interviews. The aim was, in accordance to the purpose and the method approach, to get deeper understanding of the respondent thoughts and experiences, than if a structured approach would have been used. The interviews followed an interview guide with broad discussion topics (“appendix 1”).

Where feasible, the interviews were conducted as personal interviews, however telephone interviews were held on respondents’ request and due to difficulties in practicability. Personal interviews were held with, Jan Carlzon, Marika Domanski-Lyfors, Johan Staël von Holstein, Bengt Johansson, and Jan Wallander. Telephone interviews were held with Sven-Göran Eriksson, Bert-Inge Hogsved, Lars-Johan Jarnheimer, Ingvar Kamprad, and Stefan Persson.

All interviews were tape recorded, personal interviews as well as telephone interviews, to secure the data interpretation. Winter (1982) emphasizes that the recording of interviews facilitates the apprehension of what has been said and discussed. Furthermore, to ease interpretation transcripts of each interview were made.

2.3.4 Conducting the analysis

To continue on the discussion about induction and deduction above, the theory was added after the data collection as a tool for analysis. The data was collected using interviews,
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guided by the interview guide, and the data was compiled and presented in the empirical findings chapter (chapter 5), following the same structure. Theories were then added to facilitate an analysis of the empirical findings.

The analysis was made thematically following the same structure as the frame of reference, unlike the structure of the empirical findings chapter, which follows the interview guide. The aim was to find common themes among the respondents. A theme in this study is a topic or thought that arises in several cases in one or another way. Nevertheless, similarities and dissimilarities is possible to distinguish even between a few respondents. Since all interviews were following the same guide, with the same discussion topics, this method was feasible. The analysis was made in three steps:

1. To find major similarities among the respondents answers on each topic
2. To find major dissimilarities between the respondents answers on each topic
3. To find smaller, but for the study still interesting and important, thoughts claimed by one or perhaps a few respondents.

Analyzing and comparing findings in such way presents the respondents thoughts from different angles and in different relations to each other, as proposed in the hermeneutic and qualitative research theories. The advantages of having this thematic analysis are (1) to find themes to which the respondents agree, which makes it possible to see patterns in motivational behavior that are applicable in other contexts, (2) to find areas where the answers are not similar, or where the respondents even disagree, which makes it possible to elaborate on differences between the working environments the respondents are operating in et cetera, and (3) to find those exclusive answers, which are highly personal and subjective and that gives the extra touch to the conclusions.

Finally, in aspiration to elucidate the analytical findings to the reader and to avoid miscomprehensions, the authors developed a model that stresses the main results with the thesis. This “Four-Factor Model” in the closing section in the analyze chapter.

2.4 Method evaluation

Trustworthiness in terms of validity and reliability are not as frequently discussed in qualitative research as in quantitative research, however a brief discussion might help clarifying some issues regarding the trustworthiness.

2.4.1 Trustworthiness

Validity and reliability are central measurements of objectivity in a quantitative research (Daymon, 2002), but not as frequently used in a qualitative research as this type of research is characterized by subjectivity. Darmer and Freytag (1995) claim that it is impossible to achieve reliability and validity in a qualitative research because the same interview cannot be undertaken twice, and as Holme and Solvang (1997) continue, the qualitative method is
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based on the researcher’s own perceptions and interpretations and that the interviewer therefore unconsciously might seek answers that fall in line with personal perceptions or desired answers. Therefore, Holme and Solvang (1997) continue, it is impossible to describe every aspect of a qualitative method in detail and it is consequently impossible to undertake the exact same study a second time. Some authors, such as Svenning (1996), even claim that it is great danger in applying these terms when criticizing a qualitative research. Nevertheless, it is still important to pay attention to validity and reliability even in this kind of study.

Reliability concerns the trustworthiness of the thesis, whether the measurements are made correctly or not (Thurén, 1994), and shows the extent to which a research instrument will reproduce the same result when used more than once (Daymon, 2002). The main instrument in a qualitative study is the researcher, who is affected by his or her personal characteristics and background, and a qualitative study will therefore be un-replicable by other researchers. One factor that reflects the reliability of this particular study is that motivation as concept very much is affected by the mood and the motivation of the respondent. Darmer and Freytag (1995) claim that the demand for reliability is less for qualitative than for quantitative analysis because the former is only exemplifying. Since this thesis aims to study the respondents personal and highly subjective views on motivation of the time being, and the fact that the respondents answers are very much affected by their present mood and other external factors a second study would probably not reproduce the same answers and so not the same conclusions. Reliability is therefore not an interesting subject for this study, just as authors claim for qualitative research methods. However, in attempt to make the research more reliable the empirical findings have been sent to respective respondent for verification. This procedure secures the data from misunderstandings and other factors that might have biased the interview findings.

While reliability concern the degree to which the results from the observations, interviews and tests are not coincidental, validity concerns if the author really has investigated what he or she intended to investigate and nothing else (Thurén, 1994). According to Daymon (2002) validity in a quantitative research is about the methods’, approaches’ and the techniques’ ability to measure what the author wants to explore, while validity in a qualitative research is about the credibility of description, conclusion, explanation, interpretation et cetera.

For the validity of the empirical research an interview guide was used to keep the discussion on the right track within the selected areas, however having an open-ended interview guide with broad topics give validity shortcomings (Winter, 1982), since the topics encompassed more information than needed. The authors were therefore forced to select and sort the information needed for the study, which might bias the results, and affect the validity of the answers.

Generally there are three aspects of validity; (1) internal validity, which is about how “true” the findings are, and if they reflect the social reality of the respondents. Since the purpose of this thesis is to study the respondents’ personal thoughts and experiences of motivation it does not reflect any other reality than the single respondents’, and there is not actual truth applicable for every situation in all environments, (2) External validity, which concerns the degree of generalization (Christensen et al., 2001) mainly exists when the findings of a study can be applied on similar settings and populations (Daymon, 2002). The findings in
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this thesis are very individualized to the different respondents and their environments, but even if the findings cannot be generalized to every single situation the findings might however use as guidelines for in other contexts. This is possible to see when the business environment and the sport world are compared. (3) Relevance, which is about how useful the study is for the researchers as well as the readers (Daymon, 2002). Since motivation is a topic every leader has to face in their working environment, no matter if it is in an organization or if it is in a sports team, the findings of this thesis is relevant to all leaders that focus on the personnel or team members.

2.4.2 Method criticism

Since motivation is a process that leaders have to work with continuously it is favorable to do a longitudinal study in which the leaders are followed during longer period. A such study would not only give leaders point of view in one single occasion, as in the cross-sectional study, but also on a continuous basis. It would be possible to see changes in both the leader’s opinion and how the motivation is change over time.

As stated in the method an interview guide with broad discussion topics were used during the interviews. Those topics were selected after a brief literature review showing the topics to be important when it comes to motivation. On the other hand, those topics would preferable have been found using a preceding quantitative research, specifically designed to discover relevant research topics for the qualitative research.
3 Frame of reference

The current chapter presents the theoretical approaches and models, which later will be applied to the empirical findings in the upcoming chapter six. The frame of reference is in full based on motivation theories, ranging from fundamental social scientific views and organizational psychological views, to more practical correlation and incentive theories such as reward, information and delegation. The chapter will initially introduce the root of work motivation, in order for the reader to get familiar with the development within the field.

3.1 Work motivation

In order to understand work motivation, we initially have to examine what actually is comprised with the concept, where it derives from and how it appears within individuals and organizations. In order to unveil this, several theories and approaches will be presented with the aim of pointing down on crucial elements in the pursuit for higher motivation.

The contemporary area of debate, together with conceptions of motivated behaviour, range from ideologies of equity (e.g. Adams, 1963), to principles of hedonism (e.g. Vroom, 1964) and concept of dynamic homeostasis (Campion & Lord, 1982).

3.1.1 The essence of work motivation

The science of work motivation and its theoretical framework comprise a field of research that, in resemblance to the remaining psychological area, impose great difficulties in research and study. Due to the complex minds of human beings and the variegated mind-sets in human nature, researchers have always encountered a great challenge in presenting applicable and reliable data. Often, the theories provided derive from a generalized comprehension of how a, more or less large, crowd of people behave, act and react in different situation and to different stimulus. Consequently, the motivation field of research often can be questioned, by reason of its inadequacy to carry through empirical analysis of conceptual ideas and theories.

The fundamental issues and interest of how to motivate employees have been of central concern for researchers and practitioners since the birth of the modern organization. In agent times this was of minor importance, where the workforce often consisted of slaves or villeins, whereas the king, or leader, was almighty and ruled with power and fear. During the latest century however, the consensus for work motivation has grown and numerous theories and models throughout the literature have tried to explain the determinants and outcomes of work motivation (Leonard, Beauvais, & Scholl, 1999). The most modern of the conceptualisations of these parameters, which influence on the process of employees behaviour, derive partly from older theories and interpretations, why it is important also to include the historical development in the pursuit for an answer (e.g. Bandura, 1986, 1988; Weiner, 1986). “An integrative taxonomy that may better account for various motivations is necessary to advance our understanding of individual behaviour” (Barbuto & School, 1998:1011).

The definitive origin of the concept of human motivation is of natural courses hard to find. What we know however, is that already the Greek philosophers were exalted with what
caused human willingness to act and what evokes this reaction. Franken (1994) explains that philosopher Epicurus believed that man had a desire to avoid pain and unpleasantness, and therefore instead felt encouraged to find happiness. This encouragement was so deeply routed, partly due to religious believes and supernaturalness, that it can be seen as an early form of motivation, or explanation of what motivation is.

The formal inception of the field of employee work motivation goes back to the 1930’s, where the industrial evolution and large-scale production had gained a footing. As Geen (1995) explains, this development resulted in intensified research and observance and theories began to be forwarded on a broad front, to both explain, and predict motivated behaviour in organizational settings.

The complex field of psychology often tends to create perplexity and disagreement among researchers and scholars, this also applies to work motivation and no generally accepted definition exists. Instead, the historical development within the area has facilitated an exclusion of earlier proposed theories and somewhat managed to obtain concurrence of what can be regarded as feasible explanations. Some similar lines can be observed concerning the area and what is focused upon (Steers & Porter, 1991);

1. What energizes human behaviour
2. What directs or channels such behaviour
3. How this behaviour is maintained or sustained

Among the earliest formulations of the concept work motivation, one from late 1930’s can be located. Lewin (1938) here proposes that subjective perceptions are the one sole factor affecting a person’s degree of motivation. As time and research has proven though, this sole determinant as influencer and initiator on motivational behaviour is not enough, contrariwise motivation can consist of a widely divergent set of factors and appear in several different forms. One of the most recent definitions that includes the above three denominator suggests that motivation is “a set of energetic forces that originate both within as well as beyond an individual’s being, to initiate work-related behaviours, and to determine its form, direction, intensity, and duration” (Pinder, 1998). Hence, both interpersonal and environmental prerequisites commence the psychological process examined in this paper – work motivation.

Another, and maybe less complex, explanation can be found in Timm’s and Peterson’s (2000) description, which indicates that motivation should be the need, or drive, that incites a human being to some action or behaviour. What is more, these drivers are highly individual and are scarcely locatable. Due to its diverse nature, depending on each individual’s perception and mental formation, the area of motivation is highly elusive and researchers have still not come to an agreement on it’s origin.

As seen though, the lion’s share of the work motivation definitions still remain relatively intricate and describe the phenomenon on a deeper psychological level. This thesis will however later, through examining some determinants that impact on work motivation, try to
explain and clarify how this finds expression in practice. Previous to this, an historical description of the theoretical research currents will be provided, leading up to what the concept of work motivation is and where it derives from.

Yet another explanation to the complex nature of motivation is according to Geen (1995), the bare fact that the existence of the numerous theories and approaches has created a competition among scalars and researches, which has moderated the development. This disagreement has moreover led to a categorisation, where the different theories have been classified, Bowditch and Buono (1998) suggest the following:

1. **Static-content theories**

   Addressing the issue of “what energises human behaviour”. The main ambition for this genre is not to explain motivation, but rather to determine and examine the “what”.

   The “need theories” are according to Bowditch and Buono (1998) the theories, which constitute this group by exploring the causes from within the human being.

2. **Process theories**

   Exploring the dynamics, which direct or channel behaviour.

   The set of theories forming this ideology primarily consists of the expectancy theory (the VIE), and goal setting theories that were compiled for a better understanding of the motivational processes within the human nature.

3. **Environmental theories**

   Aiming at observing the sustaining or maintaining behaviour over time.

   The most distinguished theories for this dogma are seen to be the reinforcement theories, but also the equity theory and social theories are closely related to the environmental group. The main goal for this cluster of researchers is to elaborate on what in the environment effects upon the behaviour and to what extent.

### 3.1.2 The arise and origin of work motivation theory

For the period of the early 20th century, the leading management theory was considered to be the classical, or scientific organizational, approach. During this era, employees generally were considered to be rational beings, which predominantly were concerned with earning money and thus, the concept of “the economical man” arose. Consequently, the leaders
managing people at that time were fully convinced that the only way of achieving productivity and incorporate motivation in the workforce, was to compensate them for their work (Taylor, 1947).

A radical turn in motivational theory came in 1949 however, as Harvard University professor Elton Mayo and his associates carried out the well-known “Hawthorne Works experiment. Recently before, Mayo had also conducted studies within the area of work motivation, which had resulted in a new theory that in much challenged and criticised the widespread “scientific management theory”. Mayo instead suggested that there were numerous factors influencing the work ambition of employees, and that motivation not solely could be explained by extrinsic7 motivation (Mayo, 1949).

Another determinant he was engaged with was the exterior surrounding the workers and he concluded that this factor also could infect on work performance. The studies at the Hawthorne Works, which were conducted for a period of over ten years at the Western Electric Company, sought to find a correlation between the physical working environment and the work outcome of employees working under different circumstances. Different staging was set up, which differed in the sense of amount of light provided to the workers, the temperature they worked in, the frequency of breaks, etcetera. The results Mayo (1949) expected, were quite obviously that people working under bad circumstances would perform badly, simultaneously as the ones working in exemplary light, with the right temperature and having a sufficient number of breaks, would perform better. This was however not the results which the study generated. On the contrary, hardly any relationship could be observed between the fatigue-inducing factors and the productivity of the workforce. What instead had stimulated the employees to work more industrious was the concern shown by the company for its employees. As the managers recurrently asked the workers about the working conditions, their health and other personal issues, the employees experienced that the company cared for them and endeavoured to find out how they were feeling (Landberger, 1958).

This “Hawthorne Effect8” was groundbreaking, and it had tremendous impact on the psychologist society, and especially on those motivation researchers still firmly convinced that money was the best instrument of control. This radical transformation, from having pronounced money to be the only proper compensation to create motivation and generate productivity, to a more human view on work motivation, implied fundamentally changed lines of thought. Employees were not longer looked upon as tired beings, which only were driven by the payment they received, but instead as emotional people, who had needs and desired personal acknowledgement and devotion. The drift towards a more human-relative direction within motivation research was evident (Landberger, 1958).

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7 Extrinsic motivation comprehends monetary compensations, such as wage, bonus et cetera, and will be further discussed in chapter 3.2

8 This effect is concerned with the fact that people work extra hard if they are faced with something new, challenging and where the management take participation in their progress (Schein, 1988).
3.1.2.1 Employees become humans

The new focus in work motivation, which soon also was adapted in practice within many companies, had now moved beyond the superficial conception of man, to instead stress the more complex and varied human nature and her needs. Abraham H. Maslow (1954) and Henry Murray (1938) were two of the pioneers within this humanistic sphere, offering a view that human beings in reality were good-hearted and needed to perform for one’s own self-preservation. The early work conducted by Henry Murray (1938), recognized that an individual’s frame of mind was constructed by 20 different needs. Some needs, the psychological ones, referred to feelings of autonomy, achievement, affiliation and so on. The second category, the physiological needs, such as food, water, defecation et cetera, were in contrast to psychological needs not considered by Murray to be stimulated and aroused by environment. Furthermore, he was convinced that, even though all these needs were present in every individual, the composition and relative importance were different from one person to another (Murray, 1938).

The two foremost distinguished theories for this area were Frederick B. Herzberg’s two factor theory (Herzberg, Mausner, Petersen & Capwell, 1957) and, the perhaps most well-recognized model in the motivation genre, Maslow’s need hierarchy (Maslow, 1954). In common for both theorists is the mutual conviction that different physical and psychical needs have to be satisfied in order for a person to feel motivated.

In the former one, Herzberg et al. (1957, 1987) imply that there are two widely unrelated dimensions, or needs that composes work motivation:

**The hygiene factors**

This dimension embrace those task related aspects and activities, which prevent dissatisfaction but do not influence growth or development of the individual. Typical hygiene factors are for instance, as maintained by Herzberg (1987), salary and benefits.

**Motivators**

Motivators on the other hand, often find expression in task related aspects and activities, which endorse individual’s growth and development. Among these, recognition, achievement and responsibility can be found.

The assumption is accordingly that factors that work to prevent demotivation, and factors that work as motivation generators were two different sets of mechanisms. Herzberg claimed, that although focus would be put on hygiene factors, to avoid dissatisfaction, it would not indisputably result in a strengthened motivation among employees. There has been great disagreement among later researchers, whether the “two factor theory” actually is valid in reality or not. Bowditch and Buono (1998) mean that, although it might explain some levels of relationship between motivators and the willingness to work, it does not
fully pay regard to why the two dimensions potentially could infect motivation. At the same time, several fresh studies have found relevant similarities to the initial findings. Although the dispute concerning the confirmation of Herzberg’s ideas, new life has under recent years been brought to the question whether hygiene factors (extrinsic motivators) are more rewarding than motivational factors (intrinsic motivation). One contributing reason for this is that managers often tend to either have a prejudice that employees prefer money to feel motivated, or they do not have the financial possibility to offer high wages (Ambrose & Kulik, 1999).

Maslow (1954) on the other hand, described a widely diverse set of needs, both psychical and psychical. As seen in the figure below, Maslow describes five different levels of human needs, which each person seeks to satisfy.

According to the need hierarchy, each stage symbolizes a form of motivator that incites a person to clime the hierarchy. Hence, each being strives to appease and fulfil each need and is accordingly motivated to reach to the next level in order to find satisfaction and harmony. Moreover, the relative sequence of the needs, compose a specific order where the lower level of needs have to be satisfied prior to a higher one (e.g. the basic physical needs have to be reached before the security needs, and so on). Maslow adds, that once a need is satisfied it does no longer compose a function as motivator and the person is instead motivated to satisfy the next following need (Maslow, 1954).

Maslow (1943, 1954) demonstrates with his model how the fundamental physical needs, e.g. food, water, air to breathe et cetera, are the most basic of all needs. These have to be fulfilled in order for a human being to survive. Security needs, such as safety and protection towards hard weather is subsequently followed by social needs. This stage requires even

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9 Intrinsic compensation is generally seen as non-monetary compensations, as where the task or job as such encourages and motivates the employee. This will be discussed more thoroughly in 3.2
more for the individual and her surrounding, it aspires to find an identity which corresponds to society and moreover, to socialize and find affiliation and friendship. Once this is achieved, man seeks to still the need for self-esteem and status, often through ego-driven needs like personal achievement and success. As a final point, once a person feels secure with herself, she will reckon a need for continuous self-actualisation, brought through both personal and interpersonal occurrences.

Maslow’s need hierarchy might possibly be one of the most debated theories within the area of motivation and numerous validity studies have been conducted since the original study was published in 1954. Besides Maslow’s own studies, which can be seen as somewhat inadequate, one study made in the early 1970’s showed that there in fact was different levels of needs, however it terminated that there were only three (Alderfer\textsuperscript{10}, 1972). This study corresponded to Maslow’s idea as far as what the contents was concerned, but was only divided into existence or survival needs (Maslow’s physical and safety needs), relatedness needs (Maslow’s social needs) and growth needs (Maslow’s ego and self-actualisation needs). These findings were later confirmed by several researchers, among others Bowditch (1998) and Bowditch and Buono (1998), who was able to identify the presence of levels, nonetheless he found no hierarchical sequence.

In 1976 two researchers, also concerned with the relationship between human needs and work motivation, compiled the Job Characteristic Model\textsuperscript{11} (Hackman & Oldham, 1976). Through identifying five determinants, which influences job enrichment, Hackman and Oldham (1976) offered an explanation to how work motivation emerge;

1. **Skill variety**
   The range of variety in work tasks and the skills that is demanded for these tasks.

2. **Task identity**
   The extent of which the work result in visible result.

3. **Task significance**
   The degree of meaningfulness and importance of the task, both to people inside the organization and outside.

4. **Autonomy**
   Consist of the relation of power, i.e. the amount of freedom and independence incorporated in the job.

5. **Feedback**
   Imply the extent of information provided on the job performance.

\textsuperscript{10} This is often referred to as Alderfer’s ERG theory (Alderfer, 1972)

\textsuperscript{11} Also known as the JCM (Hackman & Oldham, 1976)
In conformity with their theory, they concluded that these five dimensions, if present, could result in three various conditions (experienced meaningfulness, experienced responsibility and knowledge of results), which sequentially could generate work motivation (Hackman & Oldham, 1976, 1980).

Although groundbreaking and intriguing, as most motivation theory no empirical support have been put forward proving that these three need theories are applicable in real. However, researchers have on the contrary neither managed to refute their scientific contribution, and therefore they can still be seen to be topical and assist in the explanation of work motivation (Neher, 1991, Sjöberg & Lind, 1994, Fried & Ferris, 1987).

### 3.1.2.2 The magnitude of equity

Alongside this fragment of motivation, another line that derived from the humanistic perception appeared in the mid 1960’s. The “equity theory”, which was originate by Adams in 1963, was anchored in the believed that employees demanded equity or fairness at work, in order to be motivated. Adams and his accompanists argued that a person’s motivation to perform derived from their will, or demand, to be managed equally in relation to the treatment received by others in the organization (Adams, 1963). The “equity theory“ proposed that equity was attained when input (such as, salary and other work compensations) and output (such as, performance and punctuality) for an individual and her source of reference (colleague or the like) are equal (Adams, 1965). Hence, when no discrepancy is present between input and output in relation to the individual’s frame of reference, a feeling of equity and contentment would appear. Conversely, under the circumstances that these ratios are not equitable and some kind of injustice is visible to the individual employee, Adams (1963, 1965) argues that a perception of imbalance surfaces that would triggers a state of tension within the individual. This tension afterwards was thought to motivate the person to undertake varying actions to facilitate a less unjust exchange process, e.g. altering their own input, output or frame of reference (Adams, 1963). While relatively strong evidence have been provided for a relationship between demotivation and underpayment inequity, these have rarely been possible to prove empirically. Several recent studies, in contrast to the early conducted evaluations (e.g. Weick, 1966), therefore have found little or no substance in the equity theory (e.g. Pinder, 1998).

### 3.1.2.3 Expectancy and other determinants

One of the larger contributions to motivation research and development was presented by Vroom in 1964 through his VIE\textsuperscript{12} model. The precursor to Vroom’s work within the expectancy field had been an early work signed scientist Tolman. Emanating from the thought that individuals desire to maximize happiness and minimize sadness, the central tenet among expectancy theory adherents has been that man’s behaviour is the product of conscious choices among several alternative courses of action (Tolman, 1932). Vroom (1964) continued to develop this theory, and implied that what assisted people in reaching this desire was an employment of three perceptions in the decision making:

\textsuperscript{12} Valence, Instrumentality and Expectancy (Vroom, 1964)
1. **Expectancy**

A subjective perception of the likelihood that a given action or behaviour would result in a set of specific outcomes (also referred to as first level outcomes)

2. **Instrumentality**

The extension and nature of the correlation between the first level outcomes, and other potential outcomes (also referred to as second level outcomes)

3. **Valence**

Corresponds to the emotional orientation, which a person holds towards the second level outcomes.

The higher positive valence an individual experiences, the more desirable are the second level outcomes. Vroom (1964) continues, the total of these three perceptions form a certain motivational force that drives the individual to perform pleasingly. Ultimately, people choose to follow the path of that particular action or behaviour that results in the highest positive force, i.e. satisfaction.

In resemblance to the need theories, not either the expectancy theory has been regarded to be a main contributor to the empirical psychology. According to for instance Campbell and Pritchard (1976) and Pinder (1987), the validity of Vroom’s studies are, at best, modest. Vroom (1964) makes the assumption that each individual has full knowledge of all alternative courses of action, in addition to the results of these acts. Moreover, he also supposes that every person is capable of the highly complex calculations related to finding the optimal path. These assumptions have been subject of criticism for several later researchers (e.g. Lawler, 1971). Nevertheless this hard criticism and many unanswered questions, the expectancy theories are seen to be one of the foundations in modern work motivation theory.

The publications made by Vroom (1964) and other expectancy theorists in the 1960’s had aroused increasing interest among scholars and researchers, fascinated by the relationship between motivational performance and externally arbitrated outcomes (e.g. pay, promotion et cetera). As a counter-reaction to these extrinsic studies, an assembly of researchers (including Deci, 1971, 1999; Lepper, Greene & Nisbett, 1973) made observations implying that these compensation systems instead could be destructive to an individual’s innate intrinsic motivation. In connection to this, Deci and his associates established the Cognitive Evaluation Theory, also known as the CET approach (Deci, 1971, 1999; Deci & Ryan, 1985).

Deci (1971) means, that extrinsic instruments either can have a satisfying or frustrating effect on intrinsic motivation. Thus, through having an influence on two otherwise pronounced intrinsic needs, i.e. self-determination and competence\(^\text{13}\), rewards either higher or

\(^{13}\) Competence is in this context understood as a person’s ability to interact with his/her environment (Deci, 1971)
lower inborn motivation, depending on the individual’s perception of the extrinsic means (Deci & Ryan, 1985). This view of motivation has given birth to several empirical investigations throughout the years, but no general agreement has however appeared. Among the later researches a small precedence for the pro-CET group can be seen, where e.g. Wiersma (1992) found reasonable support for CET and Deci et al. (1999) found strong support in their empirical studies.

3.1.2.4 Social cognition as motivational influencer

Among the most influential contributions within the modern field of work motivation, the Social Cognitive Theory (SCT) and it’s developer Bandura (1977, 1986, 1988) can be found. The central assumption made by Bandura (1977) in his research is that work motivation is compiled by an interrelationship between human cognitions and environmental influences. What is more, four unified processes that have great impact on the level of an individual’s willingness to work and build up the human behaviour. The first one, goal establishment, symbolizes by the state of mind where humans construct goals or standards of desired behaviour. These goals are set up with reference to earlier personal behaviour, but are also a product of an individual’s surroundings and self-believe in accomplishing the goals. Bandura (1986) furthermore arrange these goals according to complexity and protractedness, as where short-term goals are named proximal, and distal aims at short-term goals. Many researchers imply that this part of Bandura’s SCT is in much similar to other goal-based theories, such as the “Goal Setting Theory” and the “Control Theory” (for further readings regarding these two theories, see e.g. Locke, 1967; Locke & Latham, 1990 and further Miller, Galanter & Pribrum, 1960; Powers, 1978; Campion & Lord, 1982).

Subsequent to the goal establishment, a person engages in a phase of self-observation where he/she screens their own behaviour, with regard to certain goals and tasks. This period does however not require that all behaviours are being monitored, Bandura (1986) instead suggests that the individual concentrates on the behaviours that are perceived as most essential.

The third step, self-evaluation, gives vent to the information gathered during the self-observation phase and estimates whether the behaviour is consistent to attain the earlier set goals. At this point frequent feedback from the surrounding is crucial for the individual, partly to assist in evaluating himself/herself, and partly to set standards.

Lastly, the outcome of this evaluation results in an emotional and cognitive process named self-reactions, which aims at reducing any discrepancy. Bandura (1977) means that if the behaviour, in comparison to the previous set goals, corresponds or exceeds what was necessary then the individual will have a feeling of satisfaction and experience increased self-efficacy. If the behaviour on the contrary would be scarce, a cognitive period of actions to reduce this inadequacy and lowered self-efficacy will be undertaken and this phenomenon is according to Bandura (1977, 1986) a form of motivational force. In contrast to many other theories of work motivation, SCT has encountered comparatively little criticism since it’s introduction. Nevertheless, one substantial mutual objection exists among researchers. Klein (1991:35) expresses this through “The continuous creation of discrepancies is also at variance with the way people usually act…” and he continues, “… people frequently say ‘good enough’ and focus their attention on other concerns”. What he, in resemblance to several other researchers, aim at is the fact that SCT assume that once an individual has at-
tained a goal, he/she will automatically set a more challenging goal, and this has been heav-
ily discussed and disapproved.

### 3.1.3 The manager’s crucial view of employees

Empirical studies and commonplace observations have made it clear that no general con-
sensus exists among leaders, which strategy is the best when endeavouring to motivate em-
ployees. In 1960 a comparatively well-known study was made with the aspiration to identity
leaders’ views of employees, this theory became known as “the theory of X and Y”
(McGregor, 1960). McGregor explained that leaders could have one of two perceptions of
employees:

**Theory X**

People are generally lazy, have low or no ambition, and are unwilling to take
over responsibilities and tasks, which they usually not are concerned with. They are self-absorbed and often act opposite to organizational needs, thereto they are resistant to change.

**Theory Y**

People are general energetic, have high potentials and aspirations, and they
welcome more responsibilities and desire higher involvement in organiza-
tional issues. They work with and for the organization, and they positively
disposed to change.

Due to its human-orientated approach, the study proposed that the assumptions made by
leaders also inflect on the degree of motivation among employees. McGregor (1960) sug-
gested that leaders, which identify themselves with theory X, tend to manage employees in
a way that ultimately have an negative effect on employees’ level of enthusiasm and motiva-
tion. What is more, these perceptions can also bring about two different management
styles, which more or less believes in control in the strive for employee productivity. A
leader who believes in Theory X, is obliged to exercise high level of control. At the same
time, Theory Y followers are less likely to use control as a main mean in managing people,
and is instead more willing to delegate and decentralize power. Hence, an authoritarian or
lenient management style often has great impact on the willingness to work, since it puts
various amount of faith in individuals (McGregor, 1960).
3.2 Intrinsic versus extrinsic motivation

Employee motivation has developed to become one of the key success factors, which determines success from failure in the modern economy. However, employees have never been possible to control or program to adopt a company’s objectives and goals. Despite numerous attempts from different theorists and scholars to find the underlying truth of human motivation, no clear answer has been given leading to a technique of totally mastering employees’ work motivation.

Milkovich and Newman (2002) state that today many companies attempt to incorporate motivation mainly, or even exclusively, by means of monetary incentives. As several researchers have found lately though, there are other, often more giving, methods of encouraging and sustaining motivation and work morale. Often, there is a direct transaction between intrinsic and extrinsic (monetary) motivation. More straightforwardly expressed, employees may work industriously for two reasons; either because they are being monetary compensated (extrinsic motivation), or because they are attracted to work itself and the underlying “cause” (intrinsic motivation). What is more, these two dimensions or “antipoles” can be seen to be interrelated and may under certain circumstances infect on human nature’s behaviour simultaneously. Hence, a leader can often not exclude one of the two, with aspiration to create motivation, by isolating the second one (Frey, 1997).

Extrinsic motivation according to Frey and Osterloh (2002) function to satisfy indirect or so called “instrumental” needs. This denotes that this dimensional fraction of work motivation does not comprise direct work-related needs in career context, i.e. they rather satisfy non-work-related needs such as higher living standard, wealth et cetera. Hence, extrinsic incentives serve to motivate mainly through monetary compensation, where wage, bonuses and result sharing are main applicators. When regard as such, an individual’s employment is merely a tool of satisfying direct or actual need by means of the money it generates.

3.2.1 The success-determinative intrinsic motivation

Intrinsic motivation on the contrary, directly activates a feeling of contentment and acts as a satisfier when an activity is undertaken or a goal is met, hence gives a person satisfaction solely by attaining work and/or undertaking work tasks. Frey and Osterloh (2002), in agreement with Deci and Ryan (1985), describe three essentials, from which intrinsic motivation can derive from:

Job satisfaction

A task or a job can appear attractive in its bare form, making it a source of motivation and providing enjoyment purely by being undertaken. When job satisfaction is attained by an individual, the emphasise is furthermore not put on the culmination of the activity (i.e. the completion), but satisfaction is also obtain through the process resulting in the completion. Frey and Osterloh (2002) gives an expressive example in reading a novel, where the action of reading the book itself sometimes even can be more pleasant than actually finishing it.
Compliance with standards for their own sake

The scalars here mean that subjective standards can lead to instinctive reactions generating a sense of motivation. These standards (e.g. meeting ethical or professional codes of practice, fairness within the organization, a feeling loyalty or group membership) can all stimulate intrinsic motivation and initiate higher enthusiasm for ones work.

The achievement of personal goals

The third form of intrinsic stimuli derives from attaining goals, which one has set for oneself. In comparison to job satisfaction, this can also include taking actions that in itself are not regarded to be satisfying or even desirable. For instance, employees do not always see on-the-job training as appealing or enjoyable, but nevertheless it can results in new and expanded knowledge that will be useful in the future. Equally, a student by hardly no means relish the arduous challenge of writing a test or being examined in a subject, yet a personal goal is to achieve an education and succeed on the labour market and this acts as a prompting factor.

An old expressive Jewish fable illustrates the difference between intrinsic and extrinsic motivation and the eccentric results they might have on human nature.

"It seem that bigots were eager to rid their town of a Jewish man who had opened a tailor shop on Main Street, so they sent a group of ruffies to harass the tailor. Each day, the ruffians would show up to jeer. The situation was grim, but the tailor was ingenious. One day when the hoodlums arrived, he gave each of them a dime for their efforts. Delighted, they shouted their insults and moved on. The next day they returned to shout, expecting their dime. But the tailor said he could only afford a nickel and proceeded to hand a nickel to each of them. Well, they were a bit disappointed, but a nickel after all is a nickel, so they took it, did their jeering, and left.

The next day, they returned once again and the tailor said he had only a penny for them and held out his hand. Indignant, they young toughs sneered and proclaimed that they would certainly not spend their time jeering at him for a measly penny. So they didn't. And all was well for the tailor."

(Source: Deci & Flaste, 1996:26)

Yet another perhaps even more obvious example, drawn from a real life situation, provides the same visual result and suggests how intrinsic motivation can be severely damaged.

"Jacqueline is a dedicated saleswoman. She finds her job interesting and gets a tremendous sense of achievement from serving her customers. When a bonus system is introduced, however, she begins to feel that her employer attributes her good work not to her personal commitment but to the fact that her performance is being monitored. As a result, Jacqueline becomes more interested in the financial reward than customer satisfaction. What has happened is that Jacqueline's intrinsic motivation has been eroded."

(Source: Frey & Osterloh 2002:72)
The gist of the tale and of Frey’s and Osterloh’s (2002) findings, is that what in due course determines and separates extrinsic and intrinsic motivation, is whether a goal is pursued as a mean of achieving another one, or not. If this is the case however, and extrinsic incentives motivate an individual to perform, the initial goal looses inherent value and a “crowding-out effect” emerges. Also Kohn (1993) and Deci, Koestner and Ryan (1999) have touched upon the harmful effects rewards can have on intrinsic motivation as well as on performance.

3.2.1.1 Why organizations depend on intrinsically motivated employees

Frey and Osterloh (2002) furthermore outline five different features, which contribute to the evident reality that companies heavily depend on the intrinsic motivation within employees. All things considered, the conclusion is drawn that “the more complex, diverse and demanding the activity, and the more difficult it is to specify the requirements in a hard-and-fast job description, the more crucial intrinsic motivation becomes.” (Frey & Osterloh, 2002:21). The five grounds will now be described below.

Firm-Specific Pool Resources

Employee actions have ramification for other of the company’s privies. These actions, or activities, incorporate an organization’s reputation, its unique corporate culture, associations and relationship with its customers and suppliers, and accumulated knowledge. Moreover, these are seen to be firm-specific pool resources, which can be benefit from by all people within an organization. Frey and Osterloh (2002) suggest that if there are self-centred employees, interested only in personal gain, these people can profit from these without contributing to the pool resources. Not only does this involve demotivation, it also implies unfairness, which in itself can result in demotivation (Konrad & Pfeffer, 1990; Greenberg, 1990). These people are hard to control or manage, even in a traditional authoritarian way. Thus, in order create and sustain intangible resources such as the ones described above, dedicated employees that are motivated intrinsically will endeavour to contribute to the firm-specific resource pool (Frey & Osterloh, 2002).

Multi-Tasking

The phenomenon of multi-tasking can potentially occur when incremental systems are used on basis of targets. These targets, i.e. quantitative ones such as sale, or qualitative ones such as customer satisfaction, vary in terms of simplicity in measuring their outcome (Frey & Osterloh, 2002). Under circumstances where the workforce consists of extrinsically motivated employees, a concentration from their side will be made on actions or targets that can be measured with ease. As a result the other targets, often of central nature in commercial life (e.g. human kindness, initiative and team spirit), will not be stressed but rather neglected. Consequently, the higher complexity and diversity a work signifies, the more imperative the intrinsic motivation becomes (Holmström & Milgrom, 1991).

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14 Several socio-psychological experiments have indicated that, under selected circumstances, there is a trade-off between intrinsic and extrinsic motivation. The “crowding-out effect” aims at illustrating this by pointing at a state where an activity that is performed for its own cause (intrinsic), can be undermined or even contaminated by external (extrinsic) interventions (Deci et al., 1999).
Fuzzy Tasking
Consistent with a study made by Shapira (1976), people, or students in the research case, react unassumingly to organizational target and goals when extrinsic compensation materializes. Frey and Osterloh (2002) argue that when people are faced with several alternatives and free choice among work targets, challenging ones are often pursued. As financial programs are introduced though, people have tendencies to rather choose effortless and easily quantifiable tasks to facilitate the monetary compensation. This situation in modern companies is for obvious reasons not desirable. Thus, due to several aspects, for instance lack of innovations, inadequate employee participation, misleading corporate strategies and financial losses, “fuzzy tasking” interferes with both employee and organizational development.

The Transfer of Tacit\textsuperscript{15} Knowledge
In all companies today, especially within the expanding service sector, a great part of tacit knowledge exist. Often this knowledge is a crucial component of the core competence, which distinguishes a company from others and makes it stand out on the competitive market. Moreover, by reason of its importance and the fact that people possess more tacit knowledge than explicit, it is vital to manage the transference of it (Polanyi, 1985). This is on the other hand intractable of natural reasons, and no existing incentive system can disregard the truth that this knowledge is deeply buried within in human kind’s unconsciousness (Frey & Osterloh, 2002). Contrariwise, the transmittal of this complex requirement can be found in intrinsic motivation, where the true willingness to work supports employees to pass on information and knowledge. An important prerequisite, which has been elaborated upon earlier, exists however, and that is fairness among co-workers and from management direction (Kim & Mauborgne, 1998).

Creativity and Innovation
Frey and Osterloh (2002) claim that extrinsic motivation has a negative, or even diminishing effect on the learning curve and on innovative processes. Reward-based programs have, with support from empirical findings (e.g. Amabile, 1996, 1998), proved to pressure employees to produce, since results often are demanded for the compensation to redeem. Left behind is an inaccurate and less meticulous result, which has been affected strongly by a monitored and less creative way of inventing (Amabile, 1996).

3.2.2 Despite everything – extrinsic motivation is vital
Nonetheless the heavy criticism towards extrinsic motivation (e.g. Kohn, 1993; Deci et al., 1999) and the above discussion emphasizing the essential significance and potentials embraced within intrinsic motivation, many researchers give their consent to the fact that also extrinsic motivation can be seen to be inevitable (Lawler, 1990; Guzzo, Jette & Katzell, 1985). For a profound specification of diverse strategic pay philosophies, pay assessments and pay forms, see for instance Heneman (2001, 2002) and Milkovich and Newman (2002).

\textsuperscript{15} Tacit knowledge, in comparison to explicit knowledge, is seen to be highly complex and personally compiled. Due to these facts it has become known as “quiet” or “coded” knowledge, since it is vastly hard to transfer between people both in sense of written and oral language (Von Krogh, Ichijo & Nonaka, 2000).
Frame of reference

Not all employees actually are intrinsically motivated, which consequently leads to situations where other means have to be used. Important to keep in mind, is that all individuals are different and hence act and react in diverse ways. Also Frey and Osterloh (2002) agree to the later belief and give some suggestions to why this might be the case. Firstly, if one would to ask oneself, why should employees actually be intrinsically motivated – for their own good? Possibly partly, but ultimately it is the organization that imposes on the individual and wishes for them to work diligently. For the employee, in contrast, this might not always be the desire. Therefore, intrinsic motivation cannot be seen to be an end goal per se. This, in combination with its highly complex and altering nature, makes the right intrinsic motivation proportionately hard to create and attain. Secondly, which in addition is express by Frey (1999), not all intrinsic motivation such as love, ethics and humanity is morally justified or constructive motivation. Many of our history’s greatest tragedies have been results of hateful intrinsic motivation. Such as when Hitler raised war towards the Zionism in the 1940’s, or the continuing Israel-Palestine conflict that has been in progress since the late 1940’s. Much of human behaviour that is deeply rooted, there among vengeance, abhorrence, orthodox conviction and strive for power, consequently have their foundation to be found in intrinsic motivation. Thirdly, in order to create real inherent motivation sometimes leaders have to look in incentive systems to find the answer (Heckhausen, 1989). This assumption is founded upon the principle that once non-motivated employees, who are introduced to some kind of extrinsic stimuli, undertake tasks with greater effort, they gradually learn more and more. Subsequently, once their “learning-curve” sharpens and satisfaction and interest potentially increases, so does the intrinsic level of motivation. Yet another example where financial inducement can serve to create intrinsic motivation is when rewards are integrated in an activity such as sales competitions or stock market gambling. In this case, it is not a question of pure economical payback, but rather a form of intellectual enthusiasm that encourages the individual to endeavour (Frey & Osterloh, 2002).

Within work psychology there has never been a direct considerable stream of research concentrating on solely on compensation topics. Conversely, scholars have in passing through general work motivation studied these issues, and the main contributions have originated through these investigations. Today however, the greater attention has started to be drawn to the field (e.g. Rynes & Gerhart, 2000; Wang & Feng, 2000), but scientism has simultaneously developed regarding the risks, which compensations give rise to.

One of the most influential psychologists, who nevertheless focused primarily on compensations, is Lawler (1971, 1981) through his books “Pay and Organizational Effectiveness” and “Pay and Organizational Development. Very ahead his time, he stressed the practical importance of adapting compensation strategies in organization in order to create effectiveness. Moreover, for leaders to succeed in implementing these into the corporate framework, they needed to understand how individuals’ perceptions of rewards and compensations function on a psychological level (Lawler, 1981). Barely a decade later he had enlarged this premise, framing that not only did this contribute to heightening the motivation embraced within employees, rewards could thereto create competitive advantages in relative to competitors (Lawler, 1990).

Essential principles regarding the impact of pay on performance has during the twentieth century evolved greatly in strive for increasing productivity (Milkovich & Newman, 2002). Since the early development leaders have had an aspiration to align a mutual interest be-
between employees and the company, and introduced diverse reward systems to business strategies and integrated it into the organizational context.

The portfolios of reward programs initiated by companies in the last century primarily were of compensational nature (salaries, bonuses, result-relative payment) and benefits (vacation, insurance et cetera), and were relatively homogeneous. Heneman and Schutt (2002) argue however that rewards nowadays have shifted to become more multiple designed and thereto heterogeneous, due to radical changes in tasks and overall job description. This finds expression for instance in the form that rewards take. They suggest that by reason of the changing nature of employment relationship from permanent to contingent employment, learning opportunities should be introduced to broaden employees’ skills and let them take on multiple roles in the organization. In case of, for example, changed customer demands, employees would be able to shift from one role to another within the company, facilitating a smooth organizational restructuring and still making their work varying and stimulating. What is more, these learning opportunities also give rise to a stronger personal competitiveness on the labour market, if the employee was to leave the company (Heneman & Schutt, 2002; Heneman, Ledford & Gresham, 2000).

3.2.3 Praise as an alternative type of reward

There are furthermore other, and fundamentally different, reward systems and approaches. Some or these (information-acquisition, employee participation, delegation) will be discussed later in this chapter. There is yet another immaterial motivator and reward, praise, which under certain circumstances can lead to strengthened motivation. Praise can take many different forms. Non-monetary ones, for instance further responsibilities, nominations of good accomplishments, or individual small talk between a manager and a subordinate that supports the employee’s sense of personal worth. It can also come into view when appraisal is shown through monetary symbols, such as gifts, physical environment improvements (e.g. larger office), and part-ownership. It can however be converted into demotivating gestures and loose its motivating effect if it is used altogether to often and to great extent (Raalte & Brewer, 2002; Frey & Osterloh, 2002).

3.2.4 The diverse sets of employee minds

Due to the diverse set of human mentality and behaviour, it has become a highly important feature of a leader to recognize different types of people in a company, and come to the understanding with how they act and react. It is an exceedingly tough and complex task, but Frey and Osterloh (2002) give some clues to what kind of motivated stereotypes one can encounter. To begin with, there is one distinguished group of people that is mainly, or only, motivated through extrinsic means. The “Income Maximizer” is the typical kind of individual, who ultimately only is concerned with earning as much money as possible, hence the job is barely an instrument of achieving this. He/she is in much very similar to Taylor’s (1947) “economical man”, and strategically chooses whatever path involves the highest degree of monetary compensation and the lowest effort. The second extrinsically motivated employee is the “Status Seeker”. In comparison to earlier mentioned character, this person does not seek satisfaction through money itself, but rather through the status indicators that follow with it. Often he/she is influenced by what the surrounding (i.e. reference groups such as colleagues, family, friends) thinks of him/her and therefore feels a
need to vindicate. As a result of this perfectionism and envy, they often tend to be highly competitive and can therefore, potentially, supply the company with much output.

Intrinsically motivated employees on the other hand can be thought to come in form of “Loyalists”, “Formalists” and “Autonomists”. The first personality is regularly typified by an old co-worker who has got a long history within the company. The “Loyalist” is likewise in harmony and identifies with organizational objectives, visions and values, which makes him/her unproblematic to manage and work with. Proceeding to the “Formalist”, this employee can be said, as the name intimates, to strongly follow customary rules or procedures and this has become a part of life and work. Typical examples are layers and military people, who are exceptionally complicated to influence or convert, even with extrinsic means. Lastly, Frey and Osterloh (2002) propose that the “Autonomist”, an individual only dedicated to meet non-material personal goals, focuses on solving universal issues and improving the world, but also seek to self-fulfilment (e.g. artists, poets, but also scientists).

3.2.5 The Principal-Agent Theory

This theory developed by Berle and Means (1932) has experienced a renaissance, and deals with the question of how an organization can optimise employee performance and how can managers (principals) ensure that subordinates (agents) do what is best in organizational perspective? It partly resembles to Douglas McGregor’s (1960) “Theory X” described in chapter 3.1.3, and addresses two assumptions:

1. Subordinates put minimal effort into their work and act exclusively according their own interest.

2. It is not practically possible for managers to accurately monitor or check whether the task allocated to an employee has been finalized in an accurate way, or even at all.

These crucial problems bring additional attention to performance-related compensations, which would give incentives to the individual to act in consistent with company interests. This especially applies under conditions where output (results) can be measured with ease (Prendergast, 1999).

Then again, a warning light should be lighted for the situation where these extrinsic stimulus instead impose a threat to the organization through, e.g. lack in customer service, reduced cooperation, shortage in quality, and so on. Post and Goodpaster (1981) attend to this dilemma and it is finally illuminated by the following performance-related pay example:

“H.J. Heinz Company only paid a bonus to managers in individual areas if they managed to improve their profits on the previous year. In response to this plan, managers manipulated profits so that they could always show a year-on-year improvement. They did this by delaying or accelerating deliveries to customers, thus securing payment for activities that had not actually been performed yet. Although in this way the managers were able to secure a pay raise for themselves, it also meant that the future flexibility of the company was severely restricted, thus reducing long-term growth and compromising the value of the company.”

(Source: Post & Goodpaster, 1981)
3.3 Communication and information-sharing

Communication between managers and employees is an important issue in any organization (Keefe, 2004), and it is an essential component of effective people management (Oakland & Oakland, 1998). Thus, communication is a crucial means for motivating the employees, and as seen below it is evident that mutual communication is a necessity for success in today’s competitive environment.

Keefe (2004) argues for the importance of two-way communication within an organization. She claims that it is not just the managers who must communicate downward, but also the employees to communicate upward, and the key, she claims, is to build a “quality interaction” between managers and employees. It is crucial to let the employees know their input is invaluable and how it contributes to reaching targeted goals and visions Keefe (2004) continues. What is important though is that management must be role models to get employees communicating.

Communication is a concept used in research since the early forties, and many models have been developed since then to illustrate the communication process. The most general and frequently used models are based on the four elements sender, message, channel, and receiver. However, since this thesis is not a study about communication and the fact that the empirical findings will not be analyzed using the communication models, it is not relevant to give them any deeper attention. In this thesis the word communication will be used in a very broad sense to include means and methods in a social context used to inform, persuade, and motivate. Since this thesis aims to study motivation of employees or team members the focus is on internal communication.

3.3.1 Corporate communication

The research on organizational communication has its roots in early American organization theories, and as communication was brought up as a research area in the forties, organizational communication was first seriously discussed about twenty years later. The early findings in organizational communication was found by accidents when researchers studied organization and production processes and as for the time being the findings focused on how the leaders were supposed to explain and give facts and orders to their subordinates so they should become loyal, cooperative and more productive (Johansson, 2003).

Quite different from the findings made by the early organization theorists are the studies of today. Johansson (2003) discusses communication and organizations, and she claims that there are several views on the relationship between organization and communication. According to several authors communication is what actually constructs and constitutes the organization (Johansson, 2003), but she also claims that communication can be seen as an isolated variable. Johansson (2003) explains that some researchers separate the concepts of organizations and communication, whereas other authors mean that they are inseparable. For example the researcher Chester Bernard means that an organization is formed when people are willing to contribute to the business and when they can communicate with each other to reach common goals (Johansson, 2003). So, consequently, communication can be seen as the “glue” that holds the organization, as the social bubble it really is, intact. Johansson (2003) claims that organizations are superior to individuals in the sense of the contribution and cooperation of members, who together can reach higher goals than
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individuals can. It is critical to achieve this communication to success. What this discussion tries to explain is the importance of discussing organizational communication, as this thesis aims to examine the social context of motivation in various types of organizations.

Communication in organizations is not necessary similar to communication outside the organizational settings and you have to consider specific organizational conditions to understand communication in the context of organizations. What is important to keep in mind is that hierarchies and authority influences the communication within an organization (Johansson, 2003), and factors like size, complexity, centralization, and formalization of an organization influences the need and importance of good and effective communication. The traditional view of organizations is that managers and employees abide by decisions made higher up in the hierarchy, and that they are expected to obey instructions from the management (Davis, 2001). Rank and status builds the authority of managers, and very little, or even no, information beyond work description is shared among the employees (Davis, 2001). This is the traditional view or information linkages between management and employees, however this has changed as the market has become more competitive and the need for information has grown bigger. However, communication within an organization is not only a pure transfer of various messages and instructions, but very much also a complex social interplay between people (Johansson, 2003), therefore roles and social relations are important to bear in mind.

Since corporate communication, according to Goodman (2000), is everything that is communicated externally and internally, and it is a tool to “lead, motivate, persuade, and inform” it is also important to bear in mind is that communication in organizations is more complex than in the private life, and is used for several purposes. Van Riel (1995) claims that it is possible to distinguish three main subcategories within corporate communication, namely management communication, marketing communication, and organizational communication. The management communication refers to the communication made by the management down through the organization or to external stakeholders, marketing communication is the information communicated to the market using advertising, personal selling, sponsorship et cetera, and organizational communication concern the communication to stakeholders and target groups like investor relations, PR, environmental communication or internal marketing (van Riel, 1995). Since this thesis aims to study the motivation of employees the discussion from now is focused on the management communication and the internal marketing approach.

Communications within an organization is not only a pure transfer of various messages, but very much also a complex social interplay between people (Johansson, 2003), therefore roles and relations are of special interest to discuss. The following discussion tries to illuminate the role of motivating employees and the role of leader/manager to implement it. For this study it is not of relevance to distinguish leaders from managers since all studied leaders are or have been in a managerial position, however the authors are well aware of the differences between leaders and managers roles within organizations.

It is the leaders’ duty to make the tasks within an organization meaningful to the employees, and to make them motivated to actually perform what is expected. As discussed above, an organization is a social construction, to which the individuals bring norms and values and their own expectations (Johansson, 2003), and to join all these norms, values, and expectations to find common views and goals it is important to have a common language, a
language everyone understands. When the organization has a good working communication, a dialog, the leader has the means of motivating his/her subordinates. This good communication must be characterized by simplicity, perseverance, and consistency according to Källström (1995).

In the end all is about attaining and retaining satisfied customers, and to meet them and serve them in a prosperous way. To achieve this, the manager has various set of marketing tools, which form marketing strategies. However, it is not enough to stop here, because no matter how good the strategies are they have to be implemented. If strategies are developed at higher management levels, lower level managers and frontline employees are the ones that actually implement those strategies and to successfully accomplish this it is crucial to keep the employees motivated (Ferrell, Hartline & Lucas, 2002). Unfortunately many organizations fail in the implementation due to different factors, for example unfriendly and inattentive employees (Ferrell, Hartline & Lucas, 2002). But why are the employees unfriendly and inattentive? Because they are not enough motivated. Ferrell, Hartline and Lucas (2002) claim that managers often fall into the trap of believing that the employees are motivated and excited to implement the new strategy without actually knowing they are.

3.3.2 The internal marketing approach

The concept of internal marketing was first proposed over 20 years ago by Berry et al. as a solution to the problem of delivering high service quality to customers (Rafiq & Ahmed, 2000). They suggested that employees should be treated as the customers, like “internal customers” they stated. Berry and Parasuraman (1991) believed that employees must be satisfied with their working environment, including the relationships with both fellow employees and the management, in order to serve customers effectively. Further they need to have a customer orientation and service mindedness if the organization’s marketing strategy is to be successful (Broady-Preston & Steel, 2002).

However, despite the rapidly growing literature, very few organizations actually implement the concept in practice as there does not exist a single unified concept of what is meant by internal marketing.” (Rafiq & Ahmed, 2000). But, even if the concept “internal marketing” is not used in the most organizations, or even if the most organizations lack an internal marketing function, internal marketing occurs naturally when members of an organization attempt to influence and convince each other (Davis, 2001). Many authors have touched upon the concepts of internal marketing first proposed by Berry at al. in 1981, this is how some authors define the term:

"Internal marketing is attracting, developing, motivating and retaining qualified employees through job-products that satisfy their needs. Internal marketing is the philosophy of treating employees as customers ... and it is the strategy of shaping job-products to fit human needs”

(Berry and Parasuraman, 1991).
"A planned effort using a marketing-like approach to overcome organizational resistance to change and to align, motivate and inter-functionally co-ordinate and integrate employees towards the effective implementation of corporate and functional strategies in order to deliver customer satisfaction through a process of creating motivated and customer-orientated employees"

(Rafiq & Ahmed, 2000)

"Internal marketing is a process by which employee satisfaction is leveraged to positively impact the bottom line"

(Williams, 1997)

"Internal marketing is the application of marketing, human resources management, and allied theories, techniques, and principles to motivate, mobilize, co-opt, and manage employees at all levels of the organization to continuously improve the way they serve external customers and each other"

(Joseph, 1996)

So, consequently, internal marketing conceptualise the processes of satisfying, motivating, coordinating employees at all levels of the organization to better serve external customers. The majority of the studies on internal marketing focus on employee motivation and satisfaction (Rafiq & Ahmed, 2000), hence discussing the concepts of internal marketing helps illuminate the employee motivation process.

As said above, internal marketing is, very simplified, a marketing-like approach used to motivate employees and to reach inter-functional coordination (Rafiq & Ahmed, 2000). This approach is based on the idea that employees need to be satisfied to be able to, in turn, satisfy the external customers (Williams, 1997). Frost and Kumar (2000) say that employee satisfaction and employee satisfaction are directly related to each other.

"Product has taken a back seat to delivery, making the service provider, i.e. the employee, the difference between profit and loss"

(Williams, 1997).

In today’s competing business environment employees becomes the most valuable asset to a firm. Williams (1997) explains that competitors easily can imitate both products and strategies, and they can even cut prices down to a level your firm never will be able to reach. So, how is your company unique then? Williams (1997) claims that it is no longer the product that differentiates a competitor from another, but the staff. The staff is the source that creates the uniqueness of a company, because no matter how much competitors cut the prices, or no matter how similar their products are yours they can never replicate your personnel. This is particularly important in service firms, where the service is the only real
differentiating factor between your company and the competitors’ (Rafiq & Ahmed, 2000). But, to attract and retain your staff, and to keep up a high level of service quality the staff needs to be motivated (Prasad & Steffes, 2002), and this, according to Prasad and Steffes (2002) is mainly reached through internal marketing and various incentives schemes, because just as advertising is required to communicate with customers, internal marketing is required to communicate with employees (Prasad & Steffes, 2002). To Källström (1995) communication is equivalent to selling, and just as products and services must be sold externally on the market, goals, values, and strategies need to be “sold” internally to the employees, because strategic changes often requires changes for the employees in one or another way (Ferrell, Hartline & Lucas, 2002). So, this is where internal marketing comes into the picture of corporate communication.

Communicating with the internal audience of the organization through seminars, memos, meetings et cetera helps increasing interaction between employees and customers (Prasad & Steffes, 2002). Williams (1997) argues for using a model where employees are put in the center and the organization’s all key audiences in concentric circles around. Thus, he claims, a successful internal marketing of the organization will strengthen relationships with all critical publics (Williams, 1997). He means that if employees are motivated and believe that their work has value to both themselves and the organization this will be manifested in satisfied customers. But the management must paint a picture of the organization and its future because employees need to understand why and how decisions matters in the totality, how it relates to the strategy, the mission, visions, and values (Williams, 1997). This is why internal marketing is important, because it is a way of increasing lower level commitment to strategies, mission, vision, and goals, and to improve organizational integration (Davis, 2001).

### 3.3.3 Communication of goals, visions, and ideas

Communicating firm-wide objectives and motivating employees to achieve them remains a challenging task for today’s managers according to Prasad and Steffes (2002). This communication has shown to be crucial in all organizations, and Ferrell, Hartline and Lucas (2002) argue that goals and visions that are shared among all employees is the ”glue” that binds together the whole organization, and is crucial for a successful marketing implementation. Ferrell, Hartline & Lucas (2002) further claim that sharing the goals makes the organization more competitive, and that it stimulates organizational commitment, which makes the employees more motivated to implement the marketing strategy. Leaders must learn to lead by getting people to understand the organizations’ visions and ideas, and to motivate them to utilize their inherent capacity (Johansson, 2003), and Källström (1995) says that the vision gives power and inspiration. Coleman (1996) says that there needs to be identification with common goals and Keefe (2004) claim that managers need to encourage and motivate employees to communicate to work towards the common goal. However, a leader cannot control how subordinates shall interpret and understand the organization’s situation and strategy, only to guide and stimulate them (Johansson, 2003) by getting employees and managers working together helps everyone advance a strategic vision and attain goals (Keefe, 2004). The importance of sharing information about goals, vision, and mission is exemplified in the following case by Karolina Fränne (1996).
“The Pressbyrån case”

The case of the Swedish small shop Pressbyrån is a good illustration of how ideas need to be communicated throughout the organization; from the management level all the way down to the frontline employees. Karolina Fränne has at the University of Linköping studied how Pressbyrån’s idea is interpreted in various levels of the organization and what strategies were being used to communicate the business idea of “the good company” (Fränne, 1996). Why Pressbyrån was used in Fränne’s study was because of the 450 almost independent stores across Sweden were dependent on common goals, visions, and ideas to keep the image and identity intact. The idea of “the good company” was a company stepping away from centralized decisions and regulations communicated through handbooks, to a more decentralized organization where decisions were to be taken closer to the customers. At the same time Pressbyrån increased their social responsibility by supporting non-profit organizations.

Fränne interviewed 22 people on different positions within the organization, and what she found is of general interest for illustrating the importance of communicating goals, visions, and ideas. She found that the management’s view is often more naïve than the frontline employees, who actually face the customers, and that the management was closer to the actual idea (the strategy) of “the good company”. This illustrates that the management is closer to the strategies than the frontline employees, while the frontline is closer to the implementation of those strategies than the management. This view is actually supported by authors as Ferrell, Hartline and Lucas (2002), as they say that top managers is responsible for carrying out the strategic planning whereas the lower level managers and the frontline employees becomes responsible for the actual implementation, and the authors imply that miscommunication is the factor that often fails a well-developed strategy at the implementation stage. This was what actually happened at Pressbyrån according to Fränne (1996). Employees in more leading positions were given extensive information through organized information meetings whereas the frontline was given less detailed information (Fränne, 1996). Fränne (1996) concludes that the perceptions about “the good company” differs among different levels within the organization somewhat depending on the distance from the customers.

So, how does this case apply to this study? Simply because it on a clear and simple way exemplifies the importance of communicating goals, visions, and ideas throughout the organization, and how a good idea and strategy might, through miscommunication, affect the image of the company and the motivation of the employees.
3.4 Participation, responsibility and empowerment

In most organizations employees expect managers to tell them what to do in every single situation (Keefe, 2003) and sometimes even how to do it. Employees are not used to take responsibility and to bring out action without orders from superiors, but is this organization structure really the best solution in the long-run? No, because it is crucial to encourage employee commitment to the goals and objectives of the organization (Oakland & Oakland, 1998), and to make people participate to reach there. Oakland and Oakland (1998) claim that self-directed work teams, involvement in improvement activities, and different employee training and educations are means which to increase commitment and participation among the employees.

“It is important to increase people's freedom of action to liberate their abilities”

(Johansson, 2003).

By decentralizing the marketing structures marketing decisions is placed closer the customer, and the frontline employees can act more creatively and flexible to react faster to changing market conditions (Ferrell, Hartline & Lucas, 2002), and by delegating work to subordinates they get more involved in decision-making, get more responsibility, get more enthusiastic, and take more initiatives (Nelson, 1994). And to be able to react faster to changes in the market or to bring action to customers’ requests it is important to increase people’s freedom of action Johansson (2003) claims. By decentralization employees feel more participative, and when they feel more participative they further tend to take more responsibility, Oakland and Oakland (1998) claim.

This is exactly why empowerment is necessary. Today's customers and competition require fast, flexible responses. There is little or no slack in the organization and its relationship to the marketplace. Employees have to make fast real time decisions and actions (Coleman, 1996)

3.4.1 Empowerment

Empowerment provides significant advantages throughout the organization, it places employees at the center of the organization rather than in the periphery and this makes people feel vital to the success of the company, and it is also a vote of confidence in the employee's ability to significantly contribute to the organization (Scarnati & Scarnati, 2002). By empowering employees they get more enthusiastic and they feel participation and they allows to exert some influence over their work and the conditions under which they work (Heller, Pusic, Strauss & Wilpert, 1998). Empowerment further builds commitment and a sense of belonging, the work becomes more exciting, more stimulating, more enjoyable and meaningful to the empowered employees. And to connect to the communication discussed above, empowerment promotes more effective communication (Scarnati & Scarnati, 2002). According to Keefe (2003) the empowerment process is threefold which builds trust between employees and the management.
Keefe (2003) argues that empowered employees (1) precisely know how much freedom of action and decisions they have, (2) they know where to find additional information when they have reached the limit of their authority, and (3) they are not afraid to “think outside the box” since they know they are supported by the management in their decisions. Nevertheless, employees must not only be empowered to make the right decisions, but they should also be accountable for the consequences of their decisions and actions. This motivates some individuals because it effectively stops finger pointing (Scarnati & Scarnati, 2002). When any mistakes are made, they need to get immediate feedback and learn from the experience (Coleman, 1996). This work if people who are empowered take responsibility for their performance (Coleman, 1996). This can be stimulated by sharing information and encouraging participation in creating the shared vision, mission, and goals, and according to Coleman (1996) employees tend to take responsibility when they are trusted. But the reward system have to reinforce this, Coleman (1996) says.

According to Heller et al., 1998) the Scandinavian countries have always recognized participation as an important employment asset, and industrial relations in these countries works smoothly, conflict is low and relations are collaborative.
4 The story of the ten respondents

In this chapter the authors give a short personal presentation of each of the respondents. This entails both a biographical part where each one of the respondent’s adolescence and way to success is presented, and furthermore a perspicuous of their practices and remarkable achievements throughout their careers. The presentation sequence is followed by alphabetic order.

4.1 Jan Carlzon – The man who “tore down the pyramids”

He brought Scandinavia’s largest airline from a mediocre company with lacking self-esteem and low motivation, to becoming one of the highest-ranked service organizations in the world. The pioneering leadership introduced by Jan Carlzon into the Swedish trade and industry, has under half a century had striking influence on management literature.

Jan Carlzon was born in Nyköping, Sweden, in 1941, and is one of Sweden’s most known and most acknowledged businessmen and motivational leaders. After receiving his M.B.A. from Stockholm School of Economics, he joined Vingresor16 as product manager. After working his way up as head of marketing, he in 1974 became managing director of Vingresor (Carlzon, 1986).

Following several successful years within the company, resulting in a reversal of the earlier economical decline, Mr. Carlzon became managing director of Linjeflyg17 in 1978. By then, he had turned 36 and was known as the world’s youngest airline president throughout history (Peters, 1989).

Subsequent to his implementation of a new low-priced strategy, and impressive accomplishments in record time at Linjeflyg, he was offered the presidency of Scandinavia’s largest airline, Scandinavian Airlines System (SAS) in 1981. SAS was by then, in resemblance to the entire airline industry, in the midst of a financial crisis. Mr. Carlzon realized the necessity for corporate change, and introduced a strong market-orientation in the company, where customisation and employee motivation became crucial means of assistance. He became known as the father of a new market strategy, implying a charm-offensive towards the customers, where employees were sent on “charm-courses”. In only one year SAS’s profitability was regained and the company was appointed “Airline of the Year”18 in 1983 by the association “Air Transport World” (Carlzon, 1989). Throughout the years to date, companies still adapt this strategy in aspiration for employee motivation and stronger customer focus.

16 Vingresor is the leading tour operator in Scandinavia (Vingresor, 2004)

17 Linjeflyg was Sweden’s largest domestic airline until it discontinued it’s operations in 1992 (Linjeflyg, 2004)

18 ”The most coveted award for overall excellence goes to a major or large international airline which over the years has exhibited outstanding performance in a number of airline disciplines.” (Air Transport World, 1983)
The story of the ten respondents

After several successful years with high profits and introductions such as “EuroClass”, Jan Carlzon resigned his presidency in 1993. He is now active within the venture capital company Ledstiernan, where he is executive chairman and company partner (Ledstiernan, 2004). He is moreover the author of several management books and articles, among these, “Tear down the Pyramids” and “The moment of truth” (Carlzon, 1986, 1989).

Jan Carlzon’s way of motivating employees and “tearing down the pyramids”\(^{19}\), resulted in strong employee motivation and huge reversals of heavy economic losses at record time. Jan Carlzon is known, and will always be known, as the man who encouraged his personnel and changed the way of doing business in the airline industry.

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\(^{19}\) “Tearing down the pyramids” is by many described as one of the foremost important management books in our time. It aims at describing the restructuring Jan Carlzon carried through at SAS by increase employee involvement on all levels and flattening the organization (Carlzon, 1986)
4.2 Marika Domanski-Lyfors – Placing a national team on the map

Last year, in 2003, the Swedish national ladies team in football succeeded in the accomplishment to seize the silver at the World Championships held in the USA. For the first time in over 45 years, Swedish football had once again experienced a world championship final (Swedish Football Association, 2003). With means of this performance and several other under recent years, the national ladies team in football and its coach, Marika Domanski-Lyfors, have shown to the world that Swedish ladies football doubtlessly holds world class.

Marika Domanski-Lyfors was born in Gothenburg in 1960. Her interest for sports, and in particular football, arouse early, and already age 11 she started to play football for Nödinge SK. As the young player developed professionally, she went to new and more experienced clubs, and finally ended up in Jitex BK in 1980. During the five-year period as active player for the team in the premier league, she participated in bringing the club to two Swedish championship victories (1981 and 1984) and thereto to three cup wins (1981, 1982 and 1984). This early success, did not only give the young football player broader experience knowledge of the sport, but also incorporated a strong aspiration for attaining even higher collective and personal goals (Swedish Football Association, 2004a).

Only two years after the success in Jitex BK, at the age of 29, Marika began her long career as manager and coach in football. The previous two years she had gathered strong professional experience, as she had signed up for the premier league-positioned club GAIS. Initially she gained the responsibility for Tyresö FF, a club also playing in the Swedish premier league. Simultaneously with this work, she was also in charge of training the Swedish U20 ladies national team for three years. A several years of good performance, Domanski-Lyfors was assigned by the Swedish Football Association to support the ladies national team’s coach Bengt Simonsson in his work (Swedish Football Association, 2004b).

In September 1996 she was given the highest confidence of all within the world of football – she was offered to assist in bringing the Swedish national team to a higher level, as national coach. Worth mentioning is also that she, to date, is the second female coach for the national team ever and this implied an even stronger pressure on her. With this coach substitution however, Swedish football now entered a new phase, great results were beginning to appear. Marika Domanski-Lyfors’ impressive coaching and handling of the players paved the way for Sweden’s participation of both the European Championships in 1997, the World Championships in 1999 and the Olympic Games in 2000. The largest breakthrough for the team however, came in 2001 as she took Sweden to the European Championship finals, where the team sadly enough lost against Germany on a “golden goal” in the match extension. An even more amazing achievement came last year, in 2003, where Marika Domanski-Lyfors and her team beat the Canadian national team in the semi-finals and astonishingly brought Sweden to the finals in the World Championships in football.

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20 U20 entails that the participating teams may only consist of players aging up to 20 (Swedish Football Association, 2004c)

21 In a match extension, where the result after full time is even, the team scoring the first so called “golden goal” wins the match (Swedish Football Association, 2004c)
After a very even match, against arch rival Germany, the match once again ended 1-1 after full time. The match was yet again determined by a “golden goal” to the opponents advantage (Swedish Football Association, 2004d). Nevertheless, Domanski-Lyfors has with her leadership managed to bring Swedish football the world top elite, which also has comprised a position on FIFA’s top-five world ranking list (FIFA, 2004).

The outlook for the ladies national team is today highly positive. After having won the European Championship qualifying group with 18 points, before Italy as second team with 8 points, Sweden is direct qualified to the finals in England 2005 (Swedish Football Association, 2004e). The ladies national team is furthermore one of ten teams participating in the Olympic Games in Greece the summer of 2004 (Swedish Football Association, 2004f). Marika Domanski-Lyfors has not only helped in developing Swedish ladies football on an international level, but has through her team’s accomplishments also dawn substantial attention and mass mediocre attention to ladies football in broad terms. In 2002 she was awarded “Arbetsgivaralliansens Ledarskapsstipendiat” for her motivation-driving work in the national team (Ladies Football, 2002). Thereto, at Sweden’s biggest sports gala she was nominated as sport leader of the year, a gala where the ladies national team also was awarded team of the year (SVT, 2003).

Since Marika Domanski-Lyfors took up her duties as coach of the national team, Sweden has participated in all larger international “finals”. Her prize-winning leadership lay great stress on motivation, cooperation and delegated responsibility and this has become one of the most important factors explaining the amazing development of Swedish ladies national football.

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22 Fédération Internationale de Football Association (FIFA, 2004)
4.3 Sven-Göran Eriksson – International success impersonated

“Everything he touches becomes gold!” (Anthony, 2001 p. 21). Sven-Göran Eriksson, the Swedish miracle, and at present coach of the English national team in football, has taken five different football teams to over fifteen national and international cup and league wins. What is more, he has done it in three different countries. For this, he is one of the most attended and admired individuals in the world of sports.

Since his Spartan adolescence in the small village Torsby, close to Sunne in Värmland, Sven-Göran Eriksson has lived a very fascinating life and made an extraordinary career trip. Early in his life, Eriksson began to play football in different divisions and later enrolled and graduated as gymnastic teacher in Åmål (Lundell, 2004). His success and career as leader, however, originally began near his home in Torsby, as he at age 28 came in contact with Tord Grip, and was appointed head coach in Degerfors IF. Three years later, in 1979, he moves to IFK Gothenburg, where he the same year takes the players to victory in the Swedish cup. In 1981 his team wins the Swedish title, in order to once again win the Swedish Cup the year after. The same year, 1982, IFK Göteborg also succeed in capturing the desirable UEFA Cup gold and became the first team in Swedish football history to do so (Lovejoy, 2003; FA, 2003a).

After his accumulating triumph on the Swedish arena, several foreign clubs started to show interest for the young Swede. Most desirous was SL Benfica, and Eriksson was recruited to Portugal in 1982. The year after, Benfica wins both the Portuguese Championship and the domestic cup, to also reach as far as the final in the UEFA Cup. In 1984, before being appointed manager of AS Roma in Italy, he for a second time brings SL Benfica to the Portuguese Championship gold (Lovejoy, 2003).

In the Italian team AS Roma, which had undergone a major stagnation the earlier years, Eriksson begins to work with motivational processes in order to regain the players’ confidence. This pays of two years later, as he and the team in 1986 win the Italian Cup (Lovejoy, 2003).

In 1989, after a short contributory in another Italian club, AC Fiorentina, the year before, Sven-Göran Eriksson returns to SL Benfica and the team becomes runner-up in the European Cup final one year later. For a third time, he also leads the way to the gold medal in the Portuguese Championship in 1991 (Lovejoy, 2003; FA, 2003a).

Once again, in 1992, he returns to Italy to take the steer in Sampdoria UC, which two years later show result in form of the win of the Italian Cup. Sven-Göran Eriksson continues to stay with the club for another three years, after which he joins SS Lazio as club manager. The three upcoming years would later write the club into the history books. In 1998 SS Lazio wins both the Italian Cup and the Italian Super Cup, and realize the astonishing achievement of participating and winning both the European Cup Winners Cup and the UEFA Super Cup, the following year. The magical inflation of wins continue in 2000.

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23 Tord Grip has been Sven-Göran Eriksson’s perpetual assistant coach and supporter throughout his whole national and international career as coach (Lovejoy, 2003).
where both the Italian Series A title and the Italian Cup is secured (Lovejoy, 2003; FA, 2003a).

In the strive for a higher challenge, Sven-Göran Eriksson accepted a five-year\(^{24}\) contract to take the National Team Coach position in England in January 2001 and become the first non-English National Team coach ever (Birkenshaw & Crainer, 2002). In England, which is regarded to have some of the world’s most enthusiastic supporters and most critical sports reporters, Eriksson has to date been praised to be the nations best coach ever and the saviour of the future English football (Lovejoy, 2003; England Football Online, 2004; FA, 2003b). In the great football nation of England, there is hardly anyone who does not know who “Sven” is.

The gist of the life of Sven-Göran Eriksson, so far, is both highly imposing and exceedingly intriguing. He has been awarded several impressive prices, ranging from “Sweden’s Football Personality of the Year” (2001), to “UK Coach of the Year” (2002) for his leadership and success (FA, 2001; Lovejoy, 2003; Birkenshaw & Crainer, 2002). The Swede, who became Portuguese, who became Italian, who became Englishman, is without doubt one of Sweden’s greatest sport leaders ever.

\(^{24}\) The contract has later been extended to include seven years (SVT, 2004)
4.4 Bert-Inge Hogsved – The company that became companies

Bert-Inge Hogsved has succeeded with something so unusual as establishing a successful, family-own IT-company, not listed on the stock exchange market. His achievements does not end there, he has also thrived in splitting his original middle-sized company into several smaller independent units, with higher productivity and stronger employee devotion as result.

In 1963, at a age of 18, Bert-Inge Hogsved moved from his childhood home in the south of Sweden, to university city Gothenburg. Four years later he graduated from Chalmers Technical University as graduate engineer with technical physics as major. He had by then also been vice chairman for Chalmer’s student union (Chalmer’s Magazine, 2004).

The same year, 1967, the newly graduated student was employed by petrochemical company Unifos Kemi in Stenungsund, Sweden. Initially the assignment consisted of basic production engineering, after a couple of years though, he had risen in ranks and was working as distribution manager. In conformity with the company, Hogsved performed over expectations and was later appointed personnel manager and then assistant president of the company (Hogsved, 1999).

Meanwhile, Bert-Inge Hogsved’s wife Åse had started her own business, focusing on diverse accountancy services. At this time, in the en of the 1970’s, the computer interest had just emerged and Microsoft, with Bill Gates in the lead, had recently been established (Microsoft, 2004). Accordingly, Bert-Inge was both audacious and unconventional when he suggested to his wife that she ought to obtain a computer for her business. After a fair, which colourfully is described in Hogsved’s (1999) book “Klyv Företagen”, a computer was procured from a small company participating on the fair. After an unrewarding screening of the market for a relevant and sufficient auditing program, Bert-Inge decided to construct an own customized program for his wife. Subsequent to Åse’s customers’ higher demands for additional services, Bert-Inge upgraded and expanded the the accounting system. By 1980 his “customer base” had increased to not only serving his wife’s company, but also other bureaus operating within accountancy. During summer the same year, Bert-Inge decided to leave his well-paid manager employment at Unifos Kemi AB and devote all his time to his new concept, which would prove to be a very clever move.

Hogia Data AB was registered later that year and Hogsved began to develop additional administrative software, mainly for small and middle-sized organizations. In pace with the personal computer’s advancement in the mid 1980’s, Hogia Data AB experienced a very strong increase in demand and grew even more rapidly than before. In the end of the 1980’s however, with a workforce of some 150 employees, the wheel gradually seemed to turn slower and slower, and productivity decreased. As it was shown, Hogia had not been organized to handle the quickly expanding business, with declining complexity as a side-effect. Customers were also starting to complain and Hogsved saw the urgent necessity for some kind of organizational reengineering. In spring of 1990 Hogia Data AB was split into six25 subsidiary enterprises, and the whole organizational structure was reassembled.

25 Today the original company consist of some twenty operative companies within different fields of activity (B.-I. Hogsved, personal communication, 2004-05-04)
The story of the ten respondents

Results became clearly evident very soon after the “bunsha”\(^{26}\), as Hogia’s productivity and finances began to development positive again and the quality in the products and services provided rose (Hogsved, 1999).

On account of the split, which for instance resulted in stronger personal bounds and unity among the co-workers within each subsidiary, the personal commitment and sense of responsibility was strengthened. What is more, the work motivation and consequently the productivity increased as it was embedded in the rising participation of the employees (Hogsved, 1999).

Today, the company has over 100 000 companies as customers and is considered to be Sweden’s oldest company within software (Hogia, 2004). Bert-Inge Hogsved has manoeuvred Hogia Data AB from a slumbering mediocre middle-sized company, to a row healthy and active smaller companies where strong employee motivation and devotion can be isolated as one main success factor (PC Museum, 2004). All since the split, the companies have seen a trend taking them towards increasing marked shares and stronger financial development.

\(^{26}\) The fundamental idea of splitting or “bunshing” a company derives from a Japanese management model developed by Kuniyasu Sakai. Sakai describes the rationale motive for such a split as the strive for “optimal use of the workforce’s potential” (Sakai, 1992).
4.5 Johan Staël von Holstein – The entrepreneurial pioneer

“Give each man freedom and responsibility to influence his own development and destiny, and he will perform his utmost” (J. Staël von Holstein, personal communication, 2004-04-14). Johan Staël von Holstein believed in man, he still does, and he introduced Sweden to one of the first and largest information technology (IT) companies in Swedish history.

The famous entrepreneur and IT-pioneer was born in the early 1960’s in Halmstad, Sweden. At young age, the Staël von Holsteins frequently resided in different countries in Europe, to finally return to Sweden and once again settle down in Halmstad. During the sojourn abroad the son had not only gained cultural experience, but had also picked up several new languages. Today he possesses the knowledge of six different languages, an advantage which has assisted him greatly in his management of people and international businesses (Staël von Holstein, 1999).

After compulsory school, warehouse work within the dairy industry and completion of the military service at K1 in Stockholm, Staël von Holstein took job as tour leader in the French and Swiss Alps (Staël von Holstein, 1999). During this time, he took an increasing interest and awareness of the possibilities embraced in team building and delegating leadership. This would later prove to become a pronounced charlatanistic in his way of managing people (Norrman, 1999).

Inspired by Jan Carlzon’s work with flattening organizations, empowering employees and implement a far-driven customer-orientation within SAS, Johan Staël von Holstein joined the company in the mid 1980’s. Shortly after however, he later felt a strong desire to continue studying business, and therefore enrolled Stockholm School of Economics. In the beginning of the 1990’s, after further studies abroad, he came in contact with Jan Stenbeck at a convention in Barcelona. He was offered a job within the Stenbeck-owned group Kinnevik, and commenced his career at television company ZTV. After having had Stenbeck as a mentor, and becoming managing director of Stenbeck’s newly started “Interactive Television”, the young careerist, in 1993, decided to become self-employed. Having a presentiment of the opportunities within the media and communication industry he, in collaboration with three other colleagues, started IconMedialab in 1996 (Staël von Holstein, 1999). The groundbreaking business, with Johan Staël von Holstein as the managing director, was at it’s peak valued to over 18 billion SEK and had nearly 3500 employees in 21 countries (J. Staël von Holstein, personal communication, 2004-08-06).

In 2001, Johan Staël von Holstein decided to sell his stockholdings and leave the company, and shortly after, the family moved to Verbier, Switzerland. He is today, at age 41, back in Sweden and active with launching a creative centre, where entrepreneurial knowledge and experience is clustered (Törnquist, 2003; Jonsson, 2004). He has recaptured the story of his life, his time at IconMedialab and his societal critical views of the commercial and political world, in the book “Ingenting kan stoppa oss nu!” (1999).

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27 Jan Stenbeck was one of Sweden’s best known business leaders and tragically passed away in August 2002. After moving the family-owned company Kinnevik’s capital from the steel and forest industry, he invested and capitalized on the IT-age’s growth markets with beginning in the 1980’s (Andersson, 2000). Today the Kinnevik group consist of, among others, Tele2, MTG, Metro, MIC and Invik (Kinnevik, 2004).
The story of the ten respondents

Johan Staël von Holstein’s leadership focus has always been on flat organizations, where delegation and mutual reliance have been seen as main priorities (Staël von Holstein, 1999). In 1999, Amelia appointed him their annual “EQ-price”, as a sign of his strong employee concern and developed emotional intelligence (Bonnier, 1999). For Johan Staël von Holstein, it has always been natural to encourage dreams, incorporate hope and aspire employees to go further than they though were possible. He, himself, is a man believing in achieving dreams, he is a true entrepreneurial leader.
4.6 Lars-Johan Jarnheimer – Connecting the globe

Lars-Johan Jarnheimer belong to the young, and highly successful, generation of executives schooled in the spirit of great leaders such as Ingvar Kamprad (IKEA) and Stefan Persson (H&M). Coming from Småland and studying in Växjö, he has been president and CEO of some of the largest companies in this country.

Lars-Johan Jarnheimer, a down-to-earth entrepreneur from the “Småland” region, was born in 1960 in Kalmar, in the southeast parts of Sweden. At young age, Mr. Jarnheimer was taught the essentiality of knowing the value of money, as a result of which he undertook extra work at late nights (Eriksson, 2004).

In the end of the 1970’s Lars-Johan Jarnheimer commenced his studies at Växjö University, also this situated in the entrepreneur-spiritual district of “Småland”. During his time of studies, he frequently participated in diverse student associations and embarked on several student activities. A few years later he had finished his studies in Växjö and today holds a certificate in business administration (Eriksson, 2004).

During the upcoming years the industrious businessman held various positions within the retail industry, such as employment at IKEA Germany and marketing developer at H&M. At the last-mentioned multinational, he came up with the conception of the low-price department store “Galne Gunnar”, which H&M later introduced (Lindskog, 2004).

After having had the marketing directorship at Sara Hotels, Mr. Jarnheimer in 1992 became president of the modern, Jan Stenbeck-owned, entertainment channel “ZTV” (Tele2, 2004a). Already at this stage, he showed his spontaneous and seemingly distinguished leadership style, where he, as president of the company, could go out “on the field” in person and conduct wild pop star interviews for the channel. This opened-minded characteristic is somewhat a personal trait in Mr. Jarnheimer’s leadership, which has appeared visually later in his career, even to the public (Andersson, 2000).

During 1993-1997 he had advanced even further in the Stenbeck-group, and was then the first president of newly-launched GSM-company Comviq. By implementing a resemblance to IKEA’s and H&M’s strategy, of offering cheap mobile phones to the masses, the duo aimed at earning little money from many consumers, instead of verse versa. Comviq successfully managed to penetrate the mobile phone market and fronted the private consumers, which the industry earlier had not focused upon (Comviq, 2004). Also in Comviq Lars-Johan Jarnheimer participated actively on a lower level, where he, for instance, took part in Comviq’s commercials - dressed in a controversial red wig (Laul, 2001).

28 In Collaboration with Jan Stenbeck, Jarnheimer navigated Conviq to be the first company in Sweden offering the customers the mobile phone net GSM, mobile phone cash cards, as well as internet subscription. (Lindskog, 2004; Andersson, 2000).
The story of the ten respondents

After a short presidency at Saab Opel Sverige AB in 1997-1998, Lars-Johan Jarnheimer in 1999 seized the helm at Stenbeck’s pride within the telecom industry, the Tele2 AB group (former Netcom AB), where he today is president and CEO (Lindskog, 2004).

Tele2 has under Mr. Jarnheimer administration come to be one of the world’s fastest growing telecom groups and the currently leading pan-European brand within telecommunications (Tele2, 2004b). The company has time after time succeeded in bringing an end to governmental monopolies in different areas within telecom, exceeding external expectations, and experienced its best financial year ever in 2003 (Jarnheimer, 2004a). At the time of print (August, 2004), price wars and governmental decisions are pressuring the whole Telecom industry, concurrently Tele2 once again experiences a growth in turnover for the first six-months in comparison to the successful year of 2003, thereto he has achieved an exceed in profits with nearly 30 percent from last year (Svedbom, 2004).

Lars-Johan Jarnheimer’s non-hierarchical organization is according to himself, and several other observers, characterized by a genuine, opened-minded and approachable leadership style, where customer and employee satisfaction is highly valued. (Wrede, 2003; Lindskog, 2004). In 2003 Affärsvärlden and consulting firm Korn/Ferry appointed him their annual “Leader of the year”. The desired award was based on his remarkable achievements within the Tele2 group during the telecom crisis in 2002 and on the epilogue to Jan Stenbeck’s passing the same year (Wrede, 2003).

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29 Tele2 offers fixed and mobile telephony, as well as computer net and internet services to both consumers and companies. The Tele2 group consist of Comviq, Kabelvision, Optimal Telecom, SEC and Tele2 Sverige (Tele2, 2004b)
The story of the ten respondents

4.7 Bengt Johansson – The man with the voice to motivate

Since 1989 he has taken Sweden to two world championship gold, three European championship gold, three Olympic Games finals, and thereto numerous other championship denominations and tournament winnings. The personal records of the Swedish national coach in handball is both rarely extensive, as well as tremendously impressive.

The Swedish handball coach Bengt Johansson was born in Halmstad on the Swedish west coast in 1942, and is known to be one of the world’s most successful sport leaders. Through his open-minded and emotional leadership, Swedish international handball has developed to become one of the most merited and, without doubts, best teams in the world (Johansson & Simson, 2001).

After his formative years in Halmstad, which mainly circled round divers sport practices on both amateur and professional level, Mr. Johansson moved to Stockholm in 1966 where he completed his upper secondary school teacher education at the Military Gymnastic and Sport School (GIH). During this period in Stockholm he not only enrolled in several team captain and team coaching positions within handball but, in addition, also played for the premier league positioned team “Hellas”, which rewarded him two Swedish Championship gold (Johansson & Simson, 2001).

By the end of 1970, Bengt Johansson moved back to Halmstad and made his appearance as playing coach in his youth team Halmstad Hanbollspojkar. In 1971 however, the young talented player made his debut in the skilful team Drott, and as a result, also the national team. Already at this point, having played in different teams, divisions and been active as both player, playing coach and coach, he had gathered unique leadership insight and experience. In 1974 he had advanced in Drott to become team coach and had this year led the club to their first Swedish Championship gold ever. He stayed with the club until the end of the 1980’s (Johansson & Simson, 2001).

In 1988 Bengt Johansson had increased the number of Swedish Championship gold with four additional wins/gold medals, and the team had moreover won the Swedish Cup several times throughout the years. It was at this stage he was contacted by the Swedish Handball Association. For the third time in his career he had been offered the position as the coach of the Swedish National Handball team, this time he was ready (Johansson & Simson, 2001).

After the Swedish coach substitution, Swedish handball entered a entirely new era of professional handball on the world arena. Despite critical and doubtful raised voices, Sweden succeeded in defeating an, in advance spotted, strong Soviet Union in the World Championship final in Czechoslovakia in 1990. The triumphal progress continued as when the European Championship in handball was held for the very first time in 1994, and Sweden once again won. This time the hosting country was Portugal and the opponent the archrival Russia. Columnist and commentators had by now started to draw attention to Bengt Johansson’s way of leading the team, his interactive, delegating, emotional, social, colourful

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30 The World Championship, as well as the European Championship and the Olympic Games is hosted only once every fourth year
The story of the ten respondents

and open-minded leadership. Still however, there were those who had sceptical attitudes towards his proportionately unconventional leadership and therefore continued to be questionable (Johansson & Simson, 2001).

The following years up until now, Bengt Johansson continued a very successful era for Swedish handball and has positioned Sweden as one of the top-three teams in the world, holding some of the highest-ranked players worldwide. Time after time he has brought the team to new victories and medals, including a second European Championship Gold in 1998 in Italy and a third in year 2000 in Croatia. In 1999, in Cairo, the team managed to capture a second World Championship victory after a thrilling and very close final versus Russia (Johansson & Simson, 2001).

Today, the scepticism over his leadership has ceased to exist entirely, and he has instead been praised by sport experts and handball practisers to be one of Sweden’s most successful and most talented sport leaders throughout times. Bengt Johansson was awarded “Sport leader of the year” already in 1990, and has since then also received the “Bragdmedaljen” in 1994. The amazing years of his career has by many experts been explained by his abilities and evidently way of encouraging team work and mutual understanding within the team. Seldom has Sweden had a leader with such wide and powerful leadership skills.
4.8 Ingvar Kamprad – Furnishing the world

A young man once had a dream. He was born and raised in the region of Småland, in the south-east part of Sweden, which, besides an widely spread entrepreneurial spirit, also was characterized by poverty and high sense of cost awareness. His name was Ingvar Kamprad. The vision he had circled around the desire to provide poor, or “many people”, around the world access to fashionable, functional, but primarily, cheap furniture. His dream has today transform into one of the most well-known business ideas internationally and to the world’s largest furniture company with nearly 80,000 employees operating in over 40 countries (IKEA, 2004a).

The phenomenon of IKEA took it’s start in 1926 as Ingvar Feodor Kamprad was born on the farm Elmtaryd in Småland. Already at young age Mr. Kamprad showed entrepreneurial traits, as he as a young teenager bicycled around the area of his parental farm, selling miscellaneous products, such as pens, seed bags, magazines and fish he had caught. Some of the items were rather lucrative, and when Mr. Kamprad’s father rewarded him for performing well in school, it finally culminated in that the 17-year old Ingvar Kamprad spend the money on registering IKEA31 in 1934. Due to the accessibility of numerous local furniture manufacturers in Småland, he eventually extended the product line to also include furniture. The convenience of the furniture allowed him to keep the costs down and after having seen the success of the furniture sale, the young entrepreneur decided to discontinue all other product lines. It was at this stage IKEA’s vision was born – “to create a better everyday life for the many people” and achieving this through offering “a wide range of well-designed, functional home furnishing products at prices so low, that as many people as possible will be able to afford them”. In 1951, when IKEA’s first mail order catalogue was distributed, IKEA had started to grow rapidly and was now generally known not only in Småland (Torekull, 1999).

Since that day in August 1951, the extraordinary and fascinating story of Sweden’s pride – IKEA – is now history. Ingvar Kamprad expanded his once Elmhult-situated business, to today be one of Sweden’s largest export companies in the world with a yearly turnover of over 12, 8 billion Euros (Swedish Trade Council, 2004; IKEA, 2004a). Today IKEA consist of over 200 department stores world-wide, making it the world’s largest furniture dealer. Recently Ingvar Kamprad met with the president of Ukraine, Leonid Kutjma, to discuss a new establishment in the capital of Europe’s second largest country, Kiev (Hasselblatt, 2004). Thereto, each year several additional openings of these Swedish furniture oases take place all across the world (IKEA, 2004b).

Much of the atmosphere in IKEA, and thus also the corporate culture, is a product of what Kamprad has incorporated through his influences from his youth years in Småland. This includes a down-to-earth and opened environment with human values and employee satisfaction put high on the agenda. Interpreted in this is also an erased hierarchical structure, where barriers between different categories of personnel hardly exist. One of the core values and articulated messages is instead the understanding for the need of everyone in the organization, hence, that all people contribute to IKEA’s success (Torekull, 1999).

31 Ingvar Kamprad Elmtaryd Agunnaryd; where Elmtaryd was the parents farm and Agunnaryd the village where he grew up (Torekull, 1999)
The story of the ten respondents

Ingvar Kamprad’s multinational furniture company has grown to become one of the largest, most successful privately held companies in the world, extending to the far corners of the world. His success can be explained through several factors, such as product selection, logistic solutions, but also by his charismatic and philanthropic leadership, which each year encourages thousands of employees to make IKEA even larger and to accomplish the original dream of IKEA – to offer the many people around the world fashionable but still cheap products. Ingvar Kamprad has succeeded – he has furnished almost the entire world.
4.9 Stefan Persson – Fashion for everyone

In the highly dynamic world of fashion, where the catwalks worldwide - from Milan and NY to Tokyo - affect consumers’ preferences on purchase, fashion retailers have to be one step ahead of their competitors. Stefan Persson has, with assistance from his empowered workforce, managed to lead Sweden’s largest clothing chain to a worldwide success.

The phenomenon of Hennes & Mauritz (H&M) started in 1947 when provision dealer son Erling Persson, inspired of the American idea to offer fashionable clothes to low prices, founded “Hennes” and opened up the first store in Västerås. The same year Erling and Margit Persson’s son, Stefan, was born. He would, within due time, assume the management of the expanding company, which roughly two decades later would be known as H&M\textsuperscript{32} (Pettersson, 2001).

After finishing his military service, Stefan Persson enrolled university studies in both Stockholm and Lund, and then moved to London in business purpose. In 1982 the family decides that it was time for the, then 35-year old, son to take the next step and become precedent of the company (Pettersson, 2001). During the early 1980’s Mr. Persson continued to build on the mail-order strategy that had been integrated in the company in 1980, developed new distribution solutions and accelerated H&M’s internationalisation. Further worldwide business establishments during the mid and end 1980’s resulted in strong financial increase and H&M had, in 1992, reached revenues over one billion SEK (Pettersson, 2001). Mr. Persson moreover maintained the strong customer focus, which earlier had put H&M in the front of trendy retailers.

H&M is a chain of stores within retailing and this denotes that great efforts have to be taken in listen to employees, in order to know what customers demand. Mr. Persson is well-known for his ability to involve and listen to colleagues’ perceptions of customer demands, and thereto capitalize of the diversity in the H&M workforce. The company is described as non-hierarchical, and the business climate as informal of both media and employees (Steinwall & Crona, 1989).

H&M is today active in 19 countries and has established over 1 000 stores world-wide (H&M, 2004). Much due to Stefan Persson’s extraordinary leadership skills with inviting employees into the business context, having a sensitive ear and making motivation a key word in the organization, H&M has concurred the world of cloth retailing. Stefan Persson has since he took over the family business in 1982 (and main ownership in 1985), led the company to the centre of the international business arena, implying an increase in profits with over 50\textsuperscript{33} times in the last 10 years. In the financial year of 2003, H&M thereto presented its best result in company history (9,6 billion SEK before taxes) (Wrede, 2004).

The Swedish one-man-firm that started in Västerås nearly 60 years ago, has now grown to become one of the leading multinational players operating in the confection industry.

\textsuperscript{32} The original company was named “Hennes” and only offered clothes for women. In 1960 Erling Persson diversified the product lines and bought the male-clothing company Mauritz (Steinwall & Crona, 1989)

\textsuperscript{33} Profits in 1984 was MSEK 213 and the prognosticated profits for 2004 is MSEK 10 905 (S. Persson, Personal communication, 2004-04-26)
4.10 Jan Wallander – Decentralizing the banking sphere

One of the most influential businessmen in modern time, Jan Wallander, has long belonged to a circle of leaders involved in some of the most essential course of events in Swedish trade and industry. Foremost, he has gone down in history for achieving a far-driven decentralization in one of the largest organizations in Sweden, Svenska Handelsbanken (SHB).

Mr. Wallander was born in a high entrepreneurial surrounding in Stockholm during the interwar period, in 1920. His energetic father, the prominent and nationally-known architect Sven Wallander, had as the son turned four established HSB, simultaneously as his mother by then also had opened Stockholm children’s library (Wallander, 1997).

After having been engaged in economic research and receiving his doctor’s degree in the end of the 1940’s, Jan Wallander continued to practice economics at SNS until the mid 1950’s. He had then advanced to be the association’s managing director since several years back. The same year as he resigned, in 1953, he was announced the new managing director of IUI, where he stayed for nearly eight years in anticipation of a career as bank manager (Wallander, 1997).

Jan Wallander, first contact with the bank sphere, on a professional level, came in 1961 as he was appointed bank manager of Sundsvallsbanken in the north of Sweden. His time at the relatively big province bank in the north of Sweden, is colourful described in one of his books “Forskaren som blev bankdirektör”. During his time with the company, the business flourished and the bank was of very good repute (Wallander, 1998).

In 1970, some ten years after his first appearance on the financial market, Mr. Wallander accepted to take on the challenge with the renaissance of the stagnating company Svenska Handelsbanken. At the time being, SHB was the Nordic countries’ largest commercial bank, which also implied a complex machine recognized by high centralization and high formality. During recent years however, the machine had started to work less and less desirable and, as a result, profitability had fallen and a crisis was about to be entered. Managing director Wallander, well known for his intrepidity to go against the tide, intended to change this trend (Wallander, 1998).

After late discussions and elucidations with the decision makers in SHB, Jan Wallander departed to the Swedish fjelds for an intensive week with initiating himself into the organization and identifying insufficient processes and areas. Mr. Wallander intended to implement a strategy that is often practiced and commended today, customer-orientation. Instead of continuing to carry out the mission of making Handelsbanken “The largest commercial bank”, he strived to make it “The best commercial bank” (Wallander, 1998, 2002).

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34 HSB is one of Sweden’s biggest real estate groups, occupied with building and administer housing (HSB, 2004)

35 SNS (Studieförbundet Näringsliv och Samhälle) pursue community research in cooperation with leading scholars and publishes several reports, books etcetera under the investigated areas (SNS, 2004)

36 IUI (Industiens Utredningsinstitut) is an independent research institution, which conducts empirical and theoretical research on economic issues for long-term industrial development in Sweden (IUI, 2004)
The story of the ten respondents

He had for instance observed a strong need of handling credit agreements and errands, out on the local offices, as close to the customer as possible. And so, after returning from the fjelds Wallander commenced the work of leading Svenska Handelsbanken towards a long-suffering process of change, with the main aspiration to decentralize and put the customer at the centre (Wallander, 1998, 2002).

The restructuring took time, much due to antagonism from the top-management level, who were the ones who possessed the power and did not want to loose it. Nevertheless, the outcome of this extensive transformation was soon evident. An unwieldy hierarchical decision machine, where authority only had been found at the highest positions, was now substituted by an more opened organization with delegated decision-making across the vertical organization. Ultimately, as the employees gained more passing of resolution, this would also pave the way for stronger work motivation and higher profitability throughout the organization (Wallander, 1998, 2002).

Jan Wallander later was appointed chairman of the board in Handelsbanken (1978-1991) and afterwards the post as honourable chairman of the bank. Besides these high positions he has also been member of many boards and chairman of some of the most recognized companies and official reports in Sweden, among others, DN, Marieberg, Ericsson and BankKrisKommittén. Thereto, Mr. Wallander was one of the driving forces behind the computerizing of the Swedish stock exchange market, Värdepappercentralen (Wallander, 1998).

The researcher who became bank manager, and carried out one of the largest decentralizations in Swedish history, is one of the front leaders having influenced the development of Swedish commercial life and one of the most industrious leaders in our time.
Empirical findings

5 Empirical findings

This chapter will present the empirical data, which the authors have gathered during the ten interviews. The question structure is based on the arrangement in the interview guide found in “appendix 1” and will further follow the methodological approach described in chapter 2.3. For additional information regarding the interviews, see “appendix 2”.

5.1 Work motivation

What importance and influence does motivation have on performance and success and how does this find expression in Your leadership?

The elementary query whether factors such as motivated and empowered employees actually are crucial for corporate success, is a central issue in this study and the query has been raised several times. Several of the respondents have been engaged in this specific area before, and the voices were unanimous regarding the magnitude work motivation has on organizational results and well-being. With great conviction and enthusiasm they expressed their opinions.

“Motivation is alpha and omega”

(Lars-Johan Jarnheimer)

If people do not feel encouraged and motivated at work, it is arduous and next to unattainable for the organization to develop and create sustainable competitiveness. Therefore, Lars-Johan Jarnheimer expresses, they are dependent on surrounding themselves with a motivated workforce in Tele2, for the simple reason that our employees otherwise do not accomplish what they wish them to. This pervading issue is also shared by the front-figure in H&M, Stefan Persson, who recons that enthusiastic and motivated employees are the essence of modern business. Without the high level of work motivation that is possible to find in H&M, Stefan Persson says, the company would not have become as successful as it today has.

Johan Staël von Holstein concurs to the conspicuous influence motivation has on organizational outcomes. He explains how his leadership always has been characterized by a strong accentuation on corporate delegation rather than control and supervision on micro level. Under these circumstances, trust, mutual understanding and mainly fervent motivation are prerequisites for reaching success. At the same time this non-autocratic environment provides room for motivation to flourish due to the sense of perceived freedom. Furthermore, he adds, people actually can accomplish so much more than they believe is possible.
Empirical findings

“Motivation is much about belief – the right belief can move mountains”

(Johan Stael von Holstein)

In fact, he proclaims with a smile: “… it’s not that damn hard, but managers make it hard”. You just have to have true faith in people, and they have to experience a positive self-conceptualisation, and that is what motivation in the whole is all about. “If you only get enough time and sufficient amount of information, it is more or less possible for anyone to accomplish anything”. Bengt Johansson agrees, and says it is important to recognize the individual, give him/her a role, and a chance to be a leader and to develop personally. Not everyone succeeds in this thought, but at least the leader has given him/her the chance to test the boundaries and grow, he explains. Personal development is important in the business context, Johan Stael von Holstein says, and this is exactly what Bengt Johansson claims, as he means that a leader must encourage subordinates to unveil all potential embraced within them. Johan Stael von Holstein sometimes lacks this sense of belief in employees in today’s leaders, and he think that this lack might be why it fairly often is possible to observe deficient motivation among employees he says.

As said by Sven-Göran Eriksson, athletes most often have a build in motivation. He describes the willpower he sees in his football players to go out and win a match in the presence of 80 000 spectators, the desire to accomplish well in a World Championship when you know that millions of people are watching you. This is also why Bengt Johansson put enormous amount of energy in creating and sustaining enthusiasm for the game, simply because you are not able to achieve high goals if motivation is absent.

Motivation in both real life and in our professional life, Ingvar Kamprad elucidates, is comprised by a profound need of feeling wanted and important. I am strongly convinced, Ingvar Kamprad continues, that every single employee inside IKEA is vital to the contribution of our business advancements and hence, every single employee is important. That is why motivation is so crucial, you have to deliver this feeling and understanding of importance and senses of meaningfulness to them, otherwise work will solely be means of livelihood. “The strong motivation found within our organization is much due to the shared philanthropic view we have”. An often-used key word in IKEA is “Together”, and that is the jargon people are surrounded with. Ingvar Kamprad gently explains how his view of leading, is all about equality and cooperation. After all he says, “we are all just humans”. The obliging entrepreneur from Småland continues and recaptures:

“Almost every time I pay a visit to one of our department stores I start off by wandering down to the warehouses and shake hands with the boys and girls working there. Partly because it is often early and the store managers have not yet arrived and started to work, but mainly because these people on the ‘floor’ teach me so much about how things actually work in reality. They are important”

(Ingvar Kamprad)

Jan Wallander harmonize with the earlier respondents, but further adds that the fundament of any leadership, within sports as well as commerce, is to create the right circumstances so
Empirical findings

that people move in the right direction with both enthusiasm, and commitment. To
smoothen this process, he proclaims, it is of central concern for the individual to see the
meaningfulness with the tasks he/she undertakes and this is where motivation is utilized.
On condition that a momentous is observed by the individual, satisfactory will appear and a
strive to succeed will be pursued. Therefore, Jan Wallander describes, motivation is a highly
central issues in business, and something which has to be supported and transferred by
leaders.

The earlier SAS Manager Jan Carlzon believes that work motivation, in the intensified
knowledge and service economy, has grown to become one of the most essential duties for
today’s managers. Jan Carlzon illustrates his standpoint through giving a brief history reca-
pitulation of the economical development in Sweden during the last decades. Jan Carlzon
explains how three of the modern industrial countries stood out for managing to remain in-
tact machinery of production during and subsequent to the Second World War; Switzerland,
USA and Sweden. Due to heavy losses in material assets and need for reconstruction
among the remaining countries, above all in Europe and Asia, these three survivors were
able to produce without having to sell or create any larger competitiveness. While Switzerland
and USA gradually transformed this way of handling commerce, Sweden continued to
produce in the same hazardous way (with few exceptions such as IKEA and H&M). In the
1970’s however, the residual world had caught up to, and even exceeded, the level of wel-
fare and production intensity that once had brought Sweden to a top-position among the
industrial countries. It was no longer possible to sell products that did not have superior at-
tributes and which created no extra value for the customers. In a time when competition
had become fiercer, this was disastrous for Swedish commerce, and the situation had be-
come precarious. Fundamental changes had to be introduced and this was, according to Jan
Carlzon when motivation and customer orientation became crucial for Swedish organiza-
tions.

“In SAS we saw the necessity to create motivation and stimulation among the employees in order to win
over customers. People became aware of their roles in the organization, and we were able to create an envi-
ronment where everyone were tremendously proud over their performance. Ultimately, they had become aware
of their importance in the organization and this generated the crucial motivation to work industriously”

(Jan Carlzon)

Bert-Inge Hogsved proceeds on the same line, stressing the importance of incorporating
motivation and paying attention to the formation of an environment that is perceived as attrac-
tive by the employee. It is highly essential for managers and leaders in general, he says,
to realize that it in our time is motivated people who compile a company and engenders the
profitability. A couple of days ago, he relates, one of my company CEOs came in to my off-
ice. She is one of the most competent and energetic employees we have in Hogia, and she
told me that she once again had turned down a job offer as CEO at a large well-known
Swedish company, although the salary had been much higher than by us. She explained to
me, Bert-Inge Hogsved says, how she hardly ever could picture herself working for another
company than Hogia, just because she feels so at home here and her job stimulates her to
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such a great extent. Thus, her motivation and the way we have managed to encourage it, retailed a competence within Hogia, which otherwise easily could have been lost to a competitor.

In earlier days Bert-Inge Hogsved continues, autocracy and adamant supervision were characteristic traits of leaders. There were then however, few enthused employees and managers have started to become conscious of the fact that some people are not susceptible to orders, but rather have to be motivated in order to perform.

“It is simply not possible anymore to develop a productive and competitive production machinery by ordering people around – today it is all a question of motivation”

(Bert-Inge Hogsved)

This is also stressed by Marika Domanski-Lyfors, who persists that you have to deal with people from a highly human-orientated approach. Sweden would not have experienced a WC-final in 2003 if it was not for the strong motivation and sense of freedom that each player in the national team showed. That is a highly important issue she says, to assure herself that every single player feels secure and passionate for her task.

“I build my leadership on one very simple ground – every player and every leader is unique”

(Marika Domanski-Lyfors)

What is more she declares, a good leader does not activate one or two, or even half of the team, he/she galvanizes roughly everyone to work industries towards the same goal. If not everyone is satisfied and motivated, the team play does not work, and if the team play does not work it is next to impossible to succeed in what you are striving to attain. Simultaneously, people encourage each other, which leads to the conclusion that motivation is contagious. This however, as Sven-Göran Eriksson interposes, is a dangerous phenomenon. Although leaders shall take advantage of the fact that people can become enthused through having other motivated people in their surroundings, they perhaps shall be more aware of that people can even more easily become demotivated in negative atmospheres. For that reason, he tells, I see it as a requirement to have a positive personal attitude, coming prepared to trainings and meetings. This spiritual well-being further has to be created and transmitted to the whole team, implying work both on and off the football ground. This is where my leadership skills and ability to manage people become central, and for me it is all about explaining what you would like to be done, because people want to have clear instructions.
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“You have to start off by informing the players WHAT you want to be accomplished, continue to explain HOW you want it to be done, and finally you have to motivate them by explaining WHY you want the certain things to be done”

(Sven-Göran Eriksson)

He describes how he, throughout his years abroad in different club teams and in the English National Team, has become convinced that if you do not create consensus and commitment for the “why” people should indulge in an action, the outcome will not be of satisfaction. Consequently, Sven-Göran Eriksson adds with a touch of irony in his voice, you have to have something judicious to tell them.

5.1.1 The existence of forlorn hopes

Is it practically possible to encourage all employees/team members to feel motivated, or are some individuals forlorn hopes? How do You cope with this potential diversity?

Noticeable in many organizations today are severe problems with escalating number of sick reports, lacking productivity and an inadequate responsibility for costs and resource use. Many business leaders can almost certainly identify themselves with posing the question whether all employees have the potential to become motivated, or if there always will exist those who drop everything at hand, as the clock strikes four or five.

The well-reputed respondents all indicate that they believe all employees, with very few exceptions, can be stimulated to work more productively and with greater concern for corporate visions and goals. As people are psychologically different by nature, there will however naturally always exist those who are born “tired”, Lars-Johan Jarnheimer states. Therefore, Stefan Persson continues, it is up to the manager to minimize the number of employees with this behaviour, by creating the right circumstances inside the organization.

One fundamental issue is to have a proportionately comfortable feeling when you go to work in the morning, Johan Staël von Holstein says. The more fun you have and thereto the better you are at something, the better the result will be. Thus, he carries on, it is crucial for an individual to be at the place that is right for him/her, and consequently it is not all up to the company to create the right conditions.

“Zlatan37 does not cover shots in the back line, he heads goals!”

(Johan Staël von Holstein)

Time and again though, the blame can be found in the organizational setting and the way the employee is managed, Stefan Persson counterthrusts. It might be that the person has

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37 Zlatan Ibrahimovic is one of Sweden’s most successful forwards in football
Empirical findings

not been provided with efficient amount of information, he/she does not experience any attention to his/her ideas, or something similar in nature. The main task for a manager nevertheless, is to try to isolate if, and in that case what, he has done wrong and subsequently try to repair it, Stefan Persson argues.

Jan Carlzon and Johan Staël von Holstein further mean that if an individual is not motivated it can also originate in lack of trust, faith and equity from management direction. Due to the fact that you deal with human beings, you have to be aware of the diversity in factors that motivate them, Marika Domanski-Lyfors utters. Jan Carlzon explains that if a manager is not aware of this and honest in his/her intimation regarding, for instance, the freedom for employees to make mistakes without unpleasant consequences, then the employee will feel threatened and restrained, and consequently not motivated. Hence, he says, employees have to be given opportunities and freedom to try out things (i.e. take on more responsibilities), and should not be punished if the outcome is not what was expected. Giving an individual a chance to prove oneself is one of the key success factors in reaching motivation in also the “tired” employee, Johan Staël von Holstein confirms.

“You can never know employees’ limitations or how far they can reach, if you do not give them the opportunity to grow and prove themselves”

(Johan Staël von Holstein)

Ingvar Kamprad and Bert-Inge Hogsved address the “dropping everything when the clock turns four phenomenon” and imply that this can be ambiguous. On the one hand, Bert-Inge Hogsved claims that there, on the one hand, exist those employees who actually let go of all obligations solely because the clock strikes and their working day is over. On the other hand though, there are those who work to their best abilities during the eight hours they spend at work, but then have to pick up the children, catch a bus leaving quarter past four et cetera. Ingvar Kamprad explains how he encountered the last-mentioned occurrence a couple of years ago, when a senior manager came to him:

“— You have to realize Ingvar, that I sell eight hours of my life every day to IKEA and I will work like hell during these eight hours. The rest of the time however, you can not count on me, because I have got so many other time-consuming interests”

(Ingvar Kamprad)

I fully respected this decision, Ingvar Kamprad says, and I also think it was very daring of him telling me that. Nevertheless, Ingvar Kamprad continues, this is one of the most motivated and ambitious employees we have in the company, and still he chooses to “drop everything at four o’clock”. As seen, Bert-Inge Hogsved and Ingvar Kamprad sum up, the motivation level is not always measured by the time you put into work, but by what you actually do when you are there.
Empirical findings

Bengt Johansson continues and stress that one can naturally wonder how a person sitting in a cashier at big impersonal grocery store can ever feel motivated. Most certainly many of these people find stimulation by having something to look forward to, and this might be that they afterwards are free and can cultivate their leisure activities. Ultimately it is up to the leader to determine if this is true motivation and if this should be tolerated. In sports we have an advantage in being able to send players home, or letting them take time off from the game. Often I tell players to go ski a week if he is not experiencing the right affect, but this is not easily done in companies, Bengt Johansson says.

If you however deal with one of the exceptionally rare hopeless cases, you have to take measures in order not to jeopardize the work moral of the remaining work force, Stefan Persson says, with support from Lars-Johan Jarnheimer and Johan Staël von Holstein. It is essential to find these demotivated employees, talk to them, and if they do not have the right attitude, tell them that the situation is precarious.

“If you have an employee with the right attitude but the wrong education, you can quite easily educate them. If they in contrast have the right education but the wrong attitude, it is almost impossible to convert them”

(Lars-Johan Jarnheimer)

“One has to keep in might that motivation is also about assisting one’s associates – sometimes you have to run for your midfielder”

(Sven-Göran Eriksson)

As indicated by the respondents earlier, they also believe that the fact that a specific individual is not suitable in their organization does not necessarily mean that they will not do an impressive job somewhere else. They might simply have chosen the wrong occupation, Stefan Persson pronounces. Focus on what you are good at, and disregard everything else, as Johan Staël von Holstein puts it. In all these cases it is moreover highly indispensable to have an opened dialogue in order to locate and solve these disparities, Bert-Inge Hogsved says. In Hogia the small-scale structure has assisted us in working on a more informal and social level, thus being able to interpret demotivated employees on an early stage.

Finally, Bengt Johansson says, we are talking about motivation in sense of performing one’s best and being satisfied with one’s state or surroundings. I believe, he finishes, that you should never be totally content with your situation, otherwise you do not have anything to strive for in the future.
Empirical findings

5.1.2 Personal encouragement

What has, and does, encourage You personally to be the successful businessman/sport leader You today are?

The concept of motivation has throughout this thesis shown proof of being highly intricate to portray and cope, and this reality reflects upon the respondents’ answers as they encounter somewhat difficulties in explaining the sources of their own motivation.

It is hard to isolate one or two factors, as Johan Staël von Holstein discourse. A representative ground of explanation, which all of the commercial leaders consent to, is that they experience an aspiration to achieve something. Jan Wallander implies that his spur partly derives from the idea to revolutionize, develop and carry about visions. This feeling, as Jan Wallander explains, can possibly further be a product of a strong stimulus to contribute to society and the good things in the world.

“You want to change the world”

(Jan Wallander)

Ingvar Kamprad also shares the strong aspiration to create and transform the present. Captivating he relates how his childhood in the poor region Småland was portrayed by several big furniture companies, which sold exclusive designed quality furniture. These utility products however, Ingvar Kamprad clarifies, were only produced for a minority of people who were wealthy and able to pay for the latest fashion. I remember thinking this was so unjust, he explains, and instead my idea of giving also the “many people” serviceable and designed furniture was born, and that is still what drives me to do business. Today though, it is no long the Southeast parts of Sweden that we mainly address, but also countries such as Russia and East-Europe where luxury consumption is a reality only for a small group of the population. This has brought about that also the intermediate and lowest layer of society come to IKEA, in for example Moscow, and have a hot dog for 1,50 SEK, and perhaps also buy some small apparatus, Ingvar Kamprad continues.

In accordance with the above statements, leavened with personal goals of achievement and strives to succeed, the sport leaders stand out for all being strongly target-orientated. Marika Domanski-Lyfors, tells how she actively is trying to bring the team forward and fulfil earlier put up goals. I have always been very shy, she reveals, but it was never obvious that I should be come a leader. All the same, when it comes to football, some kind of drive motivates me to do everything possible, to push myself and to win together with the team.

“The best I know, is to sit on the coacher bench for those 90 minutes and beat the guy who sits on the bench next to me”

(Sven-Göran Eriksson)
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Many leaders, such as the assistant football coach Tord Grip, experience satisfaction through the preparations and tasks surrounding the match itself, and this is also a contributing reason to why Sven-Göran Eriksson feels encouraged to lead. However, he says, it is the pure desire to win football matches that is my prime motivator, and it always has been. Moreover, I believe that my strong personal motivation and dedication often contribute the attitudes within the team, the British national coach adds.

Stefan Persson, who succeeded his father Erling and successfully has continued to expand the clothing giant H&M, further give prominence to maintaining and nursing an original business vision.

“Among the most stimulating things I experience, is to see our business idea expand and live on”

(Stefan Persson)

Moreover, he puts in, many leaders with him have a competitive instinct and experience a will to see that ones company outcompetes other players on the market. This also implies that one desires to see that progress is taking place, how people function well together and how business therefore is brought forward, Stefan Persson adds. Bengt Johansson strongly concurs to this inherited feeling and believes that his motivation derives from the joy for a functioning strong team spirit and shared success. It would not have been as fun, he explains, if the “boys” would not have been there to share the success. Furthermore, he declares, success creates success and the Swedish national team in handball has been highly rewarded during the last 15 years.

An additional commonly shared motivational ground, which can be observed among the respondents, is that many of them joint sense of self-realization and internal competition. Johan Staël von Holstein depicts how he as a person always have been an assiduous “fighter”, having his instinct to win and desire to accomplish guiding him in the commercial world. Especially I believe that any leader experiences an extra tension once one leaves one’s personal stamp on a project of some kind he concludes.

“In a way it is my own personal contest”

(Johan Staël von Holstein)

Hogia, the company which somewhat broke the rules by being ”bunshed” while the majority of companies entered into mergers, created a challenge for its founder Bert-Inge Hogsved. Not only has the split denoted a trial of how far it is practically possible to operate and manage the small-scale created in Hogia, but it has moreover implied a strong personal pride due to the positive development, Bert-Inge Hogsved says. The total capital investment on the whole is only 5 000 SEK, not many companies can brag about that, he smil-
Empirical findings

In spite of everything, he adds, the without doubt strongest and most significant foundation of his enthusiasm for working is the joy he experiences by engaging in Hogia.

*I am having fun!*

(Bert-Inge Hogsved)

Lars-Johan Jarnheimer thereto expresses that he believes that his motivation exceedingly can originate from mental desire to do things right. Possibly, he continues, my will and motivation to succeed as a businessman can even derive from a sort of lack in self-confidence, and achievements eliminate this feeling. Initially though, when the studies in Växjö were completed, Lars-Johan Jarnheimer unveils that money was the main source of motivation. As he has become more experienced and time has passed by, this feeling has however been appeased.

The lion’s share of the respondents lastly expresses the importance for the leader to be positively stimulated. Personal motivation is crucial, they describe, partly to facilitate an individually well-accomplished work, and partly to influence and motivate the employees who you lead. If the leader is not motivated and does not work diligently, it shows through and the mentality within the organization descends, Johan Staël von Holstein explains.

“The day I do not feel the same passion and the same motivation to work with the company, and perhaps commence to play golf on forenoons, that day I’m convinced that my demotivation would have devastating effects on the whole organization”

(Bert-Inge Hogsved)
5.2 Intrinsic versus extrinsic motivation

What view do you have of incentives, i.e. compensations in form of financial rewards, gifts, praise, additional playing time et cetera in the pursuit of stronger work motivation?

Frequently occurring in both trade and industry and mass media today are heated discussions regarding increasingly applied severance pays and high salaries. The opinions whether this development is positive and even indispensable, or not, are greatly dissenting and so also among our respondents.

“Praise, praise, praise”

(Jan Wallander)

“In Sweden leaders often show proof of scantiness in giving credit and praising employees”

(Bengt Johansson)

A general consensus for the weight of praising employees and showing engagement in their profession, and sometimes even their private life, can be witnessed despite otherwise varied views in the current field of interest. Bengt Johansson, being a strong supporter of encouragement, describes that this is something Swedish leaders have to understand, as many of them often neglect the power of praise. Jan Carlzon and Ingvar Kamprad interpolates that also negative remarks or feedback can for some employees be just as stimulating and encouraging as positive ones, and leaders should not be afraid to use neither one of them. A word of caution for managers, exclaimed by Jan Wallander, still is the fact that many employees are unpleasantly affected by criticism, and the method of proceeding with such feedback accordingly has to be leavened with care. Stefan Persson summarizes the general idea shared by all the respondents, and stresses the fact that managers have to engage themselves more frequently in giving feedback and praising employees, independent of the feedback’s nature.

“If you jump over two meters in height you honestly feel very content, but if no one measures the jump it is not especially stimulating”

(Stefan Persson)

At this stage the agreement is brought to an end however. Lars-Johan Jarnheimer, Johan Staël von Holstein, Stefan Persson, Bert-Inge Hogsved and Ingvar Kamprad on the whole hold positive attitudes towards monetary compensations, while Jan Wallander, Jan Carlzon and Bengt Johansson have less confidence in the same. The remaining respondents neither take position pro nor against financial incentives.
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“My experience tells me that the financial carrot is the most effective motivator”

(Lars-Johan Jarnheimer)

Monetary inducements are frequently used in Tele2. According to Lars-Johan Jarnheimer’s personal opinion, as well as his professional opinion in capacity of manager and CEO, this is further the motivator that effects employee performance the most. As important as any other factor in ones employment, Stefan Persson continues, is the economical compensation level. It is highly unwise to underestimate its true power to influence, and not only does the pay have to be fair in relation to the achievements, but it also has to denote a feeling of content for the employee. The human nature is however never satisfied with what it has, and because of that reason you can calculate that a certain salary has bearing for roughly one year before negative consequences start to emerge, Lars-Johan Jarnheimer uneasily means.

“You have to have a salary, which you feel satisfied with and which you deserve”

(Stefan Persson)

Johan Staël von Holstein engrosses the discussion to another level. He maintains that we in Sweden, in contrast to USA and several other countries in Europe, have been misled in the discussion regarding compensations and we emphasize the wrong things. Sure, he says, I truly believe that money encourages people on all levels inside the organization to work more productively, but the central issue is that money motivates the right people to ENTER the company. Having the status of manager you want to allure competence, and in today’s society this is mainly done by monetary means. For example, he says committed, if an owner chooses to pay an external CEO an exceptionally high salary, it is not always done without a reason. Certainly, many unsound organizations do it without having any second thoughts, but some sharp entrepreneurs do it because they truthfully expect the highly-paid CEO to generate even more money to the company than he costs.

“Just look at how much the greatest sport stars earn. It has to be possible also for incredibly well-performing managers to earn just as much. The problem in Sweden is simply that the commercial leaders are not seen as stars”

(Johan Staël von Holstein)

Furthermore, Johan Staël von Holstein adds, if the high pay is not offered, then there will always be some other company that will offer the same amount, and subsequently the competence will be lost. In resemblance to Stefan Persson, Johan Staël von Holstein also express a belief in equity and salaries in proportion to what the individual deserve to be paid. The specific amount, Johan Staël von Holstein concludes, is what another employer is
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prepared to pay for the person at question, and this logic is applicable for all employees, not only for highly positioned executives. Thus, money is a true success factor when it comes to the motivation process of employees and the only time it possibly could loose its value is when to high taxes are impose upon the capital and people do not see any reason to work diligently.

“There will always exist national romanticists who believe that money is of no importance, but money is an excellent ground of motivation …

… it is plain, straightforward and precise”

(Johan Staël von Holstein)

Some employees within the organization furthermore can be seen to be more involved and more sensitive to incentives, Lars-Johan Jarnheimer continues. For instance, he says, it can be necessary for some individuals to have performance related pays in order to stimulate them to work optimally. This concerns primary, and perhaps a bit obviously, Lars-Johan Jarnheimer and Bert-Inge Hogsved say, salespersons, managers and other individuals who have direct contact to sales. Ingvar Kamprad agrees to this, but present a forewarning concerning the division between fixed and variable payment. Ingvar Kamprad expresses that his approach to incentives is very positive, and it is used to some extent also for a small category in IKEA. It is however vital to revise the original salary he describes. When you have a certain pay this already comprises that you carry out a specific set of tasks. If the company then introduces an incentive system (e.g. bonus or such) then they also have to adjust the basic wage, otherwise you acquire “free” money and do not have the incitements to work harder. Nevertheless, Ingvar Kamprad adds, I believe that a large number of people become motivated by money. Simultaneously managers have to be aware of this strong influence money has on the individual and deal with it with caution, otherwise it can potentially result in a never-ending want for more and more, he explains.

“Money is a fully-working motivator for many people, but managers have to be on the watch so that the compensation system does not turn into a inflation phenomenon where the employees are never satisfied”

(Ingvar Kamprad)

Bert-Inge Hogsved continues in the same direction and has confidence in money as instigator, but he has a slightly modified idea of how and why to use compensations. In Hoga a bonus scale is used, which at maximum outturn still provides only a seemingly low level of compensation. Bert-Inge Hogsved means that it is not the money itself, which mainly motivates people, it is something else.
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“Some kind of variable compensation plays an important role for motivation, but it is not the size of it that matters – it is the instinct of competition it brings about”

(Bert-Inge Hogsved)

Whilst the above quintet argues for compensation schemes, several of the remaining respondents are adversaries to it and see less favourable effects on motivation. Jan Wallander is one of them, and brings forward a view founded on deeper human psychology. Individuals are not originally driven by extrinsic motivation, he proclaims, rather they are enthused by innate factors. I believe, Jan Wallander explains, that people are motivated by a natural tendency to do a good work and compensations simply aggravate this process. Lately however, organizations to a greater extent have started to adapt different kinds of systems for encouraging motivation extrinsically. This development, forced upon companies by the market, first of all increasingly accentuates materialism and second of all force up salaries and ultimately expectations, and this change in society is healthy for neither companies, nor employees. Furthermore, Jan Wallander says, important to bear in mind is that human beings often tend to want more and more even though they are already well remunerated.

“Every time you higher the financial compensation, you higher man’s needs and demands”

(Jan Wallander)

However, Jan Wallander adds, when we in Handelsbanken commenced the pursuit to become the best bank in Sweden, we introduced an share system based on the value creation and overall performance in the bank. The basic concept is concerned with sharing the added profits, generated by Handelsbanken through being better than other banks. For every year an employee worked within the organization they earned one full “share”, implying that some employees who had been loyal to the bank for perhaps 30 years, also had earned some four million SEK with means of the joint efforts. Nevertheless he explains, the direct intention with this system was not to create motivation through money, but rather to share the “additional result” fair amongst the employees who in fact created it.

Bengt Johansson clarifies that he is a true follower of a non-financial way of working. It is however different on the handball field than in the commercial world he says, and compensations often come in form of additional playing time, but mainly joy, team spirit and commitment. There is a substantial difference between sports and the business world, he continues. In sports the tasks undertaken and the choice to play is voluntary, but in the business world however, it is a must.

“The motivation for us in the team is to win, and that is impossible to accomplish if you have money on your mind”

(Bengt Johansson)
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Under circumstances like these, where the main driving force is joy for the game and a desire to win, money is diminutive according to Bengt Johansson. Certainly, if the team wins the WC or the Olympic Games they receive money from sponsors, among others. Nevertheless, it is often more about the accomplishment itself and the pride it has as a result. The players have told me, Bengt Johansson says, that the pay is secondary to them and if we end up on a forth, fifth or six place in a championship, and hence miss the podium, they do not want any compensation because they do not think that we have earned it. This reasoning is applicable also to companies, Bengt Johansson explains. If employees have nothing to fight, no confidence from the leader and no joy that drives them, what should then make them motivated, he asks.

Fortified with a broad commercial background, Jan Carlzon concurs with the above argumentation and considers reward systems to be an evil spiral, which never ceases to spin. To believe that financial bonus systems create a stronger corporate development or enhanced employee motivation, is to fool oneself, Jan Carlzon says. Many managers declare that they have no other means to use to create motivation. In my world however, I have seen that people become so much happier by realizing their importance, obtaining responsibility, and observing how their contribution play a part in the overall organizational progress. This is created not by a higher salary, but by praise, feedback and, in exceptional cases, some kind of symbolic rewards, he proclaims convinced. When we in SAS reached earlier determined goals, we saw to it that all employees shared the triumph through diverse celebrations. For instance, the former SAS manager narrates, as the company achieved the goal of becoming the most punctual airline in Europe, every employee was rewarded with a watch that had an airplane as second hand. The watch history might seem ridiculous, but I believe that these small signs of appreciation generate so much more than a large bonus, Jan Carlzon rounds off. These symbolic motions of gratitude and encouragement are indispensable and are often used in sports, Marika Domanski-Lyfors and Bengt Johansson describe. The whole teams celebrate each other's celebrate, have jubilees or get-togethers when goals have been reached. It thereto has become custom for Bengt Johansson to get be thrown into a cold shower by his players when they have won a match. Marika Domanski-Lyfors explain that these kind of “rewards” often tend to strengthen the organizational affiliation and team spirit incredibly much, and Marika Domanski-Lyfors on her side, several times have sung “Tiotusen röda rosor” to they whole team, as a game has ended happily.
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5.3 Communication and information-sharing

Do you think that communication and information-sharing of goals, visions, financial development and ideas et cetera, is imperative in aspiration for motivation? If so, how do you communicate this sort of information?

Theory has shown communication and information-sharing to be one of the most important elements in effective people management, and all respondents agree to that communication and information is crucial in motivating employees, in fact it is important in all aspects of leadership.

"Information is very very important"

(Sven-Göran Eriksson)

All respondents agree on that communication and information is crucial in motivating employees, in fact it is important in all aspects of leadership. None of the respondents have disparaged the importance of good communication. Sven-Göran Eriksson says that information is extremely important, and Ingvar Kamprad says that information is crucial both on long-term and short-term basis, and through all functions within the organization. Johan Staël von Holstein believes that a good leader must be a good communicator, informant, and creator and says that you as a leader have to have great imagination and ability to see what has to be done and then communicate the aims and goals, and give the subordinates the right information on how to reach those goals. Bengt Johansson totally agrees with Johan Staël von Holstein by saying that a leader has to be a communicator rather than a controller.

Jan Wallander says that all people want information, but perhaps not all information, so a leader must adjust the information and the message to the targeted group. Johan Staël von Holstein agrees and says that some people are very independent and demands almost no information whereas some are very insecure and needs almost over-explicit information. A good communicator or leader is a person that understands how to communicate differently depending on the target group, and to distribute the information in various ways. This is very important, since you cannot build an organization on a homogenous group of people (i.e. everyone is different) Johan Staël von Holstein continues, and draws parallels to the sport world:

“If you take the worlds eleven best backs you will never let in a goal, but on the other hand you will not be able to score any either”

(Johan Staël von Holstein)

So, people are different, and it is important to take use of the manifold organization and gather everyone around the company’s common vision and mission Johan Staël von Hol-
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stein claims. Thus, the leader needs to be a good communicator to be able to reach every single man within the organization, and to adjust the information to all groups.

All respondents further agree to what Jan Wallander claims, that all people in general wants information, but it depends on what information and how much. Stefan Persson is convinced that there is a risk of over informing people, that the leader gives lots of information that the receiver has difficulties to both prioritize and to understand what information is important just for him/her. Lars-Johan Jarnheimer is of the same opinion, he believes in a clear, straight forward and honest dialogue even if it is of few words, rather than concentrating on frequency. Again, it is evident that it is important to be the good communicator Johan Staël von Holstein discussed, to be able to give the right information to the right people.

"Lower level managers are like Vasaloppet's 'blueberry boys'"

(Jan Carlzon)

Another “risk” of information is that it often can be misused as a factor to exercise power over subordinates Jan Wallander claims. Here it is the lower level managers that is the problem. They use the information to gain more power and to climb in the hierarchy Jan Carlzon explains. They feel threatened because their roles changes, now they should not be giving orders but rather giving service to the frontline. Jan Carlzon says: “The lower level managers are like ‘blueberry boys’, it is them who serve the skiers with blueberry soup in Mångsbodarna during the Vasa race so the skiers will get energy to cross the finishing line”. What Jan Carlzon tries to explain is that the lower level managers need to serve the frontline so they are able to reach targeted goals.

But, Johan Staël von Holstein claims it is important to keep it open to changes because all streets leads to Rome. Jan Carlzon totally agrees and says that there is nothing as demotivating for a human being as being totally controlled in detail, but he also adds that the communication differs depending on how the responsibilities are delegated.

The information needs to be very clear and concise to avoid any misunderstandings says Sven-Göran Eriksson, and he says that in the sport world it is important to explain and motivate why you chose a player before one other. To this both Marika Domanski-Lyfors and Bengt Johansson agree. Marika Domanski-Lyfors says that it is hard to get a decision you do not understand, but if you participate the whole way through the decision process then you understand that the decision is made to reach the common goals targeted together. It is important, she says, to continuously communicate and inform the team members about goals and how you plan to reach them, although when decisions needs to be taken fast (e.g. during a competition) you cannot inform the players in advance, but then you have to explain why you took a certain decision. It is the same within an organization, she claims. Also the remaining sport leaders and Johan Staël von Holstein stress that the passing on of miscellaneous goals is very important. In the sport world it is however very much about the players own interest in exercising the sport, Bengt Johansson says. Marika Domanski-Lyfors moreover distinguishes between two different types of goals – perform-
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formance goals and result based goals, and both of them are vital in almost all types of organizational settings. She means that that even if getting results, winning games and achieving goals et cetera (result based goals) is a great motivation factor, also “softer” personal goals motivate the players (performance goals). What is important here is to have a mutual communication with the players to find the personal goals of every single player and together work towards reaching them.

“It’s better to have twenty people thinking than just one”

(Bengt Johansson)

Jan Carlzon explains that a good communication is a direct contributory cause in motivating people. He says that effective communication as a means for motivation to first take away the controlling of people, secondly to manifest that their roles and performances are crucial success factors, this creates a sense of responsibility and thereafter instructions can be taken away to give people freedom and to feel empowered. It is crucial to have all the people with you, because everything should start from the people in the organization says Marika Domanski-Lyfors. Of course it is important to focus on goals, visions, missions, tasks et cetera, but it is just as important to see the mental aspects of people, how they feel. People that do not feel good do not perform well either. That is why mutual communication is so important, it is not only the team members that need information from the leaders, but the leaders must also get feedback and information from the people Marika Domanski-Lyfors claims. It has to be a mutual exchange. Bengt Johansson has the same opinion regarding information to be mutual. It is better to have twenty people thinking rather than one he claims.

Not all respondents have discussed the channels for information, but Bengt Johansson and Stefan Persson discuss the technology used for communication, and both agree that human communication and interaction is superior to the new technology (e.g. email and intranets). However, they say, the new technologies are frequently used and in fact very good for informing people fast if used correctly.
5.4 Participation, responsibility and empowerment

Do you believe that people in general want to get more responsibility and want to feel more participation, and does this strengthen the motivation?

"Some people are born tired"

(Lars-Johan Jarnheimer)

That everyone wants to feel participation in the organization or the group all respondents agree to, but not everyone agrees to that all people wants to be empowered and take responsibility. Jan Wallander says that not everyone actively wants to take responsibility and have demands on themselves, and rather take fright and strive to attain routine work. But, he claims, these cases are few and most often responsibility is stimulating for the employee. When for example Handelsbanken was decentralized the people at the offices felt more responsibility and participation, and the bank’s creation of employee security protected against negative consequences. Whether the motivation at the local branch offices increased or not is unknown but it probably did, in the long run Jan Wallander says. Lars-Johan Jarnheimer says that the majority is willing to take responsibility, but far from all – some people are born tired he says.

"If you give people the chance to take responsibility they will take responsibility"

(Johan Staël von Holstein)

Johan Staël von Holstein is convinced that you always can get people to feel responsibility and participation. Perhaps not everyone wants to take responsibility, however it is their obligation he continues. He gives a concrete example of taking responsibility for the work by saying “in almost all organizations people steal; they steal papers, rulers, rubbers, pens etcetera, and they see it as a benefit”. By this he tries to explain that those people are not informed, motivated, and inspired to take responsibility for their work. As we have seen, Johan Staël von Holstein views it important to empower employees and give them the chance to take responsibility and to develop personally as well as professionally, but they cannot get trusted over and over again if they fail and let you down. But at least they have got the chance. Johan Staël von Holstein thoughts are supported by Bengt Johansson who shares the same philosophy.

Stefan Person believes that everyone wants to feel participation in all levels within a company, but then there are always some people that likes to take it further to also include taking responsibility and to lead. But to feel satisfied in work one has to feel participation, to feel important, Stefan Persson continues. Johan Staël von Holstein believes people will grow as they get more responsibility, and Bert-Inge Hogsved totally agrees by saying that the more responsibility and power you get the more motivated you will be. Bert-Inge
Hogsved further claims that people in general want to get responsibility, however, he says, it depends on what kind of responsibility it is.

People want to have the possibility to control and influence their own work and working environment, but some people just associate responsibility with high expectations, he claims.

“There is no person who does not want to take responsibility”

(Jan Carlzon)

Jan Carlzon, however, is convinced that everyone wants to take responsibility, if the environment allows it. He says that there are two things that guides people through their lives - fear and love, love in this case one can say is respect and trust. So, if you create an environment in which people are afraid then, consequently, no one wants to take responsibility, because why should they when there is a risk? And you do not want to take any risks if you fear the consequences. But if the environment gives people trust and respect, that even if someone makes a mistake he/she is not punished, then you create power within the organization, since people wants to take responsibility. The reason is simple, a person that is afraid to fail or take the wrong decision will never be able to reach his/her maximum capacity, but a person who works in an environment allowing people to sometimes fail will easily reach the maximum capacity. Jan Carlzon says everything is about performance anxiety and he gives an example of this from the sport world:

“The Swedish tennis player Henrik Sundström was a totally unbacked winner when he managed to beat John McEnroe in Davis Cup 1984. Everyone knew that McEnroe was going to win; even Henrik himself knew he was going to lose, so he started the game without any performance anxiety and without any pressure to win, and this actually made him the winner. However, he finally left the tennis, because in later competitions everyone was counting on him because people knew he had the strength to perform excellent, so for every game he had a huge pressure on him, which made him insecure and anxious about his performance and therefore lost all important competitions.”

The lesson learned is that people should not be afraid, they should not have this performance anxiety, and should always know in advance what is expected. Jan Carlzon says “a person that does not have any information cannot take responsibility, and the one that has got the information can take double responsibility”. So again, information and communication is crucial.

Ingvar Kamprad, on the other hand, believes that not everyone wants to take responsibility. He says that people are different, some people want to take things slower in general and they perhaps get motivated by other recreations. However, Ingvar Kamprad believes that it is possible to motivate all employees, and he further believes that participation does affect the level of motivation, and it is important to empower the employees, freedom should be given as far as the organization’s environment allows.
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The respondents from the sport world agree on that participation and responsibility is important in motivating the team members. Feeling participation is vital in sports says Sven-Göran Eriksson, and both Marika Domanski-Lyfors and Bengt Johansson agree. However, Bengt Johansson says that not everyone wants to take responsibility and to be more participative in decisions, but one should always give them the chance. Bengt Johansson agrees with Ingvar Kamprad regarding the personal recreations. Bengt Johansson says that one can wonder how people can be motivated by working in the cashier at ICA or painting walls all day long, but perhaps, he says, they get motivated in their private lives through hobbies and that a job that does not demand them to take a lot of responsibility gives them time to exercise their hobbies.
5.5 Some last unmentioned recommendations

Finally, are there any additional unmentioned recommendations or guidelines that you would like to put forward, which you believe could contribute to a reinforced employee/team member motivation?

Despite the relatively wide spectrum of subjects of discussion, the respondents debated several other areas, of which some aspects assist in meeting the purpose of the thesis. These were furthermore observations made not solely in the respondents’ own professional life, but also often characteristic features seen in the overall commercial world.

Several respondents (Ingvar Kamprad, Bert-Inge Hogsved, Jan Wallander, Marika Domanski-Lyfors, Bengt Johansson Stefan Persson) further believe that a natural leadership, which is not artificial or pretentious, contributes in creating a less formal and more open-minded organization and ultimately stimulates motivation. This includes setting a good example, Bert-Inge Hogsved says. If you want people to work hard and feel enthused, you too have to show this by succeeding in what you do, he adds.

“A manager has to situate his/her desk close to reality”

(Ingvar Kamprad)

Further you have to create a confidence and openness, which lead to that your co-workers are not afraid of you, but rather want to share their knowledge and opinions with you, Stefan Persson means. The great mistake often done by managers in bigger companies is that they are not available, they lock themselves inside their offices and do not want to be disturbed, Lars-Johan Jarnheimer expresses. Although Sven-Göran Eriksson does not believe that he is seen to be “one of the guys”, especially not in the foreign leagues, he considers the social sides to be crucial in order to build a good relationship with the players. Also Ingvar Kamprad supports this belief and means that this is a result of a miss-priority, often combined with lack of time and negligence for the importance of visiting “the floor” and socialising also with the lowest-level employees. It is often there, he says, where you gather the best ideas and get an idea of how the man on the street reasons and what he desires.

“The ‘floors’ are our best schools”

(Ingvar Kamprad)

Otherwise I cannot give advice to the other managers, Ingvar Kamprad says. We are not a big company, and in the retailer industry we are merely a middle-sized company. One thing is fore sure though, he continues with support from Jan Carlzon, and that is that these visits also contribute to the understanding of the entirety. The importance of seeing the entirety is twofold, he further explains. In managerial perspective firstly, when a manager vis-
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It's a production plant he/she gets a priceless insight in how people who are working there think and behave, and thereto become acquainted with them. Secondly, on a workforce level, also employees wish to have a decent overview of the organization, because it clarifies their contribution to the final product and this knowledge motivates them. Therefore, we see it as a prerequisite in IKEA for employees to work on different instances, although they might have the opportunity or experience to start right from the top-level. Marika Domanski-Lyfor and Bengt Johansson verifies the earlier statements regarding the importance of working on and having experience from different levels in order to gather knowledge of how other people reason. “Due to the fact that I earlier was a football player, I today often can understand and relate to how the girls behave and how they feel in certain situations”, she narrates. Jan Carlzon is confident that one of the main reasons why many employees do not have a clear picture of the corporate processes, goals, visions et cetera, is that the management often do not have the ability to express and communicate this information.

“Without a general understanding for what you are doing and what you are contributing to, you become a blind person and ultimately strongly demotivated”

(Jan Carlzon)

An often ignored ground of motivation is according to Jan Wallander the competition instinct, which also was emphasized to be a strong personal spur for a number of respondents. He says that the willingness to win is a great incentive to perform the best, which in turn motivates. Within Handelsbanken all local branch offices compete with each other every year to be the best bank office in every region. Further the region offices compete with each other to be the “best region bank of the year”. This system of internal competition has raised the motivation within the organization dramatically.

Jan Carlzon brings up another approach to why work motivation in organizations is not always as high as it potentially could be. He describes that many companies, develop both products and services from within the organization and do not integrate the customer in the process. This implies that when the frontline, in particular the salespeople, meet the customers (i.e. to market or sell the offered product or service) they are met with dissatisfaction, as the product or service is not what the customers desire. Under these circumstances, where the product or service does not meet market demand, the task for the frontline will instead be to explain why the product does not correspond to what is expected. One example is the mobile phone industry, Jan Carlzon says, where it took the management of the biggest suppliers long time to realize that you cannot neglect customer opinions and preferences when producing a mobile phone. Hence, Jan Carlzon continues, you have to assure yourself that there is, or that you create, a market demand for your goods so that employees can focus on selling and feel encouraged to put it on the market. Stefan Persson also considers sensitiveness of ear to be vital, and moreover means that the employees have to identify with the company’s goals, visions and product range.
Empirical findings

“If you have been highly successful in selling an idea, the receiver believes that the idea is his/her own”

(Stefan Persson)

Bengt Johansson finally asks himself the question why 500,000 people are occupied voluntarily in sports and work idealistically, but an employee would not work two minutes overtime without compensation. I believe, he says, that this is due to the fact that many companies do not dare to have faith in employees, they do not give them a chance and the responsibility needed to prove themselves, and they do not communicate the significance in their accomplished work. Foremost, Bengt Johansson concludes, it has to be more fun working.
6 Analysis

In this chapter the authors aim to analyse and reflect over the empirical findings, which were gathered through the ten interviews, and critically compare and interpret conformities and disparities with the theories presented in chapter three. The chapter is furthermore structured in conformity with the frame of reference and besides continuous reflections and part-conclusions, a summarizing model will be provided in the last part of the chapter.

6.1 Work motivation

The psychological and managerial research field, concerned with work motivation is characterized by multiple theories regarding different initiators, and determinants affecting employee motivation (Leonard, Beaulvais, & Scholl, 1999; Steers & Porter, 1991). This was emphasised and became obvious already by the diversity and divergence in the frame of reference, and was once again brought to the surface as no consensus could be interpreted amongst the respondents in certain questions. This is however also the complex and stimulating reality comprised in undertaking motivational engagements. Due to the fact that we deal with human beings, who have widely dissimilar mental compositions, no solid strategy exists for managers to utilize, and therefore it also imposes great difficulties in studying the motivation phenomenon. Some of the respondents’ attentions were attracted to this fact, and it also found expression in an occasionally elusive question tackling from their side.

This diversity of people is however nothing that should impose a threat to leaders and during the interview an observable tendency showed that sport leaders more often capitalize on this diversity of people, than companies do. Although Johan Staël von Holstein mentioned that also organizations have to be built up by dissimilar people, it became specially obvious when the sport leaders addressed the question. Marika Domanski-Lyfors proved the importance of diversity by saying that every player is unique and it is the composition of competences that makes a good totality. In many companies though, managers often tend to compile the organization by like-minded and do not want people holding different opinions from one’s own. The fact remains however, humans are very dissimilar and as we will see, multiplicity engenders completeness and should therefore not be neglected nor seen as negative in any type of organization.

6.1.1 The essentiality of work motivation

Motivation has in chapter one and three shown to have a striking impact on organizational productivity, customer-orientation and ultimately financial survival. As stressed by all respondents, and especially the sport leaders, encouraged employees/players denote one of the most significant success factors in accomplishing goals and incorporating sustainable competitiveness. An important difference between the sport world and the commercial world is though that the competitive success factors in a sports team, without exception, are the players themselves. This implies that motivation and participation among all players is extremely important and Bengt Johansson also revealed that tremendous efforts are put into creating commitment for the game and for the team. If organizations, which traditionally also can compete with e.g. superior products, or price, were to create the same circum-
stances for their employees, then an enormous competitiveness could be obtained. The human resources have, as explained by Bert-Inge Hogsved and Jan Carlzon, nevertheless developed to become one of the most momentous factors also in business, and this was supported by Pfeffer (1998) and Storey & Sisson (1993). Several of the respondents also deduced the successful corporate developments to the high level of employee motivation. Bert-Inge Hogsved explained how motivation has retained competence in his Hogia, and Jan Carlzon narrated that the empowered employees turned around SAS during his presence as President and CEO. Lars-Johan Jarnheimer continued and maintained that the motivation level has to be high in order for employees to, among other things, accomplish what the company expects and demands. Simultaneously, researchers point at the increasingly developing service market and global competition and conclude that work motivation has never been more decisive then now (e.g. Pfeffer, 1995, 1998; Nelson, 1994). Accordingly, their remains little to no doubt of the substantial impact work motivation has on organizational well-being and progress, and furthermore how employees have grown to become one of the most crucial factors in business.

6.1.2 Employee are humans

We are now faced with the real challenge, likewise the purpose of this thesis, which is to construe and examine how our ten endowed business and sport leaders in fact strengthen work motivation. This further implies that the authors will try to interpret the respondents’ thoughts of motivational determinants, and put them against the theoretical framework.

Bert-Inge Hogsved, in resemblance to Mayo (1949) and later human-relative theorists, expressed how it basically not is “… possible anymore to develop a productive and competitive production machinery by ordering people around – today it is all a question of motivation”. This is clear proof of how today’s managers increasingly are putting human values into account, and furthermore have come to the conclusion that although employees might be a resource, it is a HUMAN resource with feelings, behaviours and opinions. This strengthens the assumption that employees in the modern economy cannot longer be managed by supervision and old-fashioned ordering around. Rather you have to create commitment and compliance for your decisions, as Bengt Johansson and Jan Wallander maintained. A perplex anecdote, and exception from the remaining group of the respondents, is however that Sven-Göran Eriksson described how he sees a tendency towards a desire amongst his players to receive clear orders, “… this is the way we defend, this is the way we score …”, he exemplified. Although this is in incompatibility to thesis’ general results and contemporary scientific research, this observation cannot be rejected. As signified repeatedly, human nature is diverse and no mind-set is identical. In addition, Sven-Göran Eriksson is today not active in Sweden, which can imply that the circumstances can be different in foreign countries, attributable to certain cultural differences. Nevertheless, this example relinquishes from the main empirical findings that a clear trend towards increasing employee integration and concern is indisputable.

6.1.2.1 The recognition of human needs

As stressed by the early need theorists (e.g. Maslow, 1954 and Herzberg, 1957), an individual’s fundamental motivation is comprised by multiple physical and psychical needs, which in turn compose a ground of desired state. It became clearly manifested that the respon-
students have encountered diverse human needs, as some of them explicitly stated that these mental prerequisites drive human behaviour. These need, that for instance Jan Wallander and Ingvar Kamprad addressed, have also later gotten grist to their mill in the psychological society. Alderfer (1972) and Hackman and Oldham (1976) explained that employees, just like any ordinary human being, have distinguished desires, which has to be satisfied in order for them to feel enthused.

Johan Staël von Holstein indicated that lack of enthusiasm for one’s task often can be a result of not fitting in socially and professionally, or as he described it “not being at the right place”. Stefan Persson further stressed the essentiality for employees to relate to the organizational identity and surroundings, which also this can be placed on an equal footing with research finding (e.g. Maslow’s, 1954 social needs and Alderfer’s, 1972 relatedness needs). For instance Jan Wallander, Ingvar Kamprad, Marika Domanski-Lyfors and Jan Carlzon thereto have mutual convictions that an individual has to be aware of his/her place in the organization, not only to feel a social affiliation, but also in order to visualize one’s achievements. In IKEA Ingvar Kamprad described how “Together” is used as a guiding star to cope with corporate membership, and also underlined that every single employee has to see the meaningfulness of his/her contribution. Jan Carlzon on his part, described in the previous chapter how the SAS employees, in due course, understood their role in the company and that this bred a strong sense of pride and importance.

On account of this human desire to have an insight in one’s organizational value and input, the majority of the respondents also reckon that managers have to respond to this by giving employees feedback and clarifying the importance of what they are doing. To assist employees in obtain a comprehensive view of the organization, managers should use mediation of information and frequent communication to helps them see their specific roles (Frey & Osterloh, 2002). Hackman and Oldham (1976, 1980), with support from Maslow (1954) further described that the “task significance” is one of five elementary parts building up human motivation, hence work has to be perceived as meaningful by the employee. Thereto, they continue, the results of employee efforts have to be visible to them, in order for employees to recognize their achievements and ultimately gain status and grow as humans. Interesting to see, is that people in today’s society in general seem to strive more and more for this kind of social response and status and, as Ingvar Kamprad explained, this is visualized by an almost inflation-alike development when it comes to the desire for prestige and money. Maslow (1954) argued however that once a certain need is satisfied, it does not longer constitute a ground of motivation. Since “self-actualisation” (the highest need) in Maslow’s hierarchy is subsequent to “self-esteem and status” (that just has been argued to be desired for by many people), this either implies that Maslow’s statement has little bearing, or that the majority of people do not reach the level of “self-actualisation” (otherwise it would no longer work as a motivator). As it is assumable to believe that people do experience self-actualisation, this concludes that Maslow’s hypothesis can be wrong. Concurrently, several of the respondents talked about very opened organizational structures, where the climate is comparatively informal, and where people are given the chance to prove themselves and grow individually. This resigned autonomy from management direction was

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38 The importance of feedback will be further elaborated on in chapter 6.1.4.2
according to Hackman and Oldham (1976) a strong determinant in work motivation and could furthermore indicate that self-actualisation does emerge and is aspired.

That human nature nonetheless has certain needs has been supported by several researchers throughout the years (e.g. Bowditch and Buono, 1998; Hackman & Oldham, 1976; Sjöberg & Lind, 1994), and is furthermore a clear gist of this thesis’ empirical results. Managers have to keep in mind that employees, in capacity of humans, have both profound and more “tangible” needs that affects the way they behave and function. Thus, in order for strong work motivation to surface it is much up to the organization and manager to bring about the right circumstances and conditions, and ultimately meet these needs.

6.1.3 The importance of the business environment

The previous chapter dealt with the diverse needs employees have, but another constantly recurring elaboration in all the interviews circled around the establishment of an environment, which addresses, enhances and maintains well-being, contentment and other needs. Several respondents articulated that employee motivation in much is a product of individuals finding work appealing and stimulating to undertake. This can entail having stimulating tasks, social and encouraged co-workers et cetera As provided by the VIE-model (Vroom, 1964) in chapter three, people seek to maximize happiness and minimize dissatisfaction, implying that this conclusion can be seen as valid. Therefore, factors such as job satisfaction, compensation, delegation, information-sharing et cetera should be in accordance with the employees preference. These lastly mentioned factors will be discussed more deeply later in this analysis, but can all be said to create the happiness the employee is searching.

Lars-Johan Järnheimer and Johan Staël von Holstein, with others, further described that once a manager has met the certain requirement related employee happiness (e.g. proving faith, showing equity, giving the freedom to venture and make mistakes), then almost any employee can feel motivated. Bengt Johansson agreed and said that motivation is about feeling good as a person, hence when he/she feels joy and happiness in what he/she is doing then the motivation comes automatically. Vroom (1964) suggested that if the “valance”, i.e. potential outcomes from an undertaken task, is not seen as positive by the employee, then he/she will not perform pleasingly. An example of this, drawn from the empirical findings, could be punishment when the supposed results are not obtained, but also lack of praise and attention when the employee has accomplished something well.

Another issues concerned with the environmental and organizational context, is the establishment of goals. Strongly convincing, Bandura (1977, 1986, 1988) explained with his “SCT-model” that employees are strongly effected and enthused by the goals that are put up. Jan Wallander also connected this back to the environment and means that a prerequisite for facilitating a movement in the right direction and towards common goals, is that people find the environment attractive, as described earlier. In organizations, in comparison to sport teams, this can however be somewhat difficult, as corporate aims not as often correspond to individual goals. The sport leaders all agreed on the fact that goals and results are one of the most motivating factors, and therefore both overall goals, as well as

\[39\] Also see communication of goals, visions, ideas et cetera in chapter 6.3
partial goals have to be set up. Here Marika Domanski-Lyfors emphasized the individualism, because in the sport world it is much about the players’ own interests in exercising the sport. In other words, what she was implying is that not everything is about accomplishing organizational/team goals and results (result-based goals), but also to reach “softer” personal objectives of development and team spirit (performance goals). Marika Domanski-Lyfors and Bengt Johansson further described how the leader has to stimulate all the players and win their comprehension in order for the whole team to work properly towards the same goal. Motivation on the sports arena in comparison to on organizational ground, can therefore be said to be characterized by several individuals who pursuit a common goal. Or as Sven-Göran Eriksson described, on the football field each player is playing simultaneously for himself/herself, but also, and mainly, for the team. In a company this goal is often the goal of the manager or owner and can be, but is not exclusively always, shared by the employees. Thus, incorporating employee goals (such as personal development) is seen as a strong recommendation for managers.

6.1.4 Management engagements

All conversations with these highly successful and extremely busy leaders were leavened and characterized by a natural, very helpful and philanthropic attitude and approach to people. The bare fact that all these respondents welcomed and assisted the authors in compiling this thesis, overthrew all earlier prejudices regarding these distinguished personalities. Simultaneously, this natural leadership, which later has left their marks on their informal and opened organizations, might most likely also contribute in making them prominent in their trades as leaders.

Already in 1949, as Mayo conducted the “Hawthorne Experiments”, researchers saw a correlation between leadership attitudes and employee satisfaction and motivation. Landberger (1958) described how the productivity among employees at Western Electronic Company increased, as managers showed interest for employee work conditions and personal concerns. The majority of our respondents also believed that managers have to be assessable and not lock themselves into their offices, but rather face reality. Ingvar Kamprad narrated how he often socializes with employees on all levels and how this not only stimulates his co-workers, but also contributes to his understanding of the business and of existing problems. Stefan Persson, among others, further explained how he believes that his opened organization encourages people to express their thoughts and opinions, something that in most cases can strengthen the company.

Due to these social acquaintances, the leaders also gain something extremely important. They gain a sense of understanding of how each employee/player is functions and a crucial insight, as described earlier, into what needs and goals the specific individual has. Not having this kind of reality anchorage is therefore a danger that brings along severe consequences. In many companies however, managers do not make closer acquaintances with the employees and do not work as close to them, as is made in sport teams.
6.1.4.1 The manager’s crucial view of employees

As emphasized above, the upright conversations with the ten respondents gave evidence of hopeful leaders, who have faith in people and believe that next to all employees can become motivated if the necessary conditions are created. McGregor’s (1960) observations concerning leader’s perceptions of employees proposed two antipoles; premise X and premise Y. The despotic leadership, “Leadership X”, was as described in chapter three characterised by contempt of man and lack of faith in employees. Although some respondents commented how a few individuals are naturally tired and have low willingness to work, striking similarity to “Leader Y” can be detected across the whole group of respondents. Johan Staël von Holstein pronounced how strong faith and belief in people can “… move mountains” and that employees have to be given the chance to prove their capabilities. This certainty is furthermore tacitly understood also when Ingvar Kamprad and Bert-Inge Hogsved stated that all employees are important and contribute in an organization. Just as in a sport teams, as all the sport leaders expressed. That faith is extra crucial in sports became evident as the three sport leaders showed proof of working very close the players, both on and of the field. Under these circumstances, where tight personal relationships often are developed, lack of trust or authoritative leadership could potentially damage any sense of self-assurance the players might build up.

In order to illustrate McGregor’s (1960) theory and play a bit with the though that about what would happen to employee motivation in the two cases. If for instance a man or woman, being descended from “Theory X” would manage a workforce, then supervision and restrains presumptively would suffocate creativity, create fear and feelings of hopelessness and result in demotivation (as described in chapter one and three). If however all employees, in opposite to what all respondents believe, actually are lazy and do not what to engage in work, and the manager anyways pursuits a positive attitude, then what? Of course, one result could be that the employees remain indolent and that the manager in due time changes his/her positive attitude. A second alternative however, could be that it would create too high pressure on the aphetic employees, leading to indifference or mental breakdown in consequence of the high expectations. Important to bear in mind though, is that it is easier to strike and surprise from a weak position when one has no, or low, expectations on oneself. This implies that if the expectations are extremely high, in comparison to very low, then it demands outstanding results in order to meet the expectation. A third, and perhaps most possible outcome of believing in employees although they by nature are lazy, is that the person at question might feel encouraged and willing to prove himself/herself. If he/she would to have the full support to elaborate and make mistakes without after-effects, then there would be nothing to worry about, as Johan Staël pointed out. Moreover, he continued, people can accomplish so much more than they think. In this situation they would not only try to prove themselves and gain status by performing the task well, but they could moreover reach a state where self-actualisation is attained. One last reasonable scenario is that the employee would get a bad conscience and thus work industriously in order not to let the employer down. All the same, the empirical studies, in combination with McGregor’s (1960) theory, suggest that a positive human view and faith in employees’ potentials, influence the degree of effort put into work positively.
6.1.4.2 Praise and feedback as motivators

Touched upon earlier, in association with strengthening employee self-confidence, explaining the entirety and importance of each person’s contribution, was feedback and praise. Jan Wallander, Jan Carlzon, Bengt Johansson and Marika Domanski-Lyfors, persisted this line and argued that praise and encouragement has a tremendous impact on demotivated employees. According to Hackman and Oldham (1976) and Bandura (1977, 1986, 1988) all kinds of praise, or feedback in general has positive effects. By setting standards and giving response to one’s actions feedback, either positive or negative, affects the mental state and behaviour of an individual, Bandura continued (1977, 1986, 1988). In spite of the danger incorporated in giving negative feedback to some individuals, several respondents (Stefan Persson, Jan Wallander, Ingvar Kamprad and Jan Carlzon) expressed that feedback strongly assists in showing employees concern and revising inaccuracies in their actions. With support of Frey and Osterloh (2002), Jan Carlzon maintained that also smaller signs of appreciation, like “the watch”, or other symbolic gestures trigger individuals’ sense of importance, and subsequently stimulates them. Ingvar Kamprad explained however, that one obstacle in this process of showing affection and giving feedback, is that managers often have to little time to spare, or they quite simply do not see the importance. One can image, as stressed by several respondents, that without feedback and praise, one would not know if the achievements are to contentment and, foremost, one would not feel the sense of satisfaction that Vroom (1964) discussed.

Leader behaviour can be seen as another form of feedback, influencing the way subordinates behave. Sven-Göran Eriksson and Bert-Inge Hogsved exposed that management enthusiasm and energetic charisma are of vital importance. As was described in Adams’ (1963, 1965) “Equity theory”, humans desire alike treatment and it is reasonable to assume that employees would feel unfairly treated, if a highly-compensated manager did not put effort into his duties. Thereto, in the role as an authoritarian, the manager often experiences tremendous pressure from subordinates to perform infallible, and thus must set a good example in order to engage.

In the empirical findings all the respondents further ventilated their grounds of personal enthusiasm. Would these grounds perhaps be something to base also employee motivation on - by transferring these thoughts and spurs to the workforce? In many cases it was in fact possible to see striking resemblances between the respondents’ own personal incitements, and their opinions of how to face lacking employee motivation (i.e. Ingvar Kamprad’s philanthropic attitude, Marika Domanski-Lyfors’ target-orientation, Lars-Johan Jarnheimer’s financial accent and Bert-Inge Hogsved’s competitive instinct). Nevertheless, the certainty that management attitude affects standards and mentality in the rest of the organization, is obvious.

6.1.4.3 The magnitude of equity

When discussing the manager’s engagements, another frequently mentioned issue should be highlighted, namely equity. Some respondents take specific notion for equal treatment and mean that it is strong instrument in the pursuit of making motivation flourish in the

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40 The “Equity Theory” will be further discussed in chapter 6.1.4.3
organization. Stefan Persson and Johan Staël von Holstein claimed that fairness has to be present in all respects in the organization, but most evident it is when it concerns compensations. For instance remunerations have to be paid with respect to other employees, be in proportion to performance and accordingly correspond to what the certain employee deserves. Adams (1963, 1965) supported these thoughts and proposes that when an employee is under-compensated and an inconsistency is present, in relation to his/her performance, then he/she undertakes certain actions in order to balance these elements, hence decreases his/her efforts. Jan Carlzon therefore accentuated the necessity for managers to be honest and just in their handling of employees to avoid these negative consequences.

Stefan Persson and Johan Staël von Holstein further maintained that it is also a question of feeling contented with one’s pay, both in relation to one’s efforts and to the work put in by others. One possible hypothesis could is that an employee has a specific “level” of pay, conscious or unconscious, where he/she feels pleased with his/her compensation in relation the input. If however, this “level” would not be attained, the employee does not feel satisfied and his/her willingness to work decreases. Pinder (1998) responded to Adams’ (1963, 1965) “Equity Theory”, and proposed that although a relationship can be observed between demotivation and underpayment, few evidences of this have been visible empirically. The fact that two of our respondents addressed this issue directly (and several other respondents indirectly), however implies that a correlation can exist. Bengt Johansson furthermore strengthened this principle by explaining that the national handball players often decline compensations if they are not satisfied with their achievements. By doing this, they are altering their input in correspondence to their output, thus supporting Adams’ theory.
6.2 Intrinsic versus extrinsic motivation

Earlier in chapter 6.1.4.2 it was described how all respondents harmonized in the question of applying praise and encouragement in the company. The discussion regarding the efficiency of monetary compensations in motivation purpose, however proved to be filled by disagreement. This apparent reality corresponded to the hot-headed debates amongst researchers and scholars, as views of spokespersons’ for incentive systems (e.g. Lawler, 1971, 1981, 1990; Heneman 2001, 2002) greatly parted from the adversaries’ (e.g. Deci and Ryan, 1985; Deci et al., 1999; Frey & Osterloh, 2002).

Milkovich and Newman (2002) stated that some kind of incentive system (compensations, bonuses et cetera) is used in most companies today. The respondents in this thesis being pro financial compensations (also being in majority) argued that money on all levels in the organization definitely increases employees’ willingness to work. Lawler (1981, 1999) has through his extensive studies, concluded that reward-systems often have a propensity to both stimulate performance, but foremost create substantial competitive advantages. Guzzo et al. (1985) concurred with the earlier speakers and mean that extrinsic motivation often stands out for being an inevitable requirement in encouraging employees. The Tele2 President and CEO, Lars-Johan Jarnheimer, even believed that the financial carrot might presumably be the strongest and most effective instrument in strive for employee motivation. He further strengthened his point of view, by arguing that people otherwise would not accomplish what the company wants them to do. According to the “Principal-Agent Theory”, described in chapter 3.2.5, problems with imperfect workforce performance and lack of corporate conformity can be solved with monetary inducements. Prendergast (1999) thereto argued that under circumstances where performance-related compensations are given, employees have a tendency to work more in compliance with organizational goals.

Ambrose and Kulik (1999) however contested these standpoints, and argue that managers often tend to have prejudices that employees prefer money to feel enthused. Jan Carlzon verified this and explains that he repeatedly encounters managers who, with exhaustion in their voices, declare that they see no other way out than to use financial means. This could indicate that these managers would like to chose alternative ways, but they simply have deficient knowledge of effective supplements and how to utilize them. Jan Wallander continued underlining that the undesirable situation, with an increasing use of financial incentives, is forced upon organizations by the market and a far advanced materialism in the society. This scattering strive for money carries along negative human behaviours, such as greed and jealousy, he continues. In the case of H.J. Heinz Company it became obvious what the opponents to financial inducements mean, and how strong negative effects bonuses and other types of result-relative incentives can have on employees. As stated by Post and Goodpaster (1981) and Herzberg (1987), with empirical support from Jan Carlzon, Bengt Johansson and Jan Wallander, extrinsic stimulus potentially can impose a threat to inherit motivation. Jan Wallander insisted on that extrinsic drivers are artificial and not natural in human nature, hence aggravating intrinsic drive. Support for this is found in the Deci’s (1971, 1999) CET approach, which summarized that external measurements (e.g. money) can have either satisfying or frustrating effects on inborn motivation. What determined whether the influence was positive or negative was further the individual’s perception of extrinsic means. This would imply that people holding a negative attitude towards money, would accordingly not be motivated by it, but does anyone not desire money in to-
day’s society? One answer could be found in Herzberg’s (1987) finding, as he described extrinsic motivation equivalent to his dissatisfaction reducers (“Hygiene Factors”), which per se did not create motivation as such, but more exactly acted as instruments of moderating frustration.

Johan Staël von Holstein, being positive towards monetary means, agreed to the fact that pay can influence human behaviour negatively. He implied however, that it is essential to keep in mind that money attracts competences and ultimately strengthens companies’ financial situation and competitiveness. This lead to believe that even the strongest pladders for extrinsic motivation in this thesis, are aware of the dangers embraced within compensations, but still find the advantages overweighing the disadvantages.

Quite a few researchers and respondents consequently displayed several reasons to why organizations heavily depend on intrinsically motivated employees, rather than on the opposite. The discussion has been held above and was also exemplified in Frey’s and Osterloh’s (2002) argumentation in chapter 3.2.1.1. What the respondents rather recommended was “softer” types of rewards, such as feedback and praise (which has been described earlier), but also celebrations, jubilees and symbolic gestures. These, as Jan Wallander and Jan Carlzon maintained, rather address the true will and motivation to achieve something good.

Noticeable however, is that also the adversaries to extrinsic means indicated that compensation systems exist in their companies (or former companies), brings about a bit contradictory. Jan Carlzon retorted this and maintained that although intrinsic motivation is the strongest driving force within humans, and the weight thus should be put on stimulating these inherit aspects, extrinsic means can nevertheless be seen as a last alternative. An attempt to a compromise between the two parties could also be seen in Bert-Inge Hogsved’s statement that some kind of performance-related compensation is important, but it is however the challenge it includes that drives people.

Ingvar Kamprad, Bert-Inge Hogsved and Lars-Johan Jarnheimer further on were of the opinion that some individuals are more concerned by external stimulus, in form of financial spurs, than others. An example that is given is salespeople, but also other people are included in this argumentation. This assumption corresponded Frey’s and Osterloh’s (2002) findings, showing that financial inducement can serve to create intrinsic motivation when rewards are integrated in an activity, such as sales competitions or stock market gambling. In this case, it is not a question of pure economical payback, but rather a form of intellectual enthusiasm that encourages the individual to endeavour. As was seen in the respondents answers as well, the pure competitive quest of succeeding can in itself be just as triggering as anything else. Bengt Johansson explained that one return from working industriously is pride and the bare feeling of winning, which also is confirmed by Jan Carlzon. Frey and Osterloh (2002) also discussed and confirmed that achievement of goals is one of the fundamental issues in creating the crucial inborn drivers. In the end, one can say that everything includes competition. In sports it is about winning a match, a league and beating other competing teams, and in the business environment it is about winning customers, clients and beating competitors. So, the achieving instinct can be a strong drive for both companies and teams, and thereto individuals, in form of attaining personal goals (e.g. fortune, respect, competence).
Yet another parallel can be drawn to Frey and Osterloh’s (2002) studies, as they proposed that not all humans are motivated by nature. A feasible example Frey and Osterloh’s idea could be an employee who is given greater confidence and more responsibilities, but does not desire this and rather tremble for it. Frey and Osterloh (2002) continued and explained that one reason why people might not be intrinsically motivated is that strong natural motivation is not an end goal per se for them, but rather for the company. At this stage the need theorists objected though, and mean that man indeed is driven by meeting these needs, such as status and self-fulfilment.

Although the utopia would be if people were naturally or inheritably motivated, we have to keep in mind two main issues. Firstly, individuals are and will always be humans having diverse feelings, behaviours and needs. Researchers have time and again developed new theories with the aspiration to scotch the essence of human behaviour, but without successful consent from the remaining researchers body. For anyone, such as managers, sport leaders or politicians to even believe that it is practically possible to disregard this fact and exclusively use means of extrinsic nature in strive for motivation, is next to stupid. We have however since the rough handling of people and disparage of employees in the bygone time, reached far in the Western societies. Today employees are not longer treated as a simple inhuman production asset, and are not longer consistent with Taylor’s “economical man”, who have no feelings and merely desire money.

Secondly, in a society where prestige, status and materialism are increasingly more obvious and accentuated, it is inevitable that money is insignificant. In a time where children compare brand clothes, where the car you drive determine how “successful” and good as a human you are, and where poor people are seen as society stignators, in this world money is important and people desire it. Moreover, as described in the empirical chapter, financial means are thereto vital in the pursuit of attracting the right competences to the company, hence creating a stronger human capital and competitiveness.

Lastly, although many respondents argue that extrinsic means are necessary under today’s market conditions, which might most possibly be true, do organizations really want these kind of “artificially” motivated employees? If you as business leader are aiming at creating a long-lasting, competitive organization that strongly depends on the capacities of its employees in order to meet productivity goals and customer-orientation, will you then not rather have an intrinsically motivated workforce working for you? This thesis suggests that the later alternative is the most accurate one.

The gist of this chapter is that, in the modern economy, companies have to put stronger emphasis on creating true, inherit motivation and external incentives should therefore only be used as supplements or last alternatives, when no response from other means is visible.
6.3 Communication and information-sharing

Communication is important in any organization says Keefe (2004), and Oakland and Oakland (1998) says it is an essential component of effective people management, and thus a critical means for motivating the employees. To this all respondents agree, in fact none of the respondents have neglected the importance of good and effective communication. Jan Carlzon says that a good communication is a direct contributory cause in motivating the employees. The theory says it is the leader’s duty to make the tasks within an organization meaningful to the employees, and to make them motivated to perform what is expected, and as an organization is a social construction it is important to have a good working communication, a dialog. According to Bengt Johansson the leader must focus more on communicating with subordinates rather than controlling them. This is directly connected to employee motivation and satisfaction, since there is nothing as de-motivating as being controlled says Jan Carlzon, and as Johansson (2003) explains in chapter 3.1.1 that communication is not a pure transfer of messages but rather a social interplay between people. So communication should not be a way of just instructing and controlling employees.

To be able to give the right information to the right people the management need to have a dialog with the employees, so the communication needs to be mutual says both Marika Domanski-Lyfors and Bengt Johansson. This is supported by what Keefe (2004) argues, she says there must be a quality interaction between managers and employees through two-way communication. Just as much as the employee needs to get instruction, get motivated by the leaders, and get feedback on their performances, the leaders and managers need to get information from the employees as well as feedback on decisions taken. Here the respondents from the sport world seem to agree, getting inputs from the team members is invaluable, and this does not only include information regarding the team or organization but also personal and mental aspects. It is crucial to include all people in decisions and to have them with you in decisions as everything should start from the people within the organization. The sport respondents mean that it is crucial for the leader to get insights into how players feel and react to decisions. Often the players even have ideas the leader has not thought of, so it is better to have more than just one thinking head in a team. Here the business leaders have a lot to learn, they have to learn to take advantage of the knowledge gathered in subordinates heads. If they do the chances of succeed increases dramatically. Today’s leaders have, though, stepped away from the controlling stage of leadership dominated a couple of centuries ago towards a more human resource based leadership, but still they have a lot to learn from the sport leaders about teamwork and how to take advantage of each and every individual’s best qualities. This is only possible through a mutual interaction between employees and managers.

When giving information an communicating to employees, the leader must not only communicate the goals and visions but also give the employees the right information on how to reach the goals, says Johan Staël von Holstein. Moreover, it is crucial to reach every single person within the organization, to gather everyone around the common goal, the common vision, and get everyone to work towards the same goal Johan Staël von Holstein continues. It is not only important, but critical to get all employees to feel recognition and belonging to a firms goals to be able to whole-heartedly work towards them. Therefore, the managers must make sure the employees know the goals by heart and why these goals are stated and how to reach them. This we can learn from the Pressbyrån case in chapter 3.1.3
Analysis

which evidently shows the importance of having people in the organization all gathered around the company’s goals, vision, and mission in order to successfully work towards them, and to implement the strategies. To accomplish this the organization needs to have a good and effective communication, and the employees must be motivated to implement it. And again it is evident that the communication must be mutual. It is important to remember, as mentioned in both chapter 3.1.1 and in the Pressbyran case, that in the end everything is about attaining and retaining satisfied customers and this work is not done by the management but the frontline employees. Therefore, they need to be both motivated and empowered to implement strategies in a prosperous way, and this is reached through internal communication. In this sense, everyone wants information says Jan Wallander but emphasizes that not everyone wants all information, and the information as well as the communication must be adjusted to each group of people in the organization. Johan Staël von Holstein claims that since an organization is not constituted around a group of homogeneous people but rather heterogeneous individuals sharing the same goal it is vital to adjust the information to each group or sometimes even individually. It is obvious that the logistics department does not want information presented the same way as the accountancy department. Furthermore, some people need to get almost over-explicit information presented clear and concise and often repeated, whereas some people are very independent and needs extremely little information. Different information as well as different target groups furthermore favour or demand different channels. Some information and target groups needs seminars or personal meetings, whereas some perhaps just demand a simple memo posted on the common notice-board or an email.

Not all respondents have, though, discussed how information should be distributed throughout the organization. However, Stefan Persson and Bengt Johansson say that human communication is preferable before new technologies such as emails and intranets. One widely used approach of internal communication is the “Internal marketing approach” discussed in chapter 3.3.2. Even if the concept is frequently used, it is not as often denoted as “internal marketing”. None of the respondents have actually used the term when discussing communication, however they use information and communication to inform, satisfy, and motivate employees in all levels of the organization so that they can serve customers and implement strategies to reach the targeted goal, vision, and mission. This is exactly what several authors claim internal marketing to be. So, consequently, leaders do use internal marketing approaches without actually conceptualise it as internal marketing.

Finally what is important to bear in mind is that information and communication also bring some risks. First, Stefan Person stress that there is a huge risk of over-informing people, that the leader gives loads of information to various people in the organization, information that in many cases is difficult to both prioritise and interpret for the receiver. To this both Lars-Johan Jarnheimer and Johan Staël von Holstein agree, and Jan Wallander says that even if people in general wants information it depends on what kind of information and how much. So, just as said above it becomes not only important but also critical to tailor the communication to the different targets. Second, another risk connected to information is the risk of using information as a tool for exercising power over subordinates, Jan Wallander claims. Jan Carlzon agrees explaining that it is mostly the lower level managers that are the problem in this case. He says that lower level managers tend to use information to get power over their subordinates and other managers to climb in the hierarchy, this is what Davis (2001) discuss in chapter 3.3.1 that managers and employees abide by decisions.
made higher up in the hierarchy and that they are expected to do obey instructions from the management. As hierarchy and authority influences communication in an organization there is an obvious risk of using information as a tool for exercising power just as Jan Walander claims.

To be able to work with motivation the leader must set a good example, a factor that most often is overlooked says Bert-Inge Hogsved. This refers to both motivational factors discussed below as well as the communication. To get a mutual exchange in communication between managers and employees, the managers must set the good example and start communicating with the subordinates, not only through memos and emails, but also personally, to get to know the individuals, their needs and expectations, their feelings and thoughts. Then, with an open dialogue the organization will benefit, and there will be a win-win-win situation between the managers, employees and the company.
6.4 Participation, responsibility and empowerment

People want to feel participative. People want to feel what they are doing is important, and all respondents agree to that everyone in an organization wants to feel participation, to be a part of the team and to feel their work is actually worth something. To feel satisfied in work one has to feel participation and to feel important Stefan Persson claims. Feeling participation is vital in sports says Sven-Göran Eriksson, and both Marika Domanski-Lyfors and Bengt Johansson agree. Bengt Johansson takes it even further explaining that one have to feel joy to perform the best. So, if a person feel joy it is more likely he or she is motivated at work. To get motivated players it is extremely important that they feel participation and responsibility, for both their own performance and the groups’. However, not everyone wants to take responsibility but you should always give them the chance says Bengt Johansson.

However, not all respondents agree to that everyone in an organization wants to take responsibility. Johan Staël von Holstein says that not all employees want to take responsibility for their work, nevertheless it is their obligation to do it he says. Jan Wallander agrees, he says that some people even fright to take responsibility. But, he continues, getting responsibility is often very stimulating for the employee. This is probably because workers traditionally are not used to take responsibility and bring out action without orders from supervisors Keefe (2004) argues in 3.4. Employees have mostly been given rules and instructions and they have been expected to follow them. Sure, people are different, some does not want to take on the burden of getting responsibility. This is what Stefan Persson means, some people find it natural to take responsibility whereas others do not, just as some people are leaders and some are not. To this Ingvar Kamprad agrees, he says that some people wants to take things slower in general, and as suggested by theory it has become an important feature of a leader to recognize different types of people in a company and understand how they act and react. A company has lots to gain if they can take advantage of peoples’ diversity.

Jan Carlzon, on the other hand, is convinced that everyone wants to take responsibility, if the environment allows it. He says that in an organization that you are not allowed to make any mistakes no one wants to take responsibility because they fear to fail, whereas in an organization where you are not punished for making a wrong decision people tend to be more open to take responsibility. Jan Carlson means that the fright of taking responsibility is based on people’s performance anxiety, the fear of not performing as good as expected. Performance anxiety together with the fear of making the wrong decisions or taking the wrong action and to get punished makes people afraid of taking responsibility. As discussed in 3.4 employees must not only get empowered to make the right decisions, but also to be accountable for the consequences of their actions, and when any mistakes are made they need to get immediate response and feedback and learn from the experience Again, information and communication get important, to inform what is expected and how and when it should be done. So, by building an environment that allows people to sometimes fail in their decisions, an environment where people do not have to be afraid of taking on responsibility, an environment in which people will get the right information to accomplish his or her task, will create a strong en competitive organization. It is better to have twenty thinking people than just one as Bengt Johansson stated. Work should be delegated and people should be empowered, all way down to the frontline. Nelson says in chapter 3.4 that
by delegating work to subordinates and to empower them they will get more involved in decision-making, get more responsibility, get more enthusiastic, and take more initiatives. Employees tend to take responsibility once they are trusted.
In the early introduction to this study it was described that employee motivation in today’s economy is crucial due to the necessity for higher productivity and stronger customer-orientation on a highly competitive marketplace. This master thesis has resulted in a comparatively comprehensive and profound study of human behaviour and how to achieve competitiveness through reinforcing employee motivation. In order to clarify and protect the reader against any miscomprehensions, the authors have chosen to construct a model visualizing the main fields of motivators, which have been interpreted through this analysis.

The “Four-Factor Model” is composed by four elements (the society and social surrounding, the organization and business environment, the manager and the employee), which each and every one of them influences the level of employee motivation in an organization. The theory proposes that, due to the human diversity, not all factors have to be present simultaneously. The inner division of influence is furthermore as well depending on each case, i.e. one factor can affect a certain individual more than it affects another individual.

Finally, the model is characterized by an internal interplay, implying that that one factor can have an effect on any another element in the model and thereto, two or more factors can create the same source of motivation for the employee. Thus, it is imperative for a manager to recognize, understand and work with these different elements.
Analysis

The Society and Social Surroundings

One of the most significant influencers on both organizations, employees and individuals in general, is undoubtedly the society with all its standards, expectations and demands for “normality”. The individual’s social surrounding includes non-work related acquaintances, such as friends, family and other people, who all impose a powerful force of motivation on the employee.

We earlier saw how motivators such as money, status and social conformity comprise different needs and goals among employees and the influence these needs have on motivation. All these (and others) can be seen to be products of a far-driven materialism, prestige, strive for achievement and social response in today’s society, and hence also in the employee’s surrounding. This can among other things imply arranging a financially stable condition at home, attaining respect from neighbours through collecting a high salary, or meeting personal goals that derive from society’s expectations of achievement and success.

The society can moreover be described as have impact on the way the organization and also the leader look upon and work with the employees (e.g. setting standards of treatment et cetera). Nevertheless, many of the grounds of work stimulation can be derived from the employee’s desire to fit in and cope with his/her society and surroundings.

The organization/Business Environment

The second element in the proposed model of motivational foundation, is the very same organization that the employee spends his/her professional life in. The business environment implies job-related issues, such as organizational structure, culture, co-workers et cetera, and can sometimes be similar to aspect more connected to the manager.

Repeatedly in both theory and interviews evidence could be found that the way a company is structured exercises influence on employees’ willingness to work. This denotes that a flatter, more informal and opened organization enhances job satisfaction, sincerity, possible personal growth and ultimately strengthened work motivation. It is moreover obvious that the emotional atmosphere in the company (co-workers’ attitudes and motivation level) can change even the most demotivated employee, simultaneously as it also can have devastating effects on mentality and create demotivation. This later reasoning also includes the development of team spirit, which if present can unify the workforce and lead them in the right direction.

Another factor associated with the organization, is task design and the precondition that work is perceived as intriguing, meaningful and visible by the employee. In correspondence to this, the employee further has gain a comprehensive picture of the organization and, foremost, his/her own contribution to its development.

Once the employee has gotten a clear view of the company’s overall structure and focus, it is imperative that he/she feels devotion and identifies with its visions, goals, product range et cetera. Although it is crucial that the individual recognizes and is aware of these goals, it is likewise of great importance that the organization takes employee goals into account.

A last recognizable motivator concerned with the organization, similarly one of the factors that have caused the deepest discussions in the empirical study, is the influence of extrinsic
means. Concluded in this thesis is that these incentives (both monetary and “softer” ones) affect employee performance with different strength depending on for instance, the employee himself/herself, the equity in remuneration, the structure and nature of the compensation et cetera.

The Manager

The main interested parties to this thesis is managers on different level, and numerous strong tendencies point to the fact that also the way the manager experiences and handles employees is among the most essential elements building up employee motivation.

By reason of the many different behaviours and needs that humans have, the manager has to treat each employee as an individual with specific goals and needs. Among other things, this can include socializing and engaging in both their professional and private life. In order to facilitate this, it is furthermore important that the manager situates his/her desk close to reality and do not isolate himself/herself from the rest of the organization. By making acquaintances, it often tends to clarify for the manager how people work, behave and if there exists any problems. In this process of getting familiar with the thoughts of the employee, it has been proved an advantage to have earlier experiences from being at the same level as the people you are leading.

Moreover, in order to create an environment where the employee feels important and understands that the superior engages in him/her, repeated feed-back and information-sharing is to prefer. This feed-back, both negative and positive, contributes to the prevention of mistakes, stresses the employee’s contribution, but most of all shows concern and provides confirmation and praise. The results furthermore imply that feed-back does not exclusively have to be information-based, but also as celebrations of birthdays or attained goals can be seen as way of giving feed-back. Utilizing the right way of communicating this information and feed-back, greatly supports the willingness to work in the workforce.

Incorporated in all interviews is thereto that a well-established faith and belief in individuals. By showing this faith openly - through encouraging participation, delegating responsibilities and giving employees a freedom to prove themselves - employees have a tendency to seize these responsibilities and ultimately become more responsible and motivated to do their tasks.

Finally, as seen human behaviour is influenced by a feeling of equal treatment. Thus, this has to be pursued both on organizational level, and also on management level by showing an exemplary conduct.

The Employee

Last of all, the element that completes the “Four-Factor Model” is the very centre of attention, the employee himself/herself. As described in the introduction to this chapter, several grounds of motivation can be seen to derive either one or more elements. Since it is the individual’s motivation that is studied in this model, it can be said that all motivators found under the other factors directly, or indirectly, also derive from the individual itself.

There are however a few grounds that can be particularly connected to the employee and his/her behaviour. The first one deals with the fact that it is not all up to the organization
to establish the right circumstances for motivation to arise, but the also the employee has to ensure himself/herself that he/she is working at the place that is “right” for him/her. This result of this argument gives that if the “wrong” place is chosen, then a displeasure will be experienced and subsequently demotivation will appear.

A final major contributor that determines the level of employee motivation industriousness at work, is the personal goals the individual has with his undertakings. Depending on the nature of these goals (e.g. fortune, self-actualisation, do the right thing), the employee will work with altering effort in order to satisfy these needs or desired states.

The authors recognize the boundaries with this model, due to the delimitations mentioned in chapter one and by reason of shortage in resources, and there might therefore certainly be additional grounds of motivation besides those mentioned in this thesis. Nonetheless, it is comprised by a proportionately strong conformity among all the respondents and visualizes many of the crucial aspects that drive employees at work. Finally, it gives concrete examples of how to manage these highly diverse and complex human resources that can determine success from failure.
7 Conclusions and recommendations

This final chapter presents the main conclusions drawn from the analysis in the previous chapter. Moreover, it provides a retrospect, structured around, and answering to the original problem and purpose discussed in chapter one. Last of all, the thesis is completed by offering some fundamental recommendations for managers, and thereto suggests potential fields of future studies.

A main noticeable problem for several organizations in today’s economy is insufficiency in reinforcing work motivation among employees. This has a tendency of resulting in undesirable employee behaviour and accomplishments, and ultimately leading to lower productivity and lack in producing and maintaining customer-satisfaction.

The authors have approached this work motivation study with this in mind, and with a great deal of hope of revealing the priceless unventilated knowledge and experiences of some of the most prominent and successful leaders in Sweden. By closely examining and interpreting the findings of the ten interviews, and comparing these with the theoretical framework, an extensive effort has been made to accomplish the subpurpose of creating recommendations to other managers, based on the produced results.

With the summarizing “Four-Factor Model” as initial position, the results of this thesis indicated that employee motivation is highly complex and individually alternating. Four main interacting elements (or factors), which all influence the level of employee motivation, was nevertheless discerned:

- **The Society and Social Surroundings**
  The society and the social surroundings impose great demand, expectation and set standards for the employee to pursue “normality”, achievements, money, status, social conformity, or sum up – to be in harmony socially.

- **The Organization and Business Environment**
  This motivation determining factor is dependant on issues, such as organizational structure and formality, existing emotional atmosphere, job design and job perception, identification with corporate goals and response to own goals, equality amongst colleagues, and finally a very controversial question – financial incentives (e.g. bonuses, rewards, severance pays).

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41 “The purpose with this thesis is to study how ten of Sweden’s most successful and acknowledged leaders view and work with employee motivation and critically examine their standpoints. The purpose is furthermore to exemplify how other leaders can strengthen employee motivation through adapting these motivational suggestions.”

42 The recommendations are found on continuous ground in chapter five, but the main results are structured and displayed in chapter 7.1 (“Recommendations”)

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Conclusions and recommendations

- **The Manager**

  In order for employees to become motivated, the manager has certain obligations concerned with giving employees acknowledgement, praise, feedback, information, responsibilities, equal treatment, encourage participation and perhaps most importantly – socialize with them, show faith in them, and view and treat them as the individual humans they are.

- **The Employee**

  Thereto the employee has certain own responsibilities to create the right circumstances for himself/herself in order to feel enthused. This can denote finding the right work for him/her and hold a positive attitude. Foremost though – the employee’s own goals guide him/her in his/her undertakings.

As to what it concerns the composition of both commercial leaders and sport leaders, several attractive finding were made and in the upcoming recommendation chapter, many advices are directly connected to the statements made by the sport leaders. In sports, where the players are the sole competitive force, an evident attention was brought forward to create the most optimal motivational circumstances, in striving for stimulating the players. Thus, there are strong evidence indicating that business managers can learn many things from the way sport leaders work. The study however also found many striking resemblances between the commercial leaders’ and sport leaders’ opinions on how to manage work motivation.

Nevertheless, in order for an organization to vindicate from its competitors through an empowered workforce, managers have to commence in an even stronger accentuation of the human sides in employees. Several suggestions of how to attain this have been given and if the same strong work motivation and “will power” could be created in organizations, as is observed in many sport teams, then tremendous gaining are to be found.

The authors’ hope is that this thesis will provide some guidance to those managers, who are encountering lack of employee motivation, and assist them in utilizing the full potential embraced within a strongly motivated workforce. Ultimately, this kind of corporate enhancement could potentially lead them towards a strong market position and a long-lasting competitiveness.
7.1 Recommendations

Firstly, it is crucial once more to emphasize to the readers evaluating these recommendations that one of the indubitable conclusions in this thesis is that employees are activated by motivation. Hence, it is seen almost impossible to create enthusiasm, commitment and support, by commanding and ordering employees around.

Secondly, these recommendations should be seen as what they are – recommendations. Although strong evidence supports the belief that these factors in deed are affecting the way employee work, there might certainly exist exceptions.

Finally, the suggestions found below are expounded by a comprehensive overall impression of what measures were indicated by the analysis to be advantageous in a motivational context. For a closer look at what each leader specifically recommended, please see chapter five.

- Employees, just like any humans, have a set of highly complex needs that show discrepancies from individual to individual. Since these needs have strong influence on the way work is apprehended and undertaken, it is imperative to recognize each employee's/groups' needs and to the fullest possible extent try to satisfy them.

- Work has to be perceived as attractive and meaningful by the employee. What can You, in capacity of manager, do to ensure that the employee experiences job satisfaction? Talk to them and analyse the situation, perhaps the fact simply is that they do not fit in at Your organization.

- Do not see the fact that people are diverse as a threat or obstacle, see it as an opportunity to enrich and complete the organization. Thus, use employees' dissimilarities in background and way of reasoning in creative ways, for instance, if a new product is to be launched in a niched segment - perhaps someone in the workforce corresponds to this group and accordingly can be helpful in the process.

- Employees desire attention and acknowledgment for their persons and for their accomplishments. Supporting this by giving continuous feed-back (both positive and negative) and praise, indicates to the employee that You care and take an interest in what they do.

- A strong tendency shows that employees desire information and a comprehension of the general business picture. This includes information such as visions statement, goals, and the single employee’s parts in the organization. It can however also denote, for instance, what total financial consequences mistreatment and adequate use of resources might have on the business. Information does not only strengthen employees’ general understanding for the business, but furthermore affects them to work towards the same visible goals. Do not however make this into a one-way communication, rather invite the employee and listen to his/her opin-

43 Not all employees do however find negative feed-back to be creative appealing
Conclusions and recommendations

ions in different matter. This creates a feeling of contribution, independent of if this actually is the case.

- Goals and goal establishments is further what moves people in the right direction and creates excitement. Keep however an accurate account of gaining a hearing of these goals (and other ideas that have influence on the employees) and do no disregard the individuals’ personal goals. If possible, try to unify personal goals with corporate ones and determine if it is possible to assist employees in reaching their own personal goals.

- Delegate – people want responsibilities although some of them simply do not know it. Have faith and belief in employees’ capabilities and possibilities to succeed, and simplify for them to achieve their undertakings. Once they succeed, their self-confidence and enthusiasm increase and drive them to continue a successful line of actions. If they however would not achieve what was hoped for, do not punish them whatsoever, nor make it the last time they are given an opportunity, rather give them strategically presented feedback and let them try again.

- Compensations, it can be experienced surprisingly difficult for managers to let go of the though that employees are solely motivated by money. Some actually are, but they are few and hard to isolate. Therefore it is possible that one compensates the wrong employees, the ones who anyways would have worked industriously, and the consequence could potentially be that these people’s intrinsic motivation becomes severely damaged. By reason of this, use monetary means only when nothing else work, and/or in order to create a sense of competitiveness among the employees.

- As supplements of financial compensations, ”softer” rewards, could instead be used and these tend to strengthen unity, create a corporate identity and shows gratitude. This implies that celebrations or symbolic items (such as “the clock”), still in the future can remind the employees of how industriously they worked and how they achieved something significant together.

- Finally, Treat all employees equal and set a good example by showing personal dedication and motivation. However, do not try to be a superman, but rather communicate that also You are human.
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7.2 Rekommendationer

Först det första är det nödvändigt att än en gång betona för läsaren som utvärderar och överväger dessa rekommendationer, att en otvivelaktig slutsats i uppsatsen är att anställda aktiveras av motivation. Det vill säga, det ses som ett nästintill omöjligt åtagande att skapa entusiasm, förpliktelsekänsla och stöd genom att helt sonika befalla och kommendera människor på arbetsplatsen.

För det andra, dessa rekommendationer bör ses och tas för vad de är – rekommendationer. Trots påtagligt stark empirisk och teoretisk bevisning för att de nedanstående områdena de facto är avgörande i motivationshänsyn, finns det självfallet undantag.

Slutligen, de förslag till motivationsstärkande åtgärder som återfinns nedan grundas på ett sammanfattnande intryck av vad som framkom i analysen i kapitel sex såsom varande mest inverkande på motivationsnivån. För en närmare beskrivning av vad respektive ledare uttryckligen ansåg och rekommenderade, ber vi Er se kapitel fem där intervjuerna presenteras.

- Anställda, i likhet med alla människor, har en rad komplexa och individuella “behov”. Eftersom dessa behov har starkt inflytande på det sätt de upplever och genomför sitt arbete, är det utomordentligt viktigt för ledaren att identifiera och erkänna varje individs och grupps behov och i största möjliga grad försöka att tillfredsställa dem. Genom att socialisera med dem, lära känna dem närmare och lyssna till deras problem och tankar kan detta uppnås.


- Försök att bortse från det faktum att folk är olika och att detta skulle utgöra ett hot eller hinder för företaget, försök snarare betrakta det som en möjlighet att berika och komplettera organisationen. Således kan olikheter i bakgrund eller tanke- sätt omvandlas till att användas på kreativa sätt inom många områden. Om en ny produkt exempelvis skall lanseras på ett nischat segment finns det kanske någon i arbetspoolen som överensstämmer med denna kundgrupp och följaktligen kan vara behjälplig. Kontentan är att försöka arbeta kreativt med mångfalden och dra nytta av den.

- Anställda eftersträvar uppmärksamhet och erkännande för sin person och för sina personliga prestationer. Genom att ge kontinuerlig feedback (inte uteslutan- de positiv44) och beröm, visar Du som ledare att Du bryr dig om personen i fråga

44 Alla anställa ser emellertid inte negativ kritik och/eller feedback som kreativt, utan kan uppleva den som ett hot
och har ett intresse av vad han/hon gör. Ett varningens finger bör dock höjas för risken att framstå som en "vinstoptimerare", som egentligen enbart intresserar sig för arbetsprestationen.


- Mål och målupprättande är vidare faktorer som skapar ”esprit de corps”, positiv spänning och leder människor i rätt riktning. För att skapa en stark gemenshetskänsla och motivering att uppnå målen, bör de vara allmänt stadfästa i organisationen och till största möjliga mån sammanfalla med de personliga mål som de anställda har. Det är därför centrale att söka identifiera dessa individuella mål och bistå med hjälp för att försöka uppnå dem.


- Det kan förefalla svårt för ledare att acceptera tanken att anställda inte primärt (eller till och med uteslutande) motiveras av finansiell ersättning. Vissa anställa drives utan tvivel främst av pengar, men dessa är förhållandevis få och det beror många gånger just på ledarens negativa föreställning om att så är fallet. Detta innebär att företag ofta överkompensera anställda som i vilket fall som helst skulle arbeta flitigt och motiverat, vilket i slutändan resulterar i att den inre medfödda motivationen skadas svärt. Med anledning av detta rekommenderas ledare snarare att använda pengar och annan finansiell belöning endast när alla andra försök att stärka motivationen misslyckats, alternativt till att bejaka en naturlig tävlingsinstinkt hos de anställda.
Conclusions and recommendations

• ”Mjukare belöningar” tenderar ofta att stärka sammanhållningen, företagsidentitet och tacksamheten inom företaget och ses därför som ett fördelaktigt supplement till finansiell ersättning. Allehanda firanden (födelsedagar, måluppfylleser, jubileer etc.) och symboliska presenter och gester (såsom Jan Carlzons klockanekdot, eller en ny kaffemaskin) kan därför ses starkt motivationsfrämjande. Även längre fram i tiden kan detta komma att påminna de anställda om hur hårt de arbetade och hur de till slut uppnådde målen tillsammans.

• Slutligen, bemöt alla anställda på samma villkor och föregå själv med gott exempel. Detta innebär exempelvis lika lön för lika arbete och ingen favorisering av vissa anställda. På motsvarande sätt bör Du även försöka visa föredömligt beteende genom till exempel punktlighet, hängivenhet och motivation. Viktigt att komma ihåg dock, är att inte heller Du är någon felfri ”superman” och detta bör även de anställda veta om.
7.3 **Fields of future research**

Research in work motivation has shown to be a spacious and complex research area with a wide variety of approaches. This thesis has focused on the leaders’ subjective views, thoughts, and experiences regarding their work in motivating employees and team members. However, the authors have found several interesting aspects that are not further interpreted and analysed, and in some cases even deliberately were excluded. These are some recommended areas for future research in the subject of employee motivation.

- This thesis has focused on leaders’ subjective views on motivation and how they comprehend it and work with it. Taking the opposite angle of the phenomenon – to investigate the employees’ views on motivation would be highly interesting. Together with this thesis it would be possible to see whether the managers’ views correspond with the views of the employees’.

- This study was conducted using a qualitative method with in-depth interviews, which is preferable when the aim is to get deep understanding of the phenomenon. However, a complementary quantitative study might be interesting to illuminate the overall perceptions regarding motivation. It would then be possible to find differences/similarities between and within different levels and sizes of organizations, or even between different types of companies and branches.

- It might furthermore be interesting to even deeper research specific subtopics, for example one of the areas discussed in this thesis (e.g. communication, empowerment, bonuses, responsibility et cetera), or other subjects such as differences in leadership styles and so on.

- One last recommendation for future research might be to conduct a longitudinal study, following one leader through his or her work in motivating people. This study could take form as testing the findings made in this thesis in the real world, applying the conclusions and recommendations that are supplied. Through doing so, it might be more visible whether a leader actually would be able to motivate his/her employees by utilizing the knowledge and experience collected from some of Sweden’s most acknowledged and successful leaders.
References


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Engqvist, A. (2004). Kina på väg att bli världens hjärna (China is developing into “the world’s brain”). *Dagens Industri*, 2004-04-19, 10


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IUI. (2004). Presentation of IUI. Received 2004-05-09, from Http://www.iui.se/Objectives.htm


References


References


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References


References


References


Appendix 1

Interview Guide

This interview guide is open and unstructured. The interviews will be held like informal discussions, rather than structured interviews. The following discussion areas only work as guidelines to keep the respondent on the right track within the specified research area. Attendant questions are likely to occur depending on each specific interview.

_The respondent's leadership_
How does the respondent’s leadership look like and what has, and does, encourage You personally to be the successful businessman/ sport leader You today are?

_Motivation_
What importance and influence does motivation have on performance and success and how does this find expression in Your leadership?

Which factors does the respondent think influence the level of motivation? What instruments does he/she usually use when he/she is motivating the people? How does the work regarding motivation look like, practical as well as strategically?

Is it practically possible to encourage all employees/team members to feel motivated, or are some individuals forlorn hopes? How do You cope with this potential diversity?

_Intrinsic vs. extrinsic motivation_
What view do You have of incentives, i.e. compensations in form of financial rewards, gifts, praise, additional playing time et cetera in the pursuit of stronger work motivation?

_Communication_
How important does the respondent think communication and information in the process of motivating employees/team members is?

Do You think that communication and information-sharing of goals, visions, financial development, ideas et cetera, is imperative in aspiration for motivation? If so, how do You communicate this sort of information?

_Responsibility and participation_
Do You believe that people in general want to get more responsibility and want to feel more participation, and does this strengthen the motivation?

_Recommendations_
Finally, are there any additional unmentioned recommendations or guidelines that You would like to put forward, which You believe could contribute to a reinforced employee/team member motivation?
Appendix 2

<table>
<thead>
<tr>
<th>Name</th>
<th>Main assignments</th>
<th>Date and location</th>
<th>Form of Interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan Carlzon</td>
<td>SAS, Linjeflyg, Ving, Ledstiernan</td>
<td>March 7th, 2004 In a car going from Sturup Airport to Skanör.</td>
<td>Personal</td>
</tr>
<tr>
<td>Marika Domanski-Lyfors</td>
<td>Swedish National ladies team in football</td>
<td>April 13th, 2004 Swedish Football Association’s Headquarters.</td>
<td>Personal</td>
</tr>
<tr>
<td>Sven-Göran Eriksson</td>
<td>English National team in football and premier leagues in Sweden, Portugal and Italy</td>
<td>July 28th, 2004 With respondent in his home in Torsby.</td>
<td>Telephone</td>
</tr>
<tr>
<td>Bert-Inge Hogsved</td>
<td>Hogia Group</td>
<td>Maj 4th, 2004 With respondent at Hogia’s Headquarters in Stenungsund.</td>
<td>Telephone</td>
</tr>
<tr>
<td>Johan Staël von Holstein</td>
<td>IconMedialab</td>
<td>April 14th and August 6th, 2004 In restaurant Sturehof, Stockholm.</td>
<td>Personal</td>
</tr>
<tr>
<td>Lars-Johan Jarnheimer</td>
<td>Tele2, Comviq, ZTV</td>
<td>April 19th and August 16th, 2004 With respondent at Tele2’s Headquarters in Stockholm.</td>
<td>Telephone</td>
</tr>
<tr>
<td>Bengt Johansson</td>
<td>Swedish National team in Handball</td>
<td>April 27th, 2004 At Konradssons Kaikel in Jönköping.</td>
<td>Personal</td>
</tr>
<tr>
<td>Name</td>
<td>Company</td>
<td>Date</td>
<td>Location Description</td>
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<td>--------------------------------------------------------------------------------------</td>
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<tr>
<td>Ingvar Kamprad</td>
<td>IKEA</td>
<td>Maj 6th, 2004</td>
<td>With respondent in his home in Lausanne, Switzerland</td>
</tr>
<tr>
<td>Stefan Persson</td>
<td>H&amp;M</td>
<td>April 26th, 2004</td>
<td>With respondent at H&amp;M’s Headquarters in Stockholm.</td>
</tr>
<tr>
<td>Jan Wallander</td>
<td>Handelsbanken</td>
<td>Maj 11th, 2004</td>
<td>In the respondent’s home at Drottningholm, Stockholm.</td>
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</tbody>
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