Management of cross-functional teams: The impact of motivation and Human Resources on efficiency in Swedish organizations

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Title Management of cross-functional teams: The impact of motivation and Human Resources on efficiency in Swedish organizations

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Key terms Team management
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Abstract

**Background:** Facing an ever-changing, complex business world, organizations have become increasingly reliant on methods of dealing with complexity. One contemporary approach is the increasing utilization of cross-functional teams, composed of employees from different individual functions in business organizations. Ensuring the performances of cross-functional teams is increasingly important as their rate of utilization is increasing. Affecting cross-functional performance, motivation has been defined as one, among many factors affecting teams’ performance. Human Resources (HR) in organizations could allow practices for motivating the cross-functional team members.

**Purpose:** This study examined the management of cross-functional teams’ motivation in Swedish organizations. Specifically, the impact of Human Resource practices on cross-functional teams to increase performance through motivation.

**Method:** By conducting a triangulation of methods, survey data was collected from cross-functional team members, compared, and contrasted with interviews conducted with managers with HR-expertise, and built on contemporary literature.

**Conclusion:** By focusing on the management of cross-functional teams, the study showed that the motivation of team members is highly influenced by Human Resource strategies. Through strategies, managers in organizations could effectively affect the performance of individuals and of the teams for them to perform effectively. The study showed that several Human Resource practices, like training and development of human capital, communication, and empowerment, are required, as these affect factors of cross-functional team motivation. An important aspect is that the factors and strategies that impact cross-functional team motivation are interconnected to team efficiency. Motivation alone is not sufficient, but it has positive connotations on the performance of the cross-functional teams. Therefore, as these aspects work in conjunction and have different impacting goals, these should be viewed holistically when setting up and implementing practices dealing with factors of motivation. Conclusively, the implementation of Human Resource practices impacting motivational factors is fundamental to
maintain and develop effective cross-functional teams and thereby increase organizations’ performance efficiency.
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1. Introduction

This chapter presents the topic of the thesis. The introduction will provide background followed by purpose, problem statement, and the research questions. It will also provide the key definitions used in the thesis.

1.1 Background

Contemporary business practices have changed drastically, becoming increasingly complex (Ghemawat, 2018). This complexity has led to new problems facing the management of teams to improve the performance efficiency of business organizations. Focus on teams in operations management has resulted in significant challenges, but also opportunities for industries around the world (Ghemawat, 2018).

While global industries are developing and expanding in an ever-increasing tempo (Fleaca & Fleaca, 2014), more and more companies have become reliant on effective teams to keep up with the evolution of business complexity. Effective teams allow companies to get their products and services to reach the market as soon as possible. The advantage of releasing new products faster than competitors is that it gives the company a first-mover advantage on the market and a higher chance of business success (Fleaca & Fleaca, 2014).

The concept of teams is embedded in human history as fundamental to maximize performance efficiency (Kozlowski & Ilgen, 2006). Today’s companies are utilizing teams in different ways to gain a competitive advantage and create profit. The type of team that is becoming more and more common in today’s complex environment is cross-functional teams, which is commonly used in projects. Cross-functional teams gather members from different functions, as exemplified in Figure 1.1 (Jansson & Persson, 2020), to create a form of task teams that can work fluently and solve potential problems (Webber, 2002).

One key aspect that improves and helps the performance of teams is, according to Poláčková (2016), motivation. This correlation was also described by Park, Spitzmuller, & Deshon (2013), who highlighted motivation as a key contributor to the efficiency of teams. This efficiency is crucial for companies not only to meet the challenging evolving world markets but also to
provide competitive advantages since companies can adapt and produce more efficiently (Fleaca & Fleaca, 2014).

Motivation is defined as one of the factors influencing team performances (Poláčková, 2016). Improving motivation in teams will increase the performance effectiveness within companies (Poláčková, 2016). Effectiveness, efficiency, and high-performance strategies in management are becoming increasingly more critical to deal with business complexity. As such, teams must do more in a short period of time to keep up with changes and meet customer’s needs, to increase performance and efficiency, and to sustain business success. The motivation, in connection to Human Resources (HR) practices, and their impact on the efficiency and performance of business organizations, is rather unexplored. Evaluating this correlation could help companies increase performance (Siddiqui & Rida, 2019).

One of the tools used to improve the motivation within teams is Human Resource personnel and managers (Miller, 2018). A significant part of Human Resource management is, according to Sherif, Nimran & Prasetya (2014), to motivate employees, as well as to provide development programs for them. Efficient Human Resource motivation has, in turn, a positive effect on job satisfaction. High job satisfaction and employee motivation that comes from effective Human Resource management make it easier for organizations to adapt towards the continually evolving business environment, which results in higher productivity and a competitive edge for the organization (Sherif et al., 2014).

Management of Human Resources revolves around practices that are said to direct the innate human capital within a company towards defined business goals and objectives. It is suggested that the management of Human Resources can increase organizational productivity by means of improving the skills and motivation of the employees. Concrete management actions are suggested to increase the participation of the individual employees, as well as to communicate with them and providing opportunities for development and empowerment - which in turn is correlated to increased productivity and “success” (Rauch et al., 2005; Business dictionary, 2020).
The reason for looking at Human Resource practices and how they impact motivation is because, based on our literature review, there is a lack of studies conducted within the subject (Siddiqui & Rida, 2019). There is substantial research done regarding both teams and motivation (Siddiqui & Rida, 2019; Pakarinen & Virtanen, 2017; Park, Spitzmuller, DeShon, 2013; Frimpong & Fan, 2011; 2013; Chen et al., 2006), but not in the perspectives of Cross-functional teams and Human Resource management. Furthermore, “…very little empirical research has developed and tested the processes through which team motivation develops and through which it influences team functioning and team performance.” (Park et al., 2013).

Thus, there is considerable interest in understanding teams’ motivation and how motivation impacts cross-functional teams, to increase the performance and efficiency of organizations involved in complex business environments.
1.2 Key definitions

Teams

“A team is a small number of people with complementary skills who are committed to a common purpose, performance goals, and approach for which they hold themselves mutually accountable.” (Frimpong & Fan, 2011). Alternatively, as Merriam-Webster defines it (2020), as a number of people that together are associated through a particular activity or work.

Cross-functional teams

Cross-functional teams, according to Pimenta, Silva, & Tate (2014), are described as a team defined by the notion that the group has the common goal to develop opportunities that require diverse expertise and require group members from many different functions within the organization. Cross-functional teams are being used increasingly and can be permanent, although many are temporary and dissolve when a certain objective is met (Yukl et al., 2012).

Human capital

Human capital is described to be the intrinsic abilities, or resources, of the individual human, that employees bring to the company. This is conceptualized as the aggregate total of education, experiences, and skills that the employees possess at a certain point in time. These aspects help the employees, and in turn, the company to get things done and achieve organizational goals (Rauch et al., 2005; Business dictionary, 2020).

Human Resource development

The practice of developing and utilizing Human Resources are described as the performance of enhancement of employee skills by means of training, or other comparable forms of techniques, to enhance knowledge and skills of employees. In other words, it is the practice of improving and developing the innate human capital that the employees bring to the company when hired (Rauch, Frese & Utsch, 2005; Business dictionary, 2020).
**Project/ cross-functional team project**

The designations project and cross-functional team project the authors refer to have the same signification throughout the thesis and are interchangeable.

**Project team/cross-functional team**

The designations project team and cross-functional team the authors refer to have the same signification throughout the thesis and are interchangeable.

**1.3 Problem statement**

When focusing on the cross-functional teams’ role in organizations, motivation remains an organizational problem for managers. Understanding motivation factors in relation to cross-functional teams is not only crucial to the team’s performances but to the overall performance efficiency for dealing with complexity. This is the focus of this thesis.

The aspect of working effectively in teams is becoming increasingly more critical and is now a cornerstone in most social organizations, according to Wellman et al., (2018). The same viewpoint about the importance of effective teams in social organizations is shared by Leonard, Graham & Bonacum (2004). Therefore, the importance of research regarding making teams more effective becomes increasingly essential (Wellman et al., 2018).

One key aspect that improves and helps the performance of teams is, according to Poláčková (2016), motivation. One way of impacting the motivation within organizations is to have efficient Human Resource management (Sherif et al. 2014). The author highlights how efficient Human Resource management significantly affects the motivation of teams. Adversely, the outcome of ineffective Human Resource management is low productivity and low morale within the team (Shaban, Al-Zubi, Ali, & Alqotaish, 2017). The correlation between motivation and Human Resource management is considerable and has a significant impact on the result and productivity of teams (Shaban et al., 2017).
The focus of the study is to create a further understanding of team motivation management and its impact on cross-functional team efficiency. In that, how Human Resources and the cross-functional team structure in Swedish organizations might affect team efficiency and performance through motivation. Thus, the problem is inefficient management of team motivation, and inefficient practices related to Human Resources when it comes to cross-functional teams.

1.4 Purpose

The purpose of this study is to examine the management of teams’ motivation in organizations. In specific, the impact of Human Resource practices on cross-functional teams, increasing team performance, and the performance efficiency of Swedish organizations.

Key words: Team management; cross-functional teams; motivation; Human Resources; efficiency and effectiveness.

1.5 Research questions (RQ)

RQ 1. In what ways can the utilization of cross-functional teams impact the efficiency in Swedish organizations, through motivation?

RQ 2. What motivational factors are necessary to develop in order to change the outcome of employee motivation in cross-functional teams in Sweden?

RQ 3. How can Human Resources practices impact employee motivation from a cross-functional team perspective?
1.6 Delimitations

In this segment, project delimitations are addressed to narrow down and specify the broad topic that is being investigated. To be able to draw conclusions from the topic investigated, it is necessary to have delimitations from which to create a basis of understanding.

Location delimitations

The thesis is being conducted with the requirement that the company or organization must have a branch of its organization operating in Sweden. This is resulting in that the findings from the empirical data collected will be limited to Sweden.

Sample delimitations

The research conducted consists of two steps, and as such, the delimitations section will concern both a survey and a set of interviews.

The survey part of this thesis consists of a sample of employees from different companies, working in cross-functional teams. This sample size will not include every employee in the companies chosen to be sampled, but instead serve as a bottom line, or standard, presented from the perspective of cross-functional team members. The reason for this is to limit the amount of data gathered to a manageable amount that can be studied. Moreover, the sample population in the surveys purposely only include cross-functional team members, and not managers or appointed leaders, to follow the research topic.

Theory delimitations

The theoretical perspectives used in this thesis are chosen to fit the research purpose in order to present literature that is relevant in the field. This due to the amount and extent of past and current literature on the topic discussed and adjacent relevant topics to stay relevant to the current subject and research purpose.
2. Literature review

This chapter provides relevant theories to the thesis topic. It summarizes existing literature within the organization management field. This chapter gives readers scholarly information and provides foundations for the subsequent analysis.

2.1 Management of teams

Teams play a significant role in the efficiency and productivity of organizations and will continue to do so. According to Yukl, Kaulio & Yukl (2012), the word “team” is used to describe an interacting group of members who conduct similar tasks but are not dependent on one another. Teams have since ancient times, been a crucial part of social organization. Historically, humans have gathered in teams to explore and hunt, while today, teams focus on achieving common objectives and organizational goals (Kozlowski & Ilgen, 2006). A growing trend for businesses and companies is to give teams more responsibilities for crucial tasks that are directly correlated with the success of the company. This shift in responsibility has led to that the importance of efficiency and productivity in teams has become increasingly more prominent. It is essential to consider that there exist many different types of teams. According to Yukl et al. (2012), there are four clear types of teams: functional teams, cross-functional teams, self-management teams, and top executive teams. In functional teams, the members are likely to have specialized jobs but with the same basic functions as the members of the team. Cross-functional teams are used in organizations to improve coordination. This type of team usually includes team members from different functional subunits, that are involved in the project. Self-managements teams are also called semi-autonomous workgroups, where the responsibility and authority usually lie in the group itself, with very little outside involvement. Top executive teams are teams made up of top managers within the company. These teams generally deal with significant company decisions that involve most functions of the company (Yukl et al., 2012).

The concept of teams can be traced back far in history, but according to Beyerlein (2011), the modern team started to take shape in the 1960s as a response to research within the field of management. Although the usage of teams may be ongoing throughout history, some significant changes have been made as research and business landscape have made progress and developed (Wellman et al., 2018). For a long time, functional teams have been a vital part of every
organization. However, during the 21st century, there has been an upswing in the usage of cross-functional teams. This upswing came because of the need for adaptation in a business world that is changing (Webber, 2002). Today, the need for rapid adaptation and change has resulted in that project teams, or cross-functional teams, have become more and more common to handle the complex business environment (Webber, 2002).

This change is ongoing, and we can see indications in the business world that the contemporary environment is becoming more and more complex (Wellman et al., 2018). Since cross-functional teams are flexible and used to coordinate complex projects, the increase in cross-functional teams is likely to continue, as the environment is becoming more sophisticated, and the need for flexibility and coordination will most likely increase at a similar rate (Yukl et al., 2012).

2.2 Cross-functional teams

Cross-functional teams are today used in highly complex situations, as more and more companies are opting to utilize cross-functional teams (Yukl et al., 2012). This because they help the company act and adapt in a short amount of time. One of the main reason companies are utilizing the cross-functional team is because of the business world becoming more complicated and convoluted. The increased need for rapid adaptation has meant that being agile and flexible is crucial for businesses to stay on track and develop potential advantages (Yukl et al., 2012).

The role of cross-functional teams within organizations is to create a competitive advantage on the market and ensure organizational success (O’Connor & Wulf, 2004). In many teams, members have previous experience and conflicts that affect their cooperation with one another. To handle this type of conflict, managers need to ease the tension among team members. According to O’Connor & Wulf (2004), possible methods to ease tension could be to have performance management meetings to encourage employee participation, as well as celebrating accomplishments and providing utilizing tools for conflict resolution. This indicates how important and impactful it is for a company to establish a productive relationship between members to evaluate their productivity and the effectiveness of the cross-functional team accurately (O’Connor & Wulf, 2004).
Efficient cross-functional teams

The increase of cross-functional teams in different organizations has come as a result of the needs of the contemporary business world. These teams claim to be enhancing organizational effectiveness, but researchers have seen a variety of mixed results regarding that statement (Webber, 2002). The same study investigated the challenges cross-functional teams face and why trust plays a significant role in the team climate. The study concluded that in order to create and sustain cross-functional team success, a trusting relationship has to be established between the members and the leaders of the project in order to create a thriving team climate and reach optimal performance (Webber, 2002).

The importance of leadership and integration was agreed upon in a study done by Piercy, Phillips & Lewis (2012), who evaluated three cross-functional teams and found four requirements for cross-functional teams to succeed. What was discovered had many similarities to Webber’s (2002) findings. Although Piercy et al. (2012) also found that integration and leadership were two of the requirements of success. Other than integration and leadership, they were also able to identify funding support as a requirement for success. The team must have the required monetary basis to be able to carry out their tasks. The last requirement for success was identifying the need to break the status-quo and overcoming resistance to change. The study claims that many teams are resilient to the integration with members from other functions resulting in low performing teams. To be a successful team, all four of these requirements must be met (Piercy et al., 2012).

Cross-functional teams are constructed with people who have different functions in the company. However, according to Levenson (2012), it would be beneficial for firms and cross-functional teams if companies tried to foster cross-functional skills at the individual level. Generally, the people within the companies who are encouraged to foster cross-functional skills are the top managers. They need a level of understanding of every function to coordinate and make accurate decisions. Fostering cross-functional skills for individual employees would allow functions to communicate easier and integrate. One barrier of knowledge sharing was that different functions communicated differently with one another (Majchrzak, More, & Faraj, 2012). Improving cross-functional skills among individual members of the cross-functional team would result in that this barrier will be reduced since they understand different functions, resulting in more successful cross-functional teams (Levenson, 2012).
One of the many impact factors when it comes to performance in cross-functional teams is, according to Buvik & Tvedt (2016), trust. To understand the correlation between trust and performance, their study evaluated team members from Norwegian construction companies and discovered that in situations where the trust level was low, the commitment, as well as the performance, was lowered. All these results indicated that the level of trust has a significant impact on cross-functional teams’ performance (Buvik & Tvedt, 2016). The importance of having members on board with one another was an aspect of a study conducted by Meschnig & Kaufmann (2015) mentioned, where they evaluated how the consensus of objectives in cross-functional teams had an impact on performance. In the study, it was discovered that consensus among cross-functional team members had a positive correlation with performance (Meschnig & Kaufmann, 2015). The importance of consensus and trust among cross-functional teams, and its effect on performance, is clarified through both studies - giving indications of how many different aspects impacts cross-functional team performance (Meschnig & Kaufmann, 2015; Buvik & Tvedt, 2016).

**Cross-functional teams in complex environments**

Cross-functional teams are often designed and made up to handle specific objectives that are correlated with the growth and profit of the company (Webber, 2002). The increase in the number of cross-functional teams has come because of people’s inherent belief that cross-functionality directly increases efficiency, although researchers have discovered mixed results (Webber, 2002). Most cross-functional teams operate in a very competitive and intense environment, which creates both complexities and strains the collaboration within the team (Ghobadi & D’Ambra, 2012). The study discovered that both cooperation and competition had an essential role in the cross-functional teams and their internal work environment (Ghobadi & D’Ambra, 2012). Cross-functional teams often function as high-complexity entities. One aspect that plays a part in creating a more complex working environment is the notion of the direct hierarchy within the team itself (Aime, Humphrey, Derue, & Paul, 2014). Cross-functional teams that are established only for a short period of time do often not have one specific leader. The authors also found that most Cross-functional teams often switched team leaders during the project, resulting in high complexity and confusion among team members (Aime et al., 2014).
The level of success cross-functional teams have can vary depending on the organization’s ability to implement them (Pakarinen & Virtanen, 2017). Therefore, the researchers decided to conduct a study of exactly how cross-functional teams have an impact on the public sector by researching matrix organizations and evaluating empirical data. Based on the research, they identified that cross-functional teams had positive implications on organizational performance, as well as positive implications on coordination, collaboration, and, lastly, cross-boundary tasks (Pakarinen & Virtanen, 2017).

**Innovation in cross-functional teams**

Innovation is key for every business to separate themselves from others and deliver a unique benefit in their product or service (Sethi, Smith, & Park 2001). To create benefits and success in a competitive environment, innovation is crucial, which is why numerous researchers have evaluated how cross-functional teams may impact the innovation process (Sethi et al., 2001). One study was carried out in Brazil, where they evaluated how innovation may develop in cross-functional teams (Stipp, Pimenta, & Jugend, 2018). Through their study, they discovered that there existed a positive correlation between innovation and working in cross-functional teams, that was explicitly constructed with the purpose of achieving innovation. Furthermore, Love & Roper (2012) discovered through their study that using optimal cross-functional teams increased the likelihood of innovation success with 29.5% in the United Kingdom and with 9.5% in Germany - indicating how important it is for businesses to use cross-functional teams effectively.

The statement that innovation is increasing when working in cross-functional teams was emphasized in a study done by Hitt, Nixon, Hoskisson, & Kochhar (1999). The study explained how cross-functional teams have become increasingly more popular in the innovation stages of companies, because of that, innovation is more likely in cross-functional teams. The study also concluded that although cross-functional teams are important, organizational context had a more significant influence on team success when it comes to team innovation than just the team being cross-functional (Hitt et al., 1999). Specifically, the organizational context of top management team support and organizational politics. Thus, the results have implications for the effective management of cross-functional teams.
The importance of qualitative information between managers and cross-functional teams was also evaluated and identified as one of the key ways of improving innovation in teams (Boyle, Kumar, & Kumar, 2005). The question regarding how managers and leaders within the company can help provide an effective new product development environment was also evaluated by Chen (2007). The study discovered that using different types of information techniques significantly reduced the information barrier between team members within the cross-functional team and helped create a cross-functional team that more effectively developed innovative ideas (Chen, 2007).

The correlation between an efficient communication stream within cross-functional teams, and their ability to innovate, is highlighted in a study by Hauptman & Hirji (1999). This correlation was found by evaluating engineering projects from Australia, Canada, Denmark, Finland, The United Kingdom, and The United States of America. The study used a diagnostic tool that evaluated two-way communication, overlapping problem-solving, readiness to use uncertain and ambiguous information released by team counterparts for decision-making, and readiness to release uncertain and ambiguous information to team counterparts. The study found that integration in cross-functional teams, within heavily technology-reliant fields, had a positive effect on the new product development and innovation.

**The cross-functional commitment**

The cross-functional collaboration required in a team can be impacted on many levels. The internal dynamic may be off, resulting in ineffective collaboration within the team (Oliveira, Pimenta, Hilletofth, & Eriksson, 2016). Therefore, it is essential to integrate team members. Four pillars were identified in a study by Oliveira et al. (2016), where they identified attitudes of the team, task drivers, the constitution of cross-functional teams, and lastly, personal motivation. These four pillars play an essential role when increasing integration and creating strong cross-functional teams. The commitment and integration are crucial in order to create an effective team, which is an aspect also examined by Ehrhardt, Miller, Freeman, & Hom (2013), who evaluated what type of measures that can be taken in order to make cross-functional teams committed.

Commitment is essential for a team to be able to perform on the required level (Wang & He, 2008). The danger of non-dedicated teams or none-committed teams is that not being committed
reduces the overall performance. Cross-functional teams are involved in processes that have significant implications on business growth and profit, resulting in that teams that are not committed will impact the company both short-term and long-term (Wang & He, 2008). To discover non-dedicated teams and ensure performance in cross-functional teams, it requires coordination among not only members from different functions, but also the different department heads of these functions. A study carried out by Anthony, Green, & Mccomb (2014), evaluated department heads of cross-functional project teams and discovered that cooperation among department heads increased project efficiency and reduced the barriers within the team, resulting in better coordination and better project results in general.

Knowledge sharing

One of the main reasons for using cross-functional teams is because it integrates people from different functions into one team (Ghobadi & Dambra, 2012). For cross-functional teams to become effective, they need to have the ability to share information between team entities, to be able to co-operate successfully (Ghobadi & Dambra, 2012). The importance of integration of cross-functional teams and the knowledge sharing between multiple functions cannot be stressed enough (Hirunyawipada, Beyerlein, & Blankson, 2010).

Knowledge sharing has been discovered to have a sustainable impact on cross-functional teams’ ability to create new products and act innovatively. The importance of integration of individuals in cross-functional teams and knowledge sharing is deemed almost as necessary as those aspects from a team perspective when it comes to innovation (Hirunyawipada et al., 2010).

Knowledge sharing may often be complex and challenging when trying to share knowledge between people working within different functions of the project (Pérez-Luño, Bojica, & Golapakrishnan, 2019). This complexity of knowledge sharing and how it impacts innovation was evaluated in this study. In which, they sampled firms, in order to evaluate how knowledge sharing impacts innovation. From the study, it became clear that ineffective cross-functional integration hampered the innovation processes within the firm, which means that ineffective knowledge sharing had a negative effect on new product development (Pérez-Luño et al., 2019). The importance of knowledge sharing and its impact on innovation was also evaluated and studied by Love & Roper (2009). In their study, they talked about how the world is moving towards knowledge-based competition, resulting in that sharing knowledge is crucial for
businesses to utilize existing knowledge within the company and to create a competitive advantage.

Knowledge sharing in cross-functional teams may sound easy. However, one barrier that impacts and hampers knowledge sharing in cross-functional teams is the differences that exist between different functions of the company (Majchrzak, More, & Faraj, 2012). How knowledge is being shared, can vary immensely depending on which department or function the members come from. The fact that knowledge sharing is different depending on function means that although the willingness to share knowledge exists, it may not be done effectively (Majchrzak et al., 2012).

How companies deal with the different ways in knowledge sharing, according to Majchrzak et al. ’s (2012) evaluation of existing literature is that the best way to handle the problem is for team members to identify and elaborate with one another to reduce the barrier. The problem with this approach is the high requirement of time and resources for it to function effectively (Majchrzak et al., 2012).

The importance of cooperation and cohesion in cross-functional teams to create a successful collaboration was also mentioned by Daspit, Tillman, Boyd, & Mckee, (2013), who reviewed existing literature and agree with the previous articles by stating that internal team environment and knowledge sharing had positive correlation on team success. The study also mentioned how shared leadership in cross-functional teams helped ensure higher levels of success when it came to knowledge sharing, resulting in higher team effectiveness (Daspit et al., 2013). This statement was agreed upon by Santa, Ferrer, Bretherton, & Hyland (2010), whos study found that cross-functional teams played a crucial role in the effectiveness of the operation and implementation of successful knowledge sharing.

How successful knowledge sharing should be constructed in groups was researched by Ghobadi & Dambra (2012), who conducted a study in order to create a model that could be used in order to ensure successful knowledge sharing in cross-functional teams. Ghobadi & Dambra (2012) decided to collect data from project managers to evaluate their proposed models. The researchers stated how complex knowledge sharing is between teams and its members resulting in, that the model might not be trusted to be used successfully in all cross-functional teams.

One way of improving knowledge sharing amongst teams is to utilize information techniques, which was investigated in a study carried out by Chen (2007). The findings suggested that
investment and training in information techniques, or knowledge sharing, had positive results on new product development. Concluding, knowledge sharing is crucial for cross-functional teams and their ability to succeed. Investments and other ways of reducing information-barriers have a positive correlation in terms of project outcomes and success (Chen, 2007).

2.3 Human Resources

One of the most fundamental factors for organizational success is described to be human capital, which is said to be an asset that, when understood and utilized correctly, can be used to generate economic value for organizations (Naghavi, Jofreh, Vaezi, Ghorbanizadeh, 2019). It is also necessary for an organization to achieve sustainability and its strategic goals, which means that there must be a fundamental base of Human Resources present in the organization (Pritvorova, Tasbulatova, Petrenko, 2018). The same author also discusses the importance of improving the qualifications of an organization’s employees. However, they argue that it is most effective when doing so with employees that have internal characteristics that particularly fit into specific roles and organizations, thus building upon the capabilities the employee already possesses at the moment of joining the company. Through a matched data study conducted by Beltrán-Martín & Bou-Llusar (2018), it was discovered that skill-enhancing and opportunity-enhancing Human Resource bundles increase both the employee’s motivation and abilities. This conclusion was made after evaluating HR managers and employees within Spanish firms.

Developing Human Capital in an organization can be achieved in several ways. The most fundamental ones are to implement learning processes and employee training to increase individual employees’ overall productivity (Naghavi et al., 2019). Another way of developing Human Capital, identified by Naghavi et al. (2019), is to empower and retain the aging workforce within an organization. Retaining them is said to not only increase the motivation levels of the aging employees, but increase the overall confidence that they might retain their positions within the organization, and thus negate a notion of uncertainty that could decrease the efficiency and effectiveness of the employees. Not only is it said that empowering the aging workforce motivates them, but it also increases the collaboration between experienced workers and youth workers – creating knowledge sharing within the organization and increasing overall productivity and reducing overall organizational costs. As such, empowering and retaining Human Capital within an organization should include not only young workers but the aging workforce as well (Naghavi et al., 2019).
Empowerment of teams and individual employees are described to be crucial in order to increase and retain employee motivation by increasing the efficiency, effectiveness, and confidence of both the individual and the team itself. Conclusively, it is said that by empowering a company’s employees, the organization can both increase the overall productivity as well as reduce overall organizational costs (Naghavi et al., 2019). It is argued that empowerment is the process of giving employees authority for decision-making. A process that contributes to their overall motivation levels as well as their capabilities within the company, in addition to how satisfied they are with their jobs (Naghavi et al., 2019).

Similarly, Li, Wei, Ren & Di, (2015) found that empowerment was highly connected to the motivation and performance of the employees studied in their research. As such, empowerment plays a significant part in the effectiveness of the organization and team development, as the aspect of empowerment is directly correlated to employee satisfaction and commitment (Li et al., 2015).

However, as Svetlana (2017) points out, Human Resource management can be more complicated than expected. This due to several reasons: One is the longevity of the team in question. Sometimes project teams only exist for a brief period and are as such difficult to correctly moderate from a Human Resources perspective in the short term. Secondly, the team in question may be quite heterogeneous, which increases the complexity of catering to all different personality types of employees within the team. Thirdly, the project team in question may have its own inherent management system and team-specific for a particular project, which means that general usage of Human Resource strategies, overarching the entire organization, may not fit the specifics of the project or team. Because of this, it may be preferable to outsource the Human Resource functions of the project, depending on the specifics of the team and task itself, to not adopt sub-par strategies for the project (Svetlana, 2017). Fourthly, the project may be complicated so that the challenge can only be addressed by the joint efforts of the team members, which increases the importance of team commitment and strategies directed at team building. Lastly, it may be difficult or even unmanageable to standardize or re-use Human Resource management strategies between different projects if they are too innovative or specific. Instead, some strategies may be adapted, while others must be adjusted or replaced (Svetlana, 2017).
2.4 Team motivation

The research domain of team motivation has been of the fastest growing research fields in modern times and is explained by the widespread utilization of teams in contemporary organizations (Park, Spitzmuller, DeShon, 2013; Chen et al., 2006). The challenge, however, is that few overarching frameworks adequately summarizes and conceptualizes all contemporary theories and practices that have been identified in team motivation research (Park et al., 2013).

While there is still some discussion of just how vital team motivation is and the effects of team motivation in contrast to, for example, hard project management, contemporary studies indicate that team motivation is as important as proper management and planning of projects (Larsson, Eriksson, Ossi, 2018). It is said that employee motivation and team motivation affect the productivity of the employee, and as such, it is of importance to instill a sense of motivation towards both organizational goals, but also personal goals of employees (Frimpong & Fan, 2011).

Team motivation has been described as; “the coordination of the intensity and duration of collective effort directed at a shared team goal through the functioning of interdependent regulatory feedback loops.” (Park et al.,2013). Motivation is also identified as a driving force for employees’ performance, and decision to actively work on and achieve a task with a performance that is, by the organization, perceived as adequately goal-oriented. Failure to instill motivation is thus theorized to be correlated to sub-par performance and commitment (Larsson et al., 2018).

Keywords that have been identified in contemporary research on team motivation are the implications of collective team design, team needs, team goals, team efficiency, and team affect (Park et al., 2013). The importance of fostering work motivation in individuals and teams was evaluated through a study by Clark (2003). Clark (2003) discovered several aspects that impacted motivation among individuals and teams; one of these was the need for setting goals. Lack of goals was found to create problems for individuals and teams trying to find motivation.
Team design

The concept of team and job design is identified as the structure and implicit as well as explicit content of the jobs and tasks that employees are expected to perform (Park et al., 2013). This can be viewed as “external” motivational factors, which includes rewards and punishments (Davoudi, Parpouchi, Ashraf, Nikooravesh 2016).

Team needs

The fundamental description of team needs is that it should be viewed as the internal tensions of employees or people that guide and trigger the cognitive processes that direct the employee’s direction, work persistence as well as the intensity of their behavior (Park et al., 2013). While there is plenty of contemporary research conducted in the field of individual needs of employees, there is a lack of studies and consensus of what constitutes the motivating force of needs in teams, as well as how teams’ needs manifest and shows (Park et al., 2013).

Team goals

Team goals are described as “internal representations of desired states where states are broadly construed as outcomes, events, or processes.” (Park et al., 2013). Goals can, as such, act as a fundamental motivating force that promotes relevant strategies for organizational tasks and work to direct the employee’s attention and effort. Research has shown that teams perform better when they have relevant and challenging goals to work towards, with the aspect of succeeding in their goals is fundamental. If a team or employee achieves their goals, their aspirations rise, while failure to do so reduces aspirations (Park et al., 2013).
**Team efficacy**

Team efficacy has been described as “a group’s shared belief in its conjoined capabilities to organize and execute the courses of action required to produce given levels of attainments” (Chen, Kanfer, Deshon, Mathieu, Kozlowski, 2006).

It is argued that members of a team could collectively develop a notion of efficacy in relation to each other. The concept is described as the emergent motivational state of the team itself, where the efficacy developed collectively is determined by the inherent social interactions within the team and between employees (Park et al., 2013). Although team efficacy and individual employee efficacy are described to be highly linked (Chen et al., 2006). Prior team performance can set norms for what is expected in terms of what the individual’s performance should be, and as such, influence the future performance of the team – as it creates a viewpoint of collective team strength and capability. However, it is more likely that the prior performance of the employee has a more substantial impact on the efficacy of the employee than the prior performance of the team as a whole. As individual performance more clearly conveys information that can be applied to the single employee regarding personal efficacy (Chen et al., 2006).

**Team affects**

The concept of team affects aims to describe and answer how team motivation is molded and shaped by affective team experiences that are perceived and experienced as a collective (Park et al., 2013). This is measured in several ways; by how team members experience homogeneous affective reactions, how team members are linked to the other members of the team, their subordinates, as well as their leaders. Another perspective is that affective team experiences are controlled and regulated by norms within the team, which narrates the emotional expressions that are appropriate or not within the team and organization (Park et al., 2013).
2.5 Motivating factors

Respondents from a study, conducted in the banking sector of Ghana, identified a pleasant working environment and attractive, competitive salary to play a significant role in the aspect of their motivation (Frimpong & Fan, 2011). However, the concept of personal needs in the context of team motivation was not considered to be a motivating factor, as the respondents responded negatively regarding its effect. However, when the same study was conducted in China, the employees at top and middle management positions interpreted employee empowerment as the primary motivating factor for their personnel. What was agreed upon, both in Ghana and China, is that recognition and employee understanding was the most crucial factor for employee motivation (Frimpong & Fan, 2011).

Adversely, a study conducted to compare viewpoints on team motivation, participation, and overall enjoyment, was executed in Tehran University by Davoudi et al., (2016). These authors argue that motivation should be viewed as a process rather than a fixed product or outcome and found that the most prominent motivational factor was the needs of the participants of the study. Furthermore, they found that the inherent interest in the subject the employees work with to be of importance, which means that it is crucial to meet needs and to be able to help team members to accomplish their goals (Davoudi et al., 2016; Li et al., 2015).

Motivation in Davoudi et al.’s (2016) study was divided into two major parts, extrinsic and intrinsic motivation. Extrinsic motivations were derived from incentives and the external environment. In contrast, intrinsic motivation was derived from individual selection or empowerment to make choices and having an experience that makes the person flourish in their own eyes (Davoudi et al., 2016).

Another study, conducted on virtual teams, found that an essential aspect of team motivation is the ability to hire personnel that is qualified for their position in the team and also have an intrinsic interest in their work – and as such receive internal motivation (Alward, Phelps, 2019; Li et al., 2015).

A study conducted by Rynes, Gerhart, & Minette (2004) evaluated the influence of salary and its impact on work motivation. The findings within the study suggested that there exists a positive relationship between rewards and motivation. The study discovered that both salary, and other monetary rewards, motivated employees to perform better. This notion was also
supported in a study done by Takahashi (2006), who also discovered the positive correlation between the possibility of promotion and motivation.

A study made by Alward & Phelps (2019) was conducted on virtual teams, in which the team leaders could not always instill motivation through ordinary face-to-face means. Instead, the study found that the leaders had to rely on institutions that were in line with the member’s needs and create an environment that is assisting in creating an atmosphere of communication, collaboration, and trust. As well as clarify the roles of the members and instill mutual understanding. The ultimate findings of the study concluded that communication was of the utmost importance. Failure to communicate appropriately could create feelings of uncertainty and diminish the trust within the team (Alward, Phelps, 2019). As such, communication channels must not only be clearly defined and cultivated but also nourished to establish and grow mutual trust within the team. However, it was discovered that the frequency of communication was of less importance than the consistency of communication, and in that how expectations were consistently communicated and how cadent the team meetings were.

2.6 Summary Literature review

A growing trend for businesses and companies is to give teams more responsibilities. This shift in responsibility has led to that the importance of efficiency and productivity in teams has become increasingly more prominent. During the 21st century, there has been an upswing in the usage of cross-functional teams. These teams claim to be enhancing organizational effectiveness, but researchers have seen a variety of mixed results regarding that statement. However, cross-functional teams are often designed and made up to handle specific objectives that are correlated with the growth and profit of the company.

Qualitative information between managers and cross-functional teams are identified as one of the key ways of improving innovation in teams. To create and sustain cross-functional team success, a trusting relationship must be established between the members and the leaders of the project. Furthermore, both cooperation and competition have an essential role in cross-functional teams. Also, knowledge sharing is crucial for cross-functional teams and their ability to succeed, as well as to instill a sense of motivation towards both organizational goals, but also personal goals of employees. Employee motivation and team motivation affect the productivity
of the employee. As such, it is of importance to instill a sense of motivation towards both organizational goals, but also personal goals of employees.

Empowerment is the process of giving employees authority for decision-making. A process that contributes to their overall motivation levels as well as their capabilities within the company, as well as how satisfied they are with their jobs. Empowerment of teams and individual employees are described to be crucial in order to increase and retain employee motivation by increasing the efficiency, effectiveness, and confidence of both the individual and the team itself.

Developing Human Capital in an organization can be achieved in several ways. The most fundamental ones are to implement learning processes and employee training to increase individual employees’ overall productivity. An essential aspect of team motivation is the ability to hire personnel that is qualified for their position in the team and also have an intrinsic interest in their work – and as such, receive internal motivation. Lastly, studies proposed that communication is of the utmost importance. As such, communication channels must not only be clearly defined and cultivated but also nourished to establish and grow mutual trust within the team.

The literature collected has been viewed to fall into the overarching topics of “cross-functional teams”, “motivation” and “Human Resources”, as described in Figure 2.1.
Figure 2.1 (Jansson & Persson, 2020)
3. Method

In this chapter, the philosophical views of the thesis are described. It provides readers with information regarding how the thesis was executed. The chapter also considers ethical implications and reflects upon the credibility and trustworthiness of the thesis results.

3.1 Method rationale

This study provides substantial differences regarding how employees’ motivation is impacted depending on team structure and the practices and strategies of Human Resources.

While Human Resources are understood as affecting team members, more research needs to provide an understanding of how these policies can affect the motivation of teams. This was done, to the greatest extent possible, from the perspective of the cross-functional team structure and Human Resource strategies.

By reviewing previous studies and research within the field, several research gaps have come to light (Siddiqui & Rida, 2019; Park et al., 2013). Contemporary and previous research on employee motivation mainly focuses on how to motivate a single employee as well as the impact of leadership. By conducting a literature review, a research gap was identified. This gap shows that there is, rather little research done on how Human Research strategies affect the motivation in cross-functional teams, or even what the most important aspects might be. Of what little exists, no research has been found that concerns the topic in the contemporary business world of Sweden.

3.2 Research method

The method chosen for the study, which is the single case study method, is based on the literature on research methods by Easterby-Smith, Thorpe, Jackson & Jaspersen (2018). This case study method is chosen because of the possibility to explore and provide an understanding of behavior in teams and organizations, as well as for illustrating abstract concepts – which is essential in order to answer the research questions put forward in this thesis (Easterby-Smith et al., 2018). In that regard, an approach of viewing the case study of motivation in Swedish firms
is adopted, as the thesis aims to provide insight in the individual organizations as well as contrasting them with one another – and as such, gain an overarching viewpoint alongside an in-depth understanding of underlying perspectives.

In addition, this thesis explores the “why is” and “how is” of team performance, mediated by motivation, which means that an exploratory way of viewing the case method is appropriate in regards to the research question and the purpose of the thesis. The research topic and data gathered are also nuanced by including several Swedish organizations and viewpoints (Yin, 2013), which is the rationale for the relevance of including companies in the study.

### 3.3 Research philosophy

To convey an understanding of the underlying assumptions and researcher’s perspective in the thesis, the research philosophy must be addressed (Easterby-Smith et al., 2018). The ontology described shows the assumptions about the perspective of reality that is adopted and serves as a basis for how the nature of reality is assumed to be constructed. In this thesis, the ontology adopted is one of relativism, as it is best suited for the philosophy of the thesis. This philosophy is born out of the research purpose of the thesis. It constitutes a view that answers and gives insight into perspectives discovered in empirical research depends on the perspective from which the data is viewed.

As Easterby-Smith et al. (2018 pp.nr 65) describe the relativistic philosophy, “an ontological view that phenomena depend on the perspectives from which we observe them...”.

As such, the relativistic ontological philosophy is well suited for this thesis, as it is conducted with a qualitative methodological triangulation approach. With the understanding that there is no single universal truth to be discovered. Instead, in line with ontological relativism, it is assumed that the perspectives gained through the study depend on viewpoints and context.

Epistemology is described as the study of the nature of science (Easterby-Smith et al., 2018). When adopting an epistemological approach, there are two primary schools of thought: Positivism and Social constructionism. Both have unique and distinct ways of enquiring about the world and have views that are contrasting with each other. Positivism is grounded in the notion that: “...the social world exists externally, and that its properties should be measured
through objective methods.” (Easterby-Smith et al., 2018, pp.nr 69). In other words, positivism assumes that knowledge is the result of empirical verification and only of significance if it is based on observations based on external reality. As such, the viewpoint is based on the ontological assumption that the real world is external and objective.

Social constructionism, on the other hand, is born out of the limited achievements positivism has had on the social sciences. As such, it is based on the assumption that reality is not actually an objective and external entity – but instead, a social construct that is given meaning by human interaction. This means that the social scientist should “appreciate the different constructions and meanings that people place upon their experience.” (Easterby-Smith et al., 2018, pp.nr 70).

The epistemology that most suitably fit, and was chosen for the thesis, was that of social constructionism. This because the purpose of the study most closely resembles the notion described by social constructionism in that the viewpoints and social construct born out of human interaction, is the focus of the thesis. Furthermore, the epistemological approach of social constructionism goes hand in hand with the ontological philosophy of relativism, in that the truth is based on viewpoints, circumstances, and perspectives.

3.4 Research design

This thesis is done with the basis that we are conducting exploratory research. Exploratory research is defined as research conducted to evaluate and investigate a problem that is not clearly defined (Easterby-Smith et al., 2018).

As pointed out by Patton (1999), there are four distinct types of triangulation: Firstly, methods triangulation, which examines the consistency of findings that are gathered through different methods of data collection. Secondly, triangulation of sources that checks the consistency of data gathered through different sources within the same method. Thirdly, there is analyst triangulation, which reviews findings through multiple modes of analysis. Lastly, there is theory, or perspective, triangulation, which interprets data through the scope of multiple theories or perspectives.

In this thesis, the triangulation of methods is used with a qualitative strategy of inquiry. This means that data is compared by collecting data from qualitative as well as quantitative methods
and used in a complementary fashion, as illustrated by Figure 3.1. This to provide a full picture of the perspectives that are inherent to the research topic, as both methods complement each other in investigating aspects of the same phenomenon (Patton, 1999).

The reason for adopting the method of triangulation is grounded in the notion that each method reveals different aspects of the empirical reality that is researched. As such, no single method can show different aspects or perspectives as multiple methods can. Because of this, triangulation may provide a richer base of research (Patton, 1999).

The drawback of triangulation is that it can be hugely resource demanding in terms of budget, time frame, and skill of the researcher. This, since the combination of interviews, literature analysis, and statistical data, takes significant effort to produce. It is, however, deemed a more suitable alternative than the single method approach in the case of this study – as the problem and research questions are intricate and assumed to take several perspectives into account (literature, interviews, and surveys) (Patton, 1999).

When comparing triangulation to a single method, it stands out that triangulation circumvents the issues and vulnerabilities that are linked to a single method. The reason for not opting only for a quantitative research method is because results could be limited (Easterby-Smith et al., 2018). When evaluating complex subjects, quantitative research would not allow us to investigate and evaluate the research questions raised in the first chapter.
3.5 Data collection

The study is carried out in Sweden, with various organizations that actively work with cross-functional teams. The organizations taking part in the study come from various fields. This variety helps with providing an overall view of how cross-functional teams and existing Human resource practices impact the efficiency of employees through the medium of motivation. The use of triangulation of methods means that we carry out both a qualitative and quantitative collection of data.

Figure 3.1 (Jansson & Persson, 2020)
The qualitative data is collected from interviews with knowledgeable managers that had Human Resource experience in the sampled organizations (Appendix 1). These managers have extensive insight into how the cross-functional teams operate and what practices are in place. The quantitative data is collected by surveying members of cross-functional teams within each of the sampled organizations (Appendix 2). In total, the survey sampled 48 employees working within cross-functional teams across four organizations.

The combination of surveys, together with interviews, means that we get an understanding of the consensus and practices within the organizations. The interviews give us an outside view of how the companies work and view the teams. The combination of collecting data through both qualitative and quantitative methods gives more in-depth information and provides a basis for how to evaluate the Human Resource strategies’ impact on team motivation.

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Organization</th>
<th>Time</th>
<th>Date</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interviewee 1</td>
<td>A</td>
<td>57 Min</td>
<td>23/3-2020</td>
<td>Assistant Personnel Manager</td>
</tr>
<tr>
<td>Interviewee 2</td>
<td>B</td>
<td>50 Min</td>
<td>24/3-2020</td>
<td>Senior Project Manager</td>
</tr>
<tr>
<td>Interviewee 3</td>
<td>C</td>
<td>52 Min</td>
<td>26/3-2020</td>
<td>Project Manager</td>
</tr>
<tr>
<td>Interviewee 4</td>
<td>C</td>
<td>52 Min</td>
<td>26/3-2020</td>
<td>Project Manager</td>
</tr>
<tr>
<td>Interviewee 5</td>
<td>D</td>
<td>42 min</td>
<td>1/4-2020</td>
<td>HR-Manager</td>
</tr>
<tr>
<td>Interviewee 6</td>
<td>B</td>
<td>41 Min</td>
<td>6/4-2020</td>
<td>R&amp;D Manager</td>
</tr>
</tbody>
</table>

Table 3.1 (Jansson & Persson, 2020)

### 3.6 Sampling

The first step in most sampling processes was to contact and begin to prepare interviews with potential interviewees. We began this process by both calling and emailing potential organizations that were deemed attractive for our field of study, which were identified with the
help of allabolag.se. Besides this, we also used our network to get connections to potential organizations that were within our outlined criteria for organizations relevant to our study.

First, an initial quantitative study was conducted among working teams, with the criteria of only sampling cross-functional teams. This quantitative study consisted of a questionnaire directed towards the members of the teams included in the sample, to find and distinguish what factors of motivation were perceived as most impactful and essential in cross-functional teams. The survey data was collected through ES Maker, which provided tools for collecting and analyzing data.

This was done with as many team members as possible, in order to collect an overarching viewpoint on factors of motivation, according to employees in cross-functional teams. The reasoning for this was to rank the motivational factors and gain an understanding of the comparative importance of each factor - and to draw conclusions from the case study.

The second phase of the project was based on qualitative research. This phase aimed to further explore and develop theories on cross-functional team performance in cross-functional teams. This, in terms of effectiveness mediated through motivation, in the perspective of Human Resources strategies, as denoted in the purpose of the thesis.

The sampling method chosen for the research project was the non-probabilistic method of purposive sampling (phase 1 - quantitative stage). This to select a relevant purposeful sample to gain a general understanding and “framework” for collecting the data - while trying to minimize the likelihood that an individual sample “negatively” influences the outcome of the research. How this (phase 1 - quantitative stage) was done practically was by conducting a survey aimed at team members of cross-functional teams. In other words, we gathered our own primary data - which has the benefit of increased structural control over the sampled data and increased confidence that the data collected will be relevant to the objectives of the study (Easterby-Smith et al., 2018).

The second phase of the study (phase 2 - qualitative stage) was gathered by sampling managers with Human Resource insight, in the organizations that were sampled in the first phase of the study. The data was gathered by synchronous, in-depth interviews, face-to-face, or via phone or Skype. These interviews were semi-structured and open-ended in construction and were conducted with a person of insight into the Human Resources strategies within each organization sampled. The reasoning behind choosing the semi-structured approach is so that a
clear direction could be taken in the interviews, without constricting the answers of the interviewees.

### 3.7 Rational arguments behind sampling

In order to get answers that were accurate and reliable, we had to ensure that some criteria were met by the organizations in order for them to be able to both answer our questions and give insight into the effect HR practices have on motivational factors in cross-functional teams.

The first criterion is that all organizations sampled needed to be able to use and create a cross-functional team. In other words, the individual company should be actively using cross-functional teams within the organization. The individual company should, as such, have multiple departments so that cross-functionality could be achieved and used.

The second criterion was to only sample Swedish organizations. Based on our purpose of researching Swedish organizations, we had to conduct our study with and teams that actively worked within Sweden. It is important to recognize that companies could be owned by overseas organizations and have part of their operations overseas. However, for our study, all teams and interview subjects worked in Sweden.

In order to evaluate cross-functional teams, the organizations had to have some functional teams to collect members from. In a small company, they would naturally be using cross-functional teams as a necessity, and this inability to choose their team structures made it clear for us to exempt them from the study.

### 3.8 Reliability, validity, and limitations

Limitations are the restrictions and circumstances which impact the wanted outcome in a study or project, which can impact the quality and trustworthiness of the sampled data (Merriam-Webster 2020). Trustworthiness is the importance of trust between researcher and interviewee and is key, according to Easterby-Smith et al. (2018). They state that obtaining trust when gathering data is essential in order to ensure the researcher gets the desired data and substantial ground to base their study on.
In order to ensure that the study maintains a high level of credibility and provides empirical data that is adequate and trustworthy, the authors decided to work actively with creating trust with the interviewees. Establishing trust allows the authors to create a good communication flow and by that get the data needed for the study. It is of significant importance for a researcher to also identify the potential limitations that may inevitably impact empirical findings.

To secure the reliability and validity of the thesis, certain aspects and terms have been securely implemented and kept in mind during the research process. According to research theory, there are three main criteria for research based on constructionist designs (Golden-Biddle & Locke, 1993). The criteria for ensuring validity are authenticity, plausibility, and criticality. Firstly, the aspect of authenticity concerns providing the reader of the research with the certainty that the researchers have a profound understanding of the topic, and what is going on in the organization or case in question. Plausibility involves linking the study and ongoing research to ongoing concerns or interests among other researchers. Lastly, the criteria of criticality concern the encouragement of the reader of the study to question the assumptions they take for granted and offering the reader something novel (Golden-Biddle & Locke, 1993).

These aspects and the inherent assumptions, that these criteria provide, have been a base for providing reliability and validity to the study, throughout the entire process of working with the thesis. Furthermore, Easterby-Smith et al. (2018) convey the point that constructionist research should be conducted through transparent methods, and in that, be believable. The researcher should, as such, explain the process of how the access to data or information was provided and recorded, how it was collated and summarized, as well as how the selection of the sample was chosen. Lastly, the researcher should explain how the data was transformed and used to find explanations and ideas (Easterby-Smith et al., 2018).

3.9 Ethical considerations

When conducting research, it is expected that the researchers make sure that they will do no harm during the research process (Easterby-Smith et al., 2018). Because of this, it is crucial to take ethical implications and considerations into account when conducting research. From the start of this thesis to the end of the thesis, including the collection of secondary data and literature review as well as the collection of primary data in the form of empirical evidence,
ethical implications have been considered (Table 3.2). This, in the form of the ethical standards from Bell and Bryman (2007), adapted by Easterby-Smith et al. (2018).

<table>
<thead>
<tr>
<th>Key principles in business ethics - Easterby-Smith et al. (2018) adaptation from Bell and Bryman (2007)</th>
<th>Actions to ensure ethicality</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ensuring no harm comes to participants</td>
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<tr>
<td>2</td>
<td>Respecting the dignity of research participants</td>
</tr>
<tr>
<td>3</td>
<td>Ensuring a fully informed consent of research participants</td>
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<tr>
<td>4</td>
<td>Protecting the privacy of research participants</td>
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<tr>
<td>5</td>
<td>Ensuring the confidentiality of research data</td>
</tr>
<tr>
<td>6</td>
<td>Protecting the anonymity of individuals or organizations</td>
</tr>
<tr>
<td>7</td>
<td>Avoiding deception about the nature or aims of the research</td>
</tr>
<tr>
<td>8</td>
<td>Declaration of affiliations, funding sources, and conflicts of interest</td>
</tr>
<tr>
<td>9</td>
<td>Honesty and transparency in communicating about the research</td>
</tr>
<tr>
<td>10</td>
<td>Avoidance of any misleading or false reporting of research findings</td>
</tr>
</tbody>
</table>

Table 3.2 (Jansson & Persson, 2020)
In order to facilitate the ethical collection of the primary data, an effort has been taken to guarantee that all participants in the study were treated according to Bell’s and Bryman’s ethical guidelines (2007). This was done by providing transparency about the study and obtaining consent from the participants (Appendix 3). Anonymity, confidentiality, and privacy were also provided to secure the ethicality of the study.

3.10 Method for conducting the literature review

Through our literature process, we evaluated and briefed hundreds of previous studies within the selected research field. The reason for doing this is to know what previous studies have discovered before us. By reading and studying previous research, we benefited from a greater understanding of the subject, resulting in a more reliant and relevant study.

To evaluate existing literature within our field of study, we conducted an initial search by using Web of Science. The first search was done using (“cross functional teams OR “CFT”), resulting in 14,059 hits. We refined this search by including (functional teams), resulting in 430 results. We added a search word to be included, which was (implications), which resulted in 67 articles. We evaluated these 67 articles and briefed them in order to find relevant articles in our field. After our evaluation, we deemed that 12 out of the 67 articles were relevant and gave extensive depth to our research and included them in the literature review. The search words used on Web of science were also used in Scopus and primo, which yielded 20 more relevant articles that were included in the study. The second major search was done using the topic (“Team motivation”), which yielded a total number of articles of 71. This search was refined by the categories (management or business), which yielded a total number of 26 results. Of these, six were deemed relevant enough to be included in the literature review.

The third major search was done using the topic (“Human resources”), which yielded a total number of articles of 23,040. In order to make the subject more comprehensive, a second topic was introduced. The search was refined by the topic (“motivation”), which yielded a total number of articles of 1002. In order to make the subject more comprehensive, a third topic was introduced. The search was refined by the topic (“team”), which yielded a total number of
articles of 75. This search was refined by the categories (management or business), which yielded a total number of 25 results. Of these, three were deemed relevant enough to be included in the literature review.

The last major search was done using the topic (“organizational structure” OR “organisational structure”), which yielded a total number of articles of 8678. In order to make the subject more comprehensive, a second topic was introduced. The search was refined by the topic (“motivation”), which yielded a total number of articles of 179. In order to make the subject more comprehensive, a third topic was introduced. The search was refined by the topic (“team”), which yielded a total number of articles of 16. Of which, three were deemed relevant enough to be included in the literature review.

These search terms used in Web of science were also used on Primo, Scopus, and Google Scholar, in order to ensure all articles within the selected field were found and evaluated if relevant or not. Future searches were conducted randomly across Primo, Scopus, Web of Science, and Google Scholar to find complementary studies that could give insight into our field of research.
4. Empirical data

This chapter presents the empirical findings, from both the interviews with managers with HR-expertise and from survey responses among cross-functional team members.

4.1 Interviews

Organization A

The first organization sampled is a municipality operating over several different fields, such as nursing, schooling, and large building projects. The person interviewed to evaluate their work with, and use of, cross-functional teams is the assistant personnel manager. The assistant personnel manager had three years of experience in the position, and the organization in question had 3000 employees across numerous fields and locations.

Cross-functional teams

When it comes to cross-functional teams, the interviewee mentions that there are benefits but also some drawbacks with using them. The main drawback of using people in a project from different functions was the fact that they have different views on how to handle situations. Interviewee 1 highlights this drawback; “...they had their opinions, and we had ours. Resulting in disagreement.”. Cross-functional team members with a marketing function evaluate the project from a marketing standpoint. In contrast, a member of an economic function evaluates the project from an economic standpoint. This difference in views led to implications, as everyone views their function as the most important one. This difference in opinions and focus could halt and slow cross-functional teams. The main benefit of cross-functional teams and the reason they used them, according to interviewee 1, is the fact that it gives the team more perspectives to view the project from, resulting in a more cohesive and effective turnout. The problem, according to interviewee 1, in regards to not using cross-functional teams, was that if the organization, for example, tried to design a new system by only using a team of economists, the system might be exactly what the economists needed. However, they would not account for the needs of other functions. This would result in a system potentially only fulfilling the need
of one function, as the other functions were not involved in its creation. The importance of involving different functions as early as possible is something organization A highlights as key in successfully creating a project team.

Furthermore, interviewee 1 highlights how working in projects aside from one’s normal functions could negatively affect their commitment and efficiency in other areas. The reason for this negative impact is because team members could overly focus on the project or cross-functional team, resulting in them neglecting other work duties.

**Human Resources**

The need for development and education of the employees and the balance between the employee and the organization is something interviewee 1 stressed: “...development is very important, but we also have to find a balance between what the employee wants and what the organization needs.”. The way they assess the areas in need of improvement was through meetings with their respective boss, where the boss highlights areas in need of improvement. The employee themselves are also able to make suggestions. After this, the boss schedule different courses into the employee’s schedule, in accordance with the employee. This constant improvement of human capital is mentioned by interviewee 1 as a necessity for the organization to increase the success of both cross-functional teams and the success of the employees.

The topic of personal initiative and challenging employees is brought up during the interview. Employee initiatives are encouraged within the organization, but only to a certain extent. Interviewee 1 mentioned that although the organization encourages employees to take initiatives, it is vital that they only do that within the frame and limitations of the project. The importance of challenging employees in order to develop their capabilities was mentioned by interviewee 1 as a crucial tool. The manager believed that challenging the employees improves their involvement and ensures future personal growth.

The aspect of information and communication between employees is brought up during the interview. When asked what types of measures the organization takes in order to ensure proper communication within the cross-functional teams, the interviewee mentions frequent meetings to check on the progress as well as using internal communication tools to have constant feedback and communication between employees.
When complications arise within the cross-functional teams, the organization encourages the members to solve it themselves. The organization had no clear step-by-step plan in order to deal with communication deficiencies. The interviewee also mentions how the way of managing teams could differ depending on the person managing the team. One manager might be very interactive and call to meetings, while others might only be helping when the group is requesting it. Interviewee 1 pinpoints that a stable and secure leader or manager is important for the cross-functional project team in the starting stages.

The importance of clear guidelines and clear goals for the team is mentioned by interviewee 1 as an effective way of ensuring a good work environment. The problems regarding communication would, according to him, be less prominent if the team has clear guidelines and good leadership. The important thing, according to interviewee 1, is that goals and expectations are delivered clearly and directly. This would reduce the risk of confusion within the team.

**Motivation**

The motivation of cross-functional teams and what role different incentives have on motivation are discussed. The way organization A works with motivating cross-functional teams is by allowing them to do something different from their functional tasks. Organization A believes that interacting with different people during the project is a significant motivational factor. The interviewee also believes that the fact that employees get more responsibilities during the course of the project leads to higher motivation. The cross-functional teams also give many the option to take their own initiatives, which, according to interview 1, results in higher motivation.

The aspect of salary and its impact on motivation is also discussed. It is clear to interviewee 1 that salary motivates employees, but highlights that “... *the most important thing is that the employees get a salary that seems adequate and fair.*”. Interviewee 1 do not believe that salary has that large of an impact on the motivation of team members. Finally, we ask interviewee 1 if they think the motivation was higher for members in cross-functional teams, compared to people operating in regular functional teams. He mentioned that he believes that motivation is increased as team members are interacting with people of different views and approaches. He also believes that interacting with new people helps employees experience something new, which results in higher motivation.
Organization B

The second organization included in this thesis is a global producer of appliances. They have their development and research functions located in Sweden, with about 60 employees located in the country. The interviews, regarding cross-functional teams, were done with the Senior Project manager as well as the Research and Development manager. The senior project manager had seven years of experience within the position, while the R&D manager had seventeen years of experience within the position.

Cross-functional teams

The general opinion of cross-functional teams, according to Interviewee 2, is that they are a necessity. The manager mentions that for almost every project, the organization uses cross-functional teams. The reason for this is because, in order for a project to succeed, the organization has to incorporate people from several functions to be able to design and develop a product successfully. Interviewee 6 mentions that it would not be beneficial for project success to utilize functional teams. The lack of diversity would impact and harm the results of the project.

The biggest challenge with cross-functional teams in this organization is, according to interviewee 2, the fact that most people within the organization work on six or seven cross-functional projects at the same time, which can lead to stress and confusion. Interviewee 2 also describes how different functions have different priorities when executing a project, resulting in disagreements among team members that have to be dealt with.

Human Resources

The development of employees is something the organization tries to ensure by offering courses and classes that help fill in the gaps in competencies that might exist. The selection of courses is something the employees do together with the manager, who suggests what types of training would be beneficial. Taking initiatives is, according to both interviewee 2 and 6, something that is a must for people working in the organization. They mention that in order to create and develop new products, it is increasingly important to take initiatives and voice one's opinions.
According to interviewee 2, “... a good employee drives themselves and takes initiatives, and a great employee drives themselves and others around them.”.

To ensure clarity and stability in the work environment, and a clear direction of expectations, constant follow-up on the progress of the cross-functional teams’ projects is important, according to interviewee 6. The way organization B ensure this is by having meetings every week, in which team members discuss the progress of the project and what the next stage is. Interviewee 2 also mentions that they utilize excel sheets, which are filled in based on the progress of the project and help give clarity to team members. Every Friday, the senior project manager sends out the current status of the project in a rapport to the team members. Team members can then open their email Monday morning and have the progress and what needs to be done during the week clearly stated in front of them.

One key ingredient, when ensuring a stable work environment, is to set up a clear goal that is achievable but, at the same time, challenging. Interviewee 2 mentions how they set up goals together with the team to ensure the commitment of the members.

Members themselves often fix potential problems that can arise within a cross-functional team. Interviewee 2 also wants to mention that these types of conflicts happen very rarely. If the problem is not able to be sorted out by the team members themselves, the team leader can step in and discuss potential solutions, or if needed, call for an extra meeting to resolve conflicts.

Motivation

When asked how they try to motivate their team members in cross-functional teams’, interviewee 2 mentions that they believe that having the members involved and participating throughout the entire process of the project was an excellent way to motivate. The manager states that letting employees have their input and letting them participate in the decision-making process significantly improves involvement and the desire to succeed with the project. The impact of incentives, such as higher salary or bonuses, on motivation, was something interviewee 2 have a divided opinion on. The manager mention that if they set incentives on projects, as some organizations do, it would lead to people only prioritizing the projects and teams that gives them the highest bonus. This would result in that some projects would be left behind and done half-heartedly. He mentions that it has some benefits for motivation, but that
people generally do not seek jobs in the organization to get the highest salary, but for the opportunity to create and develop. The thought regarding the impact salary has on motivation in the team is also described by interviewee 6 to be impactful, but not crucial in terms of team motivation. Furthermore, interviewee 2 touches upon that “...there is higher prestige when working within project teams compared to other areas.”. Interviewee 2 believes that working in cross-functional teams is a way to boost motivation, as people get to interact with different functions and create something together.

Organization C

The third organization sampled is a governmental organization that has offices all over Sweden. For the study, two project managers were interviewed. Interviewee 3 had one year of experience as a project manager, and interviewee 4 had four years' experience as a project manager. They had recently put together cross-functional teams and begun working with them to improve the flexibility of the organization. Through these interviews, the interviewees answered the questions based on their recent cross-functional team experiences.

Cross-functional teams

The reason for the use of cross-functional teams is, according to interviewee 3, the knowledge sharing it creates among team members. This belief is also held by interviewee 4, who perceives that by incorporating different functions into one team, knowledge sharing within the group help members understand different functions. A team member operating in one function will be exposed to the knowledge and mindset of another function, giving them more increased insight and more perspectives. This increase in knowledge of other functions is something both interviewee 3 and 4 believes gives team members more competencies, providing them with more flexibility in the organization.

The main concern related to cross-functional teams, according to interviewee 3, is the fact that people working in a team had a manager supervising the team and a separate manager supervising their functions. Therefore, each team member had two separate supervisors whom they worked under, creating confusion. The way to mitigate this, according to interviewee 3, is
to ensure excellent communication between the team leader and the functions manager and mitigate confusion as much as possible.

Although they believe cross-functional teams are beneficial, interviewee 3 mentions that they will most likely see a loss in productivity before the teams get adjusted to the dynamics of a cross-functional team. Interviewee 4 also mentions how group dynamics can impact the cross-functional team, as members have to adjust to cooperate with new individuals with different backgrounds. The main reasoning behind utilizing cross-functional teams is because organization C is a very seasonal-based organization, where different functions have different workloads throughout the year. The manager and decision-makers believe that by creating cross-functional teams, and by encouraging knowledge sharing, they can create flexibility among the employees. Organization C believes that this will allow employees to help out in functions that have a high workload and then return to their original functions.

Human Resources

The most used way to develop the human capital, according to both interviewee 3 and 4, is to send employees on training. The employee, together with their supervisor, sit down and evaluate what type of further competencies are needed and together evaluate different possible courses and options for increasing the competencies of the employee. The most important thing, according to interviewee 3, when it comes to the development of human capital, is an open dialog. The employee must ask for help and communicate with people around them to successfully further their development. Organization C utilizes something called an information cycle, which involves three meetings spread throughout the year. During these meetings, employees, together with the manager, sit down and discuss salary, education, and work environment.

Taking initiatives is both required and expected of the employees in organization C. Although, interviewee 4 mentions that initiatives are expected from employees, the fact that laws and rules control the organization means limitations of personal initiative. The development of employees is something the organization actively works with to ensure constant improvement, but the employees also have many opportunities to further their careers. Both managers interviewed started on entry-level positions and have worked their way up. The fact that the
organization is so big and has many different fields means, according to interviewee 3, that the career opportunities within the organization are high.

One aspect that organization C work with to ensure a good work environment is, according to interviewees 3 and 4, the process of enabling open communication. They believe that by allowing open communication, they could ensure the detection of problems and potential conflicts early on, and make sure to correct them before they impact the relationships within the teams.

To ensure clarity in the work environment, the manager has to deliver clear messages and guidelines, according to interviewee 3, who states that clarity and an open environment help ensure success and create stable relationships among team members. This importance of open communication is highlighted by interviewee 4; “... open communication is the foundation for effective and reliable communication.". To ensure good communication between the employee and the manager, organization C utilizes something called a communication cycle, which involved three meetings annually, which helps ensure clarity among team members.

**Motivation**

The aspect of motivating cross-functional teams is not something organization C actively works with. The belief of interviewee 3 and 4 is that employees are naturally more motivated when working with new people and different tasks than they usually are.

The role of salary regarding motivation is also touched upon. The belief of interviewee 4 is that salary has an impact on motivation. However, the manager highlights that most of his employees are more excited about new tasks and how to develop and experience new things within the organization rather than focus on earning as much money as possible. “...yes, it is clearly noticeable when meeting with employees that salary has some impact, but most of them are more focused on new opportunities.". The belief of both interviewees 3 and 4 is that working in cross-functional teams, within at least their organization, elevates the level of motivation as people get to experience new things and work with different individuals.
Organization D

The fourth organization sampled in the thesis is one of Scandinavia’s leading organizations within electronics manufacturing services. They operate, among other countries, in Sweden, Norway, Lithuania, Germany, China, and the United States of America, employing around 1700 people worldwide. The employee interviewed in organization D was an HR-manager, with two years of experience in the position and twelve years of prior experience within the field of Human Resources.

Cross-functional teams

The main benefit of using cross-functional teams is that the work is dynamic and diversified. However, the interviewee also finds this element to be the most considerable weakness of cross-functional teams “It is a pre-requisite to have employees that can juggle several things at once. But it is a challenge for most people.”. As the team members always have assignments besides the individual project, either several other projects or continuous work tasks, their attention is split – which can be a challenge to balance correctly in terms of commitment and time management “…can be part of a project and possibly four, five parallel projects at the same time…”.

Another aspect of cross-functional teams is that frictions between team members from different functions can happen because of the members’ different perspectives stemming from their original competences and functions. This can be a challenge, as opposing viewpoints are characteristic, but it also enables multiple perspectives to be discussed and considered in the cross-functional team “…also in that they challenge each other’s way of seeing things.”.

Human resources

Organization D actively strives for the continuous development of its employees. This is mainly done through yearly employee-appraisals, where the member is evaluated with the help of a competence-matrix “…we have an employee evaluation meeting once a year, when they look at a competence-matrix…”. If the employee is considered to have sub-par performance or is lacking in skill or knowledge, the employee can be sent to fill the knowledge-gaps “…we set
an improvement-plan connected to the gaps we find.". Either by going to a particular functional unit within the organization, that is considered to have the expertise that the employee lacks (i.e. production knowledge), or by going to formal training that the organization provides. This yearly evaluation is done to make sure the employees perform at on the level that the organization expects, and so that the employee can increase their competencies or fill knowledge gaps in order to ensure job performance. Furthermore, if a team member is determined to perform above the requirements, a dialogue is had about the expectations of the employee. This to determine the satisfaction of the person, as well as if the individual wishes to advance in the organization and gain further responsibility, which can happen as organization D utilities internal recruiting when possible.

The interviewee mentions that in the organization, it is both possible and expected that the employees take initiatives. When asked about the possibility to take initiatives, the interviewee answers: “Yes, of course they have that. And it is expected of them as well”. There is a high level of personal responsibility, and to meet goals and meet deadlines, the employees must be able to take initiatives. However, while this is the expected behavior of the members of the organization, there is an understanding that the projects cross-functional team members work with are both demanding and highly complex. As such, new employees are expected to ask a lot of questions to gain an understanding of what the project entails and requires.

When it comes to information sharing and communication, organization D regards it as being highly important. They continuously highlight the importance of effective communication and proper dialogue amongst colleagues and between managers and their team members “We expect that people have good communication and proper dialogue.”. Communication between employees is managed through the meetings they have, where the members are expected to factually report the work progression – as well as report issues or obstacles that they encounter, without hiding any important information. Between employees and team members, communication is in part mediated through daily follow-up meetings; “They have daily direction-meetings...”. As many of the project managers in the organizations have relatively small teams, it makes it easier to communicate effectively with individual team members, and for the manager to give more personal attention when needed. Employees' communication skills are also evaluated in the yearly employee-appraisals, and if these skills are sub-par, the person can be sent to training or be instructed to work on improving those skills. When it comes to communication issues, interviewee 5 deems it to be crucial to understand where the problem lies, and via dialogue, identify and address the reasons for communication issues. If
interpersonal complications or opposing viewpoints arise in the cross-functional team, the group is expected to solve it internally through dialogue.

To make cross-functional team projects organized, a clear goal-setting is regarded as being of importance “...there are clear goals and expectations; this is very clear in a project.”. Project meetings and reports, with clear communication, was also mentioned as a key factor of a well-functioning project. Furthermore, the immediate manager is expected to both conduct daily progress meetings, as well as further meetings as often as the project requires. In these meetings, and outside of them, the manager is expected to be readily available to support their team and to be open for dialogue with team members if they require it. If further support to the cross-functional team is needed, it can be provided by an evaluation of the project and the current work progress, after which extra resources or additional support can be allocated.

Motivation

When it comes to motivation in cross-functional teams, the interviewee mentions the importance of coaching and motivating behavior of the immediate team leader. However, it is also important to feel at home with colleagues and to feel achieved and “seen” as a team member. Furthermore, salary is seen as a constant factor of motivation, although the view is that it is in human nature never to be completely content with one’s salary. Despite that, the salary should be high enough so that it does not discourage and can provide some sort of motivation.

Furthermore, the interviewee mentions that working in a cross-functional project team can be motivating, as it provides clarity about work goals. Working in a dedicated project also gives insight into the intrinsic of the assignment and goals and can, as such, be easier and more motivating than regular non-project work.
4.2 Survey data

The motivational impact of cross-functional teams

The results from the survey indicate that cross-functional team members feel motivated while working in cross-functional teams. Out of all the respondents, 95.8% feel motivated when working within cross-functional team projects (Figure 4.1) A total of 2 respondents, who account for 4.2%, do not feel motivated and engaged in cross-functional teams.

![Bar chart showing the number of respondents who feel motivated and engaged in cross-functional teams.](image)

Figure 4.1 (Jansson & Persson, 2020)

Goal clarity

The importance of goal clarity, and team members' awareness of what is expected of them in the team, is illustrated in graph 4.2. The answers of 48 respondents illustrate the correlation between knowing what is expected in terms of goals and the motivational impact of team members. From our respondents, we got the implication that knowing what is expected (clarity in goals) impacts the motivation in cross-functional teams positively. 81.25% of the cross-functional team members sampled agreed or highly agreed with the statement that they get motivated from goal clarity.
Motivating factors in cross-functional teams

What motivates an individual in a cross-functional team to perform on a high level is evaluated in the survey, as illustrated in-depth in appendix 4. The graph and matrix presented below indicate the impact different motivational factors have on members in a cross-functional team, in terms of motivation. In order to understand which aspects are the most important in terms of motivation, the options given to the respondents of the survey are assigned numerical values - where one is the lowest, denoting “not important”, and five is the highest, denoting “very important”. Three denotes an “average” importance. Furthermore, complimentary processing of the quantitative data has been made, describing the mean values of the answers collected (Figure 4.3).
Table 4.1 below lists the motivating factors in falling order, based on the impact factor, in terms of motivation.

<table>
<thead>
<tr>
<th>Ranking</th>
<th>Motivational factors</th>
<th>Ranked as important or very important</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Co-workers and relationships</td>
<td>91.7 %</td>
</tr>
<tr>
<td>2</td>
<td>Interest in the project</td>
<td>85.4 %</td>
</tr>
<tr>
<td>3</td>
<td>Good manager or leader</td>
<td>81.3 %</td>
</tr>
<tr>
<td>4</td>
<td>Opportunity to show capabilities</td>
<td>75.0 %</td>
</tr>
<tr>
<td>5</td>
<td>Compensation (i.e extra salary, monetary compensation, benefits)</td>
<td>70.9 %</td>
</tr>
<tr>
<td>6</td>
<td>Future work life and career opportunities</td>
<td>39.5 %</td>
</tr>
</tbody>
</table>

Table 4.1 (Jansson & Persson, 2020)

Figure 4.3 (Jansson & Persson, 2020)
Co-workers and relationships

Based on our findings, we can see that team members and relationships are one of the key factors motivating members. Out of all respondents, 91,7% deem relationships within cross-functional teams to be important or highly important (Table 4.1). From our respondents, we got the mean of 4,21, which is the highest motivation factor within the survey (Figure 4.3). Team member chemistry and a good relationship are, according to our respondents, highly impactful in regard to motivation in cross-functional teams.

Interest in the project (intrinsic interest)

The data also suggest that interest in the project seems to have a high impact on motivation, as suggested by a mean value of 4,13 (Figure 4.3). Out of all respondents, 85,4% deem interest in the project within cross-functional teams to be important or highly important (Table 4.1). The more the cross-functional team members are interested in the project, the more motivated the employee is.

Good manager/leader

The importance of a good manager or leader is a significant factor in cross-functional team members’ motivation. From our respondents, we got a mean of 4,02, which is the third-highest motivation factor within the survey (Figure 4.3). Out of all respondents, 81,3% deem the aspect of having a good manager or leader within cross-functional teams to be important or highly important (Table 4.1).

Opportunity to show capabilities

Through our survey, we also discovered that a person’s motivation was driven by the will to show one's competences. From our respondents, we got a mean of 3,79, which the forth highest motivational factor within the survey (Figure 4.3). Out of all respondents, 75% deem the aspect of getting to show capabilities in cross-functional teams to be important or highly important (Table 4.1).
Compensation (extra salary, monetary compensation, benefits)

Something that was discovered to be a motivating factor for cross-functional teams was the compensation team members receive. Out of all respondents, 70.9% deem relationships within cross-functional teams to be important or highly important (Table 4.1). The average mean of 3.71 also indicates that it influences motivation, but not to the extent of some other factors (Figure 4.3).

Future work life and career opportunities

The motivation factor of future career opportunities and opportunities was also collected through the survey. Out of all respondents, 39.5% deem future work life and career opportunities in cross-functional teams to be important or highly important (Table 4.1). It is clear that less than half the cross-functional team members sampled think that career prospects motivate them within the cross-functional team. This factor is deemed to be impactful for some, but it was the factor with the least comparative importance for our respondents in terms of motivation in cross-functional teams. Furthermore, it has a mean of 3.05, which means that overall is only perceived to be slightly above “average importance”.

Summary of survey data

From the numerical analysis of the empirical data, it is clear that, according to the respondents of the survey, “co-workers and relationships” and “interest in the project” are the most important aspects of motivation. While “future work life and career-opportunities” is the least important aspects of motivation in cross-functional teams, according to the cross-functional team members sampled.
5. Analysis

This chapter provides an analysis of the role and importance of cross-functional teams in correlation to Human Resource management. It connects empirical data with theory, providing discussions on the Human Resource management impact on the motivation of cross-functional team members and thereby organizational performance efficiency.

<table>
<thead>
<tr>
<th>Motivational factors in cross-functional teams</th>
<th>Impact</th>
<th>Human Resource practices with impact on motivational factors in cross-functional teams</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ranking</td>
<td>Motivational Factors</td>
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</tr>
<tr>
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<td>Compensation</td>
<td>←</td>
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<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Future work life and career opportunities</td>
<td>←</td>
</tr>
</tbody>
</table>


Model 5.1 illustrates the relationship between the motivating factors discovered and the Human Resource practices that impact them. For example, the model shows how the motivational factor relationship is impacted by Human Resource practices established concerning communication.
5.1 The impact of utilizing cross-functional teams in Swedish organizations

When starting to work in a cross-functional team, members, who usually operate within regular functions, get the opportunity to work with new team members with whom they usually do not get the opportunity to interact with. Working with new people is perceived to be an influential motivating factor by our interviewees, as cross-functional team members get to share new ideas and viewpoints as a result of the integration of different functions into one cross-functional unit. Coming into contact with new people, as well as new work duties, is believed to be a change that significantly increases motivation.

The main reasoning is the perception that employees, who usually operate in functional teams, get the opportunity to experience something new when shifting to a cross-functional team. Organization D has the perspective that working in a cross-functional team can give more precise insights into the intrinsic of tasks, including goals and assignments. Which, in turn, can be more motivating than regular day-to-day work. An opposing view by organization B is that working in a cross-functional team relates to a prestige-factor, which motivates the employees working in the mentioned team. A third view, by organizations A and C, is that working in a cross-functional project team is motivating because the team members experience and learn new things from other functions within the organization.

Organization C also highlights that the main benefit of cross-functional teams is knowledge sharing. The importance of the exchange between functions and its impact is agreed upon by Hirunyawipada et al. (2010), who expresses the correlation between effective knowledge sharing and successful cross-functional teams. For cross-functional teams to become efficient, they need to be able to share information between team entities (Ghobadi & Dambra 2012). Allowing people from different functions to work together within a team allows members to learn more about different functions, which organization C believes can increase flexibility and competencies within the team.

Organization B believes that cross-functional teams benefit the productivity of the organization as the employees are able to contribute with expertise from different functions and specializations. Experiencing and fostering cross-functional skills was discovered to be beneficial for firms and organizations in a study conducted by Levenson (2012). Fostering cross-functional skills for individual employees allow functions to communicate easier and integrate (Levenson, 2012).
From the findings of our survey, we also discovered that a significant majority of 95.8% of the respondents feel motivated when operating within cross-functional teams (Figure 4.1). The findings from both the interviewees and the survey show that the usage of cross-functional teams impacts the motivation of team members positively.

The general view of the organizations sampled is positive regarding the usage of cross-functional teams, but they acknowledge some challenges and negative sides. Organization B highlights the problem with having members who are involved in too many cross-functional teams at the same time, and the confusion involved. Similarly, organization D emphasizes the challenge of the impact on people’s tasks outside of the team, meaning that the performance of their functional duties suffers as a result of loss in focus. However, the other organizations involved in our study have employees who work with a cross-functional team as well as their functional duties and did not mention similar problems.

The main challenge, which appeared in all organizations and interviews, is conflicting viewpoints. Members coming from different functions often operate in the team with a mindset focused on their specialization. That everyone evaluated the teamwork from a separate viewpoint generates, according to our interviewees, a level of confusion. The importance of having everyone within the team onboard with the agenda was studied by Meschnig & Kaufmann (2015), who discovered that having a consensus of objectives has a positive impact on performance. The challenge with adjustment and conflicting viewpoints was further discussed by organization C, who explains that they account for a drop in performance before the team becomes adjusted to working in a cross-functional team.

However, the stereotype that cross-functional teams are more effective than other teams and impact motivation was evaluated by Webber (2002), who discovered mixed results regarding this statement. Webbers' (2002) discoveries highlight that cross-functional teams could be useful towards the end goal of achieving effectiveness, but only if underlying factors such as trust and strong relationships are established. These discoveries show that although cross-functional teams can have a positive impact on motivation, the organization has to ensure trust and good relationships within the team to ensure the positive influence on performance.
5.2 Motivational factors in cross-functional teams

*Co-workers and relationships*

An important aspect of motivation in cross-functional teams, according to organization D, is that the employees feel comfortable with colleagues. Similarly, organizations A, B, and C perceive that being able to work with people with different specializations from diverse functions is a significant factor of motivation. Likewise, 91.7% of the respondents of the cross-functional team members surveyed perceive team relationships to be the most important factor of motivation by considering it as important or very important (Table 4.1).

Good relationships within cross-functional teams, as well as between managers and groups, can be linked back to Webbers' (2002) study. He describes that one of the critical factors for a successful cross-functional team is a trusting relationship between the leader and the team, as well as between individual members of the team. The significance of relationships in this context and the concluding positive impact on efficiency was also highlighted by Buvik & Tvedt (2016), which seconds the results of our survey and interviews.

This notion aligns with the perspectives gathered through the interviews, conducted with the managers knowledgeable about Human Resource practices within the organizations sampled. Similar to the perspective gathered from the survey, three out of four organizations interviewed mentioned colleagues and co-worker relationships to be vital for employee motivation in cross-functional teams.

*Interest in the project (intrinsic interest)*

Intrinsic interest in the work performed is a vital factor in employee motivation. The survey found this motivational factor to be the second most important aspect of motivation in cross-functional teams. 85.4% of the respondents find intrinsic interest to be important or very important to their motivation (Table 4.1). Similarly, the notion of having employees that have an intrinsic interest in the work performed is, according to theory, one of the most significant and effective ways of ensuring employee motivation and efficiency (Alward, Phelps, 2019; Davoudi et al., 2016; Li et al., 2015).
The notion of employee initiative and individual decision-making is an essential aspect of all organizations sampled. Organization A and B perceive that a significant factor of motivation in cross-functional teams is the inherent notion that the team members can take initiatives and actively participate in decision-making. Organization B believes that this stems from the team members becoming personally invested in the project.

For organizations B and D, an initiative is not only possible but expected from each team member. Organization D views the personal initiative as crucial in order to face the complexities projects entail and has to be an inherent part of the employee’s mindset in order to meet the goals and deadlines of projects.

Similarly, organizations A and C deem employee initiative as significant and as something to be encouraged within the team, if only to a certain extent. According to organization A, this is to ensure a low risk of being harmed by the employee taking “too many” initiatives. Thus, initiatives should be encouraged but appropriately mediated, according to organization A. Organization C share this viewpoint, but with an understanding that the company operated under government rules and regulations, which limits the possible initiatives the individual employee can take.

**Good manager or leader**

The role of leaders and their impact on motivation was discovered through the survey data. This factor has the third-highest impact on motivation among cross-functional team members, with 81.3% of respondents deeming it to be important or very important (Table 4.1). Interviewee 1 from Organization A explained that team leaders usually have the role of supervising, and mentioned the importance of having a competent leader that works together with the team.

How crucial a good leader is for motivation and performance, was also discovered by Piercy, Phillips, & Lewis (2012). Good leadership is essential together with integration for the cross-functional team to be successful (Piercy et al., 2012). The role of good leadership and its impact on cross-functional teams is believed to be significant. The insights provided from the survey and the interviews support this notion. Improvement in terms of leadership among cross-functional teams, based on the data collected, can have a positive correlation with the motivation of cross-functional teams.
Opportunity to show capabilities

A bottom line for all organizations sampled (A, B, C, and D) is the constant improvement of employee skills and competences. This is deemed crucial to enable employees to perform according to the expectations of the organizations.

An important factor of motivation in cross-functional teams that were identified through the study is the factor of letting employees show their capabilities, which is connected to the aspect of honing and improving capabilities in order to provide the individual with opportunities to show their skills in the team. Showing capability was discovered within the survey to be a pivotal contributor to motivation. According to the cross-functional team members responding to the survey, 75% perceive that the aspect of letting employees show their capabilities and skills is important or very important in terms of motivation (Table 4.1).

Compensation

When it comes to the aspect of salary, which is an “external” motivational factor (Davoudi, Parpouchi, Ashraf, Nikooravesh 2016), the survey respondents perceive monetary compensation to be a “middle of the road factor” compared to alternative factors of motivation. Not irrelevant, but not the most significant factor either, though 70.9% of respondents deemed it to be an important or highly important motivational factor in the cross-functional team (Table 4.1).

Similarly, all organizations sampled perceive that fair compensation is an essential factor of motivation, but not that monetary compensation can be used as an end-all factor to ensure lasting employee motivation in cross-functional teams. Organization D sees salary as a minor factor of motivation but adheres to the notion that employees will never be completely satisfied with the monetary compensation they can have, and to mainly be a factor of importance in order not to discourage or demotivate employees. As such, a salary cannot be the sole driving mediator of motivation. Similarly, Organizations A, B, and C perceives that it is essential for employees to receive adequate compensation, but not that it is a singularly motivating factor. Instead, organization B perceives that monetary compensation has to be moderated carefully. This because if specific tasks or projects have higher compensation connected with reaching
the goals inherent to them, projects that do not have such compensations can be disregarded or done inadequately by employees.

The perspectives gathered in the survey and interviews are similar to the ones gathered in the literature review. No study reviewed found the aspect of monetary compensation to be the most important factor of motivation found. However, the real importance of the salary seems to be a matter of perspective and interpretation. There is research that claims that although salary is not the most important factor of motivation found, it is of some importance (Frimpong & Fan, 2011). As such, it is still a factor to be taken into account.

**Future work life and career opportunities**

Among the motivating factors evaluated in the study, the lowest effect in terms of motivation was the future work life and career opportunities for cross-functional team members.

This motivation factor was ranked the lowest, but 39.5% of the cross-functional team members sampled still deemed it to be important or very important the motivation in the team, suggesting that career opportunities still place a role in terms of motivation (Table 4.1).

The role of future opportunities for cross-functional team members was also brought up by our interviewees. They believe in providing opportunities for employees to experience new things within their work lives. Organization C discussed how they, as an organization, are able to provide many different opportunities for employees to experience different functions. Furthermore, organization C allow employees to shift positions within the organization and to try new things. This availability of options is believed by our interviewees from organization C to give employees the possibility to grow within their work-life and provide career opportunities.

These findings correlate with a study conducted by Asaari, Desa, & Subramaniam, (2019) that found the relationship between promotion and motivation to be significant. Another study by Takahashi (2006) also mentions the correlation between motivation and the possibility of promotion. However, based on the findings, employees within cross-functional teams, compared to the teams evaluated by Asaari et al. (2019) and Takahashi (2006), might be less motivated by career opportunities compared to other teams.
5.3 Human Resource practices impact on motivational factors in cross-functional teams

Communication and goal clarity

From the sampled respondents from both the interviews and survey, it became clear that relationships within cross-functional teams is the most significant motivating factor. The process of establishing trusting and secure relationships can be helped by regular meetings (O’Connor & Wulf, 2004). Team motivation has been described as: “the coordination of the intensity and duration of collective effort directed at a shared team goal through the functioning of interdependent regulatory feedback loops.” (Park, Spitzmuller, DeShon, 2013). The method of conducting regular meetings was discovered to be frequently used by the organizations sampled. Theoretically, this can help relieve tensions within the group and facilitate more substantial relationships in the cross-functional teams.

Besides conducting meetings regularly, O’Connor & Wulf (2004) also mention how celebrating accomplishments together and providing tools to resolve conflicts can improve the relationships within the team. Furthermore, communicating through meetings plays a vital role in building relationships within the team, according to Buvik & Tvedt (2016).

The general belief of the organizations sampled was that in order to secure a safe and stable work environment, open communication is vital. According to organization C, the open communication flow can help to detect potential team problems and help to ensure good relationships within the team.

The impact of good relationships on team motivation is further emphasized by the cross-functional team members that answered our survey, who expressed that good relationships is the factor that has the most significant impact on their motivation.

Therefore, a well prepared and effective Human Resource practice that ensures to regulate the communication flow can be beneficial. By establishing a Human Resource practice that improves communication, it could help to build relationships among team members, which in turn would result in higher motivation and productivity. How consistently the teams meet, could, according to O’Connor & Wulf (2004), impact the relationships within the teams. Regular meeting times and regular check up on the progress of the team would help to establish
good relationships among team members. Adversely, lack of consistency in meetings could have negative implications on the relationships, according to O’Connor & Wulf’s (2004) study.

However, the amount of time spent on communication and meetings varies considerably between the organizations. Organization D has daily meetings for following up on the team's progress. In contrast, organizations B and C have weekly meetings, whereby organization A only organize meetings when demanded from the team. Organization B also mentioned that they send out weekly reports to team members on the project progress and current state.

Apart from open communication, the significance of setting clear goals and guidelines for the teams is perceived to be of great importance to mitigate confusion and complications within the cross-functional team, according to our interviewees. Similarly, 81.25% of the cross-functional team members sampled perceive goal clarity to be interconnected with motivation. The way the organizations sampled tries to make the goals as clear as possible, is by regularly meeting with the teams and checking on progress. The perceived importance of communication by our interviewees is agreed upon by Park, Spitzmuller, and DeShon’s (2013) study, which discovered the high impact of shared team goals within teams on the motivational level of employees. The need for clear goals is essential for teams to meet requirements set by leaders and the organization. Without set goals, it is challenging for employees to feel motivated, which, in turn, affects their efficiency (Clark, 2003). Through the survey, it was discovered that showing skills and capabilities is a motivating factor for members in cross-functional teams. It is thus theorized that without clear goals, it is tough for members to satisfy the expectations set by the immediate leaders as well as the organizations, which could create confusion and impact the motivation negatively.

The level of support teams receive from managers is correlated to the success of the team – cross-functional teams that receive more support throughout the project from their managers are more motivated (Hitt, Nixon, Hoskisson, & Kochhar, 1999). The level of constant support from managers could result in clearer goals and will, in turn, help members become more motivated and efficient.

Furthermore, having effective Human Resource practices for communication could ensure a consistent level of leadership. Organization A has no clear directions or set rules for how communication should be executed. Instead, the managers personally set the rules and guidelines for the team. In theory, having the individual manager select the methods of
communication could result in team performance being hampered by the manager's decisions. Establishing Human Resource practices that help managers could thus be beneficial for both the manager and the team. Furthermore, having established Human Resource practices that explain how managers should communicate can strengthen their leadership and have an impact on the motivation of the cross-functional team.

*Training and development*

The motivational factor of providing opportunities to show capabilities is connected to the development of human capital and continuing training of the employee. According to all organizations interviewed, it is crucial to support team members to help them perform according to the expectations of the organization. This is a viewpoint supported by Pritvorova, Tasbulatova, and Petrenko (2018), who states that Human Resources are crucial in order for an organization to achieve sustainability and to achieve strategic goals.

Furthermore, future work life and career opportunities were lifted as a motivation factor by the survey. However, respondents of the survey ranked it to only be of slight importance in comparison to other factors of motivation when it comes to cross-functional teams, albeit it is not a factor without impact.

The organizations sampled all had training and educational plans that they actively worked with in order to improve the team members’ skills. Organizations within the study all worked with Human Resource practices to improve employee competencies. In the organizations sampled, the need for training and developing the human capital is determined through employee evaluations, which in organization D is done yearly with the help of an analysis tool called the competence-matrix. Similarly, for organizations A, B, and C, knowledge gaps are assessed through dialogue between the team member and the immediate team manager. If the employee evaluated is deemed to have gaps in knowledge or competence, an action is taken to bridge the gap in question. For all organizations sampled, competence gaps are overcome by formal training or courses that the employee can attend in order to increase their knowledge and competencies. Organization D also highlighted that if an employee is performing above the requirements of their position, a dialogue about expectations is held with the employee. This is to determine the satisfaction of the person,
as well as if the individual wishes to advance in the organization and gain further responsibilities.

Furthermore, the continuing development of employees is viewed as a significant source of motivation. By increasing the knowledge and skills the employees possess, the individual feels empowered and is thus motivated to work harder and more effectively (Naghavi, Jofreh, Vaezi, Ghorbanizadeh, 2019). This way of operating with training and education is also believed to be effective in terms of motivation, according to Beltrán-Martín & Bou-Llusar (2018), who discovered that skill-enhancing and opportunity-enhancing practices have a strong positive effect on employee motivation.

This notion of providing opportunities to employees was further evaluated in a study by Beltrán-Martín & Bou-Llusar, (2018), who discovered that skill-enhancing and opportunity enhancing Human Resource bundles increases the level of motivation among employees. Utilizing Human Resource practices to allow opportunities for employees to enhance their skills and future work life could be beneficial in terms of the motivational aspects. The discoveries within the article also fall in line with the results of the survey, and the interviewees were both suggested that allowing opportunities for career and work-life was believed to impact cross-functional team members positively.

The opportunity and promotion aspects and its impact on motivation were also evaluated by Takahashi, (2006), who found a positive correlation between career opportunities such as promotion and employee motivation. All organizations sampled works with training and development of employees, which is, according to Beltrán-Martín & Bou-Llusar (2018), a way of providing employees with opportunities for future work life, such as promotions and increased responsibilities.

**Empowerment and involvement**

When deciding on strategies to develop the human capital of cross-functional team members, all organizations sampled stated that it is done in dialogue with the employee in question. This means that the employee gets to have both input and power over the decision making that concerns their future development within the organization. Connecting to literature, this can be seen as a significant source of empowerment of employees since this aspect is described to be
the process of giving employees authority for decision-making (Naghavi, Jofreh, Vaezi, Ghorbanizadeh, 2019).

This empowerment is a significant source of motivation for employees and therefore improves the effectiveness of the organization by increased employee commitment and satisfaction (Li, Wei, Ren, Di, 2015). As such, the process of involving cross-functional team members in the decision-making process is a major direct factor of motivation in cross-functional teams and, by extension, organizations.

Intrinsic motivation (interest in the project) was discovered to be of great importance within cross-functional teams, with 85.4% of the respondents regarding it as important or very important. Organization B stated that they believe involving and allowing employees to participate and give input on the project is the right way for increasing employee motivation and interest in the project. Similarly, the notion that commitment and interest generate team productivity was also discovered by Wang & He (2008), as well as Ehrhardt et al., (2013).

As such, a viable option to increase the intrinsic motivation among cross-functional team members could be to establish Human Resource practices that ensure higher involvement of team members during the planning stage. Involving team members could increase the interest of the team and impact the motivation of the members positively.

Compensation and salary play a substantial role when it comes to motivation, based on the survey, which discovered that compensation, although not as impactful as some factors, plays a vital role in the motivation of cross-functional team members.

This relevance of compensation in terms of motivation was also discovered during the interviews with the organizations. The interviewees reflected on the importance of salaries and deemed it as a tool for motivating team members, though only to a limited extent. Rynes et al. (2004) supported the collected data from the survey and interviews and discovered a positive correlation between salary and motivation.

The salary and employee’s role in setting it was described by organization C, whom every year has a meeting between the manager and employee where they discuss the compensation of the individual.

During these meetings, employees have the opportunity to state and explain their opinion of current compensation and what they believed their future salary should be. This way of utilizing
Human Resource practices to involve employees in decision making is, according to Naghavi et al. (2019), a way of empowering employees by giving them authority during the decision-making process. The role of empowerment for teams and individuals is essential to increase the efficiency of the individual and team (Naghavi et al., 2019). Motivation through salary is clear, but Organization A highlighted that it’s essential that people receive compensation that they feel is adequate based on their work. Utilizing salary meetings and allowing employees to express their opinion on the compensation they receive would thereby help the organization to understand what adequate compensation is. Human Resource practices that allow employees to impact their salary could theoretically increase both their empowerment, as well as the satisfaction of compensation. Having employees satisfied with their compensation will increase the motivation of employees (Frimpong & Fan, 2011).
6. Conclusion

In this chapter, a summarization is presented, which highlights the conclusions made from the discoveries of the study. These conclusions are be linked back to the research questions of the thesis, as well as to the purpose, which is to examine the management of motivation in cross-functional teams, and the impact of Human Resource practices.

RQ 1. In what ways can the utilization of cross-functional teams impact the efficiency in Swedish organizations, through motivation?

The general belief suggested mixed opinions regarding the impact cross-functional teams have on team efficiency.

Different viewpoints were highlighted as the main reason for organizations utilizing cross-functional teams. Its team members interact with members from different functions allowing them to experience new perspectives and challenges, breaking the regular, functional, day to day work. These interactions are perceived to motivate employees as they get to work together with people with different viewpoints and specializations. However, the different viewpoints employees have, was also discovered to be a problem for organizations. Having different viewpoints is especially problematic at the beginning of a project, as team members are not accustomed to working with people from other functions.

Another aspect that was perceived to impact motivation is knowledge sharing within cross-functional teams. Teams with multiple functions involve members knowledgeable within different areas of expertise. The perception is that sharing new knowledge amongst one another motivates team members.

Conclusively, despite the challenges cross-functional teams entail, the general opinion is that the utilization of cross-functional teams positively correlates with the aspect of employee motivation. 95.8 % of the cross-functional team members sampled feel motivated when working in cross-functional teams. Furthermore, team motivation has a positive impact on employee performance and is, as such, an impactful factor for the team’s overall efficiency, which, in turn, affects the performance efficiency of organizations.
RQ 2. What motivational factors are necessary to develop in order to change the outcome of employee motivation in cross-functional teams in Sweden?

In conclusion, multiple factors play a significant role in the motivation management of cross-functional teams. Although, some factors are more impactful than others. The most crucial factor, according to the study, to improve motivation is the relationship aspect, which, if improved based on our findings, would significantly increase the motivation within the team. Apart from the relationship factor, the study also discusses the importance of intrinsic interest of cross-functional team members' motivation. Improving and focusing on intrinsic interest among team members is, according to the study, one of the most efficient ways of improving motivation within a cross-functional team. These two motivating factors were found within this study to be the most impactful in order to improve the motivation in cross-functional teams.

Through the thesis, it was discovered how significant the impact of leadership is on motivation in cross-functional teams. Good leadership was discovered to be an essential motivation factor. The findings also suggest that motivation is affected by the opportunity cross-functional team members have to show their capabilities. Team members, who get the opportunity to show their capabilities, are more motivated.

The motivational factor of compensation was found to be of some importance. As such, the aspect of compensation should be viewed as necessary when motivating members of cross-functional teams, but that it should be used in conjunction with other factors of motivation, as compensation in itself is not the most impactful factor of motivation. The thesis also discovered that future work life and career opportunities is a motivating factor for cross-functional team members. However, it was regarded as the least impactful of the factors studied in the thesis. Conclusively, the availability of future career opportunities was found to have a slightly positive impact on motivation.
RQ 3. How can Human Resource practices impact employee motivation from a cross-functional team perspective?

The relationships within teams can be impacted by regular meetings and communication. Creating reliable and efficient Human Resources practices in terms of communication would result in improved communication in cross-functional teams. This can lead to the improvement of relationships. This advancement of the relationships, both between team members and the manager, would impact the team members' motivation and increase the efficiency and performance of the cross-functional team.

Cross-functional teams would greatly benefit from clear Human Resource strategies that regulate the communication and ensure that they get adequate information from their manager to reduce tension and confusion and help improve the relationship among team members. Furthermore, Human Resource practices that regulate the way communication is used would ensure that cross-functional teams are less likely to experience inadequate leadership and instead ensure good leadership.

Intrinsic motivation is the second most valuable factor of motivation that was found in the study. As such, organizations should try to establish strategies to increase the interest the members of cross-functional teams have in their work. This can be done by establishing Human Resource practices that ensure the involvement of employees in the planning stages of projects and thereby become interested in the outcomes of the cross-functional team.

Empowering employees and allowing them to take part in decisions was discovered as an option to ensure satisfactory compensation. Human Resource practices that allow employees to have some impact on their compensation would both increase the empowerment as well as the satisfaction of the compensation. Having employees satisfied and empowered will, in turn, increase the motivation of employees.

Furthermore, the organizations sampled allows for the empowerment of the individual cross-functional team member by creating training programs in unison with the member in question. As such, soliciting a further factor of motivation into the aspect of increasing team member competence and allowing for the showcase of capabilities and skills. Therefore, it can be concluded that the factor of motivation put into use by increasing the knowledge of cross-functional team members can be further improved by involving the team members in the decision process of how this training should be conducted. As such, Human Resource practices
should involve the cross-functional team members in decision-making processes regarding their training and development. Similarly, Human Resource practices that ensure training and development were discovered to be a way of providing employees opportunities for future work life, such as promotions and increased responsibilities.

The importance of allowing team members to show capabilities further highlight the significance of having effective Human Resource practices concerning training and development. Establishing proper training and development opportunities for employees will allow team members to show their skills. This aspect was identified to be a crucial part of employee motivation in cross-functional teams, partly because of the real motivational impact this aspect has on the team and partly because of the increase in individual productivity and competence it can have. As such, it can be concluded that this factor of motivation is an aspect that should be highly valued and sought by contemporary organizations that aim to motivate their cross-functional teams, and thus be valued when developing Human Resource practices. Allowing training and development of employees will result in them being able to show their capability, and thereby impact the motivation of the employees positively.

Effective Human Resource practices regarding how the training and development of employees are conducted could thereby be significantly beneficial in terms of motivation. Developing and further improving on Human Resource practices regarding the development of human capital and training would greatly benefit employees, the cross-functional team, and organizations alike.

As such, the aspect of motivation in cross-functional teams can be concluded to be highly influenced by Human Resource practices and motivational factors closely connected to the productivity of teams. All aspects should be viewed as a whole when constructing and implementing Human Resource practices and factors of motivation, as they work in conjunction and have different means of impact on the cross-functional team – as well as a varying degree of effectiveness.
7. Discussion

This section aims to present the theoretical, managerial, and ethical contributions of the study. This chapter also includes suggestions for future research and deliberation of the limitations of the thesis.

Theoretical contribution

The theoretical implication of this study is connected back to the need for necessary research in the field of management. The contemporary business world is becoming increasingly complex (Ghemawat, 2018). This has led to the arrival of new challenges that operations management throughout the world must face (Ghemawat, 2018). Because of the increasing complexity, cross-functional teams have become more frequent and favored when facing complicated business environments and complex projects – this, as previously stated, because of the high level of flexibility and problem-solving potential of cross-functional teams.

As such, the challenge of maintaining and increasing the performance in cross-functional teams is becoming increasingly important. Motivation has been defined as one of the leading factors affecting team efficiency (Kozlowski & Ilgen, 2006; Poláčková, 2016) and is, therefore, crucial for sustaining the level of performance. How to increase motivation in cross-functional teams is, however, very complex, but it can be realized by evaluating the correlation between Human Resources and motivation (Siddiqui & Rida, 2019). The correlation between Human Resources and motivation as a mediator for performance in cross-functional teams is, however, largely unexplored (Siddiqui & Rida, 2019; Park et al., 2013). Taking the above into consideration, this thesis has contributed with in-depth findings gathered via a qualitative triangulation of methods along with the notion of increasing business complexity and the widespread use of cross-functional teams. These findings include both the perspectives of cross-functional team members via a survey, as well as interviews with managers with Human Resource expertise, which have been triangulated with literature in order to contribute to a broad and extensive viewpoint of motivational factors and Human Resource practices that affect them, in cross-functional teams. Furthermore, this study has contributed with a model of Human Resource practices' impact on motivational factors in cross-functional teams (Model 5.1).
Managerial implications

Practical implications when conducting the study of motivation in cross-functional teams are mainly on HR-managers practices. Managers are required to develop and adapt their policies and practices towards increasing their employees' motivation. This thesis has resulted in new findings contributing to new perspectives relevant to a managerial level. The findings derived from the study have contributed with indications of how to increase performance in cross-functional teams through motivation and how Human Resource practices can play a part in the pursuit of the motivation of cross-functional teams. According to the findings of this thesis, there are several ways of increasing and maintaining motivation in the teams mentioned above – some of which are more effective and perceived to be of greater importance. This is, for example, relationships within teams and instilling intrinsic motivation.

In contrast, others are perceived to be of less importance, but should still be taken into account not to demotivate employees. As such, it is suitable to view the aspect of motivation in cross-functional teams holistically with the understanding that motivational factors work in conjunction. However, as found in this study, as certain motivational factors are more impactful than others, this thesis presents indications of factors to prioritize when working with motivation in cross-functional teams. This can be impactful on a managerial level, as it provides perspectives which can provide and facilitate awareness and understanding on how to focus and construct Human Resource practices that affect cross-functional team performance through the medium of motivation.

Ethical implications

Ethical implications are closely connected to team performance through employees’ motivation. As global industries are expanding in an increasing tempo, companies need to deal with complexity in a different way than earlier. Effective teams are vital to keep up with the evolution of this business complexity (Fleaca & Fleaca, 2014). Organizations are reliant on the performance of teams to ensure business success (Siddiqui & Rida, 2019). How this should be achieved in cross-functional teams, however, have previously been somewhat unexplored. As such, the ethical implications of this thesis are substantial – since how organizations deal with
the aspect of motivation that is directly correlated with not only the performance in teams but also the satisfaction of the employees working in the cross-functional teams.

Furthermore, business success, as a result of team performance, affects not only the immediate stakeholders of the organizations in question but also the society in which the organization operates within, which has direct ethical implications that are dependent on how the organizations position themselves in their immediate environment. Also, the business success and perception of motivation in organizations are highly impactful on the cross-functional team members working within the organizations – as the members in question are not only relying on the organization to provide them with means of sustaining themselves from a financial perspective, but also with their emotional well-being.

7.1 Future research and limitations

Limitations

This thesis had limitations that may have restricted or impacted the outcome of the study: In order to answer the research questions and fulfill the purpose of the thesis without broadening the subject to incomprehensibility, only cross-functional teams were examined. This can be viewed as a limitation, as it limits the findings to only motivation in cross-functional teams in organizations in Sweden. Contemporary organizations utilize several team types, such as functional teams, which were not investigated in this study. As such, the thesis does not create a full picture of motivation in all teams. However, as presented in this thesis, cross-functional teams are highly utilized in organizations – in particular in projects and when facing highly complex business environments – and thus is this study considered to be of relevance despite not creating a ‘full’ picture of motivation in all team types that exist.

Furthermore, the thesis was partly limited by the outbreak of the pandemic-classed Coronavirus (Covid-19), which resulted in shutdowns and restrictions on organizations and society at large (WHO, 2020). The significant implication the virus had upon this paper was the fact that many organizations became overwhelmed with work related to the virus.
Some organizations had to direct their resources elsewhere during this time, resulting in that previously interested organizations had to cancel interviews and restrict their involvement with the study. The interviewees requested our thesis involved managers knowledgeable within Human Resources, and most of our anticipated interviewees were overwhelmed by the work from shifting company regulations and preparing for reconstruction of the organizations leading to them canceling appointed meetings.

The managers had to ensure safety and health among employees, and the Covid-19 pandemic greatly intensified their work. Every day new restrictions and regulations affecting organizations were implemented, resulting in that HR managers were reluctant to dispense the time the study needed, as they were focused on carrying out duties related to the pandemic.

The restriction of meetings between people meant that some organization was reluctant to become involved in the project. This inability to meet with some organizations face to face restricted our research process, as most of the interviews had to be conducted via skype calls or phone calls. This use of skype and phone calls could have limited our collection stage, as face to face interviews would have been more reliable. The overall impact of the pandemic affected the number of organizations involved, as well as the collection of data.

**Future research**

This study identified that relationships between co-workers were the most impactful motivation factor in cross-functional teams. Furthermore, the study found that these relationships can be mediated through communication strategies originating from Human Resources. What was not studied, however, is how team members originating from different specializations and functions are affected by relationships and communication differently. Future studies can evaluate this aspect and investigate the effect individual team members have on these strategies and relationships.
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Appendix

Appendix 1 - Interview questions

1. Can you describe how the process looks like when putting together a cross-functional team?

2. What is the organization's perception of teams with members from different functions?
   Any pros?
   Any cons?

3. How do you select members for a cross-functional team?

4. How do you work to improve the competencies of your employees?

5. Do the employees get a chance to take their own initiatives? Is it expected of them?

6. What type of career opportunities exists within the organization?

7. How do you work to strengthen the work environment?

8. Are there any differences between how you strengthen the work environment for the Cross-functional teams?

9. Are there any specific challenges when it comes to cross-functional teams and the work environment?

10. How do you communicate goals and expectations to cross-functional team members?

11. How do you work to ensure good communication between team members and managers?

12. How do you handle potential communication problems?

13. Do you have any specific ways to ensure the project becomes well-planned and methodical?
14. How frequently does the cross-functional team get feedback and support from close managers?

15. If complications arise within the team, how do you deal with it?

16. How do you work to motivate your cross-functional teams?

17. What type of effect do you believe monetary compensation salary has upon cross-functional team motivation?

18. Do you believe cross-functional team members are more motivated then functional teams?
Appendix 2 - Survey questions

1. Do you feel motivated and engaged in the cross-functional team?

2. I get motivated to work harder when I know what is expected of me in the cross-functional team.

<table>
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<tr>
<th>What motivates you when working within a cross-functional team?</th>
<th>Not important</th>
<th>Less important</th>
<th>Average importance</th>
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<th>Very important</th>
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<tr>
<td>- Future work life and career opportunities</td>
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<tr>
<td>- Interest in the project</td>
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<tr>
<td>- Opportunity to show capabilities</td>
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<td>- Co-workers and relationships</td>
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<tr>
<td>- Good boss/leader</td>
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<td>- Compensation (i.e extra salary, monetary compensation, benefits)</td>
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Appendix 3 - Consent form

CONSENT FORM FOR RESEARCH PARTICIPATION

This form indicates that I consent to participating in the JIBS administered master’s degree research project by Timothy Jansson and David Persson.

I understand the information provided and my questions have been answered to my satisfaction. I agree to participate in this activity, realizing that I may withdraw at any time without reason and without prejudice. I understand that my organization has agreed to participate in this research, and that my participation is voluntary.

I understand that all information provided is treated as strictly confidential and will not be released by the investigator. I have been advised on what the purpose of the project is and what will be done with the data upon completion of the research (including safe storage).

Participant’s name (PLEASE PRINT)  Date

Participant’s signature

Participant’s email address: ________________________________
(Please PRINT)
## Appendix 4 - Comprehensive survey data

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