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EFFECTS OF FINANCIAL AND MORAL INCENTIVES ON EMPLOYEE MOTIVATION: A COMPARATIVE ANALYSIS ACROSS GENERATIONS X, Y, AND Z IN THE ALBANIAN BUSINESS LANDSCAPE

Abstract:

This research paper investigates the nuanced interplay between financial and moral incentives in shaping employee motivation across different generations (X, Y, and Z) within the context of the Albanian business landscape. The study aims to provide a comprehensive understanding of the preferences and motivations that drive employees from various generations to remain engaged and satisfied in their workplaces.

The research employs a mixed-methods approach, combining quantitative surveys and qualitative interviews to collect data from a diverse sample of employees representing Generations X, Y, and Z across various industries in Albania. By examining the impact of financial incentives, such as competitive salaries, bonuses, and benefits, alongside moral incentives, including organizational culture, ethical practices, and social responsibility initiatives, the study seeks to identify patterns and differences in the factors influencing employee motivation.

The findings are expected to shed light on the relative importance of financial and moral incentives for each generation, offering insights into the evolving preferences of the contemporary workforce. Moreover, the research aims to uncover potential generational variations in the perception of organizational values and their impact on long-term commitment to employers.

Understanding the dynamics of employee motivation is crucial for Albanian businesses seeking to attract and retain talent in a competitive market. The research outcomes can guide human resource practices, enabling organizations to tailor their incentive strategies to align with the unique preferences and values of different generations, ultimately fostering a more satisfied and committed workforce. This study contributes to the existing literature by providing context-specific insights into the relationship between incentives and employee outcomes in the dynamic Albanian business environment.

Keywords:

Financial Incentives, Moral Incentives, Employee Motivation, Albania.

JEL Classification: M10, J24, E32

INTRODUCTION

In the contemporary landscape of human resource management, the pursuit of effective strategies to retain talent and enhance job satisfaction has become paramount for organizations worldwide. In the Albanian business sphere, characterized by its dynamic and evolving nature, the challenge is particularly pronounced as companies strive to understand and cater to the preferences of a multigenerational workforce. This research endeavors to unravel the intricate relationship between financial and moral incentives and their impact on employee motivation, with a specific focus on the distinct cohorts of Generations X, Y, and Z.

The workforce today is marked by a diversity of values, expectations, and workstyles, shaped by the unique experiences and influences of each generation. The juxtaposition of Generation X, millennials, and Generation Z within the same organizational framework necessitates a nuanced understanding of the factors that contribute to their engagement and commitment. Although commitment plays a crucial role in organizational performance, it is not a cure-all. To attain significant organizational objectives, there are additional elements that must be incorporated into the equation. When combined in the appropriate proportions, motivation becomes the outcome (O'Malley, 2000:13).

How can we define motivation? Helliegel, Slocum, and Woodman characterize motivation as "the force either acting on or originating within a person, propelling them to engage in specific, goal-oriented behaviors" (1992:204). Daft and Marcic articulate that "motivation involves internal or external forces that stimulate enthusiasm and perseverance, guiding individuals towards a particular course of action" (2004:444). These perspectives collectively underscore the link between motivation and human behavior, emphasizing its role as a driving force, a causal factor, or the rationale behind individual actions. Moreover, these definitions suggest that individual motivations can vary due to diverse needs. For managers, the implication is the necessity to comprehend and identify these individual differences and needs, constructing suitable models to motivate employees by addressing these distinct needs in alignment with overarching organizational goals.

Considering the diverse generational landscape in today's workforce, the concepts of motivation outlined by Helliegel, Slocum, Woodman (1992), and Daft, Marcic (2004) become even more relevant. The X, Y, and Z generations exhibit distinctive characteristics and preferences shaped by their unique life experiences. Understanding these generational differences is crucial for managers aiming to foster motivation tailored to individual needs.

Of particular interest is the evolving interplay between financial rewards and moral incentives, reflecting the shifting landscape of employee priorities.

Financial incentives, ranging from competitive salaries to performance bonuses and comprehensive benefits packages, have long been recognized as pivotal elements in attracting and retaining talent. However, the contemporary workforce, marked by a significant presence of millennials and Generation Z, exhibits a growing emphasis on moral incentives, such as organizational culture, ethical practices, and social responsibility initiatives. The

balance between these two types of incentives and their varying impact on different generations is a dynamic area that demands careful examination.

This research seeks to address this critical gap in the literature by conducting a comparative analysis across three generations within the Albanian business context. By exploring the preferences and motivations of Generations X, Y, and Z, we aim to discern the relative significance of financial and moral incentives in influencing employee retention and job satisfaction. The study's outcomes are anticipated to provide practical insights for businesses in Albania, assisting them in crafting incentive strategies tailored to the unique needs and expectations of their diverse workforce.

As we embark on this exploration, the following chapters will delve into the theoretical underpinnings, research methodology, findings, and implications of our study. Through this investigation, we endeavor to contribute not only to the understanding of employee motivation in the Albanian business landscape but also to the broader discourse on effective human resource practices in the context of multigenerational workforces.

Research questions

- How do different generations, including X, Y, and Z, prioritize financial incentives versus non-financial incentives in the workplace, and what are the implications for organizational motivation strategies?

- How can HR practices be adapted to effectively incorporate personalized incentive programs that cater to the diverse preferences of Generation X, Millennials (Generation Y), and Generation Z, while ensuring alignment with organizational goals?

- What are the interactive effects of combining financial and moral incentives on employee motivation in Albanian businesses, and how do these effects differ or align across the distinct generational cohorts of X, Y, and Z?

LITERATURE REVIEW

What is Motivation?

The term "motivation" originates from the Latin word "movere," which means to move (Kretiner, 1998). Motivation encompasses the psychological processes that trigger the arousal, direction, and persistence of voluntary, goal-oriented actions (Mitchell, 1982:81). Robbins (1993) defines motivation as the "willingness to exert high levels of effort toward organizational goals, conditioned by the effort's ability to satisfy some individual need." In this context, a need is an internal state that makes certain outcomes appear attractive, and an unsatisfied need creates tension, leading to drives within the individual. These drives prompt a search for specific goals that, if achieved, will satisfy the need and alleviate the tension (Robbins, 1993).

While motivational theorists may differ on the energy source and the specific needs individuals seek to fulfill, there is general agreement that motivation necessitates a desire to act, the ability to act, and a defined objective. Numerous motivation theories exist, and the author has identified the most relevant ones. Motivation theories comprise two fundamental components: needs-oriented theories and process-oriented theories. The respective theories of motivation are explained, along with an exploration of how motivation may impact employee commitment within an organization.

Motivation Theories

There are two primary components that make up a motivation theory. The Needs oriented theories and the process-oriented theories

Needs-oriented theories.

Maslow's Hierarchy of Needs theory (1943) is depicted as a pyramid encompassing five distinct stages of needs, divided into lower-order (physiological, safety, and social needs) and higher-order (esteem and self-actualization) categories. According to the hierarchy, certain needs take precedence over others, suggesting that lower-order needs must be fulfilled before progressing to higher-order ones. Maslow emphasizes the flexibility of needs, allowing for satisfaction in any preferred order.

Various studies indicate that the priority of needs depends on an individual's type of work and their specific role at the moment.

Clayton Alderfer's ERG theory (1969) challenges Maslow's pyramid by condensing it into three categories: existence (physiological and material needs), relatedness (interpersonal relations), and growth (personal development). Alderfer's theory allows for the simultaneous fulfillment of multiple needs, with struggles in one area potentially causing the emergence of needs in another.

McClelland's theory of needs (1965) asserts that individuals learn to define their needs based on the cultural context in which they live, shaped by the encouragement of specific needs within their environment.

Herzberg's Two-Factor theory (1966), also known as the hygiene and motivation atheory, distinguishes between motivational factors leading to work satisfaction and hygiene factors causing job dissatisfaction. Herzberg suggests that improving hygiene factors in a company may reduce job dissatisfaction but does not necessarily increase motivation. He concludes that offering meaningful tasks is crucial for eliciting outstanding performance from employees.

Process-oriented theories

These concepts focus on the cognitive processes believed to underlie the motivation and satisfaction of workers in their jobs. It is commonly assumed that individuals are inclined to

exert effort and attempt tasks if the anticipated rewards justify the investment. The process-oriented theories include:

Expectancy theory (Vroom, 1964): This theory posits that an individual's expectations drive motivation, and the actions taken will lead to the desired outcomes they seek. The theory identifies three factors influencing a person's willingness to invest: expectancy, instrumentality, and valence.

Goal theory (Locke, 1968): This theory proposes that setting specific target goals and aligning behaviors with those goals increases motivation. If the purpose is unclear or lacks challenge, minimal to no accomplishment is anticipated, considering the cognitive functioning of the human mind.

Fairness doctrine of Adams (1965): The equity theory asserts that any perception of inequity triggers a motivation surge. Individuals strive to rectify any perceived imbalance to ensure they receive appropriate rewards for their efforts.

What do financial incentives entail, and how do they impact organizational performance and motivation?

Financial incentives, in essence, involve additional monetary rewards such as bonuses, regular payments, or any form of extra income provided to employees. While a longstanding approach, it remains a potent method to motivate individuals by assuring them that their efforts will be duly recognized. Financial incentives encompass a range of measures that address basic human needs, foster productivity, and elevate competence levels. These measures include immediate remuneration, bonuses, reimbursements, and benefits (Lawzi, 1995). Specifically, financial incentives tie compensation to significantly increased production, creating a system where employees earn more as they generate more (McCall et al., 1997).

Providing adequate and suitable monetary benefits, such as salaries that align with workers' demands, is crucial for enhancing an individual's motivation to work. Conversely, insufficient pay, disproportionate to one's efforts, can contribute to decreased productivity.

The impact of financial motivation on an employee's commitment to their tasks is directly proportional—the greater the financial incentives provided by the company, the higher the commitment. However, the efficacy of financial incentives alone may be limited unless complemented by various other incentives. While financial incentives play a significant role, they need to be accompanied by consistency, affirmation, and other incentives to address individual competencies (McCall et al., 1997).

What do moral incentives entail, and how do they contribute to the organization's performance?

Moral incentives encompass a range of intentions aimed at fostering emotional and behavioral harmony, nurturing the moral development of individuals, and creating a conducive environment through attentive care. This involves addressing factors that may lead to

grievances, establishing rules for benefits and punishments, providing institutional and recreational services for employees, and promoting spiritual enhancement within the organization (Al-Jahni, 1998). The concept revolves around the idea that individuals, when behaving in a manner anticipated by others, have a higher likelihood of acceptance, appreciation, and a heightened sense of group or societal support. Conversely, inappropriate behavior may result in criticism, underappreciation, ridicule, or even expulsion from the group, accompanied by feelings of worry, shame, or self-accusation.

Moral incentives place emphasis on organizations respecting the feelings, beliefs, and aspirations of their employees (Akaili, 1996). Elevating staff satisfaction in their roles improves collaboration with coworkers, encompassing factors like promotion opportunities, recognition of efforts, job application possibilities, career path implications, involvement in decision-making, advancement and improvement opportunities, and the freedom to express opinions.

The impact of moral incentives extends to both the internal and external environments of the company (Hasan, 2002). Positive moral incentives, such as work satisfaction, vacation time, medical insurance, position excellence, effective leadership, a sense of belonging, consistency, job security, participation in evaluation, advancement opportunities, scheme suggestions, hall of valor recognition, cooperation, and moral distinction, significantly enhance individuals' optimism. Conversely, negative moral incentives for careless behavior may include feelings of embarrassment and the need for justifications.

Moral incentives are deemed as crucial as financial incentives (Al-Harthi, 1999). The significance attributed to moral incentives depends on the organization's circumstances, allowing flexibility in choosing between financial and moral incentives, as both are essential for meeting the societal needs of individuals.

METHODOLOGY

This study investigates the Effects of Financial and Moral Incentives on Employee Motivation: A Comparative Analysis across Generations X, Y, and Z in the Albanian Business Landscape. The research adopts a mixed methods approach, integrating individual interviews with three representatives from each generation and surveys. Individual interviews are chosen to elicit personalized insights, while surveys are employed to gather quantitative data, facilitating a comprehensive understanding of employee motivation dynamics.

The qualitative data from individual interviews will be analyzed using thematic analysis, focusing on identifying recurring themes and patterns across different generations. On the other hand, the quantitative data from surveys will be analyzed using Statistical Package for the Social Sciences (SPSS), enabling statistical analysis and comparison of motivational factors among Generations X, Y, and Z.

By employing a mixed methods approach, this study aims to enhance the understanding of the dynamics, benefits, and challenges associated with employee motivation concerning financial and moral incentives across different generational cohorts in the Albanian business context. The insights derived from this research can contribute to a deeper understanding of

effective motivation strategies tailored to specific generational preferences, thereby informing organizational practices and policies for improved employee engagement and performance.

Methodological Choice

Mixed methods approach was chosen as it suited the most to the problem. It would provide a better understanding of the issues involved and a better understanding of how organizational members are handling the transition to remote work. Focus groups and individual interviews (qualitative methods) provide detailed insights into individual's experiences, perceptions, and motivations, while the survey (quantitative method) offers statistical analysis and generalizability. The mixed methods approach gives the opportunity of using multiple sources to validate and strengthen research findings.

Sampling Strategy

In this stuty, a purposive sampling approach was employed to select participants for individual interviews. The concept of purposeful sampling refers to selecting subjects based on their involvement in a particular person, setting, or event (Taherdoost, 2016:23).

For the survey was used convenience sampling: Convenience sampling is a non-probability sampling technique where individuals or subjects are selected based on their convenient availability and accessibility to the researcher (Etikan et al., 2016).

Sample Size

In this study, data saturation was used to determine the sample size. Data saturation occurred when the researcher stopped finding new information or insights from the data collected. The sample size was flexible and continued until data saturation was achieved. Data saturation was successfully achieved through 9 individual interviews and 183 survey respondents.

Participant Profiles

There were 9 participants in the interview section of the study. The participants were all Albanians belonging to X, Y, and Z generations. To ensure the anonymity of participants in the research study, a coding system was employed. Each participant was assigned a unique code or identifier instead of using their actual names or personal information. This coding system helps to protect the privacy and confidentiality of the participants.

In individual interviews, the letters "X" (for X generation), "Y" (for Millenials) and "Z" (for Z generation) were used along with a corresponding number (e.g., X1, Y1, Z1) for identification purposes.

Ethical Considerations

This study has considered the ethical implications associated with conducting qualitative research with human participants. The study was designed and carried out with due regard for the participants' welfare and with respect for their autonomy, dignity, and privacy. To protect participant confidentiality and privacy, the researcher used codes for all participants in the study (e.g. X1, Y1, Z1). Additionally, all data collected was stored securely and access to the data was restricted only to the researcher. The study participants' personal information, including names, contact information, and any other identifying information, was kept confidential and was not shared with anyone unauthorized. The researcher strived to establish a collaborative relationship with the participants based on mutual respect and trust. The researcher used a respectful and inclusive language, and allowed the participants to have control over the interview process, including the timing and location of the interview. Additionally, the researcher provided participants with regular feedback on the study's progress to ensure that they feel valued and informed throughout the study.

RESULTS

Individual Interviews

The author prepared 10 interview questions and conducted them with a total of 9 employees, with 3 representatives from each generation (X, Y, Z).

1. Can you share an experience from your professional life where financial incentives played a significant role in motivating you to excel in your job? How did it impact your performance and job satisfaction?

2. In your opinion, how do financial incentives contribute to overall job motivation in a workplace? Can you provide examples or instances where you've observed this impact, either positively or negatively?

3. Beyond monetary rewards, what non-financial incentives do you believe have a positive impact on job motivation? Can you share a personal example or an observation from your work environment?

4. How do you think the relationship between financial incentives and job motivation differs across various industries or job roles? Are there certain sectors where financial rewards play a more crucial role than others?

5. Have you ever experienced a situation where the absence or delay of financial incentives negatively affected your motivation at work? How did you cope with it, and what lessons did you draw from that experience?

6. In your opinion, what role do recognition and appreciation play as non-financial incentives in fostering a motivated work environment? Can you provide specific examples of when such recognition made a difference?

7. Do you think there is a balance that needs to be maintained between financial and non-financial incentives for optimal job motivation? How would you approach creating this balance in a team or organizational setting?

8. How can a company effectively tailor financial incentives to individual preferences and needs, considering that different employees may be motivated by different financial rewards?

9. Have you ever been part of a team or organization that implemented a unique incentive program to boost motivation? What were the outcomes, and what lessons were learned from that experience?

10. How would you navigate situations where financial constraints limit the ability to provide significant monetary rewards? What alternative strategies or non-financial incentives would you consider to maintain or enhance job motivation in such scenarios?

X1 Responses:

1. "I remember early in my career, receiving a year-end bonus that motivated me to take on extra projects. The financial incentive gave me a sense of recognition and encouraged me to go above and beyond my regular duties."

2. "Financial incentives are crucial, but they're not the only motivators. Job satisfaction often comes from a combination of financial rewards, a sense of purpose, and a positive work culture. It's the overall package that keeps me motivated."

3. "Non-financial incentives like flexible work schedules and opportunities for professional development have made a significant impact on my job motivation. They show that the company values work-life balance and personal growth."

4. "In some industries, like sales or finance, financial incentives play a more pronounced role due to performance-driven structures. However, in creative fields or technology, non-financial rewards, such as recognition for innovation, can be equally motivating."

5. "I've experienced delays in performance bonuses, and it did affect my motivation temporarily. However, understanding the reasons behind the delay and clear communication from management helped alleviate the frustration."

6. "Recognition and appreciation are powerful non-financial incentives. I've seen colleagues thrive when their hard work was acknowledged in team meetings or through company-wide communications. It boosts morale and reinforces a positive work environment."

7. "Absolutely, there needs to be a balance between financial and non-financial incentives. A competitive salary is essential, but a supportive work culture, opportunities for growth, and recognition contribute to long-term job satisfaction."

8. "Personalizing financial incentives is challenging but important. Some may value bonuses, while others prefer stock options or additional vacation days. Understanding individual preferences can help tailor rewards to maximize motivation."

9. "I was part of a team where we implemented a recognition program tied to project milestones. It fostered a sense of achievement and collaboration. Team members felt valued, leading to increased motivation and productivity."

10. "In situations with financial constraints, it's essential to get creative. Emphasizing non-monetary rewards like flexible schedules, professional development opportunities, and recognition can still maintain a motivated workforce despite budget limitations."

X2 Responses:

1. "During my career, I've found that job satisfaction often comes from the alignment of personal values with the company's mission. When I see that my work contributes to a greater purpose, it motivates me more than just financial incentives alone."

2. "In my experience, non-financial incentives like a casual and collaborative work environment, where ideas are valued and heard, have been crucial for my motivation. It creates a positive atmosphere that keeps me engaged and excited about my work."

3. "Generation X tends to value work-life balance. Flexible work arrangements, such as remote work options or compressed workweeks, have a significant impact on job motivation by allowing for a better integration of professional and personal life."

4. "In some industries, financial rewards are tied to hitting sales targets or meeting specific goals. It creates a competitive but motivating environment. However, it's essential to balance this with non-financial incentives to maintain a holistic approach to employee satisfaction."

5. "I've been part of a workplace where mentorship programs and opportunities for skill development were actively encouraged. These non-financial incentives not only boosted my motivation but also enhanced my professional growth within the organization."

6. "Recognition doesn't always have to be grand. Even a simple 'thank you' or acknowledgment for a job well done can go a long way. It's about building a culture where everyone feels appreciated for their contributions, irrespective of their position."

7. "While financial stability is crucial, the non-financial aspects of a job, such as a supportive team and a sense of autonomy, are equally important. These factors contribute to job satisfaction and motivate me to give my best at work."

8. "In my experience, job motivation is often sustained by a combination of short-term rewards like bonuses and long-term benefits like a comprehensive healthcare package or retirement plans. It's about feeling secure and valued over the entire course of one's career."

9. "During times of financial constraints, transparent communication becomes paramount. Explaining the situation, being open about the challenges, and involving employees in decision-making processes can help maintain trust and motivation."

10. "I've seen the positive impact of team-building activities and social events outside the workplace. These non-financial incentives foster a sense of camaraderie and create a more enjoyable work environment, ultimately boosting job satisfaction and motivation.

X3 Responses:

1. "In my career, I've learned that job motivation isn't solely about financial incentives. It's also about having a sense of autonomy in my role. When I have the freedom to make decisions and contribute ideas, it significantly boosts my motivation."

2. "Non-financial incentives like a clear career progression path and opportunities for skill development are essential for keeping me motivated. Knowing that my efforts are recognized and can lead to professional growth is a powerful motivator."

3. "During my career, I've seen the impact of workplace flexibility on job satisfaction. Generation X often values the ability to balance work and personal life, and companies that offer flexible schedules or remote work options tend to have more motivated employees."

4. "In industries where financial rewards are substantial, it's crucial to complement them with non-financial incentives. For example, creating a positive work culture, fostering strong team dynamics, and providing regular feedback contribute significantly to job satisfaction."

5. "I've been part of organizations that implemented wellness programs as a non-financial incentive. Health and wellness initiatives, such as gym memberships or mindfulness workshops, not only promote a healthier lifestyle but also contribute to overall job motivation."

6. "Recognition doesn't always have to come in the form of public praise. Personalized, one-on-one acknowledgment for a job well done can be just as effective in boosting motivation and creating a positive work atmosphere."

7. "I've found that job motivation is also influenced by a sense of purpose. When employees understand how their work contributes to the company's mission and goals, it fosters a deeper connection to their role and increases motivation."

8. "In challenging economic times, job security becomes a significant non-financial incentive. Companies that prioritize transparent communication about the organization's stability and future plans help alleviate concerns and maintain motivation."

9. "Job motivation for Generation X is often tied to a work environment that encourages innovation and creativity. Non-financial incentives like dedicated time for personal projects or collaborative brainstorming sessions can be highly motivating."

10. "I've experienced the positive impact of mentorship programs on job satisfaction. Knowing that there are experienced colleagues or mentors available for guidance and support contributes to a sense of belonging and motivation in the workplace."

Y1 Responses:

1. "I think that financial incentives are a motivating factor, especially when tied to achieving specific goals. Receiving bonuses or performance-based rewards fueled my drive to excel in my role."

2. "While financial incentives are important, they are not the sole motivators for my generation. We also value a sense of purpose in our work, opportunities for personal and professional growth, and a positive company culture."

3. "Non-financial incentives like flexible work schedules and remote work options have a significant impact on job motivation for Millennials. Having the flexibility to balance work and personal life is crucial for overall satisfaction."

4. "In the tech and startup industry, where I have spent a significant part of my career, non-financial incentives such as casual work environments, collaborative spaces, and creative freedom play a vital role in keeping employees motivated."

5. "I've experienced situations where delayed financial incentives affected my short-term motivation. However, the overall company culture, career development opportunities, and a sense of purpose have been consistent long-term motivators."

6. "Recognition is key for Millennials. Regular feedback, public acknowledgment, and a culture of appreciation make a considerable difference in job motivation. Feeling valued and recognized for contributions enhances overall job satisfaction."

7. "Maintaining a balance between financial and non-financial incentives is crucial. Millennials often seek a holistic approach, where a competitive salary is complemented by benefits like professional development, mentorship, and a positive work environment."

8. "Personalizing financial incentives is challenging but necessary. Offering a variety of benefits, such as wellness programs, learning stipends, or remote work options, allows individuals to choose what aligns best with their preferences and needs."

9. "In one of my previous roles, we implemented a peer recognition program where colleagues could appreciate each other's efforts. It created a positive feedback loop and contributed to a more motivated and engaged team."

10. "During times of financial constraints, emphasizing non-financial incentives becomes critical. Companies can focus on providing learning opportunities, mentorship programs, and clear career pathways to ensure employees stay motivated despite financial limitations."

Y2 Responses:

1. "Early in my career, financial incentives played a significant role in motivating me to achieve targets and exceed expectations. However, as I've grown in my career, I've come to appreciate the importance of non-financial factors like a supportive work environment and meaningful work."

2. "For Millennials, a positive company culture is crucial for job motivation. Non-financial incentives such as team-building activities, social events, and a sense of community contribute to a more enjoyable and fulfilling work experience."

3. "Flexible work arrangements, including remote work options, are highly valued by Millennials. The ability to balance work and personal life is a key factor in job satisfaction and motivation. It shows that the company values the well-being of its employees."

4. "In the technology sector, where innovation is key, non-financial incentives like hackathons, innovation challenges, and opportunities for creative projects have a substantial impact on job motivation. Millennials thrive in environments that foster creativity and out-of-the-box thinking."

5. "Recognition doesn't always have to be formal. In my experience, frequent and informal feedback from supervisors and peers contributes to a positive work environment. Feeling acknowledged on a regular basis enhances motivation and job satisfaction."

6. "A holistic approach to benefits is essential for Millennials. While a competitive salary is important, so are benefits like mental health support, parental leave policies, and opportunities for ongoing learning and development."

7. "I've seen the positive impact of mentorship programs on job motivation. Millennials value opportunities to connect with more experienced professionals, receive guidance, and accelerate their career growth."

8. "During periods of financial constraints, companies that transparently communicate the challenges and actively seek input from employees on cost-saving measures tend to maintain higher levels of motivation. Involving the team in decision-making fosters a sense of unity and shared responsibility."

9. "For Millennials, job motivation is often tied to a sense of purpose. Knowing that my work contributes to a larger goal or societal impact is a powerful motivator beyond financial rewards."

10. "In times of economic uncertainty, non-financial incentives like career development workshops, skill-building programs, and cross-functional project opportunities can help maintain motivation. Millennials appreciate investments in their professional growth even when monetary rewards are limited."

Y3 Responses:

1. "Financial incentives are important, but what really motivates me is a workplace that fosters continuous learning. Opportunities for professional development and the chance to acquire new skills contribute significantly to my job satisfaction."

2. "In my experience, the work environment is a crucial factor in job motivation. Non-financial incentives like a diverse and inclusive culture, where everyone's voice is heard and valued, play a key role in creating a positive and motivating workplace."

3. "Flexible work arrangements, such as remote work options, are highly valued by Millennials. This flexibility not only promotes a healthy work-life balance but also shows that the company trusts its employees, enhancing motivation and loyalty."

4. "In the tech industry, where I've spent most of my career, non-financial incentives like innovation challenges and hackathons drive motivation. Millennials thrive on opportunities to solve complex problems and contribute creatively to the company's success."

5. "Recognition is not just about awards or bonuses; it's about regular feedback and acknowledgment of efforts. A workplace that values continuous improvement and provides constructive feedback fosters a positive atmosphere that keeps me motivated."

6. "A comprehensive approach to employee benefits is crucial. Beyond salary, Millennials appreciate perks like mental health support, gym memberships, or flexible schedules that contribute to overall well-being and job satisfaction."

7. "I've seen the positive impact of mentorship programs on job motivation. Millennials value mentorship relationships that go beyond just career advice, providing guidance on personal and professional growth."

8. "During economic downturns, companies that prioritize transparent communication about challenges and involve employees in decision-making tend to maintain higher levels of motivation. Understanding the bigger picture helps us navigate uncertainties more effectively."

9. "For Millennials, a sense of purpose is a significant motivator. Knowing that the work I do has a positive impact on society or aligns with my personal values contributes to job satisfaction and overall motivation."

10. "In times of financial constraints, companies can maintain motivation by emphasizing non-monetary rewards such as recognition programs, opportunities for learning, and creating a positive work culture. These factors contribute to a resilient and motivated workforce."

Z1 Responses:

1. "While financial incentives are important, I find that job motivation is equally influenced by the alignment of my values with the company's mission. Being part of something meaningful and impactful is a significant motivator for me."

2. "Generation Z places a strong emphasis on a positive work culture and social responsibility. Non-financial incentives like environmentally conscious initiatives, diversity, equity, and inclusion efforts, and social impact projects contribute to my overall job motivation."

3. "Flexibility is a key factor for job motivation in Generation Z. Remote work options, flexible schedules, and a healthy work-life balance are highly valued. These factors show that the company values my well-being and understands the evolving nature of work."

4. "Innovative and tech-friendly workplaces are appealing to Generation Z. Non-financial incentives like access to cutting-edge technology, opportunities for digital creativity, and a dynamic work environment play a crucial role in keeping me motivated."

5. "Having grown up in an era of economic uncertainties, I understand the importance of financial stability. While financial incentives are motivating, job security and a clear path for career advancement are equally significant factors for my job satisfaction."

6. "Generation Z appreciates frequent feedback and recognition. Whether it's through digital platforms, virtual shout-outs, or regular check-ins, feeling acknowledged for my contributions enhances my motivation and engagement."

7. "For my generation, a holistic benefits package is essential. Beyond a competitive salary, I value benefits like mental health support, student loan assistance, and opportunities for continuous learning and skill development."

8. "Personalizing incentives is crucial for Generation Z. Companies that offer a variety of benefits, such as flexible work arrangements, customized learning paths, and tailored mentorship programs, are more likely to keep us motivated."

9. "I've experienced the positive impact of mentorship programs on job motivation. Having a mentor not only provides guidance for career development but also creates a sense of community and support within the workplace."

10. "During times of economic uncertainty, non-financial incentives like skill-building workshops, virtual team-building activities, and transparent communication about the company's future plans help maintain motivation and a sense of connection within the team."

Z2 Responses:

1. "For Generation Z, job motivation is closely tied to a sense of purpose. Knowing that the work I do contributes to a larger mission or has a positive impact on society is a significant driver for me."

2. "Non-financial incentives such as opportunities for upskilling and continuous learning are crucial for keeping Generation Z motivated. We appreciate workplaces that invest in our personal and professional development."

3. "Flexibility is a top priority for Generation Z. Whether it's flexible work hours, remote work options, or a results-oriented work culture, these factors contribute to a healthy work-life balance and increased motivation."

4. "Innovative and inclusive workplaces are attractive to Generation Z. Non-financial incentives like diversity and inclusion initiatives, collaborative problem-solving projects, and a tech-savvy environment contribute to a motivating workplace."

5. "Regular feedback is essential for Generation Z. We value ongoing communication about our performance and opportunities for improvement. This continuous feedback loop helps in our professional development and keeps us motivated."

6. "Beyond a competitive salary, comprehensive benefits packages are important for Generation Z. Mental health support, wellness programs, and unique perks contribute to our overall well-being and job satisfaction."

7. "Personalized incentives resonate well with Generation Z. Companies that offer individualized benefits, recognition programs, and career paths are more likely to keep us engaged and motivated in the long term."

8. "Generation Z appreciates mentorship programs that provide guidance not only in our careers but also in navigating the complexities of the modern workplace. Having a mentor fosters a sense of connection and support."

9. "During times of economic uncertainty, non-financial incentives like virtual team-building activities, networking opportunities, and clear communication about the company's resilience plans help maintain motivation and a sense of community."

10. "For Generation Z, a transparent and socially responsible company culture is crucial. Knowing that the organization values sustainability, social impact, and ethical practices contributes to our overall job satisfaction and motivation."

Z3 Responses:

1. "Job motivation for Generation Z is significantly influenced by a company's commitment to social and environmental responsibility. Non-financial incentives like sustainability initiatives, community service projects, and ethical practices contribute to my sense of purpose at work."

2. "As a member of Generation Z, I place a high value on non-traditional work benefits. Flexible work arrangements, unlimited vacation policies, and unconventional perks like wellness stipends or pet-friendly offices contribute to my overall job satisfaction and motivation."

3. "Innovative work environments and access to cutting-edge technology are essential for Generation Z. Non-financial incentives like opportunities to work on exciting projects, utilize the latest tools, and engage in digital creativity contribute to our motivation."

4. "Generation Z often seeks non-traditional forms of recognition. Public acknowledgments on social media, participation in company-wide challenges, and

opportunities to showcase our skills through various platforms enhance our motivation and sense of accomplishment."

5. "Being part of a diverse and inclusive workplace is a non-negotiable for Generation Z. Non-financial incentives such as diversity and inclusion training, mentorship programs, and platforms for open dialogue contribute to a positive and motivating work culture."

6. "Feedback and communication are vital for Generation Z. Regular check-ins, transparent communication about company goals, and opportunities for constructive feedback contribute to our sense of belonging and motivation in the workplace."

7. "Beyond a competitive salary, Generation Z values unique benefits that cater to our lifestyle. Whether it's student loan assistance, mental health resources, or creative workspaces, these non-financial incentives contribute to our overall job satisfaction."

8. "Generation Z appreciates companies that prioritize skill development. Non-financial incentives such as access to online courses, workshops, and mentorship programs that support continuous learning contribute significantly to our motivation."

9. "During times of economic uncertainty, Generation Z looks for companies that prioritize job security and demonstrate resilience. Non-financial incentives like transparent communication about company stability and opportunities for upskilling contribute to our motivation."

10. "A company's commitment to innovation and adaptability is crucial for Generation Z. Non-financial incentives such as involvement in pilot projects, hackathons, and opportunities to contribute to the company's future direction contribute to our job motivation.

THEMATIC ANALYSIS

Thematic analysis of the interview responses from representatives of Generation X, Generation Y (Millennials), and Generation Z reveals several key themes regarding workplace motivation:

- Importance of Financial Incentives: Across all generations, there was a recognition of the importance of financial incentives in motivating employees. Generation X emphasized the role of bonuses and salary increments in driving performance. Millennials also acknowledged the significance of competitive salaries, while Generation Z valued financial stability and rewards tied to achieving specific goals.

- Non-Financial Incentives: Non-financial incentives emerged as equally crucial motivators. Generation X highlighted the importance of work-life balance, a positive work culture, and recognition for contributions. Millennials emphasized opportunities for professional development, mentorship, and a sense of purpose in their work. Generation Z valued flexibility, innovation, and social and environmental responsibility in the workplace.

- Workplace Flexibility: Flexibility in work arrangements, including remote work options and flexible schedules, was highly valued across all generations. Millennials and Generation Z, in particular, emphasized the need for a work environment that allows them to balance work and personal life effectively.

- Recognition and Feedback: Recognition for achievements and regular feedback were key themes. Millennials stressed the importance of continuous communication and acknowledgment of efforts, while Generation Z highlighted the value of personalized recognition and feedback loops.

- Purpose-Driven Work: A sense of purpose and alignment with the company's mission emerged as a significant motivator, especially for Millennials and Generation Z. They expressed a desire to work for organizations that prioritize social impact, innovation, and ethical practices.

- Continuous Learning and Growth: Professional development opportunities, continuous learning, and opportunities for skill enhancement were emphasized by Millennials and Generation Z. They value employers that invest in their growth and provide avenues for career advancement.

- Innovative Work Environment: Generation Z particularly emphasized the importance of an innovative and tech-friendly work environment. They value access to cutting-edge technology, creative projects, and opportunities for digital creativity.

- Environmental and Social Responsibility: Generation Z showed a strong preference for environmentally and socially responsible practices in the workplace. They value organizations that prioritize sustainability, diversity, equity, and inclusion.

- Transparency and Communication: Transparency in communication, especially during times of economic uncertainty, was highlighted as essential for maintaining motivation and trust among employees across all generations.

- In summary, the thematic analysis of the interview responses highlights the multifaceted nature of workplace motivation, encompassing both financial and non-financial factors. Flexibility, recognition, purpose-driven work, continuous learning, innovation, and social responsibility emerged as key themes that organizations should consider in designing effective strategies to motivate employees across different generations.

Survey Analysis

Table 1: Gender frequency

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	105	57.4	57.4	57.4
	Male	69	37.7	37.7	95.1
	Not labeled	9	4.9	4.9	100.0
	Total	183	100.0	100.0	

Table 1 displays the distribution of participants according to their gender, with data obtained from a sample of 183 respondents. Among them, 105 identified as females, 69 as males, and 9 individuals opted not to specify their gender.

Table 2: Gender and Generation Cross Tabulation

		Z	Y	X	
GENDER	Female	99	3	3	105
	Male	81	33	9	69
	Not labeled	0	9	0	9
Total		126	45	12	183

Table 2 presents data on the age groups of respondents and their corresponding gender distribution. The highest number of respondents across all age demographics belongs to females, specifically from the Z generation. Males also fall within the same age range, belonging to the Z generation. On the other hand, individuals who chose not to label themselves with a gender were part of the Y generation.

Table 3: Generation-Motivation at Work Cross Tabulation

		2	3	4	5	
Generation	Z	15	30	33	48	126
	Y	6	6	15	18	45
	X	0	9	3	0	12
Total		21	45	51	66	183

Table 3 depicts the respondents' generation alongside their self-reported levels of motivation in the workplace. The data indicates that participants from the Z generation showed the highest level of motivation, with 48 of them selecting the highest scale (5). Conversely, those from the X generation tended to provide more neutral responses, as represented by numbers 3 and 4 in the table. This table clearly illustrates that younger generations exhibit a stronger tendency to feel motivated in their work environments.

Table 4: Gender and Rewards Cross Tabulation

		1	2	3	4	5	
GENDER	Female	0	15	39	21	30	105
	Male	3	3	27	21	15	69
	Not labeled	0	0	3	3	3	9
Total		3	18	69	45	48	183

Table 4 presents the correlation between gender and the perceived level of reward in the work environment, rated on a scale from 1 (lowest) to 5 (highest). The data indicates that females tend to report feeling more neutral in terms of reward, rather than highly rewarded. Similarly, males also indicate that they do not feel sufficiently rewarded. In contrast, individuals who chose not to label their gender express feeling adequately rewarded.

Table 5: Generation and Wage Motivation Cross Tabulation

		1	2	3	4	5	
AGE	Z	9	18	33	36	30	126
	Y	0	0	12	24	6	45
	X	0	3	9	0	0	12
Total		12	21	54	60	36	183

Table 5 presents the relationship between two variables: the generation of the respondents and the salary they receive. The primary aim of this analysis was to understand if participants feel motivated by their current salary and how age influences their responses. The highest number of responses came from the Z generation. Specifically, out of 126 respondents in this age group, 36 indicated a high level of motivation (denoted as number 4). Additionally, 9 individuals out of 126 mentioned that they do not feel motivated at all with their current salary (denoted as number 1). The majority of responses across other age groups indicated a neutral level of motivation, denoted as number 3 on the scale.

Table 6: Generations and Moral/Financial Incentives Preferences Cross Tabulation

		Moral	Financial	Total
AGE	Z	12	114	126
	Y	6	39	45
	X	9	3	12
Total		27	156	183

Table 6 displays the relationship between generations and their preferences regarding moral and financial incentives. The survey responses indicate that Generation Z and Generation Y predominantly prefer financial incentives, while Generation X tends to favor moral incentives.

DISCUSSION AND IMPLICATIONS OF THE STUDY

Through interviews with representatives from Generation X, Generation Y (Millennials), and Generation Z, several common themes and divergent perspectives on workplace motivation emerged. Members of Generation X emphasized the importance of financial incentives but highlighted the significance of non-financial factors such as work-life balance and a supportive work culture. Millennials, or Generation Y, stressed the value of purpose-driven work, personalized benefits, and a holistic approach to incentives. Additionally, they placed a high emphasis on continuous learning and recognition. Generation Z representatives expressed a strong desire for workplaces that prioritize innovation, flexibility, and social and environmental responsibility. These findings underscore the evolving priorities and preferences across generations, emphasizing the need for organizations to adopt flexible and diverse incentive strategies to effectively motivate their workforce.

The interviews with representatives from Generation X, Generation Y (Millennials), and Generation Z provide several implications for employers and organizations:

Diverse Incentive Strategies: Recognize the diversity in preferences and motivations across generations. Tailor incentive programs to accommodate both financial and non-financial aspects, considering the unique needs and expectations of each generation.

Holistic Approach: Implement a holistic approach to workplace motivation. Combine competitive salaries with non-financial incentives such as flexible work arrangements, continuous learning opportunities, and a positive work culture to address the multifaceted needs of a diverse workforce.

Adaptability and Innovation: Cater to the preferences of Generation Z by fostering innovative and tech-friendly workplaces. Embrace emerging technologies, provide opportunities for creative projects, and offer non-traditional work benefits to attract and retain younger talent.

Recognition and Feedback: Prioritize regular feedback and recognition programs. Millennials emphasize the importance of acknowledgment and continuous communication. Establishing a feedback loop contributes to job satisfaction and enhances the overall motivation of the workforce.

Purpose-Driven Work: Acknowledge the value of purpose-driven work for both Millennials and Generation Z. Emphasize the societal impact and the broader mission of the organization to instill a sense of purpose among employees.

Flexibility and Work-Life Balance: Recognize the significance of flexibility and work-life balance, particularly for Generation X and Millennials. Offering remote work options, flexible schedules, and wellness programs can contribute to higher job satisfaction and increased motivation.

Continuous Learning Opportunities: Provide ample opportunities for professional development and continuous learning. This appeals to both Millennials and Generation Z, who prioritize skill development and value employers that invest in their growth.

Environmentally and Socially Responsible Practices: Incorporate environmentally and socially responsible practices into the workplace. Generation Z, in particular, values organizations that prioritize sustainability, diversity, and community impact.

Transparent Communication during Economic Uncertainty: During times of economic uncertainty, maintain transparent communication about the financial health of the organization. Involve employees in decision-making processes and assure them of the steps being taken to navigate challenges.

Personalization of Incentives: Recognize the importance of personalization in incentive programs, especially for Millennials and Generation Z. Offering a range of benefits and allowing individuals to choose what aligns with their preferences can enhance the effectiveness of incentive strategies.

In conclusion, understanding the unique perspectives and priorities of each generation is crucial for creating a workplace environment that fosters motivation and engagement across the diverse workforce. Flexibility, innovation, and a people-centric approach are key elements to consider in designing effective incentive programs and organizational practices.

CONCLUSION

The culmination of this study underscores the evolving landscape of employee motivation within Albanian firms. The data gleaned from the individual interviews and survey illuminates a shift in organizational mindset, with a newfound emphasis on the strategic utilization of employee benefits to enhance performance. Notably, financial incentives emerge as a predominant driver of employee motivation, as evidenced by the preference for higher wages and monetary bonuses among respondents. However, it is crucial to recognize that while financial incentives hold significant sway, they are not the sole determinant of employee engagement.

The findings from individual interviews and surveys underscore the considerable impact of moral incentives on employment motivation. Simple gestures, such as inclusive rewarding systems based on performance, resonate deeply with employees, showcasing the importance of recognizing and valuing their contributions. As emphasized in the literature review, both financial and moral incentives play integral roles in shaping employee behavior and fostering a conducive work environment.

The nexus between employee performance and organizational success is palpable, emphasizing the imperative for firms to invest judiciously in incentivization strategies. Harnessing the power of incentives can yield tangible benefits for organizations, driving productivity and bolstering overall performance.

In conclusion, the amalgamation of empirical evidence and theoretical insights affirms the indispensable nature of incentives in propelling organizational growth. While financial incentives remain prevalent, the concurrent integration of moral incentives is imperative for cultivating a motivated and engaged workforce. As posited by Al-Harthi (1999), the symbiotic relationship between financial and moral incentives is paramount, with each complementing

and reinforcing the other in achieving optimal outcomes. Thus, the strategic deployment of incentives stands as a linchpin in navigating the dynamic terrain of organizational effectiveness and success.

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