



2022 Study

LASTING JOB MOTIVATION.

**Motivation and satisfaction at work.
What motivates employees?
What fosters long-term loyalty to the company?**

iu
INTERNATIONAL
UNIVERSITY OF
APPLIED SCIENCES

CREATE LASTING JOB MOTIVATION.

WHAT ROLE DOES SALARY ACTUALLY PLAY? AND WHICH OTHER FACTORS INFLUENCE MOTIVATION AND SATISFACTION?

Fostering loyalty to the company. For the long-term. It's a challenge that every company has to face to counteract the skills shortage and achieve long-term success in the market. And that is exactly what this study is about.

Employees who are satisfied and motivated will wish to stay in a company for longer and will exhibit more dedication. But what really does provide satisfaction and motivation at work? The answer is unsurprising: salary has an impact on employee satisfaction and motivation.

According to Prof Dr Martina Lütkevitte, although salary is an important factor, its motivational effect wears off over time and as it increases. Instead, employers should view salary as a hygiene factor: if pay is perceived to be inadequate, other motivational measures will prove ineffective. Therefore, income has to be right before other factors can provide lasting motivation and satisfaction.

But what factors provide lasting motivation? And satisfaction? It's the ones that concern the immediate working environment, among others. The factors that have the most significant influence on satisfaction are working atmosphere and relationships with superiors, including trust and recognition. Motivation is higher the more interesting the field of work is, the better the working atmosphere is, and the more trust superiors have in their employees. Employees' interest in their field of work becomes more important as a motivator as their age increases, whereas a high basic salary becomes less relevant.

And what about meaning within a job? According to 1 in 4 respondents, this is another significant factor influencing employee motivation. Generation X in particular is positively influenced by having a meaningful job.

“INTERESTING AND MEANINGFUL TASKS, TRUST ON THE PART OF THE MANAGEMENT AND ROOM FOR INDEPENDENT WORK, DEVELOPMENT OPPORTUNITIES, RECOGNITION AND APPRECIATION. THESE MAKE UP THE KEY TO LONG-TERM EMPLOYEE MOTIVATION, SATISFACTION AND RETENTION.”



Prof Dr Martina Lütkevitte
Professor of International Management & Head of Business & Management Department at IU International University of Applied Sciences



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LASTING JOB MOTIVATION: FINDINGS FOR GERMANY.

IMPORTANT THINGS FIRST.

A REASONABLE SALARY IS ALWAYS A GOOD FOUNDATION AND A HYGIENE FACTOR.

However, ensuring employees are satisfied and highly motivated to work for their employer in the long term requires a high wellbeing and appreciation factor. And preferably also an interesting, meaningful job.

Due to rounding off, there could be marginal deviations in the results.

MOTIVATION FACTOR 1 SALARY

THE SALARY? HAS TO BE RIGHT.

A higher salary increases satisfaction. And motivation. For almost half of respondents, salary was a motivator. And even when thinking about their dream job, a high basic salary was by far the most important factor (69.3%). And it's no wonder: this study predominantly surveyed "normal earners". Around half of respondents earn a gross salary of up to €40,000.

MOTIVATION FACTOR 2 A SENSE OF WELLBEING & APPRECIATION

THE IMMEDIATE WORKING ENVIRONMENT COUNTS.

Employers who wish to foster long-term loyalty in their employees should predominantly pay attention to motivation factors that are relevant in the immediate work environment. For example: superiors' behaviour/appreciation, a comfortable working atmosphere, strong team spirit, freedom in the organisation of working hours or even in the place of work itself.

MOTIVATION FACTOR 3 INTEREST & MEANING

A GOOD JOB HAS TO BE MEANINGFUL.

An interesting field of work visibly increases motivation. And the feeling of doing something meaningful is a motivation factor for 26.5% of respondents. The older the respondent, the more meaningful and appreciative the job should be.

LASTING JOB MOTIVATION.

GENERAL INFORMATION ABOUT SATISFACTION & MOTIVATION

When it comes to lasting job motivation, the general level of satisfaction and motivation amongst employees is valuable as the basis for further surveys.

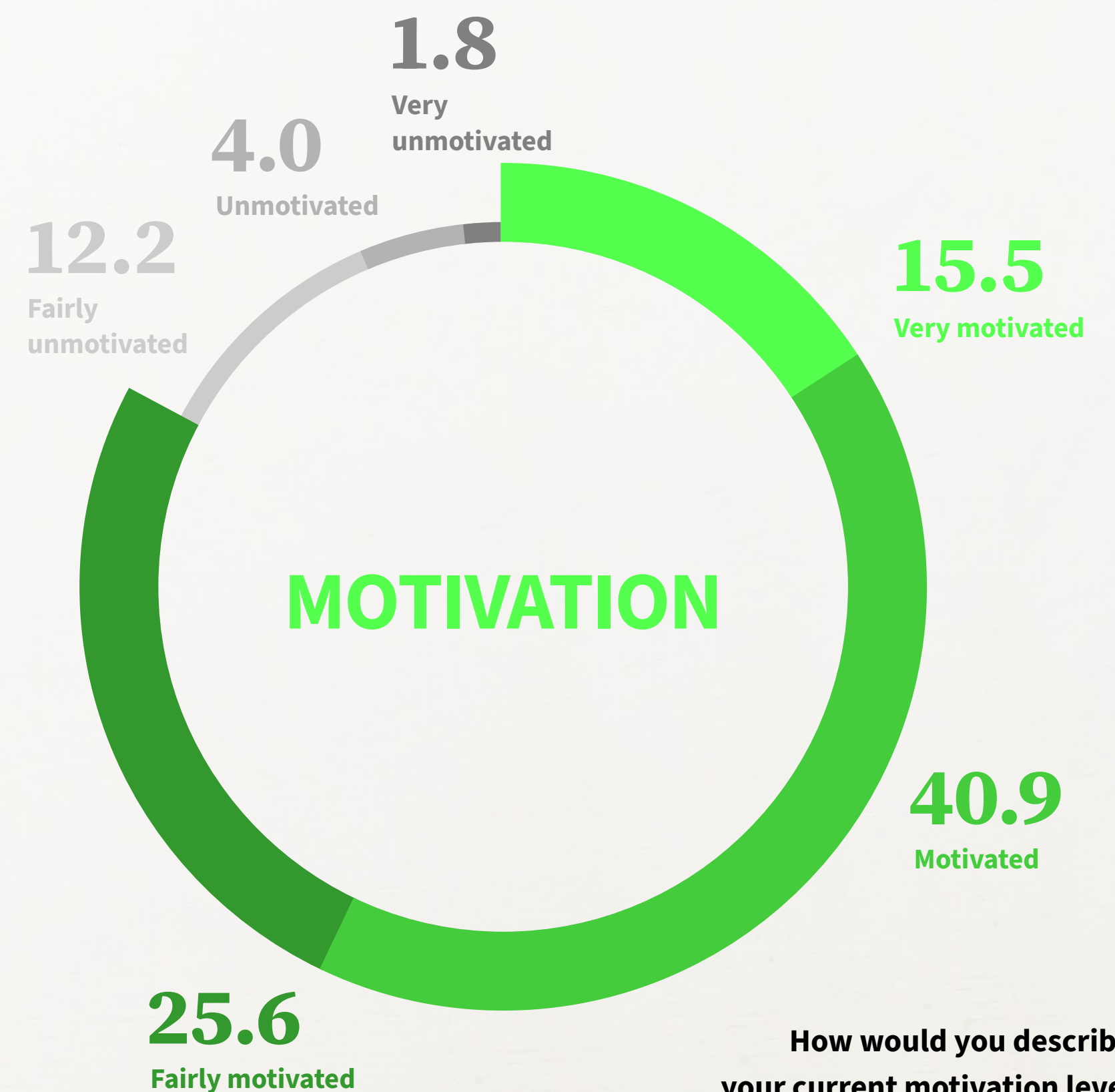
The result:

Employees who are satisfied with their jobs are more motivated. * Approx. 87% of participants are fairly satisfied to very satisfied with their current employer. At 82%, the motivation level is similarly high.

*There is strong positive correlation between participant satisfaction with employers and the current level of motivation. Correlation is significant at the 0.01 level (two-tailed, Pearson correlation).



Basically: how satisfied
are you with your
current employer? In %



How would you describe
your current motivation level
in your current job? In %

SALARY AS A MOTIVATOR.

THE SALARY? HAS TO BE RIGHT.

When it comes to your dream job, the salary obviously has to be right. And that is why it's top priority. Other important points such as flexibility in everyday working life or independent work planning follow further down the list.

Imagine you could put together your dream job. In what order would you place the following aspects?

Percentage of how often the aspect appeared in top 5 rankings: excerpt (aspects over 30%)

**Flexibility in
everyday working life**
(trust-based working
hours working from
home...)

44.1

**Comfortable
work-life balance**

39.8

**Appreciative
superiors**

35.9

**Independent
work planning**
(time management,
approach...)

41.0

**Strong team
spirit amongst
employees**

37.9

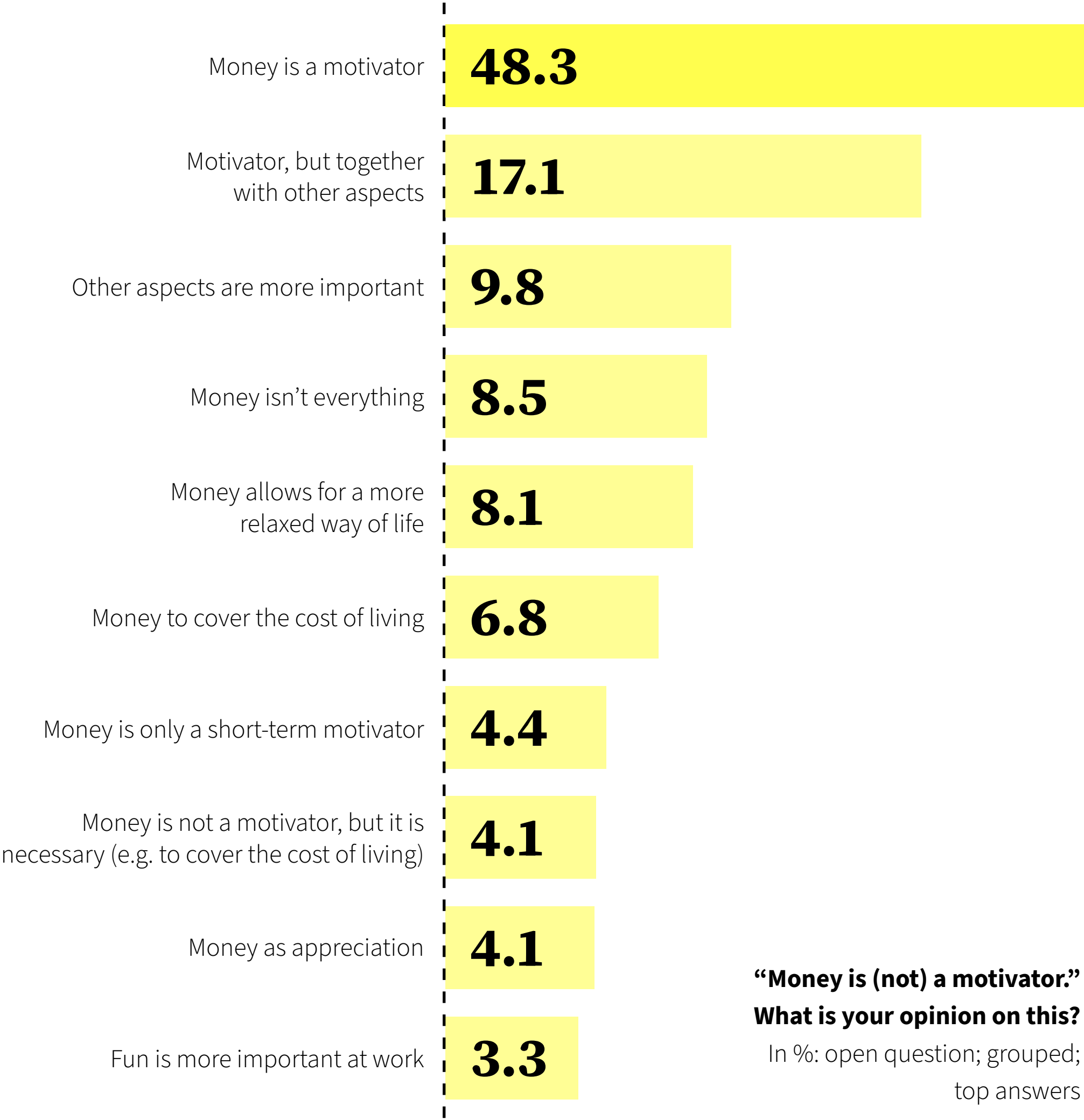
High basic salary

69.3



NO MONEY, NO FUN.

Almost half of respondents perceive money as an important motivator. Almost 1 in 5 see money as a motivator, but only together with other aspects in their professional life, such as fun or the working environment.



“

**WHAT ENCOUR-
AGES A PERSON TO
WORK DEPENDS
UPON THEIR CHARACTER.
SOME VALUE FACTORS SUCH AS A PAY
RISE, WHILE FOR OTHERS THE IMPOR-
TANT THING IS THAT THEIR WORK IS
MEANINGFUL.**

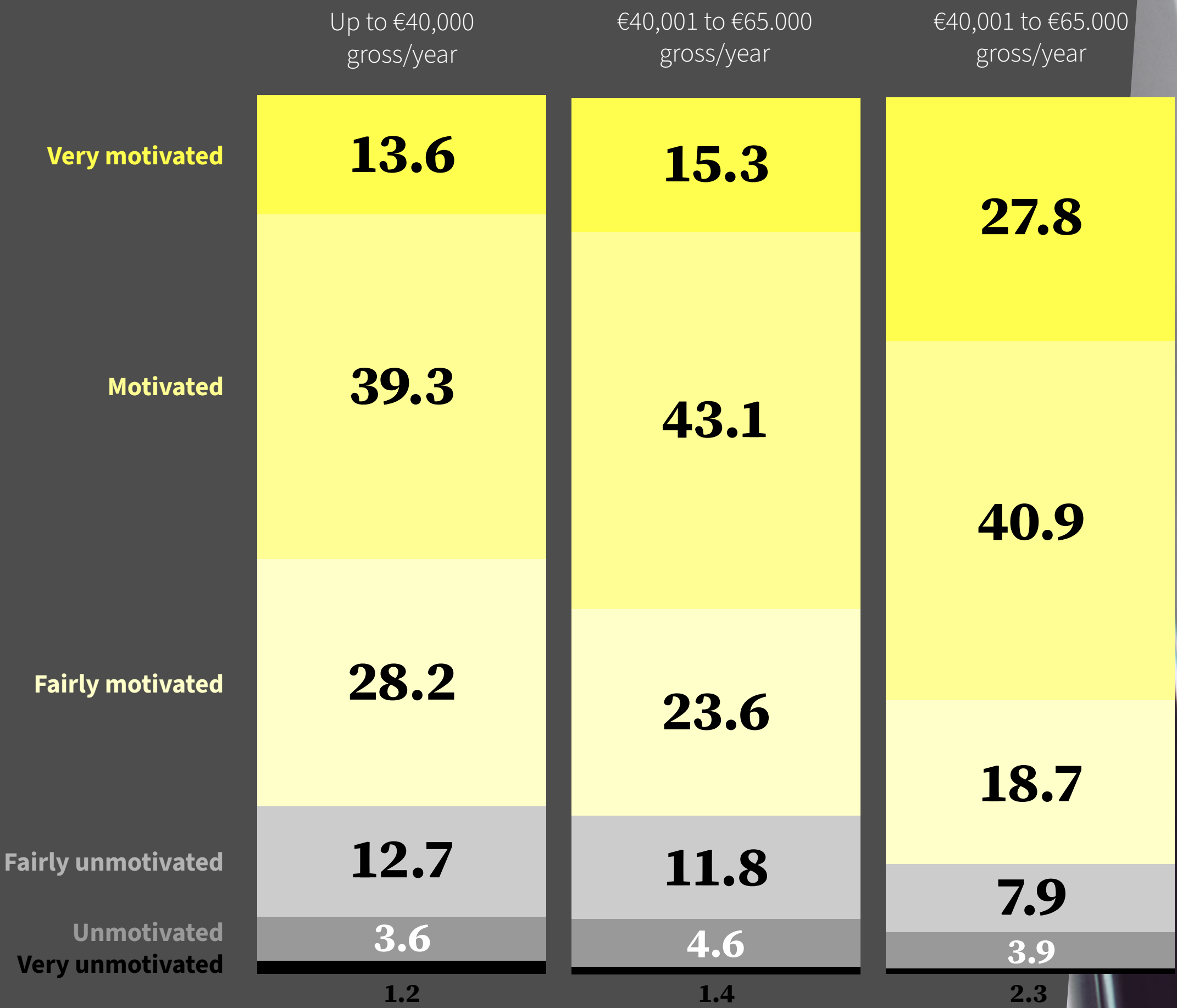
The results show that salary is the top motivating factor for most respondents. However, for many respondents this is only the case if other factors, such as a good working climate, are right for them. Furthermore, the research shows that material rewards have only a short-term effect. Therefore, companies should pay attention to their employees’ individual motives to find out what drives them long-term.”



**Prof Dr
Susanne Krach**
Programme Director
and Professor in Human
Resource Management
at IU International
University of Applied
Sciences

BETTER PAY? IS BENEFICIAL TO MOTIVATION.

How would you describe your current motivation level (in relation to your income) in your current job? In %



! A HIGHER SALARY AND THE PAYMENT OF COMMISSION OR BONUSES HAS A POSITIVE IMPACT ON MOTIVATION.



MOTIVATED EMPLOYEES VIEW THEIR SALARY AS MORE REASONABLE.

In fact, gross salary is rated even better when it comes to comparisons with colleagues.

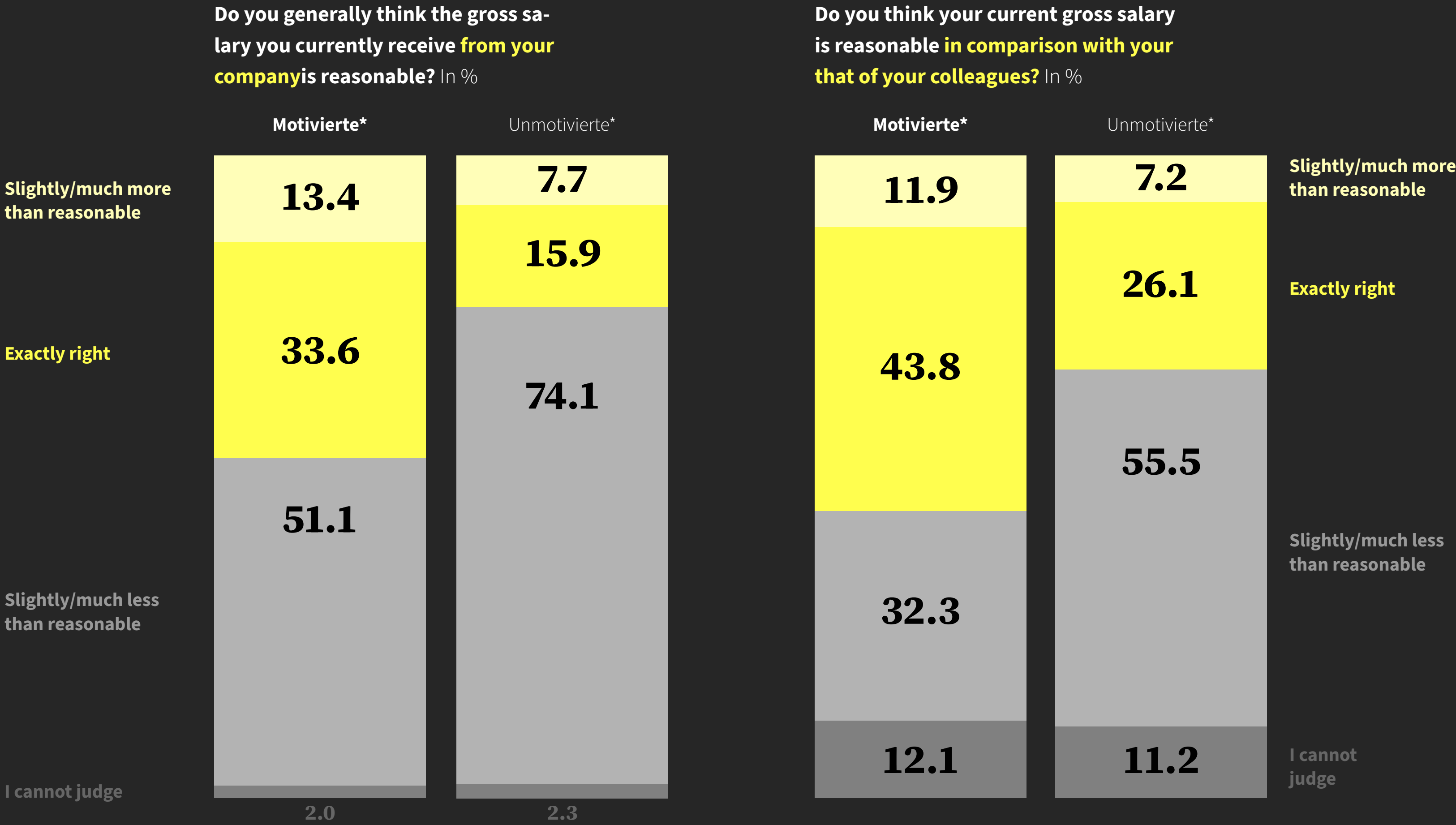
Here, 43.8% of motivated employees feel that their pay is reasonable, and 11.9% even feel that their pay is slightly/much more than reasonable



**Prof Dr
Stefan Remhof**
Professor in International
Management at
IU International University
of Applied Sciences, and
Managing Director of Veritas
Management Group GmbH
& Co. KG

“MOTIVATED EMPLOYEES ARE AN ASSET TO ANY COMPANY. THEY PERFORM BETTER,
ARE BURSTING WITH IDEAS, ARE MORE LOYAL TO THEIR EMPLOYER AND, IN THE END,
COULD BE HIGHER EARNERS.

AS THE RESULTS SHOW, THIS IS ALSO DUE TO THE FACT THAT MOTIVATED EMPLOYEES PERCEIVE
THEIR SALARY AS BEING REASONABLE AND, THEREFORE, HAVE MORE REASON TO BE SATISFIED.
BECAUSE EVEN MODERATE SALARY CHANGES CAN ACT AS A BOOSTER TO EMPLOYEES.





“ **EVERYONE
WANTS A WELL-
PAID DREAM
JOB! BUT IT’S
NOT THE BE-ALL
AND END-ALL.**

Good pay is an important factor, no question about it. First and foremost, the pay needs to be right, otherwise all other motivational measures will prove ineffective. Because what help are a meaningful job and great colleagues if your salary doesn't cover your rent? Nevertheless, a sufficient number of studies have shown that the motivational effect of money wears off – over time and once it reaches a certain amount. Conditions such as fair pay, a friendly boss or a comfortable working environment are taken for granted. Employers who do not offer these conditions risk dissatisfaction and, in the end, resignations.

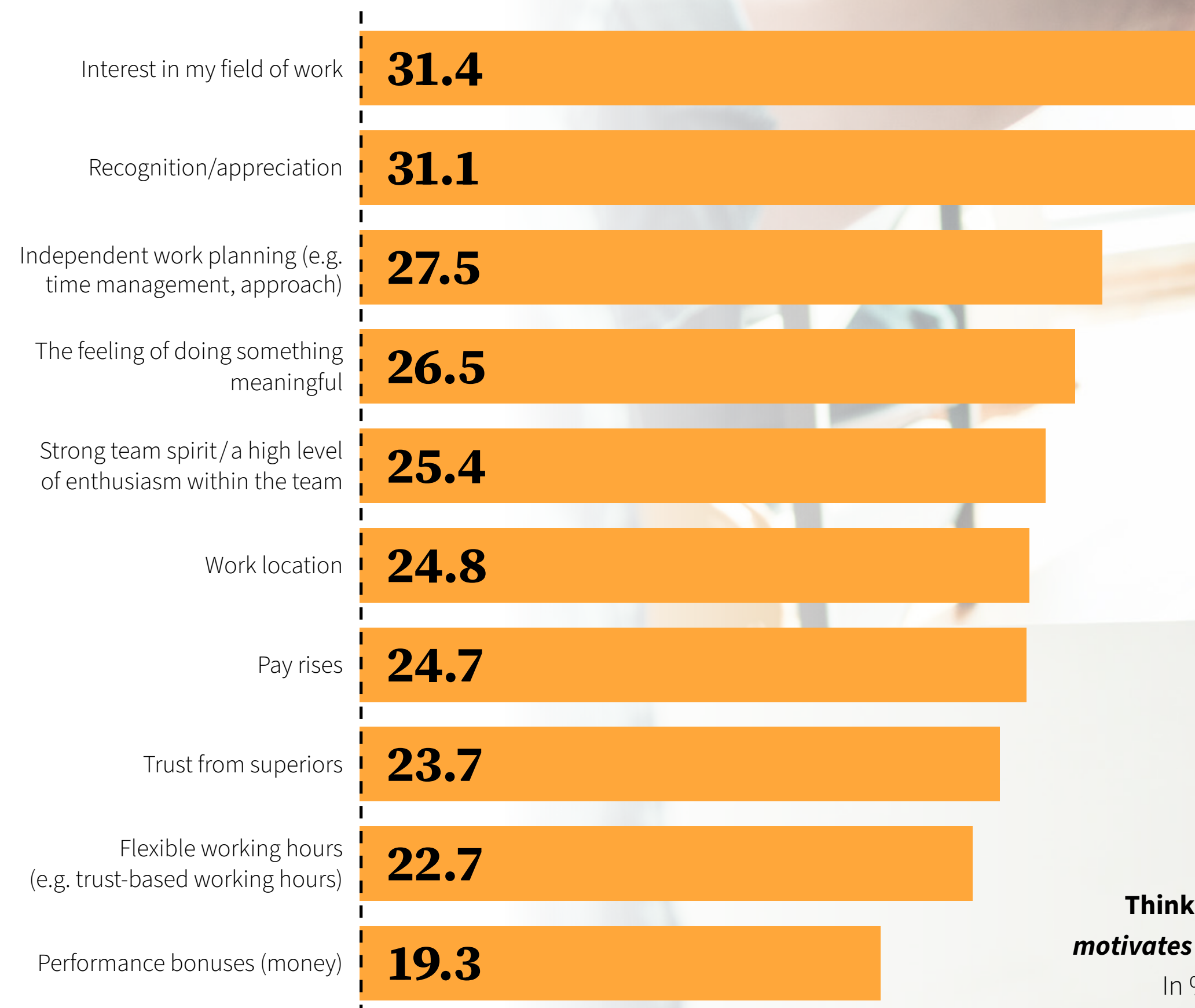
Prof Dr Martina Lütkevitte

Professor in International Management & Head of “Business & Management” at IU International University of Applied Sciences

A SENSE OF WELLBEING AND APPRECIATION AS A MOTIVATOR.

THE IMMEDIATE WORKING ENVIRONMENT COUNTS.

Employers who wish to foster *long-term* loyalty in their employees should predominantly pay attention to motivation factors that are relevant in their **immediate work environment**. For example, an interesting field of work, high levels of recognition and appreciation, independent work planning and strong team work.



Thinking it over, what
motivates you in your job?

In %: top 10 answers

A LACK OF RECOGNITION AND APPRECIATION? HAS A DEMOTIVATING EFFECT.

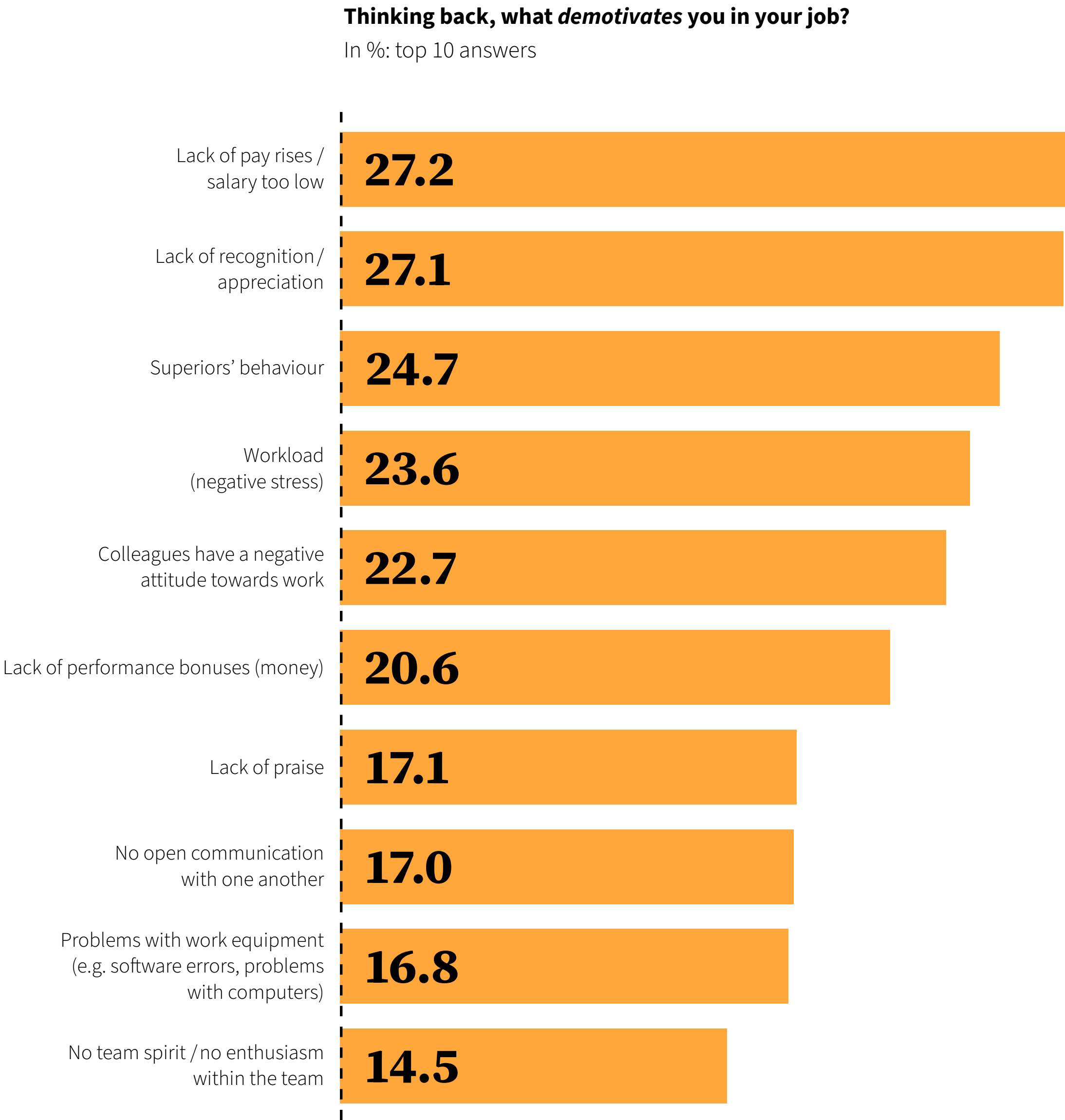
Looking at the demotivating aspects, it's clear to see: A low salary is the most demotivating factor. But a **lack of recognition/appreciation**, a high workload or problems with superiors and/or colleagues **can be demotivating**. Often, the immediate working environment is a key factor.



Prof Dr Stefan Remhof
Professor in International Management at IU International University of Applied Sciences, and Managing Director of Veritas Management Group GmbH & Co. KG

“A GOOD SALARY WILL BE TAKEN FOR GRANTED OVER TIME AND ONLY PROVIDES TEMPORARY MOTIVATION. TOO LITTLE PAY OR LITTLE TO NO RECOGNITION HAVE SERIOUS CONSEQUENCES FOR EMPLOYEES’ MOTIVATION LEVELS. THEY LEAVE A NEGATIVE IMPRESSION AND MAKE EMPLOYEES MORE OPEN TO NEW JOB OFFERS OR HEADHUNTERS THAT WOO AND FLATTER THEM.

”

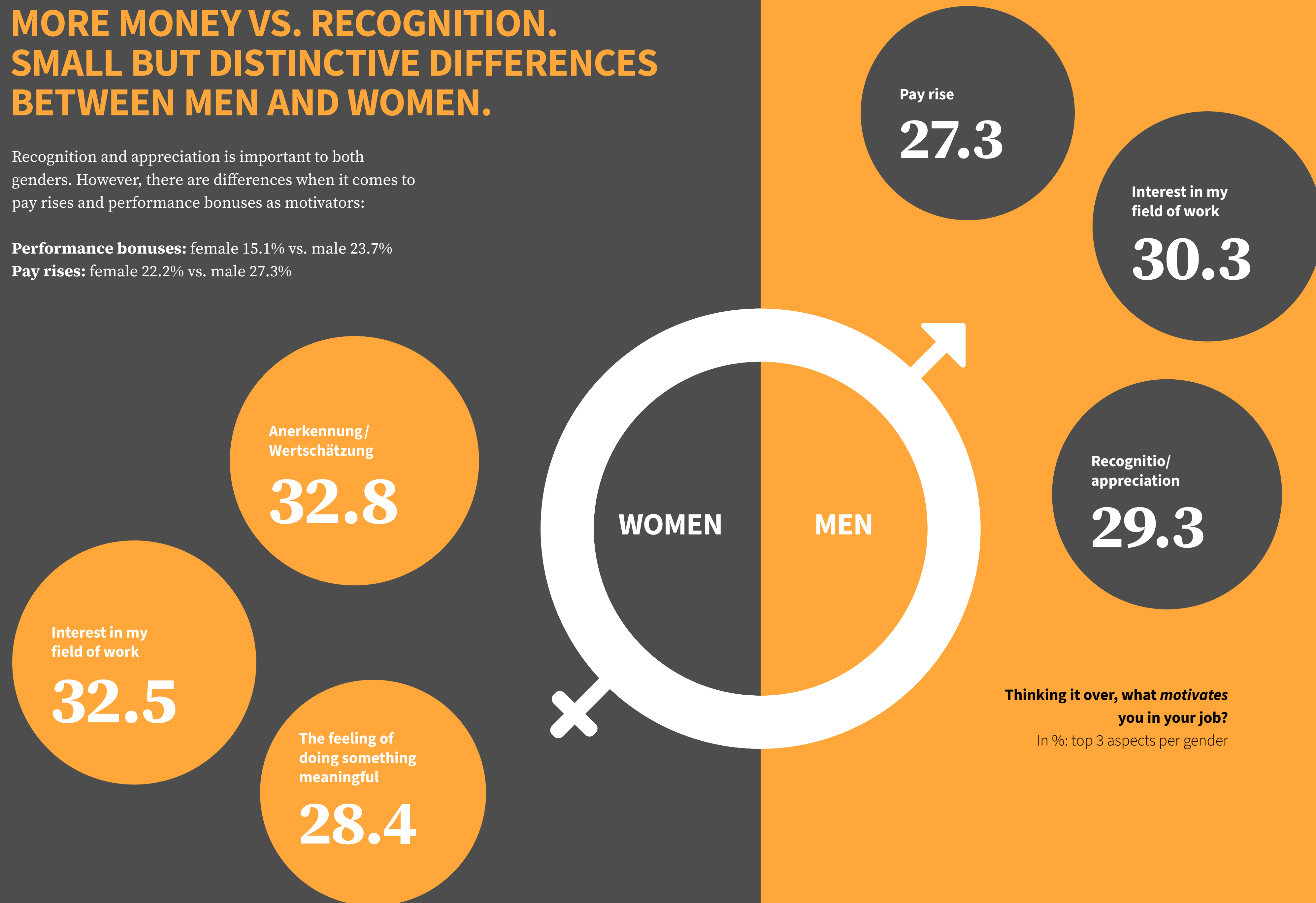


MORE MONEY VS. RECOGNITION. SMALL BUT DISTINCTIVE DIFFERENCES BETWEEN MEN AND WOMEN.

Recognition and appreciation is important to both genders. However, there are differences when it comes to pay rises and performance bonuses as motivators:

Performance bonuses: female 15.1% vs. male 23.7%

Pay rises: female 22.2% vs. male 27.3%

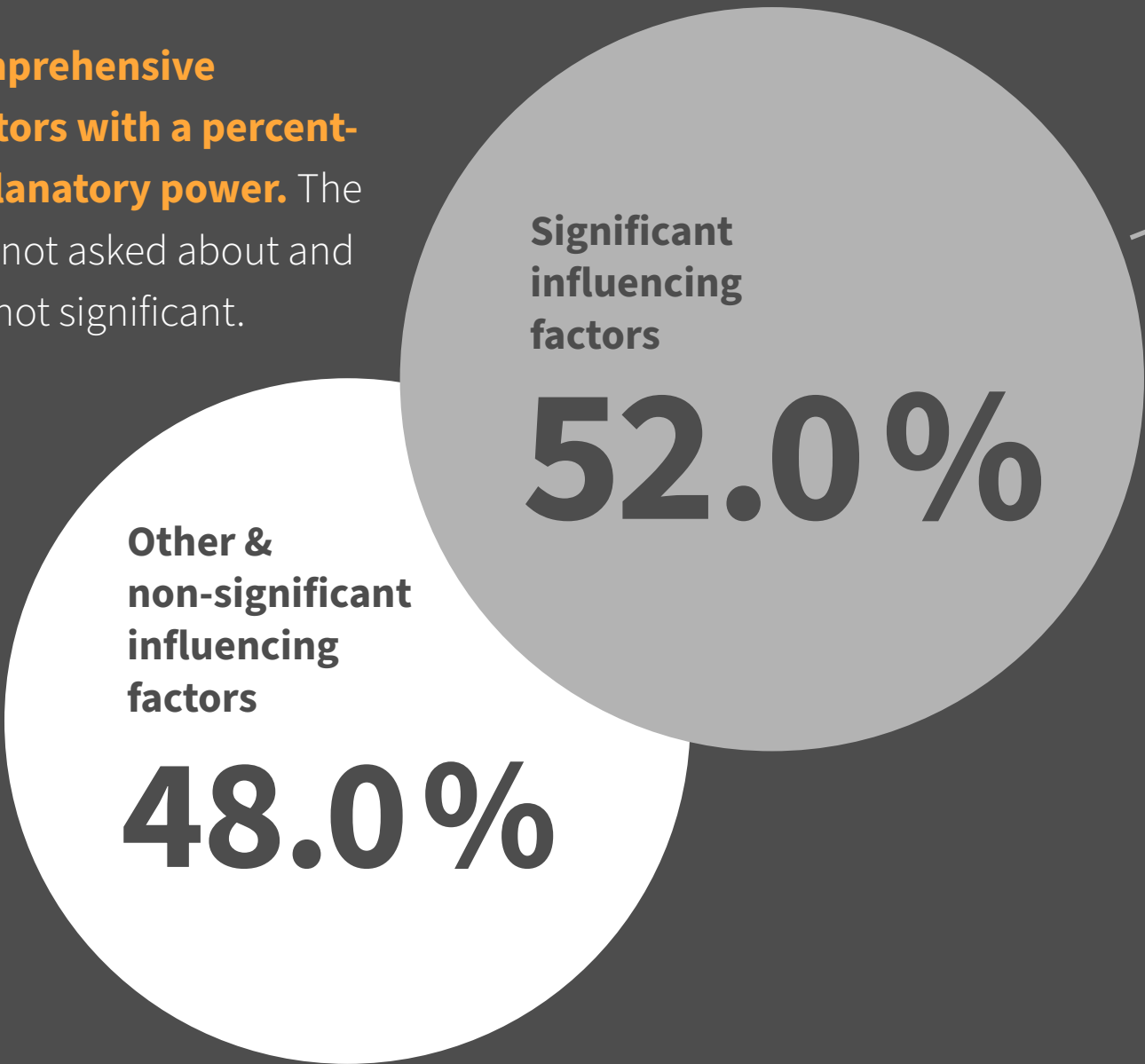


WHAT DETERMINES SATISFACTION?

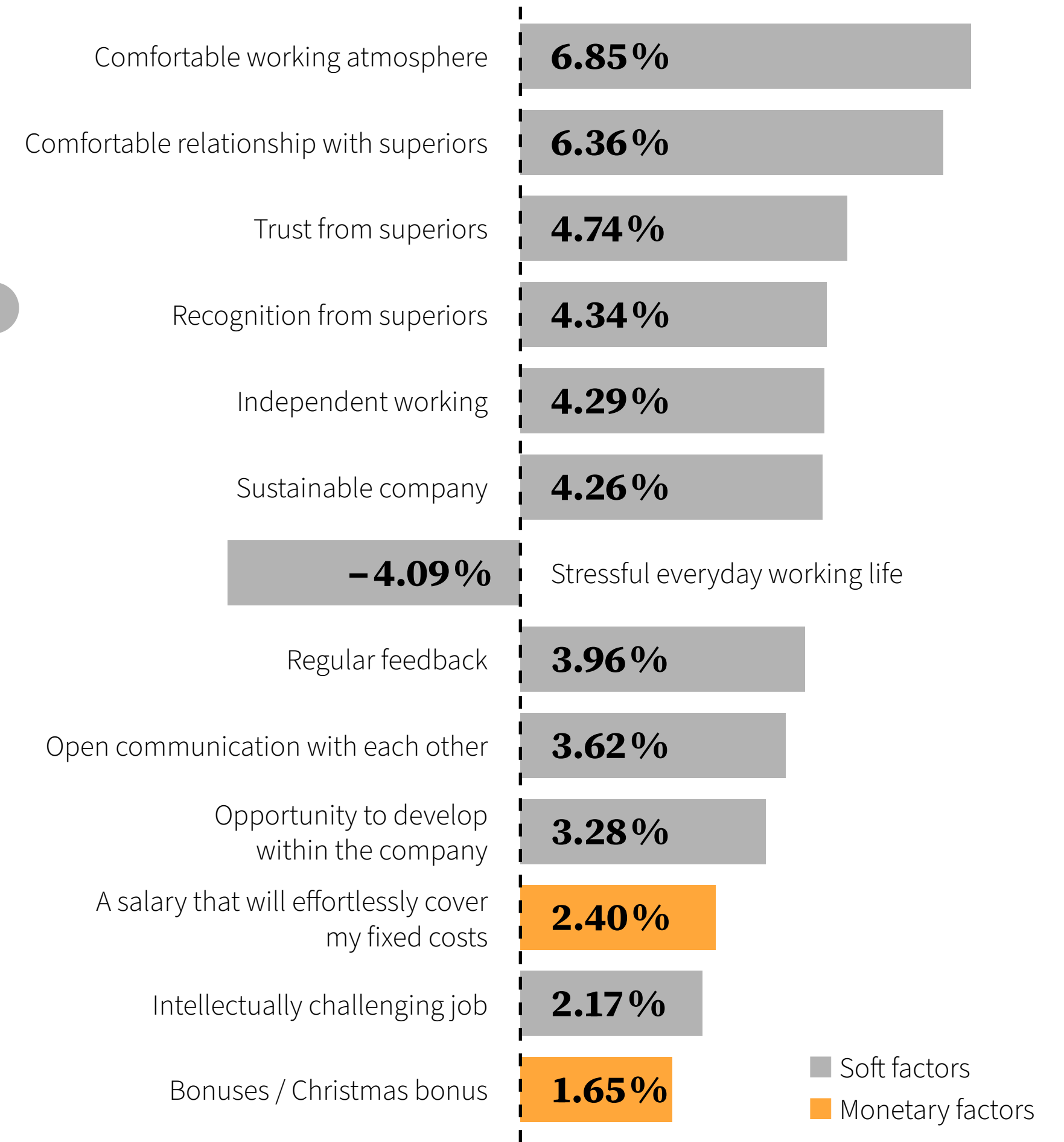
It's the soft factors that count – not the money. A comfortable working atmosphere takes the top spot. 6.85% of respondents indicate that it has a positive influence on their job satisfaction. Having a comfortable relationship with superiors also has a strongly positive impact on satisfaction. On the other hand, a stressful everyday working life is a significantly negative influencing factor. To some extent, monetary aspects also have a significant influence on satisfaction – but they become less significant over time when compared to other soft factors.

SATISFACTION.

These results are based upon a comprehensive regression analysis. Significant factors with a percentage of 52% have a high level of explanatory power. The remaining 48.0% are factors that were not asked about and factors that were asked about but are not significant.



Significant factors influencing satisfaction



AND WHAT INFLUENCES MOTIVATION?

When the employee has an interesting job, their motivation level increases significantly. For this reason, “interest in my field of work” takes top spot. Another interesting finding: having a meaningful job has a significant impact on motivation. When it comes to motivation, monetary aspects are once again outnumbered. In most cases, “soft factors” motivate employees.

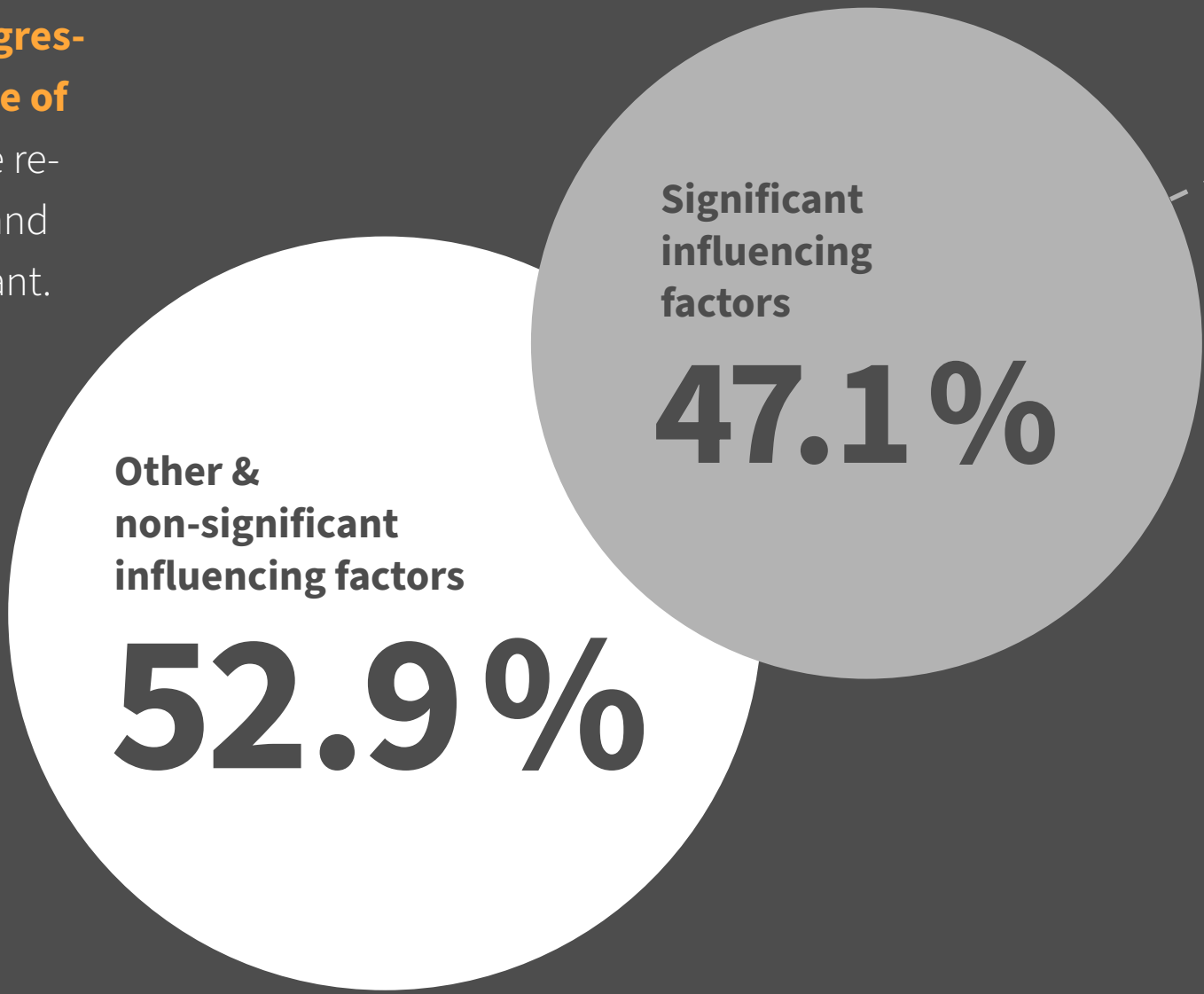
MOTIVATION.

These results are based upon a comprehensive regression analysis. Significant factors with a percentage of 47.1% have a high level of explanatory power. The remaining 52.9% are factors that were not asked about and factors that were asked about but that are not significant.

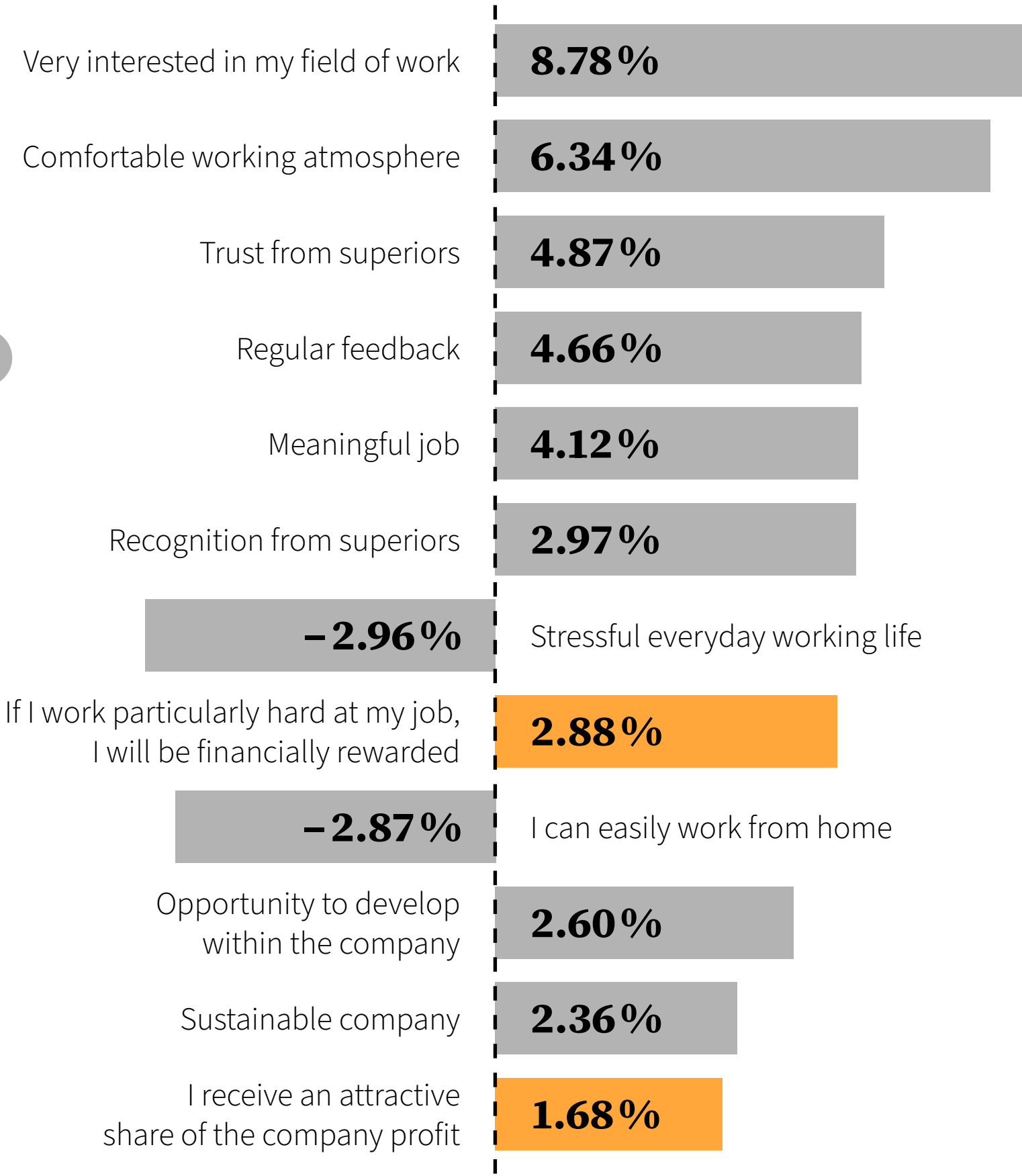


Prof Dr Susanne Krach
Programme Director and Professor in Human Resource Management at IU International University of Applied Sciences

“WHEN WORKING FROM HOME, YOU LOSE THAT SENSE OF COMMUNITY, WHICH HAS A LONG-TERM NEGATIVE EFFECT ON THE ENTIRE TEAM’S MOTIVATION. THINGS YOU WOULD USUALLY LEARN NATURALLY THROUGH THE OFFICE GRAPEVINE SUDDENLY GOES MISSING. AND YET PARTICULARLY THIS KIND OF PERSONAL EXCHANGE IS IMPORTANT FOR MOTIVATION AND WILLINGNESS TO WORK.”



Significant factors influencing motivation

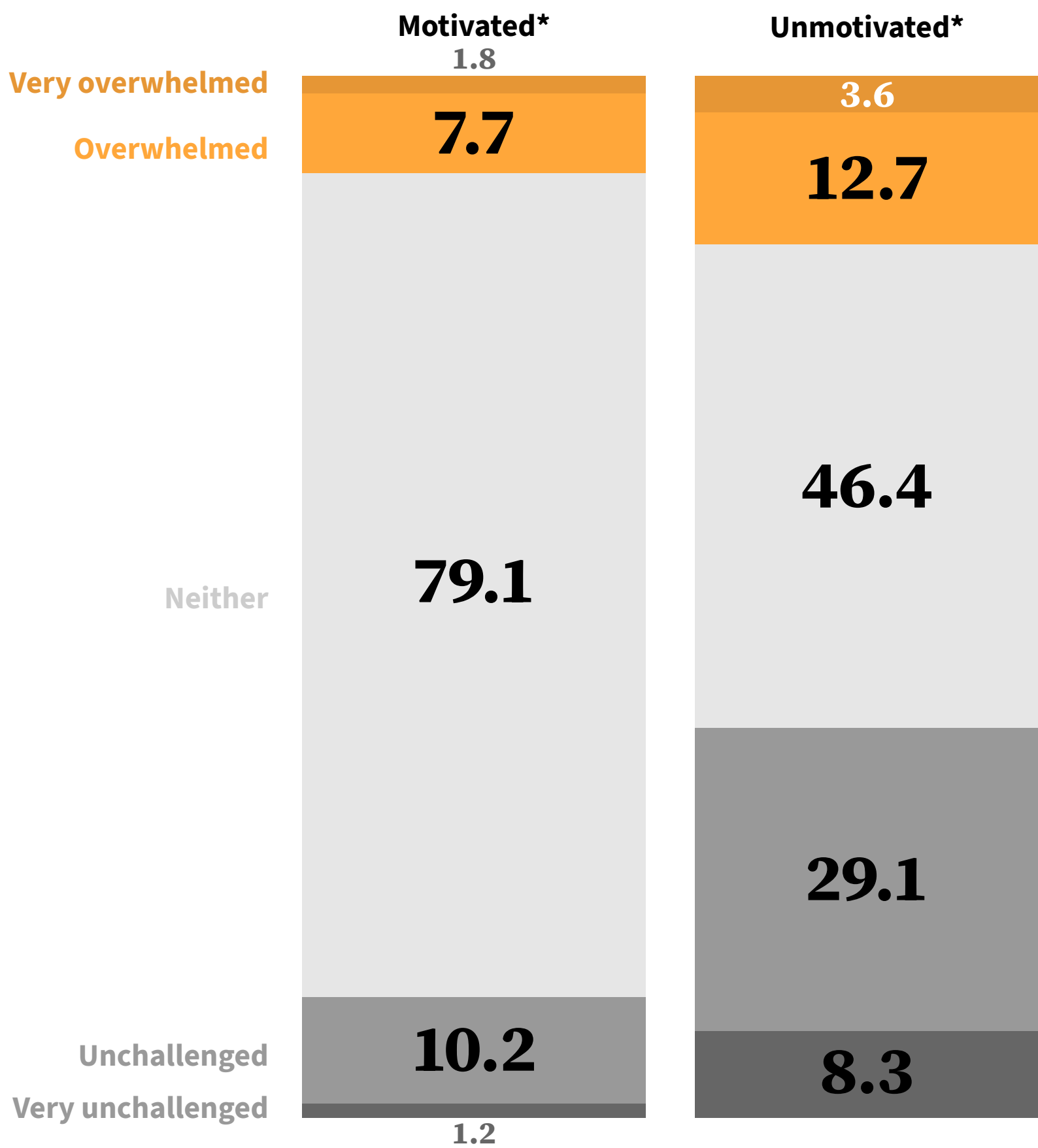


■ Soft factors
■ Monetary factors

BOREOUT BEFORE BURNOUT.

Dissatisfied or unmotivated employees are more likely to feel overwhelmed or unchallenged by their work than satisfied or motivated employees. **However, the reason is much more frequently that they feel unchallenged rather than overwhelmed.**

My current tasks at work make me feel mentally.. In %



*Motivated/unmotivated: Top/bottom 3 box from the 6-level scale for the question about current motivation



THERE ARE TWO FAMOUS MANAGEMENT PHILOSOPHIES THAT ARE BASED UPON TWO COMPLETELY DIFFERENT CONCEPTS OF HUMAN NATURE: “THEORY X” ASSUMES THAT HUMAN BEINGS ARE NATURALLY LAZY AND UNWILLING AND MUST THEREFORE BE CLOSELY INSTRUCTED AND SUPERVISED. IN CONTRAST, “THEORY Y” IS BASED UPON THE ASSUMPTION THAT HUMAN BEINGS ARE NATURALLY MOTIVATED AND WILLING TO WORK, AND THEREFORE REQUIRE NEITHER COERCION NOR SUPERVISION. AN BOTH ARE SELF-FULFILLING PROPHECIES!

“We tend towards “Theory X” because it is what we have learned in many places – but it is worth trying out “Theory Y”. A lot of people are more motivated and thrive when given the opportunity to do so. Dear managers, please have more confidence in your employees!”

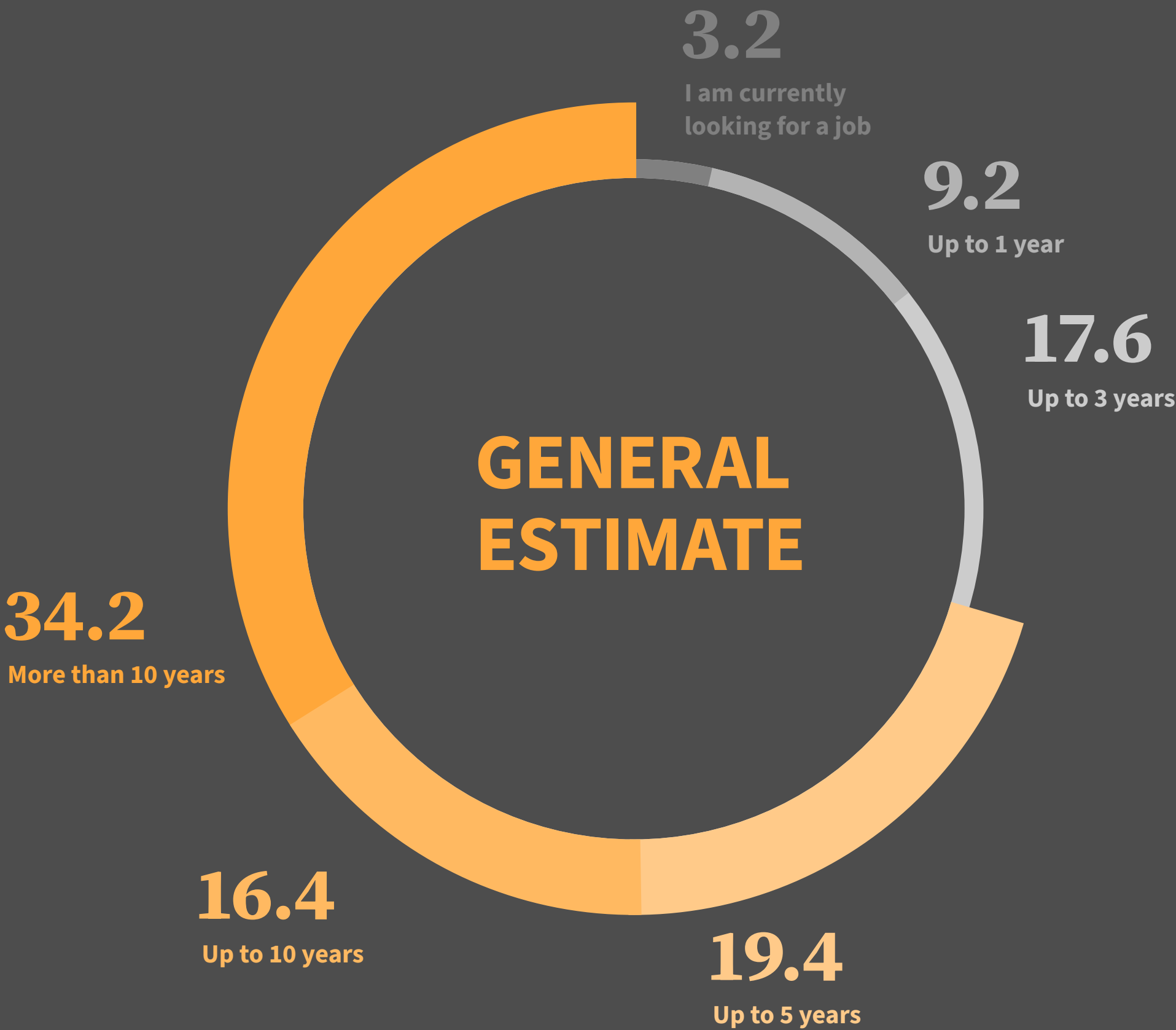


Prof Dr Martina Lütkevitte
Professor in International Management & Head of “Business & Management” Department at IU International University of Applied Sciences

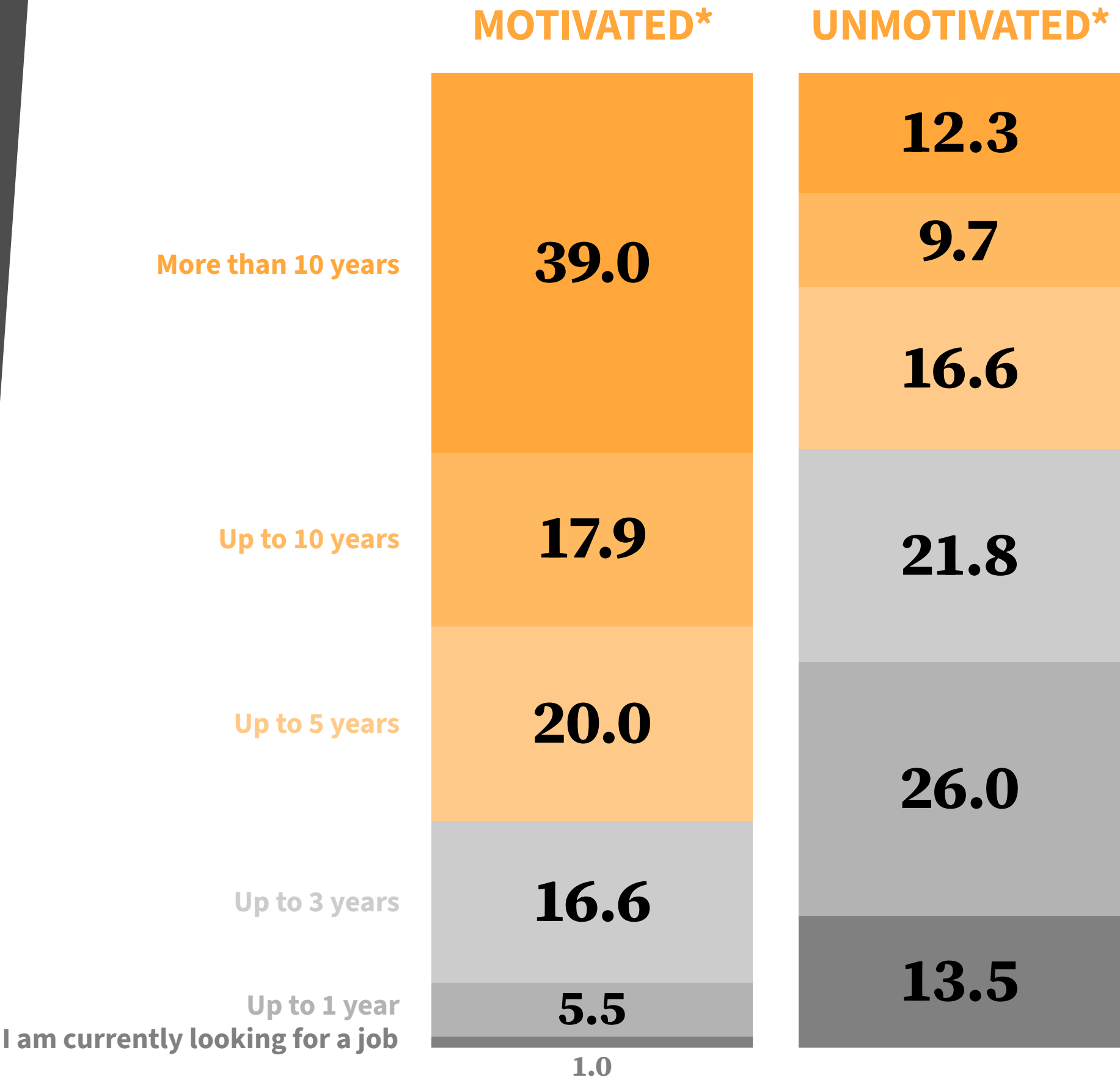
MOTIVATED AND SATISFIED EMPLOYEES STAY FOR LONGER.

Employees’ loyalty to a company increases with their motivation.
Motivated respondents can imagine staying with their current employer for considerably longer than unmotivated respondents can. 39.0% of motivated employees can even imagine remaining with the same company for over 10 years (instead of 34.2% overall). Conversely, almost half of unmotivated employees are very willing to switch

How long can you imagine continuing to work for your current employer? In %



How long can you imagine continuing to work for your current employer? In %



* Motivated/unmotivated: Top/bottom 3 box from the 6-level scale for the question about current motivation

THE TOP 5 REASONS TO CHANGE EMPLOYER.

Those who have changed companies predominantly cite **the working atmosphere as the reason.** But the financial aspect also plays a decisive role. As does dissatisfaction with superiors or company culture. Often, respondents could not see a chance to develop professionally.

Why did you leave your last company?

In %: only respondents who have worked for their current employer for less than 12 months and previously had a different job (top 5 answers)



And what are the financial benefits?
Almost 50% of respondents* who changed company experienced a positive change in their salary. However, the majority note that it came with an increase in additional tasks, responsibility and/or workload.

* Only respondents who have worked for their current employer for less than 12 months and previously had a different job

“ FOSTERING LOYALTY AMONGST SKILLED WORKERS IS NOT AS DIFFICULT AS IT SEEMS.

In today's war for talent, many companies are putting a great deal of enthusiasm and effort into advertising for new employees. In doing so, some forget how important their existing employees are. Good employer branding should be targeted towards both the inside and outside of the company – that means that rosy promises should preferably be followed through on and within reach for employees. Because satisfied, motivated employees will stay for longer, saving the company much time and money.

Prof Dr Martina Lütkevitte

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INTEREST AND MEANING AS A MOTIVATOR.

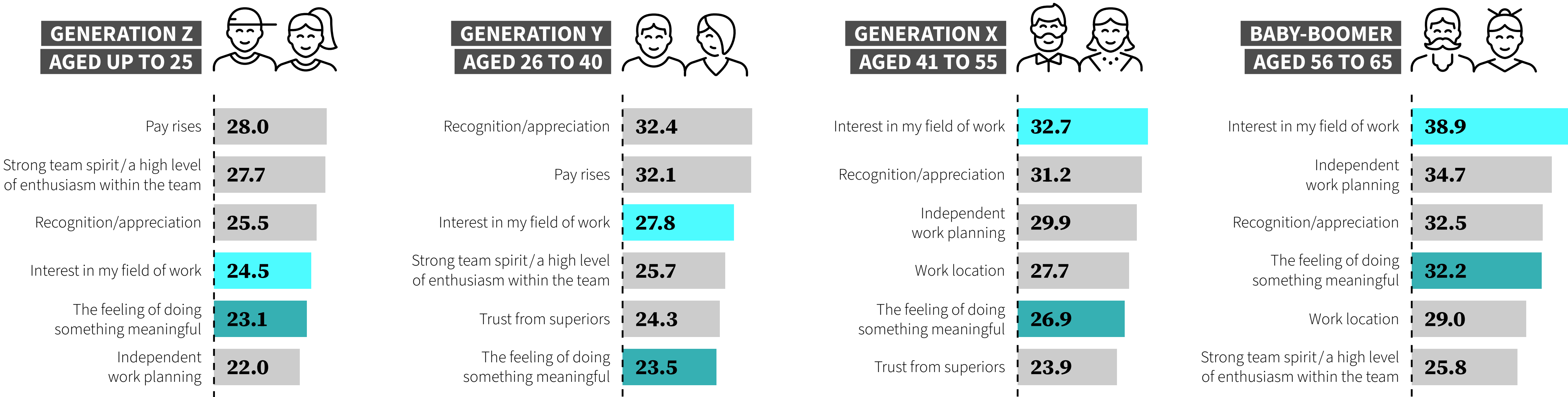
A GOOD JOB?

HAS TO BE MEANINGFUL.

Motivators are also a question of age. As employees get older, a pay rise becomes less and less important as a motivator. Instead, interest in the field of work and desire for a meaningful job become more important.

Thinking it over,
what motivates you in your job?

In %: top 6 answers per generation



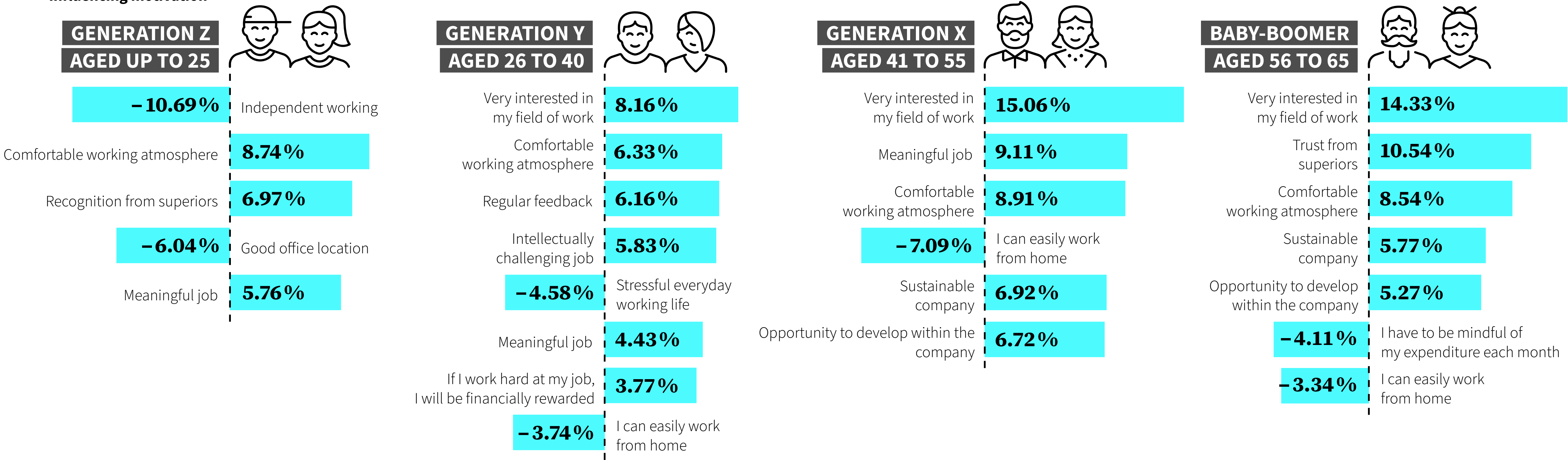
FACTORS INFLUENCING MOTIVATION: WITH AGE COMES A CHANGE IN MENTALITY.

The older the employee, the more interesting and meaningful their job must be. From the age of 26, respondents' interest in their field of work takes the top spot across all generations – and, therefore, has the most significant influence upon

motivation. And what about meaning? The motivation of generation X in particular is positively influenced by having a meaningful job. But this aspect is also one of the significant positive influencing factors amongst younger respondents. Motivation also increases

in respondents aged 41 and over if they can work in a sustainable company. Another interesting finding: amongst generation Z respondents, independent work has the greatest influence on their level of motivation – a negative influence.

Significant factors influencing motivation



Motivation levels can be explained using the provided variables for almost 40% of respondents from the two younger age groups and around 50% of respondents from the older groups.

EMPLOYEES' IDEA OF A DREAM JOB CHANGES WITH AGE.

While salary is enormously important to younger respondents' idea of a dream job, this decreases by almost 20% with age. As does the desire for flexibility in everyday working life. Instead, the need for independent work planning increases.



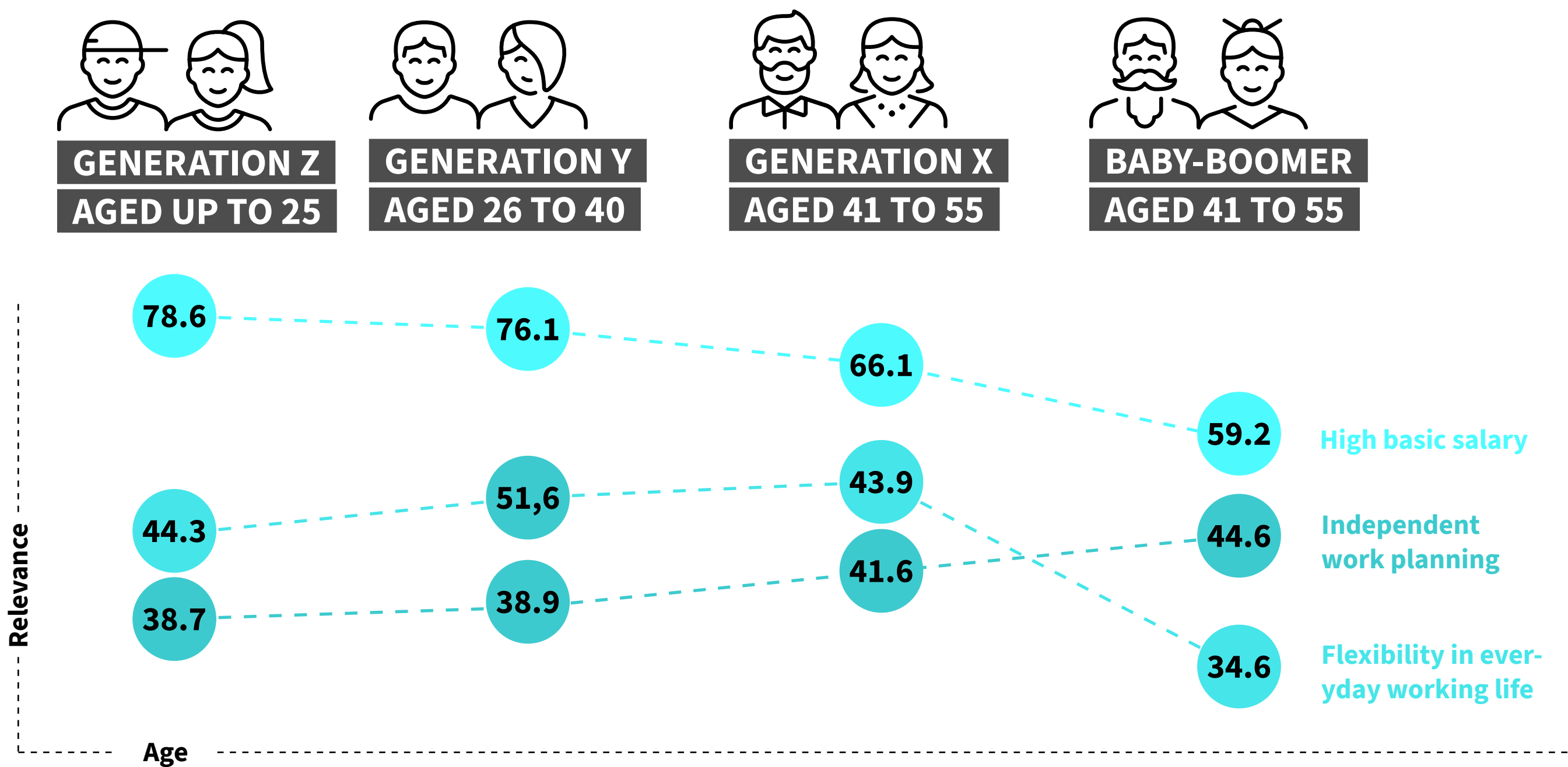
THOSE JUST STARTING OUT IN THEIR CAREERS NEED CLEAR INSTRUCTIONS AND STRUCTURES FOR THEIR EVERYDAY WORKING LIFE. HOWEVER, THIS MUST NOT BE EQUATED WITH INFLEXIBILITY. EVEN THOSE JUST STARTING OUT IN THEIR CAREERS WANT FLEXIBILITY, A GOOD WORK-LIFE BALANCE AND A MEANINGFUL JOB.”



Prof Dr Stefan Remhof
International Management
at IU International
University of Applied
Sciences, and Managing
Director of Veritas Manage-
ment Group GmbH & Co. KG

Imagine you could put together your dream job. In what order would you place the following aspects?

In %; percentage of how often the aspect appears in the top 5; an overview of the 3 most common answers





“ LASTING JOB MOTIVATION REQUIRES A DISTINCTION BETWEEN YOUNG AND OLD.

There is no general way to determine the factors that play a role in deciding whether an employee is motivated or not. Instead, it depends upon which factors employees find motivating. Therefore, it is important to assign these motivating factors not only to individuals, but also to the specific characteristics of a target group, e.g. age, professional field, qualification level. In particular, the distinction between young and old helps companies to address “age-related” incentives in order to elicit motivated behaviour from all employees.

Prof Dr Susanne Krach

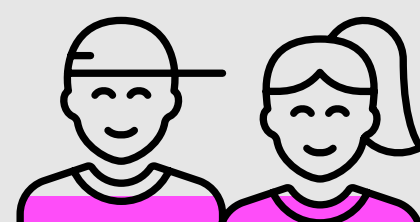
Programme Director and Professor in Human Resource Management
at IU International University of Applied Sciences

FACTS ABOUT THE STUDY PARTICIPANTS.

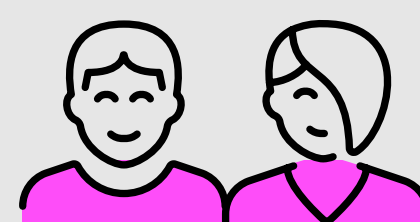
ABOUT THE STUDY.

How old are you?

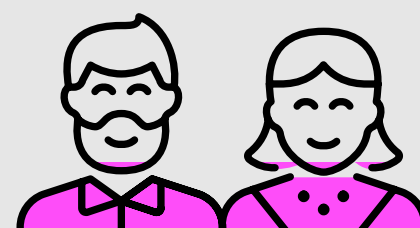
In %



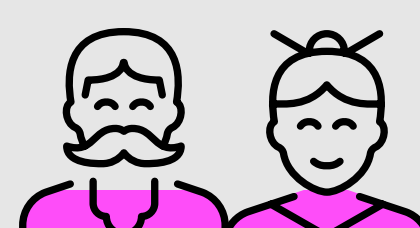
13.8%

GENERATION Z
AGED UP TO 25

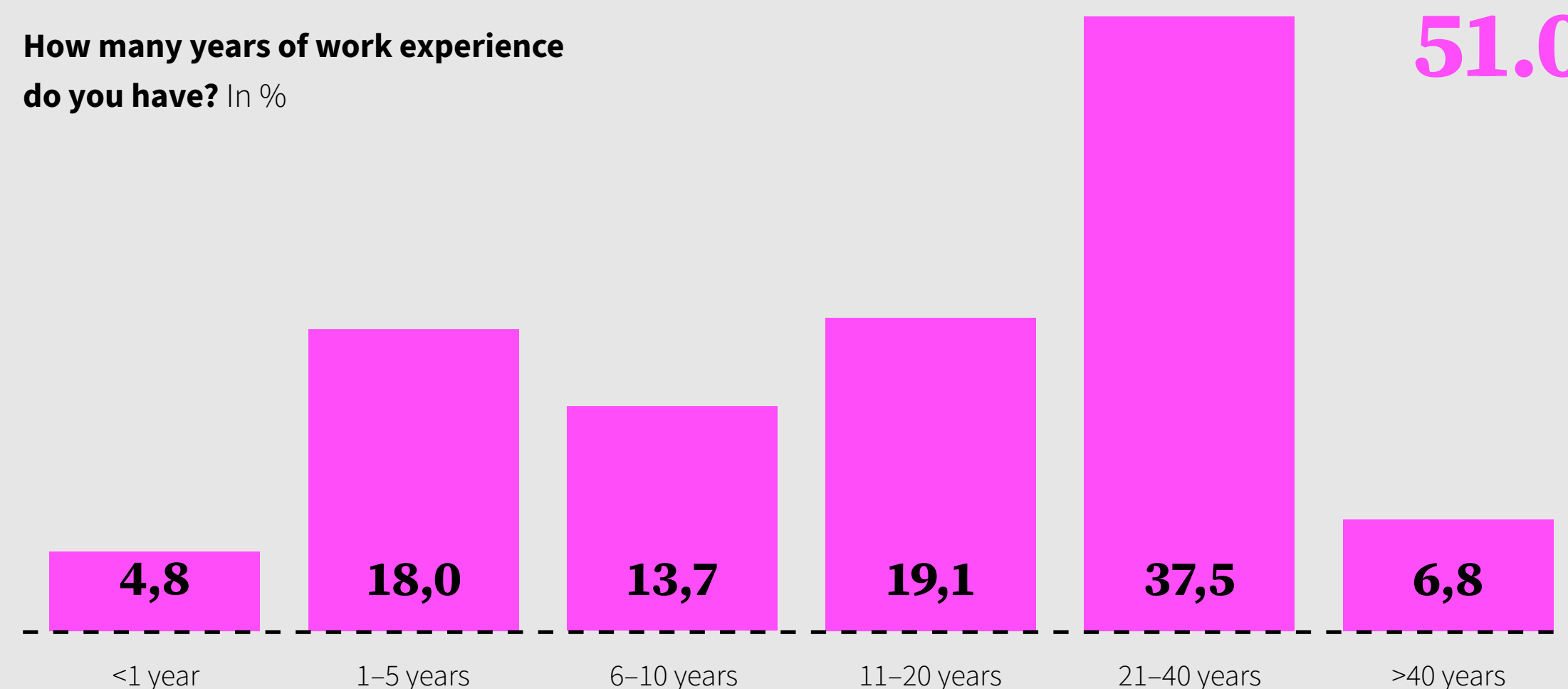
30.2%

GENERATION Y
AGED 26 TO 40

33.6%

GENERATION X
AGED 41 TO 55

22.2%

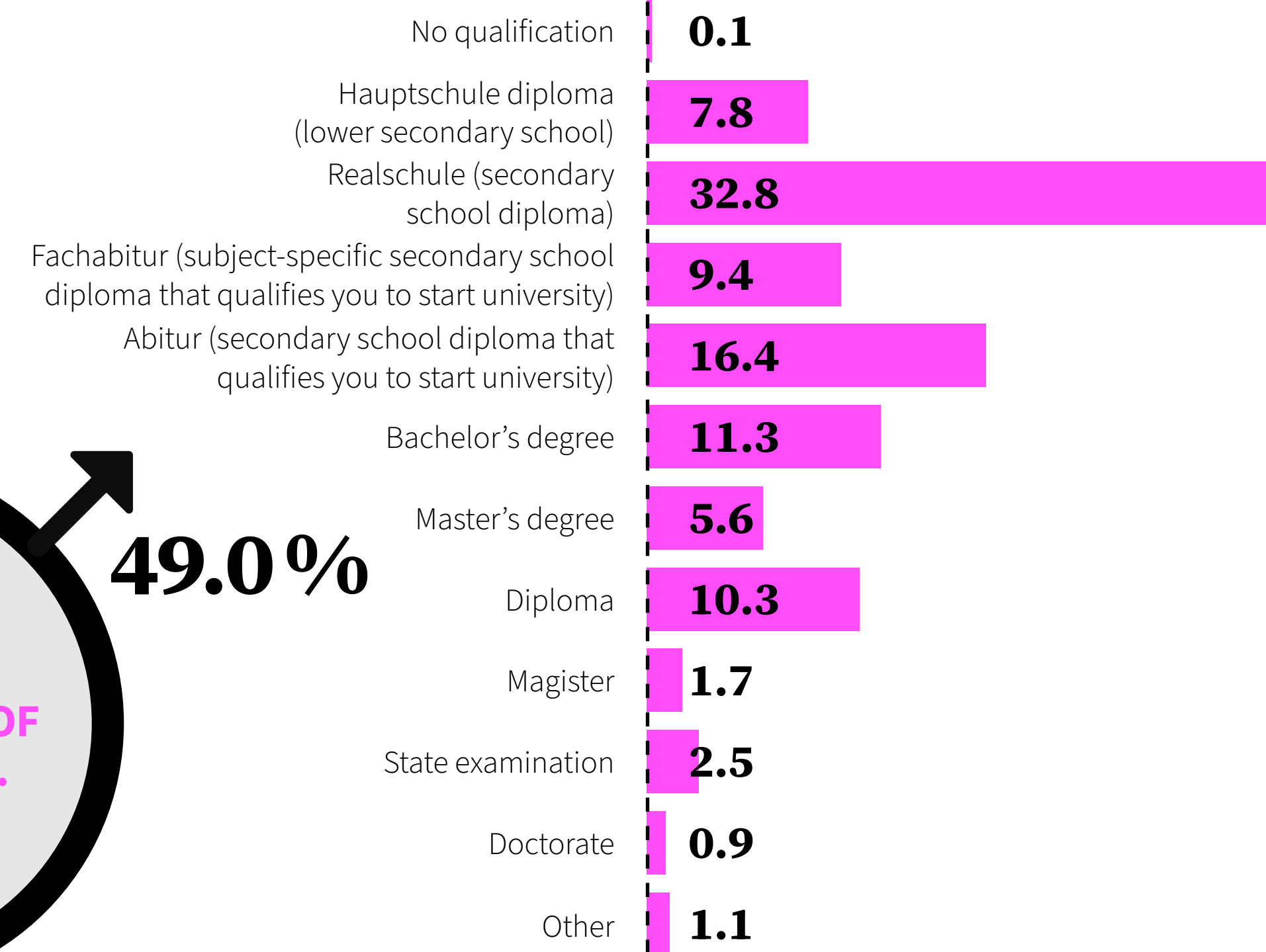
BABY BOOMERS
AGED 56 TO 65How many years of work experience
do you have? In %

51.0% +

ALMOST THE
SAME AMOUNT OF
WOMEN AS MEN.

What is your highest general qualification?

In %



49.0%

Have you completed any
qualifications? In %

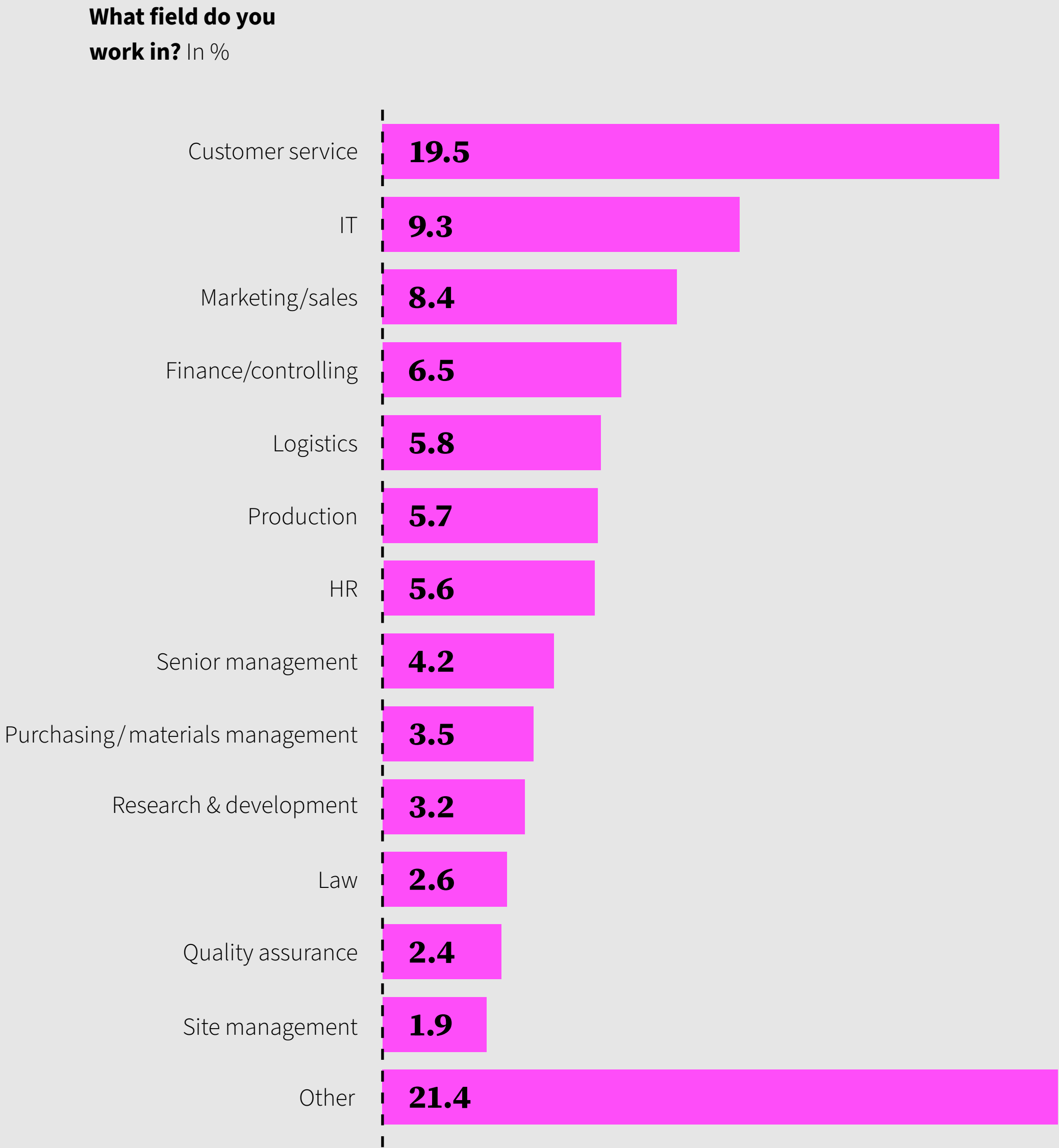
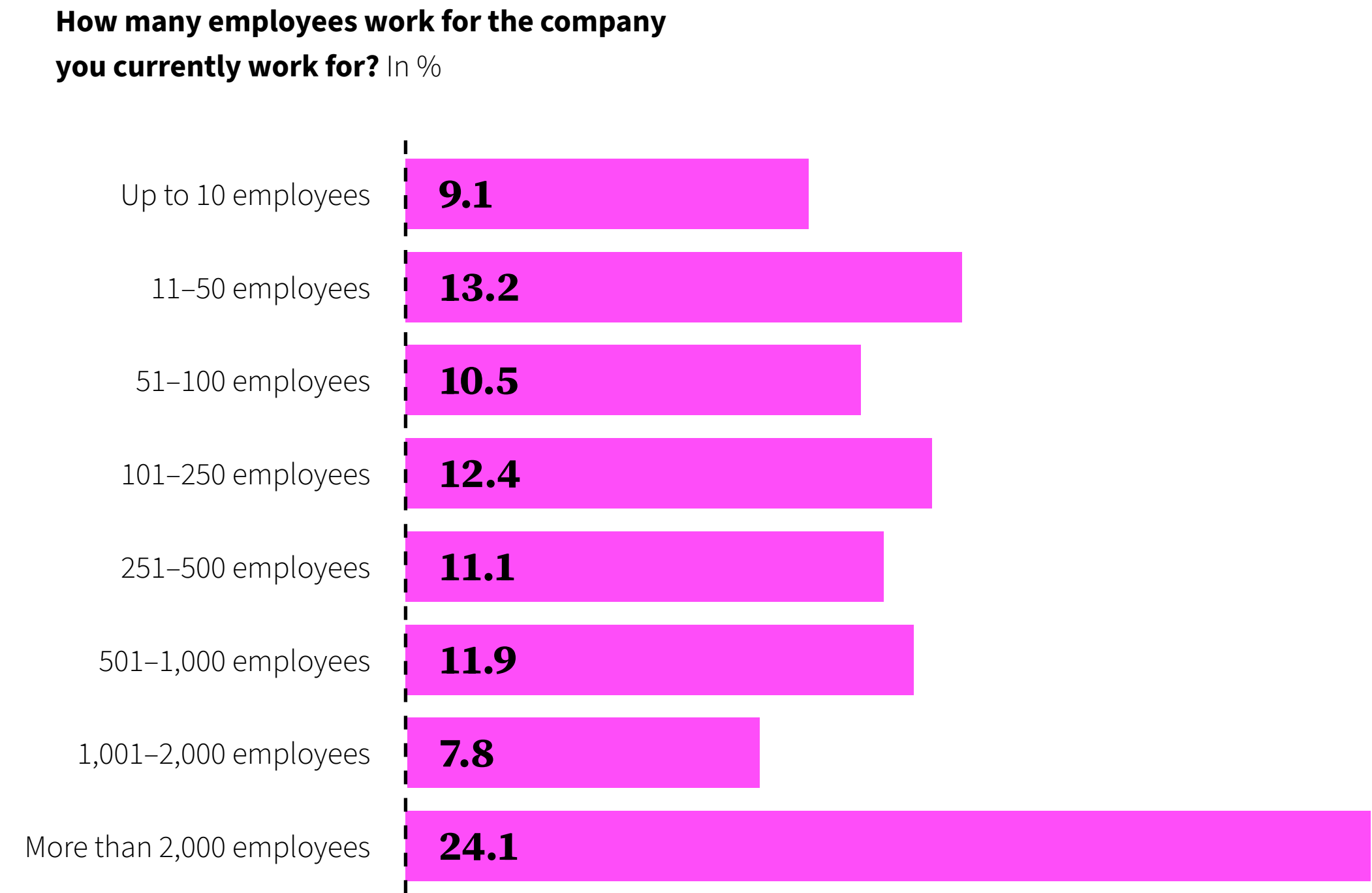
17.7%

NO

YES
82.3%! Representative of
age and gender.

FACTS ABOUT THE STUDY PARTICIPANTS.

ABOUT THE STUDY.



FACTS ABOUT THE STUDY PARTICIPANTS.

ABOUT THE STUDY.

Respondents
(from Germany)

2,034

Target group: people aged between 18 and 65 who work for an employer.

Employees...

...without manageri-
al responsibilities

68.6%

...with manageri-
al responsibilities

31.4%

How high is your
contractually agreed
annual gross fixed salary?

Up to €40,000
gross/year

49.6%

€40,001 to
€65,000
gross/year

30.8%

€65,000 or more
gross/year

12.4%

Not specified
7.2%

Contact us

If you have any questions or comments,
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IMPRINT

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The Ministry of Economics, Science and Digital Society
of the State of Thuringia is responsible for the
IU International University of Applied Sciences at all study
locations in matters relating to higher education law.

You can also find us on:



Survey period:
14.07.2021 – 23.07.2021
Anonymous survey via Tivian
Panel: Gapfish

Lasting
job motivation.

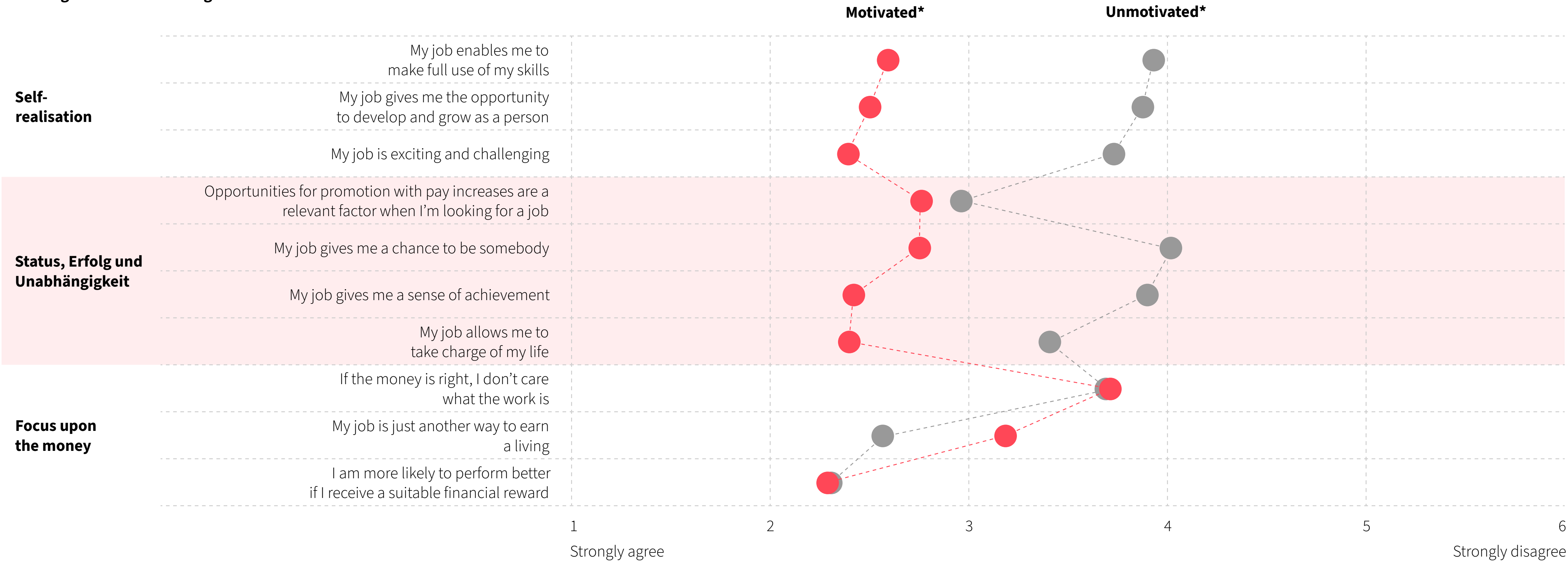
APPENDIX

MOTIVATED EMPLOYEES HAVE A MORE POSITIVE VIEW OF THEIR WORK.



MORE THAN JUST EARNING MONEY.

To what extent do you agree with the following statements? Average values



*Motivated/unmotivated: Top/bottom 3 box from the 6-level scale for the question about current motivation