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**MOTIVATION AND INCENTIVES IN THE WORKPLACE**

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# 1. Introduction and aims

During the process of writing this thesis, I chose the topic “**Motivation and Incentives in the Workplace**” which holds particular relevance in today’s rapidly evolving organizational environment. As different generations increasingly work side by side, their attitudes toward work, expectations, and motivational drivers often differ considerably. I selected this topic not only because it is intellectually stimulating from an academic perspective, but also because it offers substantial practical applicability, particularly in the fields of human resource management and organizational development.

This thesis combines theoretical analysis with primary research to provide a comprehensive understanding of how various generations perceive and evaluate workplace motivational tools. In addition, it seeks to formulate practical recommendations that may serve as valuable guidance for leaders and managers seeking to foster engagement and improve performance in a multigenerational workforce.

Writing this thesis has been an intensive learning experience through which I have not only deepened my professional knowledge but also strengthened my research, analytical, and systems - thinking skills. While I benefited from the professional guidance and support of my supervisor, the content, analysis, and conclusions presented herein are entirely the result of my own independent intellectual effort.

The thesis is structured according to the logical sequence of the research process and includes the following main sections:

**Chapter 1:** Introduction to the thesis, justification for selecting topic, and the role of motivation and incentive systems in the workplace.

**Chapter 2:** Research aim and methodology.

**Chapter 3:** Theoretical background: a detailed overview of the concept, types, and significance of motivation, along with generational differences in the workplace.

**Chapter 4:** Research results and discussion.

**Chapter 5:** Evaluation of research findings, summary of key insights, and practical recommendations.

**Chapter 6:** Appendices, including the questionnaire and related materials.

## 1.1. Justification for selecting the Topic

My interest in motivation and employee recognition is not incidental, but the result of long - term observation, practical experience, and careful reflection. Through both my academic studies and work experience, I have gained valuable insights into how human behavior operates within organizational contexts. During my internships and part-time positions, I observed clearly that employee performance, engagement, and satisfaction are influenced not merely by salary or job title, but significantly by how employees are treated, how their contributions are recognized, and the opportunities provided for growth and development within the organization.

As a marketing student, I was trained to understand people - from consumer behavior to the motivations behind decision-making. However, I soon realized that understanding human behavior applies not only to external customers but also to internal customers, namely the employees within an organization. In today's corporate environment, where a company's brand is shaped not only by its products but also by its internal culture and employee experience, research into employee motivation is an essential component of sustainable organizational development.

Although focusing on human resources might appear unconventional for a marketing student, I believe it represents a natural intersection of the two disciplines, where understanding people and creating value converge. Intrinsic motivation, the desire for recognition, and the need for professional growth are factors that shape not only consumer behavior but also workplace behavior. My aim is to understand the elements that make employees feel satisfied, engaged, and inspired - motivating them not only to fulfill their tasks but to feel genuinely integrated as part of the organization.

Furthermore, in an era where multiple generations - **Baby Boomers, Generations X, Y, Z, and soon Alpha** work side by side, differences in values, career goals, and communication styles present significant challenges for leaders. At the same time, these challenges offer organizations an opportunity to rethink how they engage with people, adopting approaches that are more flexible, personalized, and humane.

I chose this topic not only because it addresses a pressing and practical question in today's workplaces, but also because I hope that through my research, I can contribute to fostering a work environment where all generations feel heard, understood, and inspired. I believe that the findings and recommendations of this study will offer not only academic insights but also practical guidance for leaders, marketers, and anyone who works with people.

## 1.2. The Role of Workplace Motivation in Organizations

Workplace motivation is a critical driver of organizational success, directly shaping employee performance, commitment, and overall satisfaction. Motivated employees are not only more productive but also more likely to actively contribute to organizational objectives.

The importance of workplace motivation is particularly evident given that different generations enter the workforce with distinct values and expectations. Baby Boomers, and Generations X, Y, and Z all have different needs, and motivating them requires different approaches. For example, younger generations often prioritize flexibility, autonomy, and professional development, whereas older generations tend to value stability, clearly defined roles, and secure benefits. Well-designed motivational programs not only increase employee satisfaction but also strengthen organizational culture and contribute to long-term sustainability.

## 1.3. Research aims

The aim of this thesis is to provide a comprehensive overview of workplace motivation and incentive systems, with a particular focus on the differences in attitudes, expectations, and motivational drivers among different generations of employees. The research seeks to identify

the key factors that most strongly influence the motivation of each generation and to explore how effective and inclusive incentive strategies can be developed, taking into account their diverse values and needs.

## 2. Literature Review

### 2.1. The Concept and Types of Motivation

Motivation is an internal state or drive that stimulates action. It not only determines what we do, but also with what intensity, for how long, and with what level of commitment we do it. Motivation can be conscious or unconscious, and it can originate from external or internal sources. Motivation is not constant: it can change, decrease, or increase depending on environmental factors, our internal state, or even our physical and mental condition (Realteamkupa, 2025).

Therefore, it is particularly useful to understand the different types of motivation, as they influence our behavior, commitment, and persistence in different ways. According to Ryan & Deci (2000), motivation can be classified into three main categories: intrinsic motivation, extrinsic motivation, and amotivation.

- **Intrinsic Motivation:** “The most basic distinction is between intrinsic motivation, which refers to doing something because it is inherently interesting or enjoyable...” (Ryan & Deci, 2000). This means that an individual engages in an activity because the activity itself provides pleasure, challenge, or excitement, rather than because of external rewards or pressures. This type of motivation is generally the strongest and most enduring, promoting long-term commitment, persistence, and the development of creativity. For example, someone may learn music simply for the love of it, or a programmer may explore a new project purely for the joy of discovery.
- **Extrinsic Motivation:** “...and extrinsic motivation, which refers to doing something because it leads to a separable outcome.” (Ryan & Deci, 2000). This means that behavior is driven by external factors such as rewards, recognition, or the avoidance of punishment. Ryan & Deci (2000) divide extrinsic motivation into four levels, depending on the degree of internalization and autonomy:
  - ❖ **External Regulation:** The least autonomous form; behavior is primarily controlled by rewards or punishments. For example, an employee works only to receive a monthly bonus.
  - ❖ **Introjected Regulation:** Behavior is motivated by internal pressures, such as avoiding guilt or maintaining self-esteem, but the activity is not yet fully valued as one’s own. For example, a student studies to avoid embarrassment in front of peers or to satisfy their parents.
  - ❖ **Identified Regulation:** Occurs when the individual recognizes and accepts the value of the activity and considers it important in their own life. For example, an employee completes a project because they understand it will develop their skills and advance their career.
  - ❖ **Integrated Regulation:** The most autonomous form of extrinsic motivation; external goals are fully integrated into the individual’s value system and beliefs, so the behavior appears almost as intrinsic motivation. For example, a researcher participates in a project because it benefits society and aligns with their personal values.

- **Amotivation:** “Amotivation is the state of lacking an intention to act. When amotivated, a person’s behavior lacks intentionality and a sense of personal causation.” (Ryan & Deci, 2000). This occurs when an individual sees no purpose in the activity, feels incompetent, or does not believe that the activity will lead to the desired outcome. In this state, behavior lacks initiative and a sense of causal control. For example, a student may not study at all because they feel incapable of earning good grades, or an employee may give up on a project because they believe their efforts will not be recognized.

## 2.2. The Importance and Impact of Workplace Motivation

In an environment characterized by global competition and the accelerating pace of technological change, workplace motivation has long surpassed being merely a “supportive factor”; it has become a fundamental, strategic resource that determines performance, engagement, and the long-term sustainability of organizations. While motivation was previously often equated simply with rewards or compensation, it is increasingly understood today as a strategic pillar without which organizations cannot maintain their competitive advantage or attract and retain talented employees.

In a large scale study examining over 25,000 employees, Jo and Shin (2025) concluded that managerial recognition directly influences employee engagement and creativity, while mechanisms of fairness and empowerment are crucial for sustaining long term motivation. This indicates that the source of motivation is not found solely in financial incentives but is far more deeply rooted in human relationships, trust, and the way organizations treat their employees. Even high salaries cannot compensate for a lack of fairness and recognition; motivation can quickly wane in such environments.

Younger generations, such as Millennials and Generation Z, are particularly sensitive to transparency, fairness, and opportunities for participation in decision-making at work. Kratz (2024) noted that many Gen Z and Millennial employees are willing to leave their jobs if they do not see clear opportunities for growth or feel their contributions are not adequately recognized. This presents a significant challenge: uniform motivational policies applied equally to all employees are no longer effective. Today, an effective human resource strategy requires a sophisticated, flexible, and personalized approach that addresses the unique needs of different employee groups.

Intrinsic motivation also warrants special attention. According to Hoxha (2024), it is a “sustainable energy source” that enables employees not only to complete their tasks but also to proactively innovate, develop their skills, and create value that extends beyond the workplace. When motivation stems from a sense of purpose, autonomy, and opportunities for growth, it proves to be far more enduring than external incentives. This underscores the organization’s responsibility: providing competitive compensation alone is insufficient, it is equally important to cultivate an environment where employees find purpose, face meaningful challenges, and feel trusted. Without these elements, even the most talented employees can quickly lose enthusiasm, leading to reduced performance and increased turnover.

Modern technology presents a dual picture, offering both opportunities and risks. Chuang (2025) highlighted that applying artificial intelligence in work organization can optimize performance. However, if transparency and employee involvement are lacking, it can easily create a sense of lost control, which in turn may reduce creativity and motivation. This phenomenon illustrates that sustaining motivation in the digital age is not merely an individual challenge but an organizational one: human and technological factors must reinforce, rather than undermine, each other.

At the same time, a critical perspective is essential. Bennett and Mekler (2024) emphasize that an excessive focus on performance-oriented rewards and targets can lead to psychological pressure, stress, declining mental health, and particularly an increased risk of burnout - especially in sectors that demand high levels of creativity and engagement. In other words, motivation alone does not automatically result in high performance; it must be coupled with a human-centered approach and adequate supportive mechanisms.

Overall, workplace motivation today serves simultaneously as a psychological foundation and a strategic management tool, playing a key role in enhancing performance, engagement, and competitiveness. To be truly effective, organizations must balance multiple dimensions: recognition and fairness, autonomy and meaningful work, technological management, and consideration of long-term psychological impacts. Investment in motivation is therefore not an optional expense but a prerequisite for organizations to remain competitive, resilient, and staffed with committed employees in the modern world of work.

## 2.3. Motivational Theories and Models

### 2.3.1. Maslow's Hierarchy of Needs Theory

**Maslow's Hierarchy of Needs (1943)** has long served as a fundamental theoretical framework for explaining human motivation. This model arranges needs in a linear sequence: basic needs, such as physiological and safety requirements, are positioned below higher-order needs, such as social relationships, esteem, and self-actualization. According to Maslow, individuals only strive to satisfy higher-level needs once lower-level needs have been met.

Recent research, however, suggests that this linear model does not fully capture the complexity, diversity, and dynamism of human needs in modern society. To address this limitation, Seva Lapsha (2025) proposed the **Matrix of Needs Actualization**, a multidimensional and flexible model that allows needs to coexist, interact with one another, and vary depending on context.

Key features of the matrix include:

- **Multidimensional approach:** An individual can pursue multiple needs simultaneously, (for example, striving for financial security while also seeking personal creativity and self-development).
- **Two-state analysis:**
  - ❖ **Deficit:** When a need is unmet, it can create tension, uncertainty, or reduced performance. For example, a lack of workplace security may make an employee less creative, focusing primarily on addressing the deficiency.

❖ **Flourishing/Satisfaction:** When a need is fulfilled, it acts as a positive motivator, promoting growth, creativity, and self-actualization. For example, a stable and secure workplace enables employees to actively develop skills and contribute creatively.

- **Dynamic nature:** The state of needs constantly changes over time, depending on circumstances, career stage, and social context.
- **Interaction:** Needs influence one another. For example, a lack of social connections (isolation) can reduce self-esteem, hindering the process of self-actualization.

Lapsha's matrix therefore not only extends Maslow's traditional model but also effectively reflects the complex and flexible patterns of human motivation in modern environments.

### 2.3.2. Herzberg's Two - Factor Theory

Herzberg (1959) offers a concrete perspective on workplace motivation through his **Two - Factor Theory**, which classifies workplace factors into two categories:

- **Motivators:** These include achievement, recognition, opportunities for growth, responsibility, and the nature of the work itself. These factors generate genuine satisfaction and commitment.
- **Hygiene factors:** These include salary, working conditions, working hours, policies, and the social environment. On their own, these factors do not motivate, but their absence can lead to dissatisfaction.

Recent research suggests that the Two - Factor Theory should be adapted to modern work environments. Gimpl (2025) points out that in the digital age, some traditional hygiene factors, such as work-life balance or flexible work arrangements, can also play a motivating role, challenging Herzberg's original classification.

Furthermore, Büyükbeşe and colleagues (2023), in their study of banking employees in Turkey during the COVID-19 pandemic, found that hygiene factors such as salary and working conditions became more important, while motivators, such as growth opportunities and recognition, were less prioritized. This indicates that employees' priorities shift under the influence of global crises, and the factors affecting workplace satisfaction change over time and depending on context.

Overall, Herzberg's theory remains a fundamental tool for analyzing workplace motivation and satisfaction. However, its application must flexibly consider social, technological, and economic contexts to accurately reflect reality and meet today's HR needs.

### 2.3.3. Vroom's Expectancy Theory

**Vroom's Expectancy Theory (1964)** asserts that individuals are motivated at work when they believe their efforts will lead to meaningful outcomes - that is, when what they do truly matters. Motivation, according to Vroom, arises from the interaction of three key factors:

- 1) **Expectancy:** The belief that putting effort into a task will enhance performance. In other words: "It is worth the effort because I am capable of achieving the desired result."

- 2) **Instrumentality:** The perception that successful performance will lead to tangible rewards, such as promotions, bonuses, or recognition. If the link between performance and reward is unclear, motivation diminishes.
- 3) **Valence:** The value an individual places on the potential reward. What is motivating for one person, such as higher pay, flexible hours, or career development opportunities may hold little appeal for another.

These factors only exert their full influence when all are present. If any component is missing, whether it is belief in success, clarity of reward, or the significance of the goal motivation decreases.

Shinde (2025) introduces feasibility as a critical fourth element to enhance Vroom's model in modern contexts. Feasibility refers to the employee's perception that goals and rewards are realistically attainable, given their skills, resources, and time. If a goal is perceived as overly difficult or a reward as unattainable, motivation may falter, even if the reward is valuable and fair. By incorporating feasibility, organizations ensure that effort can realistically translate into desired outcomes, strengthening both motivation and engagement.

Shinde (2025) further emphasizes the importance of cultural adaptation. Employees from diverse cultural backgrounds may interpret the relationship between effort, performance, and reward differently, including perceptions of fairness and the subjective value of rewards. Applying the theory in multicultural workplaces thus requires careful adjustment to ensure motivational strategies are truly effective.

In conclusion, Vroom's Expectancy Theory remains a robust framework for understanding individual motivation in contemporary organizations. However, to remain fully relevant in today's digital, flexible, and multicultural work environments, the model benefits from extensions and contextual refinements that account for feasibility, culture, and evolving workplace dynamics.

#### 2.3.4. Locke's Goal-Setting Theory

**Locke and Latham's Goal-Setting Theory (1968)** is one of the most widely recognized frameworks for understanding motivation, proposing that performance is maximized when goals are clear, specific, and appropriately challenging. The focus of the theory is not merely on having a goal, but on the quality of the goal - its concreteness, personal significance, and ability to elicit genuine effort.

The theory is built around five core principles:

- **Clarity:** Goals must be clearly defined and measurable. A recent study in China (Jeong, 2025) involving over 1000 students demonstrated that well-articulated goals enhance self-directed learning, both directly and indirectly, by strengthening self-monitoring. In the workplace, clear goals similarly facilitate progress tracking, maintain focus, and sustain motivation.
- **Challenge:** Goals are more motivating when they present a meaningful challenge, yet remain achievable. A field experiment in Ghana (Tilburg University, 2025) revealed that

small business workers who set daily production targets for themselves increased output by 16% and hourly productivity by 8%, even without financial incentives. This underscores that appropriately challenging goals can serve as powerful drivers of motivation.

- **Commitment:** The extent to which employees identify with their goals strongly influences their motivation. Self-set goals are especially impactful. A 2024 study (Saks) found that students who defined their own performance targets and possessed high self-efficacy achieved significantly better results. This illustrates that autonomously established goals foster intrinsic motivation, which supports sustained long-term performance improvements.
- **Feedback:** Effective goal-setting requires continuous feedback. The Ghanaian field experiment highlighted that public tracking of daily production data functioned as immediate feedback, enabling behavioral adjustments and reinforcing goal commitment.
- **Task complexity:** Overly complex goals, when paired with insufficient resources, time, or support, can undermine motivation and induce frustration or burnout. Contemporary research (Frontiers in Psychology, 2021) warns that excessively ambitious or unrealistic goals may even have demotivating effects.

Recent studies not only reaffirm the robustness of Locke and Latham's theory but also highlight its enduring relevance in today's dynamic work environments. Clear, challenging goals, consistent feedback, and opportunities for autonomous goal-setting not only enhance short-term performance but also cultivate long-term engagement and intrinsic motivation. This is particularly vital in digitalized, flexible, and multicultural organizations, where employee autonomy and personal connection to goals are critical determinants of success.

### 2.3.5. Adams' Equity Theory

According to J. Stacey Adams' Equity Theory (1963), employee motivation depends not only on the amount of rewards they receive but also on how fairly they perceive these rewards compared to their colleagues. Employees evaluate motivation by assessing whether the effort, time, and skills they invest in their work are proportionate to the rewards they receive, such as salary, benefits, or recognition. If this ratio is perceived as unfair, dissatisfaction and decreased motivation can easily arise, potentially reducing performance, engagement, and even leading to employee turnover over time.

In a team-based work environment, perceptions of equity are particularly sensitive, as comparisons are almost inevitable. When employees feel that the rewards they receive are proportional to their efforts, they are more motivated to achieve collective goals. Therefore, an effective incentive system should be not only performance-based but also transparent and fair.

Contemporary research reinforces the relevance of Adams' theory. For instance, Shinde (2025) demonstrated that unfair distribution of work, recognition, and rewards negatively affects employee motivation, engagement, and decisions regarding staying with or leaving the organization. This clearly illustrates that the perception of fairness remains a crucial factor in sustaining motivation and workplace performance.

### 2.3.6. Daniel Pink's Motivation Theory

**Daniel Pink's Motivation Theory (2009)** marked a breakthrough in understanding workplace motivation. Pink highlighted that the traditional “carrot - and - stick” model of rewards and punishments has become increasingly ineffective in today's work environments, which demand creativity, critical thinking, and complex problem-solving. Instead, he emphasized three core pillars of intrinsic motivation:

- 1) **Autonomy:** The ability for employees to decide how, when, and in what way they complete their tasks, fostering a stronger sense of responsibility and trust.
- 2) **Mastery:** The continuous desire to improve one's skills, grounded in the belief that learning and professional development are lifelong, ongoing processes.
- 3) **Purpose:** The awareness that one's work contributes not only to personal benefit but also to broader organizational, communal, or societal value.

Recent empirical research has reaffirmed the relevance of Pink's approach. Bennett and Mekler (2024) found that autonomy has a significant positive impact on creativity and job satisfaction. Similarly, Martela and Riekkari (2020) argued that a strong sense of purpose helps employees sustain motivation and resilience under stress. These findings align well with the growing dominance of knowledge-based work and flexible organizational structures in the digital era.

However, the theory has also faced criticism. Faas et al. (2024) caution that the rise of artificial intelligence and automation may diminish employee autonomy, as algorithms increasingly make key decisions. Meanwhile, Gerhart and Fang (2020) note that external incentives, such as rewards and sanctions - can still be effective in specific contexts, particularly in repetitive or rule-based tasks that require strict adherence to procedures.

Overall, Pink's theory provides a sharp and contemporary framework for understanding motivation, especially in creative, flexible, and knowledge-driven work environments. Nonetheless, for long-term applicability, it should be integrated with other motivational factors and adapted to cultural and industry-specific contexts.

### 2.3.7. Gary Chapman: The Five Love Languages

**Gary Chapman's “Five Love Languages” Theory (1992)** suggests that every individual has their own unique way of perceiving and expressing care: *words of affirmation, quality time, acts of service, receiving gifts, and physical touch*. In the workplace, this concept has been adapted as the “languages of appreciation,” emphasizing that there is no universal method that motivates everyone equally - feedback and recognition must be personalized to be truly effective. According to Chapman, when leaders are able to “speak the language” of each employee, it enhances their sense of being valued, increases motivation, improves performance, and fosters long-term commitment.

Modern research largely supports the validity of Chapman's framework. Yanthi (2024) found that using personalized “languages of appreciation” significantly improves both performance and job satisfaction. Reports from *Forbes* (2024) and *Great Place to Work* (2025) also highlight that individualized recognition is a key factor in sustaining long-term employee engagement. However, Dobson (2024) points out that Chapman's five factors have not yet undergone

comprehensive empirical validation in workplace settings, underscoring the need for psychometric testing and contextual adaptation to culture, industry, and organizational structure.

Overall, Chapman's theory continues to offer a powerful framework for building human-centered, engaging, and supportive workplaces. Nevertheless, in modern, multicultural, and digitalized environments, its effectiveness depends on flexible, personalized, and empirically grounded application. When implemented appropriately, this model not only enhances motivation and performance but also strengthens employees' long-term commitment and loyalty to the organization.

## 2.4. Generational Differences in Workplace Motivation

Workplace motivation is a complex and multifaceted phenomenon influenced by numerous factors. One of the most significant among these is employees' age and generational identity, as these shape their attitudes toward work, the values they uphold, and what primarily motivates them.

Recent research highlights substantial generational differences in workplace motivation. For instance, Deloitte's 2025 Global Survey revealed that Generation Z and Millennial employees prioritize work-life balance and opportunities for learning and development, whereas Baby Boomers and Generation X tend to value financial stability and career advancement more highly (Deloitte, 2025).

Another study by *Business Insider* (2024) found that members of Generation Z increasingly seek career advice from artificial intelligence tools, such as ChatGPT - instead of consulting their direct supervisors. One reason for this trend is that younger workers often perceive their leaders as too busy to provide adequate guidance or mentorship (Business Insider, 2024).

These differences manifest not only in motivational drivers but also in workplace expectations and attitudes toward organizational culture. For example, Generation Z places strong emphasis on work-life balance, flexible working arrangements, and social responsibility, while older generations tend to value traditional workplace norms and stability (Le Monde, 2024).

Understanding generational differences in workplace motivation is essential for effective leadership and strategic human resource management. Leaders and HR professionals must take these distinctions into account to create a work environment and corporate culture that are engaging and motivating for employees of all generations.

The following sections will provide a detailed examination of the motivational characteristics of each generation - beginning with the Baby Boomers, followed by Generations X, Y, and Z. These analyses will help to explain how generational differences have evolved and how they shape workplace motivation in today's modern and dynamic environment.

### 2.4.1. Motivational Characteristics of the Baby Boomer Generation

According to recent research (Nichols & Smith, 2025; ...), the motivation of the **Baby Boomer generation (1946 - 1964)** is primarily influenced by clear work goals and transparency in roles

and responsibilities. They require regular, constructive feedback to evaluate their own value and progress at work. Boomers highly appreciate task diversity and are willing to take on various roles that allow them to make use of their long-term professional experience.

They tend to prefer stability and secure employment, showing less interest in newer trends such as remote work or high flexibility. Rapid promotions or non-transparent salary increases are generally not key motivators for them. Instead, Baby Boomers value a personal and direct workplace environment that fosters relationship building and supports their effective professional development.

#### 2.4.2. Motivational Characteristics of Generation X

Similar to the Baby Boomers, **Generation X (1965 - 1980)** highly values job stability (John & White, 2023). However, they are more flexible in their approach to work and place strong emphasis on autonomy in determining their work methods and schedules. They adapt quickly to change and actively seek creative challenges that previous generations were generally less inclined to pursue.

Their motivation is driven by clear tasks, constructive feedback, and opportunities to develop practical skills. While Baby Boomers tend to prefer career advancement and long term commitment, Generation X focuses more on demonstrating results and efficiency, as well as maintaining a healthy work - life balance.

#### 2.4.3. Motivational Characteristics of Generation Y (Millennials)

For the **Millennial generation (1981 - 1996)**, work is not merely a source of income but also a means of self-realization and value creation (Maříková et al., 2025). Their motivation centers on continuous learning and acquiring new skills, particularly when these align with their personal interests and core values. They are drawn to projects with social or environmental impact, as for them, understanding the “why” behind their work is just as important as the “how.”

This generation values teamwork and open communication, preferring leaders who act as partners rather than hierarchical superiors. Quick feedback and immediate recognition of achievements serve as strong motivational factors. In contrast to Generation X’s more pragmatic and results-driven outlook, Millennials are more likely to base their long-term employment decisions on workplace culture and corporate values.

#### 2.4.4. Motivational Characteristics of Generation Z

For **Generation Z (1997 - 2012)**, the workplace represents not only a platform for career development but also a space that ensures financial security, mental well-being, and meaningful purpose (Deloitte, 2025). Their motivation is driven by a desire for constant learning, the practical application of new technologies, especially artificial intelligence and the ability to adapt to rapidly changing environments. It is crucial for them that their work aligns with their personal values and generates visible, tangible impact.

This generation values open communication and transparency, expecting their leaders to demonstrate not only guidance but also genuine attentiveness and empathy. Alongside quick

feedback, they seek growth opportunities and creative freedom. Unlike Millennials, whose focus tends to be on community and shared values, Generation Z is more likely to change jobs if they do not perceive a balance between personal growth and long-term security.

## 3. Material and Methodology

### 3.1. Methods

In my research, I combined theoretical analysis with empirical research. The empirical part was conducted through a quantitative survey consisting of 14 questions, which I designed myself. The survey was carried out from March to June 2025 in an online format, distributed via social media platforms (Facebook, etc.) and through personal professional networks. The study employed the snowball sampling method, in which initial participants were asked to refer other suitable respondents, creating a “snowball effect.” This approach not only expanded the survey’s reach but also increased the diversity of the sample in terms of age, occupational background, and demographic characteristics, thereby enhancing the reliability and validity of the collected data.

A total of 110 respondents completed the questionnaire, representing three main generational cohorts: Generations X, Y, and Z. Unfortunately, no Baby Boomer participants were included in the sample. The questionnaire consisted of closed-ended questions and Likert-scale items, designed to measure factors influencing work motivation, including recognition, financial incentives, career development opportunities, work–life balance, and organizational culture.

The research was primarily based on the collection of primary data. Through the survey, I examined the level of work motivation among different generations, the main causes of motivation loss, preferred leadership styles, desired work environments, and satisfaction with the compensation system. Based on the survey results, the following hypotheses were proposed:

- **H1:** Levels of work motivation differ significantly across generations
- **H2:** Most employees lose motivation primarily due to low income and inadequate compensation systems
- **H3:** Employees’ work motivation increases significantly when the work environment allows creativity and is accompanied by clear strategic leadership
- **H4:** Younger generations prefer flexible and creative work environments compared to older generations
- **H5:** Employees prioritize a creative work environment that ensures continuous development over all other factors, as this is a direct condition for maintaining long-term motivation.

The collected data were analyzed using descriptive statistics and comparative analysis to identify generational differences in motivational patterns. The results were processed using Microsoft Excel, allowing for the systematic identification of trends and correlations among variables.

Through this research methodology, the thesis aims not only to expand theoretical understanding but also to provide practical insights and evidence-based recommendations for improving employee motivation across different generations.

## 3.2. Structure and Content of the Questionnaire

The questionnaire was designed in two complementary sections to ensure that the data collected would be both comprehensive and systematic.

The first section focused on foundational demographic and professional information, including gender, generation, industry, current job position, and years of professional experience. These details served as a “starting map” allowing the research to identify the distinct characteristics and patterns within each employee group.

The second section delved deeper into the underlying factors of work motivation, moving from specific elements to broader, overarching perspectives. Participants evaluated their satisfaction with the current compensation and incentive systems, identified the primary causes of decreased motivation, and highlighted the factors they perceived as the most effective drivers of engagement. This section also examined respondents’ preferred leadership styles and ideal work environments, with particular emphasis on the growing importance of flexible work arrangements in the modern labor market. Furthermore, it explored how motivation evolves throughout a professional career and how employees set priorities for personal development within financial and organizational constraints.

With this structure, the questionnaire not only measured current motivation but also mapped the trajectory of employee motivation: from individual satisfaction, through external influences, to the ways they maintain and renew their motivation throughout their careers. The results provide a vivid, logical understanding of generational differences in motivation while offering a foundation for creating a sustainable work environment where motivation is not only sparked but also sustained over the long term.

## 4. Research Results and Discussion

### 4.1. General *Characteristics of Employee Motivation*

Motivation Level	Frequency	Percentage (%)
1 - Very Low	14	12,7%
2 - Low	27	24,5%
3 - Medium	38	34,5%
4 - High	24	21,8%
5 - Very high	7	6,4%

*Table 1: The general level of employee motivation (N=110)*

*Source: own research, 2025*

Based on the survey results, the respondents' motivation levels mostly fall within the middle range. The most common level was 3 (34.5%), indicating that the majority of participants are moderately motivated in their work. High (21.8%) and very high (6.4%) motivation levels appeared considerably less frequently, while low (24.5%) and very low (12.7%) levels together accounted for about one-third of the respondents.

The frequency distribution of motivation levels clearly shows that most respondents fall into the middle category. However, it is worth examining the underlying causes and correlations in greater depth. To gain a more comprehensive and nuanced understanding of employee motivation, the following table presents the key statistical indicators of motivation levels. These data not only illustrate average tendencies but also provide a clearer view of the dispersion and distribution of responses.

Statistics of Motivation Levels	
Mean	2,85
Standard Error	0,11
Median	3
Mode	3
Standard Deviation	1,10
Sample Variance	1,21
Kurtosis	-0,65
Skewness	0,02
Range	4
Minimum	1
Maximum	5
Sum	313
Count	110
Confidence Level(95,0%)	0,21

*Table 2: Statistical indicators of employee motivation levels (N=110)*

*Source: own research, 2025*

The statistical results indicate that the average motivation level among the survey participants was 2.85, reflecting a moderate and stable level of motivation within the examined group.

Both the median (3) and the mode (3) are consistent with the mean value, confirming that most respondents maintain a moderate level of motivation—not low enough to lose interest, but not high enough to demonstrate strong engagement or commitment.

The standard deviation (1.10) is relatively small, suggesting that differences in motivation between individuals are not significant, and the overall sample shows a uniform and stable trend.

The skewness (0.02) is close to zero, indicating that the distribution of motivation is nearly symmetrical, reflecting a balance between highly and weakly motivated individuals. In contrast, the kurtosis (-0.65) suggests a flatter-than-normal distribution, meaning there are few extreme values and most responses cluster around the average.

This distribution suggests that the majority of employees are neither completely dissatisfied nor highly enthusiastic. Rather, they occupy a middle ground, which could be sensitive to organizational actions and managerial support. The dominance of the moderate level also indicates a considerable potential for improvement - with the right tools and strategies, motivation could shift significantly toward the higher categories.

However, it is important to note that different patterns may exist among various groups of employees. Motivational characteristics can vary across generations and by professional background. This justifies a deeper examination of the demographic and occupational differences influencing motivation, which will be discussed in the following section.

The frequency distribution of motivation levels clearly shows that most respondents fall within the middle category, yet it is worth exploring these findings more deeply.

To obtain a more nuanced understanding of employee motivation, the following table presents the key statistical indicators of motivation levels. These data illuminate not only average tendencies but also the dispersion and distribution of responses with greater precision.

## 4.2. Differences in Motivation by Demographic

Work motivation is not merely an individual trait but also the result of the interaction between social, professional, and organizational factors. Each generation has been shaped by different historical, economic, and cultural environments, which in turn lead to distinct value systems, expectations, and attitudes toward work. Differences in socialization experiences therefore determine how each generation interprets and maintains its motivation related to work.

According to the research findings, the sample includes members of the X, Y, and Z generations, while the Baby Boomer generation is not represented in the data. Consequently, the analysis

focuses primarily on the motivation levels, influencing factors, and differences among these three generations, which currently play a dominant role in the labor market.

The table below illustrates the relationships between generations and work motivation levels, highlighting how each generation approaches and sustains its commitment to work.

Generation \ Motivation	1 (Very low)	2 (Low)	3 (Medium)	4 (High)	5 (Very High)	Total
X generation (1965-1980)	2	3	9	4	0	18
Millennial generation (1981-1996)	6	11	10	8	4	39
Z generation (after 1997)	6	13	19	12	3	53
Total	14	27	38	24	7	110

*Table 3: The relationship between generations and the level of work motivation*  
*Source: own research, 2025*

The aim of the research was to examine whether there is a statistically significant relationship between different generations (X, Y, Z) and workplace motivation levels. For the analysis, the **Chi-square test** was applied, yielding the following results:

$$\chi^2=5.33 ; p=0.72$$

The **p-value** is a statistical measure that indicates how well the observed data fit the null hypothesis ( $H_0$ ). In this study, the null hypothesis states that there is no significant relationship between generation and work motivation level, while the alternative hypothesis ( $H_1$ ) asserts that such a relationship exists. The p-value represents the probability of observing results as extreme as, or more extreme than, the current ones, assuming  $H_0$  is true.

Interpretation of the p-value:

- If  $p < 0.05$ : The data provide sufficient evidence to reject the null hypothesis, indicating that the relationship between variables is statistically significant.
- If  $p \geq 0.05$ : The data are insufficient to reject the null hypothesis, meaning that the observed difference is not statistically significant.

In this study,  $p = 0.7$ , which is greater than 0.05, indicating that the observed data do not provide sufficient evidence to reject the null hypothesis. In other words, based on the sample, the differences in work motivation among the X, Y, and Z generations do not reach a statistically significant level. However, a high p-value does not imply the absence of a relationship; it simply indicates that with the current sample size, the data are not strong enough to detect smaller differences, suggesting the possibility of a weak correlation between generations and work motivation.

To assess the strength of the relationship between two qualitative variables, Cramér's V coefficient is used. The formula is as follows:

$$C = \sqrt{\frac{\chi^2}{N \cdot (s - 1)}}$$

Where:

- **N** = total number of observations
- $\chi^2$  = Chi-square statistic from the contingency table
- **s** = smaller of the number of rows (r) or columns (k) for normalization

Interpretation of Cramér's V:

- **C = 0**: No relationship (variables are completely independent)
- **0 < C < 1**: Some degree of association; the higher the value, the stronger the relationship
- **C = 1**: Perfect association (rare in practice)

In this study, **Cramér's V = 0.2**, indicating a weak relationship between generations and workplace motivation levels. This result suggests that although generational differences are not strong enough to be statistically significant, there is a slight tendency indicating that generations may moderately influence how individuals perceive and maintain their motivation within an organizational environment.

Based on a detailed analysis, the X, Y, and Z generations in the sample do not show a significant difference in workplace motivation levels. Possible explanations include:

- 1) **Stronger influence of organizational factors:** Working conditions, professional development opportunities, compensation policies, and leadership style may have a stronger impact on motivation, reducing the direct effect of generational factors.
- 2) **Heterogeneity within generations:** Not all individuals within the same generation share identical values, beliefs, needs, and personal motivations. These differences can obscure generational trends.
- 3) **Sample size limitations:** The survey's sample is limited, and systematic errors during data collection cannot be completely ruled out, which may introduce some distortion and reduce the precision of the analysis.

The analysis results shows the hypothesis "**H1: Level of work motivation differs significantly across generations**" is not supported, as the relationship between generation and work motivation is weak and statistically insignificant. This indicates that, although minor differences exist in how different generations experience and maintain motivation, they are not strong enough to confirm a clear distinction within the sample studied.

The findings emphasize that the generation factor is not a primary driver shaping employees' attitudes and engagement. Instead, organizational and individual factors, such as the work environment, career development opportunities, compensation systems, leadership style, and recognition practices - play a more decisive role in driving motivation.

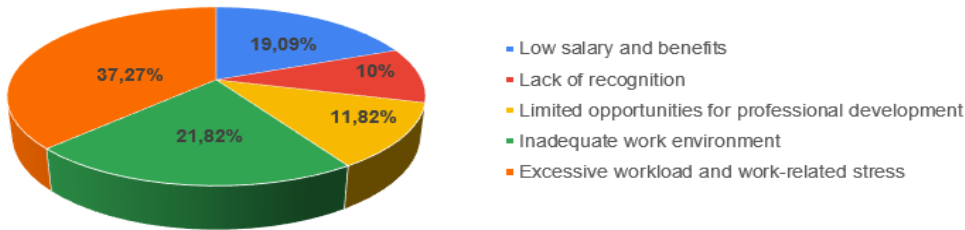
These results also suggest that to enhance incentive effectiveness, organizations should focus on optimizing factors with direct impact rather than relying heavily on generational distinctions. Further research will explore which organizational factors most strongly influence motivation and how they interact with the values, expectations, and behaviors of different generational groups. Understanding these mechanisms will provide a foundation for developing flexible, effective, and sustainable motivation strategies that align with generational diversity in modern workplaces.

### 4.3. Factors Influencing Motivation

Although the generational factor cannot be considered a direct determinant of work motivation, it still plays a fundamental role in shaping how employees perceive, respond to, and maintain their motivation on the job. Generations do not create immediate, large differences in motivation levels, but they influence the norms, expectations, and the way incentive policies are evaluated.

In practice, decreases in motivation rarely occur in isolation. They often result from the simultaneous influence of multiple organizational and individual factors: lack of recognition for efforts, inadequate or disproportionate rewards, limited opportunities for professional growth, absence of a supportive environment, or long-term workplace pressure. These factors not only weaken intrinsic motivation but also affect generations differently, meaning the same policy or work environment can have very different impacts on employees from different age groups.

The following pie chart illustrates the main causes of decreased work motivation. This visual representation helps demonstrate the varying influence of each factor - from concrete issues such as insufficient pay and benefits, limited advancement and professional development opportunities, and inadequate recognition of employees' efforts and achievements, to negative effects stemming from the work environment itself, including excessive pressure and stress.



*Figure 1: The most common factors leading to the loss of employee motivation*  
Source: own research, 2025

In this survey, Gen Z - the youngest and simultaneously most vulnerable generation represents the largest proportion. They enter adulthood with enthusiasm, ambition, and a desire for self-actualization, yet they also carry pressures that previous generations rarely faced.

The most prominent factor - work overload and stress (37.27%) is more than just a statistic. It reflects the pace of the modern era, where every workday can feel like a purposeless marathon. Tight deadlines, constant performance pressure, and an “always online” lifestyle drain motivation, stifle creativity, and make burnout the silent epidemic of the 21st century. For Gen Z, this stress is not just a workplace phenomenon, it is a feeling of being swept away, losing control, and in some ways losing oneself.

The second factor, an inadequate work environment (21.82%), serves as a warning. An organization lacking trust, collaboration, and support is like a building without a foundation: it may shine on the outside, but is empty within. Motivation does not stem solely from the individual, it is a product of the shared cultural atmosphere, where energy and inspiration flow from person to person. When corporate culture turns toxic, even the most talented employees work merely to survive, and a harsh environment extinguishes drive faster than workplace pressure alone.

The third factor, low income and benefits (19.09%), remains important but is a necessary rather than sufficient condition. This overturns traditional assumptions: money is now primarily a hygiene factor, as Herzberg emphasized - its absence causes dissatisfaction, but once sufficient, most employees no longer focus on it. In the modern world, especially for Gen Z, work is not only about livelihood; they seek meaningful engagement, growth, self-esteem, and recognition values that cannot be measured solely by pay.

The next two factors - the lack of career development opportunities (11.82%) and the absence of recognition or rewards (10%) highlight that people work not just to complete tasks, but to affirm their self-worth. When organizations neglect employees’ efforts or fail to provide learning opportunities, they lose not only a person but also loyalty, creativity, and innovative energy. Motivation is a fragile psychological ecosystem: if one link breaks, the entire inner drive grinds to a halt.

The data show that hypothesis H2 “**Most employees lose motivation primarily due to low income and inadequate compensation systems**” only partially reflects reality. While low pay and benefits are important, they rank third among factors influencing motivation. The primary causes of motivation loss are overload, stress, and an inadequate work environment factors that are largely psychological and organizational in nature.

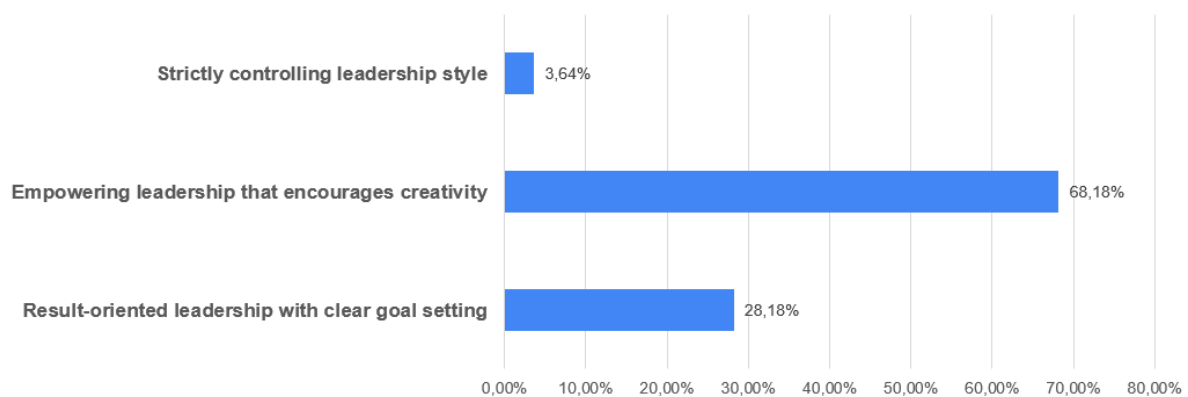
Overall, this paints a striking yet thought-provoking picture: work motivation is not about money but human values, especially for Gen Z - young people full of enthusiasm yet sensitive. Money can buy time, but it cannot purchase passion. The greatest challenge for today’s companies is not simply offering higher pay, but understanding people on a deeper level:

reducing pressure, nurturing emotions, and creating an environment where employees are respected, developed, and free to be themselves.

#### 4.4. The Role of the Work Environment and Leadership Style

In addition to workplace stress and overload, the primary causes of declining motivation - the work environment and leadership style play an equally critical role. These factors act like an invisible atmosphere around employees, either fueling energy, stimulating creativity, and enhancing initiative, or suppressing enthusiasm, depleting mental energy, and prompting talented individuals to leave the organization. A supportive environment, positive culture, and constructive leadership not only increase work efficiency but also foster a sense of recognition, being heard, and opportunities for growth - elements that are especially important for younger generations, including Gen Z.

The diagram below presents respondents' opinions on the role of the work environment and leadership style in maintaining motivation. The purpose of the survey was to explore which types of leadership most effectively support employee engagement and performance.



*Figure 2: Effective leadership approaches for sustaining motivation*  
Source: own research, 2025

The diagram clearly highlights a strong trend: the majority of respondents believe that their work motivation significantly increases when the work environment is guided by leadership with a clear strategy and goal-oriented direction. Nearly 70% of respondents prefer a decentralized, creativity-encouraging leadership style, about 28% favor goal-focused, results-oriented leadership, and only a small portion (around 3%) agree with a tightly controlled, micromanagement approach. This reflects a clear shift in leadership perception: employees no longer seek mere oversight but look for inspiring leaders who provide strategic direction.

The results fully support Hypothesis H3: **“Employee work motivation increases significantly when the work environment allows creativity and is accompanied by clear strategic leadership.”** Recent research suggests that a “clear strategy” is not merely a fundamental management requirement but also a powerful psychological catalyst for intrinsic motivation.

Li et al. (2024), in their research on distributed leadership, highlighted that when a vision and strategy are widely shared within an organization, employees perceive greater meaning in their work, leading to enhanced creativity and proactive behavior. The findings emphasize that a clear strategy cannot be limited to simply “stating goals” but must translate into “actionable consensus” through internal communication and empowerment. Similarly, Ahmed and Khattak (2023) confirmed in their study published in *Management Research Review* that the relationship between transformational leadership and employees’ creative motivation is mediated by workplace autonomy. When leaders set clear goals, communicate a concrete vision, and allow employees to choose their own execution methods, intrinsic energy and creative enthusiasm are significantly activated.

In remote or hybrid work environments, the importance of strategy becomes even more pronounced. Wang et al. (2024), in their study published in the *Journal of Management & Organization*, found that need-supportive leadership - transparent goal communication, continuous feedback, and autonomy encouragement positively influences intrinsic motivation and performance in non-traditional work settings. If strategy is not communicated clearly, remote workers can easily lose direction, decreasing both engagement and productivity. This further underscores the critical role of strategic communication and individual commitment in any work environment.

From an organizational psychology perspective, these findings align perfectly with Self-Determination Theory (Ryan & Deci, 2019; updated to 2023), which states that intrinsic motivation develops only when three fundamental psychological needs are met: autonomy, competence, and relatedness. A clearly communicated strategy satisfies all three needs: it provides guidance (competence), strengthens a sense of belonging to a shared vision (relatedness), and allows employees to choose their methods of action (autonomy). Thus, strategy is not merely a management tool but the foundation of intrinsic psychological motivation.

However, not all strategies have positive effects. Köhler and Bormann (2023), in their study published in *Frontiers in Psychology*, pointed out that overly detailed or coercive strategies can reduce autonomy, resulting in passive and less creative employee behavior. This highlights the key distinction between a “clear strategy” and a “rigid strategy”: an effective strategy provides flexible action space rather than a strict framework. In other words, strategy guides without controlling.

Taken together, this evidence leads to an important conclusion: clarity of strategy and autonomy are not in conflict but complementary. An organization is sustainable only if it can “maintain direction” while allowing “small units to adjust their sails independently.” Modern leadership, as Mehta & Morris (2025) note in their research on strategic clarity and employee engagement, requires both high-level strategic planning capability and communication of the strategy in a clear, inspiring manner that promotes proactivity across the entire team.

Overall, the survey data and recent scientific evidence clearly support Hypothesis H3. A work environment with a clear, consistently communicated, and strategically guided approach is a prerequisite for stable and sustainable increases in work motivation. When a leader can “show employees where they are headed” without “telling them exactly how to get there,” motivation ceases to be a forced factor and becomes a natural driving force arising from trust, sense of meaning, and desire for contribution. This is the essence of modern, human-centered strategic leadership: a clear vision, flexible methods, and authentic empowerment.

### 4.5. The Impact of Workplace Flexibility on Employee Motivation

In today’s rapidly changing labor market, workplace flexibility is no longer merely an option but a fundamental factor for employee motivation and satisfaction. Flexibility can take many forms: flexible working hours, remote work, part-time opportunities, or the ability to set one’s own task priorities. These arrangements not only enhance autonomy but also reduce stress and help maintain a healthy work-life balance.

Additionally, a well-designed flexible work environment can improve the relationship between employees and management, fostering professional development and long-term satisfaction.

It is important to note that the impact of flexibility is not uniform across different generations. Research data show that the effects of various forms of flexibility on motivation differ by generation:

Generation \ Motivation	Decrease	No significant effect	Slightly increases	Significantly increase	Total
X generation (1965-1980 )	0,91%	10,00%	2,73%	2,73%	16,36%
Y generation (1981-1996 )	0,00%	8,18%	5,45%	21,82%	35,45%
Z generation (after 1997 )	0,00%	2,73%	2,73%	42,73%	48,18%
<b>Total</b>	<b>0,91%</b>	<b>20,91%</b>	<b>10,91%</b>	<b>67,27%</b>	<b>100,00%</b>

*Table 4: The effect of workplace flexibility on the motivation of generations*  
 Source: own research, 2025

When discussing workplace flexibility, the results of my research show a clear trend: the younger the employee, the stronger the motivational impact of flexibility. This effect gradually increases from Generation X to Millennials and then to Generation Z, reflecting generational differences in needs, expectations, and attitudes toward work.

In the survey, 16.36% of participants belonged to Generation X, of whom only 5.46% felt that flexibility positively influenced their work motivation. According to my research, Generation X showed the lowest responsiveness to flexibility. This generation grew up in an economic environment that emphasized “stability - professional experience - adherence to rules,” where work was seen as a duty and success was tied to long-term commitment. This finding aligns with the OECD Employment Outlook (2020), which noted that Generation X often views stability and standardized processes as the foundation of efficiency. They feel comfortable in a well-structured environment where tasks, responsibilities, and expectations are clearly defined. For them, flexibility serves more as a supportive factor rather than a primary motivator. Furthermore, Gallup (2021) reports that when examined by generation, 22% of Generation X

employees believe that flexibility increases their performance, compared with 47% of Generation Y and 64% of Generation Z. These data reinforce my observation that Generation X values flexibility more from a “security” perspective than from a “freedom” perspective.

For Generation Y, also known as Millennials, 35.45% of survey participants believe that flexibility positively affects work motivation, with 21.82% rating the impact as “very strong.” This group demonstrates a clear shift in awareness: they value structured environments while seeking freedom to fully realize their potential. This observation aligns with international research. According to the PwC Global Workforce Hopes and Fears Survey (2022), 72% of Millennials consider flexible working hours and locations crucial for organizational commitment. Similarly, the Deloitte Global Millennial Survey (2023) found that 57% of Millennials cite “lack of flexibility” as a primary reason for considering leaving an organization. My own survey supports this finding: among Millennials who rated flexibility positively, 27.27% of the total 35.45% reported that flexibility “positively influences” their motivation. For them, flexibility is not merely a workplace perk but also a reflection of trust and autonomy. When they can manage their own time and work methods, they feel respected, recognized, and possess higher creative motivation. Moreover, Millennials act as a bridge between tradition and modernity: they value stability while quickly adapting to technology and hybrid work trends. For them, flexibility does not disrupt structure; it enhances productivity and promotes long-term efficiency.

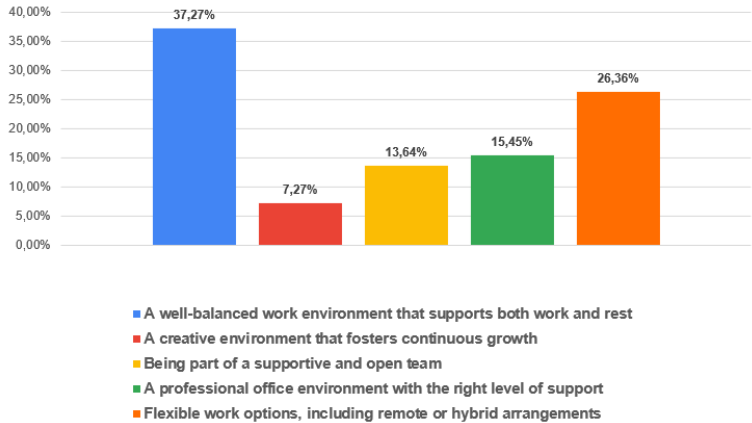
Generation Z shows an exceptionally high impact of flexibility on motivation - 48.18%, of which 42.73% reported that flexibility “significantly increases” their motivation. This is the first generation to grow up in the digital age, accustomed to online learning, work, and communication. This observation aligns with international studies. According to the Microsoft Work Trend Index (2023), 49% of Generation Z employees indicated they would leave an organization if flexible working options were not available. Similarly, Forbes Human Capital (2024) highlights flexibility, creativity, and autonomy as three key factors driving Gen Z engagement. For them, flexibility is not just a “perk” but an integral part of their professional identity. They want to be trusted, express themselves, and freely choose how they accomplish tasks. When confined to rigid frameworks, their motivation quickly declines, often leading to higher rates of job hopping. Additionally, Generation Z places particular value on creativity and meaningful work. A flexible work environment allows experimentation, learning, and skill development, which recent research, such as McKinsey (2023), identifies as crucial for retaining young talent.

An analysis of survey data and international studies from the past five years clearly supports Hypothesis H4: **“Younger generations prefer flexible and creative work environments compared to older generations.”** Flexibility, once considered a privilege, has now become a fundamental norm of modern work motivation. For Generation Z, flexibility is a critical factor determining engagement and creative motivation; for Millennials, it serves as a performance-enhancing tool; while for Generation X, it functions more as a means to support work-life balance.

This observation clearly signals to organizations that flexibility policies should be tailored by generation. For Generation X, it is important to maintain clearly defined rules while offering limited flexibility; for Generation Y, autonomy in scheduling, work location, and methods should be expanded; for Generation Z, the environment should be trust-based, fostering creativity and independent decision-making. Flexibility is therefore not only a workplace benefit but also a measure of organizational maturity and cultural adaptability. Organizations capable of operating flexibly are forward-thinking, attentive, and able to retain talent in the era of multigenerational workforces.

### 4.6. Key Factors Shaping the Ideal Work Environment

Following the analysis of the impact of workplace flexibility on employee motivation, the next part of the research focuses on employees’ preferences for an ideal work environment. Examining this not only reveals the key factors that drive motivation but also provides a basis for improving compensation and working conditions. The diagram below illustrates the most favored ideal work environment, showing which factors employees value most and which they wish to find in their workplace.



*Figure 3: The ideal work environment people love most*  
 Source: own research, 2025

When examining the survey results in the diagram, a clear difference emerges in how employees define an ideal work environment. The most prominent factor is work-life balance, accounting for 37.27% of responses - the highest among the five options. This figure reflects the growing urgency among employees to maintain a harmonious balance between personal life and work. In other words, employees no longer see work merely as a duty or income source; they perceive the work environment as having a direct impact on their mental health, stress levels, and long-term performance. This implies that management practices should focus on reducing overload, providing adequate rest opportunities, and supporting employees’ ability to maintain their own balance to sustain long-term efficiency and motivation.

The second most important factor, with 26.36%, is the demand for flexible work arrangements, including hybrid or remote work. Together, these two factors account for nearly two-thirds of responses, demonstrating that autonomy over time management and flexibility in organizing

work have become core priorities for modern employees. Workers are no longer rigidly tied to office hours or a physical workspace; instead, they seek flexibility that allows them to maximize efficiency, adapt to their lifestyle, and reduce stress. From an HR strategy perspective, this suggests that organizations should implement flexible work models and supportive measures, such as flexible hours, personalized leave policies, or tools supporting remote work, to remain attractive to employees.

In contrast, a professional office environment with adequate support (15.45%) and working in a cohesive, open team (13.64%) received lower ratings but are still significant. These factors can be seen as fundamental “supporting elements”: providing a sense of safety, trust, and effective collaboration at work. However, the survey results indicate that these are not decisive factors in defining the ideal work environment. This suggests that while appropriate infrastructure and a positive corporate culture are necessary, without balance and flexibility, motivation is difficult to maintain in the long term.

The most surprising result was the factor of continuous creativity and development, which received only 7.27% - a low percentage. This contradicts the common assumption that most employees prefer a creative environment with growth opportunities. It indicates that the desire for personal development and new challenges exists but is important only for certain employee groups or career stages, such as younger employees or roles requiring continuous innovation. Thus, creativity as a motivating factor is not universal but rather a segmented need.

Based on the above, it is clear that the H5 hypothesis “**Employees prioritize a creative work environment that ensures continuous development over all other factors, as this is a direct condition for maintaining long term motivation**” is disproved. The survey actually shows that for employees, creativity is not the most important factor; instead, a balanced and flexible work environment is key. These factors constitute the core of long-term motivation, while creativity and development play a complementary role and are valuable only for specific employee segments, not as a general demand.

Overall, the results convey an important message for human resource management: to sustain long-term motivation and improve performance, organizations should prioritize work-life balance and flexibility before launching development or creativity-promoting programs. At the same time, skill development programs should be tailored to employee needs to ensure maximum effectiveness.

#### 4.7. The Most Effective Drivers of Motivation

Workplace motivation is largely influenced by the factors that most effectively drive employees. In the survey, respondents could select from multiple options the factors that most contribute to maintaining and enhancing their motivation. The results show that the most important factors for employees are opportunities for advancement and professional development, a positive corporate culture, and adequate salary and

benefits. The table below illustrates the key motivational factors and their frequency of occurrence.

The Most Effective Factors of Motivation	Frequency (count)	Percentage (%)
Challenges and Creativity of the Work	2	1,82%
<b>Career advancement and development opportunities</b>	31	<b>28,18%</b>
Recognition from Leaders and Colleagues	13	11,82%
<b>Compensation and Benefits</b>	29	<b>26,36%</b>
<b>Positive Corporate Culture</b>	35	<b>31,82%</b>
Total	110	100,00%

*Table 5: The most effective factors of motivation*  
*Source: own research, 2025*

When a significant portion of survey respondents (31.82%) identified a positive corporate culture as the most important factor, it indicates that employees are seeking not just a workplace, but a place where they can feel at home, a space where individual values are recognized, respected, and connected to a shared sense of purpose. This finding aligns with Radu (2023), who showed that a positive culture not only enhances job performance but also nurtures collaboration, trust, and creativity - factors that constitute the organization’s internal vitality. Compared to Olafsen et al. (2024), whose research emphasized the importance of salary and managerial support in maintaining work motivation, the current results expand and deepen the understanding by showing that employees are willing to accept lower, but still reasonable, compensation if they can work in a people-centered, open, and transparent environment. This confirms that in an era of constant change, when the value of work is being redefined, corporate culture is not just a moral foundation but also a strategic tool - a source of trust and interpreted meaning that enables organizations to sustain productivity, engagement, and long-term identity amidst ongoing change.

Opportunities for growth and advancement (28.28%) were rated by most employees as the second most important factor, reflecting a clear trend in the modern workforce: employees are not just seeking a job, but opportunities for learning, skill development, and personal growth. According to Maslow, self-actualization represents the highest level of human motivation; when basic needs are met, personal development itself becomes a significant intrinsic reward that goes beyond short-term material incentives. Opportunities for growth are not only a means to increase skill and performance but also carry symbolic significance, signaling the organization’s trust, recognition, and expectations toward the employee. This sense of “investment and trust” becomes the strongest source of intrinsic motivation, driving effort, creativity, and long-term commitment far beyond short-term rewards.

Although salary and benefits (26.36%) remain an important factor, employees are increasingly distinguishing between factors that help them maintain their job and those that truly inspire them. According to Herzberg’s two-factor theory, salary belongs to hygiene factors: its absence causes dissatisfaction, but its presence alone does not create positive motivation. The data from this study confirm this approach, as salary ranked lower than growth and cultural factors. This suggests that employees view compensation primarily as a baseline for fairness and stability, not as a source of intrinsic motivation. In other words, salary only gains real meaning when it meets expectations for transparency, proportionality, and fairness, but it is no longer the central

driver of motivation that sparks engagement or creativity. This finding aligns with Tenhiälä, Chung, and Park (2024), who showed that the transparency of a compensation system has a more positive impact on employee morale and engagement than the actual amount of pay. Moreover, my data indicate that if an organization overemphasizes salary while neglecting personal development, recognition, and trust, employees tend to do just “enough” without showing sustained commitment.

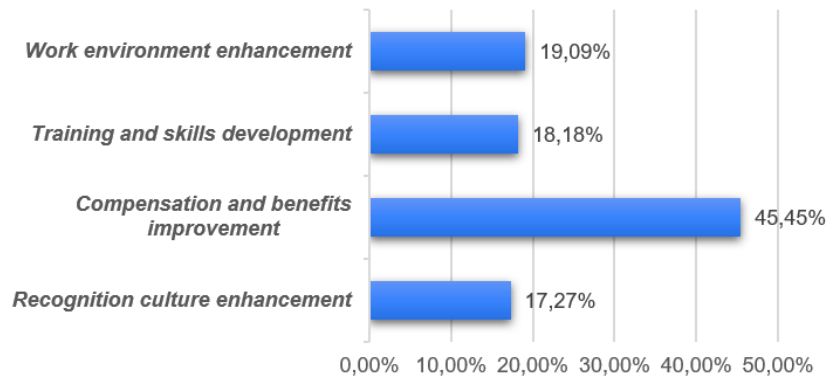
The results also show that recognition (11.82%) and creativity (1.82%) were the least frequently chosen factors influencing work motivation.

This low proportion, however, does not imply that employees value these factors less; rather, it reflects that they do not yet clearly perceive them as direct sources of motivation in today’s workplace. A plausible explanation is that employees tend to focus more on tangible and easily observable factors, such as salary, benefits, or advancement opportunities, while psychological elements such as recognition or creativity often exert influence in a more indirect and less measurable way. Nguyen and Lee (2022), in their study of 326 employees in a hybrid work environment, found that 63% of participants rarely received specific feedback from their supervisors, and only 28% felt that workplace recognition was consistent and genuinely meaningful. The authors concluded that recognition only exerts a demonstrably positive effect on motivation when it is specific, timely, and paired with two-way feedback. In other words, employees do not lack a need for recognition, but they rarely experience it clearly and authentically, which is why they do not regard it as a primary motivator. A similar conclusion was reached by Tri Amindrawati et al. (2025): in strictly regulated or low-autonomy workplaces, opportunities for creativity are limited, so employees find it harder to perceive creativity as a direct source of motivation. This explains the low selection rate for “creativity,” yet when employees are given appropriate space and trust to implement their ideas, creativity significantly enhances job satisfaction and engagement. Saeed and Malik (2023) also support this: employees who regularly receive recognition show, on average, 18% higher satisfaction and performance levels than those who do not.

All of this indicates that recognition and creativity, although less frequently mentioned, can play a hidden but crucial role in sustaining long-term motivation and organizational loyalty. Thus, the low selection rate of these two factors does not reflect a lack of value, but rather highlights their significant potential for development in future motivational strategies.

#### 4.8. Development Priorities Within Organizational Constraints

Although previous research has shown that a positive corporate culture, development opportunities, and recognition are the most motivating factors for employees, when examined in a constrained budget environment, employee priorities shift significantly. Specifically, 45.45% of respondents believe that the company should prioritize increasing salaries and benefits, while only 19.09% chose improving the workplace environment, 18.18% selected promoting training and skill development, and 17.27% favored strengthening a culture of recognition.



**Figure 4: Development priorities under resource and budget constraints**

Source: own research, 2025

This shift clearly reflects the psychological mechanisms behind employee decision-making. When resources are abundant, employees tend to value long-term, intellectual factors, such as culture, personal development, or recognition. However, in times of financial constraint, they prioritize tangible, immediate benefits that satisfy their fundamental needs for security and fairness.

We cannot expect employees to find passion in their work while they are still worried about financial insecurity or perceived unfair compensation. Motivation cannot grow on the soil of uncertainty. Someone who does not feel secure will struggle to fully commit to a larger purpose. Yet it is striking that even with a limited budget, many employees still prioritize development and learning over financial benefits - nearly one in five respondents considers this their primary priority. This is not merely a choice but evidence that the desire for growth and self-actualization is deeply rooted in human nature. People are not just seeking a job; they are seeking a path, a place where they are recognized, can grow, and are trusted.

Herein lies one of the greatest challenges, and opportunities for companies: to demonstrate leadership maturity. If they cannot spend more, they can think more deeply. If they cannot expand the budget, they can broaden their vision. If they cannot offer higher compensation, they can still provide more fairness, recognition, and opportunities for growth. A timely “thank you,” a chance to take on a new challenge, a transparent decision - sometimes these have a stronger impact than a large bonus.

The true test of leadership is not how much we spend but how we make employees feel that their work has meaning and significance. When employees feel they are creating value and see that it is recognized, they commit voluntarily to the organization, not out of fear of losing their job, but because they genuinely feel they belong. And this “sense of belonging” is one of the deepest and most enduring forms of motivation.

When material resources reach their limit, the mental and emotional dimensions of human resources begin to shine. An organization that can turn constraints into motivation and recognize the value of the individual not only survives a crisis but emerges stronger from it.

In a world where almost everything can be copied - technology, products, strategies - the one thing that cannot be replicated is the human being and how an organization treats them. This difference creates the so-called emotional competitive advantage - the force that makes employees want to stay, perform, and proudly identify with their workplace.

## 5. Conclusions and Recommendations

### 5.1. Key Conclusions

The research results indicate that generational factors are not the sole determinant and do not directly drive employee motivation. Rather, they play a supportive role, contributing to the formation of individual attitudes and expectations. Stronger and more direct influences come from organizational and individual factors, such as the work environment, professional development opportunities, compensation systems, leadership style, and methods of recognition and reward.

Employee motivation typically sits at a moderate level - neither too high nor too low. This average motivation suggests that most employees “complete their tasks” rather than fully leveraging their potential. It also serves as a warning that solutions aimed at boosting motivation solely through salary and benefits are insufficient to foster genuine engagement. In fact, the factors that most reduce motivation are excessive workload, chronic stress, and a lack of a supportive environment - subtle yet profound issues that significantly impact psychological well-being and work experience.

Interestingly, when employees were asked about their ideal work environment, instead of choosing a purely creative and continuously developing setting, the majority preferred a combined model: an environment where they can efficiently accomplish their tasks while maintaining work-life balance. This reflects not only the demand for “flexibility” but also the need for a human-centered work environment where employees feel respected and acknowledged.

The picture becomes even more compelling when examining the factors directly affecting motivation. Positive corporate culture was selected most frequently, followed by growth and advancement opportunities, while pay and benefits - which are often assumed to be primary - came after these. However, when choices were assessed within the constraints of practical priorities, limited budgets, and restricted conditions, the order shifted: pay and benefits became the most important “baseline condition,” followed by the work environment and professional development opportunities, and finally recognition and culture - less visible but crucial factors that most effectively stimulate motivation.

This shift reveals a profound paradox: what employees “want” does not always align with what they actually need. Recognizing this is essential for leaders and HR professionals seeking to balance ideal expectations with practical realities.

Overall, the picture of workplace motivation is not merely a list of factors but a nuanced exploration - from subtle needs to real-world priorities, through the careful alignment of policies, culture, and the work environment. At the center of this process is always the human element: individuals ready to contribute their intellectual and emotional capacities when they are recognized, respected, and empowered.

## 5.2. Recommendations for Companies and HR Professionals

The research highlights that employee motivation is not determined solely by salary, but is a complex process in which individual and organizational factors constantly interact. To truly harness employees' potential and build long-term engagement, the following strategic steps are recommended:

### 1) **Creating a Human-Centered Work Environment**

- Establish an environment where employees feel safe, heard, and valued.
- Ensure work–life balance, reduce stress and overload, and provide opportunities for creativity and rest.

*Example:* flexible working hours, health support programs, dedicated rest and creative spaces.

### 2) **Positive Corporate Culture and Timely Recognition**

- Build a corporate culture that respects and acknowledges effort and creativity, not just results.
- Implement regular feedback and recognition systems.

*Example:* “Employee of the Month” programs recognizing initiative, creativity, or positive team impact.

### 3) **Providing Professional Development and Career Opportunities**

- Create transparent career paths, combining mentorship programs with internal advancement opportunities.
- Motivation increases significantly when employees see opportunities for growth and contributions to organizational success.

*Example:* “Fast Track” programs for talented employees, leadership skills training, experimental projects for skill development.

### 4) **Aligning Ideal Expectations with Practical Possibilities**

- Employee desires and organizational constraints do not always align.
- HR's role is to harmonize the two perspectives and maintain trust and engagement through transparent and continuous communication.

*Example:* prioritizing initiatives based on their impact on performance and employee satisfaction when resources are limited.

### 5) **Diversifying Motivational Strategies**

- Salary is fundamental, but meaning in work, autonomy, and recognition provide sustained long-term motivation.
- Recommended: create a “motivation map” combining financial and intellectual incentives.

### 6) **Continuous Monitoring and Flexible Adaptation**

- Motivation is dynamic, requiring regular surveys, data analysis, and flexible managerial decisions.

*Example:* quarterly satisfaction surveys, focus groups, 360° feedback to enable rapid problem detection and strategy fine-tuning.

Motivation is not a single factor; it is the delicate balance of respect, recognition, development, and meaningful work. A successful HR strategy not only enhances performance but also empowers, inspires, and provides employees with the opportunity to realize their full potential, thereby becoming key to the organization's sustainable success.

### 5.3. Limitations of the Research and Future Research Directions

Although the present study provided valuable and multifaceted insights into the complex phenomenon of employee motivation, as well as highlighted generational differences and the role of organizational factors, no scientific investigation is entirely without limitations. Recognizing these limitations does not reflect a weakness of the research; on the contrary, it demonstrates scientific maturity and self-reflection, while also indicating directions for future studies.

First, the sample size and composition of the study were limited, which moderates the level of generalizability. The relatively small number of participants, as well as the subjective nature of their responses - including the workplace and psychological conditions at the time of participation may have introduced certain biases or data deviations. This is a common issue in organizational behavior research and underscores the need for more precise planning of future data collection.

Second, the study aimed to provide a comprehensive picture of the four employee generations - X, Y, Z, and Baby Boomers. However, the absence of Baby Boomers in the sample represented a significant limitation. Consequently, the results primarily reflect the perspectives of younger and middle-aged employees, and do not fully capture the experiences of older generations, who may possess substantial organizational knowledge and distinct motivational patterns.

Third, the research relied on a survey-based, quantitative methodology, which allowed for the identification of general trends but did not permit the exploration of deeper, emotional, and contextual factors underlying motivation. Analyses based solely on numerical data often fail to reflect employees' internal experiences, values, or organizational perceptions. Therefore, future research could benefit from incorporating qualitative methods, such as in-depth interviews or focus groups, to gain a more nuanced understanding of the internal dimensions of motivation.

Fourth, geographical and cultural factors must be considered, as they can significantly influence how motivation is interpreted and experienced. Differences in cultural context, social norms, and leadership styles can affect what employees perceive as fair recognition or success. Accordingly, the results are primarily interpretable within the specific cultural and organizational context of the study.

Furthermore, the study was cross-sectional, meaning that data were collected at a single point in time, and thus do not reflect long-term changes in motivation. A longitudinal study, which tracks temporal processes, could help uncover how motivation evolves in response to organizational changes, economic fluctuations, or technological developments.

Based on the above limitations, several potential directions for future research can be outlined:

- **Expanding and diversifying the sample** by including participants from different generations, industries, job roles, and geographic regions. This would enhance the generalizability and reliability of the results, and allow for analyses of cultural and sectoral differences.
- **Combining qualitative and quantitative methods** - for example, using interviews, focus groups, or observation would provide a richer and deeper understanding of motivational factors. Such a mixed-methods approach would enable the research not only to identify statistical trends, but also to interpret the psychological and cultural meanings behind human experiences.
- **Conducting longitudinal studies** to map the dynamics of motivation over time and examine how employees adapt to organizational and economic changes. This would allow for the identification of real causal relationships.
- **Performing cross-cultural and international comparative studies** to explore how different societal values and leadership norms shape the structure of motivation. This approach is valuable not only academically, but also practically, providing guidance for global and multicultural organizations.

Work motivation is not a fixed concept that can be captured through simple numbers. It is a continuous process, constantly shaped and reshaped through the interaction between individuals and the organizations they belong to.

This study has helped to shed light on the nuances within that process - from generational differences and the influence of the work environment to the subtle balance between tangible rewards and intangible values. Yet, like all research concerning human behavior, these findings represent only one fragment of a much broader picture. It is precisely these limitations that create opportunities to look deeper, listen more carefully, and ask new questions.

In the future, more multidimensional studies, combining quantitative and qualitative methods across different cultures and time periods will continue to illuminate a fundamental question: what truly drives people to strive and remain committed in their work?

Ultimately, understanding and nurturing motivation is not merely the task of researchers or managers, but a journey toward building workplaces that honor human value, spark curiosity, cultivate meaning, and awaken the potential within every individual.

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# Appendix 1 - Survey Questionnaire

## Section 1: Demographic Information

1. **What is your gender?**
  - a) Male
  - b) Female
2. **Which generation do you belong to?**
  - a) Baby Boomer Generation (1946 - 1964)
  - b) Generation X (1965 - 1980)
  - c) Millennial Generation (1981 - 1996)
  - d) Generation Z (after 1997)
3. **In which industry do you work?**
  - a) IT / Information Technology
  - b) Education
  - c) Finance / Banking Sector
  - d) Manufacturing
  - e) Healthcare
  - f) Services
  - g) Commerce / Retail
  - h) Construction
  - i) Tourism
  - j) Law / Legal Sector
  - k) Energy
  - l) Logistics
  - m) Automotive Industry
  - n) Agriculture
  - o) Media
  - p) Government
4. **What is your current position?**
  - a) Employee
  - b) Middle Manager
  - c) Senior Manager
  - d) Company Director / Owner
5. **How many years have you been working in your current field?**
  - a) 0 – 1 year
  - b) 2 – 5 years
  - c) 6 – 10 years
  - d) more than 10 years

## Section 2: Work motivation

6. **How would you rate your current work motivation? (On a scale from 1 to 5, where 1 = Very low and 5 = Very high)**
  - a) 1
  - b) 2
  - c) 3
  - d) 4
  - e) 5
7. **What is the most common reason employees lose their motivation?**
  - a) Lack of recognition
  - b) Low salary and benefits
  - c) Limited opportunities for professional development

- d) Excessive workload and stress
  - e) Inadequate work environment
- 8. What most motivates you to work efficiently?**
- a) Salary and benefits
  - b) Opportunities for advancement and professional development
  - c) Positive corporate culture
  - d) Recognition from management and colleagues
  - e) Challenging and creative work
- 9. What leadership style do you prefer for maintaining motivation?**
- a) Empowering leadership that encourages creativity
  - b) Strictly controlling leadership
  - c) Results-oriented leadership with clear goals
- 10. What is your ideal work environment for maintaining motivation?**
- a) Professional office environment with adequate support
  - b) Flexible working arrangements (remote or hybrid work)
  - c) Creative environment that fosters continuous development
  - d) Working in a cohesive and open-minded team
  - e) Balanced environment with a healthy work - life ratio
- 11. Does remote or flexible work affect your work motivation?**
- a) Significantly increases my motivation
  - b) Slightly increases my motivation
  - c) Has no significant effect
  - d) Decreases my motivation
- 12. Do you feel that your motivation changes at different stages of your career?**
- a) Yes, it changes significantly
  - b) Yes, but only slightly
  - c) No, my motivation has not changed significantly
  - d) I don't know / I haven't noticed a change
- 13. Are you satisfied with the current reward and incentive policy?**
- a) Yes
  - b) No
- 14. If your company had a limited budget to improve motivation, which area would you prefer it to invest in the most?**
- a) Salary increase and benefits
  - b) Improvement of the work environment
  - c) Training and skill development
  - d) Strengthening the culture of recognition

## Appendix 2

### DECLARATION

**on the public accessibility and originality of the thesis / diploma thesis / final project / portfolio**

**Student's name:** LE THI THU HONG

**Student's Neptun code:** AA01LC

**Title of the thesis:** Motivation and Incentives in the Workplace

**Year of publication:** 2025

**Name of supervisor's institute:** Hungarian University of Agriculture and Life Sciences (MATE), Gyöngyös

**Name of the supervisor's department:** Institute of Rural Development and Sustainable Economy

I hereby declare that the thesis / diploma thesis / final project / portfolio I have submitted is an individual, original work of my own intellectual creation. Any parts that have been taken from the works of other authors are clearly indicated and properly referenced in the bibliography. Furthermore, I declare that the use of artificial intelligence tools (e.g., text generation, language correction, translation, data analysis) during the preparation of my thesis did not replace my own research or creative work. The use of such tools has been indicated either among the sources or in the methodology section, and I have acted in accordance with professional and ethical standards.

If the above declaration proves to be false, I acknowledge that the final examination committee may exclude me from the final examination, and I may only retake it after preparing a new thesis.

I authorize the viewing and printing, but not the editing, of the submitted thesis, which is in PDF format.

I acknowledge that the use and exploitation of my thesis, as an intellectual creation, shall be governed by the current Intellectual Property Management Regulations of the Hungarian University of Agriculture and Life Sciences (MATE).

I acknowledge that the electronic version of my thesis will be uploaded to the university's library repository system.

I understand that:

- A non-classified thesis will become publicly accessible after the defense
- A classified thesis will become publicly accessible five years after submission.

Thus, my thesis will be publicly available and searchable in the university's library repository system.

Kaposvár, 29 October 2025.

Student's signature:



Le Thi Thu Hong

## **Appendix 3**

### **DECLARATION**

I, VARGA ERIKA ERZSÉBET (student Neptun ID: AA01LC), as the student's supervisor, hereby declare that I have reviewed the thesis/final paper/dissertation/portfolio, and I have informed the student about the requirements, as well as the legal and ethical rules regarding the proper use of literary sources.

I recommend the thesis for defense at the final examination.

The thesis does not contain state or service secrets.

Kaposvár, 29 October 2025.

Internal supervisor's signature:

A handwritten signature in blue ink, appearing to read 'Erika Erzsébet Varga'.

## Appendix 4

### Declaration by Students and Doctoral Candidates on the Use of Artificial Intelligence (AI)

#### 1. General Information

Student's name	<b>LE THI THU HONG</b>
Neptun code	<b>AA01LC</b>
Level of study (mark the appropriate one with an X)	<input checked="" type="checkbox"/> BSc/BA <input type="checkbox"/> MSc/MA <input type="checkbox"/> Doktori (PhD) <input type="checkbox"/> Other:
Course name/code	<b>Commerce and Marketing</b>
Title of the thesis	<b>Motivation and Incentives in the workplace</b>

#### 2. Declaration on the use of AI

I, the undersigned, fully aware of my ethical responsibilities, hereby make the following declaration:

(Please select one of the options below.)

A) I have not used any artificial intelligence (AI) system or service.

(If you select this option, you do not need to complete the tables that follow.)

B) I have used an artificial intelligence (AI) system or service.

(If you select this option, please complete the relevant tables below.)

#### 3. Details of AI usage

TABLE I: Assistant or minor use (e.g., translation, language correction, brainstorming, etc.)

(In such cases, attaching the specific prompts and responses is not required.)

<b>Purpose of use</b>	<b>Name and version of AI tool used</b>	<b>Affected section (if not the entire text)</b>
Translation, brainstorming ideas, formatting guidance, language correction	ChatGPT (GPT-5-mini)	Literature review, conclusions

TABLE II: Significant content contribution (e.g., generation of a complete figure or an extended text passage)

(In these cases, the key prompts used and the raw responses generated by the AI must be documented and attached as an appendix to the work.)

Purpose of use	Name and version of AI tool used	Exact number of the relevant chapter	Entry number of the appendix containing the prompt log
Assist in finalising conclusions and summarizing key findings	ChatGPT, GPT-5 Mini	Chapter 5: Conclusions	Not Applicable
Assist in synthesizing the main points in literature and related studies	ChatGPT, GPT-5 Mini	Chapter 3: Literature Review	Not Applicable

3/A. Additional Rules Set by the Instructor (if any)

If the instructor of the given course or the thesis supervisor has established specific rules or expectations regarding the use of AI tools, please summarize them below.

(Examples: prohibition of AI use for certain types of assignments; only specific tools allowed; different citation requirements; required documentation format; etc.)

Rules set by the instructor or supervisor: .....

**4. Declaration Applicable to All Students**

I declare that any content potentially generated by artificial intelligence has been critically reviewed, edited, and integrated into my work by me. I take full responsibility for every element of the submitted work, including its originality and scientific accuracy.

I acknowledge that the **Hungarian University of Agriculture and Life Sciences (MATE)** may check the submitted work using an artificial intelligence detection tool and may initiate proceedings if my declaration is found to be false or incomplete.

Kaposvár, 29 October 2025.

**Student's signature:**

Le Thi Thu Hong

**Supervisor's signature:**

# Appendix 5

## Content Summary (Abstract)

**Title of the Thesis:** Motivation and Incentives in the workplace

**Name of the student preparing the thesis:** Le Thi Thu Hong

**Name of the program:** Bachelor's Degree Program in Commerce and Marketing – Full time

**Name of the Institute/Department:** Hungarian University of Agriculture and Life Sciences (MATE)

**Internal Supervisor:** Dr. Varga Erika Erzsébet Professor

### Summary

This thesis investigates the factors influencing employee motivation and engagement, with a particular focus on generational differences among employees (X, Y, Z). The aim is to identify the key factors affecting motivation and to explore effective incentive strategies tailored to the diverse needs and values of each generational cohort.

The study combines theoretical analysis with empirical research. An online survey of 14 questions was conducted from March to June 2025 with 110 participants. Initially, respondents were selected from personal contacts, colleagues, and professional networks, after which the snowball sampling method was applied to expand the survey's reach and diversify the sample. The questionnaire collected demographic information, satisfaction with compensation and incentive systems, preferred leadership styles, ideal work environments, and factors influencing motivation and engagement. Data were analyzed using descriptive statistics and comparative methods to identify trends and differences between generations.

Based on the survey, the following research hypotheses were proposed:

- H1: Levels of work motivation differ significantly across generations
- H2: Most employees lose motivation primarily due to low income and inadequate compensation systems
- H3: Employees' work motivation increases significantly when the work environment allows creativity and is accompanied by clear strategic leadership
- H4: Younger generations prefer flexible and creative work environments compared to older generations
- H5: Employees prioritize a creative work environment that ensures continuous development over all other factors, as this is a direct condition for maintaining long term motivation.

The findings indicate that generational factors play a supportive role, while organizational and individual factors, such as work environment, professional development opportunities, compensation systems, and recognition have stronger direct impacts on motivation. Employees generally prefer a balanced work environment that allows them to accomplish tasks efficiently while maintaining work–life balance. Factors that most reduce motivation include excessive workload, chronic stress, and lack of supportive environments.

The study also reveals that less visible factors, such as corporate culture and recognition, can be powerful motivators when combined with development opportunities and a supportive work environment. The results provide a foundation for leaders and HR professionals to balance ideal expectations with practical realities, enhancing engagement, satisfaction, and long-term organizational performance.

I wish to express my sincere gratitude to everyone who supported, inspired, and accompanied me throughout the research process, especially my supervisor and the participants of the survey. I hope that the findings of this thesis offer useful insights and practical value, contributing to the enrichment of research in employee motivation and human resource management.

If any shortcomings, inaccuracies, or errors occurred during the research process, I kindly ask the esteemed reviewers and educators for their understanding, as well as constructive feedback that will enable me to further develop and refine my future work.